AML FOODS LIMITED

BUILDING TOWARD TOMORROW

ANNUAL REPORT
2026

Mission:

Deliver the best shopping experiences, fresh products, and great service.

Vision:

To Transform AML Foods into the most valued and trusted retailer in The Bahamas.

Values:

We lead by example.

We WOW our customers.

We will always be our best.

We are one team.

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ABOUT US

AML Foods Limited (AML) is one of The Bahamas' leading grocery retail and distribution companies, proudly serving customers across New Providence, Grand Bahama, Exuma, Eleuthera, Harbour Island and Abaco. Through our portfolio of trusted brands - Solomon's, Solomon's Fresh Market, Cost Right Warehouse Club, Family Island Markets, Chef Direct and Domino's Pizza - we are committed to providing quality products, exceptional value, and outstanding customer service.

Everything we do is guided by our core values. We lead by example, wow our customers, always strive to be our best, and succeed as one team. Our purpose extends beyond retail as we work to strengthen the communities we serve through initiatives focused on Food and Nutrition Security, Sustainability, and Youth Empowerment.

Our mission is to deliver exceptional shopping experiences by offering fresh products, great value, and outstanding service. Through operational excellence, innovation, and a customer-first mindset, we strive to be The Bahamas' most trusted and valued retailer while creating long-term value for our customers, associates, shareholders, and communities.

Retail Distribution

Our Retail Distribution Division operates nine grocery stores across The Bahamas, including Solomon's Yamacraw, Solomon's Fresh Market Old Fort Bay, Solomon's Fresh Market Harbour Bay, Solomon's Lucaya, Solomon's Downtown, Exuma Markets Georgetown, Exuma Markets Hoopers Bay, Eleuthera Markets, and Harbour Island Markets. Together, these stores provide customers with an extensive range of fresh foods, grocery items, household essentials, and general merchandise, supported by a dedicated team committed to quality, value, and superior customer service.

Club Distribution

Our Club Distribution Division operates Cost Right Warehouse Club Nassau and Cost Right Warehouse Club Freeport, offering members and businesses a broad assortment of wholesale-priced groceries, general merchandise, household goods, and apparel. Designed to meet the needs of families, entrepreneurs, and businesses alike, Cost Right delivers exceptional value through quality products, convenience, and outstanding service.

Franchise Distribution

Our Franchise Distribution Division operates nine Domino's Pizza locations - eight in New Providence and one in Grand Bahama. As the exclusive Bahamian franchisee of one of the world's most recognized pizza brands, we remain committed to delivering great value, quality products, and fast, reliable service.

Food Service Distribution

Through Chef Direct, our Food Service Distribution Division supplies restaurants, resorts, and food service operators across New Providence, Grand Bahama, Exuma, Eleuthera, and Abaco with quality food products. The online platform provides efficient ordering and dependable door-to-door delivery, helping customers maintain the highest standards of freshness and quality.

E-commerce

Our growing e-commerce platforms make shopping more convenient than ever by allowing customers to order groceries and pizza online for delivery or pickup. Digital shopping is available across all brands. Customers benefit from real-time inventory, secure online payments, scheduled delivery options, and mobile-friendly ordering that delivers a seamless shopping experience.

AML Foods Limited is a publicly traded company listed on the Bahamas International Stock Exchange (BISX). With over 1,200 shareholders and a team of nearly 900 associates across New Providence, Grand Bahama, Exuma, Eleuthera, Harbour Island and Abaco, we remain committed to investing in our people, strengthening our communities, and creating sustainable long-term value for all stakeholders.

MESSAGE FROM THE CHAIRMAN

A resounding year in the face of adversity

It is an honor to address you as Chairman of AML Foods Limited in this year's annual report where we have had a resounding year in the face of adversity. After the loss of two of our flagship locations – Solomon's Old Trail and Cost Right Nassau due to fire, management delivered a strong year of sales growth, profit and market expansion.

While this year's financial performance set new records across all key metrics, what makes these results especially meaningful is how we achieved them. In the face of adversity following the fire, we made the deliberate decision to retain all of our team members, using the opportunity to demonstrate our commitment to our people by continuing to invest in their growth and development. We promoted leaders from within to open new stores in Eleuthera and Exuma and continued to train and develop team members across the organization, preparing them for future opportunities.

Our Executive Team's ability to adapt and respond quickly is a testament to the resilience of our business, the strength of the processes we have built over many years, and the dedication of our people. It also reflects our unwavering commitment to delivering the best possible shopping experience for our customers. By leveraging data to refine our assortment, investing in everyday value, and continually enhancing the customer experience, we have attracted more customers, increased visit frequency, and grown average basket size.

Throughout the year, we continued to execute our long-term growth strategy. We advanced the recovery of our Cost Right Nassau store, continued to invest in our distribution network and e-commerce capabilities, expanded and enhanced our customer loyalty programs, and reinforced our commitment to serving communities throughout the Family Islands. The execution of these strategic investments have created a stronger, more efficient business, and positions AML Foods for sustained growth, as we work toward our plan to achieve revenues of $300 million by 2030.

The operating environment, however, continues to present challenges and increasing operating costs and policy changes continue to place additional pressure on our business. We hope policymakers will continue to recognize the many factors that increase the cost and reduce the ease of doing business, as these ultimately impact the affordability of groceries for Bahamian families.

Despite these challenges, we remain confident in our future. Our strategy is clear, our balance sheet is strong, and our investments today are laying the foundation for an even brighter tomorrow. We remain committed to creating long-term value for our shareholders while continuing to invest in our people and our communities.

On behalf of my board colleagues, I would like to thank our almost 900 team members and associates for their continued commitment to AML Foods and its vision. I would also like to thank our shareholders for the continued confidence you have placed in the Board and management. To our loyal customers who continue to choose AML Foods for your shopping needs every day, your trust inspires us to continue building a better tomorrow.

Franklyn Butler II
Chairman

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

> ***Laying a strong foundation for future growth.***

I am pleased to report on another year of strong performance for our Company. The investments and improvements we have made in our processes, supply chain and technology have strengthened our operations, enabling us to consistently deliver operational excellence while laying a strong foundation for future growth.

Despite the loss of over $40m in annual revenues from our Old Trail location, we recorded a 3% increase in sales for 2025/26, our 15th consecutive year of sales growth. Our relentless focus on improving customer experiences, increasing the selection and availability of relevant items and expanding our products and services to new markets has resulted in increased weekly customer visits and basket size.

Our year began with us managing the recovery from the Old Trail fire of April 14th, 2025. We determined immediately after the fire that we would remain committed to growth, and that we would not allow that event to define us or to derail our ambitions.

Throughout this period, our team displayed remarkable resilience and determination, balancing the challenges of recovery with the demands of daily operations, while successfully expanding our footprint through the opening of three new stores over the past sixteen months.

We recognize that many families continue to feel the impact of the rising cost of living. As one of The Bahamas' largest grocery retailers, AML Foods is committed to doing its part to help ease these pressures. We have increased entry level salaries by 15% for our associates, and we are investing nearly $30m to open our distribution centre in Grand Bahama and reopen our Cost Right Nassau location. Both of these investments will allow us to source in larger quantities and lower our cost of goods.

Recently, there have been several changes in government policy that have had a significant impact on our Company, including the classification of grocery items as VAT exempt rather than zero-rated. The impact of these policy changes is expected to increase AML Foods' operating costs by up to $4.5m annually, while increasing the costs of reinvesting in our business and in new stores by 10%. Our effective taxation rate will now be approximately 35% of our operating profits.

These changes have happened at a time when tremendous inflationary pressures and increased costs on freight, insurance, energy costs, rent and other expenses, are continuing to increase the already high cost of doing business in The Bahamas. Local service providers and wholesalers have shared with us their increased costs of doing business and grocery retailers are experiencing a steady pattern of cost increases, further compounding the pressures on the grocery retail industry. We hope that policy makers recognize that there are many factors that contribute to the rising cost and complexity of doing business, as these ultimately impact the affordability of groceries for Bahamian consumers. While we believe that these policy changes were not intended to discourage investment, unfortunately their cumulative impact is likely to have that long-term effect on our industry.

We will continue to seek growth opportunities, but the impacts of these policy changes may ultimately result in pivots in how and where we invest, and how we operate our businesses, as we ensure that we strike the right balance between serving and supporting our communities and partners, while being the best stewards of our shareholders capital.

Despite these headwinds, we will continue to focus on growing our people, our communities and our Company. We continue to expand our development programs –through mentorship, developmental roles and succession planning – for all successful organizations are built on their people. Our renovated Exuma Markets Hoopers Bay location is due to open in Q2, with our expanded Cost Right Nassau store due to open in the Spring of 2027. These new and remodeled locations will allow us to expand our great customer experience to other communities throughout The Bahamas.

I would like to sincerely thank our team members, partners and shareholders for your commitment and dedication to our vision and continued success and I look forward to the future growth of our Company. To our thousands of loyal customers, thank you for the trust and support over the past year. We appreciate your loyalty, and we remain committed to delivering a superior shopping experience to you every day.

Gavin Watchorn,
President and CEO

EXECUTIVE TEAM

Gavin Watchorn
President & CEO, Director

Joined Company in 2003

Davette Lightbourne
Chief Financial Officer & Corporate Secretary

Joined Company in 2018

Scott Miller
Chief Operating Officer

Joined Company in 2021

Kimberley Frazier
Head of Human Resources, Talent & Development

Joined Company in 2016

Renea Bastian
Vice President Marketing & Communications

Joined Company in 2010

Richard Jones
Vice President Facilities

Joined Company in 2011

Dave Forbes
Vice President Information Technology

Joined Company in 2020

Ben Brown
Vice President Purchasing

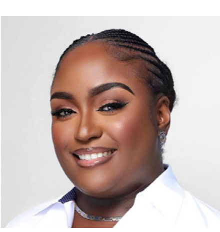
Joined Company in 2021

Vanessa Pinder
Vice President Operations

Joined Company in 2022

Indira Moss
Vice President Margin Control & Logistics

Joined Company in 2009



Alissa Martin
Director Purchasing

Joined Company in 2010

MANAGEMENT DISCUSSION & ANALYSIS

Management will use this report to provide an analysis of the movements in the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Equity of AML Foods Limited ("AML" or "the Company" or "the Group") for the fiscal year beginning May 1, 2025 to April 30, 2026, and to discuss significant results from operations for the year ended April 30, 2026.

