Massy Holdings Ltd.

Consolidated Financial Statements

30 September 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

Contents

Massy Holdings Ltd.

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Massy Holdings Ltd. and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at 30 September 2023, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Group keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of operational efficiencies for the Group;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

E. Gervase Warner
Chief Executive Officer
November 22, 2023

James McLetchie
Chief Financial Officer
November 22, 2023

Independent auditor's report

To the Shareholders of Massy Holdings Ltd.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Massy Holdings Ltd. (the Company) and its subsidiaries (together 'the Group') as at 30 September 2023, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 30 September 2023;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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Our audit approach

Overview

- Overall group materiality: $49.1 million, which represents 4% of profit before income tax from continuing operations

The group audit included:

- Full scope audits of five subsidiaries which were deemed to be individually financially significant components, three of which have head offices in Trinidad and Tobago, with the others being located in Barbados and Guyana
- An audit of specific account balances in seven other components

Key audit matters:

- Business combinations
- Goodwill impairment
- Expected credit loss for individually significant trade receivables in default
- Valuation of retirement benefit asset and obligation

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

The Group is structured into four main business segments (see note 3 to the consolidated financial statements) and is a consolidation of over 120 separate legal entities. The Group comprises component entities directly held by Massy Holdings Ltd., as well as sub-group components. The following components were deemed to be financially significant and were subject to full scope audits:

- Massy Integrated Retail Ltd. and its subsidiaries;
- Massy Transportation Group Ltd. and its subsidiaries;
- Massy Gas Products Holdings Ltd. and its subsidiaries;
- Massy (Guyana) Ltd. and its subsidiaries; and
- Massy Stores (Barbados) Ltd.

Three of the five significant components were audited by PricewaterhouseCoopers Trinidad and Tobago. In addition, a further seven components were subject to an audit of specific account balances, five of which were audited by PricewaterhouseCoopers Trinidad and Tobago. For all other components, which are within the scope of the Group audit, we used component auditors from PwC network firms and non-PwC firms, who are familiar with the local laws and regulations, to perform this audit work.

Our audit approach (continued)

How we tailored our group audit scope (continued)

For the work performed by all component audit teams (both PwC and non-PwC) operating under our instructions, we determined the level of involvement we needed to have in the audit work at those locations to be satisfied that sufficient audit evidence has been obtained for the purpose of our opinion. We maintained ongoing involvement with the component audit teams throughout the audit including reviews of component working papers.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	$49.1 million
How we determined it	4% of profit before income tax from continuing operations
Rationale for the materiality benchmark applied	We chose profit before income tax from continuing operations as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark. We chose 4% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $1.875 million, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter

Business combinations
Refer to notes 2.2 and 34 to the consolidated financial statements for disclosures of related accounting policies and balances.
 	
The Group completed three acquisitions within the Integrated Retail and Gas Products Portfolios for a total purchase consideration of $1,638 million. All acquisitions were for 100% of the issued share capital.
 	
On 12 December 2022, the Group acquired Rowe's IGA Group in Jacksonville Florida for $317 million. This was followed by the acquisition of Air Liquide Trinidad & Tobago Limited on 28 January 2023 for $362 million which was subsequently renamed Massy Gas Products Manufacturing (Trinidad) Ltd. On 17 May 2023, the acquisition of I.G.L. (St. Lucia) IBC Limited was completed with purchase consideration of $959 million.
 	
The recognition of these acquisitions was determined in accordance with the Group's accounting policy and IFRS 3 - Business Combinations (IFRS 3).
 	
Group management, with the assistance of external valuation experts, determined that the fair value of the net identifiable assets was $735 million resulting in goodwill of $903 million being recognised.
 	
We focused on this area because of the significance of the transactions as well as the use of significant assumptions and inputs by management in estimating the fair value of the assets acquired, liabilities assumed and resulting goodwill.
	Our approach to addressing the matter, with the assistance of our internal and external experts, involved the following procedures, amongst others:
	
	• Assessed the Group's business combination accounting policy against the requirements of IFRS 3.
	• Tested the purchase consideration by agreeing the total purchase consideration to share purchase agreements.
	• Tested the reasonableness of the valuation assumptions and inputs by:
	  - selecting a sample of identifiable assets acquired and comparing the recorded values to supporting information;
	  - assessing the competence and capabilities of management's experts;
	  - reviewing management's valuation reports and evaluating the reasonableness of the methodology, significant assumptions and inputs used or developing an independent valuation as appropriate; and
	  - making enquiries of management whether there were other identifiable assets not included within the purchase price allocation and independently evaluating management's assertions.
	• Tested the mathematical accuracy through reperformance of the goodwill calculation.
	
	Based on the results of the procedures performed, the assumptions and inputs used by management for acquisition accounting purposes were not unreasonable.

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment *Refer to notes 2.8.1 and 8 to the consolidated financial statements for disclosures of related accounting policies and balances.* As at 30 September 2023, the Group carried a significant amount of goodwill totalling $1,071 million on the consolidated statement of financial position. In line with IAS 36 - Impairment of Assets, management performs an annual impairment assessment of goodwill. The recoverable amount of each cash generating unit (CGU) is calculated as the higher of the value-in-use (VIU) and fair value less costs of disposal (FVLCOD). Management determined the recoverable amount by reference to the VIU which was derived based on a discounted expected cash flow approach and involved the development of a best, worst and base case scenario. Each scenario was assigned a weighting based on management's judgment to derive an expected cash flow for the CGU. These cash flows included areas where management makes significant judgements on certain key inputs, including, in particular, assigned weightings, discount rates and growth rates. We focused on this area because of the significant level of judgment required in arriving at the key assumptions used in management's impairment assessment.	Our approach to addressing the matter, with the assistance of our internal expert, involved the following procedures, amongst others: • obtained an understanding of the methods used by management to perform its goodwill impairment assessment and assessed whether they were in compliance with IAS 36 and, where applicable, whether the methods applied were consistent with the prior year; • assessed the reasonableness of the weighting assigned to each cash flow forecast based on our understanding of the current economic environment, historical results and forward-looking projections; • recalculated the weighted average cost of capital (WACC) used to discount the expected cash flows and evaluated those rates against observable market-based inputs, our knowledge of the economic environment and the risk premium associated with the respective industries and countries; • compared management's projected growth rates to the historical performance of the CGU and to relevant external economic industry data where available; • compared management's future cash flow forecasts used in the impairment assessment to those presented and approved by the Board of Directors as part of the annual budgeting process and strategic plans; • evaluated the reasonableness of the forecasts made by comparing past forecasts to historical results, where available, and by comparing to the current year results of the entity; and • tested the mathematical accuracy of management's impairment calculations. Based on the results of the procedures performed, management's goodwill impairment assessment conclusion was not unreasonable.

Key audit matter	How our audit addressed the key audit matter
Expected credit loss for individually significant trade receivables in default *Refer to notes 2.9.4, 4.a.ii, 11 & 33.1.2 to the consolidated financial statements for disclosures of related accounting policies and balances.* Included in the consolidated statement of financial position are receivables which are in default amounting to $525.6 million at the reporting date, of which trade receivables of $204 million have been individually assessed for impairment and provisioning. The Group applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. Customer accounts are grouped together based on shared credit risk characteristics and are aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles. The loss rates are adjusted to incorporate forward-looking information and then applied to the different ageing buckets as of the consolidated statement of financial position date. Management determined that certain trade receivables did not share group credit risk characteristics and consequently they were individually assessed for impairment and provisioning. In order to estimate the expected credit loss on the individually assessed trade receivables, management determines an unbiased and probability-weighted recoverable amount by evaluating cash flows for a range of possible outcomes, taking into account the time value of money as well as reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. We focused on this area, because of the complex and significant judgment required by management over the assessment of the extent and timing of the estimated future cash flows.	Our approach to addressing the matter involved the following procedures, amongst others: • Evaluated the reasonableness of the provision for individually assessed trade receivables which included discussions with management to understand their rationale for the provision, reviewing customer correspondence, payment history and our knowledge of the financial condition of the customers. We also considered balances that were settled subsequent to the year end. • Challenged the timing of management's forecasted cash flows by: - Assessing the quantum and timing of forecasted cashflows against the historical experience with these customers. - Evaluating the reasonableness of the discount rate by reference to market comparables. • Assessed management's approach to determining possible future scenarios by: - Considering events up to the audit report date in our evaluation of management's forecasted cash flows and whether there were any subsequent events that contradicted information used in management's cash flow assessment. - Testing the mathematical accuracy of the computation prepared by management in determining the ECL. Based on the results of the procedures performed, management's provision for the expected credit loss for individually significant trade receivables was not unreasonable.

Key audit matter	How our audit addressed the key audit matter
Valuation of retirement benefit asset and obligation *Refer to notes 2.18.1, 4.a.(vii) and 14 to the consolidated financial statements for disclosures of related accounting policies and balances.* The Group sponsors separate pension plans for its employees in Trinidad and overseas. As at 30 September 2023, the Group had a consolidated net retirement benefit asset of $404 million and a consolidated net retirement benefit obligation of $112 million. Included within the net retirement benefit asset and obligation is the fair value of pension plan assets, the present value of the pension obligation as well as any unutilisable assets. Management utilised external actuaries to perform certain calculations with respect to the estimated pension obligation. These calculations involve the determination of a number of key actuarial assumptions which can have a material impact on the balances reported. The pension assets consist of financial investments held at fair value, which are based on a range of inputs. While many of the inputs can be obtained from readily available observable market prices and rates, certain securities are based on modelled prices as observable market data is limited. In these instances, management is required to make significant judgments due to the complexity in the valuation model estimates resulting in high estimation uncertainty risk. We focused on this area because of the significance of the actuarial assumptions used in determining the pension obligation and the unobservable inputs used in the valuation models of certain securities within the pension assets.	Our approach to addressing the matter, with the assistance of our internal actuarial and valuation experts, involved the following procedures, amongst others: Pension obligation and unutilisable assets: • compared the discount rate used by management to the yield of sovereign bonds of a similar period to retirement; • compared mortality rates to publicly available statistics; • compared salary increases to historical increases, taking into account the current economic climate; • tested the completeness and accuracy of the employee data used in the actuarial calculation on a sample basis by comparing it to personnel files; • assessed the independence, competence and objectivity of the actuaries used by management to calculate the retirement benefit obligations; • performed an independent recalculation of the retirement benefit obligation; and • performed an independent assessment of unutilisable assets in line with IFRIC 14. Pension assets: For investments, which were valued using a valuation model: • evaluated the assumptions, methodologies and models used by the Group; • tested the significant inputs relating to yield, prices and valuation on a sample basis to external sources where available and compared to similar transactions in the marketplace; and • recalculated the valuation for a sample of management's modelled securities. Based on the results of the procedures performed, management's valuation of the retirement benefit asset and obligation was not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Dwayne Rodriguez-Seijas.

PricewaterhouseCoopers

Port of Spain
Trinidad, West Indies
23 November 2023

Massy Holdings Ltd.

Consolidated Statement of Financial Position

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	As at 30 September 2023 $	2022 $
Assets			
Non-current assets			
Property, plant and equipment	5	3,399,878	2,528,760
Right of use assets	6	769,990	769,535
Investment properties	7	--	297,821
Goodwill	8	1,071,282	168,200
Other intangible assets	9	116,107	63,417
Investments in associates and joint ventures	10	104,014	140,228
Trade and other receivables	11	26,472	822
Financial assets	12	1,622,259	1,861,390
Deferred income tax assets	13	151,629	133,890
Retirement benefit assets	14	403,635	416,840
		7,665,266	6,380,903
Current assets			
Inventories	15	2,450,402	2,063,908
Trade and other receivables	11	2,344,081	1,854,381
Financial assets	12	1,406,286	1,044,797
Statutory deposits with regulators	16	77,656	47,654
Cash and cash equivalents	17	1,289,686	1,227,119
Assets classified as held for sale	35	307,473	79,821
		7,875,584	6,317,680
Total assets		15,540,850	12,698,583
Equity			
Capital and reserves attributable to equity holders of the parent			
Share capital	18	764,344	764,344
Retained earnings		6,659,025	6,370,513
Other reserves	20	(21,900)	(67,903)
		7,401,469	7,066,954
Non-controlling interests	21	207,037	185,829
Total equity		7,608,506	7,252,783

Massy Holdings Ltd.

Consolidated Statement of Financial Position (continued)
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	As at 30 September 2023 $	2022 $
Liabilities			
Non-current liabilities			
Borrowings	22	1,487,613	1,546,406
Lease liabilities	6	795,533	846,518
Trade and other payables	24	8,045	2,116
Deferred income tax liabilities	13	333,683	224,210
Customers' deposits	23	262,400	211,938
Retirement benefit obligations	14	111,605	77,715
Provisions for other liabilities and charges		13,957	15,689
		3,012,836	2,924,592
Current liabilities			
Trade and other payables	24	1,943,615	1,713,135
Customers' deposits	23	604,054	334,665
Current income tax liabilities		215,973	157,432
Borrowings	22	2,002,927	239,822
Lease liabilities	6	142,399	76,154
Liabilities classified as held for sale	34	10,540	--
		4,919,508	2,521,208
Total liabilities		7,932,344	5,445,800
Total equity and liabilities		15,540,850	12,698,583

The notes on pages 19 to 117 are an integral part of these consolidated financial statements.

On 22 November 2023, the Board of Directors of Massy Holdings Ltd. authorised these consolidated financial statements for issue.

Gervase Warner
Director

Peter Jeewan
Director

James McLetchie
Director

Massy Holdings Ltd.

Consolidated Statement of Profit or Loss

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Year ended 30 September 2023 $	2022 $ (Restated)
	35.5		
Continuing operations:			
Revenue	3/25	14,195,284	12,326,604
Operating profit before finance costs and expected credit losses		1,453,058	1,101,091
Expected credit losses	25.2	(59,008)	(23,504)
Operating profit before finance costs	25	1,394,050	1,077,587
Finance cost - net	27	(168,787)	(101,412)
Operating profit after finance costs		1,225,263	976,175
Share of results of associates and joint ventures	10	3,792	18,842
Profit before income tax		1,229,055	995,017
Income tax expense	28	(395,756)	(305,976)
Profit for the year from continuing operations		833,299	689,041
Discontinued operations:			
Gain on sale of discontinued operations	35	--	83,441
(Loss)/profit after tax from discontinued operations	35	(20,367)	85,706
(Loss)/profit for the year from discontinued operations		(20,367)	169,147
Profit for the year		812,932	858,188
Owners of the parent:			
Profit for the year from continuing operations		784,562	644,782
(Loss)/profit for the year from discontinued operations	35	(20,367)	169,147
		764,195	813,929
Non-controlling interests:			
Profit for the year from continuing operations	21	48,737	44,259
Profit attributable to non-controlling interests		48,737	44,259
Profit for the year		812,932	858,188

Earnings per share attributable to the owners of the parent during the year (expressed in TT$ per share):

Basic earnings per share			
- from continuing operations	30/35	39.64	32.57
- from discontinued operations	30/35	(1.03)	8.55
		38.61	41.12

The notes on pages 19 to 117 are an integral part of these consolidated financial statements.

Massy Holdings Ltd.

Consolidated Statement of Other Comprehensive Income
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Year ended 30 September 2023 $	2022 $
Profit for the year	812,932	858,188
Total other comprehensive income:		
Items that will not be reclassified to profit or loss		
- remeasurement of defined benefit pension plans	(37,610)	(24,587)
	(37,610)	(24,587)
Items that may be subsequently reclassified to profit or loss		
- currency translation differences	46,226	(37,262)
- financial assets at fair value through OCI	(109,062)	(35,859)
	(62,836)	(73,121)
Other comprehensive loss for the year, net of tax	(100,446)	(97,708)
Total comprehensive income for the year	712,486	760,480
Other comprehensive income for the year attributable to:		
Owners of the parent	662,756	715,241
Non-controlling interests	49,730	45,239
Total comprehensive income for the year	712,486	760,480
Other comprehensive income for the year attributable to owners of the parent, attributable to:		
Continuing operations	681,815	549,897
Discontinued operations	(19,059)	165,344
Total comprehensive income for the year	662,756	715,241

The notes on pages 19 to 117 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Share capital $	Other reserves $	Retained earnings $	Subtotal attributable to equity holders of the parent $	Non-controlling interest $	Total equity $
Balance at 1 October 2022		764,344	(67,903)	6,370,513	7,066,954	185,829	7,252,783
Profit for the year		--	--	764,195	764,195	48,737	812,932
Other comprehensive income/(loss)		--	45,201	(146,640)	(101,439)	993	(100,446)
Total comprehensive income for the year		--	45,201	617,555	662,756	49,730	712,486
Other movements:							
- Other reserve movements	20	--	802	(15,706)	(14,904)	(1,680)	(16,584)
Transactions with owners:							
- Purchase of non-controlling interest		--	--	--	--	(1,966)	(1,966)
- Dividends paid	19	--	--	(313,337)	(313,337)	(24,876)	(338,213)
Balance at 30 September 2023		764,344	(21,900)	6,659,025	7,401,469	207,037	7,608,506

Consolidated Statement of Changes in Equity (continued)
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Share capital $	Other reserves $	Retained earnings $	Subtotal attributable to equity holders of the parent $	Non-controlling interest $	Total equity $
Balance at 1 October 2021		764,344	25,075	5,878,713	6,668,132	164,039	6,832,171
Profit for the year		--	--	813,929	813,929	44,259	858,188
Other comprehensive (loss)/income		--	(38,298)	(60,390)	(98,688)	980	(97,708)
Total comprehensive income for the year		--	(38,298)	753,539	715,241	45,239	760,480
Other movements:							
- Transfer from other reserves	20	--	15,052	(15,052)	--	--	--
- Disposal of subsidiaries		--	(61,962)	--	(61,962)	--	(61,962)
- Other reserve movements		--	(7,770)	40,324	32,554	(443)	32,111
Transactions with owners:							
- Dividends paid	19	--	--	(287,011)	(287,011)	(23,006)	(310,017)
Balance at 30 September 2022		764,344	(67,903)	6,370,513	7,066,954	185,829	7,252,783

		Year ended 30 September 2023	30 September 2022
Dividends per share	19	15.83 cents	15.68 cents
Dividends paid per share	19	15.83 cents	14.50 cents

The notes on pages 19 to 117 are an integral part of these consolidated financial statements.

Massy Holdings Ltd.

