AGOSTINI'S LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2023

Ernst & Young Services Limited



AGOSTINI'S LIMITED

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2023

C O N T E N T S **Page**

Independent Auditor's Report	2 - 8
Consolidated Statement of Financial Position	9 - 10
Consolidated Statement of Income	11
Consolidated Statement of Comprehensive Income	12
Consolidated Statement of Changes in Equity	13 - 14
Consolidated Statement of Cash Flows	15 - 16
Notes to the Consolidated Financial Statements	17 - 124

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Agostini's Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 30 September 2023, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 30 September 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements
(Continued)

Key Audit Matters
(Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Acquisition accounting and purchase price allocations Refer to related disclosures in notes 8, 31 (a) and (b) and accounting policy notes 2 (b) (ii) and (g) to the consolidated financial statements. IFRS 3 "Business Combinations" provides the accounting and disclosure guidance relating to business combination transactions. As described in note 31 (a), the Group completed the acquisition of one entity during the prior financial year. As part of the acquisition accounting, as prescribed by IFRS 3, management with the assistance of third party professional valuation specialist engaged by the Group, allocated the purchase price to the fair value of acquired assets/liabilities, resulting in the recognition of goodwill and other separately identified intangible assets. Based on the quantitative materiality of this transaction and the significant degree of judgment utilised by the Group in determining the purchase price allocations, consequent goodwill and other intangibles determination, we have determined this to be a key audit matter.	We involved our EY valuation specialists to assist in performing our audit procedures in this area, which included amongst others: • Auditing the appropriateness of the acquisition accounting entries recorded by the Group, including the verification of the consideration transferred in respect of the transaction and determination of the effective date of control. • Reviewing the report from third party valuation specialists engaged by the Group to assist in the purchase price allocations and evaluating the reasonableness of their conclusions having regard to the key assumptions used in the purchase price allocations. • Evaluating the reasonableness of the valuation methodologies, techniques and key assumptions used by the Group in the purchase price allocation. • Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements, with reference to that prescribed by IFRSs. The accounting and measurement methods applied are in accordance with IFRSs.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements
(Continued)

Key Audit Matters
(Continued)

Key Audit Matter	**How our audit addressed the Key Audit Matter**
Estimation uncertainty involved in impairment testing of goodwill and other intangible assets with indefinite lives Refer to related disclosures in notes 4 i) and 8 and accounting policy notes 2 (g) and 2 (u) to the consolidated financial statements. The Group's recorded positions on goodwill and certain indefinite life brands amount to $359 million as at 30 September 2023. As required by IAS 36: "*Impairment of Assets*", goodwill and intangible assets with indefinite useful lives must be tested for impairment at least annually. These impairment assessments are subjective as they require the use of projected financial information and assumptions. The purpose of the impairment review is to ensure that goodwill is not carried at an amount greater than its recoverable amount. The recoverable amount is compared with the carrying value of the asset to determine if the asset is impaired.	Overall, our audit procedures focused on critically assessing and challenging the appropriateness and reasonableness of the key assumptions utilised by the Group including the determination of cash generating units, cash-flow projections to historical performance and the discount rates, considering also local economic conditions and other alternative relevant independent sources of information. We also evaluated whether the impairment test model used by the Group met the requirements of IAS 36. We closely analysed Management's judgements used in its assessments, including longer-term assumptions, by applying sensitivity analyses to account for market volatility. The calculations were reassessed to factor in any negative impact from the current economic environment on the discount rate and other performance factors, along with assessing the potential future impact on business. We involved our EY valuation specialists to assist with our audit of the impairment test methodology, including the cash flows, discount rate and long-term growth rate assumptions utilised in the impairment test.

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Report on the Audit of the Consolidated Financial Statements
(Continued)

Key Audit Matters
(Continued)

Key Audit Matter	**How our audit addressed the Key Audit Matter**
Estimation uncertainty involved in impairment testing of goodwill and other intangible assets with indefinite lives (continued) In determining future cash-flow projections, the Group uses assumptions and estimates such as future market conditions, future economic growth, expected market share and gross margins. The outcome of the impairment testing is sensitive to these assumptions and estimates, such that changes in these assumptions/estimates may result in different impairment test conclusions. Due to the range of assumptions/estimates and the dependence on future market developments used in the models and impairment assessments, this is a key audit matter.	The accounting and measurement methods applied are in accordance with IFRSs. We also reviewed and assessed the appropriateness and completeness of the related disclosures in the notes to the consolidated financial statements, with reference to that prescribed by IFRSs.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements
(Continued)

Other information included in the Group's 2023 Annual Report
Other information consists of the information included in the Group's 2023 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2023 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 when it becomes available 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.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, 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.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements
(Continued)

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.
- 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.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements
(Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
(Continued)
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (continued)

- 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 the Audit Committee 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 the Audit Committee 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 the Audit Committee, 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 in charge of the audit resulting in this independent auditor's report is Ravi Dass.

EY

Port of Spain
TRINIDAD:
29 November 2023

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AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	Notes	2023	Restated 2022
ASSETS		**$'000**	**$'000**
Non-current assets			
Property, plant and equipment	5	1,252,806	928,518
Investment properties	6	123,358	87,537
Right-of-use asset	7	132,232	135,425
Intangible assets	8	394,497	300,580
Retirement benefits asset	9	39,656	34,500
Deferred tax asset	15	19,910	22,508
Investment in associates	32	23,142	5,675
Prepayments and advances		5,085	4,756
		1,990,686	1,519,499
Current assets			
Inventories	10	1,092,884	931,109
Construction contract work-in-progress	11	3,113	1,412
Taxation recoverable		15,941	6,847
Trade and other receivables	12	887,053	610,350
Cash at bank and in hand	22	223,686	261,602
		2,222,677	1,811,320
TOTAL ASSETS		4,213,363	3,330,819
EQUITY			
Capital and reserves			
Stated capital	13	364,716	364,716
Capital reserve		2,652	2,652
Revaluation reserve		231,045	139,101
Other reserves		(3,861)	6,371
Retained earnings		1,103,744	878,632
Equity attributable to equity holders of the parent		1,698,296	1,391,472
Non-controlling interests		478,280	437,067
		2,176,576	1,828,539

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023
(Continued)

	Notes	2023 $'000	Restated 2022 $'000
LIABILITIES			
Non-current liabilities			
Borrowings	14	661,181	332,080
Lease liability	7	181,231	190,938
Deferred tax liability	15	94,007	91,326
		936,419	614,344
Current liabilities			
Borrowings	14	319,461	179,590
Lease liability	7	17,015	8,214
Taxation payable		24,203	33,382
Trade and other payables	16	739,689	666,750
		1,100,368	887,936
TOTAL LIABILITIES		2,036,787	1,502,280
TOTAL EQUITY AND LIABILITIES		4,213,363	3,330,819

The accompanying notes form an integral part of these consolidated financial statements.

