



L.J.WILLIAMS LIMITED

Chairman's Review for FY 2021 Half Year Ending September 30th 2020

The Group results for the half year ending September 30th 2020 are \$62.96 million vs \$64.64 million for the same period last year. Operating profit decreased to \$3.8 million vs \$4.2 million the year before.

Our new financial year started soon after Covid 19 impacted our country, forcing the closure of the Home Store and impacting our Distribution and Shipping Divisions. Despite the challenge and the increased operational cost the Group was able to show a profit slightly less than last year.

The Parent Company sales are 3% below last year. The Food Division accounts for most of the decline which was driven mainly by suppliers' production issues caused by Covid 19. On the plus side, the Division saw sales growth with those suppliers who were able to maintain a consistent supply. The Hardware Division sales are flat. We had a slight increase in local EvoSik sales over last year but exports remained flat. The Shipping Division sales are down due to the Covid 19. We expect some improvement during the holiday period but 2021 will be uncertain.

The Home Store was closed for first three months of our fiscal year with Barataria store opening in June 2020; however Covid 19 restrictions did impact store sales and profitability for the six months.

Despite the lower sales from the stores, overall sales were flat over the same period last year. Our Wholesale Department, which started operation at the end of June, mitigated the shortfall in sales from the stores. Our Wholesale department will improve sales by giving The Home Store the opportunity to reach a larger consumer base.

The non-grocery Retail Sector was severely impacted by Covid 19 and The Home Store has been challenged well into 2021. Our focus will be on seeking new sales opportunities and keeping our expenses to a minimum. We continue to offer our customers a wide range of products at affordable prices. We expect the third (3rd) quarter to be on par with last year given that there will be limited ability to travel and we anticipate that consumers will spend their money locally rather than abroad.

Currently the biggest challenge to our business is the lack of foreign exchange to pay our suppliers. The shortage of foreign exchange is now across all currencies and has gotten worse. There is no indication from the Government as to what businesses can expect and their silence does not give one confidence. If the FX situation does not improve in 2021, we will have to review our operations.

K.B. Singh

Krishna Bahadoorsingh, CMT, Ph.D.
Chairman

Statement of Financial Position

	Unaudited Six Month 30 September 2020 \$'000	Audited Six Month 31 March 2020 \$'000	Unaudited Six Month 30 September 2019 \$'000
Assets			
Investment property	15,650	15,650	15,650
Property, plant and equipment	66,708	67,345	66,355
Right of Use Assets	12,812	15,164	0
Available-for-sale financial assets	284	240	272
Other non-current assets	-	-	240
Total non-current assets	95,454	98,399	82,517
Current assets	59,997	59,153	69,140
Total assets	155,451	157,552	151,657
Share capital	33,976	33,976	33,976
Reserves	17,317	17,273	18,003
Retained earnings	34,570	33,342	31,432
Total Equity	85,863	84,591	83,411
Total non-current liabilities	24,752	23,581	15,026
Total current liabilities	44,836	49,380	53,220
Total equity and liabilities	155,451	157,552	151,657

Segmental Information

At 30 September 2020, the group was organised into three main business segments:

	MANUFACTURING		TRADING		SERVICES		TOTAL	
	30-Sep-20 \$'000	30-Sep-19 \$'000	30-Sep-20 \$'000	30-Sep-19 \$'000	30-Sep-20 \$'000	30-Sep-19 \$'000	30-Sep-20 \$'000	30-Sep-19 \$'000
Revenue over time	423	888					423	888
Revenue at a point in time	3,372	3,517	56,341	57,242	2,831	3,324	62,544	888
Total	3,795	4,405	56,341	57,242	2,831	3,324	62,967	64,637

Statement of Comprehensive Income

	Unaudited Six Month 30 September 2020 \$'000	Audited Year Ended 31 March 2020 \$'000	Unaudited Six Month 30 September 2019 \$'000
Sales	62,967	147,247	64,637
Operating profit	3,813	11,410	4,195
Finance cost	(2,014)	(4,803)	(1,767)
Profit before taxation	1,799	6,607	2,428
Taxation	(571)	(1,353)	(552)
Profit for the period	1,228	5,254	1,876
Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
Remeasurement of retirement benefit assets	-	(698)	-
	-	(698)	-
Items that maybe subsequently classified to profit and loss			
Fair value gain/(loss)	44	(28)	4
	44	(28)	4
Total comprehensive profit for the year attributable to equity holders of the company	1,272	4,528	1,880
Profit per share from attributable to the equity holders of the company during the year basic	5 cent	22 cents	8 cent

Statement of changes in equity

	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Six Month Ended 30 September 2020				
Balance at 1 April 2020	33,976	17,273	33,342	84,591
Comprehensive Income	-	-	1,228	1,228
Profit for the period	-	-	-	-
Other Comprehensive Income	-	-	-	-
Fair value gain on available-for-sale financial assets	-	44	-	44
Balance at 30 September 2020	33,976	17,317	34,570	85,863
Year Ended 31 March 2020				
Balance at 1 April 2019	33,976	17,999	29,556	81,531
Comprehensive Income	-	-	5,254	5,254
Profit for the year	-	-	(1,468)	(1,468)
Dividend paid	-	-	-	-
Other Comprehensive Income	-	-	-	-
Loss on revaluation of land and buildings	-	-	-	-
Remeasurement on retirement benefit assets	-	(698)	-	(698)
Fair value gain on available-for-sale financial assets	-	(28)	-	(28)
Balance at 31 March 2020	33,976	17,273	33,342	84,591
Six Month Ended 30 September 2019				
Balance at 1 April 2019	33,976	17,999	29,556	81,531
Comprehensive Income	-	-	1,876	1,876
Profit for the period	-	-	-	-
Other Comprehensive Income	-	-	-	-
Fair value gain on available-for-sale financial assets	-	4	-	4
Balance at 30 September 2019	33,976	18,003	31,432	83,411

Statement of Cash Flows

	Unaudited Six Month 30 September 2020 \$'000	Audited Year Ended 31 March 2020 \$'000	Unaudited Six Month 30 September 2019 \$'000
Net Cash Generated (Used In)/From Operating Activities	(379)	17,862	1,203
Net Cash Generated (Used In) Investing Activities	(483)	(10,287)	(4,759)
Net Cash Generated From (Used In) Financing Activities	3,059	(1,523)	5,028
Net Increase in Cash And Cash Equivalents	2,217	6,052	1,472
Cash And Cash Equivalents At Beginning Of Year	(11,142)	(17,194)	(17,194)
Cash And Cash Equivalents At End Of Year	(8,925)	(11,142)	(15,722)

NOTE: The consolidated financial statements as at 30 September 2020 are unaudited and is presented in condensed format determined by management. The condensed statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows are all prepared in accordance with the International Financial Reporting Standards.

Director *T. Sundar*

Director *Indu Pillai*