L.J.WILLIAMS LIMITED

Chairman's Review for FY 2019 Half Year Ending September 30th 2018

We are pleased to report Group results of $66.10 million for the half year ending September 30th 2018 vs $59.26 million for the same period last year. Operating profit increased to $5.48 million vs $3.88 million the year before.

The **Parent Company** sales are up 8% over last year with an improved profit position for the six month period. The **Food Division** is performing well this year as our supplier stock issues are behind us and our focus on the Traditional Trade is showing positive results. The **Hardware Division** continues to be challenged by the poor economic environment. Local sales are down and our export sales of Evostik are flat year to date. The Shipping Division continues to perform well and this should continue to the end of the financial year.

The Home Store has shown resilience in this challenging economy and is slightly above its budget. We are experiencing increased costs, internally due to increased store deliveries and labour requirements, and externally due to port inefficiencies resulting in delayed clearing of containers which is quite costly. We are reviewing these areas to see how best we can reduce these costs as we move forward.

Movalite is doing better than budget but there are few new projects available. We will review its performance by the end of the third quarter.

Foreign exchange remains an issue and we hope availability will improve in the New Year. We are currently discussing alternate arrangements with our bank to assist with our foreign supplier payments. The last quarter of the year is upon us and, barring any unforeseen circumstances, we expect to have a strong third quarter.

Krishna Bahadoorsingh, CMT, Ph.D, Chairman

Statement of Financial Position

	Unaudited Six Month 30 September 2018 $'000	Audited Year-End 31 March 2018 $'000	Unaudited Six Month 30 September 2017 $'000
Assets			
Investment property	15,650	15,650	15,650
Property, plant and equipment	61,097	61,705	62,273
Available-for-sale financial assets	237	266	247
Other non-current assets	1,009	1,009	2,577
Total non-current assets	**77,993**	**78,630**	**80,747**
Current assets	69,256	60,490	57,622
Total assets	**147,249**	**139,120**	**138,370**
Share capital	33,976	33,976	33,976
Reserves	18,837	18,866	20,136
Retained earnings	31,215	27,883	22,982
Total Equity	**84,028**	**80,725**	**77,094**
Total non-current liabilities	12,553	13,699	15,313
Total current liabilities	50,668	44,696	45,963
Total equity and liabilities	**147,249**	**139,120**	**138,370**

Statement of Comprehensive Income

	Unaudited Six Month 30 September 2018 $'000	Audited Year Ended 31 March 2018 $'000	Unaudited Six Month 30 September 2017 $'000
Sales	66,104	130,184	59,260
Operating profit	5,485	10,655	3,888
Finance cost	(1,571)	(2,165)	(1,697)
Profit before taxation	3,914	8,490	2,190
Taxation	(582)	(1,191)	(527)
Profit for the period	3,332	7,299	1,664
Other Comprehensive Income			
Items that will not be reclassified			
to profit and loss		-	
Remeasurement of retirement benefit assets	-	(1,289)	-
	-	(1,289)	-
Items that maybe subsequently classified			
to profit and loss			
Fair value gain/(loss)	(29)	32	13
	(29)	32	13
Total comprehensive profit for the year attributable to equity holders of the company	3,303	6042	1,677
Profit per share from attributable to the equity holders of the company during the year - basic	12 cents	30 cents	7 cents

Statement of Changes in Equity

	Share Capital $'000	Other Reserves $'000	Retained Earnings $'000	Total Equity $'000
Six Month Ended 30 September 2018				
Balance at 1 April 2018	33,976	18,866	27,883	80,725
Comprehensive Income				
Profit for the period			3,332	3,332
Other Comprehensive Income				
Fair value gain on available-for-sale financial assets	-	(29)	-	(29)
Balance at 30 September 2018	33,976	18,837	31,215	84,028
Year Ended 31 March 2018				
Balance at 1 April 2017	33,976	20,123	21,318	75,417
Comprehensive Income				
Profit for the year	-	-	7,299	7,299
Dividend paid			(734)	(734)
Other Comprehensive Income				-
Remeasurement on retirement benefit assets	-	(1,289)	-	(1,289)
Fair value gain on available-for-sale financial assets	-	32	-	32
Balance at 31 March 2018	33,976	18,866	27,883	80,725
Six Month Ended 30 September 2017				
Balance at 1 April 2017	33,976	20,123	21,318	75,417
Comprehensive Income				
Profit for the period			1,664	1,664
Other Comprehensive Income				
Fair value gain on available-for-sale financial assets	-	13	-	13
Balance at 30 September 2017	33,976	20,136	22,982	77,094

Statement of Cash Flows

	Unaudited Six Month 30 September 2018 $'000	Audited Year Ended 31 March 2018 $'000	Unaudited Six Month 30 September 2017 $'000
Net Cash Generated (Used In)/From Operating Activities	(4,641)	8,990	(1,653)
Net Cash Generated (Used In) Investing Activities	(958)	(2,015)	(348)
Net Cash Generated (Used In) Financing Activities	(1,544)	(4,051)	(1,616)
Net (Decrease)/Increase In Cash And Cash Equivalents	(7,143)	2,924	(3,617)
Cash And Cash Equivalents At Beginning Of Year	(11,661)	(14,585)	(14,585)
Cash And Cash Equivalents At End Of Year	(18,804)	(11,661)	(18,202)

Director: 　　　　Director: