COMMONWEALTH BREWERY LIMITED

Consolidated Financial Statements
For The Year Ended December 31, 2025
And Independent Auditors' Report

COMMONWEALTH BREWERY LIMITED
Consolidated Financial Statements

Year ended December 31, 2025

KPMG (Bahamas) Ltd.
Marina Hall
Sandyport Olde Towne
Seasky Lane
PO Box N-123
Nassau, Bahamas
Tel +1 242 393 2007
Fax +1 242 393 1772
Web www.kpmg.com/bs

Independent Auditors' Report to the Shareholders of Commonwealth Brewery Limited

Opinion

We have audited the consolidated financial statements of Commonwealth Brewery Limited (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the consolidated Financial Statements" section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Comparative Information

We draw attention to Note 27 of the consolidated financial statements which indicates that the comparative information presented as at and for the year ended December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Phone: +1 242 393 2007
Fax: +1 242 393 1772
Internet: www.kpmg.com.bs

<table>
<tr><td colspan="2">Impairment of Goodwill

See Note 9 to the consolidated financial statements.</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As of December 31, 2025, the carrying value of the goodwill in the consolidated statement of financial position amounted to $4,487,242 (2024: $4,487,242).

Goodwill represents the excess of the cost of acquisition over the net fair value of the identifiable assets and liabilities of Butler & Sands Company Limited and its subsidiaries (B&S) recognised at the date of acquisition by the Group in the year 2000 of a 100% ownership interest. The goodwill is allocated to the operation of B&S supplier relationships as a cash generating unit (CGU).

The annual impairment testing of goodwill is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount. The recoverable amount of the CGU is based on a value in use calculation determined by discounting the future cash flows generated from the continuing use of the CGU. These calculations use several key assumptions, including estimates of future sales revenue, terminal value growth rate and the weighted-average cost of capital (discount rate).</td><td>Our audit procedures in this area included, among others:

• involving our own valuation specialist to assist in evaluating the reasonableness of the valuation methodology applied, as well as the appropriateness of discount rates used, which included comparing the weighted-average cost of capital (WACC) with independently calculated WACC range using assumptions based on industry knowledge, comparable public companies, and externally derived data;

• evaluating the appropriateness of the assumptions applied to key inputs such as sales revenue and long-term growth rates and the reasonableness of financial projections based on our knowledge of the Group and the industry;

• performing our own sensitivity analysis, which included assessing the impairment test results across a range of discount rates to assess overall reasonableness; and

• evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities.</td></tr>
</table>

Other Matter Relating to Comparative Information

The consolidated financial statements of the Group for the years ended December 31, 2024 and December 31, 2023 (from which the consolidated statement of financial position as at January 1, 2024 has been derived), excluding the adjustments described in Note 27 to the consolidated financial statements, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on July 15, 2025 and May 30, 2024, respectively. As part of our audit of the consolidated financial statements as at and for the year ended December 31, 2025, we audited the adjustments described in Note 27 that were applied to restate the comparative information presented as at and for the year ended December 31, 2024 and the consolidated statement of financial position as at January 1, 2024. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the years ended December 31, 2024 or December 31, 2023 (not presented herein) or to the consolidated statement of financial position as at January 1, 2024, other than with respect to the adjustments described in Note 27 to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective consolidated financial statements taken as a whole. However, in our opinion, the adjustments described in Note 27 are appropriate and have been properly applied.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's 2025 Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Shaneska Kemp.

KPMG (Bahamas) Ltd.

Nassau, Bahamas
September 16, 2026

COMMONWEALTH BREWERY LIMITED

Consolidated Statement of Financial Position

As at December 31, 2025, with corresponding figures for 2024 and 2023
(Expressed in Bahamian dollars)

	Note(s)		31 December 2025	31 December 2024 restated*	1 January 2024 restated*
Assets					
Current assets:					
Cash and cash equivalents	4	$	7,616,066	12,576,334	7,636,646
Trade receivables, net	5		7,272,302	9,648,550	6,165,371
Prepaid expenses and other assets	6		3,721,522	1,577,852	4,084,135
Inventories	7		36,435,555	31,457,381	30,149,599
Total current assets			55,045,445	55,260,117	48,035,751
Non-current assets:					
Right of use asset	8		4,074,504	5,983,023	7,730,532
Property, plant and equipment	10		47,563,552	46,851,040	46,658,709
Goodwill	9		4,487,242	4,487,242	4,487,242
Other intangible assets	11		448,975	927,153	1,410,087
Total non-current assets			56,574,273	58,248,458	60,286,570
Total assets	24	$	111,619,718	113,508,575	108,322,321
Liabilities and equity					
Current liabilities:					
Accounts payable and accrued expenses	12, 23	$	20,655,492	16,427,859	17,772,895
Short-term lease liability	8, 23		2,162,828	2,162,828	2,128,748
Total current liabilities			22,818,320	18,590,687	19,901,643
Non-current liabilities:					
Long-term lease liability	8, 23		2,550,371	4,586,902	6,317,697
Total liabilities	24		25,368,691	23,177,589	26,219,340
Equity:					
Share capital	13		150,000	150,000	150,000
Share premium			12,377,952	12,377,952	12,377,952
Contributed surplus			16,351,369	16,351,369	16,351,369
Revaluation surplus	10		15,638,698	15,638,698	15,638,698
Retained earnings			41,733,008	45,812,967	37,584,962
Total equity			86,251,027	90,330,986	82,102,981
Total liabilities and equity		$	111,619,718	113,508,575	108,322,321

*The comparative information is restated due to correction of prior period error for property revaluation and certain lease arrangements under IFRS 16. See Note 27

These consolidated financial statements were approved for issue on behalf of the Board of Directors on 14th September 2026 by:

Etienne Bacholllier ______________ Director   Julian Francis ______________ Director

COMMONWEALTH BREWERY LIMITED

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended December 31, 2025, with corresponding figures for 2024
(Expressed in Bahamian dollars)

	Note(s)		31 December 2025	31 December 2024 restated*
Income:				
Revenue	24	$	134,357,842	136,340,279
Excise			(6,775,642)	(7,636,313)
Net revenue			127,582,200	128,703,966
Operating expenses:				
Raw materials, consumables and services	17		86,392,225	86,823,643
Personnel costs	15, 18		20,347,757	19,122,330
Depreciation	10		5,841,087	5,654,474
Amortisation	11		478,177	482,934
Total operating expenses			113,059,246	112,083,381
Other (expense)/income	16		(1,901,567)	126,722
Results from operating activities			12,621,387	16,747,307
Finance expenses	8		959,709	990,307
Profit before income tax	19, 24	$	11,661,678	15,757,000
Income tax expense	26		1,641,637	1,528,995
Total net profit		$	10,020,041	14,228,005
Basic and diluted earning per share	19	$	0.33	0.47

*The comparative information is restated due to retrospective application of Domestic Minimum Top-Up Tax and correction of prior period error for certain lease arrangements under IFRS 16 (See Note 27)

See accompanying notes to consolidated financial statements.

COMMONWEALTH BREWERY LIMITED

Consolidated Statement of Changes in Equity

Year ended December 31, 2025, with corresponding figures for 2024
(Expressed in Bahamian dollars)

			Share Capital	Share premium	Contributed Surplus	Revaluation surplus	Retained earnings	Total equity
Balance as at 1 January 2023, as previously reported		$	150,000	12,377,952	16,351,369	16,083,580	37850966	$82,813,867
Impact of correction of errors	(Note 27)		-	-	-	(444,882)	(266,004)	(710,886)
Balance as at 1 January 2023 (restated)			**150,000**	**12,377,952**	**16,351,369**	**15,638,698**	**37,584,962**	**82,102,981**
Net profit			-	-	-	-	14,228,005	14,228,005
Transactions with owners recorded directly to equity:								
Dividends declared $0.20 per share	(Note 20)		-	-	-	-	(6,000,000)	(6,000,000)
Restated balance as at 31 December 2024			150,000	12,377,952	16,351,369	15,638,698	45,812,967	90,330,986
Net profit			-	-	-	-	10,020,041	10,020,041
Transactions with owners recorded directly to equity:								
Dividends declared $0.47 per share	(Note 20)		-	-	-	-	(14,100,000)	(14,100,000)
Balance at December 31, 2025		$	150,000	12,377,952	16,351,369	15,638,698	41,733,008	86,251,027

*The comparative information is restated due to correction of prior period error for property revaluation and certain lease arrangements under IFRS 16. See Note 27

See accompanying notes to consolidated financial statements.

