AGOSTINI'S

Audited Summary Results

for the Year Ended 30th September, 2021

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

As the world enters its third year of the COVID-19 pandemic, we are reminded of the devastating impact the virus has had on families, organizations and economies. Like all countries, Trinidad and Tobago has had to manage through the challenges this Novel Coronavirus has brought with it, which has proved to be "novel" in more ways than one. As I write this report, the virus continues to be ever present, however, the scientific evidence is clear that the most effective weapon against the worst effects of COVID-19 is vaccination. Continued vaccine hesitancy really is "the triumph of hope over experience" to borrow a quote from Samuel Johnson, and we continue to encourage those who remain unconvinced to accept the irrefutable evidence and get vaccinated.

I think that it would be fair to say that for a company that has been in existence for over 96 years, Agostini's has experienced more than a fair share of the challenges that all businesses encounter. While COVID-19 has been somewhat unique in that it has been both a health and economic event, in 2021, our company once again demonstrated its strength and resilience, as we responded to the dynamic conditions in our markets. We remained agile and adaptive as governments across the region employed varying strategies to tackle the effects of the pandemic, and most importantly, we remained focused on achieving our two core objectives: sustainable long-term growth and financial strength.

For the financial year 2021, sales increased by 5% from $3.43 billion to $3.61 billion and profit attributable to shareholders increased by 13% from $126 million to $143 million, after taking into account acquisition and restructuring costs of $12 million – these costs were in relation to the acquisition and integration of Oscar Francois Limited, Intersol Limited and ProCom Limited, as well as restructuring costs at our pasta manufacturing operation.

2021 Highlights

- Sales increased by 5% to $3.6 billion
- Profit before tax increased by 16%
- Profit after tax attributable to shareholders increased by 13%
- Earnings per share increased from $1.83 to $2.07
- Debt to Equity Ratio of 6:94
- Operating cash flow of $217 million
- Return on equity improved from 10.8% to 11.3%
- Dividends increased to $0.90 per share from $0.80
- Acquisition of Oscar Francois Limited and Intersol Limited, with Oscar Francois having now been integrated into Smith Robertson and Company Limited.
- Announcement of the acquisition of Process Components Limited, which was completed on October 1st, 2021 and has since been merged with Rosco Petroavance Limited.

Acquisitions

During the year 2021, Agostini's announced three acquisitions:

Oscar Francois Limited and Intersol Limited

Founded in 1958 by Oscar Francois and his wife Alicia, Oscar Francois Limited grew to become a significant player in the pharmaceutical and consumer products business with a history for building strong brands and an enviable reputation as a solid and progressive family owned and operated business. In 1961, the company expanded into manufacturing with the establishment of Intersol Limited and today, the company's flagship brand, Diquez, is known across the Caribbean. As the company grew, Oscar and Alicia's four daughters joined the company, with two of them, Jacqueline and Jasmine, eventually taking the reins and building on the solid foundation established by their parents. Ten years after holding our first discussions, we are proud to make Oscar Francois and Intersol part of the Agostini's family. These acquisitions are expected to be accretive to earnings in 2022.

Process Components Limited (ProCom)

ProCom, formerly owned by Laughlin and De Gannes Limited, was established in 1982 as a supplier of industrial products and services to the energy industry in Trinidad and Tobago. Over the years, the company has grown to become a major provider to both the off-shore and on-shore energy industry as well as a supplier of industrial products and services. The company was built over the last 16 years by Mark Laughlin, a 3rd generation member of the Laughlin family, alongside a team of dedicated and experienced executives and employees. This acquisition, completed in October 2021, has been merged with Rosco Petroavance and is also expected to be accretive to earnings in 2022.

These acquisitions are very much in line with our strategic objectives of expanding our core business operations.

Operational Review

Our Group operates in three segments: Pharmaceuticals & Health Care, Fast Moving Consumer Goods and Industrial and Construction.