This report should be read in conjunction with the audited consolidated financial statements and its accompanying notes. This report may include "forward-looking statements." While the Company believes that the expectations reflected in such statements are reasonable, it gives no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from the Company's expectations include external economic conditions, changes in the marketplace, changes in interest rates, changes in regulations, operating costs, and other unforeseen events or conditions that may affect performance.

FINANCIAL OVERVIEW

Fiscal 2026 was a year of continued profitable growth, improved margins and strategic investment. Consolidated sales increased to $208.9 million, gross profit rose to $73.8 million and net operating profit increased to $16.5 million. Net and comprehensive income was $19.3 million, compared with $14.6 million in the prior year, and earnings per share increased to $1.29 from $0.97.

Our sales growth for the year resulted in the Group achieving its 15th year of consecutive annual sales increases. At the end of the fiscal year, we completed the acquisition of Prime Island Meats & Deli, adding a second location on the island of Exuma, and just subsequent to year end, we completed the acquisition of Captain Bob's in Harbour Island, resulting in our second location in Eleuthera. Both acquisitions have positioned us to gain further sales improvement through market share growth.

The Group closed the year with a strengthened financial position, supported by higher cash balances, continued investment in the business and a significant increase in shareholders' equity. Overall, the 2026 balance sheet reflects a stronger and more resilient financial position. Higher liquidity, reduced debt and continued investment in productive assets have strengthened the Group's capital base. This has positioned AML to advance its strategic priorities and pursue sustainable long-term growth, while continuing to deliver value to shareholders.

Most notably, shareholders' equity increased by $15.0 million, or 23.7%, to $78.2 million, compared with $63.3 million at April 30, 2025. This improvement was driven by the year's strong earnings, with retained earnings increasing to $60.7 million from $45.7 million after the payment of $4.4 million in ordinary dividends, which increased by $0.6 million or 16% over prior year.

CASH AND BANK BALANCES

Cash and bank balances increased by $10.1 million, or 57.4%, to $27.7 million, reflecting positive operating cash generation. The $23.2 million insurance claim receivable reported at April 30, 2025, was fully collected in fiscal 2026, with an additional $5.4 million in business interruption insurance proceeds recorded and received during the year. No insurance claim receivable remained at April 30, 2026.

Operating activities generated $19.3 million of cash compared with $20.9 million in 2025. Operating cash flow before changes in working capital increased to $22.4 million from $20.1 million, while working capital movements resulted in a net use of cash, including increases in inventories and other current assets.

Investing activities generated $3.1 million of net cash compared with an $8.5 million use of cash in 2025. Fiscal 2026 included $28.4 million of insurance recovery proceeds, partly deployed into $12.1 million of BGRS investments, $10.2 million of property, plant and equipment additions and $2.9 million for the acquisition of Prime Island Meats & Deli.

Net cash used in financing activities increased to $12.4 million from $4.0 million. The increase reflected the absence of new bank borrowings in 2026, together with $4.4 million of bank loan and preference share repayments, $3.2 million of lease payments and $4.7 million of ordinary and preference dividend payments.

MERCHANDISE INVENTORIES

Merchandise inventories increased by $1.2 million, or 9.6%, to $13.9 million. Inventory increased mostly from the opening of a temporary site for Cost Right Nassau and the inventory associated with our newest location, Exuma Markets Hoopers Bay. Inventory turns continue to improve year over year.

PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment increased by $7.0 million, or 13.6%, to $58.6 million. The increase was concentrated in work in progress, which rose by $9.0 million to $11.4 million and included the ongoing costs associated with the rebuild of Cost Right Nassau and the outfit of a new Distribution Center. Additions were partly offset by depreciation and disposals.

The Group's acquisition of Prime Island Meats & Deli in Hooper's Bay included purchase of land and a building on an adjacent property, which increased property, plant and equipment by $1.2 million.

GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets increased by $1.5 million, or 29.8%, to $6.4 million. The increase principally reflects goodwill and customer-related intangible assets recognized from the acquisition of Prime Island Meats & Deli, partially offset by amortization of customer-related intangibles.

During the year, the Company conducted its annual impairment test by determining the net present value (NPV) of the operating units on which it carries goodwill. The NPV was compared to the operating units value in use, to determine whether an impairment existed. The results of the Company's annual impairment test indicated no impairment.

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses decreased by $1.0 million, or 5.1%, to $19.6 million. Trade accounts payable and accrued expenses together increased by $1.1 million, mostly from increased inventory purchases to support sales growth. Taxes payable declined by $2.1 million primarily from the remittance of value added tax on insurance proceeds accrued in fiscal 2025 and received in fiscal 2026.

PREFERENCE SHARES

Preference share liabilities decreased by $1.4 million, or 20.0%, to $5.4 million, as scheduled redemptions commenced during the year. At the end of April 30, 2026, the Company had a total of 5,441 outstanding Class E preference shares which attract an interest rate of 6.0% per annum.

BANK LOANS

Total bank loans decreased by $3.1 million, or 13.6%, to $19.8 million as a result of scheduled repayments. The Company has a total of five bank loans with RBC Royal Bank (Bahamas) Limited which all originated in previous years to fund various capital purchases. All loans attract a blended interest rate of Bahamas Prime (4.25%) minus 0.65%. A total of $2.8m of principal payments were made on bank loans during the year.

SALES

Consolidated sales increased by $5.9 million, or 2.9%, to $208.9 million. The increase was primarily attributable to the Food Distribution segment, where sales rose by $5.9 million to $197.8 million. Food Franchise sales remained flat at $11.1 million.

GROSS PROFIT

Cost of sales increased by $1.2 million, or 0.9%, to $135.1 million, a slower rate of increase than sales. As a result, gross profit increased by $4.6 million, or 6.7%, and the consolidated gross margin expanded to 35.3% from 34.1%. The Food Distribution gross margin improved to 33.6% from 32.1%, while the Food Franchise gross margin decreased, but remained strong at 66.4% from 67.4%.

Net operating profit increased by $2.5 million, or 17.7%, to $16.5 million, as the improvement in gross profit exceeded the increase in operating expenses.

EXPENSES

Selling, general and administrative expenses increased by $2.4 million, or 4.3%, to $58.8 million. Payroll and related costs increased to $27.3 million from $24.6 million, while office and computer costs as well as other costs also increased. These increases were partly offset by lower facilities, sales and marketing and depreciation expenses following the destruction of the Old Trail building.

2026-2027 OUTLOOK
OPPORTUNITIES AND INVESTMENTS

The Group enters fiscal 2027 with a stronger cash position, an expanded asset base and more improved profitability. Management's priorities remain centered on sustainable sales growth, gross margin management, operating efficiency, disciplined capital allocation and maintaining adequate liquidity. Future performance will also depend on the successful integration and development of recent acquisitions and management of our Distribution Center.

Management will continue to balance investments in growth with cash generation, debt reduction and shareholder returns, while maintaining the appropriate financial flexibility needed to support the Company's long-term objectives.

ECONOMIC CONDITIONS, CHALLENGES, AND RISKS

The grocery industry in The Bahamas is operating within an increasingly complex regulatory environment. Changes in taxation, customs procedures, consumer protection and other regulatory obligations can require retailers to respond within relatively short implementation periods. For large grocery operators, regulatory changes can have a disproportionate operational impact, requiring modifications to systems, processes, product classifications, pricing, reporting and internal controls. Regulatory compliance therefore represents both a financial and operational risk.

Looking ahead, the Group will need to remain responsive to an evolving regulatory landscape, maintaining strong tax governance, effective internal controls and flexible technology platforms, capable of accommodating changes efficiently. Continued engagement with regulators and industry stakeholders will also be important to ensure that new requirements are implemented effectively, while minimizing unintended operational impacts and preserving the intended benefits for Bahamian consumers.

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of AML Foods Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of AML Foods Limited (the Company) and its subsidiaries (collectively, the Group), which comprise the consolidated statement of financial position as at April 30, 2026, and the consolidated statement of profit or loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at April 30, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of consolidated financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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.

Key Audit Matter	Summary of the Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Goodwill and Other Intangible Assets	At April 30, 2026, the Group carried Goodwill and other intangible assets of $6,424,000 in the consolidated statement of financial position (refer to Note 12 to the consolidated financial statements) which includes $1,584,000 recognized during the current year from a business combination. Management's allocation of the purchase price on the business combination and impairment assessment of the carrying value of Goodwill and other intangible assets are considered to be matters of key significance because the assessment process is complex, particularly around identifying and assigning value to intangible assets not previously recognized in the business combination, and the determination of a discount rate, and reliance on significant estimates and assumptions in Goodwill and other intangible assets. Management estimates the discount rate and determines assumptions in forecasting future cash flows, particularly revenues and gross margin percentages in its Goodwill impairment assessment. Management's annual impairment assessment indicated no impairment during the year under audit.	In evaluating the allocation of intangible assets and impairment of Goodwill, we performed various procedures, including the following: • Reviewed management's purchase price allocation on the business combination. • Involved fair value specialists to evaluate the methods and key assumptions used to identify and value intangible assets acquired in the business combination. • Reviewed the value in use calculations prepared by management. Assessed the design and implementation of controls surrounding the preparation of the impairment model. • Involved fair value specialists to support our assessment of key assumptions used by management in the goodwill impairment methodology, model inputs, discount rate and long-term growth rate testing. • Compared the growth rates used to historical data regarding economic growth rates, and assessed key inputs into the cash flow forecast against historical performance and in comparison to management's strategic plans. • Assessed the sufficiency and appropriateness of the disclosures given in respect of Goodwill and other intangibles, and the business combination.