COMMONWEALTH BREWERY LIMITED

Consolidated Statement of Cash Flows

Year ended December 31, 2025, with corresponding figures for 2024
(Expressed in Bahamian dollars)

	Note(s)		31 December 2025	31 December 2024 restated*
Cash flows from operating activities				
Net profit		$	10,020,041	14,228,005
Adjustments for:				
Depreciation	10		5,841,087	5,654,474
Amortisation	11		478,177	482,934
Expected credit reversal recognized on trade receivables	5		(382,940)	(407,674)
Expected credit loss recognized on trade receivables	5		731,382	183,288
Impairment/(Reversal) in net realizable value provision	7		142,670	(139,772)
Interest expense	8		363,116	497,642
Loss on disposal of property, plant and equipment	10		251,826	-
Tax expense			1,641,637	1,528,995
Net cash from operations before changes in working capital			19,086,996	22,027,892
Changes in working capital	21		(1,009,075)	(3,265,555)
Income taxes paid	17		(1,641,637)	(1,528,995)
Net cash from operating activities			16,436,284	17,233,342
Cash flow from investing activities				
Additions to property, plant and equipment	10		(4,512,772)	(3,576,653)
Net cash used in investing activities			(4,512,772)	(3,576,653)
Cash flows from financing activities				
Dividends paid	20		(14,100,000)	(6,000,000)
Repayment of lease liability	8		(2,420,664)	(2,219,359)
Interest paid	8		(363,116)	(497,642)
Net cash used in financing activities			(16,883,780)	(8,717,001)
Net (decrease)/increase in cash and cash equivalents			(4,960,268)	4,939,688
Cash and cash equivalents, beginning of year			12,576,334	7,636,646
Cash and cash equivalents, end of year	4	$	7,616,066	12,576,334

*The comparative information is restated due to retrospective application of Domestic Minimum Top-Up Tax and correction of prior period error for certain lease arrangements under IFRS 16 (See Note 27).

See accompanying notes to consolidated financial statements.

(Expressed in Bahamian dollars)

1. General information

Commonwealth Brewery Limited ("CBL" or "the Company") was incorporated under the laws of The Commonwealth of The Bahamas on November 17, 1983 and commenced trading in March 1987. The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as "the Group" and individually as "Group entities"). Details of the principal subsidiaries are set out in note 23 to the consolidated financial statements.

The principal activity of the Group is the production of alcoholic and non-alcoholic beverages, liquor importation, distribution and sales.

The Group's registered office is located at Clifton Pier, Nassau, Bahamas.

The Group is a subsidiary of Heineken International B.V. ("Heineken" or "the Parent"). Heineken is incorporated under the laws of The Netherlands and its corporate office is located at Tweede Weteringplantsoen 21, 1017 ZD, P. O. Box 28, 1000 AA Amsterdam, The Netherlands. The ultimate parent of CBL is Heineken N.V. located at the same address. 75% of shares of the Group are owned by Heineken and remaining 25% are owned by the Bahamian public and listed on the Bahamas International Stock Exchange (BISX).

2. New IFRS Accounting Standards/amendments and interpretations issued but were not yet effective for year ended December 31, 2025

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them.

Management has not yet assessed whether the relevant adoption of these standards and interpretations in future periods will have a material impact on the financial statements of the Group.

New and amended standards		**Effective for annual periods beginning on or after**
IFRS 7 and IFRS 9	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 7 and IFRS 9	Contracts Referencing Nature-dependent Electricity	January 1, 2026
IFRS 18	Presentation and Disclosures in Financial Statements	January 1, 2027

2. New IFRS Accounting Standards/amendments and interpretations issued but were not yet effective for year ended December 31, 2025 *(continued)*

2.1 IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

3. Material accounting policy information

Following is a summary of the material accounting policy information which has been applied consistently by the Group in preparing these consolidated financial statements.

(a) ***Statement of compliance***

These consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

(b) ***Basis of preparation***

These consolidated financial statements are prepared under the historical cost convention, except for land and buildings included in property, plant and equipment, which are carried at revalued amounts.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. Material accounting policy information *(continued)*

(b) *Basis of preparation* *(continued)*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(c) *Basis of consolidation*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity, is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those adopted by the Group. All intragroup assets and liabilities, equity, income and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3. Material accounting policy information *(continued)*

(c) *Basis of consolidation* *(continued)*

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(d) *Functional and presentation currency*

These consolidated financial statements are presented in Bahamian dollars, the Group's functional and reporting currency. The Bahamian dollar is the currency of the country where the Group's entities are domiciled and is the prime operating currency.

Transactions in foreign currencies are translated into Bahamian dollars at exchange rates prevailing on the transaction dates. Monetary assets and liabilities denominated in such currencies at the year-end date are translated at the rates prevailing at that date.

Any differences arising on translation are recognised as exchange gains/losses within other income in the consolidated statement of profit or loss and other comprehensive income.

(e) *Use of estimates and judgements*

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management where appropriate. Revisions to estimates are recognised prospectively.

The following notes include information about:

- critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements; and

- information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes 3(h) and 23(b) Trade receivables – estimate of expected credit losses – key assumptions in determining collective loss component among groups of similar customers

3. Material accounting policy information *(continued)*

(e) *Use of estimates and judgements* *(continued)*

Notes 3(j) and 10	Property, plant and equipment – judgement on valuation of land and buildings, whether the carrying value differs materially from fair value and an independent valuation is to be obtained; estimates made in determining the valuation of land and buildings using significant unobservable inputs including estimated market rental rates, capitalization rates, land values per acre and assumptions regarding the useful economic life of the assets.
Note 9	Goodwill – estimates applied for the value in use calculations
Note 14	Commitments and contingencies – judgement was applied in determining the amounts recognised, including settlement range, negotiation outcome, and inclusion of legal costs.

(f) *Financial instruments*

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. However, if the Group has an unconditional right to an amount that differs from the transaction price, the trade receivable will be initially measured at the amount of that unconditional right.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Classification of financial assets

Debt instruments and other financial assets that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Material accounting policy information *(continued)*

(f) *Financial instruments* *(continued)*

Classification as financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The Group does not hold financial liabilities that are classified as held-for-trading, derivatives or designated as such on initial recognition. Hence all are carried at amortized cost.

Measurement

Financial instruments are measured initially at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on any financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. The Group did not have instances where transaction price did not represent the fair value at initial recognition.

Subsequent to initial recognition, financial assets and financial liabilities not at fair value through profit or loss are carried at amortised cost using the effective interest method, less in the case of financial assets, impairment losses, if any.

Derecognition

The Group derecognises a financial asset when the contractual rights for cash flows from the financial asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

The Group derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expired.

(g) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and deposits held with banks with an original maturity of ninety days or less which form an integral part of the Group's cash management.

(h) *Trade receivables*

Trade receivables are stated at amortised cost net of an allowance for doubtful debts. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime Expected Credit Losses using the simplified approach as per the accounting standard. The Expected Credit Losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the

3. Material accounting policy information *(continued)*

(h) *Trade receivables* *(continued)*

debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group considers a trade receivable to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, or the receivable is more than 90 days past due.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

(i) *Inventories*

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method and includes expenditure incurred in acquiring the inventories, production costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an allocation of those production overhead costs based on normal operating capacity, that relate to bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

When management determines the net realisable value of any inventories is less than cost, that specific inventory is written down to its net realisable value.

(j) *Property, plant and equipment*

Items of property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, except land and buildings, which are carried at revalued amounts.

Specifically in relation to land and buildings, the directors review the carrying value every three years. Whenever the directors determine that the carrying value differs materially from the fair value, an independent valuation is obtained, and the land and buildings are revalued.

