



ansa mcal
GROUP OF COMPANIES

CHAIRMAN'S STATEMENT

I am pleased to report Group profit before tax (PBT) growth of 5% to \$1,017 million (\$968 million – 2017) whilst revenues were up 2% to \$6.39 billion (\$6.24 billion – 2017). Earnings per share (EPS) improved by 12% to \$3.54 (\$3.15 – 2017) with net assets growing by 3% to \$8.1 billion (\$7.9 billion – 2017).

These results were however impacted by the occurrence of natural disasters in Trinidad and Tobago including a 6.9 earthquake and severe flooding in October which gave rise to gross claims on our General Insurance Company of \$20 million. In addition, there were \$42 million in one-time impairments related to the Barbados economy and its debt restructuring. The ANSA McAL Group believes that the measures taken by the Barbados Government are necessary and we remain confident that this country is a good place to invest. Excluding these effects, PBT grew by 11% over the prior year.

Strong earnings growth came from two segments - the Manufacturing, Packaging and Beverage segment, which grew by 12%, and Automotive, Trading and Distribution which grew by 42%. This growth offset the declines in the Financial Services Sector, which decreased by 15% mainly due to the impairments, discussed above, while Media, Retail, Services & Parent company declined by 14% due mainly to the contraction of corporate media spending. Our overseas subsidiaries have improved over the prior year.

We are confident of our growth trajectory and on our ability to execute. Based on this year, Directors have approved a final dividend of \$1.50 per share (\$1.20 - 2017) which will be paid on 6th June, 2019. This together with the interim dividend of \$0.30 per share (\$0.30 – 2017) brings the total dividend to \$1.80 per share (\$1.50 per share - 2017). This represents a total dividend increase of 20% and a cash pay-

out of over \$300 million or 43% of Group after tax profits.

Your Directors have fixed 21st May 2019 as the Record Date for payment of the final dividend. The register of members will be closed on 23rd to 24th May 2019, both days inclusive.

A. Norman Sabga
A. NORMAN SABGA
CHAIRMAN

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	\$'000 AUDITED AS AT 31-Dec-18	\$'000 AUDITED AS AT 31-Dec-17
ASSETS		
Fixed Assets and Investment Properties	2,385,754	2,277,620
Investment in associates and joint venture interests	155,209	159,372
Other Long Term Assets	6,270,107	6,144,400
Current Assets	6,474,563	5,768,319
Total Assets	15,285,633	14,349,711
EQUITY AND LIABILITIES		
Stated Capital	175,335	175,316
Reserves	7,131,082	6,876,079
	7,306,417	7,051,395
Non-controlling Interests	822,629	809,266
Total Equity	8,129,046	7,860,661
Non-current Liabilities	3,010,586	3,098,078
Current Liabilities	4,146,001	3,390,972
Total Liabilities	7,156,587	6,489,050
Total Equity and Liabilities	15,285,633	14,349,711

A. Norman Sabga
A. NORMAN SABGA
DIRECTOR

David B. Sabga
DAVID B. SABGA
DIRECTOR

SUMMARY SEGMENT INFORMATION

	Manufacturing, packaging & brewing		Automotive, trading & distribution		Insurance & financial services		Media, retail, services & parent company		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue										
Total gross revenue	2,880,512	2,676,666	2,590,650	2,549,560	882,664	873,548	1,104,387	1,037,285	7,458,213	7,137,059
Inter-segment	(270,698)	(255,693)	(75,336)	(43,103)	(36,691)	(32,821)	(690,259)	(560,960)	(1,072,984)	(892,577)
Third party revenue	2,609,814	2,420,973	2,515,314	2,506,457	845,973	840,727	414,128	476,325	6,385,229	6,244,482
Results										
Finance costs	10,473	9,416	6,951	3,838	47,359	35,069	855	1,211	65,638	49,534
Depreciation and amortisation	226,104	242,791	31,149	25,492	40,069	37,622	32,607	31,628	329,929	337,533
Impairments	-	-	-	205	32,208	-	10,186	-	42,394	205
Reportable segment profit before tax	498,188	443,891	177,943	125,067	264,521	309,539	76,746	89,218	1,017,398	967,715
Income tax expense	167,842	170,471	62,300	47,974	54,698	81,284	10,434	20,032	295,274	319,761
Share of results of associate and joint venture interests	-	-	-	-	-	-	26,768	26,751	26,768	26,751
Total Assets include										
Reportable Segment assets	3,252,129	3,157,697	1,664,568	1,473,825	6,890,526	6,400,010	3,478,410	3,318,179	15,285,633	14,349,711
Investment in associates and joint venture interests	-	-	-	-	-	-	155,209	159,372	155,209	159,372
Capital expenditure	213,055	239,158	58,578	68,815	76,136	77,013	91,234	69,504	439,003	454,490
Liabilities										
Reportable Segment liabilities	918,389	1,000,727	618,809	468,964	5,255,644	4,764,133	363,745	255,226	7,156,587	6,489,050

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
The accompanying notes form an integral part of these financial statements.

Note 1. Basis of preparation: The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of ANSA McAL Limited and its subsidiaries for the year ended 31 December 2018, which are prepared in accordance with International Financial Reporting Standards. These summary consolidated financial statements have been extracted from the audited consolidated financial statements which will be available on ANSA McAL Limited's website.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of ANSA McAL Limited

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2018, 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 complete audited consolidated financial statements of ANSA McAL Limited and its subsidiaries (the "Group") for the year ended 31 December 2018.

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 2.