Consolidated Statement of Cash Flows
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Year ended 30 September 2023 $	2022 $ (Restated)
Cash flows from operating activities			
Profit before income tax from continuing operations		1,229,055	995,017
Profit before tax from discontinued operations	35	(20,348)	173,248
		1,208,707	1,168,265
Adjustments for:			
Share of results of associates and joint ventures	10	(3,792)	(18,842)
Depreciation and impairment of property, plant and equipment	5	303,254	228,854
Depreciation and impairment of right-of-use asset	6	106,799	91,021
Depreciation and impairment of investment properties	7	20,733	2,577
Amortisation of other intangible assets	9	23,466	20,980
Unwinding of interest on restoration liability		295	214
Gain on disposal of property, plant and equipment		(32,149)	(67,472)
Gain on disposal of investment properties		--	(6,791)
Gain on disposal of subsidiaries	35	--	(83,441)
Gain on disposal of associates		(30,442)	--
Expected credit losses/impairment expense on financial instruments		59,008	22,278
(Gain)/loss on other financial instruments		(67)	16,810
Employee retirement and other benefits		2,603	11,035
Profit before changes in working capital		1,658,415	1,385,488
Changes in working capital:			
Increase in inventories		(365,538)	(435,865)
Increase in trade and other receivables		(512,253)	(304,333)
Decrease in provisions and other charges		(23,432)	(32,743)
Increase in instalment credit		(154,325)	(25,005)
Increase in trade and other payables		229,842	182,633
Change in statutory deposits		(30,002)	(21,011)
Increase in customers' deposits		319,851	253,101
Cash generated from operations		1,122,558	1,002,265
Taxation paid		(320,161)	(321,154)
Net cash generated from operating activities		802,397	681,111

Massy Holdings Ltd.

Consolidated Statement of Cash Flows

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Year ended 30 September 2023 $	2022 $ (Restated)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		66,830	119,085
Proceeds on sale of investment properties		109,424	27,270
Additions to property, plant and equipment	5	(518,065)	(700,837)
Additions to investment properties	7	(3,118)	(2,179)
Net change in other financial assets excluding instalment credit and other loans	12	(76,419)	(1,423,126)
Increase in other investments, other intangibles, non-controlling interests and investments in associates and joint ventures		(21,972)	(54,510)
Dividends received from associated companies	10	13,513	40,232
Net change in net assets reclassified to held for sale	35	--	399,995
Acquisition of subsidiaries	34	(1,615,047)	(19,585)
Proceeds on sale of associates		54,813	--
Proceeds on sale of subsidiaries, net of cash disposed and direct costs	35	--	56,529
Net cash used in investing activities		(1,990,041)	(1,557,126)
Cash flows from financing activities			
Proceeds from borrowings		3,020,792	943,705
Principal repayments on borrowings		(1,362,985)	(884,652)
Principal repayments on lease liabilities	6	(91,197)	(67,728)
Purchase of non-controlling interest		(1,966)	--
Dividends paid to company's shareholders	19	(313,337)	(287,011)
Dividends paid to non-controlling interests		(24,876)	(23,006)
Net cash generated from/(used in) financing activities		1,226,431	(318,692)
Net increase/(decrease) in cash, cash equivalents		38,787	(1,194,707)
Cash, cash equivalents and bank overdrafts at beginning of the year		1,169,333	2,362,092
Effect of exchange rate changes on cash and bank overdrafts		5,723	1,948
Cash, cash equivalents and bank overdrafts at end of the year		1,213,843	1,169,333
Cash and short - term funds		1,292,079	1,227,119
Bank overdrafts and other short term borrowings		(78,236)	(57,786)
		1,213,843	1,169,333
The following amounts are included within cash flows from operating activities:			
Interest income		119,018	79,609
Dividend income from investments		554	2,331
Continuing operations		1,289,686	1,227,119
Reclassified to held for sale		2,393	--
		1,292,079	1,227,119

The notes on pages 19 to 117 are an integral part of these consolidated financial statements.

(Expressed in Thousands of Trinidad and Tobago Dollars)

1 General information

Massy Holdings Ltd. (the 'Company'), was incorporated in the Republic of Trinidad and Tobago in 1923. The address of its registered office is 63 Park Street, Port of Spain, Trinidad. The Company and its subsidiaries, (together, the Group) is engaged in trading, service industries and finance in Trinidad and Tobago, the wider Caribbean region and Colombia. The Company has primary listings on the Trinidad and Tobago and Jamaica Stock Exchange.

The principal subsidiaries are listed below with the percentage holding of the parent's (Massy Holdings Ltd.) effective shareholding where there is an intermediary company.

Motors and Machines	Notes	Country of incorporation	Percentage equity capital held
Massy Transportation Group Ltd.		Trinidad and Tobago	100%
Massy Motors Ltd.		Trinidad and Tobago	100%
City Motors (1986) Limited		Trinidad and Tobago	100%
Massy Machinery Ltd.		Trinidad and Tobago	100%
Massy Automotive Components Ltd.		Trinidad and Tobago	100%
Massy Motors (Tobago) Ltd.		Trinidad and Tobago	100%
Master Serv Limited		Trinidad and Tobago	100%
Massy Motors (Guyana) Ltd.		Guyana	93.64%
Massy Motors Colombia S.A.S		Colombia	100%
Massy Motors Best Auto Ltd.		Trinidad and Tobago	100%
Massy Motors & Machines Miami Distribution Inc.		United States of America	100%
Financial Services			
Massy Remittance Services (Trinidad) Ltd.		Trinidad and Tobago	100%
Massy Remittance Services (SLU) Ltd.		St. Lucia	100%
Massy Finance GFC Ltd.		Trinidad and Tobago	100%
Massycard (Barbados) Limited		Barbados	100%
Massy Remittance Services (Guyana) Ltd.		Guyana	93.64%
Massy Credit Plus Ltd.		Trinidad and Tobago	100%
Massy Remittance Services (St. Vincent) Ltd.		St Vincent	100%
Gas Products			
Massy Gas Products Holdings Ltd.		Trinidad and Tobago	100%
Massy Energy (Trinidad) Ltd.		Trinidad and Tobago	100%
Massy Gas Products (Trinidad) Ltd.		Trinidad and Tobago	100%
Massy Gas Products (Jamaica) Limited		Jamaica	100%
Massy Gas Products (Guyana) Ltd.		Guyana	93.64%
Massy Energy Colombia S.A.S.		Colombia	100%
Massy Energy Engineered Solutions Ltd.		Trinidad and Tobago	100%
Massy Gas Products Manufacturing (Trinidad) Ltd.*		Trinidad and Tobago	100%
I.G.L. Limited*		Jamaica	100%

(Expressed in Thousands of Trinidad and Tobago Dollars)

1 General information (continued)

Integrated Retail	Notes	Country of incorporation	Percentage equity capital held
Massy Integrated Retail Ltd.		Trinidad and Tobago	100%
Arvee Foodmaster Limited		Trinidad and Tobago	100%
Massy Stores (SLU) Ltd.		St. Lucia	60%
Massy Stores (Guyana) Inc.		Guyana	93.64%
Massy Stores (Barbados) Ltd.		Barbados	100%
Price Low Ltd.		Barbados	100%
Massy Stores (SVG) Ltd.		St Vincent	83.33%
Massy Distribution (Jamaica) Limited		Jamaica	100%
Massy Distribution (Guyana) Inc.		Guyana	93.64%
Massy Distribution (Barbados) Ltd.		Barbados	100%
Massy Distribution (St. Lucia) Ltd.		St. Lucia	100%
Massy Distribution (USA) Inc.		United States of America	100%
Knights Limited		Barbados	99.8%
Massy Stores (USA) LLC.		United States of America	100%
Rowe's IGA, LLC*		United States of America	100%
Rowe's IGA II, LLC*		United States of America	100%
Rowe's IGA III, LLC*		United States of America	100%
Rowe's IGA IV, LLC*		United States of America	100%
Rowe's IGA V, LLC*		United States of America	100%
Rowe's IGA VII, LLC*		United States of America	100%
Rowe's IGA VIII, LLC*		United States of America	100%
Corporate Services			
Massy Ltd.		Trinidad and Tobago	100%
Massy (Barbados) Ltd.		Barbados	100%
Massy (Guyana) Ltd.		Guyana	93.64%
The Interregional Reinsurance Company Limited		Cayman Islands	100%
Massy Finance (Barbados) Ltd.		Barbados	100%

The Group has subsidiaries whose year-ends are not coterminous with 30 September as follows:

	Reporting year end
Massy Motors Colombia S.A.S	31 December
Massy Energy Colombia S.A.S	31 December
Autogalias S.A.S	31 December
Macarena de la Montaña SAS	31 December
Autolux SAS	31 December
Seguros Automontaña Ltda.	31 December
Automontaña S.A.S	31 December
Germania Motors S.A.S	31 December
Auto Orion S.A.S	31 December
Massy Motors Premium S.A.S.	31 December
Massy Motors Rentals S.A.S	31 December
Mazko S.A.S.	31 December

(Expressed in Thousands of Trinidad and Tobago Dollars)

1 **General information (continued)**

	Reporting year end
Massy Motors Costa S.A.S.	31 December
Massy Motors Bogota S.A.S	31 December
Granados Gomez & CIA S.A. Empresa de Servicios Publicos Gas, Gragos S.A. E.S P. (Gragos)	31 December

*reference to note 34 – Business combinations

2 Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 *Basis of preparation*

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations. The consolidated financial statements have been prepared under the historical cost convention as modified by the measurement of certain financial assets at fair value and except for assets held for sale which are measured at fair value less costs to sell.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.1.1 *Standards, amendments and interpretations adopted by the Group*

The Group has applied the following amendment for the annual reporting period commencing 1 October 2022:

- Amendment to IFRS 3, "Business Combinations", which updates references to this Conceptual Framework for Financial Reporting and the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. This includes confirmation that contingent assets should not be recognised at the acquisition date.
- Amendment IAS 16, 'Property, Plant and Equipment – Proceeds before Intended Use', prohibits an entity from including in the cost of the item of property, plant and equipment, any proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Instead, the sales proceeds and associated costs of producing the item, are recognised in the profit or loss.
- Amendment to IAS 37, 'Onerous Contracts – Cost of Fulfilling a Contract', clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

2 Significant accounting policies (continued)

2.1 *Basis of preparation (continued)*

2.1.1 *Standards, amendments and interpretations adopted by the Group (continued)*

- Annual improvement on IFRS 9, 'Financial Instruments', clarifies which fees should be included in the 10% test for the derecognition of financial assets and liabilities.
- Annual improvement on IFRS 16, 'Leases', amends illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.

The adoption of these amendments did not have a material impact on the Group.

2.1.2 *New standards and interpretations that are not yet effective and not early adopted*

The following are new standards and interpretations which have not yet been adopted and are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions:

- Amendments to IAS 1, Presentation of financial statements', on classification of liabilities (effective 1 October 2024)
- Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 (effective 1 October 2023)
- Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction (effective 1 October 2023)
- IFRS 17, 'Insurance contracts', as amended in December 2021 (effective 1 October 2023).

2.2 *Consolidation*

2.2.1 *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 Significant accounting policies (continued)

2.2 *Consolidation (continued)*

2.2.1 *Subsidiaries (continued)*

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in the statement of profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2.2.2 *Transactions with non-controlling interests*

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 Significant accounting policies (continued)

2.2 *Consolidation (continued)*

2.2.3 *Associates and Joint ventures*

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post acquisition profits or losses is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Joint ventures are also accounted for using the equity method. The Group discontinues the use of the equity method from the date on which it ceases to have joint control over, or have significant influence in, a jointly controlled entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the consolidated statement of profit or loss.

2.3 *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer who makes strategic decisions.

2.4 *Foreign currency translation*

2.4.1 *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Group's presentation currency.

2.4.2 *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

2 Significant accounting policies (continued)

2.4 *Foreign currency translation (continued)*

2.4.2 *Transactions and balances (continued)*

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss are recognised as part of the fair value gain or loss.

Translation differences on non-monetary items such as equities classified as fair value through consolidated other comprehensive income are treated as though they were carried at amortised cost and recognised in the consolidated statement of profit or loss.

Translation differences on debt securities and other monetary financial assets measured at fair value are included in foreign exchange gains and losses.

Translation differences on a monetary item designated as a hedging instrument in a cash flow hedge, to the extent that the hedge is effective, are recognised in other comprehensive income. This also occurs for a monetary item that is designated as a hedge of a net investment in consolidated financial statements, to the extent that the hedge is effective.

2.4.3 *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

b) income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c) all resulting exchange differences are recognised in the consolidated statement of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to the consolidated statement of other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in other comprehensive income are recognised in the consolidated statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are included in assets and liabilities of the foreign entity and translated at the closing rate.

2 Significant accounting policies (continued)

2.5 *Property, plant and equipment*

Property, plant and equipment including land and buildings are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

Land is not depreciated.

Depreciation is provided on the straight-line basis at rates estimated to write-off the cost of each asset over its expected useful life. In the case of motor vehicles, depreciation is based on cost less an estimated residual value. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and depreciation rates are adjusted if appropriate.

Current rates of depreciation are:

Freehold property	-	2%
Leasehold property and improvements	-	2% to 20%
Plant and equipment	-	5% to 33.3%
Rental assets	-	25%
Furniture and fixtures	-	10% to 25%
Motor vehicles	-	10% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Leasehold property and improvements are depreciated over the shorter of the asset's useful economic life and the lease term.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the consolidated statement of profit or loss.

2 Significant accounting policies (continued)

2.6 *Leases*

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset. This may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

2.6.1 *The Group as a lessee*

The Group mainly leases various commercial space, motor vehicles and equipment used in its operations. Rental contracts for these leases are typically made for fixed periods but may have extension options, which are described below. Some contracts contain lease and non-lease components, which are accounted for as separate components based on the standalone prices stated in the contracts.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and leases of low-value assets. At lease commencement date, the Group recognises a right-of-use asset and a lease liability in the consolidated statement of financial position.

The right-of-use asset is initially measured at cost, which comprises the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent to initial measurement, the right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group also assesses the right-of-use asset for impairment when such indicators exist. The Group does not revalue any of its right-of-use assets.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. These rates were attained from the Group's bankers in the differing regions.

2 Significant accounting policies (continued)

2.6 *Leases (continued)*

2.6.1 *The Group as a lessee (continued)*

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Residual guarantees;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- Penalty payments for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made.

The Group remeasures the lease liability when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments (or credits) are recognised as an expense (or income) in the period in which the event or condition that triggers those payments. The Group did not have any variable lease payments that do not depend on an index or a rate for the period ended 30 September 2023.

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets to leases that are considered to be low value. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

2 **Significant accounting policies (continued)**

2.6 *Leases (continued)*

2.6.2 *The Group as a lessor*

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Assets leased out under operating leases are included in property, plant and equipment in the consolidated statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similarly owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a pattern reflecting a constant periodic rate of return on the lessor's net investment.

2.7 *Investment properties*

Investment and development properties are owned or leased by the Group and held for long-term rental income and capital appreciation and exclude properties occupied by the Group.

Investment properties are stated at cost less accumulated depreciation and impairment. Transaction costs are included on initial measurement. The fair values of investment properties are disclosed in Note 7. These are assessed using internationally accepted valuation methods, such as taking comparable properties as a guide to current market prices or by applying the discounted cash flow method. Like property, plant and equipment, investment properties are depreciated using the straight-line method.

The current rate of depreciation is 2%.

Investment properties cease recognition as investment property either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss in the period of the retirement or disposal.

2.8 *Intangible assets*

2.8.1 *Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill represents the goodwill acquired on acquisition of subsidiaries. Goodwill on acquisition of associates is included in 'Investments in Associates'. Separately recognised goodwill is tested annually for impairment (ref note 2.8.4) and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group discloses goodwill for each business segment in each country in which it operates (Note 8).

2 Significant accounting policies (continued)

2.8 *Intangible assets (continued)*

2.8.2 *Computer software*

Costs associated with the maintenance of existing computer software programmes are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed six years.

2.8.3 *Brands*

Brands acquired in a business combination are recognised at fair value at the acquisition date, and are being amortised over seven to twenty years.

2.8.4 *Impairment of non-financial assets*

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Significant accounting policies (continued)

2.9 *Financial assets*

2.9.1 *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured at Amortised Cost (AC),
- those to be measured at Fair Value Through Other Comprehensive income (FVOCI), and
- those to be measured subsequently at Fair Value Through Profit or Loss (FVPL).

The classification for debt instruments depends on the entity's Business Model for managing those assets. It also requires the entity to examine the contractual terms of the cash flows, i.e. whether these represent 'Solely Payments of Principal and Interest' (SPPI).

The Business Model test requires the entity to assess the purpose for holding debt securities (hold to collect, hold to collect and sell or to trade). Substantially all the Group's debt instruments are held to collect cash flows and accordingly meet the 'hold to collect' criteria.

All debt instruments passing the Business Model and SPPI tests are classified at amortised cost. Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets are classified at FVOCI.

On initial recognition, equity securities which are not held for trading and which are considered strategic investments are classified irrevocably at FVOCI.

All other instruments are carried at FVPL. For assets measured at fair value, gains and losses are recorded in profit or loss

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2.9.2 *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2 Significant accounting policies (continued)

2.9 *Financial assets (continued)*

2.9.3 *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

a) *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included within 'net interest and other investment income' using the effective interest rate method.

  The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

  The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (POCI) financial assets - assets that are credit-impaired at initial recognition - the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

  When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

  Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'net interest and other investment income' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

2 Significant accounting policies (continued)

2.9 *Financial assets (continued)*

2.9.3 *Measurement (continued)*

a) *Debt instruments (continued)*

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in operating profit before finance costs in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'net interest and other investment income' in the period in which it arises.

b) *Equity instruments*

The Group subsequently measures all equity investments at fair value. Gains or losses are either recognised either in OCI or in profit or loss, depending on the nature and purpose of the investment. Changes in the fair value of financial assets at FVPL are recognised in 'net interest and other investment income' in the statement of profit or loss as applicable. While changes in the fair value of financial assets at FVOCI are recognised in 'items that will not be reclassified to profit or loss – financial assets at fair value through OCI' in the statement of other comprehensive income. Dividends from equity investments are recognised in profit or loss within 'net interest and other investment income' when the Group's right to receive payments is established.

2.9.4 *Impairment*

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI.

a) *Debt instruments carried at amortised cost and FVOCI*

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 – This category comprises instruments which are performing in accordance with the contractual terms and conditions and display no deterioration in credit risk since initial recognition. This category also includes those financial instruments with low credit risk.
- Stage 2 – This category includes instruments which display a significant increase in credit risk (SICR) since initial recognition but have not yet defaulted.
- Stage 3 – This category includes instruments that are in default.

2 **Significant accounting policies (continued)**

2.9 *Financial assets (continued)*

2.9.4 *Impairment (continued)*

a) *Debt instruments carried at amortised cost and FVOCI (continued)*

The above categories exclude purchased or originated credit-impaired (POCI) financial assets. A financial asset is considered credit-impaired on purchase or origination if there is evidence of impairment at the point of initial recognition (for instance, if it is acquired at a deep discount). POCI financial assets are not included in Stages 1, 2 or 3, and are instead shown as a separate category.

