



CHAIRMAN'S REPORT

Q3 2017

The Board of Directors at *AML Foods Limited* announced results for the third quarter ended January 31st, 2018 reflecting Sales of \$44.32m an increase of 5.77% for the same period in the previous year. Net profit for the quarter was \$1.38m, after pre-opening expenses of \$114k and loss from discontinued operations of \$1.12m, compared to \$3.08m for the same period in the prior year.

We are pleased that we were able to maintain positive sales growth during the period. Net profit for the quarter was impacted by a decrease in gross margin dollars due to increased competition and a slight rise in energy costs and shrink. Over the next quarter, we will remain focused on managing the day to day operations of our business and growing transaction counts across all brands, by driving value for customers.

Solomon's Yamacraw successfully completed one quarter of servicing residents in eastern New Providence and we are excited about the opportunities it has created for us. This expansion allows our Company to continue our strategy of opening neighbourhood stores to complement our destination stores, and helps us to achieve our goals of continued sales growth and earnings for you, our shareholders.

Based on our quarter results, the Board of Directors have approved a dividend payment of \$0.02 per share, payable on March 29, 2018 to shareholders on record as of March 23, 2018.

Thank you to all our loyal customers, dedicated staff and shareholders for your continued support of *AML Foods Limited*.

Franklyn A. Butler, II
Chairman

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED JANUARY 31, 2018**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in thousands of Bahamian dollars except for earnings per share)

	January 31, 2018	April 30, 2017
Assets		
Total Assets	\$ 78,763	72,827
Liabilities and Equity		
Total Liabilities	\$ 39,890	36,617
Total Equity	38,873	36,210
Total Liabilities & Equity	\$ 78,763	72,827

CONSOLIDATED STATEMENT OF INCOME

(Expressed in thousands of Bahamian dollars except for earnings per share)

	Quarter Ended January 31, 2018	Quarter Ended January 31, 2017
Sales	\$ 44,319	41,900
Cost of sales	(30,317)	(27,742)
Gross profit	14,002	14,158
Selling, general and administrative expenses	(11,657)	(10,935)
Other operating income	608	254
Net operating profit	2,953	3,477
Interest expense	(141)	(78)
Dividends on preference shares	(206)	(233)
Net profit from before pre-opening expenses	\$ 2,606	3,166
Pre-opening expenses	(114)	(18)
Net profit from continuing operations	\$ 2,492	3,147
Discontinued operations		
Loss from discontinued operations	(1,117)	(70)
Net profit	\$ 1,375	3,078
<i>Earnings per share from continuing operations</i>	<i>\$0.17</i>	<i>\$0.021</i>
<i>Earnings per share from discontinued operations</i>	<i>(0.070)</i>	<i>(0.00)</i>
<i>Earnings per share</i>	<i>\$0.09</i>	<i>\$0.20</i>