The surplus on revaluation (which is not reversing a previous revaluation deficit) is recorded in other comprehensive income, in the revaluation surplus account, and is transferred to retained earnings when the revalued asset is derecognised. When an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount on the asset.

3. Material accounting policy information *(continued)*

(j) *Property, plant and equipment* *(continued)*

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the consolidated statement of profit or loss and other comprehensive income as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of that item and any gain or loss is recognised within other income in the consolidated statement of profit or loss and other comprehensive income.

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amounts substituted for cost, less its residual value.

Depreciation is recognised in the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of the items of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives. No depreciation is charged on land and capital work in progress.

The estimated useful lives of property, plant and equipment are as follows:

Buildings	15 to 40 years
Plant and machinery	5 to 30 years
Furniture, fixtures and equipment	3 to 25 years
Vehicles and transportation equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted, if necessary.

3. Material accounting policy information *(continued)*

(k) *Goodwill and intangible assets*

Goodwill

Goodwill is carried at cost less impairment losses, if any. Goodwill arose on the acquisition of the Group's 100% ownership interest in Butler & Sands Company Limited and its subsidiaries in the year 2000. Goodwill represents the excess of the cost of acquisition over the net fair value of the identifiable assets and liabilities of Butler & Sands Company Limited and its subsidiaries recognised at the date of acquisition. Goodwill is tested for impairment annually, or more regularly if there are indicators.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The computer software is carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is computed on the straight-line method over an estimated useful life of up to seven years. Amortisation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.

(l) *Impairment*

Non-financial assets

The carrying amounts of the Group's non-financial assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of goodwill is estimated each year at the same time as goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of the asset or its related cash generating unit ("CGU") exceeds its estimated recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use represents the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

3. Material accounting policy information *(continued)*

(l) *Impairment* *(continued)*

Non-financial assets (continued)

Impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive income except for previously revalued assets where the impairment loss is first applied to any revaluation surplus and any excess is recognised in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill associated with the CGU and then to reduce the carrying amount of other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised except for assets normally carried at revalued amounts.

(m) *Related parties*

A related party is a person or entity that is related to the entity that is preparing its consolidated financial statements ("reporting entity").

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) Has control or joint control over the reporting entity;
- (ii) Has significant influence over the reporting entity; or
- (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

3. Material accounting policy information *(continued)*

(m) *Related parties* *(continued)*

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
(vi) The entity is controlled, or jointly controlled by a person identified in (a).
(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

(n) *Leases*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of assets.

Lease payments included in the measurement of the lease liability comprise:

(i) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

(ii) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

(iii) The amount expected to be payable by the lessee under residual value guarantees;

(iv) The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

(i) Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

3. Material accounting policy information *(continued)*

(n) *Leases (continued)*

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

(i) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

(ii) The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used). When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset has been reduced to zero.

(iii) A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented. The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

3. Material accounting policy information *(continued)*

(n) ***Leases*** *(continued)*

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

(o) ***Share capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares are recognised as a deduction from equity.

(p) ***Provisions***

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(q) ***Revenue recognition***

Products sold

The majority of the Group's revenue is generated by the sale and delivery of products to customers. The product portfolio of the Group mainly consists of beer, soft drinks, spirits and tobacco.

Products are own-produced finished goods from the Group's brewing activities, but also contain purchased goods for resale from the Group's wholesale and retail activities. The Group's customer group can be split between on-trade customers like restaurants and bars and off-trade customers like retailers and wholesalers. Revenue is recognised when control over products has transferred and the Group's performance obligation has been fulfilled to the customer. For the majority of the sales, control is transferred to the customer at a point in time either at delivery of the products or upon pickup by the customer from the Group's premises.

Revenue recognized is based on the price specified in the contract, net of returns, discounts, sales taxes and excise taxed collected on behalf of third parties.

3. Material accounting policy information *(continued)*

(q) ***Revenue recognition*** *(continued)*

Customer loyalty programme

The Group operates a loyalty programme through which retail customers accumulate points on purchases of qualified goods that entitle them to discounts on future purchases. These points provide a discount to customers that they would not receive without purchasing the goods (i.e. a material right). The promise to provide the discount to the customer is therefore a separate performance obligation.

The transaction price is allocated between the product and the points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated based on the discount to be given when the points are redeemed by the customer. A contract liability is recognised for revenue relating to the loyalty points at the time of the initial sales transaction (deferred revenue) recognized in accrued expenses (Note 12). Revenue from the loyalty points is recognised when the points are redeemed by the customer. Loyalty points earned during the period expire by February of the subsequent period.

(r) ***Employee benefits***

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions to the fund. The Group has no legal or constructive obligation to pay further contributions. Contributions to the Group's defined contribution pension plans are recognised as an employee benefit expense in the consolidated statement of profit or loss and other comprehensive income in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

(s) ***Finance income***

Interest income is accrued on a daily basis using the effective interest rate method.

(t) ***Earnings per share***

Earnings per share are based on consolidated net income divided by the weighted average number of ordinary shares outstanding during the year.

(u) ***Dividends***

Dividends are recognised as a liability in the period in which they are declared.

3. Material accounting policy information *(continued)*

(v) *Operating segments*

Business segments are components of an enterprise about which separate financial information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance.

Generally, financial information is required to be reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources to segments.

For management purposes, the Group is currently organised into two business segments: (i) Wholesale and (ii) Retail, which are segregated based on the customer type. Wholesale customers are business to business and Retail are primarily direct to final consumer. These divisions are the basis on which the Group reports its operating segment information.

(w) *Income Taxes and other taxation*

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and are therefore accounted for under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.*

The Group has determined that the global minimum top-up tax—which it is required to pay under Pillar Two legislation—is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(Expressed in Bahamian dollars)

3. Material accounting policy information *(continued)*

(w) *Income Taxes and other taxation* *(continued)*

Value Added Tax

On 1 January 2015, the Bahamas Government implemented a consumer VAT. Output VAT related to the sale of goods is payable to the Government upon delivery of goods and property rights to customers. Input VAT related to goods and services purchased is generally recoverable against output VAT. It is presented net on the Consolidated Statement of Financial Position as it is offset and settled on a net basis.

4. Cash and cash equivalents

		2025	2024
Cash on hand	$	23,000	20,275
Cash held with banks		7,593,066	12,556,059
Cash and cash equivalents	$	7,616,066	12,576,334

The Group has an unsecured overdraft facility of $3,000,000 (2024: $3,000,000) for the operating account. As the Bank has the ability to offset with all accounts within the relationship, the balance is presented net of the used facility. At December 31, 2025, the Bank has a legally enforceable right of set-off in respect of certain bank balances and the overdraft facilities. As no overdraft balances were outstanding at the reporting date (2024: nil), no offsetting has been recognised.

5. Trade receivables, net

		2025	2024
Trade receivables, gross	$	8,622,923	10,650,729
Allowance for doubtful debts		(1,350,621)	(1,002,179)
	$	7,272,302	9,648,550

(Expressed in Bahamian dollars)

5. Trade receivables, net *(continued)*

Aging analysis of trade receivables, gross, as at December 31, 2025:

December 31st 2025	Not past due	0-30 days	31-180 days	> 180 days	Total
Expected Credit Loss Rate	0.8%	5.6%	53.2%	96.0%	
Estimated total gross carrying amount at default	5,180,706	1,804,401	852,376	785,440	8,622,923
Lifetime ECL	(42,207)	(101,046)	(453,555)	(753,813)	(1,350,621)

December 31st 2024	Not past due	0-30 days	31-180 days	> 180 days	Total
Expected Credit Loss Rate	0%	3.0%	11.5%	80.7%	
Estimated total gross carrying amount at default	6,185,961	2,586,580	856,430	1,021,758	10,650,729
Lifetime ECL	-	(78,666)	(98,815)	(824,698)	(1,002,179)

Allowance for expected credit losses and movement in allowance for doubtful accounts is as follows:

		2025	2024
Balance at beginning of the year	$	1,002,179	1,226,565
Additions to allowance		731,382	183,288
Allowance used		(363,377)	(218,896)
Allowance released		(19,563)	(188,778)
Balance at end of the year	$	1,350,621	1,002,179

Maximum exposure to credit risk for trade receivables at December 31, by geographic region:

		2025	2024
The Bahamas	$	8,412,902	10,537,801
Caribbean		-	1,458
Europe		210,021	111,470
	$	8,622,923	10,650,729

(Expressed in Bahamian dollars)

6. Prepaid expenses and other assets

		2025	2024
Other receivables	$	1,658,642	475,409
Prepaid expenses		2,062,880	1,102,443
	$	3,721,522	1,577,852

The other receivables balance contains and advances and deposits of $678,564 (2024: $609,364).

