

Unaudited Financial Statements of

COMMONWEALTH BREWERY LIMITED

Three months ended March 31, 2024

COMMONWEALTH BREWERY LIMITED

Management comments on Interim Financial Statements (Unaudited)

Three months ended March 31, 2024

Financial Update

Commonwealth Brewery Ltd. (CBL) grew Net Revenue during the period ending 31st March 2024, with an increase of 2%, compared to the same period of 2023. Revenue growth was driven principally growth in volume sold.

Operating expenses landed in line compared to the same period of 2023 (+0%) despite the growth in volume. This was primarily driven by productivity gains and targeted savings throughout the value chain. CBL will continue to implement cost mitigation and other measures to drive balanced, profitable growth.

Net Profit for the first quarter 2024 was of \$2.6M compared to \$1.9M for the comparative period of 2023. This was mainly driven by the ability to control operating expenses whilst growing the top-line. Management will continue to execute its Evergreen strategy as we navigate the ongoing market volatility whilst building for the future.

COMMONWEALTH BREWERY LIMITED

Statement of Financial Position (Unaudited)

March 31, 2024, with corresponding figures for December 31, 2023
(Expressed in Bahamian dollars)

	March 2024	December 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,195,149	7,170,379
Trade receivables, net	5,971,578	6,001,445
Prepaid expenses and other assets	4,393,410	1,973,523
Inventories	32,943,514	30,149,599
Total current assets	49,503,651	45,294,946
Non-current assets:		
Right of use asset	7,567,404	6,560,940
Property, plant and equipment	46,494,337	47,103,591
Goodwill	4,487,242	4,487,242
Other intangible assets	1,289,354	1,410,087
Total non-current assets	59,838,337	59,561,860
Total assets	\$ 109,341,988	104,856,806
Liabilities and equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 15,871,299	15,032,090
Short-term lease liability	2,683,662	2,128,748
Total current liabilities	18,554,961	17,160,838
Non-current liabilities:		
Long-term lease liability	5,336,986	4,882,101
Total liabilities	23,891,947	22,042,939
Equity:		
Share capital	150,000	150,000
Share premium	12,377,952	12,377,952
Contributed surplus	16,351,369	16,351,369
Revaluation surplus	16,083,580	16,083,580
Retained earnings	40,487,140	37,850,966
Total equity	85,450,041	82,813,867
Total liabilities and equity	\$ 109,341,988	104,856,806

COMMONWEALTH BREWERY LIMITED

Interim Statement of Profit or Loss (Unaudited)

For the three months ended March 31, 2024, with corresponding figures for the three months ended March 31, 2023

(Expressed in Bahamian dollars)

	March 2024	March 2023
Income:		
Revenue	\$ 32,457,917	31,379,114
Excise	(1,993,829)	(1,617,120)
Net revenue	30,464,088	29,761,994
Operating expenses:		
Raw materials, consumables and services	21,028,852	20,997,328
Personnel costs	4,996,053	4,859,969
Depreciation	1,475,550	1,577,552
Amortisation	120,733	120,513
Total operating expenses	27,621,188	27,555,362
Other (income) / expense	(33,448)	206,474
Results from operating activities	2,876,348	2,000,158
Finance expenses	240,174	77,872
Total net profit	\$ 2,636,174	1,922,286
Other comprehensive income		
Gain on revaluation	-	-
Total net profit and comprehensive income	\$ 2,636,174	1,922,286
Basic and diluted earning per share	\$ 0.09	0.06

COMMONWEALTH BREWERY LIMITED

Interim Statement of Changes in Equity (Unaudited)

For the three months ended March 31, 2024

(Expressed in Bahamian dollars)

		Share Capital	Share premium	Contributed Surplus	Revaluation surplus	Retained earnings	Total equity
Balance as at 31 December 2023	\$	150,000	12,377,952	16,351,369	16,083,580	37,850,966	82,813,867
Total net profit and comprehensive income		-	-	-	-	2,636,174	2,636,174
Balance at March 31, 2024	\$	150,000	12,377,952	16,351,369	16,083,580	40,487,140	85,450,041

COMMONWEALTH BREWERY LIMITED

Statement of Cash Flows (Unaudited)

For the three months ended March 31, 2024, with corresponding figures for the three months ended March 31, 2023

(Expressed in Bahamian dollars)

	March 2024	March 2023
Cash flows from operating activities		
Net income	\$ 2,636,174	1,922,286
Adjustments for:		
Depreciation	1,475,550	1,577,552
Amortisation	120,733	120,513
Impairment loss recognized on cash and cash equivalents and trade receivables	(80,208)	137,388
Loss on disposal of property, plant and equipment	(49)	-
Interest expense	116,774	77,871
Net cash from operations before changes in working capital	4,268,974	3,835,611
Changes in non-cash working capital	(3,709,604)	(6,001,457)
Net cash from operating activities	559,370	(2,165,845)
Cash flows from financing activities		
Dividends paid		
Repayment of loans and borrowings	-	-
Interest paid	(116,774)	(77,872)
Net cash used in financing activities	(116,774)	(77,872)
Cash flow from investing activities		
Additions to property, plant and equipment (excl. ROU asset)	(227,322)	(359,279)
Additions to property, plant and equipment - ROU asset	(1,645,438)	-
Additions to intangible assets	-	(1)
Repayment of lease liability	454,885	(602,225)
Proceeds from sale of property, plant and equipment	49	(19)
Net cash used in investing activities	(1,417,826)	(961,523)
Net decrease in cash and cash equivalents	(975,230)	(3,205,240)
Cash and cash equivalents, beginning of quarter	7,170,379	10,783,179
Cash and cash equivalents, end of quarter	\$ 6,195,149	7,577,939

1. Accounting Policies

These interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by IFRS for consolidated financial statements. In the opinion of management, these unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company’s financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these unaudited consolidated financial statements.