



ANGOSTURA HOLDINGS LIMITED
UNAUDITED SUMMARY CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended March 31, 2020
(Expressed in Trinidad and Tobago dollars)

Angostura Holdings Limited reported strong first quarter results for the three-month period ending March 31, 2020. In the first quarter of this fiscal year, profit before tax grew by 9% or \$1.7m over that of Q1 2019.

The Bitters segment reported the largest segment growth over the comparative period last year of 42% or \$11m, due to increased sales in the USA, UK and South Africa, which offset the decline in the Australian market. This is in keeping with the company's strategic target for growth and expansion in foreign markets.

Local rum revenue grew by 8% or \$6.4m as the market acceptance of new flavoured rum blends, particularly White Oak Sorrel, continued into January 2020. In that month, we added White Oak Coconut to the portfolio which gained momentum over Carnival 2020.

The impact of rejuvenated marketing campaigns for LLB is clearly seen by the increase in revenues from that segment, up 56% or \$2.3m over the comparative period last year. This was directly due to increased demand locally and throughout the Caribbean.

While we continue the prudent management of costs and capital outlay, we are also mindful of the need to ensure production efficiency and effectiveness. In this regard, we continue the repair works required to the waste water treatment plant. For this, our production volumes have temporarily declined, leading to an increased cost of production and overall increase in cost of goods sold by 3% over Q1 2019. Despite this, due to the product mix of revenue growth, overall gross profit margin for the three-month period ending March 31, 2020 was 52% compared to 47% for the same period ending March 31, 2019.

The Group's profit margins were impacted by increased operating expenses of 17.6% or \$8.6m over the comparative period, as well as foreign exchange losses incurred in Q1 2020 due to devaluation of major foreign currencies as a direct result of the global economic impact of COVID-19.

Fiscal 2020 was off to a promising start, but we are mindful that the COVID-19 pandemic is likely to impact our local and foreign demand, supply chain and distribution, and the time required to complete improvement and repair to our waste water treatment plant. We are not daunted. Angostura will continue to innovate and be proactive so as to conduct its operations in a manner that takes account of the changing local and global market as the months unfold in these unprecedented times.

We take this opportunity to commend our staff for their contribution of time and tangibles to the benefit of other frontline workers and persons affected economically, socially and financially by the impact of the pandemic.

Mr. Terrence Bharath
Chairman
May 4, 2020

Summary consolidated statement of financial position			
	Unaudited		Audited
	March 31, 2020	March 31, 2019	December 31, 2019
	\$000	\$000	\$000
ASSETS			
Non-current assets			
Property, plant and equipment	335,401	323,544	333,496
Other assets and investments	6,485	108	6,485
Deferred tax asset	43	-	99
Retirement benefit asset, net	48,378	60,417	48,378
	390,307	384,069	388,458
Current assets			
Inventories	268,937	250,817	253,769
Trade and other receivables	117,195	81,929	185,870
Taxation recoverable	33,943	32,241	25,966
Other investments	451,604	296,261	385,495
Cash and cash equivalents	65,757	174,919	103,151
	937,436	836,167	954,251
Total assets	1,327,743	1,220,236	1,342,709
EQUITY AND LIABILITIES			
Shareholders' equity	1,154,597	1,066,085	1,141,501
Non-current liabilities			
Retirement benefit obligation	7,246	8,037	7,503
Deferred tax liability	60,931	69,522	61,131
Lease Liabilities	9,500	3,096	8,703
	77,677	80,655	77,337
Current liabilities			
Trade and other payables	86,687	67,105	107,299
Taxation Payable	5,761	4,098	5,761
Bank Overdraft	-	-	7,480
Lease Liabilities	3,021	2,293	3,331
	95,469	73,496	123,871
Total liabilities	173,146	154,151	201,208
Total equity and liabilities	1,327,743	1,220,236	1,342,709

Summary consolidated statement of profit or loss and other comprehensive income		
	Unaudited 3 months ended	
	March 31, 2020	March 31, 2019
	\$000	\$000
Revenue	153,145	137,361
Cost of goods sold	(74,032)	(72,150)
Gross profit	79,113	65,211
Selling and marketing expenses	(36,617)	(32,745)
Administrative expenses	(20,577)	(17,520)
Expected credit (loss)/reversal on trade receivables	(328)	1,320
Results from operating activities	21,591	16,266
Finance costs	(204)	(100)
Finance income	2,450	1,923
Results from continuing operations	23,837	18,089
Other expenses	86	209
Foreign exchange losses	(4,331)	(357)
Group profit before tax	19,592	17,941
Taxation expense	(6,496)	(7,024)
PROFIT FOR THE PERIOD	13,096	10,917
Other comprehensive income net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	13,096	10,917
Profit for the period attributable to:		
Owners of the Company	13,096	10,917
Total comprehensive income for the period attributable to:		
Owners of the Company	13,096	10,917
Dividends paid per share	\$ -	\$ -
Earnings per share – Basic	\$ 0.06	\$ 0.05

Summary consolidated segment analysis												
	Unaudited											
	March 31, 2020						March 31, 2019					
	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	97,415	37,301	6,329	4,130	7,970	153,145	93,427	26,349	4,064	6,245	7,276	137,361
Results from operating activities	8,339	11,923	2,208	550	(1,429)	21,591	11,356	5,751	596	(319)	(1,119)	16,266
Finance costs						(204)						(100)
Finance income						2,450						1,923
Results from continuing operations						23,837						18,089
Other expenses						86						209
Foreign exchange losses						(4,331)						(357)
Group profit before tax						19,592						17,941
Taxation expense						(6,496)						(7,024)
Profit for the year						13,096						10,917

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Summary consolidated statement of changes in equity

	March 31, 2020				March 31, 2019			
	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	103,030	919,913	1,141,501	118,558	100,796	835,814	1,055,168
Profit for the period	-	-	13,096	13,096	-	-	10,917	10,917
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	13,096	13,096	-	-	10,917	10,917
Balance at March 31	118,558	103,030	933,009	1,154,597	118,558	100,796	846,731	1,066,085

Notes to the audited 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 Limited 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, AGOSTURA® 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 statements of income and other comprehensive income and changes in equity that are the exact reproduction of the consolidated statement of financial position, and the consolidated statements of income and other comprehensive income and 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 by the International Accounting Standard 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 retirement 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;
- Land and buildings are measured at fair value less depreciation; and
- 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.

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

	Unaudited	
	March 31, 2020	March 31, 2019
	\$000	\$000
Group profit after tax	13,096	10,917
Adjustments for items not affecting working capital	13,330	11,513
Operating profit before working capital changes	26,426	22,430
Net working capital changes	31,948	51,040
Cashflows from operating activities	58,374	73,470
Other operating cashflows	(15,079)	(13,404)
Net cash from operating activities	43,295	60,066
Net cash used in investing activities	(72,183)	(3,077)
Net cash used in financing activities	(751)	(730)
Net (decrease) increase in cash and cash equivalents	(29,639)	56,259
Net cash and cash equivalents at January 1	95,671	119,075
Effect of movement in exchange rate on cash held	(275)	(415)
Net cash and cash equivalents at March 31	65,757	174,919

Director

Director

