



## CHAIRMAN'S REPORT

### Q2 2020

The Board of Directors at *AML Foods Limited* announced results for the second quarter ended October 31<sup>st</sup>, 2019 reflecting a net loss of \$1.16m, compared to a loss of \$0.10m for the same period in the prior year. During the quarter, the Company recorded hurricane losses of \$2.72m resulting from damages occurring at its Freeport locations due to the landfall of Hurricane Dorian. These losses were partially offset by insurance proceeds of \$1.25m. Net operating profit before hurricane losses was \$0.49m and represents an increase of \$0.54 over the same quarter in the prior year. During the upcoming months, we anticipate additional insurance proceeds as our claims are finalized.

We are pleased to report that despite the closure of our Solomon's Queens Highway location in Freeport, sales for the quarter were \$38.71m and were flat compared to the second quarter of the previous year. We have seen a rebound of both sales and gross margin dollars across most of our locations as we aim to increase margin dollars through our purchasing strategies. Additionally, we our focused on our in stock levels which have proven to be a challenge in the past and has resulted in missed opportunities for increased revenues.

As we approach the holiday season, we are keen on ensuring that we provide customers with the best shopping experience. We continue to review our product offerings to ensure that we deliver quality products at affordable prices.

The Board of Directors have approved an ordinary dividend payment of \$0.04 per share, payable on January 3<sup>rd</sup>, 2020 to shareholders on record as of December 27<sup>th</sup>, 2019.

To all of our loyal customers, dedicated staff and shareholders, thank you for your continued support of *AML Foods Limited* and Happy Holidays!

Franklyn A. Butler, II

Chairman

**AML FOODS LIMITED**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED OCTOBER 31, 2019**

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(Expressed In thousands of Bahamian dollars)*

	<b>October 31, 2019</b>	<b>April 30, 2019</b>
<b>Assets</b>		
<b>Total Assets</b>	\$ 100,565	\$ 78,589
<b>Liabilities and Equity</b>		
<b>Total Liabilities</b>	\$ 61,899	\$ 34,726
<b>Total Equity</b>	38,666	43,863
<b>Total Liabilities and Equity</b>	\$ 100,565	\$ 78,589

**AML FOODS LIMITED**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED OCTOBER 31, 2019**  


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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*(Expressed In thousands of Bahamian dollars except per share amounts)*

	<b>Quarter ended October 31, 2019</b>	<b>Quarter ended October 31, 2018</b>
Sales	\$ 38,712	\$ 38,517
Cost of sales	(26,869)	(27,163)
Gross profit	11,843	11,354
Selling, general and administrative expenses	(10,561)	(11,253)
Other operating income	196	192
Net operating profit	1,478	293
Interest expense	(801)	(130)
Dividends on preference shares	(180)	(206)
Net profit before pre-opening expenses and extraordinary items	497	(43)
Pre-opening expenses	-	2
Extraordinary items	(1,468)	-
Net profit loss from continuing operations	(971)	(41)
Loss from discontinued operations	(194)	(67)
Net loss	\$ (1,165)	\$ (108)
Earnings per share from continuing operations	<u>(0.06)</u>	<u>(0.00)</u>
Earnings per share from discontinued operations	<u>(0.01)</u>	<u>(0.00)</u>
Earnings per share	<u>(0.08)</u>	<u>(0.01)</u>