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the bermuda press [holdings] limited

To: All Shareholders

From: The Board of Directors

Date: June 30, 2025

Interim Report

The Board of Directors is reporting on unaudited financial matters relating to the first six months of your Company's financial year ending 30 September 2025 in accordance with the BSX listing regulations (Section II A, chapter 6.9(2)).

While challenges persist in Bermuda's broader economic landscape, your Company has made meaningful progress in stabilizing operations and strengthening its financial position.

<u>Six Months ended 31st March</u> (in 000's of Bermuda dollars)	<u>2025</u>	<u>2024</u>
Operating revenue	<u>\$7,968</u>	<u>\$7,872</u>
Operating profit (loss) from continuing operations	\$36	(\$272)
Finance income	2	6
Finance costs	(46)	(1)
Gain on sale of assets	\$26	nil
Extraordinary expense	<u>(\$225)</u>	<u>nil</u>
Net profit (loss) from continuing operations	(\$207)	(\$267)
Loss from discontinued operations	<u>(55)</u>	<u>(302)</u>
Loss attributable to Equity holders of the Company	(\$238)	(\$568)
Dividends paid per share	nil	nil
Earnings per share:		
Loss attributable to common shareholders	(\$238)	(\$568)
Average number of common shares outstanding	1,210	1,207
Basic and fully diluted earnings per share	(\$0.20)	(\$0.47)

Bermuda Press (Holdings) Limited returned to operating profitability for the six months ended March 31, 2025 with an operating profit from continuing operations of \$36,000, compared to an operating loss (\$272,000) for the same period in 2024, an increase of \$308,000. The improvement is from increases in occupancy of tenant spaces and improved advertising revenues at The Royal Gazette. This shift is in alignment with the Board's expectations following our exit from the declining commercial printing operations.

Your Company's operating revenue from continuing operations increased 1.2% to \$7,968,000 for the six months ended 31 March 2025, as compared to \$7,872,000 for the same period in 2024. Management continues to maximise the return on our real estate assets and to navigate our business through the challenges of the Bermuda domestic economy; a declining population, harsh inflation, and constantly evolving supply chain challenges, most recently roiled by rising trade tariffs. Rising material and staff costs have a direct impact on your Company's profitability.

The real estate assets of your Company have required significant capital improvement to maintain their value and high occupancy. Management is focused on delivering these capital projects in the most cost-effective manner utilizing a combination of local and overseas partners.

Your Company has resolved the legal case against it in the longstanding battle to defend media freedom in Bermuda. The settlement resulted in a one-time charge of \$225,000, recorded as an extraordinary expense.

Your Company's overall loss for the period was a loss of \$238,000, compared to a loss of \$568,000 for the same period in 2025, an improvement of \$330,000. Management and the Board continue to review all divisions to address loss-making businesses and maximize commercial property returns, in order to return total profitability to its equity holders.

Significant investments continue to improve the Royal Gazette's online operations with the goal for it to become a self-sustaining business unit, while ensuring it remains Bermuda's most trusted news source and independent Fourth Estate.

Recent Board changes include the election of Veronica Gordon as Vice-chairperson and the addition of Malcolm Moseley as a Director. These changes position your Company to develop business diversification and growth opportunities.

Key financial highlights for the first six months include:

- Publishing revenues for the first six months increased 5.8% or \$292,000 over the prior period. The publishing unit saw improved newspaper advertising and continues to expand its digital product offerings to enhance customer and reader engagement.
- Our local real estate holdings saw an increase in rental revenue of 9.5% or \$115k over the prior period. Real estate remains your Company's most profitable segment with an overall occupancy rate of 90% at March 31, 2025, of which 56% is third party tenants.

- Retail and office equipment revenues for the first six months decreased 11% or \$163,000 over the prior period. Management continues to see reduced demand for office equipment sales and service, and in the coming months your Company's management and Board are reviewing future plans for the operation.

Other key highlights since the Annual Report include:

- Completed significant renovations on multiple floors of Crown House building following normal tenant turnover. The building has now secured tenants for all vacant spaces.
- Additional renovations have been made to the Roger Davidson building, with all vacant office spaces expected to be filled imminently.
- The retail operations of The Stationery Store and Stationery Store Plus have consolidated, and we expect the resulting retail vacancy in the prime Reid Street location to be filled in the coming months.
- The Royal Gazette continues to be Bermuda's most popular media platform, and your Company continues to invest in the development of features such as our new subscriber system and buoyant podcast section that are key to our transition from a print advertiser newspaper to a journalism supporter model.
- The Royal Gazette continues its inclusiveness initiative to ensure your Company continues connect with and serve Bermuda's diverse communities, while valuing its employees perspectives.

Basic earnings per share was a loss of \$0.20 for the period, a \$0.27 improvement from a loss of \$0.47 in the previous year. The market price for BPHL's shares was \$7.00 per share as of last trade on the BSX on May 27, 2025.

During the first half of the year the Board suspended the payment of dividends to shareholders given the transitional period your company faces and the significant capital improvement projects that are currently underway. The Board reviews the Company's performance and its ability to make dividend payments to shareholders on a quarterly basis.

The total number of shares owned or influenced by Directors and Officers of the Company at March 31, 2025 amounts to 106,558. No rights to subscribe for shares in the Company have been granted to or exercised by any Director or Officer.

The Board thanks our employees for their dedication to the Company and their commitment in serving the people of Bermuda.