

# Audited Summary Results

for the Year Ended 30th September, 2019

## Summary Consolidated Statement of Financial Position

	\$'000 Audited Year ended 30 Sept 2019	\$'000 Audited Year ended 30 Sept 2018
<b>ASSETS</b>		
Non-Current Assets	1,153,318	1,123,865
Current Assets	1,384,118	1,356,925
<b>Total Assets</b>	<b>2,537,436</b>	<b>2,480,790</b>
<b>EQUITY AND LIABILITIES</b>		
Capital and Reserves	1,142,447	1,069,365
Non-Controlling Interests	338,963	302,273
Non-Current Liabilities	396,396	430,438
Current Liabilities	659,630	678,714
<b>Total Equity &amp; Liabilities</b>	<b>2,537,436</b>	<b>2,480,790</b>

## Summary Consolidated Statement of Income

	\$'000 Audited Year ended 30 Sept 2019	\$'000 Audited Year ended 30 Sept 2018
Revenue from contracts with customers	3,272,135	3,252,447
Operating Profit	246,578	218,195
(Loss)/Gain on revaluation of investment property	(2,022)	9,485
Finance Costs - Net	(25,978)	(27,299)
Share of profit of an associate	-	481
Profit before taxation	218,578	200,862
Taxation	(55,675)	(55,465)
Profit for the period	162,903	145,397
Attributable To :		
Owners of the parent	122,018	114,707
Non-Controlling interests	40,885	30,690
	162,903	145,397
Earnings per share for profit attributable to equity holders of the parent		
Basic	\$1.76	\$1.66

## Summary Consolidated Statement of Comprehensive Income

	\$'000 Audited Year ended 30 Sept 2019	\$'000 Audited Year ended 30 Sept 2018
Profit for the period	162,903	145,397
<b>Other comprehensive income</b>		
- Gain on defined benefit plans	2,336	4,195
- Tax relating to components of other recognised income and expense	(1,352)	(1,310)
- Exchange differences on translation of foreign operations	(638)	(1,989)
- Revaluation of land and buildings	-	119,540
Other comprehensive income for the period	346	120,436
<b>Total comprehensive income</b>	<b>163,249</b>	<b>265,833</b>
Attributable To :		
Owners of the parent	122,407	227,240
Non-Controlling interests	40,842	38,593
	163,249	265,833

## Summary Consolidated Statement of Changes in Equity

	\$'000 Audited Year ended 30 Sept 2019	\$'000 Audited Year ended 30 Sept 2018
Balance at beginning of the period	1,371,638	1,134,195
Total comprehensive income for the period	163,249	265,833
Effect of adoption of IFRS 9	(3,030)	-
Other movements	(2,122)	-
Changes in composition of Group	-	24,036
Dividend paid	(48,325)	(52,426)
	1,481,410	1,371,638

## Summary Consolidated Statement of Cash Flows

	\$'000 Audited Year ended 30 Sept 2019	\$'000 Audited Year ended 30 Sept 2018
<b>Operating Activities</b>		
Profit before tax	218,578	200,862
Adjustment to reconcile net profit to net cash provided by operating activities	85,282	68,272
Changes in operating assets/liabilities	537	(44,673)
<b>Cash provided by operating activities</b>	<b>304,397</b>	<b>224,461</b>
Pension contributions paid	(5,497)	(5,364)
Taxation paid	(51,604)	(51,210)
Finance cost paid	(25,978)	(26,548)
<b>Net cash provided by operating activities</b>	<b>221,318</b>	<b>141,339</b>
<b>Net cash used in investing activities</b>	<b>(103,867)</b>	<b>(149,130)</b>
<b>Net cash used in financing activities</b>	<b>(84,596)</b>	<b>(27,826)</b>
<b>Cash increase/(decrease) during the period</b>	<b>32,855</b>	<b>(35,617)</b>
<b>Net translation differences</b>	<b>2,541</b>	<b>2,637</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>127,047</b>	<b>160,027</b>
<b>Cash and cash equivalents, end of period</b>	<b>162,443</b>	<b>127,047</b>

## Notes

- The summary consolidated financial statements are prepared in accordance with the criteria developed by management. Under management's established criteria, management discloses the summary consolidated statements of financial position, income, comprehensive income and changes in equity and cash flow. These summary consolidated financial statements are derived from the audited consolidated financial statements of Agostini's Limited and its subsidiaries for the year ended 30 September, 2019, and are prepared in accordance with International Financial Reporting Standards.
- Segment Information - Consolidated Business Segments

	Pharmaceutical & Personal Care Distribution		Fast Moving Consumer Goods		Industrial, Construction and Holdings	
	\$'000 2019	\$'000 2018	\$'000 2019	\$'000 2018	\$'000 2019	\$'000 2018
Revenue	943,112	948,720	2,142,134	2,125,134	186,889	178,593
Operating Profit	109,585	98,566	113,072	94,415	23,921	25,214

## REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2019, the summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Agostini's Limited and its subsidiaries ("the Group") for the year ended September 30, 2019.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

### 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 November 27, 2019. That report also includes the communication of Key Audit Matters. Key Audit

Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

### Responsibility of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

### Auditor's Responsibility for the Audit of the Summary Consolidated Financial Statements

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.



