DEMERARA DISTILLERS LIMITED

INTERIM REPORT 2026

Demerara Distillers Limited & Subsidiaries

CHAIRMAN'S STATEMENT

I am pleased to report to Shareholders on the Group's mid-year results for the period ended June 30, 2026.

In Guyana, we have observed over the past few years the rapid growth of the Guyana economy in stark contrast with the sluggish performance of the world economy. This trend continues.

In the first half of 2026, consumer spending in international markets was adversely influenced by high inflation, as fuel prices escalated on account of the continued conflict in the Middle East. Additionally, the persistent war in Ukraine coupled with other geopolitical uncertainties impacted negatively on markets. In North America and Europe, spirits sales have decline, particularly, in the premium and super premium segments. Growth in the domestic market has been sustained, as the economy continued to benefit from the growing Oil and Gas Sector.

The Group's Turnover for the period was $16.968 billion compared to $14.585 billion for the same period in 2025 representing an increase of 16.3 percent.

Turnover in international markets increased slightly by 3.3 percent over comparative Turnover as at the end of June 2025, while Turnover on the domestic market recorded a welcomed increase by 19.2 percent as at June 30, 2026, compared with the same period in 2025. New products, launched in the second quarter of 2026, which were made possible by new investments in production capacity, accounted for approximately 15 percent of the increase in Turnover for the period.

The Group's Profit before Taxation for the period was $3.142 billion, an increase of $180 million or 6 percent over $2.962 billion achieved for the same period in 2025.

Profit After Taxation for the period was $2.284 billion compared to $2.202 billion recorded for the half-year in 2025. The profit margins were negatively affected by increase in energy, logistics as well as input costs.

During this period, the Group's capital expansion projects continued apace including:

(a) The completion and subsequent opening on March 30, 2026, of DSL's Retail Cash & Carry Store in Lethem

(b) Construction of the Demerara Dairy Inc. (DDI) Dairy Farm at Moblissa, which is at an advanced stage and is projected to be fully completed in November 2026. In the meantime, the arrival of the first shipment of 85 heifers allowed for the commencement of the DDI Dairy Farm Operations including the provision of ongoing care for such heifers, training of staff and testing of equipment etc. The remaining heifers are scheduled to arrive in September 2026.

(c) The rehabilitation of the Demerara Shipping Company Ltd wharf facilities continued during the period. These works are expected to be fully completed in January 2027.

(d) In February 2026, construction commenced on a new DSL Retail Cash & Carry Store at Vreed-en-Hoop, West Demerara. This is expected to be completed by the end of 2026.

(e) Equipment for the upgrade of the Group's Carbon Dioxide Plant is expected to be shipped shortly, and such upgrade has also been scheduled for completion by the end of 2026.

(f) Upgrade to the facilities at the Tropical Orchard Products Company Ltd Operations for receiving and processing of fresh milk is still ongoing and is scheduled for completion by the end of September 2026.

As the Group's Beverage Operations scaled up use of its expanded capacity, installed in 2025, several new products were launched on the domestic market in the first half of 2026, namely -

(a) Ready to Drink Cocktails (RTD) in six different flavours were launched in March 2026.

(b) Under an expanded agreement with Pepsi Co, the production of Gatorade Isotonic Sports Beverage was undertaken for the first time in Guyana and introduced on the market in May 2026.

(c) The packaging of Pepsi in cans was also pursued for the first time in Guyana and was launched in the domestic market in June 2026.

With steady expansion of the Group with a wider range of products as well as extended focus on varied distribution channels and new markets, the Group remains well positioned to continue its growth and profitability in the future.

I take this opportunity to thank our hard-working members of staff at all levels within the Group, our loyal customers and prudent Board of Directors, as we continue to pursue diversified and sustained growth of the Group.

Komal Samaroo
Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD JANUARY 1 - JUNE 30, 2026