Other Information

Management is responsible for the Other Information. The Other Information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the Other Information and we will 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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 as issued by the IASB, 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 to 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 related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Lawrence Lewis.

Deloitte & Touche

Nassau Bahamas
August 28, 2026

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2026
(Expressed in thousands of Bahamian dollars except per share amounts)

	April 30, 2026	April 30, 2025
Assets		
Current assets		
Cash and bank balances (Note 5)	$ 27,675	$ 17,577
Term deposits with original maturities greater than 90 days	290	292
Receivables, net of provisions (Note 6)	1,011	1,200
Insurance claim receivable (Note 24)	-	23,150
Investments in BGRS (Note 9)	3,742	-
Merchandise inventories, net of provisions (Note 7)	13,897	12,678
Other current assets (Note 8)	4,407	3,120
Total current assets	51,022	58,017
Non-current assets		
Investments in BGRS (Note 9)	8,292	-
Other assets (Note 10)	3,138	3,138
Property, plant and equipment, net (Note 11)		
Land, land improvements, and buildings	36,834	37,488
Equipment	7,723	8,268
Leasehold improvements	2,657	3,471
Work in progress	11,402	2,370
	58,616	51,597
Right-of-use assets (Note 16)	25,606	27,228
Goodwill and other intangible assets (Notes 12 and 23)	6,424	4,951
Total non-current assets	102,076	86,914
Total assets	$ 153,098	$ 144,931

(Continued)

See notes to consolidated financial statements.

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2026
(Expressed in thousands of Bahamian dollars except per share amounts)

	April 30, 2026	April 30, 2025
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses (Note 14)	$ 19,629	$ 20,673
Current portion of bank loans (Note 13)	2,956	3,129
Current portion of preference shares (Note 15)	1,360	1,360
Current portion of lease liability (Note 16)	1,567	1,580
Total current liabilities	25,512	26,742
Long-term liabilities		
Bank loans (Note 13)	16,848	19,790
Preference shares (Note 15)	4,081	5,441
Lease liability (Note 16)	28,414	29,693
Total long-term liabilities	49,343	54,924
Total liabilities	74,855	81,666
Shareholders' equity		
Ordinary share capital (Note 17)	7,503	7,503
Contributed surplus	2,106	2,106
Revaluation surplus (Note 11)	7,951	7,951
Retained earnings	60,683	45,705
	78,243	63,265
Total liabilities and shareholders' equity	$ 153,098	$ 144,931

(Concluded)

See notes to consolidated financial statements.

These consolidated financial statements were approved by the Board of Directors as of August 25, 2026 and are signed on its behalf by:

Director

Director

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
YEAR ENDED APRIL 30, 2026

(Expressed in thousands of Bahamian dollars except share and per share amounts)

	April 30, 2026	April 30, 2025
Sales (Note 25)	$ 208,902	$ 203,010
Cost of sales	(135,088)	(133,839)
Gross profit (Note 25)	73,814	69,171
Selling, general and administrative expenses (Note 19)	(58,785)	(56,381)
Other operating income (Note 18)	1,541	1,497
Loss on disposal of property, plant and equipment (Note 11)	(24)	(227)
Net operating profit	16,546	14,060
Interest expense (Notes 13, 16 and 25)	(2,207)	(2,265)
Dividends on preference shares (Notes 15 and 25)	(367)	(408)
Insurance claim income (Note 24)	5,358	24,234
Loss from fire-related destruction (Note 24)	-	(21,059)
Net and comprehensive income	$ 19,330	$ 14,562
Weighted average number of ordinary shares outstanding	15,008,048	15,008,048
Earnings per share (Note 20)	$ 1.29	$ 0.97

See notes to consolidated financial statements.

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED APRIL 30, 2026
(Expressed in thousands of Bahamian dollars except per share amounts)

	Number of Shares ('000s)	Ordinary Share Capital	Contributed Surplus	Revaluation Surplus	Retained Earnings	Total
Balance as of April 30, 2024	**15,008**	**$ 7,503**	**$ 2,106**	**$ 7,951**	**$ 34,895**	**$ 52,455**
Net profit	-	-	-	-	14,562	14,562
Declared dividends ($0.25 per share)	-	-	-	-	(3,752)	(3,752)
Balance as of April 30, 2025	**15,008**	**$ 7,503**	**$ 2,106**	**$ 7,951**	**$ 45,705**	**$ 63,265**
Net profit	-	-	-	-	19,330	19,330
Declared dividends ($0.29 per share)	-	-	-	-	(4,352)	(4,352)
Balance as of April 30, 2026	**15,008**	**$ 7,503**	**$ 2,106**	**$ 7,951**	**$ 60,683**	**$ 78,243**

See notes to consolidated financial statements.

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2026
(Expressed in thousands of Bahamian dollars except shares and per share amounts)

	April 30, 2026	April 30, 2025
Cash flows from operations		
Net profit	$ 19,330	$ 14,562
Adjustments for:		
Depreciation and amortization (Notes 11, 12 and 16)	6,679	7,486
Dividends on preference shares (Note 15)	367	408
Increase in inventory provision (Note 7)	35	201
(Decrease) / increase in provision for doubtful debts (Note 6)	(70)	40
Loss on disposal of property, plant and equipment (Note 11)	24	227
Loss from fire-related destruction of property, plant, and equipment (Note 24)	-	15,812
Loss from fire-related destruction of inventory (Note 24)	-	4,133
Insurance claim income (Note 24)	(5,358)	(24,234)
Interest on lease liability (Note 16)	1,432	1,502
Operating cash flow before changes in working capital	22,439	20,137
Decrease / (increase) in working capital source/(use):		
Increase in merchandise inventories (Note 7)	(1,139)	(1,797)
Decrease / (increase) in receivables (Note 6)	718	(420)
(Increase) / decrease in other current assets (Note 8)	(1,287)	1,005
(Decrease) / increase in accounts payable and accrued expenses (Note 14)	(1,363)	1,985
Net cash provided by operating activities	19,368	20,910
Cash flows from investing activities		
Movement in term deposits with original maturities greater than 90 days	2	(3)
Investments in BGRS (Note 9)	(12,061)	-
Additions to property, plant and equipment (Note 11)	(10,247)	(9,509)
Proceeds from insurance recovery for property, plant & equipment (Note 24)	28,371	3,500
Proceeds from sale of property, plant and equipment	1	-
Acquisition of business (Note 23)	(2,920)	(2,515)
Net cash from / (used in) investing activities	3,146	(8,527)

(Continued)

See notes to consolidated financial statements.

AML FOODS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2026
(Expressed in thousands of Bahamian dollars except shares and per share amounts)

		April 30, 2026		April 30, 2025
Cash flows from financing activities				
Dividends paid on ordinary shares (Note 17)	$	(4,352)	$	(3,752)
Dividends paid on preference shares (Note 15)		(367)		(408)
Repayment of preference shares (Note 15)		(1,360)		-
Proceeds from bank loans (Note 13)		-		6,277
Repayment of bank loan (Note 13)		(3,115)		(2,526)
Payment of lease liabilities (Note 16)		(3,222)		(3,597)
Net cash used in financing activities		(12,416)		(4,006)
Net increase in cash and cash equivalents		10,098		8,377
Cash, beginning of period		17,577		9,200
Cash, end of period (Note 5)	$	27,675	$	17,577
Supplemental information:				
Interest received	$	335	$	2
Interest paid	$	1,142	$	1,178

(Concluded)

See notes to consolidated financial statements.

1. GENERAL INFORMATION

AML Foods Limited ("the Company") is incorporated under the laws of The Commonwealth of The Bahamas and its shares are listed on the Bahamas International Securities Exchange. The registered office of the Company is 9 Pineapple Grove, Western Road, Old Fort Bay, New Providence, The Bahamas and the corporate office is at #20 University Drive, New Providence, Bahamas.

The Company and its wholly owned subsidiaries (together, referred to as "the Group") are primarily engaged in the operations of retail and club stores offering dry and perishable food items and other consumer products, and the operation of a food franchise business.

The Company has nine (9) subsidiaries that management deems to be significant to the operations of the Company for the year ended April 30, 2026 . The Company holds 100% of the voting rights in all subsidiaries. The significant operating entities are all incorporated in The Commonwealth of The Bahamas. These are separated into two operating segments as listed below:

Food Distribution

- Solomon's Supercentre (Nassau) Limited
- Cost Right Nassau Limited
- Solomon's Club (Freeport) Limited
- Thompson Wholesale Limited
- Solomon's Fresh Market Limited
- Solomon's Exuma Limited
- Solomon's Eleuthera Market Limited
- Chef Direct Limited

Food Franchise

- Caribbean Franchise Holdings Limited

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, there were several new and amended Standards and Interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee (the "IFRIC") of the IASB effective for annual reporting periods beginning on or after May 1, 2025. The adoption of these standards, amendments and interpretations were not relevant or not significant to the Company's operations and therefore did not have a material impact on the consolidated financial statements.

Standards and Interpretations effective but not affecting the reporting results or financial position

IAS 21 The Effects of Changes in Foreign Exchange Rates (Amended)

Standards and Interpretations in issue but not yet effective

IFRS 7 Financial Instruments: Disclosures (Amended)
IFRS 9 Financial Instruments (Amended)
IFRS 18 Presentation and Disclosures in Financial Statements
IFRS 19 Subsidiaries without Public Accountability: Disclosures
IFRS 20 Regulatory Assets and Regulatory Liabilities
IAS 28 Investments in Associates and Joint Ventures

Management is currently reviewing the potential impact of these new standards and interpretations.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of compliance - The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis of preparation **-** The consolidated financial statements have been prepared on the historical cost basis except for certain land, land improvements and buildings which are carried at revalued amounts.

Basis of consolidation **-** The consolidated financial statements include the assets, liabilities, equity, income, expenses, and cash flows of the Company and its subsidiaries and are presented as those of a single economic entity. Subsidiaries are all entities controlled by the Company. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases. Accounting policies of subsidiaries are consistent with the policies adopted by the Company. All significant inter-company balances and transactions are eliminated on consolidation.