These consolidated financial statements were authorised for issue by the Board of Directors of Agostini's Limited on 29 November 2023, and signed on its behalf by:

: Director

: Director

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 $'000	Restated 2022 $'000
Revenue from contracts with customers	29 & 30	4,683,587	4,096,602
Cost of sales	18	(3,416,790)	(2,942,733)
Gross profit		1,266,797	1,153,869
Other operating income	17	63,559	41,329
		1,330,356	1,195,198
Expenses			
Other operating	18	(368,257)	(325,929)
Administration	18	(308,846)	(308,974)
Marketing and distribution	18	(170,397)	(140,372)
		(847,500)	(775,275)
Operating profit		482,856	419,923
Finance costs	19	(49,089)	(33,707)
Profit before taxation, net gain and revaluation		433,767	386,216
Net gain on acquisitions	8 & 31(c)	84,886	-
Loss on revaluation of investment property	6	(2,728)	-
Profit before taxation		515,925	386,216
Taxation	20	(122,799)	(122,394)
Profit for the year		393,126	263,822
Attributable to:			
Equity holders of the parent		313,358	190,820
Non-controlling interests		79,768	73,002
		393,126	263,822
Earnings per share:		$	$
Basic and diluted (expressed in $ per share)	21	4.53	2.76

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 $'000	Restated 2022 $'000
Profit for the year		393,126	263,822
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement (loss)/gains on retirement benefits	9	(234)	1,865
Income tax effect	15	59	(660)
		(175)	1,205
Revaluation of land and buildings	5	120,341	3,299
Income tax effect	15	(9,944)	(990)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		110,222	3,514
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(10,709)	(2,373)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		(10,709)	(2,373)
Other comprehensive income for the year, net of tax		99,513	1,141
Total comprehensive income for the year, net of tax		492,639	264,963
Attributable to:			
Equity holders of the parent		384,644	190,306
Non-controlling interests		107,995	74,657
		492,639	264,963

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2023

		Attributable to equity holders of the parent						Non-	
Year ended 30 September 2023	**Notes**	**Stated capital $'000**	**Capital reserve $'000**	**Revaluation reserve $'000**	**Other reserves $'000**	**Retained earnings $'000**	**Total $'000**	**controlling interests $'000**	**Total equity $'000**
Opening balance at 1 October 2022		364,716	2,652	139,101	6,371	878,632	1,391,472	437,067	1,828,539
Other movements		-	-	-	-	15,470	15,470	(31,153)	(15,683)
Profit for the year		-	-	-	-	313,358	313,358	79,768	393,126
Other comprehensive income		-	-	91,944	(10,232)	(10,426)	71,286	28,227	99,513
Total comprehensive income				91,944	(10,232)	302,932	384,644	107,995	492,639
Dividends ($1.35 per share)	28	-	-	-	-	(93,290)	(93,290)	(35,629)	(128,919)
Balance at 30 September 2023		364,716	2,652	231,045	(3,861)	1,103,744	1,698,296	478,280	2,176,576

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2023
(Continued)

		Attributable to equity holders of the parent						Non-	
Year ended 30 September 2022	**Notes**	**Stated capital $'000**	**Capital reserve $'000**	**Revaluation reserve $'000**	**Other reserves $'000**	**Retained earnings $'000**	**Total $'000**	**controlling interests $'000**	**Total equity $'000**
Opening balance at 1 October 2021		364,716	2,652	137,071	7,348	756,318	1,268,105	398,273	1,666,378
Other movements		-	-	-	-	2,165	2,165	3,329	5,494
Profit for the year (as previously stated)		-	-	-	-	201,386	201,386	73,546	274,932
Restatement	31 (b)					(10,566)	(10,566)	(544)	(11,110)
Other comprehensive income		-	-	2,030	(977)	(1,567)	(514)	1,655	1,141
Total comprehensive income		-	-	2,030	(977)	189,253	190,306	74,657	264,963
Dividends (80¢ per share)	28	-	-	-	-	(69,104)	(69,104)	(39,192)	(108,296)
Balance at 30 September 2022 (Restated)		364,716	2,652	139,101	6,371	878,632	1,391,472	437,067	1,828,539

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 $'000	Restated 2022 $'000
Operating activities			
Profit before taxation		515,925	386,216
Adjustments for:			
Depreciation of property, plant and equipment	5	61,577	50,151
Amortisation and impairment of intangible assets	8	5,684	5,760
Depreciation on right of use assets	7	17,944	16,002
Gain on sale of property, plant and equipment	17	(3,035)	(955)
Fair value adjustment and other movements	31(b)	-	11,110
Net gain on acquisition	8 & 31(c)	(84,886)	-
Net retirement benefit expense	9	10,146	8,608
Loss on revaluation of investment property	6	2,728	-
Finance cost	19	49,089	33,707
Operating profit before changes in working capital		575,172	510,599
Changes in working capital			
Increase in inventories and work-in-progress		(30,130)	(176,994)
Increase in trade and other receivables		(159,569)	(36,640)
(Decrease)/increase in trade and other payables		(22,488)	60,242
Net cash flows from operations		362,985	357,207
Pension contributions paid		(9,872)	(9,623)
Finance cost paid (net)		(49,089)	(33,707)
Taxation paid		(147,916)	(110,038)
Net cash flows from operating activities		156,108	203,839

The accompanying notes form an integral part of these consolidated financial statements.

AGOSTINI'S LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023
(Continued)

	Notes	2023 $'000	Restated 2022 $'000
Investing activities			
Purchase of property, plant and equipment	5	(82,660)	(106,682)
Proceeds from sale of property, plant and equipment		3,187	894
Additions to investment property	6	(38,549)	(36,546)
Investment in associates	32	(17,467)	(5,675)
Acquisition of subsidiaries, net of cash acquired	31	(381,219)	(74,439)
Acquisition of NCI shares		-	(1,654)
Purchase of intangible and other assets	8	(5,643)	(2,107)
Net cash flows used in investing activities		(522,351)	(226,209)
Financing activities			
Payment of principal portion of lease liabilities		(16,969)	(15,593)
Dividends paid to ordinary shareholders	28	(93,290)	(69,104)
Dividends paid to non-controlling interests		(35,629)	(25,298)
Net proceeds from borrowings		336,681	106,512
Net cash flows generated from/(used in) financing activities		190,793	(3,483)
Net decrease in cash and cash equivalents during the year		(175,450)	(25,853)
Net foreign exchange differences		5,243	(4,192)
Cash and cash equivalents, at 1 October		202,577	232,622
Cash and cash equivalents, at 30 September	22	32,370	202,577

The accompanying notes form an integral part of these consolidated financial statements.