	Group		
	Unaudited Jun-26 G$ 000	**Unaudited Jun-25 G$ 000**	**Audited Dec-25 G$ 000**
Turnover	16,968,257	14,584,899	33,402,741
Cost of sales	(9,339,684)	(8,020,856)	(16,794,507)
Gross profit	7,628,573	6,564,043	16,608,234
Other income	148,064	280,229	949,877
Investment properties income	6,170	6,339	-
Selling and distribution expenses	(2,225,398)	(2,005,950)	(4,276,116)
Administration expenses	(1,939,352)	(1,630,964)	(4,214,732)
Profit before interest and taxation	**3,618,057**	**3,213,697**	**9,067,263**
Finance Cost	(463,350)	(257,882)	(615,628)
Share of profit/(loss) of associate companies	(13,006)	5,843	61,509
Profit before taxation	**3,141,701**	**2,961,658**	**8,513,144**
Taxation	(857,705)	(759,355)	(2,373,051)
Profit for the year	**2,283,996**	**2,202,303**	**6,140,093**
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit pension plans	-	-	(793,621)
Fair value (loss)/profit on investments	(112,050)	(136,701)	(313,740)
	(112,050)	(136,701)	(1,107,361)
Items that may be subsequently reclassified to profit or loss:			
Exchange difference on consolidation	(43,788)	177,941	182,511
	(43,788)	177,941	182,511
Other comprehensive income for the year	**(155,838)**	**41,240**	**(924,850)**
Total comprehensive income for the year	**2,128,158**	**2,243,543**	**5,215,243**
Profit attributable to:			
Equity holders of the parent	2,285,571	2,202,303	6,141,322
Non controlling interest	(1,575)	-	(1,229)
	2,283,996	**2,202,303**	**6,140,093**
Total Comprehensive Income attributable to:			
Equity holders of the parent	2,129,733	2,243,543	5,216,472
Non controlling interest	(1,575)	-	(1,229)
	2,128,158	**2,243,543**	**5,215,243**
Basic earnings per share in dollars	**2.97**	**2.86**	**7.98**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	GROUP		
	Unaudited	**Unaudited**	**Audited**
	Jun-26	**Jun-25**	**Dec-25**
	G$ 000	**G$ 000**	**G$ 000**
ASSETS			
Non current assets			
Property, plant and equipment	41,319,616	32,609,800	37,504,083
Investment properties	909,462	793,814	712,710
Investments	8,820,623	8,481,477	8,945,679
Retirement benefit asset	7,675,601	8,332,370	7,675,601
Total non-current assets	**58,725,302**	**50,217,461**	**54,838,073**
Current assets			
Inventories	32,081,055	28,115,568	31,444,225
Trade and other receivables	1,975,523	1,717,260	1,965,522
Prepayments	461,572	1,110,552	978,988
Taxes recoverable	957,227	631,043	957,227
Cash in hand and at bank	254,292	325,840	831,155
Total current assets	**35,729,669**	**31,900,263**	**36,177,117**
TOTAL ASSETS	**94,454,971**	**82,117,724**	**91,015,190**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)

AS AT JUNE 30, 2026

	GROUP		
	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Issued capital	770,000	770,000	770,000
Capital reserves	450,854	450,854	450,854
Other reserve	6,731,710	7,020,799	6,843,760
Exchange difference reserves	(148,908)	(109,690)	(105,120)
Retained earnings	52,839,820	49,310,721	51,786,249
	60,643,476	**57,442,684**	**59,745,743**
Non controlling interest	157,196	160,000	158,771
TOTAL EQUITY	**60,800,672**	**57,602,684**	**59,904,514**
Non-current liabilities			
Loans due after one year	19,240,040	10,500,570	14,929,243
Deferred tax	2,863,387	2,583,784	2,863,387
Retirement benefit obligation	4,537	4,537	4,537
Total non-current liabilities	**22,107,964**	**13,088,891**	**17,797,167**
Current liabilities			
Trade and other payables	2,783,428	3,491,366	4,083,615
Taxes payable	231,292	116,464	374,789
Current portion of interest bearing borrowings	1,666,814	1,636,350	3,772,566
Bank overdraft (secured)	6,864,801	6,181,969	5,082,539
Total current liabilities	**11,546,335**	**11,426,149**	**13,313,509**
TOTAL LIABILITIES	**33,654,299**	**24,515,040**	**31,110,676**
TOTAL EQUITY AND LIABILITIES	**94,454,971**	**82,117,724**	**91,015,190**

The Board of Directors approved these financial statements for issue on August 20, 2026.

.... Chairman .... Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD JANUARY 1 - JUNE 30, 2026

