Chairman’s Letter – 2025

Trois Frères Distilleries Limited

Dear Shareholders,

It is a privilege to write to you at the close of what has been the most commercially successful year in the history of Trois Frères Distilleries Limited. The Group delivered record revenue, expanding profits and a materially stronger balance sheet, while continuing to invest behind Takamaka Rum and the wider business. The 2025 results represent meaningful progress toward our long-stated vision of building Takamaka into an enduring export success story for the Seychelles.

A year of strong, broad-based growth

Group revenue increased 21.5% to SR 296.4 million, an uplift of SR 52.5 million on the prior year. Gross profit grew at the same pace, rising 21.2% to SR 157.2 million, with gross margin held at approximately 53%. Profit before tax improved 11.5% to SR 29.5 million, and net profit and total comprehensive income advanced 13.3% to SR 21.7 million. Importantly, this growth was achieved against a more demanding backdrop than in 2024 — Seychelles GDP and tourism flows remained subdued, cost-of-living pressures weighed on consumer spending, and most international spirits brands reported flat or declining volumes for the year. In that context, the Group’s performance is a clear indication of brand strength and operational discipline.

Export momentum and the local business

Exports were the standout story of 2025. Demand for Takamaka surged in Global Travel Retail across the Gulf — particularly the United Arab Emirates, Qatar and India — where Takamaka grew faster than any other rum brand on shelf and is now a clear category leader. European momentum continued to build across Scandinavia, Western and Eastern Europe, complementing established positions in the United Kingdom, France and Germany. Takamaka is now imported and distributed in more than forty countries, with the depth of presence in those markets steadily widening.

Closer to home, the Seychelles business performed well across its diversified categories. Retail, tourism-led direct-to-consumer sales and the water portfolio all delivered solid growth, and visitor numbers to the La Plaine St André distillery on Mahé continued to rise. A particular highlight was the opening of our second direct-to-consumer brand immersion experience, at the La Union Estate – Grand Kaz on La Digue, which extends the Takamaka story to a second island and adds a further high-margin channel that supports both brand equity and profitability.

A stronger balance sheet and resilient cash generation

Total equity strengthened by 13.8% to SR 99.1 million, while total assets expanded 12.8% to SR 156.2 million. Balance sheet cash grew 28.8% to SR 10.2 million, and non-current borrowings were reduced by SR 3.25 million as scheduled debt amortisation proceeded without significant new long-term drawdowns. Operating cash flow of SR 25.6 million and free cash flow of SR 15.6 million — up more than 40% on the prior year — comfortably funded SR 9.7 million of dividends, routine capital expenditure of around SR 9.9 million and scheduled debt and lease repayments, while still allowing cash on the balance sheet to grow.

We continued to invest deliberately behind future growth. Capital expenditure focused on production capacity, maturation infrastructure and the new La Digue brand-experience venue, and the solar-power programme at La

Plaine St André continued to deliver tangible energy and sustainability benefits. Inventories were also built ahead of expected demand, supporting export ramp-up into 2026. Administrative expenses rose ahead of revenue, reflecting investment in people, capability and international market activation; the Board views these costs as appropriate enablers of growth and will continue to monitor productivity and operating leverage as the business scales.

People, governance and thanks

None of what the Group has achieved in 2025 would have been possible without the dedication and craft of our people across production, distribution, retail, hospitality, finance and the commercial teams. On behalf of the Board, I extend our sincere thanks to every employee, partner, distributor, supplier and customer who contributed to the year. I also thank my fellow directors for their counsel throughout the year, and shareholders for the patient confidence you continue to place in the long-term strategy.

Outlook for 2026 and dividend

The Group entered 2026 with strong commercial momentum. The outbreak of conflict in the Arabian Gulf has however introduced some disruption in those markets, with a slowdown in Gulf Travel Retail sales and a softening of tourism flows into Seychelles affecting local hospitality and on-trade activity. The European business, by contrast, remains on a high-growth outlook, and meaningful headroom remains in markets we have not yet addressed at scale, including North America and Asia-Pacific. We are responding with discipline — adjusting inventory and production planning, prioritising marketing investment toward channels where demand remains strong, and continuing to allocate capital to the highest-return opportunities.

Reflecting the strength of the 2025 result, the strengthened equity base and the Board's confidence in the underlying resilience of the business, the Board recommends a final dividend of SCR 0.91 per share, an increase of 11% on the prior year. This marks the fifth consecutive year of double-digit dividend growth since the Group's listing in 2021, underscoring our commitment to delivering growing cash returns to shareholders while preserving ample capacity to fund the growth agenda ahead.

2025 has been a defining year for Trois Frères Distilleries Limited. Record revenue, expanding profits, a stronger balance sheet and resilient cash generation together represent credible progress against our long-term vision. While the early months of 2026 introduce a more uncertain external environment, the Group does so from a position of genuine strength, and the Board and I remain confident in the path ahead.

Sincerely,

Mark Prechelt

Chairman

Trois Frères Distilleries Limited