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 auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified opinion on the audited consolidated financial statements in our report dated 21 March 2019. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgment, were most significant in our audit of the consolidated financial statements of the current period.

Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRSs.

Auditor's Responsibilities 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 Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

Port of Spain
TRINIDAD
21 March 2019

SUMMARY CONSOLIDATED STATEMENT OF INCOME

	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-18	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-17	\$'000 AUDITED YEAR ENDED 31-Dec-18	\$'000 AUDITED YEAR ENDED 31-Dec-17
Revenue	1,832,896	1,873,111	6,385,229	6,244,482
Operating profit	394,935	375,849	1,056,268	990,498
Finance costs	(26,626)	(14,154)	(65,638)	(49,534)
Share of results of associates and joint venture interests	6,897	7,958	26,768	26,751
Profit before taxation	375,206	369,653	1,017,398	967,715
Taxation	(107,873)	(138,524)	(295,274)	(319,761)
Profit for the period/year	267,333	231,129	722,124	647,954
Attributable to:				
Equity holders of the parent	220,844	195,721	609,391	543,588
Non controlling Interests	46,489	35,408	112,733	104,366
	267,333	231,129	722,124	647,954
Basic earnings per share	\$1.29	\$1.13	\$3.54	\$3.15
Diluted earnings per share	\$1.29	\$1.13	\$3.54	\$3.15

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-18	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-17	\$'000 AUDITED YEAR ENDED 31-Dec-18	\$'000 AUDITED YEAR ENDED 31-Dec-17
Profit for the period/year	267,333	231,129	722,124	647,954
Other comprehensive income:				
Re-measurement losses on defined benefit plans (net)	(23,769)	(13,020)	(23,769)	(13,020)
Currency translation and mark-to-market losses (net)	(7,570)	(5,670)	(7,857)	5,345
Other comprehensive losses for the period/year	(31,339)	(18,690)	(31,626)	(7,675)
Total comprehensive income for the period/year	235,994	212,439	690,498	640,279
Total comprehensive income attributable to:				
Equity holders of the parent	193,142	178,680	580,520	536,680
Non-controlling Interests	42,852	33,759	109,978	103,599
	235,994	212,439	690,498	640,279

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	\$'000 STATED CAPITAL	\$'000 RESERVES	\$'000 NON-CONTROLLING INTERESTS	\$'000 TOTAL
Balance as at 1 January 2018	175,316	6,876,079	809,266	7,860,661
Impact of implementation of IFRS 9 and IFRS 15	-	(60,445)	(7,867)	(68,312)
Balances as at 1 January 2018 as adjusted	175,316	6,815,634	801,399	7,792,349
Total comprehensive income for the year	-	580,520	109,978	690,498
Transfers and other movements	-	2,300	-	2,300
Value of equity settled share based compensation	19	-	-	19
Net movement in unallocated shares	-	(8,719)	-	(8,719)
Acquisition of non-controlling interest	-	-	(4,505)	(4,505)
Dividends to equity holders	-	(258,653)	-	(258,653)
Dividends of subsidiaries	-	-	(84,243)	(84,243)
Balance as at 31 December 2018 (Audited)	175,335	7,131,082	822,629	8,129,046
Balance as at 1 January 2017	175,316	6,601,906	807,567	7,584,789
Total comprehensive income for the year	-	536,680	103,599	640,279
Transfers and other movements	-	(2,763)	(23)	(2,786)
Net movement in unallocated shares	-	(1,095)	-	(1,095)
Acquired in business combination	-	-	34,756	34,756
Acquisition of non-controlling interest	-	-	(7,011)	(7,011)
Dividends to equity holders	-	(258,649)	-	(258,649)
Dividends of subsidiaries	-	-	(129,622)	(129,622)
Balance as at 31 December 2017 (Audited)	175,316	6,876,079	809,266	7,860,661

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	\$'000 AUDITED YEAR ENDED 31-Dec-18	\$'000 AUDITED YEAR ENDED 31-Dec-17
Profit before taxation	1,017,398	967,715
Adjustment for items not affecting working capital	197,425	177,451
Operating profit before working capital changes	1,214,823	1,145,166
Net change in working capital	185,368	471,036
Cash flows from operating activities	1,400,191	1,616,202
Other cash applications	(233,803)	(212,379)
Net cash flows from operating activities	1,166,388	1,403,823
Investing activities	(736,286)	(1,207,241)
Financing activities	(489,750)	(189,732)
Net (decrease)/increase in cash and cash equivalents	(59,648)	6,850
Net foreign exchange differences	538	316
Cash and cash equivalents at the beginning of the year	1,690,844	1,683,678
Cash and cash equivalents at the end of the year	1,631,734	1,690,844

Note: Cash and cash equivalents includes amounts held at our subsidiary financial institutions. For the year ended 31 December 2018 this amounted to \$560 million (2017: \$543 million).

Note 2. Significant accounting policies: These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2018 audited consolidated financial statements consistently applied from period to period. The Group has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods on or after 1 January 2018 and which are relevant to the Group's operations.

Note 3. Stated Currency: Rounded to the nearest thousand Trinidad & Tobago dollars.

Note 4. The Group implemented phase II - Impairment of IFRS 9 'Financial Instruments' and adopted IFRS 15, 'Revenue from contracts with customers' effective 1 January 2018. Phase III - Hedge Accounting of IFRS 9 was not applicable to the Group. Retrospective application of these standards was not required, therefore the resulting adjustments were made to retained earnings as at 1 January 2018. The adjustment required up to 31 December 2018 was made through the Summary Consolidated Statement of Income however this amount was not material.