

Unaudited Financial Statements of

COMMONWEALTH BREWERY LIMITED

Six months ended June 30, 2025

COMMONWEALTH BREWERY LIMITED

Management comments on Interim Financial Statements (Unaudited)

Six months ended June 30, 2025

Financial Update

Commonwealth Brewery Ltd. (CBL) delivered stable financial performance in the first six months of the year, with net revenue showing a slight increase of 0.4% in the second quarter. This modest growth in the second quarter was primarily driven by the timing of the Easter holiday in this period, compared to the first quarter of 2024. As a result, CBL experienced a boost in sales, encouraged by increased activity at on-premise locations and higher At-Home consumption during the holiday period.

Global beverage markets, including ours, are finding a new post-pandemic rhythm. As a result, consumer interest remains strong, particularly among those seeking the best value for their spend. The Spirits category continues to lead growth, fuelled by a diverse range of offerings at multiple price points. Beer also holds a solid position in the market, driven by the exceptional performance of our local brands like Kalik and Eclipse. Not only are changes in consumer spending patterns influencing demand, but so are the continued tourism shifts from stopover visitors to cruise passengers. Notwithstanding, CBL remains well-positioned to respond to evolving consumer preferences. The company effectively leverages its expansive product portfolio and strong presence throughout The Bahamas.

This agility is further reflected in disciplined cost management, with Operating Expenses rising only 1.6% during the period. The rise in Operation Expenses is attributed to increased marketing investments above the previous year as we prepare for campaigns in the second half of the year. This investment, along with our focus on execution, will deliver strong revenue growth over the rest of the year. These measures highlight CBL's resolute commitment to maintaining its competitiveness and positioning it to navigate ongoing economic challenges and pursue new growth opportunities.

For the first half of 2025, CBL reported a net profit of \$6.0M, compared to \$6.1M in the same period last year, primarily due to tight control of operating costs. The company also achieved a notable increase in net cash flow from operating activities, generating \$9.1 million compared to \$5.6 million in the first half of 2024 through effective working capital management.

COMMONWEALTH BREWERY LIMITED

Statement of Financial Position (Unaudited)

June 30, 2025, with corresponding figures for December 31, 2024

(Expressed in Bahamian dollars)

		June 2025	December 2024
Assets			
Current assets:			
Cash and cash equivalents	\$	19,694,256	12,576,334
Trade receivables, net		4,366,019	9,648,550
Prepaid expenses and other assets		4,411,063	1,577,852
Inventories		33,622,143	31,457,381
Total current assets		62,093,481	55,260,117
Non-current assets:			
Right of use asset		4,249,923	5,667,064
Property, plant and equipment		46,698,249	47,295,922
Goodwill		4,487,242	4,487,242
Other intangible assets		685,686	927,153
Total non-current assets		56,121,100	58,377,381
Total assets	\$	118,214,581	113,637,498
Liabilities and equity			
Current liabilities:			
Accounts payable and accrued expenses	\$	16,526,466	16,427,859
Short-term Lease Liability		1,890,360	2,253,720
Total current liabilities		18,416,826	18,681,579
Non-current liabilities:			
Long-term Lease liability		2,905,783	4,032,267
Total liabilities		21,322,609	22,713,846
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		51,929,071	45,960,751
Total equity		96,891,972	90,923,652
Total liabilities and equity	\$	118,214,581	113,637,498

COMMONWEALTH BREWERY LIMITED

Interim Statement of Profit or Loss (Unaudited)

For the three months ended June 30, 2025, with corresponding figures for the three months ended June 30, 2024

(Expressed in Bahamian dollars)

	June 2025	June 2024
Income:		
Revenue	\$ 35,315,019	34,280,999
Excise	(1,603,630)	(1,717,996)
Net revenue	33,711,389	32,563,003
Operating expenses:		
Raw materials, consumables and services	23,337,218	22,868,122
Personnel costs	5,393,459	4,403,715
Depreciation	1,522,546	1,569,705
Amortisation	120,734	120,733
Total operating expenses	30,373,957	28,962,275
Other income/(expenses)	636,031	116,742
Results from operating activities	3,973,463	3,717,470
Finance expenses	267,391	174,865
Total net profit	\$ 3,706,072	3,542,605
Other comprehensive income		
Gain on revaluation of property	-	-
Total net profit and comprehensive income	3,706,072	3,542,605
Basic and diluted earning per share	\$ 0.12	0.12

COMMONWEALTH BREWERY LIMITED

Interim Statement of Profit or Loss (Unaudited)

For the six months ended June 30, 2025, with corresponding figures for the six months ended June 30, 2024

(Expressed in Bahamian dollars)

		June 2025	June 2024
Income:			
Revenue	\$	66,422,034	66,738,916
Excise		(3,122,068)	(3,711,825)
Net revenue		63,299,966	63,027,091
Operating expenses:			
Raw materials, consumables and services		43,562,258	43,896,972
Personnel costs		10,512,523	9,399,768
Depreciation		3,159,401	3,045,255
Amortisation		241,467	241,467
Total operating expenses		57,475,649	56,583,462
Other income		609,121	83,294
Results from operating activities		6,433,438	6,526,923
Finance expenses		465,118	435,557
Total net profit	\$	5,968,320	6,091,366
Other comprehensive income			
Gain on revaluation of property		-	-
Total net profit and comprehensive income		5,968,320	6,091,366
Basic and diluted earning per share	\$	0.20	0.20

COMMONWEALTH BREWERY LIMITED

Interim Statement of Changes in Equity (Unaudited)

For the six months ended June 30, 2025

(Expressed in Bahamian dollars)

	Share Capital	Share premium	Contributed Surplus	Revaluation surplus	Retained earnings	Total equity
Balance as at 31 December 2024	150,000	12,377,952	16,351,369	16,083,580	45,960,751	90,923,652
Net Profit	-	-	-	-	5,968,320	5,968,320
Balance at June 30, 2025	150,000	12,377,952	16,351,369	16,083,580	51,929,071	96,891,972

COMMONWEALTH BREWERY LIMITED

Statement of Cash Flows (Unaudited)

For the six months ended June 30, 2025, with corresponding figures for the six months ended June 31, 2025

(Expressed in Bahamian dollars)

	June 2025	June 2024
Cash flows from operating activities		
Net income	\$ 5,968,320	6,091,366
Adjustments for:		
Depreciation	3,159,401	3,045,255
Amortisation	241,467	241,467
Impairment loss recognized on cash and cash equivalents and trade receivables	164,978	(56,314)
Finance expense	(8,499)	238,402
Net cash from operations before changes in working capital	9,525,667	9,560,176
Changes in non-cash working capital	(447,850)	(3,577,048)
Net cash from operationing activities	9,077,817	5,983,128
Cash flows from financing activities		
Interest paid	8,499	(238,402)
Net cash used (from)/in financing activities	8,499	(238,402)
Cash flow from investing activities		
Additions to property, plant and equipment	(526,766)	(481,689)
Additions to intangible assets	-	2
Repayment of lease liability	(1,441,627)	(1,368,815)
(Loss) from sale of property, plant and equipment	-	(27)
Net cash used in investing activities	(1,968,395)	(1,850,529)
Net increase/(decrease) in cash and cash equivalents	7,117,922	3,894,197
Cash and cash equivalents, beginning of period	12,576,334	7,636,646
Cash and cash equivalents, end of period	19,694,256	11,530,843

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.