Pharmaceutical & Health Care

Our pharmaceutical and health care segment had another successful year, enjoying improved sales and profitability compared to the prior year. During the year, and continuing into the new financial year, we have invested in new technology and digital systems to drive operational efficiency and improvements in customer service and convenience. The acquisition of Oscar Francois and Intersol will allow us to expand our product offering, especially in the areas of vitamins and nutritionals, baby care, eye care and veterinary products.

Fast Moving Consumer Goods (FMCG)

Overall, our FMCG business, Caribbean Distribution Partners, had a successful year with sales and profitability improving by 2% and 26% respectively. While our sales performance was not consistent across all markets, all of our operations posted improved profitability. Hanschell Innis in Barbados produced a significant improvement in profitability after a difficult 2020, and Vemco in Trinidad enjoyed another excellent year driven by new products, growth in exports and improved efficiency. Our pasta manufacturing operation has experienced significant headwinds in recent years and we have introduced various measures to improve efficiency and competitiveness. I would like to make special mention of Coreas Limited in St. Vincent, which, despite enduring twin natural disasters in Hurricane Elsa and the La Soufrière volcano eruption, during a pandemic, still managed to deliver improved results. The management and employees did a tremendous job in very difficult circumstances and are to be commended.

Industrial and Construction

This segment once again had a difficult year. The construction sector has been stagnant and the government-mandated closure for six weeks during 2021 put further pressure on our operations. At Rosco Petroavance, after a slow start to the year, we did see some improvements in the latter part due to increased activity in the local energy sector and increased prices for oil and natural gas. The acquisition of Process Components will broaden our product and service offering, expand our customer base and bring increased scale to our operations.

Dividend and Annual General Meeting

I am pleased to advise that your Board has approved a final dividend of 65 cents per share, bringing the total dividend for the year to 90 cents, compared to 80 cents paid in the prior year. The Company's register of members will be closed from January 4th to 7th 2022. Our Annual Meeting of Shareholders will be held on Monday 24th January, 2022 at 10:00 am, and due to the prudence of observing COVID-19 health protocols, this meeting will again be held virtually. Details for connecting to this meeting will be on the Company's website, www.agostinislimited.com at the beginning of January and will also be published in the newspapers.

Outlook

Overall, we remain positive about the Group's future. The segments in which we operate provide opportunity for growth and expansion, and our investments in recent years in our people, and in technology and infrastructure has us well positioned to deliver improved results over the long term. Our recent acquisitions are an excellent strategic fit with our Group's core businesses, and as mentioned earlier, are expected to be accretive to earnings from 2022.

Recognition

This year, during our Annual Operating Plan (AOP) meeting for 2022, one of our executives asked what I thought were the major contributing factors to Agostini's having a successful 2021. So as I offered my views, ranging from our strong portfolio of brands to the benefits of our decentralized corporate structure, the Group CEO chimed in and said, "I think it's because of our people." And I thought, "Of course….It's the PEOPLE, stupid!" It's always the people, and I would like to recognize and thank the management and employees of Agostini's for their leadership and dedication in a year that had no shortage of challenges.

I would like to express my gratitude to all of our customers and consumers who continue to support our companies and brands. Your trust and loyalty are never taken for granted and very much valued and appreciated.

In April 2021, Joanna Banks joined the Agostini's Limited Board of Directors as a Non-Executive Director. Joanna is the CEO of PanJam Investments Limited (PanJam), an investment holding company listed on the Jamaica Stock Exchange, and is a Chartered Financial Analyst with extensive experience in financial services and strategy. I once again welcome Joanna to the Board.

Finally, I would like to extend my personal thanks to the Group CEO for his unwavering leadership and to my fellow directors for their dedication, independence and counsel.

