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A MEMBER OF THE JMMB GROUP

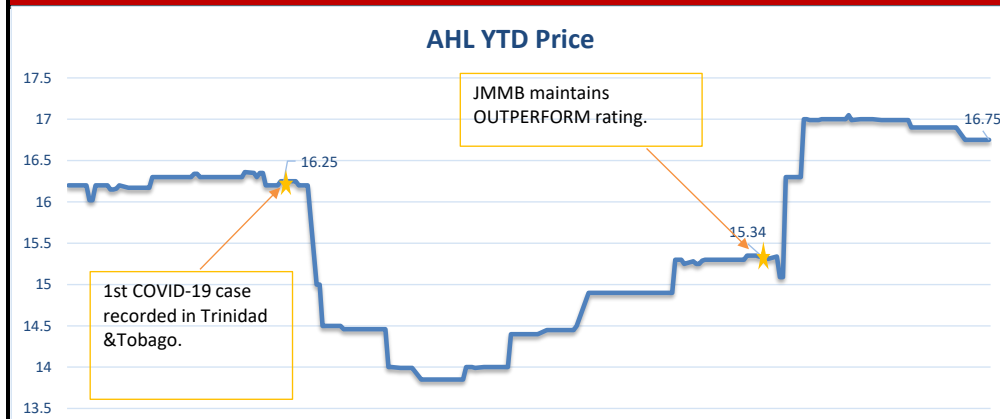
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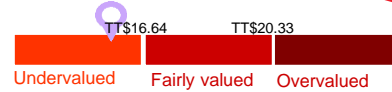
Angostura Holdings Limited (AHL) Revenue Driven By Innovation

AHL's Financial Summary	Nine Months Ended 30-Sep-20	Nine Months Ended 30-Sep-19	\$ change	% change
<u>Income Statement Extract</u>				
	TT\$'000	TT\$'000	TT\$'000	
Profit after Tax	80,678	80,973	(295)	↓ -0.4%
Revenue	574,123	536,198	37,925	↑ 7.1%
Earnings per share	0.39	0.39	-	→ 0.0%
Dividend per share (in \$ per share)	\$ -	\$ 0.24	(0.24)	↓ -100.0%
<u>Balance Sheet Extract</u>				
Total Assets	1,401,581	1,256,678	144,903	↑ 11.5%
Total Liabilities	179,402	170,043	9,359	↑ 5.5%
Shareholder's Equity	1,222,179	1,086,635	135,544	↑ 12.5%
<u>Cash Flows Extract</u>				
Net cash from operating activities	97,723	103,844	(6,121)	↓ -5.9%
Net cash from investing activities	(120,914)	(76,219)	(44,695)	↓ -58.6%
Net cash used in financing activities	(2,537)	(51,745)	49,208	↑ 95.1%
Cash and cash equivalents	70,569	94,475	(23,906)	↓ -25.3%
<u>Metrics</u>				
Book Value Per Share	5.92	5.27	0.66	↑ 12.5%
Market Price	16.99	16.00	0.99	↑ 6.2%
Market to Book Ratio	2.87	3.04	-0.17	↓ -6%

Note: Green arrows indicate growth while red indicate contractions

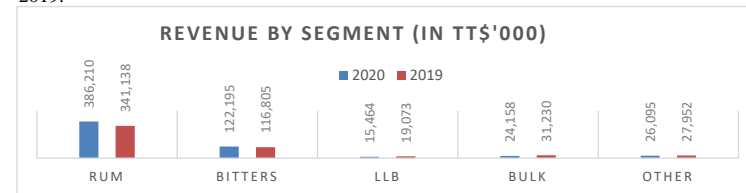


Quarterly Update



Valuation	
Current Price	TT\$16.75
Trailing P/E Multiple	24.28x
Market to Book Value	2.83x
JMMB Target Price	TT\$18.48
Trailing Dividend Yield	0.0%

Angostura Holdings Limited (AHL) recorded Revenue for the nine months ended September 30, 2020 (3Q-2020) of \$574.1 million, a 7.1% (\$37.9m) improvement over the comparative period in 2019. According to the Chairman's report, the growth in revenue was driven by an increase in local rum sales, up 17.4%, and Bitters sales up 4.6% when compared to 3Q-2020. Revenue from LLB, Bulk and the "Other" segments declined by 18.9%, 22.7% and 6.6% respectively. Profit After Tax declined by 0.4% when compared to the comparative period in 2019.



Outlook:

Over the last 12 months, AHL has used innovation in its product line as a means to grow revenue. Many of these twists and skews of its existing product lines have been very well received in the local market. White Oak Sorrel, White Oak Coconut, White Oak Watermelon, Cocoa Bitters and now Angostura Sorrel and Bitters are all new products that have been launched by AHL in the last 12 months. In addition to AHL's Cocoa Bitters product now being sold in 1,200 Walmart stores in the US, the company is now collaborating with local coffee house Rituals to offer special Christmas coffee drinks made from its Cocoa Bitters.

JMMB's research department on August 19, 2020, maintained an OutPerform (up to 10% of your portfolio) rating on AHL with a price target of \$18.32. The price of AHL at that date was \$15.34, which was below our fair value range. AHL's price has since increased by 9.2% to \$16.75.

Due to the increase in AHL's price since our last update, we change our rating on AHL to **MARKETPERFORM (5% of your portfolio)** and adjust our target price to \$18.38 (representing a 9.7% upside from current price). JMMB's EPS forecast for year ending December 2020 is \$0.79.