



## CHAIRMAN'S REPORT

### Q4 2017

The Board of Directors at *AML Foods Limited* today announced results for the fourth quarter and fiscal year ended April 30<sup>th</sup>, 2018. Sales for the quarter were \$42.31m an increase of 7.96% for the same period in the prior year. Net profit for the quarter was \$467k, after pre-opening expenses of \$2k and losses from discontinued operations of \$21k, compared to \$1.86m for the same period in the prior year. Increased shrink and energy expenses, expected opening period losses at our Yamacraw location and costs associated with the implementation of our new ERP have all negatively impacted our operating results for this period.

For the year ended April 30<sup>th</sup>, 2018, the Company reported a net profit of \$4.03m after preopening expenses of \$424k and losses of \$1.47m from discontinued operations.

Net profit for the year was impacted by the expenses associated with the opening of Yamacraw and closure of Carl's Jr, as well as increases in energy costs and shrink. The opening of our Yamacraw store and the implementation of a new operating system lead to a reduced focus on our day to day operations. With these matters now behind us, we have refocused our team to better manage the controllable costs of our business. We are pleased that overall for the year we were able to maintain positive sales growth. Over the next quarter, we will remain focused on managing well what is under our control, and growing transaction counts and sales by driving value for customers in all formats.

Additionally, we have begun discussions on the expected rise in VAT and the short to medium impact that it will have on consumer habits, as well as our strategy to deal with any decrease in spending patterns.

The Board of Directors have approved an ordinary dividend of \$0.02 per share as well as an extraordinary year-end dividend of \$0.02 per share both payable on July 27, 2018 to shareholders on record as of July 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