Port of Spain, Trinidad  
November 27, 2019





# Chairman's Report to the Shareholders of Agostini's Limited

## Chairman's Remarks

I am pleased to report that for Fiscal 2019, Agostini's enjoyed a successful year as measured by improvements in all of our key financial performance indicators, the strong performance of our core proprietary and international brands, and the ability of our people to execute on the company's two core objectives: sustainable long-term growth and financial strength. Our company, at every level, is operated by a group of dedicated, forward thinking and hardworking people, and on behalf of the Board, I would like to offer our sincere thanks and gratitude.

Group sales increased by 1% to \$3.3 Billion and profit attributable to Shareholders increased by 6% to \$122 Million, up from \$114 Million in the prior year. However, when the gain and loss on revaluation of Investment Property from both periods are netted off, our profit improved a solid 15% in 2019, when compared to the prior year. Earnings per share was \$1.76 vs \$1.66 in 2018.

## Operational Review

Our three Business Segments all experienced improved operating results in 2019 despite continued challenges in the domestic and regional markets. These results are attributable primarily to improved operating margins, strong cost management and improved efficiency as a result of ongoing investments in human resource development, logistics and operations. We expect additional cost and efficiency benefits from these investments in the near to medium term.

Smith Robertson and its subsidiary, Curis Technologies, both had improved operating results. SuperPharm also posted improved results and, in a dynamic retail environment, is identifying and responding to changes in customers' needs, convenience, value and product offering. What remains constant is the trust and confidence that our customers have placed in us in looking after their healthcare needs.

While the operating performance in our

Construction and Industrial segment improved marginally when compared to prior year, activity in the construction and interior outfitting sectors remains anemic at best, and the sales and profitability at Agostini Building Solutions continues to be impacted in this depressed sector. Conversely, Rosco Petroavance had a strong year with improvements being experienced in some sectors of the energy industry and the continued expansion in our lubricants business.

Caribbean Distribution Partners had a good year on the back of solid performances in our core proprietary and international brands and improved operational efficiencies. All of our markets, with the exception of Barbados, posted improved sales and profitability. The Barbados economy is very much still in recovery mode after years of economic decline and the significant fiscal measures that have been put in place to return that economy to growth. In Trinidad and Tobago, as announced in my Third Quarter Report, our Vembev

division was integrated into Vemco and Hand Arnold and we are already seeing a positive impact on our beverage brands from this decision. In December, we will open our new cold storage facility in Aranguéz, which will allow us to improve our cold chain logistics as well as the quality and capacity of our distribution. Early in 2020, we will begin construction of a new state of the art distribution centre in Diamond, St. Vincent, which will expand our capacity and significantly improve the quality of the Coreas operation there.

## Dividend

I am happy to advise that your Board has approved an increased final dividend of 54 cents (38 cents in 2018) which with the interim dividend of 25 cents, will bring the Company's dividend for the year to 79 cents, compared to 61 cents in 2018. This dividend will be paid on January 27, 2020 to shareholders on the register of members on January 2, 2020. The Company's register of members will be closed from January 3rd to 6th, 2020.

## Outlook

Looking forward, I believe that our Group is well positioned in the industries and segments in which we operate. Having said that, in recent years, the speed with which change is taking place across all economies and industries is unprecedented; and as a result, we are constantly evaluating our business structures and processes, technology and people capabilities. One leading management consultant who recently met with our executives and directors stated: "The worst mistake you can make is do the right thing for too long." While this is certainly not the best advice to give your children, it may be worth considering when evaluating how businesses remain relevant and thrive in this dynamic environment. In the year and years ahead, our success will be very much determined by our ability to manage and influence change in our industries, and not just reacting to it.

## Acknowledgements

It is to the credit of our management, partners, associates, staff and customers that we have ended the year with improved results. On behalf of the Board, I extend our thanks to all of them and look forward to their continued support. As always, I extend my personal gratitude to the management and my fellow directors for their dedication, wisdom and counsel.

Lastly, I would like to especially thank Barry Davis who, after 12 years, will be retiring from our Board after the upcoming annual meeting of shareholders. Barry has made a sterling contribution to our Board's deliberations over the years and was Chairman of our Audit and Risk Committee for most of that time. I thank him on our shareholders' behalf for his many years of sound advice and dedicated service.

**Christian Mouttet**

Chairman

November 27, 2019