



ANGOSTURA HOLDINGS LIMITED
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(Expressed in Trinidad and Tobago dollars)

Angostura Holdings Limited is proud to report profit after tax of \$141.8 million for the fiscal year ended December 31, 2019, an increase of \$11.9 million or 9.2% over the comparative period last year. Total comprehensive income was \$135.8 million compared to \$131.7 million in the prior year.

Revenue of \$847.2 million represents an increase of 8.1% or \$63.5 million over the prior year ending December 31, 2018. This growth was mainly due to strong performance in the Bitters segment owing to increased demand and distribution growth among top retailers in the North American market. Local rum sales also contributed to this improvement, boosted by the fourth quarter launch of White Oak Sorrel. Finally, the co-pack bulk segment has grown consistently throughout the year.

Gross profit margin of 49.3% was slightly lower than the prior year's margin of 50% owing to increase in the cost of production associated with repairs to our waste water treatment plant. Stringent management of administrative expenses and other overheads contributed to improved profitability, despite slightly increased selling and marketing expenses as we continue to invest in international markets and global distribution.

Results from operating activities grew by 5.9%, or \$10.2 million, year over year. Additionally, the increase in finance income of \$3.4m or 66.3% positively contributed to the increase in results from continuing operations of \$13.4 million or 7.5% over the prior year ending December 31, 2018.

The Board of Directors is pleased to recommend a final dividend in respect of the year ended December 31, 2019 of \$0.17 per share with a record date of October 08, 2020 and payment date of October 29, 2020. Together with the interim dividend of \$0.09 per share previously paid on August 30, 2019, the total dividend in respect of fiscal 2019 will be \$0.26 per share (2018: \$0.24 per share), with earnings per share of \$0.69 (2018: \$0.63 per share). This represents an increase of 13.3% in final dividend over the prior year (2018: \$0.15 per share), and an increase of 8.3% in total dividend year over year (2018: \$0.24 per share).

While we are cognisant of the likely impact of recent events on our operations globally, we are also mindful to play our part in the economic recovery of Trinidad and Tobago. To this end, we will work with all stakeholders to contribute to financial and social upliftment and security of our Country in particular, but also in the markets in which we operate. Our contribution of hand sanitizers to frontline workers and charities during the period of the pandemic is indicative of the flexibility and agility we are prepared to undertake to make a difference.

We remain grateful to our loyal Customers who in the main, are the hallmarks of our success. We salute our employees who have been instrumental in our continued success and remain grateful for their dedication during these unfortunate circumstances. On behalf of the Board of Directors, I wish the People of Trinidad and Tobago a safe passage out of the COVID 19 pandemic. We offer our deepest condolences to those who have passed as a result of this virus. To those who are recovering, we wish you a quick return to good health.

Mr. Terrence Bharath
Chairman
April 22nd, 2020

Summary consolidated statement of financial position		
	Audited	
	December 31, 2019	December 31, 2018
	\$000	\$000
ASSETS		
Non-current assets		
Property, plant and equipment	333,496	320,215
Other assets and investments	6,485	6,485
Deferred tax asset	99	-
Retirement benefit asset, net	48,378	60,417
	388,458	387,117
Current assets		
Inventories	253,769	245,491
Trade and other receivables	185,870	145,742
Taxation recoverable	25,966	24,107
Other investments	385,495	294,368
Cash and cash equivalents	103,151	119,075
	954,251	828,783
Total assets	1,342,709	1,215,900
EQUITY AND LIABILITIES		
Shareholders' equity	1,141,501	1,055,168
Non-current liabilities		
Deferred tax liability	61,131	67,225
Retirement benefit obligation	7,503	8,480
Lease Liabilities	8,703	-
	77,337	75,705
Current liabilities		
Trade and other payables	107,299	80,929
Taxation Payable	5,761	4,098
Bank Overdraft	7,480	-
Lease Liabilities	3,331	-
	123,871	85,027
Total liabilities	201,208	160,732
Total equity and liabilities	1,342,709	1,215,900