Expected credit loss (ECL) is measured as follows:

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months.
- Instruments in Stages 2 or 3 or that are POCI have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information. The Group utilised a probability-weighted assessment of the factors which it believes will have an impact on forward looking rates.

The formula for ECL is generally the 'Probability of Default' (PD) multiplied by the 'Exposure at Default' (EAD) multiplied by the 'Loss Given Default' (LGD). An adjustment is made to reflect the time value of money by considering the original effective interest rate on the individual instruments. The overall models involved the use of various PD, EAD and LGD tables which were then applied to individual instruments based on several pre-determined criteria, including type, original tenor, time to maturity, whether they are in Stages 1, 2 or 3 and other indicators.

The process in arriving at the individual components of ECL and the forward-looking adjustments involved critical estimates and judgements. This is discussed further in Note 4.

The change in allowance for debt investments is recognised in profit or loss. For debt instruments at FVOCI, the change is recognised in profit or loss and adjusts the fair value change otherwise recognised in OCI.

b) *Definition of default and credit-impaired assets*

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Expected credit loss measurement Quantitative criteria:

The borrower is more than 90- days past due on its contractual payment.

2 **Significant accounting policies (continued)**

2.9 *Financial assets (continued)*

2.9.4 *Impairment (continued)*

b) *Definition of default and credit-impaired assets (continued)*

Qualitative criteria:

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is deceased
- The borrower is insolvent.
- The borrower indicated reduced income. In response to Covid-19, the Government and other institutions implemented programs such as; "loan payment deferral program" to offer relief to borrowers during the global pandemic. Borrowers were asked to provide a reason for their application, which was used together with specific industry factors, as indicators of SICR for the duration of the deferral period where the borrowers' arrears status would be frozen.
- It is becoming probable that the borrower will enter bankruptcy
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of default (PD), Exposure at Default (EAD), and Loss given Default (LGD) throughout the Company's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six (6) months.

Expected credit loss measurement

The Group recognises provision for losses on instalment credit and other loans subject to credit risk using the expected credit loss model. While cash and cash equivalents, statutory deposit, due from related parties and other financial assets are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group uses the general approach in arriving at expected losses for instalment credit and other loans.

The general approach

Under the general approach, the Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

2 Significant accounting policies (continued)

2.9 *Financial assets (continued)*

2.9.4 *Impairment (continued)*

b) *Definition of default and credit-impaired assets (continued)*

The general approach (continued)

It considers available reasonable and supportive forwarding-looking information, including the following:

- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Company.

Regardless of the analysis above, a significant increase in credit risk is presumed:

- if a debtor is more than 30 days past due in making a contractual payment.

A default on a loan occurs in the following circumstances:

- When the borrower fails to make contractual payments within 90 days of when they fall due.

Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the country's GDP as the most relevant macroeconomic factor and accordingly adjusted the historical loss rates based on expected changes in this factor.

c) *Trade receivables and contract assets*

The Group applies the simplified approach for trade receivables and contract assets as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. All customer accounts are grouped together based on shared credit risk characteristics and are aged using a 'provisions matrix'. Scaled loss rates are then calculated based on historical payment profiles. The loss rates were adjusted to incorporate forward-looking information and then applied to the different aging buckets as of the statement of financial position date.

The Group prepares separate calculations for those customers with special arrangements for settlement over an extended period. The Group segregates those customers from the main provision matrix, and thereafter calculates the impairment provision by comparing their carrying values to the present value of expected future cash flows using the discount rates which reflect the counterparty credit risk. The Group derives estimations of future receipts by considering the pattern of historical receipts and/or any formal payment arrangements.

2.10 *Inventories*

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprise raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

2 Significant accounting policies (continued)

2.11 *Trade receivables*

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Impairment of trade receivables is described in Note 2.9.4(b).

2.12 *Cash and cash equivalents*

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. In the consolidated statement of financial position, bank overdrafts and short-term borrowings are shown within borrowings in current liabilities.

2.13 *Share capital*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.14 *Trade payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 **Significant accounting policies (continued)**

2.15 *Insurance*

2.15.1 *Insurance and reinsurance contracts*

Insurance and reinsurance contracts are defined as those containing significant insurance risk at the inception of the contract, or those where at the inception of the contract there is a scenario with commercial substance where the level of insurance risk may be significant.

The significance of insurance risk is dependent on both the probability of an insured event and the magnitude of its potential effect. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during the period.

In the normal course of business, the Group seeks to reduce the losses to which it is exposed that may cause unfavourable underwriting results by re-insuring a certain level of risk with reinsurance companies. Reinsurance premiums are accounted for on a basis consistent with that used in accounting for the original policies issued and the terms of the reinsurance contracts.

Reinsurance contracts ceded do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the portion re-insured, to the extent that the reinsurers do not meet the obligations assumed under the reinsurance agreements.

2.15.2 *Amounts receivable from reinsurance companies*

Included in accounts receivable on the statement of financial position, are amounts receivable from reinsurance companies, which consist primarily of amounts due in respect of ceded insurance liabilities. Recoverable amounts are estimated in a manner consistent with the outstanding claims reserve or settled claims associated with the re-insured policies and in accordance with the relevant reinsurance contract.

If amounts receivable from reinsurance companies are impaired, the Group reduces the carrying amount accordingly and recognises an impairment loss in the consolidated statement of profit or loss. A reinsurance asset is impaired if there is objective evidence that the Group may not receive all, or part, of the amounts due to it under the terms of the reinsurance contract.

2.16 *Borrowings*

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

2 **Significant accounting policies (continued)**

2.17 *Current and deferred income tax*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group's subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The principal temporary differences arise from depreciation on property, plant and equipment, retirement benefits and tax losses carried forward. Deferred tax assets relating to the carrying forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be earned against which the unused tax losses can be utilised.

2 Significant accounting policies (continued)

2.18 *Employee benefits*

2.18.1 *Pension obligations*

Group companies operate various pension plans. The majority of the Trinidad and Tobago resident employees are members of either the Neal & Massy Group Pension Fund Plan, the Retirement Income Security Plan or the T. Geddes Grant Limited Pension Fund Plan.

These plans share risks among subsidiaries of the Group which are under common control. The Group's policy is to recognise the net defined benefit cost of the plan in the Consolidated Financial Statements of Massy Holdings Ltd which is legally considered the sponsoring employer of the plan. The participating entities recognise a cost equal to its contribution payable for its employees in its separate financial statements.

The liability or asset is recognised in the Consolidated Statement of Financial Position. In respect of the defined benefit pension plan, as at September 2023, the defined benefit pension plan asset represented the fair value of the plan's asset less the present value of the obligation at the end of the reporting period. The plan is currently on a contribution holiday.

The Neal & Massy Group Pension Fund Plan, contributions to which were frozen on January 3,1990, is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. The pension benefits accrued prior to 1 February 1990 are defined benefit in nature. The most recent actuarial valuation, at March 31, 2020, revealed that the plan is adequately funded. There are certain benefits payable by the Neal & Massy Group Pension Fund Plan which fall within the scope of IAS 19 (revised) – Employee Benefits.

The Retirement Income Security Plan incorporates an employee stock ownership plan, which is funded by contributions made by the employer, and a deferred annuity savings plan, which is funded by the employees. Contributions to the Plan are accounted for on the accrual basis and the assets are held separately from those of the Company in independently administered funds.

T. Geddes Grant Limited Pension Fund Plan is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. Contributions to the plan are accounted for on the accrual basis and are reviewed by independent actuaries on the basis of triennial valuations.

The majority of the employees of the overseas companies participate in either defined contribution or defined benefit pension plans which are separate from the Trinidad and Tobago plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

The asset and liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

2 Significant accounting policies (continued)

2.18 *Employee benefits (continued)*

2.18.1 *Pension obligations (continued)*

The Group operates in countries where there is no deep market and trading liquidity for corporate bonds and as such the market rates on government bonds are used as a benchmark to derive prices and bond values.

The pension assets consist of financial investments held at fair value which are based on a range of inputs obtainable from readily available liquid market prices and rates. Certain securities are based on modelled prices due to limited market data. For these instances, significant judgements are made by management resulting in high estimation uncertainty risks.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.18.2 *Other post-employment obligations*

Certain Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which it arises. These obligations are valued annually by independent qualified actuaries.

2 Significant accounting policies (continued)

2.18 *Employee benefits (continued)*

2.18.3 *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.18.4 *Bonus plans*

A liability for employee benefits in the form of bonus plans is recognised in other provisions when there is no realistic alternative but to settle the liability and at least one of the following conditions are met:

- there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or
- past practice has created a valid expectation by employees that they will receive a bonus/profit sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

2.18.5 *Executive share-based payments and long term incentive plan*

(a) *Share-based payments*

The Group operates cash and equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for cash or equity instruments of the Group. The fair value of the employee services received in exchange for the allocation or grant of the shares is recognised as an expense under both the Employee Share Ownership Plan ("ESOP") and the Performance Share Plan ("PSP") for Executives only. The PSP was replaced by the cash-settled long term incentive plan on 1 October 2016.

The total amount to be expensed for shares allocated under the ESOP is determined by reference to the market value and purchase price of the shares on the market at the point of purchase.

The total amount to be expensed, under the PSP, is determined by reference to the fair value of the shares granted:

- including any market performance conditions (for example, an entity's share price); and
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market vesting conditions are included in assumptions about the number of shares that are expected to be granted and then vested.

2 Significant accounting policies (continued)

2.18 *Employee benefits (continued)*

2.18.5 *Executive share-based payments and long term incentive plan (continued)*

(a) *Share-based payments (continued)*

The total expense is recognised over the vesting period, which is the period over which all of the specified performance criterion and vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of shares that are expected to vest based on the performance criterion and any applicable non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

When the share grants are due to be vested, the Company will issue new shares.

The grant by the Company of shares to the Executives of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of Executive services received, is measured by reference to the grant date fair value and, is recognised over the vesting period.

(b) *Long term incentive plan*

Long-term incentive plans are employee benefits (other than post-employment benefits and termination benefits) that are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the service that gives rise to the benefit. These include annual incentive plans which are subject to a multi-year vesting period and other considerations, including EPS growth.

The Plan is not accounted for under IFRS 2 – Share-Based Payments as the growth in EPS in itself is not considered a true reflection of the fair value of the entity's shares. Other factors such as changes in P/E multiples are typically considered in arriving at fair market value. Accordingly, the Plan is accounted for under IAS 19 – Employee Benefits as a deferred compensation arrangement.

The accounting for deferred compensation arrangements under IAS 19 involves discounting of future cash flows (where the time value of money is material) using the projected unit credit method. The projected unit credit method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The rate used to discount the obligations is determined using the same methodology as that used for defined benefit pension plans, subject to a shorter settlement period.

The measurement of deferred compensation plans is not usually subject to the same degree of uncertainty as the measurement of post-employment benefits. For this reason, a simplified approach is applied where the service cost, interest cost and re-measurements are all recognised in profit or loss in the year they arise.

At the end of each financial year, the Group will re-estimate the obligation based on factors existing as of the new statement of financial position date (e.g. revised EPS numbers, performance score cards etc.). The change in estimate as it relates to the opening obligation is recognised immediately, such the annual undiscounted current service cost is always equal to the total benefit divided by 4. Re-estimates and re-measurements are to be recognised immediately in profit or loss.

2 **Significant accounting policies (continued)**

2.19 *Provisions*

Provisions for dismantlement costs, restructuring costs, legal claims and all other provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.20 *Revenue recognition*

2.20.1 *Sale of goods and services*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and the rendering of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. A description of revenue by business segment is shown in Note 3.

Revenue from the sale of goods is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the use and deployment of the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific customer site or place of delivery, the risks of obsolescence and loss have been transferred to the customer, or the customer has accepted the products in accordance with the relevant contract.

Sales are recorded based on the price specified in the sales contracts, net of the estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit terms as specified for entities within the Group, which is consistent with the market practice. Variable consideration relating to volume rebates and discounts are measured using the expected value approach and are shown within contract liabilities.

Revenue from the rendering of services is recognised in the accounting period in which the services are rendered. The Group employs various methods for measuring progress for services delivered over time. The method selected best depicts the pattern of transfer and is applied consistently to similar performance obligations and in similar circumstances. Methods for measuring progress include:

- Output methods, that recognise revenue based on direct measurements of the value transferred to the customer (for example, using contract milestones)
- Input methods, that recognise revenue based on the entity's efforts to satisfy the performance obligation (for example, labour hours spent).

2 Significant accounting policies (continued)

2.20 *Revenue recognition (continued)*

2.20.1 *Sale of goods and services (continued)*

Payments received in advance of satisfying performance obligations are shown within contract liabilities.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

Some arrangements involve two or more unrelated parties that contribute to providing a specified good or service to a customer. Management determines, separately for each specified good or service, whether the entity has promised to provide the specified good and service itself (as a principal) or to arrange for those specified good or service to be provided by another party (as an agent). An entity is the principal in a transaction if it obtains control of the specified goods or services before they are transferred to the customer. The principal recognises as revenue the 'gross' amount paid by the customer for the specified good or service. The principal records a corresponding expense for the commission or fee that it has to pay to any agent, in addition to the direct costs of satisfying the contract. An entity is an agent if it does not control the specified goods or services before they are transferred to the customer. An agent records as revenue the commission or fee earned for facilitating the transfer of the specified goods or services (the 'net' amount retained). It records as revenue the net consideration that it retains after paying the principal for the specified goods or services that were provided to the customer.

2.20.2 *Customer loyalty programme*

The Group operates a loyalty programme where retail customers accumulate points for purchases made which entitle them to discount on future purchases. The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the discount granted and the likelihood of redemption using past experience. A contract liability for the award points is recognised at the time of the sale. Revenue is recognised when the points are redeemed or when they expire.

2.20.3 *Premium income*

Premiums written are recognised on policy inception and earned on a pro rata basis over the term of the related policy coverage. Estimates of premiums written as at the statement of financial position date but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums earned. Premiums ceded are expensed on a pro-rata basis over the term of the respective policy.

2 Significant accounting policies (continued)

2.20 *Revenue recognition (continued)*

2.20.4 *Rental income*

Rental income from investment property leased out under an operating lease is recognised in the consolidated statement of profit or loss on a straight- line basis over the lease term.

Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

2.20.5 *Interest income*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.20.6 *Dividend income*

Dividend income is recognised when the shareholder's right to receive payment is established.

2.21 *Dividend distribution*

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

2.22 *Non-current assets (or disposal groups) held for sale and discontinued operations*

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale. The results of discontinued operations are presented separately in the statement of profit or loss.

3 **Segment information**

The Group Chief Operating Decision Maker (CODM) is the Group Chief Executive Officer (GCEO). Management has determined the operating segments based on the reports reviewed by the GCEO and the Board of Massy Holdings Ltd.

The GCEO and the Board consider the business from both a geographic and business unit perspective. Geographically, management considers the performance of operating companies in Trinidad and Tobago, Barbados and the Eastern Caribbean, Guyana, Jamaica, U.S.A. and Colombia.

The Group is organised into four (2022: five) main business segments:

(1) Integrated Retail;
(2) Gas Products;
(3) Motors and Machines; and
(4) Financial Services.

Corporate Office and Other Adjustments relate to the cost associated with the provision of support services by the head office to its subsidiaries. The returns from divestment proceeds that were re-invested are included, as well as the Held for Sale- Massy Properties (Barbados) Ltd.

The GCEO and the Board assess the performance of the operating segments based on a measure of profit before income tax, profit for the year and asset utilisation.

(1) *Integrated retail*

This segment derives its revenue mainly from the sale of retail and wholesale distribution of food, pharmaceuticals and general merchandise.

(2) *Gas products*

This segment derives its revenue from the sale of Liquified Petroleum Gases and Industrial Gases including Nitrogen, Oxygen and Carbon Dioxide. Gas Products also derives revenue from the provision of maintenance services and the execution of construction projects for oil, gas and mining clients.

(3) *Motors and machines*

This segment derives its revenue mainly from the sale of new and used vehicles, spare parts and industrial equipment and also includes the sale of lubricants and short- and long-term vehicle and equipment rentals.

(4) *Financial services*

This segment includes a financing company that accepts deposits for fixed terms and grants instalment credit secured by assets. This segment also includes the Group's Remittances service companies in Guyana, Trinidad, Barbados, St. Lucia and St. Vincent.

(Expressed in Thousands of Trinidad and Tobago Dollars)

3 Segment information (continued)

The Group's retirement benefit assets are deemed unallocated and are not considered to be segment assets but rather are managed by Head Office. These assets along with the related income and expense are included in Corporate Office and Other Adjustments.