7. Inventories

		2025	2024
Goods bought for resale	$	22,633,620	18,105,817
Raw materials and packaging		7,648,806	7,798,295
Finished goods		2,176,174	2,136,099
Spare parts		2,890,553	2,356,282
Work-in-progress		730,616	715,952
Other stock items		626,322	472,802
		36,706,091	31,585,247
Write down to net realisable value		(270,536)	(127,866)
	$	36,435,555	31,457,381

Movement in the write down to net realisable value:

		2025	2024
Balance at beginning of year	$	127,866	267,638
Addition/(Reversal) of write-down		142,670	(139,772)
Balance at end of year	$	270,536	127,866

As outlined in note 17, the cost of inventories recognized as an expense during the year was $61,942,773 (2024: $63,326,684).

(Expressed in Bahamian dollars)

8. Leases & Finance Expense

The Group leases stores, an office, and cars in the ordinary course of business. Some leases contain extension and termination options, which are included in the lease term if the Group is reasonably certain to exercise an extension option and reasonably certain not to exercise a termination option. Refer to the table below for the carrying amount of ROU assets per asset class at the date of the consolidated statement of financial position:

	Land and buildings	Motor Vehicles	Total
2025			
Balance at 1 January	5,379,790	603,233	**5,983,023**
Depreciation charged for the year	(1,978,765)	(313,889)	**(2,292,654)**
Additions to right-of-use assets	384,135	-	**384,135**
Balance at 31 December 2025	**3,785,160**	**289,344**	**4,074,504**
2024 restated			
*Balance at 1 January	7,002,059	728,473	**7,730,532**
Depreciation charged for the year	(1,945,969)	(324,183)	**(2,270,152)**
Additions to right-of-use assets	323,700	198,943	**522,643**
Balance at 31 December 2024	**5,379,790**	**603,233**	**5,983,023**

	2025	2024
Expense relating to short-term & variable leases	1,496,966	1,359,249

Cash outflow for leases	2,420,664	2,219,359

Finance Expense	2025	2024
Interest expense on lease liabilities	362,299	488,767
Exchange gain/loss	596,593	492,665
Interest Expense on Overdraft	817	8,875
	959,709	**990,307**

(Expressed in Bahamian dollars)

8. Leases & Finance Expense *(continued)*

Reconciliation of movements in liabilities to cash flows arising from financing activities.

	Lease Liabilities
Balance at 1 January 2025	**6,749,730**
Changes from financing cash flows	
Payment of lease liabilities	(2,782,963)
Total changes from financing cash flows	**(2,782,963)**
Other changes	
Liability-related	
New Leases	384,133
Interest expense	362,299
Total liability-related other changes	**746,432**
Balance at 31 December 2025	**4,713,199**

	Lease Liabilities
Balance at 1 January 2024	**8,446,445**
Changes from financing cash flows	
Payment of lease liabilities	(2,708,125)
Total changes from financing cash flows	**(2,708,125)**
Other changes	
Liability-related	
New Leases	522,643
Interest expense	488,767
Total liability-related other changes	**1,011,410**
Balance at 31 December 2024	**6,749,730**

(Expressed in Bahamian dollars)

9. Goodwill

Goodwill comprises the following:

	2025	2024
Balance at the beginning and end of year	4,487,242	4,487,242

Goodwill is tested for impairment annually. The recoverable amount of the Cash Generating Unit ("CGU") which includes the goodwill is based on a value in use calculation. The value in use has been determined by discounting the future cash flows generated from the continuing use of the CGU.

The key assumptions used for the value in use calculations are as follows:

- Cash flows are projected based on actual operating results and the annual plan. Cash flows for a further five-year period are projected using expected annual growth rates.
- Cash flows after the first five years were projected using growth rate, based on internal sources, in order to calculate the terminal recoverable amount.
- Weighted average cost of capital ("WACC") is applied in determining the recoverable amount of the CGU.

The WACC and expected growth rate are as follows:

	2025	2024
WACC	11.42%	11.40%
Expected growth rate (short term and terminal)	2.00%	1.70%

The values assigned to the key assumptions represent management's assessment of future trends in the wine & spirits industry and are based on both external and internal sources (historical data). The directors believe that any reasonably possible change in key assumptions on which recoverable amounts are based will not lead to a materially different outcome. Based on the value in use calculation management has determined that there has not been any impairment in the carrying amount of goodwill as at 31 December, 2025 and 2024.

Sensitivity Analysis

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the CGU to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

(Expressed in Bahamian dollars)

10. Property, plant and equipment

	Land	Buildings	Plant and machinery	Furniture, fixtures and equipment	Vehicle and transportation equipment	Capital work in progress	Total
Cost/revalued amount:							
Balance at December 31, 2023 (restated)	10,280,776	31,250,832	43,249,308	25,077,419	1,793,793	1,748,455	113,400,583
Revaluation	-	-	-	-	-	-	-
Additions	-	555,482	1,193,792	1,716,469	163,339	(52,429)	3,576,653
Transfers	-	809,906	-	290,032	-	(1,099,938)	-
Balance at December 31, 2024	10,280,776	32,616,220	44,443,100	27,083,920	1,957,132	596,088	116,977,236
Revaluation	-	-	-	-	-	-	-
Additions	-	703,007	90,416	1,628,268	235,450	1,855,631	4,512,772
Disposals			(428,457)			(151,287)	(579,744)
Transfers	-	-	-	208,806	-	(208,806)	0
Balance at December 31, 2025	10,280,776	33,319,227	44,105,059	28,920,994	2,192,582	2,091,626	120,910,264
Accumulated depreciation:							
Balance at December 31, 2023 (restated)	-	7,375,940	35,830,875	21,834,600	1,700,459	-	66,741,874
Depreciation	-	911,374	931,200	1,497,392	44,356	-	3,384,322
Balance at December 31, 2024	-	8,287,314	36,762,075	23,331,992	1,744,815	-	70,126,196
Depreciation	-	869,889	1,100,477	1,512,414	65,654	-	3,548,434
Disposals	-	-	(327,918)	-	-	-	(327,918)
Balance at December 31, 2025	-	9,157,203	37,534,634	24,844,406	1,810,469	-	73,346,712
Net book value:-							
December 31, 2025	10,280,776	24,162,024	6,570,425	4,076,588	382,113	2,091,626	47,563,552
December 31, 2024	10,280,776	24,328,906	7,681,025	3,751,928	212,317	596,088	46,851,040

*The comparative amounts within Property, Plant and Equipment have been restated to correct a prior-year classification error between cost and accumulated depreciation. The correction had no impact on total net book value.

(Expressed in Bahamian dollars)

10. Property, plant and equipment *(continued)*

Reclassification between cost and accumulated depreciation within Buildings, Plant and machinery, Furniture, fixtures and equipment, Vehicle and transportation equipment, capital work in progress categories were made in the prior year.

	Previously presented 2023		Reclassification		Revised 2023	
Category	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	10,280,776	-	-	-	10,280,776	-
Buildings	28,227,924	3,908,700	3,022,908	(3,467,240)	31,250,832	7,375,940
Plant and machiner	43,454,362	36,132,394	(205,054)	301,519	43,249,308	35,830,875
Furniture, fixtures a	29,024,095	25,534,870	(3,946,676)	3,700,270	25,077,419	21,834,600
Vehicle and transpo	1,781,128	1,687,794	12,665	(12,665)	1,793,793	1,700,459
Capital work in prog	1,599,064	-	149,391	-	1,748,455	-
Total	**114,367,349**	**67,263,758**	**(966,766)**	**521,884**	**113,400,583**	**66,741,874**

Depreciation	2025	2024
Depreciation of property, plant and equipment	3,548,434	3,384,322
Depreciation of ROU assets	2,292,653	2,270,152
	5,841,087	5,654,474

The properties revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the properties revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in the properties' revaluation reserve will not be reclassified subsequently to profit or loss. The directors do not intend to make any distribution from the properties revaluation reserve per Group policy.