The following is a summary of the significant accounting policies:

a. ***Revenue recognition*** **-** Revenues comprise the fair value of the consideration received or receivable in the ordinary course of the Company's activities. Revenues are presented net of returns and discounts. The Company derives revenues from two types of operations:

i. Retail sales, which include grocery, appliances and household items
ii. Franchise sales, which comprise prepared food

IFRS 15 introduces a five-step approach to the timing of revenue recognition based on performance obligations in customer contracts. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company recognizes revenue from the principal activities as described above. Retail sales in both food distribution and food franchise are usually settled by cash or by credit card at the time of sale.

In May 2022, the Company introduced a 'MySmart Rewards' loyalty program through which retail customers accumulate points on purchases of goods sold within its Solomon's and Fresh Market brands 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 and 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 and the likelihood of redemption. A contract liability is recognized for deferred revenue relating to the loyalty points at the time of the initial sales transaction and is included in Accounts Payable and Accrued Expenses in the Consolidated Statement of Financial Position. Revenue from the loyalty points is recognized when the points are redeemed by the customer. If unredeemed, loyalty points expire one year from the date earned. Loyalty points expired are not material compared to the contract liability recognized at the time of sale.

b. ***Cost of sales*** **-** Cost of sales consists of the purchase price of inventory sold, shipping charges, import duties and other costs. Cost of sales also includes supplies, shrink, and loss and damage. For the Food Franchise segment, cost of sales also comprises all costs associated with the operations of the commissaries including salaries, facilities costs, office costs, motor, and depreciation charges.

Vendor discounts, wherever applicable, are factored into the total landed cost of the inventory.

c. ***Cash and cash equivalents*** - Cash and cash equivalents comprise unrestricted cash on hand and in banks that are available for use in operations and capital expenditures. In the consolidated statement of cash flows, bank overdraft is deducted from cash and cash equivalents to present a net cash position. Cash and cash equivalents also include term deposits with original maturity dates of less than 90 days.

d. ***Term deposits*** **-** Term deposits with original maturity dates greater than 90 days are shown separate and apart from cash and bank balances. Term deposits may be established for a specific purpose and / or for a certain period of time.

e. ***Financial assets and liabilities*** **-** Under IFRS 9, financial assets should be classified and measured at fair value, with changes in fair value recognized in profit and loss as they arise ("FVPL"), unless restrictive criteria are met for classifying and measuring the asset at either Amortized Cost or Fair Value through Other Comprehensive Income ("FVOCI").

Receivables

IFRS 9 establishes an "expected credit loss" ("ECL") model for loans and receivables, including trade receivables that focuses on the risk that a loan or receivable will default or become uncollectible rather than whether a loss has been incurred. Under the ECL model, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes.

The Company's trade receivables are short-term in nature and do not contain a significant financing component. Accordingly, they are initially measured at the transaction price, which approximates the undiscounted invoice amount. The Company applies the simplified approach under IFRS 9 to recognize expected credit losses on trade receivables. Given the short-term nature of the receivables and the Company's historical experience of credit losses, the resulting expected credit loss allowance is not material to the financial statements.

Bahamas Government Registered Stock (BGRS)

Investments in BGRS are measured at amortized cost where the Company's objective is to hold the investments to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, these investments are measured at amortized cost using the effective interest method, less any impairment losses. Interest income is recognized in profit or loss using the effective interest rate.

The Company has considered the expected credit loss requirements of IFRS 9 in respect of its investment in BGRS. In assessing the expected credit losses, consideration has been given to the credit quality of the government issuer, the short-term nature of the investments and their remaining maturities of approximately one to two years, together with available historical and forward-looking information. Based on this assessment, management has determined that the expected credit loss is not material to the financial statements and, accordingly, no separate loss allowance has been recognized.

Where government bonds are purchased at a premium or discount to their face value, the premium or discount forms part of the calculation of the effective interest rate and is amortized over the expected life of the investment.

f. ***Merchandise inventories*** - Food distribution and food franchise inventories are stated at the lower of weighted average cost, less provisions and net realizable value.

Provisions for shrinkage are made for differences between book value and the last physical inventory count based on percentage of sales. Provisions are also made for slow moving and obsolete inventory by applying a range of percentages to inventory aging reports. Losses and damages incurred during the normal course of business are recognized in the consolidated statement of profit or loss and comprehensive income at the time that such impairment is known. These are made in order to estimate the amount by which inventory needs to be reduced to estimated net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to conclude the sale.

g. ***Property, plant and equipment*** – Land, land improvements and buildings are carried at fair value based on independent appraisals that are performed every 3 years unless a significant event occurs earlier which may materially impact property values. Any increase in the carrying value of an asset as a result of a revaluation is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the reversal is credited to profit or loss to the extent of the decrease previously expensed. However, a revaluation decrease is charged directly against any related revaluation surplus to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of the same asset. No depreciation is provided on land.

Properties in the course of construction are carried at cost and included in work in progress, less any recognized impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets commences when the assets are ready for their intended use, on the same basis as the other property assets.

Equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is provided on a straight-line basis on cost or revalued amounts less estimated residual values (if applicable) over the estimated useful lives of the assets as follows:

Land improvements	10-15 years
Buildings	40 years
Equipment	2 – 15 years
Motor vehicles	4 years
Leasehold improvements	Lesser of 7 years or the life of the relevant lease where renewal is not expected

At the time assets are retired or otherwise disposed of, the cost and related accumulated depreciation and revaluation surplus are eliminated from the accounts and any gain or loss on the transaction is recognized in the consolidated statement of profit or loss and comprehensive income.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced item is derecognized.

All other costs are classified as repairs and maintenance and are charged to the consolidated statement of profit or loss and comprehensive income during the financial period in which they are incurred.

h. ***Business combinations*** - The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the Company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

i. ***Goodwill*** - Goodwill represents the excess of the acquisition cost of subsidiaries over the fair value of net identifiable assets acquired at the date of acquisition. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The Company performs an impairment assessment annually or earlier if indications of impairment exist. An impairment loss for a business unit arises when the assets in use, including goodwill, exceed the recoverable amount, which is calculated as the higher of the fair value less costs of disposal and value in use.

j. ***Impairment of intangible and tangible assets other than goodwill*** - At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss when the recoverable amount of the asset is less than its carrying amount. Customer-related intangibles, which are initially carried at their fair value at their various acquisition dates, have an estimated finite life of seven years and are amortized on a straight-line basis.

k. ***Dividends*** - Dividends on ordinary shares are paid out of net profits at the discretion of the Board of Directors. Dividends declared and paid are recognized in the period declared in the consolidated statement of changes in equity.

l. ***Preference shares*** - Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in the consolidated statement of profit or loss and comprehensive income.

m. ***Treasury shares*** - Shares purchased under the Company's share buyback plan are recorded at cost plus applicable fees. Dividends received on these shares are offset against total dividends paid.

n. ***Employee benefits -*** Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

o. ***Defined contribution pension plan*** - The Company maintains a defined contribution pension plan. The Company's contribution to the defined contribution pension plan is limited to 5% of a participant's annual base salary. All funds are held together in trust by an independent third party.

The Company's contributions to the plan are recognized as an expense in the consolidated statement of profit or loss and comprehensive income as incurred. The Company does not manage or administer the plan, and its obligation is limited to the amount of its contribution. The funds are remitted to a third-party manager.

p. ***Segment reporting*** - A segment is a distinguishable component of the Company that is engaged either in providing products (business segment), or in providing products within an economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

q. ***Foreign currency translation*** - Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency").

The consolidated financial statements are presented in Bahamian dollars, which is the Company's functional and reporting currency.

Monetary assets and liabilities denominated in foreign currencies other than the Bahamian dollar are translated at the exchange rates in effect at the year-end date. Income and expenses in foreign currencies are translated at the rates in effect at the transaction dates.

r. ***Leases*** **-** Leases are recognized as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company. The right of use asset is presented separately in the consolidated statement of financial position. At the commencement date, lease liabilities are measured at an amount equal to the present value of the following lease payments for the underlying right-of-use asset during the lease term:

- Fixed payments
- Variable lease payments that are based on an index or rate

The lease payments are discounted using the interest rate implicit in the lease, if the rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. Lease liabilities are subsequently measured using the effective interest method. The carrying amount of the liability is remeasured to reflect any re-assessment, lease modification or revised in-substance fixed payments.

The lease term is a non-cancellable period of lease. Periods covered by options to extend and terminate the lease are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated.

Right-of-use assets are measured initially at the amount of the initial measurement of the lease liability. Subsequently, the right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses are adjusted for remeasurement of the lease liability due to reassessment or lease modifications.

The right-of-use assets are depreciated over the shorter of the assets' useful life and the lease term on a straight-line basis. The amortization period for the right-of-use assets are as follows:

Buildings	2 - 40 years

s. ***Related parties*** **-** Related parties are defined as follows:

i. Controlling shareholders;
ii. Subsidiaries;
iii. Associates;
iv. Directors;
v. Individuals owning, directly or indirectly, an interest in the voting power that gives them significant influence over the enterprise, i.e. normally more than 20% of shares (including close family members of such individuals);
vi. Key management personnel - persons who have authority for planning, directing and controlling the enterprise (including close family members of such individuals);
vii. Enterprises controlled or significantly influenced by the individuals described in (iv) - (vi)

t. ***Selling, general and administrative expenses*** - Selling, general and administrative expenses include all operating costs of the Company except the cost of sales, as described above.

u. ***Equity instruments*** - An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are detailed in Note 3, management is required to make judgments and estimates about the carrying amounts of certain assets and liabilities. Those judgments and estimates are based on historical experience and other relevant industry standards. Actual results may vary from management's judgments and estimates.

These judgments and estimates are periodically reviewed and revised when necessary. Revisions are recognized in the applicable accounting periods.