The segment results for the year ended 30 September 2023 relating to continuing operations are as follows:

	Integrated Retail $	Gas Products $	Motors and Machines $	Financial Services $	Corporate Office & Other Adjustments $	Total $
Group revenue	9,510,060	1,861,752	3,548,230	163,398	45,343	15,128,783
Inter-segment revenue	(517,477)	(61,177)	(332,929)	–	(21,916)	(933,499)
Third party revenue	8,992,583	1,800,575	3,215,301	163,398	23,427	14,195,284
At a point in time	9,510,060	1,545,454	3,392,109	116,690	18,554	14,582,867
Over time	–	297,239	64,515	46,708	–	408,462
Revenue not recognised under IFRS 15	–	19,059	91,606	–	26,789	137,454
	9,510,060	1,861,752	3,548,230	163,398	45,343	15,128,783
Operating profit/(loss) before finance costs	712,673	355,299	306,968	86,178	(67,068)	1,394,050
Finance costs - net	(58,710)	(30,669)	(30,526)	447	(49,329)	(168,787)
	653,963	324,630	276,442	86,625	(116,397)	1,225,263
Share of results of associates and joint ventures (Note 10)	–	18,612	(14,820)	–	–	3,792
Profit/(loss) before income tax	653,963	343,242	261,622	86,625	(116,397)	1,229,055
Taxation (Note 28)	(140,446)	(136,048)	(87,642)	(22,931)	(8,689)	(395,756)
Profit/(loss) for the year	513,517	207,194	173,980	63,694	(125,086)	833,299

(Expressed in Thousands of Trinidad and Tobago Dollars)

3 **Segment information (continued)**

The restated segment results for the year ended 30 September 2022 relating to continuing operations are as follows:

	Integrated Retail $	Gas Products $	Motors and Machines $	Financial Services $	Corporate Office and Other Adjustments $	Total $
Group revenue	7,942,952	1,635,011	3,357,119	150,658	20,935	13,106,675
Inter-segment revenue	(436,888)	(18,732)	(302,904)	(680)	(20,867)	(780,071)
Third party revenue	7,506,064	1,616,279	3,054,215	149,978	68	12,326,604
Timing of revenue						
At a point in time	7,942,952	1,339,235	3,203,070	113,396	20,935	12,619,588
Over time	–	280,307	77,251	36,935	–	394,493
Revenue not recognised under IFRS 15	–	15,469	76,798	327	–	92,594
	7,942,952	1,635,011	3,357,119	150,658	20,935	13,106,675
Operating profit/(loss) before finance costs	589,369	281,194	262,991	90,968	(146,935)	1,077,587
Finance costs - net	(55,794)	(7,008)	(12,046)	(1,196)	(25,368)	(101,412)
	533,575	274,186	250,945	89,772	(172,303)	976,175
Share of results of associates and joint ventures (Note 10)	–	30,978	(12,136)	–	–	18,842
Profit/(loss) before income tax	533,575	305,164	238,809	89,772	(172,303)	995,017
Taxation (Note 28)	(130,671)	(102,230)	(78,314)	(23,674)	28,913	(305,976)
Profit/(loss) for the year	402,904	202,934	160,495	66,098	(143,390)	689,041

(Expressed in Thousands of Trinidad and Tobago Dollars)

3 **Segment information (continued)**

The segment assets and liabilities at 30 September 2023 and capital expenditure for the year then ended are as follows:

	Integrated Retail $	Gas Products $	Motors and Machines $	Financial Services $	Corporate Office and Other Adjustments $	Total $
Total assets	5,879,286	3,515,179	2,355,308	1,246,551	2,544,526	15,540,850
Investments in associates and joint ventures (Note 10)	--	101,374	1,250	--	1,390	104,014
Total liabilities	2,007,135	1,443,345	960,145	910,416	2,611,303	7,932,344
Capital expenditure (Notes 5, 6, 7 and 9)	192,044	175,455	201,164	6,589	39,402	614,654

Other segment items included in the consolidated statement of profit or loss are as follows:-

Depreciation and impairment (Notes 5, 6 and 7)	212,027	83,376	106,415	2,914	3,409	408,141

(Expressed in Thousands of Trinidad and Tobago Dollars)

3 Segment Information (continued)

The segment assets and liabilities at 30 September 2022 and capital expenditure for the year then ended are as follows:

	Integrated Retail $	Gas Products $	Motors and Machines $	Financial Services $	Corporate Office and Other Adjustments $	Total $
Total assets	4,925,446	2,006,599	1,945,005	1,632,838	2,188,695	12,698,583
Investments in associates and joint ventures (Note 10)	19,579	103,997	16,176	--	476	140,228
Total liabilities	1,968,242	484,578	760,919	586,508	1,645,553	5,445,800
Capital expenditure (Notes 5, 6, 7 and 9)	404,456	111,914	222,571	11,871	12,083	762,895

Other segment items included in the consolidated statement of profit or loss are as follows:-

	Integrated Retail $	Gas Products $	Motors and Machines $	Financial Services $	Corporate Office and Other Adjustments $	Total $
Depreciation and impairment (Notes 5, 6 and 7)	175,623	49,779	85,944	3,784	2,545	317,675

(Expressed in Thousands of Trinidad and Tobago Dollars)

3 Segment information (continued)

The Group's five business segments operate in six main geographical areas, even though they are managed on a regional basis.

The main operations occur in the home country of the Company. The areas of operation are principally trading, service industries and finance.

	Third party revenue		Profit before income tax		Total assets		Capital expenditure	
	2023 $	2022 $ (Restated)	2023 $	2022 $ (Restated)	2023 $	2022 $	2023 $	2022 $
Trinidad and Tobago	5,090,927	4,756,869	559,159	531,927	7,558,770	4,537,654	240,316	257,705
Barbados and Eastern Caribbean	3,655,867	3,356,011	264,215	228,231	3,178,457	4,808,955	79,797	272,005
Guyana	1,789,626	1,533,557	303,848	258,527	1,624,493	1,622,830	128,378	82,356
Jamaica	895,213	712,839	112,573	66,706	1,038,068	457,223	84,303	43,619
Colombia	1,822,736	1,848,614	34,796	68,197	948,837	773,037	70,960	104,606
USA	940,915	118,714	70,861	13,732	1,192,225	498,884	10,900	2,604
Corporate Office and other adjustments	--	--	(116,397)	(172,303)	--	--	--	--
	14,195,284	12,326,604	1,229,055	995,017	15,540,850	12,698,583	614,654	762,895

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Estimated impairment of goodwill*

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.8.4. The recoverable amounts of cash-generating units have been determined based on value-in-use and fair value less cost to sell calculations. These calculations require the use of estimates as described in Note 8.

Impact of possible changes in key assumptions.

(ii) *Measurement of the expected credit loss allowance*

The measurement of the expected credit loss allowance (ECL) for debt instruments measured at amortised cost and FVOCI is an area that requires the use of models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product / market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

ECL calculations are shown in Note 33. Had there been a 10% improvement in the average ECL rate for all debt instruments at amortised cost and FVOCI, the Group ECL allowance would have been lower by $14,305 (2022: $9,082).

For receivables greater 90 days a 3 month delay in cash flow will result in a change in an ECL of $1.8 million.

(iii) *Impairment of property, plant and equipment and investment properties*

When any indicators of impairment are identified, property, plant and equipment and investment properties are reviewed for impairment based on each cash generating unit. The cash generating units are the smallest group of assets which generates independent cashflows. The carrying value of these assets is compared to the recoverable amount of the cash generating units, which is based either on value-in-use or fair value less cost to sell. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates which do not exceed the long-term average growth rates for the businesses in which the cash generating unit operates. Where fair values are used, these are provided by an independent professional valuator. Impairment losses are recognised in the consolidated statement of profit or loss.

4 Critical accounting estimates and judgements (continued)

a. *Critical accounting estimates and assumptions (continued)*

(iii) *Impairment of property, plant and equipment and investment properties (continued)*

The assessment of whether indicators of impairment exist and the estimation of the recoverable amount both require the use of management judgement. Refer to Notes 5 and 7 for the carrying values of property, plant and equipment and investment properties.

(iv) *Income taxes*

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Current and deferred income tax balances are disclosed in the statement of financial position. Details of the expense for the year are shown in Note 28.

(v) *Fair value of financial instruments*

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of financial position date. The Group uses discounted cash flow analyses for various financial assets at fair value through other comprehensive income that were not traded in active markets. The assumptions and amounts subject to fair value measurements are shown in Note 33.

(vi) *Revenue recognition*

Once the Group determines that a performance obligation is satisfied over time, it measures its progress towards complete satisfaction of that performance obligation, in order to determine the timing of revenue recognition. The purpose of measuring progress towards satisfaction of a performance obligation is to recognise revenue in a pattern that reflects the transfer of control of the promised good or service to the customer. Management employs various input or output methods for measuring progress ensuring that the selected approach best depicts the transfer of control of goods or services and applies that method consistently to similar performance obligations and in similar circumstances. Revenue from the rendering of services is disclosed in Note 25.

4 Critical accounting estimates and judgements (continued)

a. *Critical accounting estimates and assumptions (continued)*

(vii) *Pension benefits*

The present value of the pension obligations is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

The pension assets consist of financial investments held at fair value which are based on a range of inputs obtainable from readily available liquid market prices and rates, certain securities are based on modelled prices due to limited market data. For these instances, significant judgements are made by management resulting in high estimation uncertainty risks.

As at 30 September 2023, if the discount rate had been 1.0% higher or lower with all other variables held constant, the carrying amount of pension benefits would have been $205,663 lower or $241,109 higher (2022: $182,002 lower or $234,029 higher).

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 14.

Notes to the Consolidated Financial Statements (continued)
30 September 2023
(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment

	Freehold Properties $	Leasehold properties and improvements $	Plant and equipment $	Rental assets $	Furniture and fixtures $	Motor vehicles $	Capital work in progress $	Total $
Year ended 30 September 2023								
Opening net book amount	1,290,370	231,594	459,457	236,081	81,059	89,873	140,326	2,528,760
Additions	15,674	15,911	123,892	146,905	19,030	41,449	155,204	518,065
Acquisition of subsidiaries (Note 34)	--	170,863	425,914	--	43,950	32,558	11,823	685,108
Disposals and adjustments	59,960	(55,318)	(87,006)	(19,778)	55,274	(4,381)	16,568	(34,681)
Translation adjustments	11,391	1,816	866	9,756	456	1,208	384	25,877
Transfer from capital work in progress	22,123	16,173	118,685	1,652	17,574	20,867	(197,074)	--
Reclassified to held for sale (Note 35)	(12,434)	--	(3,814)	--	(565)	(1,404)	(1,780)	(19,997)
Depreciation and impairment charge	(49,354)	(6,570)	(66,392)	(74,424)	(74,834)	(31,680)	--	(303,254)
Closing net book amount	1,337,730	374,469	971,602	300,192	141,944	148,490	125,451	3,399,878
At 30 September 2023								
Cost	1,597,580	589,979	2,339,676	564,925	418,510	335,355	125,451	5,971,476
Accumulated depreciation	(259,850)	(215,510)	(1,368,074)	(264,733)	(276,566)	(186,865)	--	(2,571,598)
Net book amount	1,337,730	374,469	971,602	300,192	141,944	148,490	125,451	3,399,878

The net book amount of property, plant and equipment includes $2,128 (2022: $2,399) in respect of motor vehicles held under finance leases.

Depreciation and impairment expenses of $77,557 (2022: $72,281) have been charged in cost of sales and $225,697 (2022: $156,573) in 'selling, general and administrative expenses'.

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 **Property, plant and equipment (continued)**

	Freehold Properties $	Leasehold properties and improvements $	Plant and equipment $	Rental assets $	Furniture and fixtures $	Motor vehicles $	Capital work in progress $	Total $
At 1 October 2021								
Cost	1,311,886	392,584	1,223,213	357,621	248,886	213,083	119,921	3,867,194
Accumulated depreciation	(229,565)	(183,611)	(829,843)	(183,430)	(181,048)	(135,811)	--	(1,743,308)
Net book amount	1,082,321	208,973	393,370	174,191	67,838	77,272	119,921	2,123,886
Year ended 30 September 2022								
Opening net book amount	1,082,321	208,973	393,370	174,191	67,838	77,272	119,921	2,123,886
Additions	167,856	19,527	99,274	154,518	33,508	29,099	197,055	700,837
Acquisition of subsidiaries (Note 34)	12,675	--	3,471	--	27	4,552	--	20,725
Disposal of subsidiaries (Note 35)	(10,784)	--	(770)	--	(487)	--	--	(12,041)
Disposals and adjustments	(14,441)	8,300	1,787	(28,841)	(223)	(3,615)	(14,580)	(51,613)
Translation adjustments	(7,429)	(935)	(5,066)	(8,429)	(437)	(1,733)	(151)	(24,180)
Transfer from capital work in progress	73,273	24,951	45,875	1,580	9,114	7,126	(161,919)	--
Depreciation and impairment charge	(13,101)	(29,222)	(78,484)	(56,938)	(28,281)	(22,828)	--	(228,854)
Closing net book amount	1,290,370	231,594	459,457	236,081	81,059	89,873	140,326	2,528,760
At 30 September 2022								
Cost	1,517,344	441,674	1,326,088	442,794	282,920	238,098	140,326	4,389,244
Accumulated depreciation	(226,974)	(210,080)	(866,631)	(206,713)	(201,861)	(148,225)	--	(1,860,484)
Net book amount	1,290,370	231,594	459,457	236,081	81,059	89,873	140,326	2,528,760

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Leases

The following tables provide information for leases where the Group is a lessee:

6.1 *Right-of-use assets*

Year ended 30 September 2023	Buildings $	Vehicles and Equipment $	Other $	Total $
Opening net book amount	734,620	1,784	33,131	769,535
Exchange adjustment	7,138	34	5	7,177
Additions	68,448	--	10,341	78,789
Acquisition of subsidiaries (Note 34)	140,194	80	5,486	145,760
Disposals and adjustments	1,069	(203)	(850)	16
Effect of modification to lease terms	(124,488)	--	--	(124,488)
Depreciation charge	(98,368)	(1,038)	(7,393)	(106,799)
At end of year	728,613	657	40,720	769,990
Cost	980,136	6,183	73,155	1,059,474
Accumulated depreciation	(251,523)	(5,526)	(32,435)	(289,484)
At end of year	728,613	657	40,720	769,990

Year ended 30 September 2022	Buildings $	Vehicles and Equipment $	Other $	Total $
Opening net book amount	813,632	2,711	38,193	854,536
Exchange adjustment	(7,819)	(240)	(14)	(8,073)
Additions	44,200	458	--	44,658
Acquisition of subsidiaries (Note 34)	162	--	--	162
Disposals and adjustments	(32,912)	(80)	42	(32,950)
Effect of modification to lease terms*	1,468	--	755	2,223
Depreciation charge	(84,111)	(1,065)	(5,845)	(91,021)
At end of year	734,620	1,784	33,131	769,535
Cost	940,605	6,086	50,266	996,957
Accumulated depreciation	(205,985)	(4,302)	(17,135)	(227,422)
At end of year	734,620	1,784	33,131	769,535

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Leases (continued)

6.2 *Lease liabilities*

	2023 $	2022 $
Opening net book amount	922,672	988,233
Translation adjustments	7,963	(8,561)
Additions	78,485	44,114
Payments	(91,197)	(67,728)
Acquisition of subsidiary (Note 34)	146,943	162
Effect of modifications of lease terms*	(125,617)	1,802
Disposals and adjustments	(1,317)	(35,350)
Closing net book amount	937,932	922,672
Current	142,399	76,154
Non-current	795,533	846,518
	937,932	922,672

* During the 2023 financial year, Massy Integrated Retail Ltd. conducted an exercise assessing the reasonability of exercising their lease extension options. Based on the review, six leases were identified to be remeasured for a modification of the lease term.

6.3 *Amounts recognised in the consolidated statement of profit or loss for continuing operations:*

Interest expense on lease liabilities (Note 27)	56,659	61,244
Depreciation charge on right-of-use assets	106,799	91,021
Expense relating to short-term leases	30,440	22,585
Expense relating to leases of low value assets not included above	140	149
	194,038	174,999

(Expressed in Thousands of Trinidad and Tobago Dollars)

7 Investment properties

	2023 $	2022 $
Cost	--	331,463
Accumulated depreciation and impairment	--	(33,642)
Net book amount	--	297,821
Movement analysis:		
Opening net book amount	297,821	329,503
Translation adjustments	225	(510)
Additions	3,118	2,179
Disposals	(109,424)	(20,479)
Depreciation	(20,733)	(2,577)
Disposal of subsidiary (Note 35)	--	(10,101)
Reclassified to held for sale (Note 35)	(175,736)	--
Other adjustments	4,728	(194)
Closing net book amount	--	297,821

- The fair value of the investment properties amounted to $313,284 in 2022. For 2023, all investment properties have been reclassified to held for sale (Note 35). The fair value amounted to $210,589.
- The fair value amount was either:
  1. valued by independent, professionally qualified valuators; or
  2. asserted via a Director's valuation based on:
     - references to properties in similar areas and condition;
     - correspondence from valuators which supports that there has not been significant movement in terms of market prices;
     - the directors' independent FV assessment based on a calculation if the property is tenanted;
     - re-assessment of any assumptions made in the last valuation and whether there were or should have been any changes and any other factors which support management's position that the FV continues to be relevant and appropriate.
- The property rental income earned by the Group during the year from its investment properties, amounted to 6,995 (2022: $19,679).
- Direct operating expenses arising on the investment properties which generated revenue during the year amounted to $9,014 (2022 $11,402). There were no costs in the current year.
- There were no direct operating expenses arising on the investment properties which did not generate revenue during the current and prior year.

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 **Goodwill**	**2023 $**	**2022 $**
Cost	1,234,367	331,787
Accumulated translation adjustments	(7,142)	(7,644)
Accumulated impairment	(155,943)	(155,943)
Net book amount	1,071,282	168,200
Movement analysis:		
Opening net book amount	168,200	168,409
Translation adjustments	502	(209)
Additions (Note 34)	902,580	--
Closing net book amount	1,071,282	168,200

Goodwill is allocated to the Group's cash-generating units ('CGUs') identified according to country of operation and business segment.

For continuing operations, a segment-level summary of the goodwill allocation is presented below.

Motors and machines	105,223	105,223
Integrated retail	220,776	60,142
Gas products	745,283	2,835
	1,071,282	168,200

In assessment of the impairment of goodwill the recoverable amount of cash generating units is determined based on value-in-use.

These calculations use weighted cash flow projections based upon a base, best- and worst-case sensitivity approved by Directors covering a five-year period.

Key assumptions used for value-in-use and fair value less costs to sell calculations:

	2023		**2022**	
	Growth Rate[1]	**Discount Rate[2]**	**Growth Rate[1]**	**Discount Rate[2]**
Motors and machines	3.13%	12.25%	2.5%-4.72%	11.06%
Gas products	7.17%	6.96%-12.39%	2.3%	9.75%
Integrated retail	0%	6.38%-10.72%	3.00%-5.97%	7.64%-8.29%

[1] Weighted average growth rate used to extrapolate cash flows beyond the budget period.

[2] Pre-tax discount rate applied to the cash flow projections.

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Goodwill (continued)

These assumptions have been used for the analysis of each CGU within the business segment. Management determined the budgeted gross margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risk relating to the relevant segments.

The value in use calculation is based on a discounted cash flow model. The expected future cash flows are derived from approved budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model, the expected future cash inflows and the growth rate used for extrapolation purposes.

9 Other intangible assets

Intangibles represent brands and software licenses which have been recognised at fair value at the acquisition date and are measured at carrying value less accumulated amortisation and impairment. No impairment has been recorded during the years presented.

	2023 $	2022 $
Opening net book value	63,417	59,415
Translation adjustments	2,969	(4,515)
Additions for the year	14,682	15,534
Acquisition of subsidiaries (Note 34)	55,992	14,820
Amortisation charge for the year	(23,466)	(20,980)
Other adjustments	2,513	(857)
Net book amount	116,107	63,417
Cost	232,446	156,290
Accumulated amortisation	(116,339)	(92,873)
Net book amount	116,107	63,417

The amortisation charge is included in selling, general and administrative expenses.