The Group's land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation. The latest revaluation of land and buildings was performed as at December 31, 2023 by an external, independent appraiser, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The fair value of buildings has been categorized as a Level 3 fair value measurement. Significant unobservable inputs used in the valuation include estimated market rental rates, capitalization rates, land values per acre and assumptions regarding the useful economic life of the assets.

An increase in estimated market rental rates or land values would result in a higher fair value measurement. An increase in the capitalization rate would result in a lower fair value measurement. The valuation was performed by an independent professional valuer using the income capitalization approach, supported by the cost approach. The valuation was determined using an income capitalization approach supported by a cost approach.

(Expressed in Bahamian dollars)

10. Property, plant and equipment *(continued)*

Quantitative information about significant unobservable inputs are shown below:

Valuation Technique	Significant Unobservable Inputs	Range / Input Used
Income Capitalization Approach	Market rent ($/sq.ft.)	$12.00 per sq.ft.
Income Capitalization Approach	Capitalization rate	10.0%
Cost Approach	Land value per acre	$300,000 per acre
Cost Approach	Excess land value	$500,000 per acre
Cost Approach	Effective age / remaining economic life	15 years / 35 years

The fair value of land and buildings are included in Level 3 at the end of the reporting period. There were no transfers between the hierarchy Levels during the year. The gain of 2023: $6,354,236 from the revaluation of land and buildings was recognized in other comprehensive income.

There are no capital commitments on work in progress projects.

Had there been no revaluation, the carrying value of land would have been $5,657,350 (2024: $5,657,350) and of buildings would have been $13,202,171 (2024: $13,359,933).

11. Other intangible assets

Intangible assets consist of computer software as follows:

	2025	2024
Cost:		
Balance at January 1	6,785,342	6,785,342
Balance at December 31	6,785,342	6,785,342
Accumulated amortisation:		
Balance at January 1	5,858,189	5,375,255
Amortisation	478,178	482,934
Balance at December 31	6,336,367	5,858,189
Net book value:	448,975	927,153

(Expressed in Bahamian dollars)

12. Accounts payable and accrued expenses

Accounts payable and accrued expenses comprise the following:

	2025	2024
Accounts payable - third parties	16,422,514	14,266,843
Accounts payable - related parties	2,128,258	1,312,366
Accrued expenses	334,653	848,650
Provision for Legal Settlement (Note 29)	1,770,067	-
	20,655,492	16,427,859

13. Share capital

Authorised, issued and fully paid share capital at December 31, 2025 and 2024:

	No. of shares	Amount
Ordinary shares of $0.005 par value per share	30,000,000	$ 150,000

Shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Share Premium

At December 31, 2025, the share premium amounted to $12,377,952 (2024: $12,377,952) and represents the amount received by the Company from shareholders in excess of the par value of shares issued.

Contributed surplus

Contribution surplus represents the value of an ownership interest in Burns House Limited (BHL) acquired and contributed to the Company by its controlling shareholder, without the issuance of additional shares or other consideration by the Company. As the transaction represented a contribution from the controlling shareholder in its capacity as owner, the contribution was recognized directly in equity within contributed surplus and not in profit or loss. Subsequent to the transaction, BHL became a wholly owned subsidiary of the Company. In 2018, the Company and BHL have been merged, with the surviving entity being the Company.

14. Provisions and contingencies

At December 31, 2025 the Group recognized a provision of $1,770,067 for Anheuser-Busch International over the termination of a distribution license (Note 29). The provision relates to an ongoing legal dispute with Anheuser-Busch InBev ("ABI") following the Privy Council ruling in favour of ABI. The ruling confirmed the Company's obligation in respect of termination-related claims, including associated legal costs.

14. Provisions and contingencies *(continued)*

The provision is presented within current liabilities, and the corresponding expense is recognised within other income/(expense) in the statement of profit or loss, reflecting the non-operating nature of the item.

Significant judgement was applied in determining the amount recognised, including:

- Settlement range: Based on legal correspondence and negotiation dynamics, management expects the final settlement to fall within a defined range of $1.5 million to $1.7 million
- Negotiation outcome: The provision reflects management's assessment of the most likely outcome of negotiations, considering the Company's current legal position following the ruling
- Inclusion of legal costs: The estimated settlement amount includes legal costs and associated claims as communicated by ABI.

Other commitments and contingencies

At December 31, 2025 the Group was contingently liable under customs bond guarantees of $1,966,705 (2024: $2,272,997). These facilities are under joint and several liability of the Group in favor of each other.

At December 31, 2025 the Group was contingently liable to the Department of Inland Revenue on its assessment of intra-company inventory transfers between its subsidiaries for Business Licence purposes. The Group was assessed $560,403 (2017) and $596,003 (2016) and a Bank Guarantee was issued during arbitration. The Group was successful in their defence through arbitration concluding that the Group assessment of intra-company inventory transfers should not incur VAT therefore no liability is presented on the statement of financial position. The Department of Inland Revenue has kept their right to appeal open, and the matter is still pending.

Pending Litigation

Legal proceedings are pending against the Group in the ordinary course of business. Management considers that the aggregate liability resulting from these proceedings will not be material.

Corporate Credit Card

At December 31, 2025 the Group had Corporate Credit Card issued to the Management Team of $80,000 (2024: $70,000) in collective credit.

(Expressed in Bahamian dollars)

15. Balances and transactions with related parties

For the purpose of this note, affiliates include other Heineken group entities and directors. Additional related party transactions are disclosed in other notes to the consolidated financial statements.

	2025	2024
Balances with the Parent		
Trade receivables, net (note 5)	210,021	111,470
Accounts payable and accrued expenses (note 12)	2,128,258	1,312,366
Transactions with the Parent		
Know-how fee (note 17)	2,410,998	522,298
IT related and other fee (note 17)	2,611,516	2,762,330
Royalties (note 17)	193,483	223,256
Sale of inventory	73,008	60,840
Balances with affiliates		
Trade receivables, net (note 5)	-	1,458
Accounts payable and accrued expenses (note 12)	43,028	154,176
Royalties (note 12)	33,375	56,487
Transactions with affiliates		
IT related fee and other fee (note 17)	359,146	768,659
Supply chain fee (note 17)	357,004	344,689
Director's fee (note 17)	42,000	42,000
Sale of inventory	3,342	1,231

Know-how fee

Effective May 18, 2010, the Group entered into an agreement with the Parent to pay 0.4% per annum of revenue to Heineken as a know-how fee. Related payments are made and/or accrued for in the normal course of business.

Royalties

Royalties are calculated as a percentage of revenue and are payable to the Parent based on the relevant agreement. Related payments are made and/or accrued for in the normal course of business.

(Expressed in Bahamian dollars)

15. Balances and transactions with related parties *(continued)*

Sale of inventories, IT related fee and supply chain fee

IT related fee, supply chain fee and service fees are charged by Heineken and other Heineken group entities as incurred and are included in raw materials, consumables and services (see note 17). Related payments are made and/or accrued for in the normal course of business.

Sale of inventories relate to sales of locally produced goods made to Parent and affiliates.

Compensation of key management personnel

Compensation of key management personnel for the year ended December 31, 2025 comprised $2,014,642 (2024: $2,270,260) for salaries and other short-term benefits and $86,221 (2024: $64,332) for pension benefits.

Included in key management costs are costs relating to a Long-Term Incentive Plan. This is a share-based plan which provides senior employees with Heineken N.V. shares based on the performance of the Heineken Group as a whole. The amount recognized amounted to $19,949 (2024: $31,544).

