L.J.WILLIAMS LIMITED

Chairman's Review 3rd Qtr. FY 2019

I am pleased to report Group sales of $115.14 million with profit before tax of $10.54 million for the nine months ending December 31st 2018. This is an 11.2% increase in sales and 34% increase in profit before tax over the same period last year.

The Food & Allied Lines Division has shown an 11.5% increase over last year with our key brands all performing well. We expect good results by the end of our financial year since we continue to expand our customer base.

The Hardware Division has not performed well with lower than expected export sales and flat local sales this year. There has been no improvement in the sector of the economy served by this Division and we see little sign of improvement in the short to medium term. We are however, adding two new lines of business which should help our local sales for 2019.

Our Shipping Division revenues have shown a slight increase over last year although shipping activity has been flat for this quarter compared to the last.

Movalite has shown an improvement over the same period last year as it completes its current contracts. With regard to our legal matter with NHIC, the Arbitrator very recently awarded against Movalite. We are carrying a Receivable of $6.1M on this Contract which may have to be written off. Your Board will take Attorneys' advice before deciding on the way forward.

The Home Store has has a strong nine months with sales improving by 16%. Both stores showed an increase in sales and store traffic and the company is on track to achieve its targets.

Notwithstanding the disappointing news with the Arbitrator's decision on the Movalite claim against NHIC, this old matter can now properly be put behind us. The turnaround in the Group which began in 2014 continues and strong performances in our core business units for the 3rd Quarter promise good Operating results for our 2019 Financial Year.

In light of this your Board has recommended a Dividend payment of 8 cents on Preference Shares, 3 cents on the B shares and .3 cents on the A shares.

KBSingh

Krishna Bahadoorsingh, CMT, Ph.D, Chairman

Statement of Financial Position

	Unaudited Nine Months 31 December 2018 $'000	Audited Year Ended 31 March 2018 $'000	Unaudited Nine Months 31 December 2017 $'000
Assets			
Investment property	15,650	15,650	15,650
Property, plant and equipment	60,802	61,705	62,185
Available-for-sale financial assets	225	266	254
Other non-current assets	1,009	1,009	2,577
Total non-current assets	77,686	78,630	80,666
Current assets	70,104	60,490	56,698
Total assets	147,790	139,120	137,364
Share capital	33,976	33,976	33,976
Reserves	18,825	18,866	20,143
Retained earnings	37,423	27,883	28,292
Total Equity	90,224	80,725	82,411
Total non-current liabilities	11,629	13,699	16,976
Total current liabilities	45,937	44,696	37,977
Total equity and liabilities	147,790	139,120	137,364

Statement of Comprehensive Income

	Unaudited Nine Months 31 December 2018 $'000	Audited Year Ended 31 March 2018 $'000	Unaudited Nine Months 31 December 2017 $'000
Sales	115,142	130,184	103,578
Operating profit	13,062	10,655	10,540
Finance cost	(2,516)	(2,165)	(2,674)
Profit before taxation	10,546	8,490	7,866
Taxation	(1,006)	(1,191)	(892)
Profit for the period	9,540	7,299	6,974
Other Comprehensive Income			
Items that will not be reclassified to profit and loss		-	
Remeasurement of retirement benefit assets	-	(1,289)	-
	-	(1,289)	-
Items that may be subsequently classified to profit and loss			
Fair value (loss)/gain	(41)	32	20
	(41)	32	20
Total comprehensive profit for the year attributable to equity holders of the company	9,499	6,042	6,994
Profit per share attributable to the equity holders of the company during the year -basic	39 cents	30 cents	7 cents

Statement of Changes in Equity

	Share Capital $'000	Other Reserves $'000	Retained Earnings $'000	Total Equity $'000
Nine Months Ended 31 December 2018				
Balance at 1 April 2018	33,976	18,866	27,883	80,725
Comprehensive Income				
Profit for the period			9,540	9,540
Other Comprehensive Income				
Fair value loss on available-for-sale financial assets	-	(41)	-	(41)
Balance at 31 December 2018	33,976	18,825	37,423	90,224
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
Nine Months Ended 31 December 2017				
Balance at 1 April 2017	33,976	20,123	21,318	75,417
Comprehensive Income				
Profit for the period			6,974	6,974
Other Comprehensive Income				
Fair value gain on available-for-sale financial assets	-	20	-	20
Balance at 31 December 2017	33,976	20,143	28,292	82,411

Statement of Cash Flows

	Unaudited Nine Months 31 December 2018 $'000	Audited Year Ended 31 March 2018 $'000	Unaudited Nine Months 31 December 2017 $'000
Net Cash Generated From Operating Activities	5,241	8,990	5,531
Net Cash Generated (Used In) Investing Activities	(1,138)	(2,015)	(1,002)
Net Cash Generated (Used In) Financing Activities	(2,641)	(4,051)	(1,933)
Net Increase In Cash And Cash Equivalents	1,461	2,924	2,596
Cash And Cash Equivalents At Beginning Of Year	(11,661)	(14,585)	(14,585)
Cash And Cash Equivalents At End Of Year	(10,200)	(11,661)	(11,989)

Director: [signature] Director: [signature]