NATIONAL FLOUR MILLS LIMITED AND ITS SUBSIDIARY

UNAUDITED RESULTS AS AT JUNE 30, 2026 (Presented in thousands of Trinidad and Tobago Dollars)

CHAIRMAN'S REVIEW

Dear Shareholders

On behalf of the Board of Directors of National Flour Mills Limited, I am pleased to present the Company's financial results for the six months ended June 30, 2026.

Revenue for the six months was $263.0 million, slightly higher (1.1%) over the corresponding period one year ago of $260.0 million. Our gross profit fell by 3.5% to $78.9 million. The cost of sales increase of $5.8 million was largely due to increases in grain prices. Our after-tax profit declined marginally by 2.4% to $22.2 million. Total assets increased from $527.9 million to $559.5 million during a period where we were able to significantly reduce amounts owing to our creditors.

Of major significance is the successful completion of wage negotiations for the period January 2023 to December 2025 with the Seamen and Waterfront Workers Trade Union (SWWTU). We look forward to building a partnership that will redound to the benefit of both entities.

The outlook for the remainder of 2026 remains optimistic. Global commodity markets, freight costs and energy prices will continue to influence NFM's cost structure. The Board will continue to monitor market conditions and will take appropriate measures to protect the company's financial position and long-term sustainability. Cost containment remains a high priority. Management continues to review manufacturing efficiencies, distribution costs, procurement practices, inventory levels and administrative expenditure. We continue to work diligently with all our loyal customers as we look to increase our market share, especially in the rural community. Our export market is under a new focus.

On behalf of the Board, I wish to express appreciation to our management team and employees for their continued commitment and dedication. I also thank our customers, suppliers, distributors and all others for their continued support. Finally, I would like to thank our shareholders for their confidence in National Flour Mills Limited.

Sincerely,
Mr. Hamlyn Jailal
Chairman

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED SIX MONTHS ENDED 30-Jun-26 $'000	UNAUDITED SIX MONTHS ENDED 30-Jun-25 $'000	AUDITED 31-Dec-25 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	17,019	34,683	25,170
Accounts receivable and prepayments	129,424	121,137	131,627
Amounts due from the GORTT	14,406	5,436	10,137
Inventories	103,048	94,463	96,073
Restricted deposit	1,604	1,604	1,604
Taxation recoverable	4,375	4,264	4,264
	269,876	**261,587**	**268,875**
Non-current assets			
Retirement benefit asset	28,721	22,703	28,382
Investment at fair value through OCI	3,792	4,641	3,792
Right of use asset	3,107	3,085	3,185
Property, plant and equipment	221,251	220,166	218,603
Intangible assets	16,373	654	18,039
Deferred tax assets	16,421	15,081	16,421
	289,665	**266,330**	**288,422**
Total assets	**559,541**	**527,917**	**557,297**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accruals	66,273	81,758	84,066
Amount due to the GORTT	-	62	62
Current portion of lease liabilities	2,378	2,378	295
Taxation payable	4,991	-	6,667
Due to related parties (ESOP advanced funding)	-	-	-
	73,642	**84,198**	**91,090**
Non-current liabilities			
Deferred taxation	59,342	46,570	59,876
Medical and Life asssurance Plan	41,380	41,019	41,180
Lease liabilities	528	3,677	2,744
	101,250	**91,266**	**103,800**
Shareholders' equity			
Stated capital	120,200	120,200	120,200
Treasury shares	(3,358)	(3,319)	(3,358)
Retained earnings	269,675	237,440	247,433
Other reserves	(1,868)	(1,868)	(1,868)
Total equity	**384,649**	**352,453**	**362,407**
	(1,868)	(1,868)	(1,868)
Total liabilities and shareholders' equity	**559,541**	**527,917**	**557,297**

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated Capital $'000	Treasury Shares $'000	Retained Earnings $'000	Other Reserves $'000	Total $'000
Balance as at January 1, 2026	120,200	(3,358)	247,433	(1,868)	362,407
Profit/(loss) for the period	-	-	22,242	-	22,242
Other movements	-	-	-	-	-
Balance as at June 30, 2026	**120,200**	**(3,358)**	**269,675**	**(1,868)**	**384,649**
Balance as at January 1, 2025	120,200	(3,319)	214,490	(1,868)	329,503
Profit/(loss) for the period	-	-	22,838	-	22,838
Transactions with owners of the Company:					
Dividends declared					
Other movements	-	-	112	-	112
Balance as at June 30, 2025	**120,200**	**(3,319)**	**237,440**	**(1,868)**	**352,453**
Balance as at January 1, 2025	120,200	(3,319)	214,490	(1,868)	329,503
Profit for the year	-	-	41,982	-	41,982
Loss on revaluation of treasury shares	-	(39)		-	(39)
Gain on investment at fair value through OCI	-	-	(849)	-	(849)
Re-measurement of retirement benefit asset and medical and life assurance plan, net of tax	-	-	4,678	-	4,678
Other movements	-	-	1,556	-	1,556
Transactions with owners of the Group:					
Dividends declared	-	-	(14,424)	-	(14,424)
Transfer of treasury shares	-	-	-	-	-
Balance as at December 31, 2025	**120,200**	**(3,358)**	**247,433**	**(1,868)**	**362,407**

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

1. **Basis of Preparation**
   The summary interim consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the interim summary consolidated statement of financial position, interim consolidated statement of comprehensive income, interim summary consolidated statement of changes in equity and interim summary consolidated statement of cash flows. These interim summary consolidated financial statements are derived from the unaudited consolidated financial statements of National Flour Mills Limited and its subsidiary for the period 30 June 2026 prepared in accordance with International Financial Reporting Standards.

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED SIX MONTHS ENDED 30-Jun-26 $'000	UNAUDITED SIX MONTHS ENDED 30-Jun-25 $'000	AUDITED 31-Dec-25 $'000
Revenue	262,962	260,074	540,513
Cost of sales	(184,075)	(178,255)	(371,623)
Gross profit	**78,887**	**81,819**	**168,890**
Selling and distribution expenses	(32,021)	(26,284)	(67,848)
Administrative expenses	(21,231)	(28,713)	(36,752)
Other operating income	3,014	2,843	5,384
Operating profit/(loss)	**28,649**	**29,665**	**69,674**
Finance cost	(441)	(753)	(658)
Profit/(loss) before taxation	**28,208**	**28,912**	**69,016**
Taxation	(5,966)	(6,074)	(27,034)
Profit/(loss) after taxation	**22,242**	**22,838**	**41,982**
Other comprehensive income/(loss):			
Items that will never be reclassified to profit or loss			
Re-measurement of retirement benefit asset	-	-	6,749
Re-measurement of medical and life assurance plan	-	-	(66)
Changes to deferred taxes related to remeasurements	-	-	(2,005)
Gain/(loss) on investment at fair value through OCI	-	-	(849)
(Loss)/gain on revaluation of treasury shares	-	-	(39)
Other comprehensive (loss)/income, net of tax	-	-	3,790
Total comprehensive income/(loss) for the period	**22,242**	**22,838**	**45,772**
Basic earnings per share (in cents)	18.84	19.34	35.54

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED SIX MONTHS ENDED 30-Jun-26 $'000	UNAUDITED SIX MONTHS ENDED 30-Jun-25 $'000	AUDITED 31-Dec-25 $'000
Cash flows from operating activities			
Profit/(loss) before taxation	28,208	28,912	69,016
Adjustments for:			
Depreciation	8,394	6,888	14,623
Amortisation	1,018	547	1,062
Lease interest expense	103	115	206
Interest and finance costs	-	363	-
Interest Income	(4)	(48)	(60)
Dividend income	-	(1)	(41)
Gain or loss on foreign exchange	339	274	452
(Loss)/gain on revaluation of treasury shares	-	-	39
Retirement benefit expense	-	-	5,346
Medical plan expense	-	-	3,531
Retirement benefit asset contributions paid	(339)	(2,541)	(6,817)
Medical and life assurance plan contributions paid	176	1,387	(2,049)
Other adjustments to leases	-	-	(3,068)
Provision for doubtful accounts	1,072	(600)	2,153
Gain on investment at fair value through OCI	-	-	-
Operating profit before working capital changes	**38,967**	**35,296**	**84,393**
Changes in working capital:	-	-	-
(Increase)/decrease in accounts receivable and prepayments	2,691	(30,160)	(39,475)
(Increase)/decrease in inventories	(6,975)	(9,741)	(11,406)
Increase/(decrease) in accounts payable and accruals	(5,849)	36,648	23,544
Increase/decrease in amounts due to/from GORTT	(4,272)	(3,342)	(8,043)
Taxes refunded (VAT)	-	-	-
Cash generated from operating activities	**24,562**	**28,701**	**49,013**
Interest paid	-	(363)	-
Taxes paid	(7,975)	(8,802)	(14,832)
Net cash generated from operating activities	**16,587**	**19,536**	**34,181**
Cash flows from investing activities			
Increase in restricted deposits	-	-	-
Disposal of fixed asset	-	-	386
Sale of investments	-	-	-
Purchase of property, plant and equipment	(11,042)	(22,147)	(28,627)
Dividend Income	-	1	41
Interest received on investments	4	48	60
Purchase of intangible assets	724	-	(17,705)
Net cash used in investing activities	**(10,314)**	**(22,098)**	**(45,845)**
Cash flows from financing activities			
Borrowings repaid	-	-	-
Dividends paid	(14,424)	-	-
Lease liability repaid	-	-	(411)
Net cash (used in)/generated from financing activities	**(14,424)**	**-**	**(411)**
Net change in cash and cash equivalents	**(8,151)**	**(2,562)**	**(12,075)**
Cash and cash equivalents at the start of the year	**25,170**	**37,245**	**37,245**
Cash and cash equivalents at the end of the period/year	**17,019**	**34,683**	**25,170**

Director

Director