Christian Mouttet
Chairman
November 29, 2021

Summary Consolidated Statement of Financial Position

	$'000 Audited Year ended 30 Sept 2021	$'000 Audited Year ended 30 Sept 2020
ASSETS		
Non-Current Assets	1,402,092	1,323,982
Current Assets	1,547,320	1,385,235
Total Assets	**2,949,412**	**2,709,217**
EQUITY AND LIABILITIES		
Capital and Reserves	1,269,247	1,172,053
Non-Controlling Interests	398,273	365,100
Non-Current Liabilities	562,451	545,381
Current Liabilities	719,441	626,683
Total Equity and Liabilities	**2,949,412**	**2,709,217**

Summary Consolidated Statement of Income

	$'000 Audited Year Ended 30 Sept 2021	$'000 Audited Year Ended 30 Sept 2020
Revenue	3,608,136	3,425,476
Operating Profit	308,911	275,971
Loss on revaluation of investment property	(384)	-
Finance Costs	(30,536)	(36,380)
Profit before taxation	277,991	239,591
Taxation	(83,466)	(70,645)
Profit for the period	194,525	168,946
Attributable To :		
Owners of the parent	143,086	126,187
Non-Controlling interests	51,439	42,759
	194,525	168,946
Earnings per share for profit attributable to equity holders of the parent - Basic	$2.07	$1.83

Summary Consolidated Statement of Comprehensive Income

	$'000 Audited Year Ended 30 Sept 2021	$'000 Audited Year Ended 30 Sept 2020
Profit for the period	194,525	168,946
Other comprehensive income		
- Gain/(loss) on defined benefit plans	9,946	(3,093)
- Tax relating to components of other recognised income and expense	(3,388)	868
- Exchange differences on translation of foreign operations	2,279	6,340
- Revaluation of land and buildings	(3,289)	(868)
Other comprehensive income for the period	5,548	3,247
Total comprehensive income	200,073	172,193
Attributable To :		
Owners of the parent	147,095	128,595
Non-Controlling interests	52,978	43,598
	200,073	172,193

Summary Consolidated Statement of Changes in Equity

	$'000 Audited Year Ended 30 Sept 2021	$'000 Audited Year Ended 30 Sept 2020
Balance at beginning of the period	1,537,153	1,481,410
Total comprehensive income for the year	200,073	172,193
Effect of adoption of IFRS 16	-	(40,788)
Other movements	4,057	(3,722)
Translation reserve		
Dividend paid	(73,763)	(71,940)
Balance at end of the period	1,667,520	1,537,153

AGOSTINI'S

Audited Summary Results for the Year Ended 30th September, 2021

Summary Consolidated Statement of Cash Flows

	$'000 Audited Year Ended 30 Sept 2021	$'000 Audited Year Ended 30 Sept 2020
Operating Activities		
Profit before tax	277,991	239,591
Adjustment to reconcile net profit to net cash provided by operating activities	108,230	114,218
Changes in operating assets/liabilities	(34,211)	5,223
Cash provided by operating activities	352,010	359,032
Pension contributions paid	(8,465)	(6,926)
Taxation paid	(96,188)	(41,138)
Finance cost paid	(30,536)	(36,380)
Net cash provided by operating activities	216,821	274,588
Net cash used in investing activities	(177,255)	(55,511)
Net cash used in financing activities	(60,447)	(133,196)
Cash (decrease) /increase during the period	(20,881)	85,881
Net translation differences	261	4,918
Cash and cash equivalents, beginning of period	253,242	162,443
Cash and cash equivalents, end of period	232,622	253,242

Notes

1. 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 statement are derived from the audited consolidated financial statements of Agostini's Limited and its subsidiaries for the year ended 30th September 2021 and are prepared in accordance with International Financial Reporting Standard.

2. Segment Information - Business Segments

	Pharmaceutical & Health Care Distribution		Fast Moving Consumer Goods		Industrial, Construction and Holdings		Total	
	$'000 2021	$'000 2020	$'000 2021	$'000 2020	$'000 2021	$'000 2020	$'000 2021	$'000 2020
Revenue	1,193,743	1,065,118	2,262,163	2,218,361	152,230	141,997	3,608,136	3,425,476
Profit before tax	133,837	121,506	137,456	109,303	6,698	8,782	277,991	239,591

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, 2021, 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, 2021.

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 29, 2021. 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.

EY

Port of Spain, Trinidad
November 29, 2021