1. General information

Agostini's Limited ("the Company" or "the Parent Company") is a limited liability company, incorporated and domiciled in the Republic of Trinidad and Tobago and the address of its registered office is 18 Victoria Avenue, Port of Spain. Agostini's Limited and its subsidiaries ("the Group") is principally engaged in trading and distribution (wholesale and retail),oilfield services and manufacturing/packing of certain food products and manufacturing of certain pharmaceutical products. The Group operates and has subsidiaries in Trinidad and Tobago, Barbados, Canada, Jamaica, St. Lucia, St. Vincent and the Grenadines, Grenada and Guyana. A listing of the Group's subsidiaries is presented in Note 24.

The shares of the Parent Company are listed on the Trinidad and Tobago Stock Exchange. The majority shareholder and ultimate parent company of the Group is Victor E. Mouttet Limited ("VEML"), a company incorporated in the Republic of Trinidad and Tobago, which owns 57.8% of the Company's issued ordinary shares.

2. Summary of 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.

a) Basis of preparation

The consolidated financial statements of the Group are prepared under the historical cost convention, except as modified by the revaluation of land and buildings and investment properties that have been measured at fair value (Notes 2(e) and 2(f)). These consolidated financial statements are expressed in Trinidad and Tobago dollars and all values are rounded to the nearest thousand ($'000). The consolidated financial statements provide comparative information in respect of the previous period.

i) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

ii) Restatement

The consolidated financial statements have been restated in respect of the 2022 comparative information, as a result of the finalisation in 2023 of the fair values of acquired assets and liabilities of an entity acquired in a business combination which occurred in the 2022 financial period.

The impact of the restatements is presented in Note 31(b).

ii) Principles of consolidation

The consolidated financial statements of the Group include the financial statements of the parent and its subsidiary companies. All intra-group balances, transactions, and income and expenses have been eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of income and consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

iii) Changes in accounting policies and disclosures

a) New and amended standards and interpretations

Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework (effective 1 January 2022)

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.

The amendments must be applied prospectively. Earlier application is permitted.

These amendments had no impact on the consolidated financial statements of the Group.

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

iii) Changes in accounting policies and disclosures (continued)

a) New and amended standards and interpretations (continued)

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use (effective 1 January 2022)

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment must be applied retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

There is no transition relief for first-time adopters.

These amendments had no impact on the consolidated financial statements of the Group.

Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract (effective 1 January 2022)

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

iii) Changes in accounting policies and disclosures (continued)

a) New and amended standards and interpretations (continued)

Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract (effective 1 January 2022) (continued)

The amendments must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

These amendments had no impact on the consolidated financial statements of the Group.

Improvement to International Financial Reporting Standards

The annual improvement process of the International Accounting Standards Board deals with non-urgent, but necessary clarifications and amendments to IFRS. The following amendments are applicable to periods beginning on or after 1 January 2022, but have resulted in no material change to the consolidated financial statements.

IFRS	Subject of Amendment
IAS 41 -	IAS 41 Agriculture - Taxation in fair value measurements - The amendment removes the requirement in paragraph 22 of IA 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

This amendment had no impact on the consolidated financial statements of the Group.

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

iii) Changes in accounting policies and disclosures (continued)

a) New and amended standards and interpretations (continued)

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below.

The Group is currently assessing the potential impact of these new standards and interpretations and will adopt them when they become effective.

- IFRS 17 Insurance contracts - Effective 1 January 2023
- Amendments to IAS 1 Presentation of Financial Statements - Classification of liabilities as current or non-current - effective 1 January 2024
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates errors - Definition of accounting estimates - effective 1 January 2023
- Amendments to IAS 1 and IFRS Practice statement 2 - Disclosure of accounting policies - effective 1 January 2023
- Amendments to IAS 12 Income Taxes - Deferred tax related to assets and liabilities arising from a single transaction - effective 1 January 2023
- International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12 Income Taxes - effective 1 January 2023
- Lease liability in a sale and leaseback - Amendments to IFRS 16 - Effective on or after 1 January 2024
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current - effective 1 January 2024
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 - effective 1 January 2024

2. Summary of significant accounting policies (continued)

b) Consolidation

i) Subsidiaries

The consolidated financial statements comprise the financial statements of Agostini's Limited and its subsidiaries as at 30 September 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

2. Summary of significant accounting policies (continued)

b) Consolidation (continued)

i) Subsidiaries (continued)

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2. Summary of significant accounting policies (continued)

b) Consolidation (continued)

i) Subsidiaries (continued)

Non-controlling interests represent the interests not held by the Group, in Rosco Procom Limited, Caribbean Distribution Partners Limited, Desinco Limited, Independence Agencies Limited and Chinook Trading Canada Limited.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of 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.

A listing of the Group's subsidiaries is set out in Note 24.

ii) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Where business combinations under common control occur, the acquisition method can also be used as permitted under the guidelines of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administration expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2. Summary of significant accounting policies (continued)

b) Consolidation (continued)

ii) Business combinations and goodwill (continued)

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be re-measured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the profit or loss.

Following a business combination, the Group has a period of not more than twelve months from the date of acquisition to finalise the acquisition fair values of assets acquired and liabilities assumed including the valuations of identifiable intangible assets and other long lived assets.

2. Summary of significant accounting policies (continued)

c) Segment reporting

An operating segment is a group of assets, liabilities and operations which are included in the measures that are used by 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's Board of Directors, who are also responsible for making strategic decisions.

d) Foreign currency translation

i) Functional and presentation currency

The Group's consolidated financial statements are presented in Trinidad and Tobago dollars (expressed in thousands) which is also the parent Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

ii) Transactions and balances

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

2. Summary of significant accounting policies (continued)

d) Foreign currency translation (continued)

ii) Transactions and balances (continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss on translation of non-monetary assets and liabilities measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (that is translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss respectively).

Monetary assets and liabilities denominated in foreign currencies are translated into Trinidad and Tobago dollars at the rate of exchange existing at the reporting date.

iii) *Foreign entities*

On consolidation the assets and liabilities of foreign operations are translated into Trinidad and Tobago dollars at the rate of exchange prevailing at the reporting date and their consolidated statements of income are translated at the average rate for the financial period. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange at the reporting date.

2. Summary of significant accounting policies (continued)

e) Property, plant and equipment

Freehold properties (land and buildings) comprise mainly warehouses, retail outlets and offices occupied by the Group and are measured at fair value less subsequent accumulated depreciation for buildings and impairment losses recognised at the date of the revaluation. Management valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. Valuations are performed every five years by qualified independent professional valuators. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment 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. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to the revaluation reserve included in the equity section of the consolidated statement of financial position. Decreases that offset previous increases of the same asset are charged against revaluation reserve directly in equity; all other decreases are charged to the consolidated statement of income.

