

G WILLI FOOD INTERNATIONAL LTD
Form 20-F/A
August 30, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F/A
(Amendment No. 1)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g)
OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

Commission File No. 000-29256

G. WILLI-FOOD INTERNATIONAL LTD.
(Exact name of Registrant as specified in its charter
and translation of Registrant's name into English)

Israel
(Jurisdiction of incorporation or organization)

4 Nahal Harif St., Northern Industrial Zone, Yavne, 81106, Israel
(Address of principal executive offices)

Baruch Shusel

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Chief Financial Officer
4 Nahal Harif St. Northern Industrial Zone,
Yavne 81106, Israel
Tel: 972-8-932-1000

(Name, Telephone, E-mail and/or Facsimile number and Address of Registrant's Contact
Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

| Title of class | Name of each exchange on which registered |
|---|---|
| Ordinary Shares, NIS 0.10 par value per share | Nasdaq Capital Market |

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report:

The registrant had 13,043,538 ordinary shares, NIS 0.10 nominal value per share as of December 31, 2011.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act 1934.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files):

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financing Reporting Standards as issued by the International Accounting Standards Board

Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Registrant has elected to follow:

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

EXPLANATORY NOTE

G. Willi-Food International Ltd. (the "Company") is filing this Amendment No. 1 (the "Amendment") to its Annual Report on Form 20-F for the year ended December 31, 2011, which was originally filed on April 30, 2012 (the "Original Filing"), to reflect the amendment and restatement of its consolidated statements of cash flows in its financial statements for the year ended December 31, 2011. The Company has amended and restated its statements of cash flows for the year ended December 31, 2011 and for the quarter ended March 31, 2012 to reflect the correct classification of the change in the receivable balance related to the sale by the Company of its holdings in Shamir Salads (2006) Ltd. ("Shamir Salads") as a reconciling item to adjust net cash from operating activities.

As explained more fully in Note 28 to our Consolidated Financial Statements contained in this report, after filing the Original Filing, the Company determined that in the Company's consolidated statements of cash flows for the year ended December 31, 2011, the Company inadvertently classified the increase in the receivable balance related to the sale of its holdings in Shamir Salads as a reconciling item to reduce net cash from operating activities. Consequently, net cash from investing activities in the consolidated statements of cash flows for the year ended December 31, 2011 inadvertently increased by approximately NIS 13.5 million (US \$ 3.5 million) and net cash flow from operating activities was inadvertently decreased by the same amount. The abovementioned adjustments have no impact on the Company's consolidated statements of financial position or its consolidated statements of income or its consolidated statements of changes in equity.

Accordingly, to reflect the effects of the restatement, information in the following sections of this report have been revised: (i) "Item 5. Operating and Financial Review and Prospects - Liquidity and Capital Resources – Cash Flow from Operating Activities" and (ii) "Item 8. Financial Information – Consolidated Statements and Other Financial Information" (the "Amended Sections").

Except as required to reflect the effects of the restatement for the items above, the Company has not made any modifications or updates to the Original Filing on Form 20-F. Information not affected by the restatement remains unchanged and reflects the disclosures made at the time of the Original Filing. This Amendment does not describe other events occurring after the Original Filing, or modify or update those disclosures affected by subsequent events. This Amendment should be read in conjunction with the Company's filings made with the SEC subsequent to the filing of the Original Filing, as information in such reports and documents may update or supersede certain information contained in this Amendment. Accordingly, this Amendment only amends and restates the Amended Sections described above, in each case, solely to reflect the restatement, and no other information in the Original Filing is amended hereby. Currently dated certificates of the Company's Chief Executive Officer and Chief Financial Officer have been attached as Exhibits 12.1, 12.2, 13.1 and 13.2, and a currently dated consent of Independent Registered Accounting Firm has been attached as Exhibit 15.(a).1.

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PRESENTATION OF INFORMATION

In this Annual Report, references to the “Company”, “we” and “us” refer to G. Willi-Food International Ltd. and its consolidated subsidiaries.

The Company presents its consolidated financial statements in New Israeli Shekels, the currency of the State of Israel. Unless otherwise specified or the context otherwise requires, references to “\$”, “US\$”, “Dollars”, “USD” and “U.S. Dollars” are to the United States Dollars and references to “NIS” are to New Israeli Shekels.

Solely for the convenience of the reader, this Annual Report contains translations of certain NIS amounts into U.S. Dollars at specified rates. These translations should not be construed as representations that the translated amounts actually represent such dollar or NIS amounts, as the case may be, or could be converted into U.S. Dollars or NIS as the case may be, at the rates indicated or at any other rate. Therefore, unless otherwise stated, the translations of NIS into U.S. Dollars have been made at the rate of NIS 3.821 = \$1.00, the representative exchange rate on December 31, 2011.