GROUP

	Share Capital G$ 000	Capital Reserves G$ 000	Other Reserves G$ 000	Exchange Difference Reserve G$ 000	Retained Earnings G$ 000	Total attributable to owners of the parent G$ 000	Non Controlling Interest G$ 000	Total Equity G$ 000
Balance at January 01, 2024	**770,000**	**450,854**	**8,188,360**	**(154,633)**	**44,098,006**	**53,352,587**	**-**	**53,352,587**
Changes in equity								
Total comprehensive income/(loss) for the year	-	-	(1,030,860)	(132,998)	5,420,541	4,256,683	-	4,256,683
Dividends	-	-	-	-	(1,540,000)	(1,540,000)	-	(1,540,000)
Balance at December 31, 2024	**770,000**	**450,854**	**7,157,500**	**(287,631)**	**47,978,547**	**56,069,270**	**-**	**(56,069,270)**
Changes in equity 2025								
Capital Contribution	-	-	-	-	-	-	160,000	160,000
Total comprehensive income / (loss) for the year	-	-	(313,740)	182,511	5,347,702	5,216,473	(1,229)	5,215,244
Dividends	-	-	-	-	(1,540,000)	(1,540,000)	-	(1,540,000)
Balance at December 31, 2025	**770,000**	**450,854**	**6,843,760**	**(105,120)**	**51,786,249**	**59,745,743**	**158,771**	**59,904,514**
Changes in equity 2026								
Total comprehensive income / (loss) for the period	-	-	(112,050)	(43,788)	2,285,571	2,129,733	(1,575)	2,128,158
Dividends	-	-	-	-	(1,232,000)	(1,232,000)	-	(1,232,000)
Balance at June 30, 2026	**770,000**	**450,854**	**6,731,710**	**(148,908)**	**52,839,820**	**60,643,476**	**157,196**	**60,800,672**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD JANUARY 1 - JUNE 30, 2026

	GROUP		
	Unaudited	**Unaudited**	**Audited**
	Jun-26	**Jun-25**	**Dec-25**
	G$ 000	**G$ 000**	**G$ 000**
Operating activities			
Profit before taxation	3,141,701	2,961,658	8,513,144
Adjustments for:			
Depreciation on property, plant and equipment	1,072,273	806,342	1,545,690
Depreciation on investment properties	13,348	13,029	15,139
(Gain)/loss on sale of property, plant and equipment	-	-	416,174
Remeasurement in defined benefit asset	-	-	(401,392)
Increase/(decrease) in investment in associate companies	13,006	(5,843)	(6,083)
Exchange difference on consolidation	(43,788)	177,941	182,511
Interest received	-	-	(97)
Interest paid	463,350	257,882	615,725
Operating profit before working capital changes	**4,659,890**	**4,211,009**	**10,880,811**
Increase in inventories	(636,830)	(1,983,664)	(5,312,321)
Decrease in receivables and prepayments	507,415	980,666	863,967
Increase/(decrease) in payables and accruals	(1,300,187)	(502,504)	89,745
Cash generated from operations	**3,230,288**	**2,705,507**	**6,522,202**
Taxes paid/adjusted	(1,001,202)	(1,421,828)	(2,559,238)
Net cash provided by operating activities	**2,229,086**	**1,283,679**	**3,962,964**

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

FOR THE PERIOD JANUARY 1 - JUNE 30, 2026

	GROUP		
	Unaudited	Unaudited	Audited
	Jun-26	Jun-25	Dec-25
	G$ 000	G$ 000	G$ 000
Investing activities			
Interest received	-	-	97
Purchase/transfer of property, plant and equipment	(5,097,906)	(5,214,351)	(11,185,164)
Purchase of investment	-	-	(641,000)
Net cash used in investing activities	**(5,097,906)**	**(5,214,351)**	**(11,826,067)**
Financing activities			
Loan drawdown net of repayment	2,205,045	3,408,709	9,973,599
Interest paid	(463,350)	(257,882)	(615,725)
NCI Contribution	-	160,000	160,000
Dividends paid	(1,232,000)	(870,129)	(1,540,000)
Net cash provided by financing activities	**509,695**	**2,440,698**	**7,977,874**
Net increase/(decrease) in cash and cash equivalents	**(2,359,125)**	**(1,489,974)**	**114,771**
Cash and cash equivalents at beginning of period	**(4,251,384)**	**(4,366,155)**	**(4,366,155)**
Cash and cash equivalents at end of period	**(6,610,509)**	**(5,856,129)**	**(4,251,384)**

NOTES ON THE ACCOUNTS

The financial statements included in this interim report are the un-audited financial results of the company and its subsidiaries as at June 30, 2026, and were approved on August 20, 2026.

The consolidated results incorporate the accounts of Demerara Technical Services Limited, Distribution Services Limited, Demerara Shipping Company Limited, Tropical Orchard Products Company Limited, Demerara Distillers (St. Kitts-Nevis) Limited, Demerara Distillers (US) Inc, World Trade Centre Georgetown Inc. and Breitenstein Holdings BV all of which are wholly owned subsidiaries. Also consolidated, in accordance with IFRS 10 – Consolidated Financial Statements, are the accounts of Demerara Dairy Inc., a joint venture between TOPCO and LR Group. In addition, the accounts of National Rums of Jamaica Limited and Diamond Fire and General Insurance Inc. have been accounted for in accordance with IAS 28 – Investments in Associates.