The freehold buildings are depreciated on a straight-line basis at 1.5% - 2% per annum on the depreciable balance. Leasehold improvements are amortised over the lives of the leases which include options to renew for further terms ranging from 6 years to 10 years which the Group intends to exercise. Land and capital work-in-progress are not depreciated. Depreciation is provided on plant and other assets on the straight-line basis at rates as follows:

Machinery and equipment	-	10% - 33 1/3% per annum
Motor vehicles	-	12 1/2% - 25% per annum
Furniture and office equipment	-	10% - 25% per annum

2. Summary of significant accounting policies (continued)

e) Property, plant and equipment (continued)

The estimated useful lives of property, plant and equipment is reviewed and adjusted if appropriate, at each financial year end.

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 proceeds with carrying amounts. These are included in the consolidated statement of income. When revalued assets are sold, the amounts included in the revaluation surplus account are transferred to retained earnings.

f) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Fair value is determined annually based on the valuation methodology applied consistently by management. Similar to property, plant and equipment, valuations are performed every five years by an independent professional valuator. Investment properties are not subject to depreciation. Changes in fair value are recorded in the consolidated statement of income.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

2. Summary of significant accounting policies (continued)

f) Investment properties (continued)

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

g) Intangible assets

Goodwill
Goodwill represents the excess of the cost of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest of the acquiree. Goodwill on acquisition of associates is included in investments in associates and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment 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 of those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Software
Software assets which have been acquired directly are recorded initially at cost. On acquisition the useful life of the asset is estimated and the cost amortised over its life and tested for impairment when there is evidence of same. The current estimated useful life of the software asset is three years.

2. Summary of significant accounting policies (continued)

g) Intangible assets (continued)

Software (continued)
The amortisation period and the amortisation method for these intangible assets are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on these intangible assets is recognised in the consolidated statement of income in the expense category that is consistent with the function of the intangible assets.

Other intangibles – Customer relationships, brands, rights and other trade names
The cost of other intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of other intangible assets are assessed as finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually to determine whether the indefinite lives continue to be supportable. If not, the change from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2. Summary of significant accounting policies (continued)

h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position, only where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

i) Inventories

Inventories are stated at the lower of cost and net realisable value, cost being landed value determined on the weighted average basis. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production expenses. Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

j) Financial assets

Initial recognition and measurement
The Group's financial assets include cash at bank and trade and other receivables. The Group determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, deposits held on call with banks with an original maturity of three months or less, net of bank overdrafts and short-term borrowings. Bank overdrafts and short-term borrowings are included within borrowings in current liabilities in the consolidated statement of financial position. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short term deposits as defined above, net of bank overdrafts.

2. Summary of significant accounting policies (continued)

j) Financial assets (continued)

Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is established when there is objective evidence that the amount will not be collected according to the original terms of the invoice. When a trade receivable is uncollectible, it is written off against the allowance accounts for trade receivables.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debts instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted where applicable for forward-looking factors specific to the debtors and the economic environment.

2. Summary of significant accounting policies (continued)

j) Financial assets (continued)

Impairment of financial assets (continued)
The Group considers a financial asset in default when contractual payments are 90-180 days past due depending on the nature of the financial asset. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of income.

k) Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, net of directly attributable transaction costs. The Group's financial liabilities include borrowings as well as trade and other payables and are recognised initially at fair value.

2. Summary of significant accounting policies (continued)

k) Financial liabilities (continued)

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the consolidated statement of income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of comprehensive income.

Trade and other payables

Liabilities for trade and other accounts payable which are normally settled on 30 day terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated statement of income.

2. Summary of significant accounting policies (continued)

l) Stated capital

Ordinary shares are classified as equity and is recognised at the fair value of the consideration received by the Group. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

m) Current and deferred income taxes

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

The current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the consolidated statement of financial position date.

Deferred income tax is provided 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. Deferred income tax is determined using tax rates and tax laws that have been enacted or substantially enacted by the consolidated statement of financial position date and are expected to apply when the related income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets relating to carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax to be recovered.

2. Summary of significant accounting policies (continued)

n) Employee benefits

Pension
Retirement benefits for Group's employees are provided by various defined benefit and defined contribution plans. These plans are funded by contributions from the Group and qualified employees. Payments are made to pension trusts, which are financially separate from the Group, in accordance with periodic calculations by actuaries.

For the CDP Trinidad Limited- Hand Arnold Division and Agostini's Limited (operating in Trinidad and Tobago) defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The maximum economic benefits available, as limited by the asset ceiling will crystallise in the form of reductions in future contributions.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation within "employee benefit expense" (Note 23):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

2. Summary of significant accounting policies (continued)

n) Employee benefits (continued)

Pension (continued)
The employees of Smith Robertson & Company Limited and CDP Trinidad - Vemco Division (operating in Trinidad and Tobago) are members of the Victor E. Mouttet Limited defined benefit plan, the assets of which are held in separate trustee administered funds. The pension plan is funded by payments from employees and by the Company taking account of the recommendations of independent qualified actuaries. The Company's contributions are included in the employee benefit expense of these consolidated financial statements. Any assets and liabilities in relation to this defined benefit plan in accordance with International Accounting Standard 19 - Employee Benefits, are recorded by the Victor E. Mouttet Limited.

Hanschell Inniss Limited, Peter & Company Limited and Coreas Distribution Limited (operating in Barbados, St. Lucia, and St. Vincent respectively) participate in a defined benefit and defined contribution plan respectively operated by Goddard Enterprises Limited for the Group employees under segregated fund policies with Sagicor Life Inc. The schemes are funded through payments from the employees and the Group determined by periodic actuarial calculations.

Independence Agencies Limited (operating in Grenada) operates a defined contribution plan which is administered by a registered Insurance Company. Independence Agencies Limited pays fixed contributions into the fund and has no legal or constructive obligation to pay further contributions. The contributions are recorded as an expense in the consolidated statement of income.

Collins Limited and Carlisle Laboratories Limited (operating in Barbados) participate in a defined benefit pension plan. Employees contribute a percentage of salary and the Companies contributes the balance of the cost as determined by the actuary. Acturial gains or losses are recognized immediately in the statement of comprehensive income.

2. Summary of significant accounting policies (continued)

o) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

When the Group can reliably measure the outflow of economic benefits in relation to a specific matter and considers such outflows to be probable, the Group records a provision against the matter. Given the subjectivity and uncertainty of determining the probability of losses, the Group takes into account a number of factors including legal advice, the stage of a matter and historical evidence from similar incidents.

p) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods and services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange of goods and services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 4.

i) Sales of products to third parties

Revenue from the sale of products to third parties is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the items. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. providing servicing). In determining the transaction price for sales, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

2. Summary of significant accounting policies (continued)

p) Revenue from contracts with customers (continued)

i) Sales of products to third parties (continued)

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

ii) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2 (j).

2. Summary of significant accounting policies (continued)

p) Revenue from contracts with customers (continued)

ii) Contract balances (continued)

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

iii) Rental income

Rental income arising on investment properties under operating lease is recognised in the consolidated statement of income on a straight-line basis over the lease term.

iv) Other income

All other income is recognised on an accrual basis.

q) Dividend distribution

Dividend distribution on ordinary shares to the Parent's shareholders is recognised as a liability and deducted from equity in the consolidated financial statements in the period in which the dividends are approved by the Board of Directors. Interim dividends are distributed from equity when they are paid. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date.