(Expressed in Thousands of Trinidad and Tobago Dollars)

10 Investments in associates and joint ventures

	2023 $	2022 $
Investment and advances	118,939	114,157
Share of post-acquisition reserves	(14,925)	26,071
	104,014	140,228
Movement analysis:		
Balance at beginning of year	140,228	129,608
Translation adjustments	78	(24)
Share of results before tax	3,792	18,842
Share of tax	(6,358)	(9,165)
Dividends received	(13,513)	(40,232)
Disposal of associates	(24,371)	--
Additional investments and advances	4,778	39,833
Other	(620)	1,366
Balance at end of year	104,014	140,228
Analysed as:		
Individually material associates and joint ventures	86,551	120,175
Individually immaterial associates and joint ventures	17,463	20,053
	104,014	140,228
Share of profit before tax of associates and joint ventures		
Continuing operations	3,792	18,842
	3,792	18,842

(Expressed in Thousands of Trinidad and Tobago Dollars)

10 Investments in associates and joint ventures (continued)

The tables below provide summarised financial information for those associates and joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Group's share of those amounts. A reconciliation to the net carrying amounts is included below to reflect adjustments made by the entity when using the equity method, including goodwill and other adjustments.

	2023				2022			
	Massy Wood $	Caribbean Industrial Gases Unlimited $	Curbo $	Total $	Massy Wood $	Caribbean Industrial Gases Unlimited $	Curbo $	Total $
Summarised balance sheet:								
Current assets	249,082	64,570	--	313,652	285,006	79,557	99,353	463,916
Non-current assets	16,181	19,513	--	35,694	23,209	9,675	48,364	81,248
Current liabilities	(104,416)	(24,256)	--	(128,672)	(137,545)	(30,621)	(20,178)	(188,344)
Non-current liabilities	--	(19,385)	--	(19,385)	(2,681)	(20,057)	(10,312)	(33,050)
Net assets	160,847	40,442	--	201,289	167,989	38,554	117,227	323,770
Reconciliation to net carrying amounts:								
Group share of joint ventures (%)	50%	50%	19.55%		50%	50%	19.55%	
Group share of joint ventures ($)	80,423	20,221	--	100,644	83,995	19,277	22,918	126,190
Goodwill	727	--	--	727	727	--	--	727
Impairment	--	--	(14,820)	(14,820)	--	--	(6,742)	(6,742)
	81,150	20,221	(14,820)	86,551	84,722	19,277	16,176	120,175
Other information:								
Country of incorporation	Trinidad & Tobago	Trinidad & Tobago	Colombia		Trinidad & Tobago	Trinidad & Tobago	Colombia	
Nature of relationship	Joint venture	Joint venture	Associate		Joint venture	Joint venture	Associate	

(Expressed in Thousands of Trinidad and Tobago Dollars)

10 Investments in associates and joint ventures (continued)

	Massy Wood $	Caribbean Industrial Gases Unlimited $	Curbo $	Total $
Summarised statement of comprehensive income				
As at 30 September 2023				
Revenue	664,333	39,991	--	704,324
Depreciation and amortisation	(11,419)	--	--	(11,419)
Interest expense	(29)	(877)	--	(906)
Profit before tax	33,042	4,182	--	37,224
Tax	(10,196)	(2,520)	--	(12,716)
Profit after tax	22,846	1,662	--	24,508
Reconciliation to profit or loss:				
Group share of joint ventures (%)	50%	50%	19.55%	
Group share of profit/(loss) before impairment expenses	16,521	2,091	--	18,612
Group investment impairment	--	--	(14,820)	(14,820)
Group share of profit/(loss) before tax	16,521	2,091	(14,820)	3,792
Income tax expense	(5,098)	(1,260)	--	(6,358)
Group share of profit/(loss) for the year	11,423	831	(14,820)	(2,566)
Summarised statement of comprehensive income				
As at 30 September 2022				
Revenue	809,094	46,172	5,888	861,154
Depreciation and amortisation	(11,269)	(1,109)	(131)	(12,509)
Interest expense	(618)	(811)	(664)	(2,093)
Profit/(loss) before tax	46,720	17,170	(27,592)	36,298
Tax	(12,590)	(5,736)	--	(18,326)
Profit after tax	34,130	11,434	(27,592)	17,972
Reconciliation to profit or loss:				
Group share of joint ventures (%)	50%	50%	19.55%	
Group share of profit/(loss) before impairment expenses	23,360	8,585	(5,394)	26,551
Group goodwill impairment	--	(967)	--	(967)
Group Investment Impairment	--	--	(6,742)	(6,742)
Group share of profit/(loss) before tax	23,360	7,618	(12,136)	18,842
Income tax expense	(6,295)	(2,869)	--	(9,164)
Group share of profit/(loss) for the year	17,065	4,749	(12,136)	9,678

The Group has investments in a joint venture and an associate whose year ends are not coterminous with September 30

	Country of incorporation	Reporting year end
Massy Wood	Trinidad and Tobago	31 December
Curbo	Colombia	31 December

(Expressed in Thousands of Trinidad and Tobago Dollars)

11 Trade and other receivables	2023 $	2022 $
Trade receivables	1,395,449	1,063,426
Receivables with related parties	15,478	7,052
Less: Provision for impairment of receivables (Note 33.1.2)	(106,102)	(64,544)
Trade receivables - net	1,304,825	1,005,934
Contract assets (Note 11.1)	151,862	105,403
Less: provision for impairment of contract assets (Note 11.1)	(81)	(173)
Other debtors and prepayments	915,875	745,650
Less: provision for impairment of other debtors (Note 33.1.2)	(1,928)	(1,611)
Other debtors and prepayments - net	1,065,728	849,269
	2,370,553	1,855,203
Non-current portion	26,472	822
Current portion	2,344,081	1,854,381
	2,370,553	1,855,203

11.1 *Contract assets comprises*:

Unbilled income	109,072	95,198
Assets recognised from costs to fulfil a contract	107	123
Other: Service contracts	42,602	9,909
	151,781	105,230

The contract assets and other debtors are subjected to impairment testing under IFRS 9. The basis for impairment is explained in Note 33.1.2.

Contract assets have increased as the Group has provided less services ahead of the agreed payment schedules for fixed-price contracts.

(Expressed in Thousands of Trinidad and Tobago Dollars)

12 **Financial assets**	**2023** **$**	**2022** **$**
At amortised cost:		
- Bonds	564,993	571,750
- Less: provision for impairment of bonds	(939)	(1,051)
- Instalment credit, hire purchase receivables and other accounts	776,530	628,425
- Less: provision for impairment of instalment credit, hire purchase receivables and other accounts	(31,633)	(20,479)
	1,308,951	1,178,645
Fair value through profit or loss:		
- Bonds and treasury bills	--	13,621
- Listed equities	8,473	11,650
- Unlisted equities	212	212
- Investment funds	139,419	3,178
- Structured notes	56,537	48,232
	204,641	76,893
Fair value through other comprehensive income:		
- Bonds and treasury bills	1,424,771	1,448,694
- Less: provision for impairment of bonds and Treasury Bills	(293)	(449)
- Unlisted equities	90,475	202,404
	1,514,953	1,650,649
Total	3,028,545	2,906,187
Non-current portion	1,622,259	1,861,390
Current portion	1,406,286	1,044,797
	3,028,545	2,906,187

12.1 *Finance leases*

Included in instalment credit and other accounts are amounts relating to finance leases as follows:

Not later than 1 year	4,274	3,957
Later than 1 year but not later than 5 years	3,183	6,761
	7,457	10,718
Unearned finance charges on finance leases	(22)	(127)
Net investment on finance leases	7,435	10,591
Not later than 1 year	4,261	3,523
Later than 1 year but not later than 5 years	3,174	7,068
	7,435	10,591

(Expressed in Thousands of Trinidad and Tobago Dollars)

13 Deferred income tax

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 30% (2022: 30%).

The movements in deferred tax assets/(liabilities) are as follows:

Deferred income tax assets

	Accelerated depreciation $	Tax losses $	Leases $	Pension $	Other $	Total $
Year ended 30 September 2023						
At beginning of year	15,904	18,029	38,639	15,864	45,454	133,890
Credit/(charge) to consolidated statement of profit or loss	5,034	(724)	904	1,145	(2,371)	3,988
Exchange adjustment	61	158	84	2	4,210	4,515
Acquisition of subsidiary (Note 34)	1,162	--	--	--	--	1,162
Other movements	22,000	(427)	30	1,162	(14,691)	8,074
At end of year	44,161	17,036	39,657	18,173	32,602	151,629
Year ended 30 September 2022						
At beginning of year	9,320	21,420	36,867	14,640	50,158	132,405
Credit/(charge) to consolidated statement of profit or loss	6,379	(3,986)	1,612	1,224	901	6,130
Exchange adjustment	85	308	136	--	(6,884)	(6,355)
Other movements	120	287	24	--	1,279	1,710
At end of year	15,904	18,029	38,639	15,864	45,454	133,890

Deferred tax assets are recognised for tax losses carried-forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. The Group does not have any unrecorded deferred tax asset for unutilised losses at 30 September 2023.

(Expressed in Thousands of Trinidad and Tobago Dollars)

13 Deferred income tax (continued)

Deferred income tax liabilities

	Accelerated depreciation $	Pension plan surplus $	Other $	Total $
Year ended September 30, 2023				
At beginning of year	51,419	138,092	34,699	224,210
(Credit)/charge to consolidated statement of profit or loss	(7,269)	(5,712)	(386)	(13,367)
Exchange adjustment	(38)	47	2,959	2,968
Acquisition of subsidiary (Note 34)	88,017	--	--	88,017
Reclassified to held for sale (Note 35)	(66)	--	--	(66)
Other movements	21,457	(12,254)	22,718	31,921
At end of year	153,520	120,173	59,990	333,683
Year ended September 30, 2022				
At beginning of year	56,317	137,820	39,906	234,043
(Credit)/charge to consolidated statement of profit or loss	(1,280)	8,723	(284)	7,159
Exchange adjustment	93	86	(5,422)	(5,243)
Acquisition of subsidiary	--	--	7,044	7,044
Disposal of subsidiary (Note 35)	(2,135)	--	--	(2,135)
Other movements	(1,576)	(8,537)	(6,545)	(16,658)
At end of year	51,419	138,092	34,699	224,210

14 Retirement benefit assets/obligations

	2023 $	2022 $
Retirement benefit assets		
Neal & Massy Group Pension Fund Plan	360,078	380,303
Overseas plans – Other	43,557	36,537
	403,635	416,840

The pension plans were valued by independent actuaries using the projected unit credit method.

Neal & Massy Group Pension Fund Plan

The amounts recognised in the statement of financial position are as follows:

	2023 $	2022 $
Fair value of plan assets	1,754,393	1,838,122
Present value of obligation	(1,394,315)	(1,323,001)
	360,078	515,121
Unutilisable asset	--	(134,818)
Asset in the statement of financial position	360,078	380,303

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Retirement benefit assets/obligations (continued)

Neal & Massy Group Pension Fund Plan (continued)

	2023 $	2022 $
The movement in the present value of the defined benefit obligation is as follows:		
Opening present value of defined benefit obligation	1,323,001	1,292,700
Current service cost	38,475	34,783
Interest cost	64,831	62,978
Actuarial gains on obligation	20,778	(1,164)
Benefits paid	(52,770)	(66,296)
Closing present value of defined benefit obligation at 30 September	1,394,315	1,323,001
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	1,838,122	1,858,543
Expected return on plan assets	84,265	82,106
Actuarial (losses)/gains on plan assets	(131,969)	(36,231)
Employer contribution	16,745	--
Benefits paid	(52,770)	(66,296)
Closing fair value of plan assets at 30 September	1,754,393	1,838,122
The amounts recognised in the consolidated statement of profit or loss are as follows:		
Current service cost	38,475	34,783
Net interest cost	(19,434)	(19,128)
Total included in profit or loss	19,041	15,655
Actuarial losses/(gains) recognised in other comprehensive income before tax	17,929	(13,385)
Movement in the asset recognised in the consolidated statement of financial position:		
Asset at beginning of year	380,303	382,573
Net pension expense	(19,041)	(15,655)
Employer contribution	16,745	--
Actuarial gains	(17,929)	13,385
Asset at end of year	360,078	380,303

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rate	6%	5%
Future salary increases	6%	5%
Future pension increases – post retirement	5%	3%
Sensitivity – change in discount rate	1% increase	1% increase
Sensitivity impact	(205,663)	(182,002)

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 **Retirement benefit assets/obligations (continued)**

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

	2023	2022
Plan assets are comprised as follows:		
Local equities/mutual funds	31%	32%
Local bonds/mortgages	16%	17%
Foreign investments	48%	45%
Deferred annuities/insurance policy	3%	4%
Short-term securities/cash/accrued income	2%	2%

The average life expectancy in years of a pensioner retiring at age 60 is as follows:

Male	81	81
Female	85	85

Overseas plans – I.G.L. Limited, HD Hopwood Jamaica & Massy Guyana Staff Pension Fund Plans

The amounts recognised in the statement of financial position are as follows:

	2023 $	2022 $
Fair value of plan assets	464,091	451,075
Present value of the defined benefit obligation	(270,571)	(183,657)
	193,520	267,418
Unutilisable asset	(149,961)	(230,881)
Asset recognised in the statement of financial position	43,559	36,537

The movement in the defined benefit obligation over the year is as follows:

	2023	2022
Opening present value of defined benefit obligation	183,657	156,295
Current service cost	27,026	4,752
Interest cost	14,051	10,923
Plan participant contributions	6,388	4,043
Actuarial losses on obligation	51,924	12,704
Exchange differences on foreign plans	(996)	1,174
Benefits paid	(11,479)	(6,234)
Closing present value of defined benefit obligation	270,571	183,657

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 **Retirement benefit assets/obligations (continued)**

Overseas plans – I.G.L. Limited, HD Hopwood Jamaica & Massy Guyana Staff Pension Fund Plans (continued)

	2023 $	2022 $
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	451,075	323,425
Income from discount rate on utilisable plan assets	18,048	16,118
Actual return on assets greater than above	10,452	108,751
Assets disbursed on settlement	(9,682)	--
Exchange differences on foreign plans	(5,152)	2,172
Employer contributions	4,662	3,412
Plan participant contributions	6,388	4,043
Administration expenses	(221)	(611)
Benefits paid	(11,479)	(6,235)
Closing fair value of plan assets at 30 September	464,091	451,075
The amounts recognised in the consolidated statement of profit or loss are as follows:		
Current service cost	6,386	4,752
Net interest cost	(3,997)	(5,195)
Administration expenses	221	611
Curtailments and settlements	9,682	--
Total included in other income	12,292	168
Actual return on plan assets	(45,465)	124,869
Movement in the asset recognised in the consolidated statement of financial position:		
Asset at beginning of year	36,537	74,838
Actuarial losses recognised in other comprehensive	(38,675)	(41,545)
Net pension income/(expense)	41,035	(168)
Employer contributions	4,662	3,412
Asset at end of year	43,559	36,537
Actuarial losses recognised in other comprehensive income	(38,675)	(41,543)

The principal actuarial assumptions used were:	Per annum	Per annum
Discount rate	5%-13%	5%-11.5%
Future salary increases	5%-11%	5%-5.5%
Future national insurance increases	4%	4%
Future pension increases	2%-5.5%	2%-5%
Future bonuses	0%-2%	0%-2%

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Retirement benefit assets/obligations (continued)

	2023 $	2022 $
Retirement benefit obligations		
Massy Holdings/BS&T/Hopwood – medical pension plan	(147,926)	(121,792)
Barbados Shipping & Trading (BS&T) – pension plan	36,321	44,077
	(111,605)	(77,715)

Barbados Shipping & Trading (BS&T) – pension plan

The amounts recognised in the statement of financial position are as follows:

	2023 $	2022 $
Fair value of plan assets	586,753	595,711
Present value of the defined benefit obligation	(494,497)	(503,722)
	92,256	91,989
Unrecognised asset due to limit	(55,935)	(47,912)
Asset in the statement of financial position	36,321	44,077

The movement in the defined benefit obligation over the year is as follows:

	2023 $	2022 $
Opening present value of defined benefit obligation	503,722	527,081
Current service cost	4,754	5,104
Interest cost	37,888	38,351
Past service cost	(3,591)	1,069
Liabilities extinguished on settlement	--	(23,629)
Actuarial gains on obligation	(9,463)	(3,203)
Exchange differences on foreign plans	1,147	(1,028)
Benefits paid	(39,960)	(40,023)
Closing present value of defined benefit obligation at 30 September	494,497	503,722

The movement in the fair value of plan assets for the year is as follows:

	2023 $	2022 $
Opening fair value of plan assets	595,711	669,730
Income from discount rate on utilisable plan assets	41,273	42,049
Actual return on assets less than above	(20,177)	(66,294)
Assets disbursed on settlement	--	(18,059)
Administration expenses	(121)	(175)
Employer contributions	8,662	9,729
Exchange differences	1,365	(1,246)
Benefits paid	(39,960)	(40,023)
Closing fair value of plan assets at 30 September	586,753	595,711

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Retirement benefit assets/obligations (continued)

Barbados Shipping & Trading (BS&T) – pension plan *(continued)*

The amounts recognised in the consolidated statement of profit or loss are as follows:

	2023 $	2022 $
Current service cost	4,754	5,104
Net interest income	(3,385)	(3,698)
Past service cost	(3,591)	1,069
Gain on curtailments	--	(5,570)
Administration expenses	121	175
Income recognised in the statement of profit or loss	(2,101)	(2,920)
Actual return on plan assets	(21,096)	(24,245)
Liability at beginning of year	44,077	47,981
Expense recognised in other comprehensive income	(18,519)	(16,553)
Net pension income	2,101	2,920
Contributions paid	8,662	9,729
Asset at end of year	36,321	44,077

The principal actuarial assumptions used were:

	2023 Per annum	2022 Per annum
Discount rates	7.75%	7.75%
Future salary increases	5.75%	5.75%
Future NIS increases	3.5%	3.50%
Future pension increases – past service	0.75%	0.75%
Future pension increases – future service	0.75%	0.75%

Assumptions regarding future mortality experience were obtained from published statistics and experience in each territory.