The following are judgements and estimates that management has made when applying the Company's accounting policies, which have the most significant impact on the consolidated financial statements.

a. **Goodwill -** Goodwill is initially measured at cost, being the excess of the cost of the business combination over the Group's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Management uses estimates to determine the fair value of assets at purchase. The Company performs an annual test to determine if any impairment has occurred to the carrying value of goodwill. In carrying out this test, management uses estimates and projections to determine the net present value (NPV) of the cash generating units by calculating the NPV of projected cash flows and the NPV of terminal values by applying an estimated growth rate and a discount factor based on the Company's weighted average cost of capital (WACC). These estimates are based on government prime rate, estimated internal growth rate, and calculating cost of equity and debt to determine the Company's WACC.

b. **Inventory -** The Company's gross inventory is calculated using weighted average cost. In order to assess net inventory values, the Company makes a provision for shrink (difference between book value and periodic physical counts). A series of estimates are used for each category of product based on historical performance and U.S. industry norms adjusted for the Bahamian market. The Company makes a further provision for obsolescence by applying defined discounts based on an inventory aging report.

c. **Leases -** The Company is unable to readily determine the interest rate implicit in the leases, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

d. **Land, land improvements and buildings -** The Company measures its land, land improvements and buildings at revalued amounts every three years with changes being recognized in the revaluation surplus in the consolidated statement of financial position. The valuation techniques are based on a blended approach of the cost and income methods and consider comparable data for similar properties, performed by an independent appraiser to determine the fair values. The fair values consider specific market factors such as the location and condition of the respective properties. Management considers that the valuation methodologies and assumptions utilized are appropriate for determining the fair value of the Company's land, land improvements and buildings.

e. **Business combinations -** During the current year the Company acquired the assets of Prime Island Meats and Deli in Hooper's Bay, Exuma, The Bahamas. The acquisition comprised all key tangible and intangible assets of Prime Island Meats and Deli, including all remaining inventory, fixed assets (land, building and equipment), use of the trade name and a non-compete agreement. Management concluded that the acquisition met the requirements of a business combination under IFRS 3 as the acquisition possessed the critical elements—inputs and processes—that can generate outputs in the form of revenue from ordinary activities. Due to the acquisition, the Company gained exposure to variable returns, and the ability to influence returns of Prime Island Meats and Deli. The transaction was accounted for as a Business Combination under IFRS 3 whereby identifiable assets and liabilities were measured at their fair values at the acquisition date and goodwill recognized for the excess consideration above the fair value of net assets acquired.

f. **Customer loyalty program -** The Company's Food Distribution division operates a customer loyalty program, 'My Smart Rewards' where for each $1 spent, customers obtain $0.01 in loyalty points which they can redeem to receive discounts on future purchases. Loyalty points are considered to be a separate performance obligation as they provide customers with a material right they would not have received otherwise. Unused points expire if not used within one year. The Company allocates the transaction price between the material right and other performance obligations identified in a contract on a relative stand-alone selling price basis. The amount allocated to the material right is initially recorded as a contract liability and is later recognized in revenue when the points are redeemed by the customer. The Company's experience is that an immaterial portion of the loyalty points will expire without being used and during the year, management assumed at the time of being earned, that 100% of the points accumulated during the year would be redeemed in future periods. The Company has assessed it is highly improbable a significant reversal of revenue will arise if actual experience differs from expectations and therefore no further revenue constraint is needed.

5. CASH, BANK BALANCES AND BANK OVERDRAFT

The Company was in compliance with all of its debt covenants as of April 30, 2026 . These covenants are in relation to the overall credit arrangements with the Company's bankers.

The credit arrangements with RBC Royal Bank (Bahamas) Ltd. were renegotiated with effect from July 15, 2024. The credit facilities are secured with guarantees and postponement of claims, by fixed and floating debentures over all the Company's assets and by the assignment of insurance policies pertaining to loss of profits, and damage to buildings, equipment and inventories. At April 30, 2026, the Company maintained an overdraft facility of $1,500 (2025: $1,500) bearing an interest rate of Bahamian Prime 4.25% minus 0.65% (2025: 4.25% minus 0.65%). The total overdraft amount utilized at April 30, 2026, was $nil (2025: $nil).

6. RECEIVABLES, NET OF PROVISIONS

Receivables consist of the following:

	2026	2025
Trade receivables	$ 1,094	$ 1,353
Less: Provision for doubtful accounts	(83)	(153)
Total	$ 1,011	$ 1,200

The aging of receivables is as follows:

	2026	2025
0 to 30 days	$ 960	$ 1,007
31 to 60 days	28	100
61 to 90 days	6	51
91 days and over	100	195
Total	$ 1,094	$ 1,353

Movement in the provision for doubtful accounts	2026	2025
Balance at beginning of the year	$ (153)	$ (113)
Allowances recovered / (recognized) on receivables	53	(41)
Amounts written off during the year as uncollectible	17	1
Balance at end of the period	$ (83)	$ (153)

7. MERCHANDISE INVENTORIES, NET OF PROVISIONS

Merchandise inventories consist of the following:

	2026	2025
Food distribution	$ 14,485	$ 13,029
Franchise	434	636
	14,919	13,665
Less: Provisions	(1,022)	(987)
Total	$ 13,897	$ 12,678

8. OTHER CURRENT ASSETS

Other current assets consist of the following:

		2026		2025
Prepayments	$	2,897	$	2,063
Security deposits		1,510		1,057
Total	$	4,407	$	3,120

9. INVESTMENTS IN BGRS

The Company holds Bahamas Government Registered Stock ("BGRS") with maturities of up to 24 months from the date of acquisition. These investments are held to collect contractual cash flows and are measured at amortized cost. The fair value measurement of the investments is categorized in Level 2 in the fair value hierarchy. Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The BGRS investments were acquired at prices above their face value (at a premium). The premium paid is amortized over the remaining life of the bonds using the effective interest method and is recognized as a reduction of interest income in the consolidated statement of profit or loss. Upon maturity, the carrying value of the investments will equal their face value.

Interest income is recognized using the effective interest rate, which reflects both the coupon interest received and the amortization of any premium paid on acquisition.

At April 30, 2026 the Company's investments in BGRS were as follows:

Maturity Date		Face Value		Carrying Value
November 2026	$	2,394	$	2,399
March 2027		1,341		1,343
September 2027		5,000		5,029
October 2027		3,290		3,263
Total	$	12,025	$	12,034

10. OTHER ASSETS

On September 21, 2016, the Company signed an agreement to purchase a building located at Soldier Road Industrial Site for $3,359. Subsequent to the payment of the final purchase price in July 2017, a dispute arose as to the ability of the vendors to provide good title to the property. This dispute is currently before the Supreme Court. Included in other assets is $3,138 which excludes value added taxes.

11. PROPERTY, PLANT AND EQUIPMENT, NET

The movement in property, plant and equipment for the year is as follows:

	Land, Land Improvements and Buildings	Equipment and Motor Vehicles	Leasehold Improvements	Work in Progress	Total
Cost/revalued amount:					
At April 30, 2025	$ 38,320	$ 24,731	$ 14,466	$ 2,370	$ 79,887
Additions	90	2,245	101	9,032	11,468
Disposals	-	(246)	(123)	-	(369)
At April 30, 2026	$ 38,410	$ 26,730	$ 14,444	$ 11,402	$ 90,986
Accumulated depreciation:					
At April 30, 2025	$ 832	$ 16,463	$ 10,995	$ -	$ 28,290
Depreciation	744	2,765	915	-	4,424
Elimination on disposal	-	(221)	(123)	-	(344)
At April 30, 2026	$ 1,576	$ 19,007	$ 11,787	$ -	$ 32,370
Net book value:					
At April 30, 2026	$ 36,834	$ 7,723	$ 2,657	$ 11,402	$ 58,616

	Land, Land Improvements and Buildings	Equipment and Motor Vehicles	Leasehold Improvements	Work in Progress	Total
Cost/revalued amount:					
At April 30, 2024	$ 42,369	$ 26,547	$ 18,353	$ 8,627	$ 95,896
Additions	1,676	14,630	-	(6,257)	10,049
Disposals	(5,725)	(16,446)	(3,887)	-	(26,058)
At April 30, 2025	$ 38,320	$ 24,731	$ 14,466	$ 2,370	$ 79,887
Accumulated depreciation:					
At April 30, 2024	$ 234	$ 19,477	$ 13,558	$ -	$ 33,269
Depreciation	911	3,020	1,109	-	5,040
Elimination on disposal	(313)	(6,034)	(3,672)	-	(10,019)
At April 30, 2025	$ 832	$ 16,463	$ 10,995	$ -	$ 28,290
Net book value:					
At April 30, 2025	$ 37,488	$ 8,268	$ 3,471	$ 2,370	$ 51,597

(Continued)

The Company's accounting policy is every three years, to revalue land, land improvements, and buildings, which comprise retail store locations and a food franchise commissary. Because of the size and nature of these properties, and the fact that these properties are in markets that have little or no comparable real estate transactions, the majority of the appraisals are valued using a blend of the cost and income capitalization methods. Appraisals are performed by independent professional appraisers. As at April 30, 2024, the Company obtained independent appraisals and recorded adjustments for all land, land improvements and buildings except the land on Faith Avenue and the recently purchased Solomon's Supercenter property on Old Trail Road.

The net book value of land, land improvements and buildings that would have been included in the consolidated financial statements had the Company not adopted a revaluation policy is $31,932 (2025: $32,406).

The fair value measurement of the Company's land, land improvements and buildings is categorized in Level 3 in the fair value hierarchy. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). There were no transfers between the levels during the year.

(Concluded)

12. GOODWILL AND OTHER INTANGIBLES

Goodwill and Other Intangible assets comprise goodwill and customer relationships as shown below:

	2026		
	Goodwill	**Customer-related intangibles**	**Total**
Balance, beginning of period	$ 4,101	$ 850	$ 4,951
Additions	734	850	1,584
Amortization	-	(111)	(111)
Balance, end of period	$ 4,835	$ 1,589	$ 6,424

	2025		
	Goodwill	**Customer-related intangibles**	**Total**
Balance, beginning of period	$ 2,976	$ -	$ 2,976
Additions	1,125	850	1,975
Balance, end of period	$ 4,101	$ 850	$ 4,951

During the current year, the Company acquired the assets of the Prime Island Meats & Deli store in Hooper's Bay, Exuma, The Bahamas. Due to the transaction, the Company recorded intangible assets totaling $1,584 which comprise goodwill and customer-related intangibles.