Basis of Preparation

The interim statements were prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and the provisions of the Securities Industry Act (1998).

The accounting policies are consistent with those in the financials for the year ended December 31, 2025.

Taxation

A provision for taxation has been made using applicable tax rates, allowances, and provisions and includes property and deferred taxation.

Directors' Interest

The interests of directors holding office at June 30, 2026 in the ordinary shares of Demerara Distillers Limited were as follows:

Demerara Distillers Limited ordinary shares at No par value

	Beneficial Interest	**Associates' Interest**
Komal Samaroo	Nil	2,068,787
Vasudeo Singh	36,016	Nil
Timothy Jonas	109,634	Nil
Harryram Parmesar	235,629	Nil
Joseph Singh	Nil	Nil
Dr. Paloma Mohamed Martin	300	Nil
Marcel Gaskin	Nil	Nil
Sharda Veeren-Chands	1,500,000	Nil
Sharon Sue Hang	684,295	Nil
Allison Thorne	20,278	Nil

NOTES ON THE ACCOUNTS (cont'd)

December 31, 2025

	Beneficial Interest	Associates' Interest
Komal Samaroo	Nil	2,068,787
Vasudeo Singh	31,016	Nil
Timothy Jonas	109,634	Nil
Harryram Parmesar	235,629	Nil
Joseph Singh	Nil	Nil
Dr. Paloma Mohamed Martin	300	Nil
Marcel Gaskin	Nil	Nil
Sharda Veeren-Chand	1,500,000	Nil
Sharon Sue Hang	684,295	Nil
Allison Thorne	20,278	Nil

The associate's interest disclosed for Mr. Komal Samaroo is held beneficially.

Substantial Shareholders

June 30, 2026

Demerara Distillers Limited	Number of Shares	% Shareholding
Trust Company (Guyana) Limited	196,333,237	25.50
Secure International Finance Co Ltd	142,681,283	18.53
National Insurance Company	61,655,000	8.01

December 31, 2025

Demerara Distillers Limited	Number of Shares	% Shareholding
Trust Company (Guyana) Limited	197,215,350	25.61
Secure International Finance Co Ltd	142,681,283	18.53
National Insurance Company	61,655,000	8.00

A substantial shareholder is defined as a person who is entitled to exercise or control the exercise of five percent (5%) or more of the voting power at any general meeting of the company.

NOTES ON THE ACCOUNTS (cont'd)

Segment Information

INDUSTRY

	External Sales			Profit Before Tax		
	Unaudited Jun-26 G$000	Unaudited Jun-25 G$000	Audited Dec-25 G$000	Unaudited Jun-26 G$000	Unaudited Jun-25 G$000	Audited Dec-25 G$000
Manufacturing	13,316,521	11,644,168	26,863,802	3,537,679	2,695,644	7,784,170
Trading	4,447,277	3,740,684	8,398,880	226,743	151,217	486,428
Services	991,204	889,105	1,951,556	(9,715)	108,954	181,037
Eliminations	(1,786,745)	(1,689,058)	(3,811,497)	(600,000)	-	-
Share of profit/(loss) in Associates	-	-	-	(13,006)	5,843	61,509
Consolidated	16,968,257	14,584,899	33,402,741	3,141,701	2,961,658	8,513,144

	Unaudited Jun-26 G$000	Unaudited Jun-25 G$000	Audited Dec-25 G$000
Segment Assets			
Manufacturing	77,681,037	70,684,972	82,720,431
Trading	2,447,728	3,119,365	3,738,007
Services	12,864,583	6,838,998	3,082,123
	92,993,348	80,643,335	89,540,561
Investment in Associates	**1,461,623**	**1,474,389**	**1,474,629**
Total Consolidated Assets	**94,454,971**	**82,117,724**	**91,015,190**
Segment Liabilities			
Manufacturing	26,762,263	18,633,361	24,854,690
Trading	364,639	561,645	823,068
Services	6,527,397	5,320,034	5,432,918
Total Consolidated Liabilities	**33,654,299**	**24,515,040**	**31,110,676**

NOTES ON THE ACCOUNTS (cont'd)

Segment information - cont'd

	Unaudited Jun-26 G$000	Unaudited Jun-25 G$000	Audited Dec-25 G$000
Other Segment Information			
Capital Additions			
Manufacturing	4,863,731	5,148,113	11,017,686
Trading	27,230	11,231	18,512
Services	206,945	55,007	148,966
	5,097,906	**5,214,351**	**11,185,164**
Depreciation			
Manufacturing	987,976	720,985	1,239,906
Trading	11,425	16,327	69,582
Services	86,220	82,059	251,341
	1,085,621	**819,371**	**1,560,829**

The Group's operations are located in Guyana, Europe, United States of America, Jamaica and St. Kitts.