The average life expectancy in years of a pensioner retiring at age 65 is as follows:

Male	83	83
Female	86	86

BS&T – medical plans

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rate	7.75%	7.75%
Annual increase in health care	4%	4.50%

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Retirement benefit assets/obligations (continued)

Other Plans: Massy Holdings/BS&T/Hopwood Medical Fund Plan

	2023	2022
The amounts recognised in the statement of financial position are as follows:	$	$
Present value of the defined benefit obligation	(147,926)	(121,792)
Liability recognised in the statement of financial position	(147,926)	(121,792)

The movement in the defined benefit obligation over the year is as follows:

	2023	2022
Opening present value of defined benefit obligation	(121,792)	(130,645)
Current service cost	(13,102)	(6,258)
Interest cost	(8,913)	(8,836)
Actuarial gains on obligation	(8,520)	15,734
Past service cost	1,049	4,053
Liabilities extinguished on curtailment	--	--
Exchange differences on foreign plans	(1,194)	545
Benefits paid	4,546	3,615
Closing present value of defined benefit obligation	(147,926)	(121,792)

The amounts recognised in the consolidated statement of profit or loss are as follows:

	2023	2022
Current service cost	(6,224)	(6,258)
Net interest cost	(8,913)	(8,836)
Past Service cost	1,049	4,053
Total income recognised in consolidated statement of profit or loss	(14,088)	(11,041)

The amounts recognised in other comprehensive income:

	2023	2022
Actuarial gains/(losses) recognised in other comprehensive income	8,520	(15,734)

The principal actuarial assumptions used were:

	Per annum	Per annum
Barbados Shipping & Trading (BS&T)		
Discount rate	7.75%	7.75%
Annual Increases in Healthcare Costs	4.5%	4.50%
Hopwood Medical Fund Plan		
Discount rate	13%	11.50%
Annual increases in healthcare costs	12.5%	7.00%
Neal & Massy Group Medical Fund Plan		
Discount rate	6%	5.00%
Annual increases in healthcare costs	4%	3.50%

(Expressed in Thousands of Trinidad and Tobago Dollars)

15 Inventories

	Gross $	Provision $	2023 $
Finished goods and goods for resale	2,248,322	(76,614)	2,171,708
Goods in transit	212,361	--	212,361
Raw materials and consumables	57,471	(6,348)	51,123
Work in Progress	17,010	(1,800)	15,210
	2,535,164	(84,762)	2,450,402

	Gross $	Provision $	2022 $
Finished goods and goods for resale	1,727,369	(79,989)	1,647,380
Goods in transit	337,121	--	337,121
Raw materials and consumables	54,985	(7,541)	47,444
Work in progress	33,825	(1,862)	31,963
	2,153,300	(89,392)	2,063,908

The cost of inventories recognised in expense and included in cost of sales amounted to $9,490,379 (Restated 2022: $8,358,103).

16 Statutory deposits with regulators

This mainly comprises of Massy Finance GFC Ltd:

The Financial Institutions Act, 2008 requires that every non-banking financial institution licensed under the Act in the Republic of Trinidad and Tobago hold and maintain a non-interest bearing deposit account with the Central Bank of Trinidad and Tobago equivalent to 9% of the total deposit liabilities of that institution. As at 30 September 2023 and 2022, Massy Finance GFC Ltd complied with the above requirement.

17 Cash and cash equivalents

	2023 $	2022 $
Cash at Hand and in bank	1,249,196	1,188,360
Short term bank deposit	40,490	38,759
	1,289,686	1,227,119

Deposits have an average maturity of less than 90 days.

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

Cash and cash equivalents	1,289,686	1,227,119
Bank overdrafts (Note 22)	(78,236)	(57,786)
Cash, net of bank overdrafts	1,211,450	1,169,333

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Share capital

	Number of shares #	Ordinary shares $	Total $
At 30 September 2023	1,979,385	764,344	764,344
At 30 September 2022	1,979,385	764,344	764,344

The total authorised number of ordinary shares is unlimited with no par value. All issued shares are fully paid.

At the Annual Shareholders' Meeting held on 21 January 2022, the Shareholders approved a proposal by the Company's Board of Directors for a 20:1 stock split, which provided authorization for a share split to convert each ordinary share into twenty ordinary shares, subject to receipt of the requisite regulatory approvals. The effective date was 11 March 2022 for the effecting of the corporate action. Following approval from the Trinidad and Tobago Stock Exchange there was an increase in the number of issued shares from 98,969 to 1,979,385. The price of the security was also adjusted consistent with the 20:1 share split ratio.

19 Dividends per share

	2023 $	2022 $
Interim paid: 2023 – 3.15 cents per share (2022 – 3 cents)	62,351	59,382
Final paid: 2022 – 12.68 cents per share (2021 – 11.50 cents)	250,986	227,629
	313,337	287,011

On 22 November 2023 the Board of Directors of Massy Holdings Ltd. declared a final dividend per share of 12.68 cents, bringing the total dividends per share for the financial year ended 30 September 2023 to 15.83 cents (2022 – 15.68 cents).

20 Other reserves

	Translation reserve $	Catastrophe reserve (Note 20.2) $	Statutory and general banking reserves (Note 20.1) $	Other amounts $	Total $
As at 30 September 2023					
Balance at beginning of year	(207,258)	345,959	17,390	(223,994)	(67,903)
Currency translation adjustments	45,201	--	--	--	45,201
Other reserve movements	--	(106)	--	908	802
Balance at the end of year	(162,057)	345,853	17,390	(223,086)	(21,900)

(Expressed in Thousands of Trinidad and Tobago Dollars)

20 **Other reserves (continued)**

	Translation reserve $	Catastrophe reserve (Note 20.2) $	Statutory and general banking reserves (Note 20.1) $	Other amounts $	Total $
As at 30 September 2022					
Balance at beginning of year	(136,746)	369,206	17,390	(224,775)	25,075
Currency translation adjustments	(38,298)	--	--	--	(38,298)
Disposal of subsidiary	(31,230)	(38,299)	--	7,567	(61,962)
Transfer to other reserves	--	15,052	--	--	15,052
Other reserves	(984)	--	--	(6,786)	(7,770)
Balance at end of year	(207,258)	345,959	17,390	(223,994)	(67,903)

20.1 *Statutory and general banking reserves*

These are applicable to Massy Finance (GFC) Ltd as follows:

- Statutory Reserve – The Financial Institutions Act, 2008 requires a financial institution to transfer annually a minimum of 10% of its profit after taxation to a reserve fund until the balance on this reserve is equal to the paid-up capital of the institution. The reserve amounted to $15,000 (2022: $15,000).
- General Banking Reserve – In keeping with the Financial Institutions (Prudential Criteria) Regulations, 1994, the Company has set aside a reserve out of retained earnings to provide against unforeseen losses on the loan portfolio. The reserve amounted to $2,390 (2022: $2,390).

20.2 *Catastrophe reserve*

This comprises reserves arising from The Interregional Reinsurance Company Limited (TIRCL):

- Appropriations from Retained Earnings are periodically made to this reserve as determined by the Directors. The reserve is intended to be only available to meet both current and future losses arising under the entity's insurance policies from catastrophic events. The reserve amounted to $345,853 (2022: $345,959).

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Non-controlling interests

The following is an analysis of non-controlling interests which are material and individually immaterial to the Group:

	2023 $	2022 $
Accumulated balances with non-controlling interests		
Material non-controlling interests	137,837	123,935
Individually immaterial non-controlling interests	69,200	61,894
	207,037	185,829
Profit for the year from non-controlling interests		
Material non-controlling interests	36,324	33,768
Individually immaterial non-controlling interests	12,413	10,491
	48,737	44,259

Individually immaterial non-controlling interests include Massy Guyana Group and Massy Carbonics Limited. In 2023, the non-controlling interest in Massy Carbonics Limited was purchased.

The table below shows a movement analysis of Massy Stores (SLU) Ltd, the only subsidiary with non-controlling interests that is material to the Group. The amounts included represents the share attributable to the non-controlling interests.

	2023 $ 40%	2022 $ 40%
Balance at beginning of year	123,935	105,827
Total comprehensive income for the year	36,324	33,768
Dividends	(19,466)	(20,377)
Currency translation adjustments	178	(234)
Other adjustments	(3,134)	4,951
Balance at end of year	137,837	123,935

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Non-controlling interests (continued)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are the amounts as per the entities' financial statements before inter-company eliminations.

	2023 $	2022 $
Summarised balance sheet:		
Current assets	311,480	262,890
Non-current assets	289,471	311,794
Current liabilities	(141,473)	(134,988)
Non-current liabilities	(101,107)	(121,366)
Indirect NCI	(7,591)	(11,223)
Net assets	350,780	307,107
Summarised statement of comprehensive income:		
Revenue	1,563,475	1,448,554
Profit attributable to parent	90,809	84,420
Total comprehensive income for the year	90,809	84,420
NCI share (%)	40	40
NCI share ($)	36,324	33,768
Summarised statement of cash flows:		
Operating activities	172,455	102,794
Investing activities	(25,014)	(96,483)
Financing activities	(109,381)	(33,551)
Net change in cash flows	38,060	(27,240)

(Expressed in Thousands of Trinidad and Tobago Dollars)

22 Borrowings

	2023 $	2022 $
Secured advances and mortgage loans	1,903,323	261,176
Unsecured advances	1,465,389	1,457,266
Bank overdrafts (Note 17)	78,236	57,786
Bankers' acceptance	10,000	10,000
Loans to related parties	33,592	--
Total borrowings	3,490,540	1,786,228
Less short-term borrowings	(2,002,927)	(239,822)
Medium and long-term borrowings	1,487,613	1,546,406
Short-term borrowings comprise:		
Bank overdrafts (Note 17)	78,236	57,786
Bankers' acceptance	10,000	10,000
Current portion of other borrowings	1,914,691	172,036
	2,002,927	239,822

On 30 July 2014, Massy Holdings Ltd. issued a $1.2B TT Dollar Fixed Rate Bond. A private auction system was used to determine the issue size and cost of each series of the Bond issue. RBC Merchant Bank (Caribbean) Limited was the Arranger and RBC Trust (Trinidad & Tobago) Limited was the Trustee. The bond was issued at a premium. The face value of both series was $600M each with a tenure of 10 years (Series A) and 15 years (Series B) at coupon rates of 4.00% and 5.25% respectively. Interest is paid on a semi-annual basis in arrears and the principal will be repaid via a bullet payment at maturity. The bond payable is shown net of any investor's interests held by the parent. Series A of the Bond becomes due in July 2024. As a result, it is recorded in the current portion of other borrowings.

Secured advances and mortgage loans include secured liabilities (margin line) against US$ investment portfolio equivalent to $1,438,118 (2022: $156,592).

Bank borrowings are secured by the land and buildings of the Group.

Where applicable, the Group has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 reporting periods.

22.1 *Net debt reconciliation*

	Cash and cash equivalents, net of overdrafts (Note 17) $	Borrowings, net of overdrafts $	Total $
Year ended 30 September 2023			
At beginning of year	1,169,333	(1,728,442)	(559,109)
Proceeds on new borrowings	--	(3,020,792)	(3,020,792)
Principal repayments on borrowings	--	1,362,985	1,362,985
Effect of exchange rate changes on cash and bank overdrafts	5,723	(27,668)	(21,945)
Other cash flows	36,394	1,613	38,007
At end of year	1,211,450	(3,412,304)	(2,200,854)

(Expressed in Thousands of Trinidad and Tobago Dollars)

22 Borrowings (continued)

22.1 *Net debt reconciliation (continued)*

	Cash and cash equivalents, net of overdrafts (Note 17) $	Borrowings, net of overdrafts $	Total $
Year ended 30 September 2022			
At beginning of year	2,016,351	(1,692,111)	324,240
Acquisition of subsidiaries	--	(253)	(253)
Proceeds on new borrowings	--	(943,705)	(943,705)
Principal repayments on borrowings	--	884,652	884,652
Effect of exchange rate changes on cash and bank overdrafts	(3,703)	21,208	17,505
Other cash flows	(843,315)	1,767	(841,548)
At end of year	1,169,333	(1,728,442)	(559,109)

23 Customers' deposits

These represent the deposits for fixed terms accepted mainly by Massy Finance GFC Ltd.

	2023 $	2022 $
Payable within one year	604,054	334,665
Payable between two and five years	262,400	211,938
	866,454	546,603
Sectorial analysis of deposit balances		
Private sector	460,950	223,547
Consumers	405,504	323,056
	866,454	546,603

Interest expense on customers' deposits of $21,672 (2022: $11,429) is shown within "other direct costs" in Note 25.

(Expressed in Thousands of Trinidad and Tobago Dollars)

24 Trade and other payables

	2023 $	2022 $
Trade creditors	1,035,993	828,423
Contract liabilities (Note 24.1)	22,129	4,193
Other payables (Note 24.2)	893,538	882,635
	1,951,660	1,715,251
Current	1,943,615	1,713,135
Non current	8,045	2,116
	1,951,660	1,715,251

24.1 *Contract liabilities*

Analysis of contract liabilities:

	2023	2022
Deferred income	6,463	2,657
Customer loyalty programmes	14,201	--
Extended warranty programmes	842	968
Other	623	568
	22,129	4,193
Expected timing of revenue recognition:		
Within 1 year	21,589	3,200
After 1 year	540	993
	22,129	4,193
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period	2,313	1,593

24.2 Included in other payables is the provision for the Long-Term Incentive Plan. The Shareholders of Massy Holdings Ltd approved a Long-term Incentive Plan for the benefit of selected Senior Executives of Massy Holdings Ltd and its subsidiaries. Individuals are awarded an incentive based on a pre-defined multiple of their salary. This amount is then converted into an equivalent number of phantom shares which are then adjusted to reflect individual Key Performance Indicators. The phantom shares awarded are subject to a vesting period of three years. On the vesting date, the settlement amount is determined by multiplying the number of phantom shares by the phantom share grant price. The latter is determined by applying a pre-determined P/E ratio to the EPS preceding the year of settlement.

	2023	2022
Balance at the end of the year	53,479	40,287

(Expressed in Thousands of Trinidad and Tobago Dollars)

25 Operating profit before finance costs

	2023 $	2022 $ (Restated)
Revenue:		
- Sale of goods	12,923,165	11,116,293
- Rendering of services	1,201,984	1,173,661
- Net interest and other investment income (Note 25.1)	70,135	36,650
	14,195,284	12,326,604
Cost of sales and other direct costs:		
- Cost of sales	(9,490,379)	(8,358,103)
- Other direct costs	(692,049)	(627,273)
	(10,182,428)	(8,985,376)
Gross profit	4,012,856	3,341,228
Administrative expenses	(1,511,806)	(1,339,007)
Other operating expenses	(1,459,338)	(1,149,549)
Other income	352,338	224,915
Operating profit before finance costs	1,394,050	1,077,587

25.1 'Net interest and other investment income' is attributable to loans to customers and other financial assets held for investment purposes only. Income from bank balances, short term investments, treasuries and other securities held for cash management purposes is included within finance income (Note 27).

25.2 The following items were included in arriving at operating profit before finance cost from continuing operations:

	2023	2022
Staff and staff related costs	1,913,902	1,801,168
Expected credit losses/net impairment expense on financial assets (Note 33.1.2):		
- Trade and other receivables	47,781	18,878
- Corporate and sovereign bonds	(287)	871
- Instalment credit, hire purchase accounts and other financial assets	11,514	3,755
Operating lease rentals	30,581	22,734
Depreciation and impairment of property, plant and equipment	303,254	226,654
Depreciation of right-of-use assets	106,799	91,021
Negative goodwill (Note 34)	--	(7,215)
Amortisation of other intangible assets	23,466	20,980
Directors fees	4,037	3,976

(Expressed in Thousands of Trinidad and Tobago Dollars)

25 Operating profit before finance costs (continued)

25.3 Material profit or loss items included in arriving at operating profit:

The Group has identified the following items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

	2023 $	2022 $
Gain on disposal of subsidiaries (Note 35)	--	83,441

26 Staff costs

Staff costs included in cost of sales, selling, general and administrative expenses are as follows:

	2023 $	2022 $ (Restated)
Wages and salaries and termination benefits	1,566,453	1,484,637
Pension cost	58,321	60,745
	1,624,774	1,545,382
Average number of persons employed by the Group during the year:		
Full time	10,935	10,246
Part time	2,580	2,608
	13,515	12,854

27 Finance costs – net

Finance costs:		
Interest expense on borrowings	160,716	83,020
Unwinding of interest on restoration liability	295	107
Interest expense on lease liabilities (Note 6.3)	56,659	61,244
	217,670	144,371
Finance income:		
Finance income (Note 27.2)	(48,883)	(42,959)
Finance cost- net	168,787	101,412

27.1 Borrowing costs capitalised during the year $1,654 (2022: $1,820).

27.2 Income from bank balances, short term investments, treasuries and other securities held for cash management purposes is shown within finance income.

(Expressed in Thousands of Trinidad and Tobago Dollars)

28 Income tax expense

	2023 $	2022 $ (Restated)
Current tax	411,988	305,209
Deferred tax	(9,378)	(3,271)
Business levy/withholding taxes	(6,854)	4,038
	395,756	305,976

In the current and prior years, the Group's effective tax rate of 32% differed from the statutory Trinidad and Tobago tax rate of 30%, as follows:

	2023 $	2022 $ (Restated)
Profit before income tax	1,229,055	995,017
Tax calculated at a tax rate of 30%	393,297	315,211
Effect of different tax rates in other countries	42,815	39,337
Expenses not deductible for tax purposes	142,539	134,892
Income not subject to tax	(169,198)	(177,666)
Business levy/withholding taxes	(6,854)	4,038
Effect of change in overseas tax rate	(11,408)	776
Adjustments to prior year tax provisions	4,565	(10,612)
Income tax expense	395,756	305,976
The income tax expense is attributable to:		
Trinidad and Tobago subsidiaries	173,518	116,980
Overseas subsidiaries	215,880	179,831
Associated companies	6,358	9,165
	395,756	305,976

29 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

	2023 $	2022 $ (Restated)
Profit attributable to shareholders:		
– from continuing operations	784,562	644,782
– from discontinued operations	(20,367)	169,147
	764,195	813,929
Weighted average number of ordinary shares in issue (thousands)	1,979,385	1,979,385
Basic earnings per share		
– from continuing operations	39.64	32.57
– from discontinued operations	(1.03)	8.55
	38.61	41.12

(Expressed in Thousands of Trinidad and Tobago Dollars)

30 Contingencies

Subsidiaries

The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from 1 January 2010. As of present date there have been no further changes to the legislation or extension of the waivers previously granted by the GORTT. The PTA has not yet been enforced primarily due to non-completion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified. Property tax was not accrued for the year ended 30 September 2023.

At 30 September 2023 the Group had contingent liabilities in respect of customs bonds, guarantees and other matters arising in the ordinary course of business amounting to $354,812 (2022: $807,960).

Group companies are defendants in various legal actions. In the opinion of the Directors, after taking appropriate legal advice, the outcome of such actions will not give rise to any material unprovided losses.

Other investments

Included within the contingencies above is the guarantee entered into by Massy Holdings Ltd. with Mitsubishi Heavy Industries, Ltd (MHI) under which it guaranteed payment of 10% of the base equity commitment for Caribbean Gas Chemical Barbados Limited. MHL's maximum liability under guarantees is $200,432 (2022: $644,786). In October 2022, the guarantee of 10% of Caribbean Gas Chemical Limited's payment obligations to MHI under the contracts for the engineering procurement and construction of the methanol and DME plants expired.