(Continued)

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

- Cost Right Freeport
- Exuma Markets Georgetown
- Domino's
- Eleuthera Markets
- Exuma Markets Hooper's Bay

The Company's annual impairment exercise indicated no impairment on the remaining goodwill as of April 30, 2026 (2025: $Nil). The Company based its valuation of the cash generating units to which Goodwill has been assigned using a total of NPV (net present value) of projected cash flows and NPV of terminal values. The NPV of projected cash flows were based on cash flows for five (5) years using the Company's estimated growth rates discounted by the weighted average cost of capital ("WACC") less perpetual growth rate.

The Company used a WACC between 11.7% to 12.7% (2025: 11.8% to 12.8%) and revenue growth rate assumptions of -7.2% to 12.2% (2025: 1.8% to 16.8%) in its valuation. The NPV of the terminal value was determined by multiplying the annual cash flows by the discount factor.

(Concluded)

13. BANK LOANS

The Company's credit arrangement with RBC Royal Bank (Bahamas) Limited dated July 15, 2024, includes five Reducing Demand Loans totaling $24,930 (2025: $24,930) repayable over 10 years at a blended rate of Bahamas Prime - 0.65%. During the year, $nil (2025: $6,277) was drawn down on the existing facilities. As of April 30, 2026, a total of $nil (2025: $nil) remained available for draw down.

The credit facilities are secured with guarantees and postponement of claims, by fixed and floating debentures over certain Company assets and by the assignment of insurance policies pertaining to loss of profits, and damage to buildings, equipment, and inventories.

	2026	**2025**
Due within 1 year	$ 2,956	$ 3,129
Due within 2 to 5 years	10,572	10,633
Due > 5 years	6,276	9,157
Total	$ 19,804	$ 22,919

14. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable, taxes payable and accrued expenses consist of the following:

	2026	2025
Accounts payable - trade	$ 13,009	$ 10,734
Taxes payable, net	779	2,910
Accrued expenses	5,841	7,029
Total	$ 19,629	$ 20,673

15. PREFERENCE SHARES

The Company's authorized preference share capital consists of 150,000 Redeemable Non-Voting Cumulative Preference Shares.

Preference shares are entitled to cumulative preferential dividends and are redeemable at the issue price. The Company may redeem the shares, in whole or in part, earlier than scheduled by giving the shareholders 90 days' written notice. During the year ending April 30, 2026, dividends totaling $367 (2025: $408) were paid to preference shareholders.

As of April 30, 2026, the following classes of preference shares were issued and outstanding at $1,000 per share:

Class	Authorized	Issued and Outstanding	
		2026	**2025**
E	25,000	5,441	6,801

They are redeemable as follows:

	2026	2025
Due within 1 year	$ 1,360	$ 1,360
Due within 2 to 5 years	4,081	5,441
Total	$ 5,441	$ 6,801

16. LEASES

The Company and its subsidiaries lease certain retail and office space under non-cancellable operating leases. As of April 30, 2026, 16 leases (2025: 15) are in effect. Four of these leases include variable lease terms where rent is paid on three of the leases at a minimum of $500 annually and on one at a minimum of $280 annually or a range of 3% to 3.5% of sales. Additionally, 12 of the leases include lease extension options that allow the Company to extend for periods from 2 years to 18 years. The leases do not provide for any restrictions that could impact the current nature of the operations.

Right-of-use assets

The statement of financial position shows a separate line for the right-of-use assets, which comprises the following:

	2026	2025
Right-of-use asset		
Land improvements and buildings	$ 25,606	$ 27,228

Movements in right-of-use assets are as follows:

	2026	2025
Beginning balance	$ 27,228	$ 28,986
Additions - new lease contracts	496	769
Adjustments to leases during the year	-	(81)
Depreciation for the year	(2,118)	(2,446)
Ending balance	**$ 25,606**	**$ 27,228**

The following amounts are recognized in the statement of profit or loss:

	2026	2025
Depreciation charge for right-of-use assets	$ 2,118	$ 2,446
Interest expense on lease liabilities (included in interest expense)	1,432	1,502
Expense relating to variable lease payments not included in lease liabilities (included in selling, general and administrative expenses)	2,270	2,103
Total expenses related to leases	**$ 5,820**	**$ 6,051**

(Continued)

Cash flows

The following amounts are recognized in the statement of cash flows related to leases:

	2026	2025
Cash outflows for leases - financing activities		
Principal	$ 1,790	$ 2,095
Interest	1,432	1,502
	3,222	**3,597**
Cash outflow for leases - operating activities	**2,270**	**2,103**
Total cash outflows	**$ 5,492**	**$ 5,700**

The maturity analysis for the undiscounted lease payments to be made after April 30, 2026 in relation to non-cancellable leases is as follows:

	2026	2025
Due within 1 year	$ 2,624	$ 2,990
Due within 2 to 5 years	3,516	4,376
Total	**$ 6,140**	**$ 7,366**

(Concluded)

17. ORDINARY SHARE CAPITAL AND TREASURY SHARES

As of April 30, 2026, 15,008,048 (2025: 15,008,048) ordinary shares of par value $0.50 each were issued and fully paid.

During the year ended April 30, 2026, no shares (2025:0) were repurchased at an aggregate cost of $0 (2025: $0). The total amount of treasury shares at April 30, 2026, was 0 (2025: 0) with an aggregate cost of $0 (2025: $0).

18. OTHER OPERATING INCOME

Other operating income comprises the following:

	2026	2025
Membership income	$ 582	$ 728
Interest income	335	3
Unredeemed and expired loyalty points	178	291
Unredeemed and expired gift cards	160	44
Credit card rewards	148	227
Rent and commissions from kiosks and ATMs	74	118
Other miscellaneous income	47	44
Rental income	17	42
Total	**$ 1,541**	**$ 1,497**

19. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Included in selling, general and administrative expenses are the following items:

	2026	2025
Payroll and related costs	$ 27,313	$ 24,647
Facilities and rent	9,349	9,730
Sales and marketing expenses	7,934	8,298
Depreciation and amortization	6,679	7,486
Other costs	4,676	3,714
Office and computer costs	2,261	1,975
Pension contributions	335	292
Directors' fees	238	239
Total	**$ 58,785**	**$ 56,381**

Included in Payroll and related costs is $3,534 (2025: $2,489) representing compensation for key members of management. This amount includes salaries and other employee benefits.

Total fees for audit and non-audit services provided by the Company's auditors are included in Other costs and were $280 (2025: $222) for audit services and $35 (2025: $41) for non-audit services.

20. EARNINGS PER SHARE

Earnings per share are calculated by dividing the results for the period by the weighted average number of ordinary shares in issue less treasury shares during the respective periods. There were no dilutive transactions during the period that would have an impact on earnings per share.

(Continued)

Earnings per share have been calculated based on the following:

	2026	2025
Net profit applicable to continuing operations	$ 19,330	$ 14,562
Weighted average number of ordinary shares outstanding ('000s)	15,008	15,008

(Concluded)

21. COMMITMENTS AND CONTINGENCIES

Capital commitments amounting to $3,281 were outstanding as of April 30, 2026 (2025: $203).

Legal contingencies - The Company and its subsidiaries are involved in various claims and legal actions arising in the ordinary course of business, in which it is a defendant. Based on legal advice, Management has assessed the likelihood of loss, made accruals where deemed necessary, and does not expect the final outcomes of the legal actions to have a material effect on the Company's consolidated financial position.

The Company has letters of credit and guarantees of $5,005 outstanding as of April 30, 2026 (2025: $5,100).

22. RELATED PARTY TRANSACTIONS

Balances and transactions not disclosed elsewhere in these consolidated financial statements are disclosed below:

The Company has leases with companies in which a director had a significant influence as follows:

- A five-year lease term renewable for five subsequent periods of five years each with rent totaling $952 (2025: $855) was included in Selling, General and Administrative expenses in the Consolidated Statement of Profit or Loss and Comprehensive Income. The total amount payable as of April 30, 2026, was $40 (2025: $36) and was included in Accounts Payable and Accrued Expenses in the Consolidated Statement of Financial Position. The minimum lease payments over the non-cancellable period of this lease at April 30, 2026, was $1,757 (2025: $2,407).

- A five-year lease term renewable for five subsequent periods of five years each with rent totaling $629 (2025: $516) was included in Selling, General and Administrative expenses in the Consolidated Statement of Profit or Loss and Comprehensive Income. The total amount payable as of April 30, 2026, was $29 (2025: $27) and was included in Accounts Payable and Accrued Expenses in the Consolidated Statement of Financial Position. The minimum lease payments over the non-cancellable period of this lease at April 30, 2026, were $132 (2025: $922).

(Continued)

- The Company had also leased space to a company in which a director has significant influence. The Company recorded a total of $17 (2025: $34) in rental income which was included in Other Operating Income in the Consolidated Statement of Profit or Loss and Comprehensive Income. The total amount receivable as of April 30, 2026, was $0 (2025: $8) and was recorded in Receivables, net of provisions in the Consolidated Statement of Financial Position.

In 2026, total remuneration of Directors was $238 (2025: $239) and was included in Selling, General and Administrative expenses in the Consolidated Statement of Profit or Loss and Comprehensive Income. Unamortized amounts related to annual retainers to Directors totaled $89 (2025: $85) and were included in Other Current Assets in the Statement of Financial Position.

(Concluded)

23. ACQUISITION OF PRIME ISLAND MEATS & DELI STORE

During the year, the Company purchased the operating assets of Prime Island Meats & Deli located at Hooper's Bay, Exuma, The Bahamas. Simultaneously, the Company also entered into a Land Purchase Agreement to purchase the Land and Building of Prime Island Meats & Deli.