Its manufacturing operations are located in Guyana, Europe, St. Kitts and Jamaica. Its trading and service operations are located in Guyana, Europe, U.S.A and Canada. The geographical segment is defined by the location of the operation from which the sale is made and does not consider the location of the customer.

GEOGRAPHICAL

	Revenue			Profit before tax		
	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000
Guyana	16,214,047	13,812,984	31,489,143	3,103,835	2,978,236	8,558,333
Europe	222,138	248,260	713,945	13,048	(24,689)	(87,923)
North America	444,032	449,148	967,692	15,745	4,394	35,208
Caribbean	88,040	74,507	231,961	9,073	3,717	7,526
	16,968,257	**14,584,899**	**33,402,741**	**3,141,701**	**2,961,658**	**8,513,144**

The following segment information is analysed based on the geographical location of the customer.

	Revenue		
	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000
Domestic (country of parent company)	14,243,104	11,946,583	28,529,003
Foreign	2,725,153	2,638,316	4,873,738
	16,968,257	**14,584,899**	**33,402,741**

NOTES ON THE ACCOUNTS (cont'd)

Segment information - cont'd

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by the geographical area in which the assets are located.

	Carrying amount of segment assets			Additions/transfers to property, plant and equipment & intangible assets		
	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000	Unaudited Jun-26 G$ 000	Unaudited Jun-25 G$ 000	Audited Dec-25 G$ 000
Guyana	92,015,342	79,610,581	88,552,238	5,093,987	5,213,978	11,179,749
Europe	1,523,614	1,603,040	1,553,221	-	-	-
North America	536,647	537,463	540,208	205	113	114
Caribbean	379,368	366,640	369,523	3,714	261	5,301
	94,454,971	82,117,724	91,015,190	5,097,906	5,214,351	11,185,164

The following represents 5% or more of group revenue generated from a single geographical region of an external customer :

Unaudited Jun-26

Revenue Generating Segment (s)	Revenue Generating Region	Amount of Revenue Generated (G$000)
Guyana and United States	North America	1,934,570
Guyana, Europe and St. Kitts	Europe	425,900
Guyana and St. Kitts	Caribbean	1,014,116
Guyana	Guyana	13,514,154
Others		79,517
Total		**16,968,257**

Unaudited Jun-25

Revenue Generating Segment (s)	Revenue Generating Region	Amount of Revenue Generated (G$000)
Guyana and United States	North America	1,148,962
Guyana, Europe and St. Kitts	Europe	485,385
Guyana and St. Kitts	Caribbean	1,021,369
Guyana	Guyana	11,910,668
Others		18,515
Total		**14,584,899**

NOTES ON THE ACCOUNTS (cont'd)

Segment information - cont'd

	Audited Dec-25	
Revenue Generating Segment (s)	**Revenue Generating Region**	**Amount of Revenue Generated (G$000)**
Guyana and United States	North America	2,382,777
Guyana, Europe and Caribbean	Europe	1,034,177
Guyana and Caribbean	Caribbean	2,099,521
Guyana	Guyana	27,822,550
Others		63,716
Total		**33,402,741**

The following represents 5% or more of group revenue generated from a single external customer :

	Unaudited Jun-26	
	Revenue Generating Segment(s)	**Amount of Revenue Generated (G$000)**
Customer #1		-
Customer #2		-
Others		16,968,257
Total		**16,968,257**

	Unaudited Jun-25	
	Revenue Generating Segment(s)	**Amount of Revenue Generated (G$000)**
Customer#1		-
Others		14,584,899
Total		**14,584,899**

	Audited Dec-25	
	Revenue Generating Segment(s)	**Amount of Revenue Generated (G$000)**
Customer#1		-
Others		33,402,741
Total		**33,402,741**

DEMERARA DISTILLERS LIMITED

DEMERARA DISTILLERS LIMITED & SUBSIDIARIES

Plantation Great Diamond, East Bank Demerara,
Guyana, South America
Tel: (592) 265-6000 Fax: (592) 265-3367
Email: ddlweb@demrum.com
Website: www.demeraradistillers.com