31 Commitments

Capital commitments

Capital expenditure contracted at the consolidated statement of financial position date but not yet incurred is as follows:

	2023 $	2022 $
Property, plant and equipment	70,032	89,652

Operating lease commitments - where a Group Company is the lessee:

The Group leases various retail outlets, commercial space and warehouses under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The Group also leases various plant and machinery under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

No later than 1 year	11,728	11,472

(Expressed in Thousands of Trinidad and Tobago Dollars)

31 Commitments (continued)

Operating lease commitments - where a Group Company is the lessor:

	2023 $	2022 $
Less than one year	9,520	28,182
One year to five years	8,539	36,860
	18,059	65,042

32 Related party transactions

The ultimate parent of the Group is Massy Holdings Ltd. (incorporated in the Republic of Trinidad and Tobago).

The following transactions were carried out with related parties:

a. *Sales of goods*

	2023	2022
Associates	45,103	37,595

Goods are sold on the basis of the price lists in force with non-related parties.

b. *Purchases of goods*

	2023	2022
Associates	1,060	2,427
Goods purchased from entities controlled by non-executive directors	212,643	687,368

Goods are bought on the basis of the price lists in force with non-related parties.

c. *Key management compensation*

	2023	2022
Salaries and other short-term employee benefits	172,822	164,496
Post-employment benefits	11,233	10,692
	184,055	175,188

d. *Year-end balances arising from sales/purchases of goods/services*

	2023	2022
Receivables from related parties	14,314	6,244
Payables to related parties	1,328	62

		2023	2022
e.	Customer deposits to related parties	38,468	31,602

33 Financial risk management

33.1 *Financial risk factors*

The Group's activities expose it to a variety of financial risks. The Group's aim therefore is to achieve an appropriate balance between risk and return and minimise potentially adverse effects on the Group's financial performance. This is achieved by the analysis, evaluation, acceptance and management of the Group's risk exposure.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The main financial risks of the Group relate to the availability of funds to meet business needs, the risk of default by counterparties to financial transactions, and fluctuations in interest and foreign exchange rates. The treasury function manages the financial risks that arise in relation to underlying business needs and operates within clear policies and stringent parameters. The function does not operate as a profit centre and the undertaking of speculative transactions is not permitted.

The Group's principal financial liabilities comprise bank loans, operating overdrafts, trade payables and insurance claims liabilities which are used to finance Group operations. There are various financial assets such as trade receivables, investments, loans receivable, cash and short-term deposits which emanate from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, foreign currency risk, interest rate risk and equity securities price risk.

The following contains information relative to the Group's exposure to each of the above risks, including quantitative disclosures.

33.1.1 *Market risk*

The Group is inherently exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk can be subdivided into three categories namely currency risk, interest rate risk and price risk.

(a) *Currency risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities. The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions as well as holding foreign currency balances.

The following table summarises the Group's net exposure and sensitivities to currency risk on its financial instruments.

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.1 *Market risk(continued)*

(a) *Currency risk (continued)*

As at 30 September 2023

Currency	Net Currency Exposure $	Sensitivity	Change/ Impact $
USD	199,654	2%	3,993
BBD	(212,330)	2%	(4,247)
PESO	(274,575)	1%	(2,746)
GYD	216,649	3%	6,499
JCD	139,094	5%	6,955
Other	(109,810)	2%	(2,196)
	(41,318)		8,258

As at 30 September 2022

Currency	Net Currency Exposure $	Sensitivity	Change/ Impact $
USD	1,988,576	2%	39,772
BBD	(335,908)	2%	(6,718)
PESO	(177,980)	1%	(1,780)
GYD	231,943	3%	6,958
JCD	123,162	5%	6,158
OTHER	(191,381)	2%	(3,828)
TOTAL	1,638,412		40,562

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.1 *Market risk (continued)*

(b) *Interest rate risk*

The Group's loans receivable are fixed rate and are subject to fair value interest rate risk with no impact to the financial statements since they are carried at amortised cost. However, floating rate loans and bonds are subject to cash flow interest rate risk. The Group's exposure to floating rate bonds is minimal.

The Group's exposure to changes in market interest rates relates primarily to the long-term debt obligations, with floating interest rates. The exposure to interest rate risk on cash held on deposit is not significant.

At the end of 2023, interest rates were fixed on approximately 56% of the borrowings (2022: 93%). The impact on the consolidated statement of profit or loss to a 50 basis points change in floating interest rates is $31,880 in 2023 (2022: $602).

(c) *Price risk*

The Group has investments in equity securities and investment funds and these are carried at fair value, consequently resulting in exposure to equity securities price risk. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. See note 33.3.1

33.1.2 *Credit risk*

The Group is exposed to credit risk, which is the risk that may arise from its customers, clients and counterparties failing to discharge their contractual obligations. The credit exposures arise primarily from the Group's receivables on sales, interest-bearing investments and cash held on deposit at various financial institutions.

The Group has no significant concentrations of credit risk and trades mainly with recognised, creditworthy third parties. It is the Group's policy that all customers trading on credit terms are subject to credit verification procedures. These procedures are elements of a structured credit control system and include an analysis of each customer's creditworthiness and the establishment of limits before credit terms are set. In addition, receivable balances are monitored on an ongoing basis to mitigate the Group's exposure to bad debts.

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

The following is a summary of the Group's maximum exposure to credit risk.

	2023 $	2022 $
Cash and cash equivalents (Note 17)	1,289,686	1,227,119
Trade and other receivables (Note 11)	2,370,653	1,855,203
Other financial assets at amortised cost (Note 12):		
- Bonds	564,054	570,699
- Instalment credit and other accounts	668,613	544,576
- Hire purchase receivables	76,284	63,370
Other financial assets at fair value through profit or loss (Note 12):		
- Bonds and treasury bills	--	13,621
Other financial assets at fair value through other comprehensive income (Note 12):		
- Bonds and treasury bills	1,424,478	1,448,245
Assets reclassified to held for sale (Note 35)		
Cash and cash equivalents	2,393	--
Other financial assets at amortised cost		
- Instalment credit and other accounts	67,838	71,131
- Loan receivables	26,995	--
Total	6,490,994	5,793,964

The Group recognises provision for losses for assets subject to credit risk using the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group uses the general approach in arriving at expected losses for instalment credit and other loans, Note 2.9.

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

A default on a financial asset occurs in the following circumstances:

- When the issuer of a bond has missed a payment of principal or interest or has announced its intention to suspend payments on part or all of its financial obligations, or
- For all other financial assets, when the counterparty fails to make contractual payments within 90 days of when they fall due.

Practical expedient for financial assets with low credit risk

As an exception to the simplified and general approaches, if the credit risk of a financial instrument is low at the reporting date, the Group can measure impairment using 12-month expected credit losses (ECL), and so it does not have to assess whether a significant increase in credit risk has occurred.

The financial instrument has to meet the following requirements, in order for this practical expedient to apply:

- it has a low risk of default;
- the borrower is considered, in the short term, to have a strong capacity to meet its obligations in the near term; and
- the lender expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Assets written off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Collateral and other credit enhancements

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

- *Trade receivables and treasuries:* These are generally unsecured and are generally considered low risk subject to a few exceptions.
- *Corporate debt securities and sovereign debt securities:* These are both secured and unsecured by fixed or floating charges on the assets of the issuer.
- *Instalment credit debtors, hire purchase receivables and other accounts:* The principal collateral types for these instruments are security agreements over motor vehicles, furniture and appliances, the values of which are reviewed periodically if there is a significant increase in credit risk.

Summary of ECL calculations

a) *The simplified approach (trade receivables, contract assets and other debtors)*

The following is a summary of the ECL and Exposure at Default (EAD) on trade receivables and contract assets from a combination of specific and general provisions:

As at 30 September 2023

Aging Bucket

Category	**Average ECL rate %**	**Estimated EAD $**	**Expected credit loss $**
Current (0-30 days)	0.74	767,134	5,648
31 to 90 days	2.09	270,102	5,635
Over 90 days	18.05	525,553	94,900
Total	6.79	1,562,789	106,183

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

a) *The simplified approach (trade receivables, contract assets and other debtors) (continued)*

Reclassified to held for sale

Aging Bucket

Category	**Average ECL rate %**	**Estimated EAD $**	**Expected credit loss $**
Current (0-30 days)	--	1,201	--
31 to 90 days	--	1,044	--
Over 90 days	100.00	3,663	3,663
Total	62.00	5,908	3,663

As at 30 September 2022

Aging Bucket **Category**	**Average ECL rate %**	**Estimate d EAD $**	**Expected credit loss $**
Current (0-30 days)	0.65	600,116	3,917
31 to 90 days	1.63	214,535	3,506
Over 90 days	15.86	361,230	57,294
TOTAL	5.50	1,175,881	64,717

The movement in the provision for expected credit losses for trade receivables and contract asset accounts is as follows:

	2023 $	**2022 $**
Balance at beginning of the year	64,717	56,549
Disposal of subsidiary	--	(140)
Translation adjustments	123	(283)
Increase in loss allowance recognised in profit or loss	46,121	12,143
Amounts written off in the current year	(1,115)	(3,552)
Balance at end of the year	109,846	64,717
Reclassified to held for sale	(3,663)	--
Total	106,183	64,717

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

a) *The simplified approach (trade receivables, contract assets and other debtors) (continued)*

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2023 $	2022 $
Net changes to provisions for the year per above	46,121	12,143
Other adjustments	1,679	6,657
Net expense for the year	47,800	18,800
Net expense for the year attributable to:		
Continuing operations (Note 25.2)	47,818	18,526
Discontinued operations	(18)	274
Total	47,800	18,800

The following is a summary of the ECL on other debtors and prepayments from a combination of specific and general provisions:

As at 30 September 2023

Aging Bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Current (0-30 days)	0.02	746,497	174
31 to 90 days	5.99	261	16
Over 90 days	4.84	35,886	1,738
Total	0.24	782,644	1,928

Reclassified to held for sale

Aging Bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Current (0-30 days)	--	6,046	--
Total	--	6,046	--

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

a) *The simplified approach (trade receivables, contract assets and other debtors) (continued)*

As at 30 September 2022

Aging Bucket **Category**	**Average ECL rate** **%**	**Estimated EAD** **$**	**Expected credit loss** **$**
Current (0-30 days)	0.01	647,761	63
31 to 90 days	1.73	104	2
Over 90 days	10.87	14,220	1,546
TOTAL	0.24	662,085	1,611

The movement in the provision for expected credit losses for other debtors and prepayments accounts is as follows:

	2023 **$**	**2022** **$**
Balance at beginning of the year	1,611	2,123
Translation adjustments	(8)	3
Increase in loss allowance recognized in profit or loss	(37)	352
Amounts written off in the current year	362	(867)
Balance at end of the year	1,928	1,611

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

Net changes to provisions for the year per above	(37)	352
Net expense for the year	(37)	352
Net expense for the year attributable to:		
Continuing operations (Note 25.2)	(37)	352
Total	(37)	352

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach*

A summary of the assumptions underpinning the Company's expected credit loss model under the general approach is as follows:

Category	Definition	Basis for recognition of expected credit loss provision
Performing (Stage 1)	The counterparty has a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Underperforming (Stage 2)	Financial assets for which there is a significant increase in credit risk since origination	Lifetime expected losses
Non-performing (Stage 3)	The financial asset is in default	Lifetime expected losses
Purchased or Credit-impaired	Financial assets with evidence of impairment at the point of initial recognition (for instance, if they are acquired at a deep discount)	Lifetime expected losses using a credit-adjusted effective interest rate.
Write-off	There is no reasonable expectation of recovery	Asset is written off

Over the term of the financial asset, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of financial assets and adjusts for forward looking macroeconomic data.

Corporate and sovereign bonds at amortised cost

As at 30 September 2023

Aging bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.15	562,289	871
Non-Performing (Stage 3)	2.53	2,704	68
Total	0.17	564,993	939

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Corporate and sovereign bonds at amortised cost (continued)

The movement in the provision for expected credit losses is as follows:

As at 30 September 2023

	Performing $	Non-Performing $	Total $
Balance at beginning of the year	813	238	1,051
Reclassification and other adjustments	132	--	132
Net charge to profit or loss	(74)	(170)	(244)
Balance at end of the year	871	68	939

As at 30 September 2022

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.14	567,324	813
Non-performing (Stage 3)	5.38	4,426	238
Total	0.18	571,750	1,051

As at 30 September 2022

The movement in the provision for expected credit losses is as follows:

	Performing $	Non-performing $	Total $
Balance at beginning of the year	165	248	413
Translation adjustments	(1)	(1)	(2)
Reclassification and other adjustments	111	(9)	102
Net charge to profit or loss	538	--	538
Balance at end of the year	813	238	1,051

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Corporate and sovereign bonds (continued)

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2023 $	2022 $
Net changes to provisions for the year per above	(244)	538
Other adjustments	26	--
Net expense for the year	(218)	538
Net expense for the year attributable to:		
Continuing operations (Note 25.2)	(218)	538
Total	(218)	538

Corporate and sovereign bonds at fair value through other comprehensive income

As at 30 September 2023

Aging bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.02	1,424,771	293
Total	0.02	1,424,771	293

The movement in the provision for expected credit losses is as follows:

As at 30 September 2023

	Performing $	Total $
Balance at beginning of the year	449	449
Reclassification and other adjustments	(116)	(116)
Net charge to profit or loss	(40)	(40)
Balance at end of the year	293	293

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Corporate and sovereign bonds (continued)

Corporate and sovereign bonds at fair value through other comprehensive income (continued)

As at 30 September 2022

Aging bucket

Category	**Average ECL rate** %	**Estimated EAD** $	**Expected credit loss** $
Performing (Stage 1)	0.03	1,448,694	449
Total	0.03	1,448,694	449

As at 30 September 2022	**Performing** $	**Total** $
Reclassification and other adjustments	116	116
Net charge to profit or loss	333	333
Balance at end of the year	449	449

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2023 $	**2022** $
Net changes to provisions for the year per above	(40)	333
Other adjustments	(29)	--
Net expense for the year	(69)	333
Net expense for the year attributable to:		
Continuing operations (Note 25.2)	(69)	333
Total	(69)	333

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Instalment credit, hire purchase accounts and other financial assets

As at 30 September 2023

Aging bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.29	683,233	1,967
Underperforming (Stage 2)	1.36	14,766	201
Non-Performing (Stage 3)	37.52	78,531	29,465
Total	4.07	776,530	31,633

Reclassified to held for sale

Aging bucket

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.38	82,308	313
Underperforming (Stage 2)	9.19	3,164	291
Non-Performing (Stage 3)	12.87	11,437	1,472
Total	2.14	96,909	2,076

The movement in the provision for expected credit losses is as follows:

As at 30 September 2023

	Performing $	Under-performing $	Non-Performing $	Total $
Balance at beginning of the year	5,827	604	14,048	20,479
Translation adjustments	2	6	23	31
Net changes to provisions and reclassifications	(3,797)	(450)	15,274	11,027
Amounts written off in the current year	(65)	41	120	96
Balance at end of the year	1,967	201	29,465	31,633

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Instalment credit, hire purchase accounts and other financial assets (continued)

Reclassified to held for sale

	Performing $	Under-performing $	Non-Performing $	Total $
Balance at beginning of the year	384	356	1,771	2,511
Translation adjustments	--	2	4	6
Net changes to provisions and reclassifications	53	(42)	(269)	(258)
Amounts written off in the current year	(124)	(25)	(34)	(183)
Balance at end of the year	313	291	1,472	2,076

As at 30 September 2022

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	1.06	548,600	5,827
Underperforming (Stage 2)	3.16	19,171	604
Non-performing (Stage 3)	23.16	60,654	14,048
TOTAL	3.26	628,425	20,479

Reclassified to held for sale

Category	Average ECL rate %	Estimated EAD $	Expected credit loss $
Performing (Stage 1)	0.66	58,118	384
Underperforming (Stage 2)	10.68	3,336	356
Non-performing (Stage 3)	14.53	12,188	1,771
TOTAL	3.41	73,642	2,511

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 **Financial risk management (continued)**

33.1 *Financial risk factors (continued)*

33.1.2 *Credit risk (continued)*

Summary of ECL calculations (continued)

b) *The general approach (continued)*

Instalment credit, hire purchase accounts and other financial assets (continued)

The movement in the provision for expected credit losses is as follows:

As at 30 September 2022

	Performing $	Under-performing $	Non-performing $	Total $
Balance at beginning of the year	3,388	659	13,245	17,292
Translation adjustments	5	7	29	41
Net changes to provisions and reclassifications	2,449	(59)	2,014	4,404
Amounts written off in the current year	(15)	(3)	(1,240)	(1,258)
Balance at end of the year	5,827	604	14,048	20,479

Reclassified to held for sale

	Performing $	Under-performing $	Non-performing $	Total $
Balance at beginning of the year	722	894	4,234	5,850
Translation adjustments	(2)	(2)	(8)	(12)
Net changes to provisions and reclassifications	(392)	(75)	(258)	(725)
Amounts written off in the current year	56	(461)	(2,197)	(2,602)
Balance at end of the year	384	356	1,771	2,511

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

	2023 $	2022 $
Net changes to provisions for the year per above	10,769	3,679
Other adjustments	539	(1,424)
Net expense for the year	11,308	2,255
Net expense for the year attributable to:		
Continuing operations (Note 25.2)	11,514	3,755
Discontinued operations	(206)	(1,500)
Total	11,308	2,255

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.1 *Financial risk factors (continued)*

33.1.3 *Liquidity risk*

Liquidity risk is the risk which may arise if the Group is unable to meet the obligations associated with its financial liabilities when they fall due.

The Group's liquidity risk management process is measured and monitored by senior management. This process includes monitoring current cash flows on a frequent basis, assessing the expected cash inflows as well as ensuring that the Group has adequate committed lines of credit to meet its obligations.

The following is an analysis of the undiscounted contractual cash flows payable under financial liabilities. Undiscounted cash flows will differ from both the carrying values and the fair values.