2. Summary of significant accounting policies (continued)

r) Leases

The Group assesses at contract inception whether a contract is or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases except short-term lease and leases of low value assets.

i) Right-of-use assets

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial lease liabilities recognised, initial direct cost incurred and lease payments made on or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and building - 4.38% - 9.11%
- Plant and machinery - 3.46% - 7.1%

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2. Summary of significant accounting policies (continued)

r) Leases (continued)

Group as a lessee (continued)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid of a purchase option reasonable certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. Summary of significant accounting policies (continued)

r) Leases (continued)

Group as a lessee (continued)

iii) Short-term leases and leases of low-value assets

The Group also applied available practical expedients wherein it used a single discount rate to a portfolio of leases with reasonably similar characteristics, applied the short term leases exemptions to leases with lease term that ends within 12 months of the date of initial application and used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.Contingent rents are recognised as revenue in the period in which they are earned.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed when incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Summary of significant accounting policies (continued)

t) Fair value measurement

The Group measures freehold properties and investment properties at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. Summary of significant accounting policies (continued)

t) Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

u) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready for use 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 largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2. Summary of significant accounting policies (continued)

u) Impairment of non-financial assets (continued)

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to consolidated statement of income. For such properties, the impairment is recognised in consolidated statement of income up to the amount of any previous revaluation.

2. Summary of significant accounting policies (continued)

u) Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

v) Current versus non-current distinction

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in a normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2. Summary of significant accounting policies (continued)

w) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment separately.

The consolidated statement of income reflects the Group's share of the results of operations of the associate. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate' in the consolidated statement of income.

2. Summary of significant accounting policies (continued)

w) Investment in associates (continued)

The consolidated statement of income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

x) Earnings per share

Earnings per share (EPS) have been calculated by dividing the profit for the year attributable to shareholders over the weighted average number of ordinary shares in issue during the year net of treasury shares. Diluted EPS is computed by adjusting the weighted average number of ordinary shares in issue (net of treasury shares) for the assumed conversion of potential dilutive ordinary shares.

y) Comparative information

Changes in presentation were made to the comparative information of the previous year (2023) for investment properties to allow consistent presentation with the current year. These changes had no effect on the operating profit, profit after taxation, net cash flows or net assets of the Group for the previous year (2022).

3. Financial risk management and fair value estimation

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. Risk is managed through a process of ongoing identification, measurement and monitoring. The process of risk management is critical to the Group's continuing profitability and each individual company within the Group is accountable for the risk exposures relating to their responsibilities.

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies and principles. Day to day adherence to risk principles is carried out by the Executive Management of the Group.

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Group companies comprises currency risk and cash flow interest rate risks.

a) Currency risk

Currency risk is the risk that the value of a recognised asset or liability will fluctuate due to changes in foreign exchange rates. Such exposure arises from sales or purchases in a currency other than the Group's functional currency and net investments in foreign operations. The Group's primary exposure is primarily with respect to the US dollar. Management monitors its exposure to foreign currency fluctuations and employs appropriate strategies to mitigate any potential losses.

3. Financial risk management and fair value estimation (continued)

(a) Financial risk factors (continued)

i) Market risk (continued)

a) Currency risk (continued)

Year ended 30 September 2023

ASSETS	TTD $'000	USD $'000	ECD $'000	BDS $'000	Euro $'000	GUY $'000	CAD $'000	JMD $'000	Total $'000
Cash at bank	63,250	43,838	8,477	75,577	4,421	5,821	282	22,020	223,686
Trade and other receivables	569,823	150,979	76,159	52,612	1,297	22,366	-	13,817	887,053
Total financial assets	633,073	194,817	84,636	128,189	5,718	28,187	282	35,837	1,110,739
LIABILITIES									
Borrowings	503,962	72,467	72,973	159,881	-	49,209	-	122,150	980,642
Trade and other payables	280,933	304,380	28,562	49,493	13,008	22,878	98	40,337	739,689
Total financial liabilities	784,895	376,847	101,535	209,374	13,008	72,087	98	162,487	1,720,331
Net currency risk exposure	-	(182,030)	(16,899)	(81,185)	(7,290)	(43,900)	184	(126,650)	(457,770)
Reasonably possible change in foreign exchange rate		5%	5%	5%	5%	5%	5%	5%	5%
Effect on profit before tax		(9,102)	(845)	(4,059)	(365)	(2,195)	9	(6,333)	(22,889)

3. Financial risk management and fair value estimation (continued)

(a) Financial risk factors (continued)

i) Market risk (continued)

a) Currency risk (continued)

Year ended 30 September 2022 (Restated)

ASSETS	TTD $'000	USD $'000	ECD $'000	BDS $'000	Euro $'000	GUY $'000	CAD $'000	Total $'000
Cash at bank	206,956	17,165	12,630	7,052	14,479	2,776	544	261,602
Trade and other receivables	457,008	38,068	66,418	36,344	352	12,160	-	610,350
Total financial assets	663,964	55,233	79,048	43,396	14,831	14,936	544	871,952
LIABILITIES								
Borrowings	339,205	37,034	61,031	36,010	-	38,390	-	511,670
Trade and other payables	280,238	295,296	25,970	45,163	15,727	4,356	-	666,750
Total financial liabilities	619,443	332,330	87,001	81,173	15,727	42,746	-	1,178,420
Net currency risk exposure	-	(277,097)	(7,953)	(37,777)	(896)	(27,810)	544	(350,989)
Reasonably possible change in foreign exchange rate		5%	5%	5%	5%	5%	5%	5%
Effect on profit before tax		(13,855)	(398)	(1,889)	(45)	(1,391)	27	(17,549)

3. Financial risk management and fair value estimation (continued)

(a) Financial risk factors (continued)

i) Market risk (continued)

b) Cash flow interest rate risk

As the Group has no significant variable rate interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. The Group manages its interest rate exposure by maintaining a significant percentage of the long-term borrowings in fixed rate instruments.

The Group has calculated the impact on profit and loss of a change in interest rates of 100 basis points, based on the average variable borrowings for the financial year. Based on these calculations, the impact would be an increase or decrease of $1,261,875 (2022: $548,110).

3. Financial risk management and fair value estimation (continued)

(a) Financial risk factors (continued)

ii) Credit risk

The Group takes on exposure to credit risk, which is the potential for loss due to a debtor's failure to pay amounts when due. Credit risk arises from cash and outstanding receivables. Impairment provisions are established for losses that have been incurred at the consolidated statement of financial position date.

The Group trades only with recognised, credit worthy third parties, who are subject to credit verification procedures, which take into account their financial position and past experience. Individual risk limits are set based on internal ratings. Exposure to credit risk is further managed through regular analysis of the ability of debtors to settle their outstanding balances. Cash is deposited with reputable financial institutions.