16. Other (expense)/ income, net

	2025	2024
Miscellaneous (expense)/income	(131,500)	126,722
Provision for Legal Matter (Note 29)	(1,770,067)	-
	(1,901,567)	126,722

(Expressed in Bahamian dollars)

17. Raw materials, consumables and services

	2025	2024 restated*
Cost of inventories	61,942,773	63,326,684
Distribution & Marketing expenses	4,572,664	3,738,711
IT expenses	2,889,420	3,075,513
Know-how fee	2,410,998	522,298
Royalties	2,211,033	2,348,839
Bank charges	1,957,794	1,841,871
Utilities	1,851,911	1,783,893
Business License	1,608,788	1,699,746
Business License Credit	(1,641,637)	(1,528,995)
Other expenses	1,352,295	1,856,781
Repairs & Maintenance	1,108,103	2,027,451
Professional Services	1,023,727	909,990
Security services	936,995	937,328
Occupancy expenses	1,496,966	1,359,249
Insurance	711,604	1,154,206
Group Service Fees	677,416	1,113,347
Communications	603,046	498,399
Duties and taxes	310,307	193,940
Expected Credit (Recovery)/Loss	368,022	(35,608)
	86,392,225	**86,823,643**

**The comparative information is restated due to retrospective application of Domestic Minimum Top-Up Tax and correction of prior period error for certain lease arrangements under IFRS 16 (See Note 27)*

18. Employee pension plans

In 1997, the Group commenced a defined contribution pension plan. In accordance with the terms of the plan both employer and employees are required to contribute 5% (2024: 5%) of the participants' earnings to the plan. Employees are permitted to make additional contributions in order to increase their retirement benefits. The Group's contribution net of forfeitures to the plan included in personnel costs was $552,631 (2024: $470,545).

Employees are eligible to become participants of the plan upon the completion of a probationary period, provided they have attained the age of 18 years. The plan is mandatory for all employees who joined the Group after 1 January 1997 and optional for those who joined prior to 1 January 1997.

(Expressed in Bahamian dollars)

19. Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the consolidated net income divided by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Net Profit	$ 10,020,041	$ 14,228,005
Weighted average number of shares	30,000,000	30,000,000
Basic and diluted earnings per share	$ 0.33	$ 0.47

20. Dividends

Dividends declared by the Group amounted to $14,100,000 at 0.47 per share (2024: $6,000,000 at 0.20 per share).

The Group paid stamp duties and other financing costs of $224,973 (2024: $125,000) related to the distribution of dividends.

21. Changes in working capital

	2025	2024
Decrease/(increase) in trade receivables	2,027,806	(3,258,792)
(Increase)/decrease in prepaid expenses and other assets	(2,143,670)	2,506,283
(Increase) in inventory	(5,120,844)	(1,168,010)
Increase/(decrease) in accounts payable and accrued expenses	4,227,633	(1,345,036)
	(1,009,075)	(3,265,555)

22. Principal subsidiaries

The following dormant subsidiaries, which are incorporated in The Bahamas, are owned by the Group.

	Percentage (%) Owned 2025	2024
John Marshall Liquors Company Limited	100	100
Todhunter-Mitchell Distillers Limited	100	100

23. Financial instruments and associated risks

The Board of Directors has established a risk management framework whose primary objective is to protect the Group from events that hinder the sustainable achievement of the Group's performance objectives.

There are a number of risks inherent in the drinks industry that the Board has identified and manages on an ongoing basis. Among these risks, the more significant are market, credit and liquidity. In accordance with IFRS 7, Financial Instruments, the Group presents qualitative information about its exposure to risk and the objectives, policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout this note.

(a) Market risk

Market risk is the risk that future changes in market conditions such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The Group has the option to enter into derivative or other financial liabilities to manage market risks. Generally, the Group seeks to apply hedge accounting or establish natural hedges to minimise the impact of market risks in the profit or loss. Foreign currency, interest rate and commodity hedging operations are governed by internal policies and rules. During the year, the financial risk to the Group was immaterial so no hedging transactions were entered into.

(i) Currency risk

The Group is party to financial instruments or enters into transactions denominated in currencies other than its functional currency. Consequently, the Group is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's assets or liabilities denominated in currencies other than the Bahamian dollar. Raw materials, packaging and finished products are purchased principally from Europe and are payable in Euros. The Group does not hedge against movements in foreign currency exchange rates.

The average exchange rate between the B$ and the Euro was B$1 = Euro 0.89 (2024: B$1 = Euro 0.94). The spot rate at December 31, 2025 was B$1 = Euro 0.85 (2024: B$1 = Euro 0.90).

Sensitivity analysis

A 10 percent strengthening of the B$ against the Euro at December 31, 2025 would have increased equity and net income by approximately $115,593 (2024: $107,486) resulting from EUR denominated accounts payable of $1,155,925 (2024: 1,074,862). This analysis assumes that all other variables, in particular interest rates, remain constant. A 10 percent weakening of the B$ against the Euro at December 31, 2025 would have had the equal but opposite effect on equity and net

23. Financial instruments and associated risks *(continued)*

(a) Market risk (continued)

income of the amounts shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

Interest rate risk refers to the risk of loss due to adverse movements in interest rates. The Group's interest rate risk arises from borrowings and its banking facilities. The Group manages its exposure to fluctuations in interest rates by linking its cost of borrowing to prevailing domestic or international interest rates. The Group has limited interest rate risk due to no significant interest rate sensitive assets or liabilities.

(b) Credit risk

Credit risk is the risk of a loss to the Group when a customer or counterparty fails to pay. All operations are required to comply with Credit Policy and procedures. The Group reviews and updates the Credit Policy periodically to ensure that adequate controls are in place to mitigate risk.

Credit risk arises mainly from the Group’s receivables from customers such as trade receivables. At the balance sheet date, there were no significant concentrations of credit risk.

The Group Credit Committee has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Under these policies, all customers requiring credit above a certain amount are reviewed and new customers are analysed individually for creditworthiness before the Group’s standard payment and delivery terms conditions are offered. This review can include external ratings, where available, and in some cases external references. Credit limits are determined for each customer and are reviewed regularly. Customer that fail to meet the Group’s credit requirements transact only with the Group’s on either prepayment or cash on delivery basis.

The Group establishes allowances for trade and other receivables using an expected credit loss model. These allowances cover specific loss components that relate to individual exposures, and collective loss component established for groups of similar customers. The collective loss allowance is determined based on historical data of payment statistics and updated periodically to incorporate forward-looking information.

(Expressed in Bahamian dollars)

23. Financial instruments and associated risks *(continued)*

(b) ***Credit risk*** *(continued)*

Due to the macro-economic environment and uncertainties including increasing inflationary pressure on the Group's customers, judgement is required in the calculation of expected credit losses. As part of this assessment, the Group's has incorporated all reasonable and supportable information available such as whether there has been a breach of payment terms or deterioration of payment against payment terms, a request for extended payment terms or a request for waived payment terms.

The Group's maximum exposure to credit risk is as follows:

	2025	2024
Cash held with banks (note 4)	7,593,066	12,556,059
Trade receivables, net (note 5)	7,272,302	9,648,550
Other receivables, net (note 6)	1,658,642	475,409
Balance at end of the year	16,524,010	22,680,018

Cash at bank amounting to $7,593,066 (2024: $12,556,059) was deposited with regulated financial institutions. Accordingly, management considers this to bear minimal credit risk. The Group does not have a significant concentration of credit risk as it transacts and deals with various customers and counterparties and the resultant ECL is immaterial.

(c) ***Liquidity risk***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities and other commitments when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest

(Expressed in Bahamian dollars)

23. Financial instruments and associated risks *(continued)*

(c) *Liquidity risk* *(continued)*

date on which the Group can be required to pay. The tables include both interest and principal cash flows.

	0 - 12 Months	1 - 5 Years	5+ Years	Total	Carrying Amount
Accounts payable and accrued liabilites	20,655,492	-	-	20,655,492	20,655,492
Lease liabilities	2,222,824	-	-	2,222,824	2,162,828
Long term lease liabilities	-	2,742,174	11,200	2,753,374	2,550,371
Balance at December 31, 2025	22,878,316	2,742,174	11,200	25,631,690	25,368,691

	0 - 12 Months	1 - 5 Years	5+ Years	Total	Carrying Amount
Accounts payable and accrued liabilites	16,427,859	-	-	16,427,859	16,427,859
Short term liabilities	2,690,317	-	-	2,690,317	2,162,828
Long term lease liabilities	-	4,828,159	12,800	4,840,959	4,586,902
Balance at December 31, 2024	19,118,176	4,828,159	12,800	23,959,135	23,177,589

24. Segment information

The Group has adopted IFRS 8, Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Chief Operating Decision Maker evaluates segment performance primarily based on revenue, operating profit, assets and liabilities. Other segment information is not regularly provided or reviewed and accordingly has not been separately disclosed. This standard has been applied to all years presented in the consolidated financial statements. Information regarding the Group's reportable segments is presented below.