PRESENTATION OF FINANCIAL AND SHARE INFORMATION

We prepare our consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). We initially adopted IFRS in our financial statements for the year ended December 31, 2008. Our previous financial statements were prepared in accordance with generally accepted accounting principles in Israel (“Israeli GAAP”), which included reconciliation to U.S. GAAP. Following the Company’s adoption of IFRS, as issued by the IASB, the Company is no longer required to reconcile its financial statements prepared in accordance with IFRS to U.S. GAAP.

CAUTIONARY STATEMENT WITH RESPECT TO FORWARD-LOOKING STATEMENTS

Certain of the statements contained in this Annual Report that are not historical facts, including, without limitation, certain statements made in the sections hereof entitled “Information on the Company,” “Dividends,” “Operating and Financial Review and Prospects,” and “Quantitative and Qualitative Disclosures about Market Risk” are statements of future expectations and other forward-looking statements that are based on management’s current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, the risks set forth in “Item 3. Key Information – D. Risk Factors”, including the following:

- changes affecting currency exchange rates, including the NIS/U.S. Dollar exchange rate;
- payment default by, or loss of, one or more of our principal clients;
- the loss of one or more of our key personnel;
- termination of arrangements with our suppliers, and in particular Arla Foods amba;
- increasing levels of competition in Israel and other markets in which we do business;
- increase or decrease in global purchase prices of food products;
- interruption to our storage facilities;
- our inability to accurately predict consumption of our products;
- our inability to anticipate changes in consumer preferences;
- product liability claims and other litigation matters;
- our insurance coverage may not be sufficient;
- our operating results may be subject to variations from quarter to quarter;
- our inability to successfully compete with nationally branded products;

our inability to protect our intellectual property rights;

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our inability to meet the Nasdaq listing requirements;
significant concentration of our shares are held by one shareholder;
our management could lose a major amount of its indirect ownership of our common stock through litigation;
we are controlled by and have business relations with Willi-Food and its management;
the price of our ordinary shares may be volatile;
all of our assets are pledged to creditors;
changes in laws and regulations, including those relating to the food distribution industry, and inability to meet and maintain regulatory qualifications and approvals for our products;
economic conditions in Israel;
changes in political, economic and military conditions in Israel, including, in particular, economic conditions in the Company's core markets; and
our international operations may be adversely affected by risks associated with international business.

The Company is under no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. See Item 3: "Key Information-Risk Factors" and Item 5: "Operating and Financial Review and Prospects – Results of Operations".

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIME TABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. SELECTED FINANCIAL DATA

The following selected consolidated financial data for each of the years in the three-year period which ended December 31, 2011, 2010 and 2009 are derived from our audited consolidated financial statements set forth elsewhere in this report, which have been prepared in accordance with IFRS as issued by IASB. The selected consolidated financial data for the years ended December 31, 2008 and 2007 is derived from our audited consolidated financial statements not appearing in this report. All of the financial data set forth below are in thousands (except per share amounts). You should read the following selected consolidated financial data in conjunction with Item 5: “Operating and Financial Review and Prospects” and the consolidated financial statements and notes thereto appearing elsewhere herein. Historical results are not necessarily indicative of any results to be expected in any future period.

Recent Exchange Rates of NIS to one U.S. Dollar

The table shows the high and low exchange rate of NIS per one U.S. Dollars for the last six months:

| | High | Low |
|-------------------------------------|-------|-------|
| November 2011 | 3.800 | 3.650 |
| December 2011 | 3.821 | 3.727 |
| January 2012 | 3.854 | 3.733 |
| February 2012 | 3.803 | 3.700 |
| March 2012 | 3.814 | 3.715 |
| April 2012 (through April 27, 2012) | 3.769 | 3.723 |

The representative exchange rate for NIS on December 31, 2011 was NIS 3.821 = \$1.00, and the representative exchange rate for NIS on April 27, 2012 was NIS 3.757 = \$1.00.

The average exchange rate of NIS 3.579 = USD 1.00 was for the year ended December 31, 2011, NIS 3.732 for the year ended December 31, 2010, NIS 3.933 for the year ended December 31, 2009, 3.588 for the year ended December 31, 2008 and 4.108 for the year ended December 31, 2007.

Income Statement Data:
In accordance with IFRS

| | 2011 | | 2010 | 2009 | 2008 | 2007 |
|-------------------------------------|---------|--------|---------|---------|---------|---------|
| | NIS | USD | NIS | NIS | NIS | NIS |
| Revenue | 264,404 | 69,198 | 271,143 | 230,134 | 218,820 | 201,617 |
| Cost of sales | 202,699 | 53,049 | 194,957 | 165,134 | 176,282 | 156,062 |
| Gross profit | 61,705 | 16,149 | 76,186 | 65,000 | 42,538 | 45,555 |
| Selling expenses | 27,482 | 7,192 | 31,077 | 22,586 | 20,971 | 20,602 |
| General and administrative expenses | 17,375 | 4,547 | | | | |