The following table shows the maximum exposure to credit risk which represents a worst case scenario of credit risk exposure, without taking account of any collateral held or other credit enhancements attached.

	Gross maximum exposure	
	2023	**2022**
	$'000	**$'000**
Trade and other receivables (Note 12)	882,189	599,309
Cash at bank and in hand (Note 22)	223,686	261,602
Total	1,105,875	860,911

3. Financial risk management and fair value estimation (continued)

(a) Financial risk factors (continued)

iii) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. The Group manages its liquidity risk by monitoring its projected inflows and outflows from operations. Where possible the Group utilises surplus internal funds to finance its operations and ongoing projects. The Group also utilises available credit facilities such as long-term borrowings, overdrafts and other financial options where required.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	1 to 2 years	2 to 5 years	Greater than 5 years	Total
2023	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Bank overdraft/ acceptances	191,316	-	-	-	191,316
Lease liabilities	29,681	21,982	63,797	153,979	269,439
Borrowings	138,148	164,150	282,050	446,435	1,030,783
Trade and other payables	739,689	-	-	-	739,689
	1,098,834	186,132	345,847	600,414	2,231,227
2022					
Bank overdraft/ acceptances	59,025	-	-	-	59,025
Lease liabilities	15,911	16,360	37,056	129,825	199,152
Borrowings	109,559	83,900	112,501	108,119	414,079
Trade and other payables	666,750	-	-	-	666,750
	851,245	100,260	149,557	237,944	1,339,006

3. Financial risk management and fair value estimation (continued)

(b) Capital risk management

The Group's objective when managing capital is 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 adjust 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, which is calculated as total borrowings, both current and non-current, less cash divided by total capital (debt and equity), as presented below:

	2023 $'000	Restated 2022 $'000
Total borrowings (Note 14)	980,642	511,670
Less: cash at bank (Note 22)	(223,686)	(261,602)
Net debt	756,956	250,068
Total equity	2,176,576	1,828,539
Total capital	2,933,532	2,078,607
Gearing ratio	26%	12%

For 2023, the Group complied with all of the externally imposed capital requirements to which they are subject.

3. Financial risk management and fair value estimation (continued)

(c) Fair value estimation

The carrying amount of short-term financial assets and liabilities comprising cash at bank, accounts receivable, accounts payable and the current portion of borrowings are a reasonable estimate of their fair values because of the short maturity of these instruments.

The fair value of the long-term portion of the fixed rate financing as at 30 September 2023 is estimated to be $661.2 million (2022: $332.1 million) which is similar to its carrying value of $661.2 million (2022: $332.1 million). For all other financial assets and liabilities, the carrying value is considered a reasonable approximation of fair value.

At the end of the reporting period, the Group updated its assessment of the fair value of investment and freehold properties (classified within property, plant and equipment). Independent valuations were appropriately obtained in accordance with the Group's accounting policies as described in Note 2.

These fair value amounts were determined mainly on the basis of level 3 inputs. Main inputs used in the determination of fair value for these assets include the location, square footage, the overall condition of each property and the potential usage of the property.

4. Significant accounting estimates, assumptions and judgements

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4. Significant accounting estimates, assumptions and judgements (continued)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Impairment of goodwill and intangibles

The Group determines whether goodwill or other indefinite life intangibles are impaired at least on an annual basis. This requires an estimation of recoverable amount which is the higher of the 'value in use' or 'fair value less costs of disposal' of the cash-generating units to which the goodwill or other intangibles are allocated. Estimating a recoverable amount requires management to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate and the growth rate used for extrapolation purposes.

ii) Expected credit losses of trade receivables

Management exercises judgement and estimation in determining the adequacy of expected credit losses for trade accounts receivable balances for which collections are considered doubtful. Judgement is used in the assessment of the extent of the recoverability of long outstanding balances. Actual outcomes may be materially different from the provision established by management. The accounting policies related to expected credit losses of trade receivables is disclosed in Note 2(j).

4. Significant accounting estimates, assumptions and judgements (continued)

iii) Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of construction contracts
The Group concluded that revenue for some construction contracts is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re-perform the projects that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The Group applies the input method of measuring progress of construction contracts depending on how management measures progress towards completion for project management purposes. Where the input method is applied, the Group recognises revenue on the basis of the cost incurred relative to the total expected cost to complete the service.

iv) Revaluation of freehold properties and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the consolidated statement of income. In addition, it measures freehold properties at revalued amounts with changes in fair value being recognised in equity. An independent third party assessment is performed every five (5) years for freehold properties. The resultant changes were included in the revaluation reserves or profit and loss, as a gain or loss in valuation respectively. Valuations are sensitive to the underlying assumptions utilized by management in the valuation methodology applied in determining fair value.

4. Significant accounting estimates, assumptions and judgements (continued)

v) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the existence of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Company's domicile.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) Pension benefits

The cost of defined benefit pension plans and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4. Significant accounting estimates, assumptions and judgements (continued)

vii) Leases

Determining the lease term of contracts with renewal and termination Options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of land and buildings and plant and machinery with shorter non-cancellable period. The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of land and buildings and plant and machinery with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not be exercised.

4. Significant accounting estimates, assumptions and judgements (continued)

vii) Leases (continued)

Estimating the incremental borrowing rate
If the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (e.g., when leases are not in the subsidiary's functional currency).

The Group estimates the IBR using observable inputs (such as market rates) when available and is required to make certain entity-specific estimates (such as subsidiary's stand-alone credit rating).

Operating lease commitments - Group as lessor
The Group has entered into vehicle, equipment and property leases. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial assets, that it retains all the significant risk and rewards of ownership of these assets and accounts for the contracts as operating leases.

Finance lease commitments - Group as lessor
Leases are classified as finance leases when the terms of the lease transfer substantially all of the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