The Group's revenue from operations by reportable segment is as follows:

Segment revenue

	2025	2024
Wholesale	75,379,651	78,080,559
Retail	58,978,191	58,259,720
	134,357,842	136,340,279

(Expressed in Bahamian dollars)

24. Segment information *(continued)*

The Group's net profit by reportable segment is as follows:

	2025	2024
Wholesale	6,690,450	8,641,792
Retail	5,508,204	5,467,993
Unallocated	(2,178,613)	118,220
	10,020,041	14,228,005

The Group's assets by reportable segment are as follows:

	2025	2024
Wholesale	67,660,767	68,805,740
Retail	38,146,349	38,791,871
Unallocated	5,812,602	5,910,964
Total assets	111,619,718	113,508,575

For the purposes of monitoring segment performance and allocating resources between segments, the only assets allocated by segment are trade and other receivables, inventories and property, plant & equipment.

The Group's liabilities by reportable segment are as follows:

	2025	2024
Wholesale	21,647,458	19,777,760
Retail	4,355,354	3,979,181
Unallocated	(634,121)	(579,352)
	25,368,691	23,177,589

The Group's additions to property, plant and equipment by reportable segment are as follows:

	2025	2024
Wholesale	4,105,013	3,343,895
Retail	407,759	232,758
	4,512,772	3,576,653

Included in revenues arising from direct sales from the Group's wholesale segment to its customers is $11,295,099 (2024: $9,465,186) which arose from sales to the Group's top five customers.

25. Fair values of financial instruments

The carrying values of financial assets and liabilities are considered to approximate their fair values due to the following reasons:

(a) immediate or short-term maturity; and/or
(b) interest rates approximate current market rates

The fair values of cash and cash equivalents, trade and other receivables, accounts payable and accrued expenses are not considered to be materially different from their carrying values due to their short-term nature.

26. Domestic Minimum Top-Up Tax

The Bahamas has agreed to participate in the two-pillar international tax approach developed by the Organisation for Economic Co-operation and Development ("OECD"), which includes the implementation of a global minimum corporate income tax rate of 15% ("Pillar Two"). On November 28, 2024, the Government of The Bahamas enacted the Domestic Minimum Top-Up Tax Act, 2024 (the "DMTT Act") to implement a Qualified Domestic Minimum Top-Up Tax ("DMTT") through the incorporation and application of the OECD Global Anti-Base Erosion ("GloBE") Model Rules.

The DMTT Act is deemed to have come into force on January 1, 2024. The legislation applies to fiscal years of multinational enterprise ("MNE") groups that commence in 2024 where the income of a constituent entity is subject to an Income Inclusion Rule ("IIR") or Undertaxed Profits Rule ("UTPR") in another jurisdiction in that year. For all other in-scope MNE groups, the DMTT applies to fiscal years commencing on or after January 1, 2025.

The DMTT represents a profit-based tax and is accounted for as current income tax in accordance with IAS 12 *Income Taxes*. The tax is calculated by applying a 15% rate to the Company's GloBE income, after deducting a substance-based income exclusion based on eligible payroll costs and the carrying value of eligible tangible assets, as defined under the GloBE Model Rules.

The Business Licence (Amendment) Act, 2025 and the Domestic Minimum Top-Up Tax (Amendment) Act, 2025 clarify, with retroactive effect to January 1, 2024, that Business Licence Tax continues to be payable as a separate operating tax and is not replaced by the DMTT. The Business Licence Tax is not a tax based on taxable profit and therefore falls outside of the scope of IAS 12. Amounts paid under the DMTT Act are treated as a credit against Business Licence tax payable for the relevant fiscal year, limited to the amount of the DMTT liability. Any excess Business Licence Tax paid over the DMTT liability may be carried forward and applied against DMTT payable in subsequent years. Business Licence Tax continues to be recognised as an operating expense in the statement of profit or loss, with the corresponding credit for DMTT.

26. Domestic Minimum Top-Up Tax *(continued)*

For the year ended December 31, 2024, the Company was within the scope of the DMTT due to the application of an Income Inclusion Rule at the level of the ultimate parent entity. Accordingly, a current tax expense in respect of DMTT has been recognised. The Business Licence credit mechanism generates a credit equal to the DMTT amount that can be applied against the Business Licence due for the same period, but does not change the DMTT amount itself. Therefore, applying the Business Licence credit reduces the Business Licence payable, but does not reduce the income tax expense (i.e. DMTT) recognised in the statement of profit or loss.

In accordance with the amendments to IAS 12 issued in May 2023, the Company has not recognised deferred tax assets or liabilities arising from the application of Pillar Two income taxes. The Company applies the mandatory temporary exception for the recognition and disclosure of deferred taxes related to Pillar Two.

Management continues to monitor developments relating to the implementation and administration of Pillar Two, including future compliance and reporting requirements under the DMTT Act.

27. Correction of prior-period errors

(a) Restatement arising from Domestic Minimum Top-Up Tax (DMTT) legislation

The Government of The Bahamas enacted the Domestic Minimum Top-Up Tax Act, 2024 (the "DMTT Act") on November 28, 2024, implementing a Qualified Domestic Minimum Top-Up Tax consistent with the OECD Pillar Two Global Anti-Base Erosion ("GloBE") Model Rules.

The legislation is deemed to have come into effect on January 1, 2024 and applies to multinational enterprise ("MNE") groups that fall within the scope of Pillar Two.

In the Company's previously issued financial statements for the year ended December 31, 2024, no current income tax expense was recognised in respect of the DMTT. At that time, management concluded that the Company was not within the scope of the DMTT legislation for 2024 because the Company was not itself subject to an Income Inclusion Rule ("IIR") or Undertaxed Profits Rule ("UTPR").

During 2025, management reassessed the application of the legislation and concluded that the Company was within the scope of the DMTT for the year ended December 31, 2024 as a result of the application of an Income Inclusion Rule at the level of the ultimate parent entity. Accordingly, a DMTT liability and related income tax expense should have been recognised in the 2024 financial statements.

Nature of Restatement

As a result of the retrospective effective date of the DMTT Act, the Group recognised the impact of DMTT for the financial year ended December 31, 2024.

Accordingly, the comparative financial information has been restated to reflect the recognition of current income tax expense and the related liability arising from DMTT for that period.

27. Correction of prior-period errors *(continued)*

(a) Restatement arising from Domestic Minimum Top-Up Tax (DMTT) legislation (continued)

Assessment and Accounting Treatment

- Management has concluded that the omission of the DMTT liability and related current tax expense in the previously issued financial statements represents a prior period error within the scope of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- The error arose from an incorrect assessment of the Company's applicability under enacted tax legislation in effect at the reporting date rather than from a change in estimate or the enactment of new legislation.
- Accordingly, the comparative financial information has been restated to recognise the DMTT liability and related current income tax expense for the year ended December 31, 2024. A DMTT expense of $1,528,995 was recognised by crediting business license expense recognised in the consolidated statement of profit or loss line item "Raw materials, consumables and services" using the credit mechanism.

The DMTT is considered an income tax within the scope of IAS 12, as it represents a tax based on taxable profit under the GloBE Model Rules.

In accordance with IAS 12:

- The Group recognised current income tax expense in respect of DMTT for the applicable period; and
- Measured the related liability based on the best estimate of the amount payable at the reporting date.

In line with the amendments to IAS 12 issued in May 2023, the Group has applied the mandatory temporary exception from recognising deferred taxes related to Pillar Two income taxes, and therefore no deferred tax assets or liabilities have been recognised in respect of DMTT.

