



CHAIRMAN'S REPORT Q4 2021

The Board of Directors at AML Foods Limited today announced results for the fourth quarter and fiscal year ended April 30th, 2021. Sales for the quarter were \$40.5m, compared to \$49.4m for the same period in the previous year. Sales for the year ended at \$174.9m, an increase of \$2.5m or 1.4% over prior year. Net profit for the quarter was \$1.2m compared to \$2.4m for the same period last year. Year-to-date net profit is \$11.1m which includes net insurance proceeds of \$4.6m.

Sales for the quarter were down 18% compared to prior year in line with expectations as the effects of the pandemic lockdowns subsided. Last year in Q4, we saw sales increases of 13% due to the pandemic and lockdown related panic buying. With unemployment levels remaining high, and the tourism industry still not fully operational, we recorded sales below pre-COVID levels in many locations during Q4.

Current trends for the first month of the new fiscal year that started May 1st, 2021, show sales for most of our stores tracking strongly compared to 2019. The expectation is that we will continue to experience challenges through the summer, particularly in stores with a high concentration of lower to middle income customers. Improvements are expected in Q3 into Q4 as the recovery in the tourism industry gains further traction.

During the quarter we continued to manage our expenses well. Cash balances remained healthy and increased compared to the same period last year and the year ended April 2020. Gross margins were also well managed but shrink continued higher than expected during the period. Our teams continue to work diligently to raise the level of excellence in this area of our business.

Also, during the quarter, we signed a definitive agreement to purchase the assets of Exuma Markets Limited. We are very excited about this acquisition which represents a new market for us with great potential, and we are looking forward to servicing the Exuma community. Furthermore, we are actively seeking other growth opportunities to expand our business, whether it be through additional acquisitions or the purchase of new sites. We have also begun planning a potential new location for our Charles Saunders Highway property. We intend to seek a joint venture partner to develop the site for a shopping centre, servicing the south of New Providence with a Solomon's brand store as an anchor tenant.

Given the quarter's performance, the Board of Directors have approved a regular ordinary dividend payment of \$0.04 per share and an extraordinary dividend of \$0.03 per share both payable on July 2, 2021 to shareholders on record as of June 25, 2021.

On behalf of the Board of Directors I would like to thank our dedicated and hard-working associates for your continuous commitment to our company and our customers for your continued support of our businesses.

Sincerely,
Franklyn A. Butler, II
Chairman

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED APRIL 30TH, 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed In thousands of Bahamian dollars)

	April 30, 2021	April 30, 2020
Assets		
Total Assets	\$ 108,011	\$ 102,886
Liabilities and Equity		
Total Liabilities	\$ 59,393	\$ 64,990
Total Equity	48,618	37,896
Total Liabilities and Equity	\$ 108,011	\$ 102,886

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED APRIL 30TH, 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Expressed In thousands of Bahamian dollars except per share amounts)

	Quarter ended April 30, 2021	Quarter ended April 30, 2020
Sales	\$ 40,453	\$ 49,382
Cost of sales	(28,247)	(34,413)
Gross profit	12,206	14,969
Selling, general and administrative expenses	(10,604)	(12,100)
Other operating income	279	171
Net operating profit	1,881	3,040
Interest expense	(407)	(463)
Dividends on preference shares	(144)	(153)
Net profit before extraordinary expenses	1,330	2,424
Pre-opening expenses	(98)	(0)
Loss on impairment of goodwill	-	(901)
Net profit (loss) from continuing operations	1,232	1,523
Loss from discontinued operations	-	(13)
Net profit	\$ 1,232	\$ 1,510
Earnings per share from continuing operations	\$ 0.08	\$ 0.10
Earnings per share from discontinued operations	\$ -	\$ (0.00)
Earnings per share	\$ 0.08	\$ 0.10

AML FOODS LIMITED
UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR YEAR ENDED APRIL 30, 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Expressed In thousands of Bahamian dollars except per share amounts)

	Year Ended April 30, 2021	Year Ended April 30, 2020
Sales	\$ 174,898	\$ 172,445
Cost of sales	(121,059)	(119,429)
Gross profit	53,839	53,016
Selling, general and administrative expenses	(46,089)	(46,996)
Other operating income	1,061	733
Net operating profit	8,811	6,752
Interest expense	(1,643)	(1,806)
Dividends on preference shares	(594)	(666)
Net profit before extraordinary expenses	6,574	4,281
Pre-opening expenses	(98)	(0)
Gain on disposal of fixed assets	-	5
Impairment of goodwill	-	(901)
Extraordinary Item (Hurricane Income/(Loss))	4,669	(1,741)
Net profit from continuing operations	11,145	1,644
Loss from discontinued operations	-	(202)
Net profit	\$ 11,145	\$ 1,442
Earnings per share from continuing operations	\$ 0.74	\$ 0.11
Earnings per share from discontinued operations	\$ -	\$ (0.01)
Earnings per share	\$ 0.74	\$ 0.10