The completion of the transaction resulted in an increase in Goodwill of $734 and an increase in customer-related intangibles of $850 which are included in Goodwill and Other Intangibles in the Consolidated Statement of Financial Position.

The amounts recognized in respect of the identifiable assets acquired are set out in the table below. No liabilities were assumed.

		2026
Merchandise inventories	$	115
Land, land improvements and buildings		964
Property improvements, plant, and equipment		257
Customer related intangible		850
Intangible assets - goodwill		734
Total consideration	**$**	**2,920**

24. OLD TRAIL FIRE

In the prior year, the Company's Old Trail building which housed two of its grocery locations, Solomon's Old Trail and Cost Right Nassau was damaged due to a fire. As a result of the fire, the Company recorded losses from write-off of property, plant and equipment, inventory damaged, and other fire related costs. During the year, the Company collected the full amount of $23,150 which was recorded as Insurance Claim Receivable in the prior year.

The Company also has various insurance policies which cover business interruption losses related to net profit, payroll and various inter-Company charges. Insurance claims totaling $5,358 net of value-added-tax were collected during the year and was recorded in Insurance Claim Income in the Consolidated Statement of Profit or Loss and Comprehensive Income.

25. SEGMENT REPORTING

Segment reporting is presented in the Company's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Geographical segments - The Company and its subsidiaries operated on five islands within The Bahamas during the fiscal year: Grand Bahama, Exuma, Eleuthera, Abaco, and New Providence.

The Company considers the economic environment in the five Bahamian Islands to be similar in terms of risks and returns and therefore concludes that it operates in one geographic segment.

Business segments - The Company and its subsidiaries operate principally in three business segments: Food Distribution, Food Franchise and Corporate. The Food Distribution segment consists of the retail and club distribution of consumer and food products and food services distribution in Grand Bahama, Exuma, Eleuthera, Abaco, and New Providence. The Food Franchise segment consists of the manufacturing and delivery of pizza in Grand Bahama and New Providence. The Corporate segment consists of the Company's real estate and corporate management.

	Food Distribution		**Food Franchise**		**Corporate**		**Consolidation**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Sales	$ 197,801	$ 191,920	$ 11,101	$ 11,090	$ -	$ -	$ 208,902	$ 203,010
Gross profit	66,447	61,698	7,367	7,473	-	-	73,814	69,171
Gross profit %	33.6	32.1	66.4	67.4	-	-	35.3	34.1
Net operating profit / (loss)	32,305	27,120	699	1,087	(16,458)	(14,147)	16,546	14,060
Dividends on preference shares	-	-	-	-	(367)	(408)	(367)	(408)
Interest expense	(1,392)	(1,444)	(40)	(58)	(775)	(763)	(2,207)	(2,265)
Insurance claim income	861	12,622	-	-	4,497	11,612	5,358	24,234
Loss from fire-related destruction	-	(13,248)	-	-	-	(7,811)	-	(21,059)
Net profit	**$ 31,774**	**$ 25,050**	**$ 659**	**$ 1,029**	**$ (13,103)**	**$ (11,517)**	**$ 19,330**	**$ 14,562**

26. FINANCIAL INSTRUMENTS

The Company, in the normal course of business, uses various types of financial instruments. Information on financial risks and fair value of these financial instruments is set out below.

a. Interest rate risk - The Company is exposed to interest rate risk on term deposits, government bonds and long-term debt, except preference shares which have a fixed interest rate. Management monitors interest bearing assets and liabilities to minimize the gap between interest rates.

   If interest rates had been 1% higher/lower, net profit for the year ended April 30, 2026, would decrease/increase by $267 (2025: $222) as a result of the change in interest rate.

b. Credit risk - The Company is exposed to credit risk in respect of losses that will have to be recognized if counterparties fail to perform as contracted.

   The Company's exposure to credit risk is primarily in respect of accounts receivable, bank balances, investments in BGRS and short-term deposits. Credit risk on bank balances and short-term deposits is limited because counterparties are reputable and well-established financial institutions.

   Credit risk on accounts receivable is managed through credit evaluation procedures and aging analysis. Accounts receivable are shown net of provision for doubtful accounts.

   Credit risk associated with investments in BGRS is assessed as low as the securities represent direct obligations of The Commonwealth of The Bahamas. Management monitors the sovereign credit standing of The Bahamas Government, including changes in credit ratings issued by international rating agencies and developments in the Government's fiscal position, on an ongoing basis.

   The Company has no significant concentration of credit risk other than the concentration inherent in its holding of BGRS which represents sovereign exposure to a single issuer. Management considers this exposure appropriate given the Company's treasury objectives and the sovereign credit profile of the issuer.

c. Liquidity risk - The Company is exposed to liquidity risk if it encounters difficulty in raising funds to meet commitments associated with financial instruments.

   Prudent liquidity risk management implies maintaining sufficient cash. The Company monitors and maintains a level of bank balances deemed adequate to finance its operations. The Company deposits cash with financial institutions of good standing and maintains an overdraft facility as described in Note 5.

d. Capital risk management - The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged from the year ended April 30, 2025.

   The capital structure of the Company includes debt and equity comprised of issued capital, revaluation surplus, and retained earnings.

(Continued)

e. Fair value of financial assets and liabilities - The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

In management's opinion, the estimated fair value of financial assets and financial liabilities at April 30, 2026, were not materially different from their carrying values.

The fair values of the Company's short-term financial instruments comprising accounts receivable, bank balances, other assets and accounts payable and accrued expenses, are not considered to be materially different from their carrying values due to their short-term nature.

The fair values of the Company's non-current financial instruments, comprising primarily investments in BGRS, bank loans and preference shares, are estimated to approximate their carrying value as they bear interest rates which are approximate market rates. For purposes of the fair value hierarchy, these instruments are classified as Level 2, whereby fair value is estimated using inputs, other than quoted prices, that are observable either directly (that is, as prices) or indirectly (that is, derived as prices).

(Concluded)

27. SUBSEQUENT EVENTS

On May 5, 2026, the Company acquired the assets of Captain Bob's Seafood in Harbour Island, The Bahamas for a total of $682. The new location reopened under its trade name, Harbour Island Markets on May 18, 2026.

On June 10, 2026, the Company declared an ordinary dividend of $0.06 per share and an extraordinary dividend of $0.03 per share payable on June 25, 2026, to shareholders of record on June 22, 2026.

In July 2026, the Company completed the purchase of land and building for its Exuma Markets Georgetown location. The total purchase price was $2,850 excluding value-added tax, legal and other related costs.

In July 2026, the Company early redeemed two of its four investments in BGRS with a total face value of $8,240. The investments were redeemed at a total of $8,258 which approximates the total face value plus unamortized premium at the redemption date.

* * * * * *

CORPORATE GOVERNANCE

Duties of the Board

The Board of Directors of the Company has the obligation to oversee the conduct of the business of the Company and to supervise the Executive Management team that is responsible for the day-to-day conduct of the business. Any responsibility that is not delegated to a committee of the Board or Executive Management remains with the full Board. The Board of Directors deals with all matters that materially impact the Company, including but not limited to divestments, acquisitions, new financings, and share transactions.

The Board of Directors of the Company will comprise of a maximum of ten members who are elected at the Annual General Meeting. Of these Directors, only Mr. Gavin Watchorn is an executive of the Company. The Board of Directors has established a written Code of Conduct to serve as a guideline for good business practices and ethical standards of behavior. Each Director and Officer of the Company has confirmed their compliance with the Code of Conduct in the year ended April 30, 2026.

Board Nominations

The Corporate Governance Committee is responsible for identifying potential new Directors and recommending selected nominees to the Board. The Board then considers Director nominees for election at the next annual meeting of members. The Board also has the authority to appoint a Director to a casual vacancy, which may arise during the year. In making its candidacy recommendations, the Committee will consider the competencies and skills that the Board considers to be beneficial to the ongoing function of the Board and the ability of the candidates to commit the necessary time to perform their duties.

Committees of the Board of Directors

The Board of Directors has delegated certain of its responsibilities to Committees of the Board. Such Committees are generally responsible for reviewing matters specified in their mandates and making recommendations to the Board, which retains ultimate decision-making authority. The Board of Directors has constituted the following Committees:

- Audit Committee
- HR & Compensation Committee
- Corporate Governance Committee

Audit Committee

The Audit Committee, which is comprised of Directors who are neither paid officers nor employees of the Company or any of its subsidiaries, is responsible for the oversight of the financial reporting and internal controls of the Company, which includes the review and evaluation of the appropriate accounting principles and practices to be observed in the preparation of the accounts of the Company and its subsidiaries. The operations of the Audit Committee are governed by the Audit Committee mandate which is approved by the Board of Directors. The Audit Committee mandate addresses all of the required functions as set out by the Securities Industry (Corporate Governance) (Amendment) Rules, 2020.The Audit Committee has responsibility for reviewing practices and procedures with a view to ensuring compliance with reporting and disclosure requirements of applicable securities laws, related to financial performance and material undertakings and activities of the Company and its subsidiaries.

The Audit Committee also has initial responsibility for reviewing, when appropriate, public disclosure documents containing material financial information, including registration statements and prospectuses pertaining to the issue of securities in the Company prior to their submission to the Board. During the fiscal year, the Audit Committee members consisted of Mr. Juan Lopez (Chair), Mr. Sunil Chatrani, Mr. Franklyn Butler II, and Mr. Robert Sands.

HR & Compensation Committee

The HR & Compensation Committee provides advice and direction to the Board and Chief Executive Officer on policies related to human resource management, generally. It reviews and assesses in conjunction with the Board the performance of the Chief Executive Officer and, with the Chief Executive Officer, all other key members of Senior Management who report to the Chief Executive Officer. It also reviews and recommends for approval by the Board,the performance targets and the creation, amendment or termination of benefit and compensation plans and major organizational changes affecting the Company. It monitors human resources policies and programs, establishes a methodology or process for Senior Management succession planning and reviews successor plans for key members of Senior Management.