(Expressed in Bahamian dollars)

27. Correction of prior-period errors *(continued)*

(a) Restatement arising from Domestic Minimum Top-Up Tax (DMTT) legislation (continued)

Assessment and Accounting Treatment (continued)

		2025	2024		2024 restated*
Income:					
Revenue	$	134,357,842	136,340,279	-	136,340,279
Excise		(6,775,642)	(7,636,313)	-	(7,636,313)
Net revenue		127,582,200	128,703,966	-	128,703,966
Operating expenses:					
Raw materials, consumables and services		86,392,225	88,352,639	(1,528,995)	86,823,644
Personnel costs		20,347,757	19,122,330	-	19,122,330
Depreciation		5,841,087	6,258,602	(604,128)	5,654,474
Amortisation		478,177	482,934	-	482,934
Total operating expenses		113,059,246	114,216,505	(2,133,123)	112,083,382
Other (expense)/income		(1,901,567)	612,630	(485,908)	126,722
Results from operating activities		12,621,387	15,100,091	1,647,215	16,747,306
Finance expenses		959,709	990,307	-	990,307
Profit before income tax	$	11,661,678	14,109,784	1,647,215	15,756,999
Income tax expense		1,641,637	-	1,528,995	1,528,995
Total net profit	$	10,020,041	14,109,784	118,220	14,228,004
Basic and diluted earning per share	$	0.334	0.470	0.004	0.474

(Expressed in Bahamian dollars)

27. Correction of prior-period errors *(continued)*

(a) Restatement arising from Domestic Minimum Top-Up Tax (DMTT) legislation (continued)

Assessment and Accounting Treatment (continued)

		Previously reported	Adjustment	As restated
Cash flows from operating activities				
Net profit	$	14,109,785	118,220	14,228,005
Adjustments for:				-
Depreciation		6,258,602	(604,128)	5,654,474
Amortisation		482,934	-	482,934
Expected credit reversal recognized on trade receivables		(407,674)	-	(407,674)
Expected credit loss recognized on trade receivables		183,288	-	183,288
Reversal in net realizable value provision		(139,772)	-	(139,772)
Interest expense		497,642	-	497,642
Loss on disposal of property, plant and equipment		-	-	-
Tax expense		-	1,528,995	1,528,995
Net cash from operations before changes in working capital		20,984,805	1,043,087	22,027,892
Changes in working capital		(3,265,555)	-	(3,265,555)
Income taxes paid		-	(1,528,995)	(1,528,995)
Net cash from operating activities		17,719,250	(485,908)	17,233,342
Cash flow from investing activities				
Additions to property, plant and equipment		(3,576,653)	-	(3,576,653)
Net cash used in investing activities		(3,576,653)	-	(3,576,653)
Cash flows from financing activities				
Dividends paid		(6,000,000)	-	(6,000,000)
Repayment of lease liability		(2,705,267)	485,908	(2,219,359)
Interest paid		(497,642)	-	(497,642)
Net cash used in financing activities		(9,202,909)	485,908	(8,717,001)
Net increase in cash and cash equivalents		4,939,688	-	4,939,688
Cash and cash equivalents, beginning of year		7,636,646	-	7,636,646
Cash and cash equivalents, end of year	$	12,576,334	-	12,576,334

(Expressed in Bahamian dollars)

27. Correction of prior-period errors *(continued)*

(b) Restatement arising from IFRS 16 Leases and Property Revaluation

During 2025, the Group identified prior-period errors in the accounting for certain lease arrangements under IFRS 16. As a result, as of 31 December 2024, right-of-use assets and lease liabilities were understated by $315,959 and $463,743, respectively, and retained earnings were overstated by $147,784. In addition, as of 1 January 2024, right-of-use assets and lease liabilities were understated by $1,169,592 and $1,435,596, respectively, and retained earnings were overstated by $266,004.

The Group also identified a prior-period error relating to the accounting for a property revaluation completed in 2023. As a result, the carrying amount of buildings within property, plant and equipment and the related revaluation surplus were overstated by $444,882.

The errors have been corrected retrospectively by restating the opening balances of assets, liabilities and equity at 1 January 2024 and the comparative amounts for the year ended 31 December 2024. The corrections have no effect on the Group's cash balances. Based on the current financial-statement schedules there is no material effect on income tax expense or basic and diluted earnings per share.

1 January 2024	As previously reported	Adjustments	As restated
Assets			
Current assets:			
Total current assets	48,035,751	-	48,035,751
Non-current assets:			-
Right of use asset	6,560,940	1,169,592	7,730,532
Property, plant and equipment	47,103,591	(444,882)	46,658,709
Others	5,897,329		5,897,329
Total non-current assets	59,561,860	724,710	60,286,570
Total assets	107,597,611	724,710	108,322,321
Liabilities and equity			
Current liabilities:			
Accounts payable and accrued expenses	17,772,895	-	17,772,895
Short-term lease liability	2,128,748	-	2,128,748
Total current liabilities	19,901,643	-	19,901,643
Non-current liabilities:			
Long-term lease liability	4,882,101	1,435,596	6,317,697
Total liabilities	24,783,744	1,435,596	26,219,340
Equity:			
Others	28,879,321		28,879,321
Revaluation surplus	16,083,580	(444,882)	15,638,698
Retained earnings	37,850,966	(266,004)	37,584,962
Total equity	82,813,867	(710,886)	82,102,981
Total liabilities and equity	107,597,611	724,710	108,322,321

(Expressed in Bahamian dollars)

27. Correction of prior-period errors *(continued)*

(b) Restatement arising from IFRS 16 leases and Property Revaluation (continued)

31 December 2024	As previously reported	Adjustments	As restated
Assets			
Current assets:			
Total current assets	55,260,117	-	55,260,117
Non-current assets:			-
Right of use asset	5,667,064	315,959	5,983,023
Property, plant and equipment	47,295,922	(444,882)	46,851,040
Others	5,414,395	-	5,414,395
Total non-current assets	58,377,381	(128,923)	58,248,458
Total assets	113,637,498	(128,923)	113,508,575
Liabilities and equity			
Current liabilities:			
Accounts payable and accrued expenses	16,427,859	-	16,427,859
Short-term lease liability	2,253,720	(90,892)	2,162,828
Total current liabilities	18,681,579	(90,892)	18,590,687
Non-current liabilities:			
Long-term lease liability	4,032,267	554,635	4,586,902
Total liabilities	22,713,846	463,743	23,177,589
Equity:			
Others	28,879,321		28,879,321
Revaluation surplus	16,083,580	(444,882)	15,638,698
Retained earnings	45,960,751	(147,784)	45,812,967
Total equity	90,923,652	(592,666)	90,330,986
Total liabilities and equity	113,637,498	(128,923)	113,508,575

28. Capital management

The Group is not subject to externally imposed capital requirements except that under The Companies Act 1992, the Group may not declare and pay a dividend if there are reasonable grounds for believing that:

(a) the Group is unable or would, after the payment of dividends, be unable to meet its liabilities as they become due; or
(b) the realisable assets of the Group will be less than the sum of its total liabilities and outstanding share capital.

There were no changes in the Group's approach to capital management during the year.

With effect from 1 January 2011 the Group's policy is to distribute 100% of consolidated net income as dividends subject to the provisions of The Companies Act 1992 as outlined above. The frequency of the payout is at the discretion of the Board of Directors and is subject to approval at the annual shareholders' meeting.

29. Subsequent event

Subsequent to the reporting date, the Company received formal correspondence, via its legal advisors, in relation to the ongoing dispute with Anheuser-Busch InBev (ABI) following the Privy Council ruling.

The correspondence indicates (Note 14) that ABI has asserted a total claim of approximately BSD 1.77 million, inclusive of legal costs, and has indicated a willingness to settle the matter at approximately BSD 1.6 million. Management is currently engaged in ongoing negotiations and expects the final settlement to be within the range of approximately BSD 1.5 million to BSD 1.7 million.

Management has assessed this information as providing additional evidence of conditions that existed at the reporting date. Accordingly, the financial statements reflect a provision representing management's best estimate of the obligation in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, with the related expense presented within other income/(expense) in the statement of profit or loss.

The final settlement amount remains subject to agreement between the parties.