Summary consolidated statement of profit or loss and other comprehensive income				
	Unaudited 3 months ended		Audited 12 months ended	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	\$000	\$000	\$000	\$000
Revenue	311,002	266,763	847,200	783,692
Cost of goods sold	(164,801)	(135,170)	(429,723)	(392,209)
Gross profit	146,201	131,593	417,477	391,483
Selling and marketing expenses	(36,700)	(30,652)	(140,205)	(145,010)
Administrative expenses	(27,161)	(21,297)	(88,713)	(69,935)
Expected credit loss on trade receivables	(2,921)	(2,487)	(4,304)	(2,487)
Results from operating activities	79,419	77,157	184,255	174,051
Finance costs	(289)	(2)	(555)	(312)
Finance income	2,343	1,733	8,648	5,201
Results from continuing operations	77,169	76,401	192,348	178,940
Other income / (expenses)	3,455	(2,454)	5,234	(1,961)
Dividend Income	-	-	173	45
Foreign exchange gains	4,354	760	4,023	548
Gains on disposal of Investments	-	-	-	31
Group profit before tax	84,978	74,707	201,778	177,603
Taxation expense	(24,108)	(17,140)	(59,935)	(47,685)
PROFIT FOR THE PERIOD	60,870	57,567	141,843	129,918
Other comprehensive income net of tax PERIOD	(6,003)	1,735	(6,003)	1,735
Profit for the period attributable to:	54,867	59,302	135,840	131,653
Owners of the Company	54,867	59,302	135,840	131,653
Total comprehensive income for the period attributable to:	54,867	59,302	135,840	131,653
Owners of the Company	54,867	59,302	135,840	131,653
Dividends paid per share	\$ -	\$ -	\$ 0.24	\$ 0.21
Earnings per share – Basic	\$ 0.30	\$ 0.28	\$ 0.69	\$ 0.63

Summary consolidated segment analysis												
	Audited											
	December 31, 2019						December 31, 2018					
	Rum \$000	Bitters \$000	LLB \$000	Bulk \$000	Other \$000	Total \$000	Rum \$000	Bitters \$000	LLB \$000	Bulk \$000	Other \$000	Total \$000
Revenue	542,670	178,555	24,392	54,707	46,876	847,200	515,511	160,373	24,812	34,638	48,358	783,692
Results from operating activities	108,322	70,806	1,895	8,564	(5,332)	184,255	109,658	62,358	6,630	72	(4,667)	174,051
Finance costs						(555)						(312)
Finance income						8,648						5,201
Results from continuing operations						192,348						178,940
Other income / (expenses)						5,234						(1,961)
Dividend Income						173						45
Foreign exchange gains						4,023						548
Gains on disposal of Investments						-						31
Group profit before tax						201,778						177,603
Taxation expense						(59,935)						(47,685)
Profit for the year						141,843						129,918

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Audited summary consolidated statement of changes in equity								
	December 31, 2019				December 31, 2018			
	Share capital	Other reserves	Retained earnings	Total equity	Share capital	Other reserves	Retained earnings	Total equity
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at January 1	118,558	100,796	835,814	1,055,168	118,558	100,796	762,615	981,969
Adjustment on initial application of IFRS 9 and 15	-	-	-	-	-	-	(15,136)	(15,136)
Adjusted balance at January 1	118,558	100,796	835,814	1,055,168	118,558	100,796	747,479	966,833
Profit for the year	-	-	141,843	141,843	-	-	129,918	129,918
Other comprehensive income	-	2,234	(8,237)	(6,003)	-	-	1,735	1,735
Total comprehensive income for the year	-	2,234	133,606	135,840	-	-	131,653	131,653
Transactions with equity holders recognized directly in equity								
Dividends	-	-	(49,507)	(49,507)	-	-	(43,318)	(43,318)
Balance at December 31	118,558	103,030	919,913	1,141,501	118,558	100,796	835,814	1,055,168