5. Property, plant and equipment

Year ended	Land, building and improvements $'000	Furniture and office equipment $'000	Motor vehicles $'000	Machinery and equipment $'000	Capital work-in-progress $'000	Total $'000
30 September 2023						
Opening net book amount	758,897	58,881	27,175	51,098	32,467	928,518
Changes in composition of Group (Note 31 (c) (d) (e))	175,253	8,793	1,889	3,677	-	189,612
Additions	16,061	15,828	14,382	13,018	23,371	82,660
Disposals	(390)	(41)	(608)	(123)	(41)	(1,203)
Transfers	10,911	1,937	-	13,375	(26,223)	-
Transfer to intangible asset (Note 8)	-	-	-	-	(718)	(718)
Revaluation surplus	120,341	-	-	-	-	120,341
Foreign exchange translation	(6,550)	(4,371)	(39)	11,146	(5,013)	(4,827)
Depreciation charge (Note 18)	(21,329)	(16,115)	(9,301)	(14,832)	-	(61,577)
Closing net book amount	1,053,194	64,912	33,498	77,359	23,843	1,252,806
At 30 September 2023						
Cost or valuation	1,209,077	264,664	139,337	252,657	23,843	1,889,578
Accumulated depreciation	(155,883)	(199,752)	(105,839)	(175,298)	-	(636,772)
Net book amount	1,053,194	64,912	33,498	77,359	23,843	1,252,806
Year ended 30 September 2022						
Opening net book amount	711,185	52,575	21,799	44,218	47,979	877,756
Changes in composition of Group (Note 31 (a))	-	988	2,622	1,340	-	4,950
Additions	35,450	19,752	13,382	13,938	24,160	106,682
Disposals	-	(6)	(1,036)	(7)	-	(1,049)
Transfers	39,063	(35)	-	-	(39,028)	-
Transfer from investment property (Note 6)	(9,420)	-	-	-	-	(9,420)
Revaluation surplus	3,299	-	-	-	-	3,299
Foreign exchange translation	(2,529)	(142)	(143)	(91)	(644)	(3,549)
Depreciation charge (Note 18)	(18,151)	(14,251)	(9,449)	(8,300)	-	(50,151)
Closing net book amount	758,897	58,881	27,175	51,098	32,467	928,518

5. Property, plant and equipment (continued)

	Land, building and improvements $'000	Furniture and office equipment $'000	Motor vehicles $'000	Machinery and equipment $'000	Capital work in progress $'000	Total $'000
At 30 September 2022						
Cost or valuation	893,451	242,518	123,713	211,564	32,467	1,503,713
Accumulated depreciation	(134,554)	(183,637)	(96,538)	(160,466)	-	(575,195)
Net book amount	758,897	58,881	27,175	51,098	32,467	928,518

An independent professional valuation was conducted on freehold properties as at 28 July 2023 by Brent Augustus and Associates for the properties belonging to the subsidiaries in Trinidad.

Peter and Company Limited in St. Lucia utilised Giselle Hull Casimir, Quality Surveyor for the valuation of its freehold property as at 31 July 2023.

For Coreas Distribution Limited an independent professional valuation was conducted by Browne's Valuation & Quantity Surveying Services Limited as at 17 August 2022.

Independence Agencies Limited utilised Amron Services Inc., to perform an independent valuation of its property as at 27 June 2022.

	2023 $'000	2022 $'000
Depreciation expense charged in administration expenses	48,513	27,817
Depreciation expense charged in cost of sales	13,064	22,334
	61,577	50,151

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2023 $'000	2022 $'000
Cost	910,265	721,706
Accumulated depreciation	(110,670)	(97,016)
Net book amount	799,595	624,690

6. Investment properties	2023 $'000	2022 $'000
Beginning of year	87,537	41,676
Transfer from property, plant and equipment (Note 5)	-	9,420
Addition to investment property	38,549	36,546
Disposal	-	(105)
Revaluation on investment property	(2,728)	-
End of year	123,358	87,537

An independent professional valuation was conducted on the investment property in Trinidad by Brent Augustus and Associates on the open market value basis for $2,300,000.

In Guyana, Agostini Properties Guyana Inc., engaged G.A. Farrell and Associates to conduct a valuation on the commercial warehouse complex to determine its fair value.

The Group is in the early stages of constructing another commercial warehouse complex on its Guyana property. The warehouse complex under construction is recorded at cost of $32,879,929 as at 30 September 2023 as the fair value cannot be reliably determined. The fair value of the complex will be assessed along with any required adjustments on completion of construction.

A management valuation was done on 133-135 Duke Street, Port of Spain for financial year 2023. This property was revalued to $10,478,000 and aligns to the current market value.

In 2023, Caribbean Distribution Partners Limited acquired property at Lot 1B Aranguez South off Chootoo Road Extension, Aranguez. This property is valued at cost of $2,158,000.

The following amounts have been recognised in the consolidated statement of income:

	2023 $'000	2022 $'000
Rental income	2,670	502
Direct operating expenses	685	432

The Group has no restrictions on the realisability of its investment properties and contractual commitment at year-end to purchase, construct or develop investment properties for repairs or enhancements.

7. Leases

Group as a lessee

The Group has lease contracts for various items of land, building and machinery used in its operations. Leases of land and building generally have lease terms between 2 and 30 years, while plant and machinery generally have lease terms between 2 and 5 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of property and machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right of use assets recognised and the movements during the year:

	Land and building $'000	**Plant and machinery $'000**	**Total $'000**
As at 1 October 2022	134,909	516	135,425
Foreign currency translation	200	65	265
Additions	8,900	-	8,900
Depreciation (Note 18)	(17,832)	(112)	(17,944)
Disposals and adjustments	5,859	(273)	5,586
As at 30 September 2023	132,036	196	132,232
As at 1 October 2021	144,105	273	144,378
Foreign currency translation	16	309	325
Additions	7,063	69	7,132
Depreciation (Note 18)	(15,867)	(135)	(16,002)
Disposals and adjustments	(408)	-	(408)
As at 30 September 2022	134,909	516	135,425

7. Leases (continued)

Group as a lessee (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Land and building $'000	Plant and machinery $'000	Total $'000
As at 1 October 2022	198,908	244	199,152
Foreign currency translation	1,959	16	1,975
Additions	8,900	-	8,900
Accretion of interest (Note 19)	10,603	11	10,614
Modification of lease	5,188	-	5,188
Payments	(27,454)	(129)	(27,583)
As at 30 September 2023	198,104	142	198,246
As at 1 October 2021	206,954	244	207,198
Foreign currency translation	346	-	346
Additions	7,132	69	7,201
Accretion of interest (Note 19)	10,849	50	10,899
Payments	(26,373)	(119)	(26,492)
As at 30 September 2022	198,908	244	199,152

7. Leases (continued)

Group as a lessee (continued)

The lease liability is presented on the consolidated statement of financial position as follows:

	2023 $'000	2022 $'000
Current	17,015	8,214
Non-current	181,231	190,938
	198,246	199,152

The maturity analysis of lease liabilities is disclosed in Note 3(a)(iii).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Group as lessor - Operating lease arrangements

The Group has entered into commercial leases on its investment property portfolio consisting of the Group’s surplus office buildings and Guyana warehouse project. These non-cancellable leases have remaining terms of between one to five years. All leases include a clause to enable upward revision of the rental charge every three years according to prevailing market conditions.