Its primary responsibility is the approval of, or recommendation for approval by the Board where appropriate, with respect to matters related to human resource management, compensation and benefit programs, Senior Management succession planning, the appointment and compensation of key members of Senior Management and the appointment of officers of the Company. During the fiscal year, the Personnel Committee members consisted of Mr. Robert Sands (Chair), Mrs. Meike de Vaere-Hoorn, Mrs. Tara Cooper Burnside, Mr. Sunil Chatrani and Mr. Jeff Gordman.

Corporate Governance Committee

The purpose of the Corporate Governance Committee is to develop, recommend and administer the corporate governance guidelines of the Company and to assist the Board in maintaining and strengthening the overall corporate governance framework and effectiveness. This includes overseeing the composition, independence, skills and performance of the Board and its Committees; identifying individuals qualified to serve as Board members and recommending to the Board nominees for election at the next annual general meeting. During the fiscal year, the Corporate Governance Committee members consisted of Mrs. Tara Cooper Burnside (Chair), Mr. Franklyn Butler, and Mr. Juan Lopez.

Meetings of Board of Directors

The Board of Directors aim to meet formally at least four times per year. The table below shows Director attendance of meetings held during the fiscal year ended April 30, 2026:

Director	Number of Board Meetings Invitationas	Number of Board Meetings Attended	Number of Committee Meetings Invitations	Number of Committee Meetings Attended
Franklyn Butler II	5	5	6	6
Robert Sands	5	4	6	5
Meike de Vaere-Hoorn	5	5	2	1
Tara Cooper Burnside	5	5	4	4
Jeff Gordman	5	5	2	2
Sunil Chatrani	5	4	6	5
Juan Lopez	5	5	6	6
Gavin Watchorn	5	5	8	8

Compensation of Directors

Each director who was not a salaried employee of the Company or of any of its subsidiaries was paid an annual retainer of $20,000 per annum (2025: $20,000 per annum) except for the Chairman of the Board who received an annual retainer of $25,000 (2025: $25,000), together with a fee of $1,500 for each Board or Committee meeting attended. A Director who was the chairperson of a Committee received an additional annual fee of $2,000. Directors are also entitled to reimbursement for reasonable travel and living expenses incurred by them in attending any Board of Directors or committee meetings, which amounted to $15,733 for the year ended April 30, 2026 (2025: $22,826).Total fees, including retainers, for the year ended April 30, 2026 amounted to $238,499 (2025 :$238,704).

Director's Interest in Transactions

Mr. Franklyn Butler II, is a Director of Milo B. Butler and Sons Investment Co., Ltd. The Company entered into a lease agreement with Milo B. Butler and Sons Investment Co., Ltd. on April 1, 2012 for an initial term of five years with options to renew for five consecutive terms of five years each. In 2024, the Company exercised its option to renew this lease and has extended the lease to include an initial 5 year term plus the option to renew for five consecutive five year terms.

On July 1, 2021, the Company, as a lessee, entered into a separate lease agreement with Milo B. Butler and Sons Investment Co., Ltd. commencing on September 1, 2021. The lease has an initial term of five years with five options to renew for five successive years each.

On June 30, 2025, the Company entered into a new lease agreement for a temporary location for its Cost Right Nassau business. The lease terms are for 18 months starting October 1, 2025 with an option to renew for a further12 months. The lessor is with a company in which Mr. Franklyn Butler is a related party.

There are no material contracts with related parties. In accordance with the Securities Industry (Corporate Governance) (Amendment) Rules, 2020, a material contract is a contract that has a transaction value of more than two percent of the revenues of a company.

BOARD OF DIRECTORS

Franklyn Butler II
Chairman

Director since 2011
President & Group CEO
Cable Bahamas
New Providence, The Bahamas

Tara Cooper Burnside KC
Director

Director since 2019
Attorney & Partner
Higgs & Johnson
New Providence, The Bahamas

Robert Sands
Director

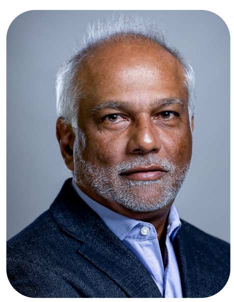
Director since 2003
Senior Vice President
Government & External Affairs,
Baha Mar Resorts Ltd.
New Providence, The Bahamas

Jeff Gordman
Director

Director since 2020
Principal
Jeff Gordman Advisory LLC
Nebraska, United States

Juan Lopez
Director

Director since 2024
Chartered Accountant
New Providence, The Bahamas



Sunil Chatrani
Director

Director since 2020
Executive Chairman
Apes Hill Barbados Inc.
St. Michael, Barbados

Meike de Vaere-Hoorn
Director

Director since 2017
Senior Vice President
Partnerships & Business
Development,
WildBrain CPLG
Amsterdam, Netherlands

Gavin Watchorn
President & CEO, Director

Director since 2006
President & CEO
AML Foods Limited
New Providence, The Bahamas

Supporting Our Communities
Leveraging Our Strengths for Meaningful Impact

Supporting Our Communities

Creating Meaningful Impact Across The Bahamas

At AML Foods Limited, our commitment to our communities is an integral part of who we are and how we do business. We believe our role extends beyond providing quality products and services - we have a responsibility to use our resources, partnerships, and capabilities to create meaningful and lasting impact across The Bahamas.

During the fiscal year, AML Foods contributed more than **$200,000 in cash and in-kind support** to initiatives aligned with our key areas of focus: **Food and Nutrition Security, Sustainability, and Youth Empowerment.** Through these efforts, we continued to support organizations and programs that address critical community needs and improve the well-being of the people we serve.

Food and Nutrition Security remain central to our community impact efforts. Through initiatives such as our continued support of **Feed 5000,** we helped provide access to nutritious food for families and individuals facing food insecurity. We also continued partnerships focused on improving nutrition and encouraging healthier lifestyles, reinforcing our commitment to building stronger and more food-secure communities.

We continued to advance our commitment to **sustainability** by supporting initiatives that promote environmental stewardship and responsible resource use. As a food retailer with operations across The Bahamas, we recognize the importance of reducing our environmental footprint and improving the efficiency and sustainability of our operations and supply chain.

Youth Empowerment also remained a key priority. Through partnerships and community initiatives focused on education, skills development, and opportunity, we continued to invest in young Bahamians and help create pathways for personal and professional growth. Our **Fruitful Futures Project**, which provides weekly fruit to students in adopted schools, is one example of how we are combining nutrition, education, and community engagement to positively impact the next generation.

Our commitment to community is further strengthened by the involvement of our team members, customers, suppliers, and community partners. Together, we are able to extend our reach and create greater impact where it matters most.

As we look to the year ahead, AML Foods remains committed to **being a responsible corporate citizen and a force for good in the communities we serve.** We will continue to build purposeful partnerships, support initiatives that address meaningful needs, and leverage our strengths to help create a healthier, more sustainable, and more resilient Bahamas.


Fruitful Futures
Nassau


Fruitful Futures
Exuma Markets


Fruitful Futures
Solomon's Downtown


Feed 5,000


Snack - It - Forward
Solomon's Yamacraw

Bahamas National Trust
Solomon's & Domino's Campaign Sponsor


Bahamas National Trust
Solomon's & Domino's Campaign Sponsor


Bahamas National Trust
Solomon's & Domino's Campaign Sponsor


Feed 5,000
Nassau


Snack - It - Forward
Cost Right Freeport

SPARKING CHANGE

IN THE COMMUNITIES WE SERVE


Feed 5,000
Freeport


Snack - It - Forward
Fresh Market


Princess Margaret Hospital
Holiday Cheer Sponsor


REACH Christmas Cheer
Sponsor

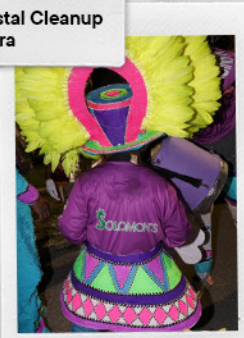
International Coastal Cleanup
Eleuthera


International Coastal Cleanup
Yamacraw Beach

Supporting
Grand Bahama Children's Home


Supporting Bahamian Sports
Bahamas Softball Association Sponsor


SPACES Summer Camp
Eleuthera Markets sponsor


Platinum Nights
Freeport Junkanoo Sponsor

Supporting Animal Welfare
For the Love of Pets Freeport


Supporting Animal Welfare
For the Love of Pets Nassau

CORPORATE SUPPORT CENTRE

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BANKERS

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STORES DIRECTORY

RETAIL DIVISION SOLOMON'S

NEW PROVIDENCE

Solomon's Yamacraw
Yamacraw Hill Road

GRAND BAHAMA

Solomon's Lucaya
Sea Horse Shopping Plaza

Solomon's Downtown
Downtown, Freeport

RETAIL DIVISION FAMILY ISLAND MARKETS

EXUMA

Exuma Markets
George Town

Exuma Markets
Hooper's Bay

ELEUTHERA & HARBOUR ISLAND

Eleuthera Markets
Governor's Harbour

Harbour Island Markets

RETAIL DIVISION SOLOMON'S FRESH MARKET

NEW PROVIDENCE

Solomon's Fresh Market
Old Fort Bay Town Centre

Solomon's Fresh Market
Harbour Bay Shopping Plaza

WAREHOUSE CLUB DIVISION COST RIGHT

NEW PROVIDENCE

Cost Right Wholesale Club
Peach Street

GRAND BAHAMA

Cost Right Wholesale Club Freeport
The Mall Drive

FRANCHISE DIVISION DOMINO'S PIZZA

NEW PROVIDENCE

Blue Hill Road
Cable Beach Shopping Center
Carmichael Road
Coral Harbour Shopping Center
Harbour Bay Shopping Plaza
Mall at Marathon
Sea Grapes Shopping Center
South Beach Shopping Center

GRAND BAHAMA

RND Plaza

FOOD SERVICE DIVISION CHEF DIRECT

Exuma
Abaco
Eleuthera
New Providence