Notes to the unaudited summary consolidated financial statements

1. General information

Angostura Holdings Limited (referred to as the "company or AHL") is a limited liability company incorporated and domiciled in the Republic of Trinidad and Tobago. Angostura Holdings Ltd and its Subsidiaries are together referred to as the "Group" and individually as the "Group Companies". The address of the company's registered office is Corner Eastern Main Road and Trinity Avenue, Laventille, Trinidad and Tobago. The Group has its primary listing on the Trinidad and Tobago Stock Exchange. It is a holding company whose subsidiaries are engaged in the manufacture and sale of rum, ANGOSTURA® aromatic bitters and other spirits, and the bottling of alcohol and other beverages on a contract basis. The Group's ultimate parent entity is C L Financial Limited, a company incorporated in the Republic of Trinidad and Tobago. These summary consolidated financial statements relate to the Group. The full version of the Group's consolidated financial Statements can be located at the company's registered office.

2. Basis of Preparation

The summary consolidated financial statements comprise the summary consolidated statement of financial position, Summary consolidated statement of profit or loss and other comprehensive income and summary consolidated statement of changes in equity that are the exact reproduction of the consolidated statement of financial position, the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity that were themselves prepared in accordance with International Financial Reporting Standards. Selected note disclosures derived from the consolidated financial statements are identified below.

3. Statement of Compliance

The summary consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS as issued as issued by the International Accounting Standards Board (IASB).

4. Basis of measurement

The summary consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

- equity securities at fair value through other comprehensive income (FVOCI);
- net defined benefit asset (obligation) is recognised as fair value of plan assets, adjusted by re-measurements through other comprehensive income, less the present value of the defined benefit obligation adjusted by experience gains (losses) on revaluation;
- freehold lands and buildings are measured at fair value less depreciation;
- Corporate debt securities at amortised cost.

5. Use of estimates and judgments

The preparation of the summary consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

6. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these summary consolidated financial statements are consistent with those disclosed in the audited consolidated financial statements as at and for the year ended December 31, 2019 and have been consistently applied to all periods presented, unless otherwise stated. The Group has adopted IFRS 16 Leases from January 01, 2019.

7. Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements as at and for the year ended December 31, 2019.

Summary consolidated statement of cashflows

	Audited	
	December 31, 2019	December 31, 2018
	\$000	\$000
Group profit after tax	141,843	129,918
Adjustments for items not affecting working capital	80,975	74,142
Operating profit before working capital changes	222,818	204,060
Net working capital changes	(19,175)	(23,298)
Cashflows from operating activities	203,643	180,762
Other operating cashflows	(71,790)	(73,982)
Net cash from operating activities	131,853	106,780
Net cash used in investing activities	(102,546)	(77,628)
Net cash used in financing activities	(52,520)	(63,318)
Net (decrease) increase in cash and cash equivalents	(23,213)	(34,166)
Net cash and cash equivalents at January 1	119,075	152,820
Effect of movement in exchange rate on cash held	(191)	421
Net cash and cash equivalents at December 31	95,671	119,075
Represented by:		
Cash and Bank	103,151	119,075
Bank Overdraft	(7,480)	-
	95,671	119,075

Independent Auditors' Report

Opinion

The Summary Consolidated Financial Statements, which comprise the Summary Consolidated Statement of Financial Position as at December 31, 2019, the Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and related notes, are derived from the audited Consolidated Financial Statements of Angostura Holdings Limited ("the Company") for the year ended December 31, 2019

In our opinion, the accompanying Summary Consolidated Financial Statements are consistent, in all material respects, with the audited Consolidated Financial Statements, in accordance with the basis described in the notes to the Summary Consolidated Financial Statements.

Summary Consolidated Financial Statements

The Summary Consolidated Financial Statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the Summary Consolidated Financial Statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon. The Summary Consolidated Financial Statements and the audited Consolidated Financial Statements do not reflect the effects of events that occurred subsequent to that date of our report on the audited Consolidated Financial Statements.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited Consolidated Financial Statements in our report dated April 23, 2020. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements for the current period

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the Summary Consolidated Financial Statements in accordance with the basis described in the notes to the Summary Consolidated Financial Statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the Summary Consolidated Financial Statements are consistent, in all material respects, with the audited Consolidated Financial Statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."

KPMG

April 23, 2020
Port of Spain
Trinidad, West Indies

Director

Director