Maturity analysis of financial liabilities
2023

	Less than 1 Year $	1– 5 Years $	More than 5 years $	Contractual Cash flows $	Carrying amount $
Financial liabilities					
Bank overdraft & bankers' acceptance (Note 22)	88,236	--	--	88,236	88,236
Other borrowings (Note 22)	1,916,064	670,080	827,574	3,413,718	3,402,304
Customers' deposits (Note 23)	604,460	262,400	--	866,860	866,454
Trade and other payables (Note 24)	1,943,615	8,045	--	1,951,660	1,951,660
Lease Liabilities (Note 6.2)	145,708	466,100	809,874	1,421,682	937,932
	4,698,083	1,406,625	1,637,448	7,742,156	7,246,586

2022	Less than 1 year $	1 - 5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
Financial liabilities					
Bank overdraft & bankers acceptance (Note 22)	67,786	--	--	67,786	67,786
Other borrowings (Note 22)	178,915	855,793	695,658	1,730,366	1,718,442
Customers' deposits (Note 23)	340,228	199,432	22,062	561,722	546,603
Trade and other payables (Note 24)	1,713,135	2,116	--	1,715,251	1,715,251
Lease liabilities (Note 6.2)	125,839	434,882	1,291,403	1,852,124	922,672
Total	2,425,903	1,492,223	2,009,123	5,927,249	4,970,754

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.2 *Capital risk management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may vary the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (current and non-current borrowings) less cash and cash equivalents. Total capital is calculated as total equity as shown in the consolidated statement of financial position plus net debt.

	2023 $	2022 $
Total borrowings (Note 22)	3,490,540	1,786,228
Less: Cash and cash equivalents including cash Reclassified to held for sale	(1,292,079)	(1,227,119)
Net debt	2,198,461	559,109
Total equity	7,608,506	7,252,783
Total capital	9,806,967	7,811,892
Gearing ratio	22.4%	7.2%
Total borrowings to total equity ratio	45.9%	24.6%

33.2.1 *Regulatory capital held by subsidiaries*

a) *Massy Finance GFC Ltd.*

This entity is incorporated in the Republic of Trinidad and Tobago and is licensed under the Financial Institutions Act, 2008. It is subject to the capital requirements set by the Central Bank of Trinidad and Tobago (CBTT).

Capital adequacy and the use of regulatory capital are monitored weekly by management based on the guidelines developed by the Basel Committee, as implemented by the CBTT, the country's authority for supervisory purposes. The required information is filed with the CBTT on a quarterly basis.

In addition to the above, there are specific requirements governing lending, customers' deposits and other activities in relation to the Company's capital.

33 **Financial risk management (continued)**

33.2 *Capital risk management (continued)*

33.2.1 *Regulatory capital held by subsidiaries (continued)*

The table below summarises the total equity positions of each of the above entities, both of which are in excess of their minimum regulatory capital requirements.

	Massy Finance GFC Ltd.	
	2023	**2022**
	$	**$**
Total equity	145,889	141,202

33.3 *Fair value of financial assets and liabilities*

33.3.1 *Fair value hierarchy*

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets and liabilities recorded at fair value in the consolidated financial statements based upon the level of judgement associated with the inputs used to measure their fair value. The hierarchical levels, from lowest to highest based on the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities are as follows:

Level 1

Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets. The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived principally from or corroborated by observable market data by correlation or other means at the measurement date and for the duration of the instruments' anticipated life.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

Level 3

Inputs that are unobservable for the asset or liability for which there are no active markets to determine a price. These financial instruments are carried at fair value and are regularly tested for impairment with changes taken through other comprehensive income.

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.3 *Fair value of financial assets and liabilities (continued)*

33.3.1 *Fair value hierarchy (continued)*

The following table presents the Group's assets that are measured at fair value at 30 September 2023:

Assets	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at FVPL and FVOCI (Note 12)				
Bonds and treasury bills	285,765	1,138,713	--	1,424,478
Listed equities	8,439	34	--	8,473
Unlisted equities	--	140	90,547	90,687
Investment funds	125,353	14,066	--	139,419
Structured Notes	--	56,538	--	56,538
	419,557	1,209,491	90,547	1,719,595

The following table presents the Group's assets that are measured at fair value at 30 September 2022:

Assets	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at FVPL and FVOCI (Note 12)				
- Bonds and treasury bills	--	1,448,245	13,621	1,461,866
- Listed equities	11,616	34	--	11,650
- Unlisted equities	--	139	202,477	202,616
- Investment funds	3,178	--	--	3,178
- Structured Notes	--	48,232	--	48,232
	14,794	1,496,650	216,098	1,727,542

The movement in level 3 financial assets is as follows:

	2023 $	2022 $
Balance at beginning of year	216,098	198,850
Additions for the year	67	13,621
Disposals for the year	(13,621)	--
Transfers	--	4,034
Net fair value losses recognised in other comprehensive income	(112,290)	--
Exchange adjustments on retranslation of overseas operations	293	(407)
	90,547	216,098

(Expressed in Thousands of Trinidad and Tobago Dollars)

33 Financial risk management (continued)

33.3 *Fair value of financial assets and liabilities (continued)*

33.3.1 *Fair value hierarchy (continued)*

The Group utilises the valuation specialists (internal or external) for the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The following is a summary of the significant unobservable inputs used in level 3 fair value measurements of unlisted equity instruments:

- Risk-adjusted discount rates – Discount rates ranging around 12.1% were used in arriving at fair value measurements. Had these rates changed by +/- 200 basis points, the fair value measurement would have been lower or higher by $4,108 or higher by $5,901.
- Growth rate was nil since operations are at 100% capacity
- Methanol prices were based upon the Argus Price Forecast

33.3.2 *Fair value of financial instruments carried at amortised cost*

The carrying amounts and fair values of financial instruments carried at amortised cost are as follows:

	Carrying amount		Fair value	
	2023	2022	2023	2022
	$	$	$	$
Financial assets				
Financial assets at amortised cost (Note 12)				
- Bonds	564,054	570,699	564,084	571,183
- Instalment credit and other accounts	668,613	544,576	668,613	562,116
- Hire purchase receivables	76,284	63,370	74,900	60,399
- Reclassified to held for sale (Note 35)	94,833	71,131	94,833	71,131
	1,403,784	1,249,776	1,402,430	1,264,829
Financial liabilities				
- Bank overdraft and bankers' acceptance (Note 22)	88,236	67,786	88,236	67,786
- Other borrowings (Note 22)	3,402,304	1,718,442	3,433,178	1,718,466
- Customers' deposits (Note 23)	866,454	546,603	866,454	550,558
	4,356,994	2,332,831	4,387,868	2,336,810

Due to the short-term nature of Trade and other receivables and Trade and other payables, their carrying amounts are considered to be the same as their fair values. Accordingly, their values are not shown in the tables above.

(Expressed in Thousands of Trinidad and Tobago Dollars)

34 Business combinations

The Group acquired 100% of the shareholdings in the following companies in 2023:

- Rowe's IGA Group – effective December 12, 2022
- Air Liquide Trinidad & Tobago Limited *(now known as Massy Gas Products Manufacturing (Trinidad) Ltd)* – effective January 28, 2023
- I.G.L. (St. Lucia) IBC Limited – effective 17 May 2023

Purchase consideration	**Rowe's IGA Group $**	**Massy Gas Products Manufacturing (Trinidad) Ltd $**	**IGL (SLU) Ltd. $**	**Total $**
Period ended 30 September 2022				
Total purchase consideration	316,684	347,005	958,803	1,622,492
Deferred consideration	--	15,589	--	15,589
	316,684	362,594	958,803	1,638,081
Net assets acquired				
Cash and short-term investments	--	--	23,034	23,034
Trade receivables	--	22,157	43,128	65,285
Inventories	--	3,936	19,072	23,008
Current tax asset	--	10,013	18,286	28,299
Fixed assets	100,561	233,949	350,598	685,108
Right of use assets	139,996	5,566	198	145,760
Intangible assets	55,992	--	--	55,992
Other assets	--	1,340	24,017	25,357
Trade payable	--	(3,689)	(26,876)	(30,565)
Current tax liabilities	--	(3,895)	(18,634)	(22,529)
Deferred tax liabilities	--	(52,415)	(35,602)	(88,017)
Lease obligations	(139,996)	(6,914)	(33)	(146,943)
Pension liabilities	--	--	(6,882)	(6,882)
Other liabilities	--	(15,652)	(5,754)	(21,406)
Net identifiable assets acquired	156,553	194,396	384,552	735,501
Goodwill	160,131	168,198	574,251	902,580
Purchase consideration-cash outflow				
Outflow of cash to acquire subsidiary, net of cash acquired				
Cash consideration	316,684	347,005	958,803	1,622,492
Less: Cash and short-term investments acquired	--	--	(23,034)	(23,034)
Net outflow of cash – investing activities	316,684	347,005	935,769	1,599,458

(Expressed in Thousands of Trinidad and Tobago Dollars)

34 Business combinations (continued)

On 1 December 2021 the Group acquired 100% of the issued share capital of Grandos Gomez & CIA S.A. Empresa de Servicios Publicos Gas, Gragos S.A. E.S P (Gragos).

The following table summarises the consideration paid, the fair value of assets acquired and liabilities assumed at the acquisition date:

	Gragos $
Total purchase consideration	20,573
The assets and liabilities recognised as a result of the acquisition are as follows:	
Cash and short-term investments	988
Trade receivables	1,152
Inventories	434
Current tax assets	452
Fixed assets	20,725
Right of use asset	162
Intangible assets	14,820
Medium and long-term borrowings	(253)
Trade payable	(910)
Current tax liabilities	(325)
Deferred tax liabilities	(7,044)
Other liabilities	(2,413)
Net identifiable assets acquired	27,788
Negative goodwill	(7,215)
Purchase consideration-cash outflow	
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	20,573
Less: Cash and short-term investments acquired	(988)
Net outflow of cash - investing activities	19,585

35 Discontinued operations

The following disposals are reported in the current and prior period. Disposals and disposal groups held for sale are restated in the prior period as discontinued operations.

30 September 2023 – Disposed entities

- The Group's 49% interest in Dunmass Holdings, Inc. was sold to Dunblare Import-Export, Inc. on 25 September 2023.
- Other - . Farnells Holdings Inc., an associate of Massy Barbados Ltd., was sold to Mr. Harry Yeh on 6 February 2023.

30 September 2023 – Held for sale entities

- Massycard (Barbados) Limited has signed a sale agreement for the sale of the credit card portfolio and supporting assets. The sale is expected to be completed within the new financial year.
- Massy Properties (Barbados) Ltd., which contains all remaining investment properties, has been reclassified to held for sale as several properties have been earmarked to be sold within the next year.

30 September 2022 – Disposed entities

- Massy United Insurance Ltd. was sold to the Coralisle Group Ltd. on 4 May, 2022.
- Endervelt Limited was sold to AB SG Acquisition Company Limited on 31 May, 2022.
- Massy Properties (Trinidad) Ltd. was sold to Endeavour Holdings Limited on 8 July, 2022.
- Other - this consists primarily of a $20 million warranty provision arising from the sale of Massy Technologies (Trinidad) Ltd in 2020. This warranty expired on the 30 September 2022 with no claims being made by the purchaser, therefore this provision was released as at 30 September 2022.

30 September 2022 – Held for sale entities

- Massycard (Barbados) Limited has signed a sale agreement for the sale of the credit card portfolio and supporting assets. The sale is expected to be completed within the new financial year.
- Other - Massy Barbados Ltd. has signed a sale agreement for the sale of Farnells Holdings Inc, an associate of Massy Barbados Ltd. The sale is expected to be completed within the new financial year.

(Expressed in Thousands of Trinidad and Tobago Dollars)

35 Discontinued operations (continued)

35.1 *Summary of gain on sale of subsidiaries*

The following are the details of the assets and liabilities sold, the proceeds and the gain on sale for the period ended 30 September 2022.

	Endervelt Limited $	**Massy Properties (Trinidad) Ltd.** $	**Massy United Insurance Ltd.** $	**Total** $
Analysis of net assets sold				
Property, plant and equipment	--	12,041	68,700	80,741
Investment properties	6,383	10,100	--	16,483
Right of use assets	--	--	2,508	2,508
Other financial assets	--	--	442,982	442,982
Inventory	--	45	--	45
Trade and other receivables	3	367	1,032,859	1,033,229
Other current assets	3,500	1,075	582,157	586,732
Trade and other payables	(4,250)	(1,209)	(419,132)	(424,591)
Other liabilities	--	(2,135)	(1,191,039)	(1,193,174)
Net assets	5,636	20,284	519,035	544,955
Cumulative currency translation adjustments	--	--	(21,267)	(21,267)
Intangible assets	--	--	9,159	9,159
Goodwill	--	--	20,702	20,702
Impairment	(3,000)	--	--	(3,000)
Adjusted net assets	2,636	20,284	527,629	550,549
Cash	(3,500)	(1,075)	(572,886)	(577,461)
Adjusted net assets (net of cash)	(864)	19,209	(45,257)	(26,912)
Proceeds	2,500	55,775	620,084	678,359
Direct costs	(107)	(557)	(43,705)	(44,369)
Cash	(3,500)	(1,075)	(572,886)	(577,461)
Proceeds, net of cash sold and direct costs	(1,107)	54,143	3,493	56,529
Gain/(loss) on sale	(243)	34,934	48,750	83,441

(Expressed in Thousands of Trinidad and Tobago Dollars)

35 Discontinued operations (continued)

35.2 *Held for Sale entities*

Assets reclassified to Held for Sale for the period ended 30 September 2023;

	Massycard (Barbados) Ltd $	**Massy Properties (Barbados) Ltd $**	**Total $**
Property, plant and equipment	3,972	19,997	23,969
Investment properties	--	175,736	175,736
Financial assets			
- Instalment credit and other accounts	67,838	--	67,838
- Loan receivables	--	26,995	26,995
Trade & other receivables	--	8,487	8,487
Cash & cash equivalents	--	2,393	2,393
Inventories	--	2,055	2,055
Other current assets	--	--	--
Total assets	71,810	235,663	307,473

Liabilities reclassified to Held for Sale for the period ended 30 September 2023.

	Massy Properties (Barbados) Ltd $
Trade and other payables	10,474
Deferred income tax liabilities	66
Total assets	10,540

(Expressed in Thousands of Trinidad and Tobago Dollars)

35 Discontinued operations (continued)

35.2 *Held for Sale entities* (continued)

Assets reclassified to Held for Sale for the period ended 30 September 2022.

	Massycard (Barbados) Ltd $	Other $	Total $
Property, plant and equipment	3,678	--	3,678
Financial assets			
- Instalment credit and other accounts	71,131	--	71,131
Other current assets	--	5,012	5,012
Total assets	74,809	5,012	79,821

35.3 *Analysis of the results of discontinued operations*

	2023 $	2022 $
Revenue	48,323	413,180
Operating profit before finance costs and expected credit losses	(20,572)	86,755
Expected credit losses	224	1,226
Operating profit before finance costs	(20,348)	87,981
Finance cost - net	--	1,826
Operating profit after finance costs	(20,348)	89,807
Income tax expense	(19)	(4,101)
Profit after income tax	(20,367)	85,706
Gain on sale of discontinued operations	--	83,441
Profit for the year from discontinued operations	(20,367)	169,147
Attributable to:		
Owners of the parent	(20,367)	169,147
	(20,367)	169,147

Analysis of profit before tax from discontinued operations as per consolidated statement of cashflows:

Operating profit after finance costs	(20,348)	89,807
Gain on sale of discontinued operations	--	83,441
	(20,348)	173,248

(Expressed in Thousands of Trinidad and Tobago Dollars)

35 **Discontinued operations (continued)**

35.3 *Analysis of the results of discontinued operations (continued)*

	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Massy Properties (Barbados) Ltd.		Massy United Insurance Ltd		Massycard (Barbados) Ltd.		Other		Endervelt Limited		Massy Properties (Trinidad) Ltd.		Total	
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Revenue	28,150	40,541	--	344,404	20,174	21,769	--	--	--	35	--	6,431	48,323	413,180
Operating profit before finance costs and expected credit losses	(26,512)	34,385	--	18,495	3,532	8,380	2,408	24,688	--	6,214	--	(5,407)	(20,572)	86,755
Expected credit losses	24	(83)	--	--	200	1,309	--	--	--		--		224	1,226
Operating profit before finance costs	(26,488)	34,302	--	18,495	3,732	9,689	2,408	24,688	--	6,214	--	(5,407)	(20,348)	87,981
Finance cost - net	--	--	--	1,826	--	--	--	--	--	--	--	--	--	1,826
Operating profit after finance costs	(26,488)	34,302	--	20,321	3,732	9,689	2,408	24,688	--	6,214	--	(5,407)	(20,348)	89,807
Income Tax Expense	--	--	--	(3,926)	(19)	160	--	--	--	1	--	(336)	(19)	(4,101)
Profit after income tax	(26,488)	34,302	--	16,395	3,713	9,849	2,408	24,688	--	6,215	--	(5,743)	(20,367)	85,706
Attributable to:														
Owners of the parent	(26,488)	34,302	--	16,395	3,713	9,849	2,408	24,688	--	6,215	--	(5,743)	(20,367)	85,706
	(26,488)	34,302	--	16,395	3,713	9,849	2,408	24,688	--	6,215	--	(5,743)	(20,367)	85,706

35.4 *Analysis of cash flows from material disposals*

	2023 $	2022 $
Net cash inflow from operating activities	11,514	75,324
Net cash inflow from investing activities	110,556	124,523
Net cash outflow from financing activities	(122,824)	(270,255)
	(754)	(70,408)

(Expressed in Thousands of Trinidad and Tobago Dollars)

35 **Discontinued operations (continued)**

35.5 *Restatement of results from material disposals*

The consolidated statement of profit or loss for 30 September 2022 was restated for Massy Properties (Barbados) Ltd. being classified as discontinued.

	As previously reported 2022 $	Adjustment 2022 $	Restated 2022 $
Continuing operations:			
Revenue	12,367,145	(40,541)	12,326,604
Operating profit before finance costs and expected credit losses	1,135,476	(34,385)	1,101,091
Expected credit losses	(23,587)	83	(23,504)
Operating profits before finance costs	1,111,889	(34,302)	1,077,587
Finance cost - net	(101,412)	--	(101,412)
Operating profits after finance cost	1,010,477	(34,302)	976,175
Share of results of associates and joint ventures	18,842	--	18,842
Profit before income tax	1,029,319	(34,302)	995,017
Income tax expense	(305,976)	--	(305,976)
Profit for the year from continuing operations	723,343	(34,302)	689,041
Discontinued operations:			
Gain on sale of discontinued operations	83,441	--	83,441
Profit after tax discontinued operations	51,404	34,302	85,706
Profit for the year from discontinued operations	134,845	34,302	169,147
Profit for the year	858,188	--	858,188
Owners of the parent:			
Profit for the year from continuing operations	679,084	(34,302)	644,782
Profit for the year from discontinued operations	134,845	34,302	169,147
	813,929	--	813,929
Non-controlling interests:			
Profit for the year from continuing operations	44,259	--	44,259
Profit attributable to non-controlling interests	44,259	--	44,259
Profit for the year	858,188	--	858,188
Basic earnings per share			
- from continuing operations	34.31	(1.74)	32.57
- from discontinued operations	6.81	1.74	8.55
	41.12	--	41.12