Future minimum rentals receivable by the term under non-cancellable operating leases as at 30 September are as follows:

	2023 $'000	2022 $'000
Within one year	3,236	4,632
After one year but no more than five years	2,992	8,600
	6,228	13,232

8. Intangible assets

As at 30 September 2023	Goodwill $'000	Customer relationships brands, rights & trade name $'000	Software $'000	Total $'000
Gross carrying amounts as at 1 October 2022	194,058	136,477	11,882	342,417
Exchange differences	-	709	277	986
Additions	109,447	312	5,643	115,402
Transfer from property, plant and equipment (Note 5)	-	-	718	718
Gross carrying amounts as at 30 September 2023	303,505	137,498	18,520	459,523
Accumulated impairment and amortisation as at 1 October 2022	(2,277)	(33,636)	(5,924)	(41,837)
Exchange differences	-	2	(201)	(199)
Impairment	(17,306)	-	-	(17,306)
Amortisation (Note 18)	-	(3,780)	(1,904)	(5,684)
Accumulated impairment and amortisation as at 30 September 2023	(19,583)	(37,414)	(8,029)	(65,026)
Net carrying amounts as at 30 September 2023	283,922	100,084	10,491	394,497
As at 30 September 2022				
Gross carrying amounts as at 1 October 2021	168,055	126,541	9,668	304,264
Exchange differences	-	-	107	107
Additions (restated)	26,003	9,936	2,107	38,046
Gross carrying amounts as at 30 September 2022 (restated)	194,058	136,477	11,882	342,417
Accumulated impairment and amortisation as at 1 October 2021	(1,935)	(20,355)	(3,958)	(26,248)
Exchange differences	-	-	(107)	(107)
Impairment (restated)	(342)	(9,380)	-	(9,722)
Amortisation (Note 18)	-	(3,901)	(1,859)	(5,760)
Accumulated impairment and amortisation as at 30 September 2022 (restated)	(2,277)	(33,636)	(5,924)	(41,837)
Net carrying amounts as at 30 September 2022 (restated)	191,781	102,841	5,958	300,580

8. Intangible assets (continued)

Goodwill

In accordance with IFRS 3, 'Business Combinations', goodwill acquired through business combinations has been allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination. Impairment is determined by assessing the recoverable amount of the cash-generating units to which goodwill relates.

The following table highlights the goodwill and impairment testing information for each cash-generating unit at year end:

Cash-Generating Unit	Carrying amount of goodwill $'000	Discount rate	Growth rate (extrapolation period)	Year of acquisition
CDP Trinidad Limited (Hand Arnold division)	48,147	10.39%	2.0%	2008
Superpharm Limited	20,888	11.22%	4.0%	2010
Smith Robertson & Company Limited	18,110	11.99%	2.6%	2010
Hanschell Inniss Limited	20,895	15.83%	2.0%	2015
Coreas Distribution Limited	19,471	13.58%	2.0%	2015
CDP Trinidad Limited (Vemco division)	16,606	9.64%	2.0%	2017
Desinco Limited	4,355	8.25%	3.5%	2018
Rosco Procom Limited	26,003	11.53%	2.0%	2022
Health Brands Limited	77,958	-	-	2023
Chinook Trading Canada Ltd	31,489	-	-	2023
Total	283,922			

8. Intangible assets (continued)

Customer relationships, brands, rights and trade names

Subsequent to initial recognition, the customer relationships, brands, rights and trade names were assessed to determine whether their useful lives were finite or indefinite. Those with finite useful lives were assessed to have lives ranging from 10 to 20 years. Impairment tests were performed on the customer relationships, brands and trade names at year end and there were no impairment charges arising.

The following table highlights the impairment testing information for each other intangibles at year end:

Cash-generating unit	Carrying amount of relationships, brands, rights and trade names $'000	Discount rate	Growth rate (extrapolation period)
Hanschell Inniss Limited	878	-	-
Hanschell Inniss Limited - Eve brand	1,360	15.8%	2.0%
Coreas Distribution Limited	811	-	-
Peter and Company Limited	494	-	-
CDP Trinidad Limited (Vemco division)	19,543	-	-
CDP Trinidad Limited (Hand Arnold division)	2,467	10.4%	2.0%
CDP Trinidad Limited (Hand Arnold division)	904	-	-
CDP Brand Holdings	71,465	10.4%	2.0%
Intersol Limited - Diquez brand	1,882	-	-
Health Brands Limited	280	-	-
Total	100,084		

For all of the above impairment tests, the recoverable amount of the relevant business units was determined based on value in use calculations using pre-tax cash flow projections. These projections are based on financial budgets approved by the Board of Directors of the respective companies. In assessing value in use, some budgets were adjusted to deliver an adequate balance between historic performance and likely future outcomes. Growth rates are based on published industry research where available or on the historic average of real GDP for the local economy.

8. Intangible assets (continued)

Customer relationships, brands, rights and trade names (continued)

	2023 $'000	Restated 2022 $'000
Total carrying value of customer relationships, brands, rights and trademarks as at 30 September	100,084	102,841

Key assumptions used in value in use calculations

The calculation of value in use for the respective cash generating units is most sensitive to the following assumptions:

- Gross margins
- Discount rates
- Growth rate used to extrapolate cash flows beyond the forecast period

Gross margins – are impacted by the cost of goods for resale/manufactured at the respective cash generating units. The Group has some discretion in setting selling prices which also impacts gross margin. Factors such as increased competition or decreased consumer spending/demand may negatively impact gross margin.

Discount rates – represents the current market assessment of the risks specific to each cash generating unit, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated into the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and are derived from its weighted average cost of capital (WACC). The WACC takes into account both equity and debt. Adjustments to the discount rate are made to factor in the specific amounts and timing of the future tax flows in order to reflect a pre-tax discount rate.

Growth rate – is based on industry research and is used to extrapolate cash flows beyond the forecast period.

Software

Intangible assets also include the purchase of software systems which are recognized at fair value at the capitalization date. Subsequent to initial recognition, computer software was carried at cost, less amortization and is expected to have a finite useful life of 3 years.

9. Retirement benefits

The Group has defined benefit and defined contribution plans in Trinidad and Tobago, Barbados, St. Lucia, St. Vincent, Grenada and Guyana. These plans are governed by the deeds and rules of the specific plan and the employment laws relevant to the jurisdictions in which they operate.

Contributions recognised in the consolidated statement of income with respect to defined contribution plans are as follows:

	2023 $'000	2022 $'000
Contribution expense – Trinidad and Tobago plans	8,200	7,860
Contribution expense – Overseas plans	1,946	748

The level of pension benefits provided under the defined benefit plans depends on the member's length of service and salary at retirement age. The defined benefit pension plan requires contributions to be made to a separately administered fund. The fund has a separate legal form and is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The Board of Trustees periodically reviews the level of funding in the pension plan. Such a review includes the asset-liability matching strategy and investment risk management policy which considers the term of the pension obligation while simultaneously remaining compliant with the requirements of the Pension Act. The pension plans are exposed to inflation, interest rate risks and changes in the life expectancy for pensioners in the relevant jurisdictions. As the plan assets include significant investments in quoted equity shares, the Group is also exposed to equity market risk.

9. Retirement benefits (continued)	**2023 $'000**	**2022 $'000**
Retirement benefits asset:		
Trinidad and Tobago plans (See Note 9 (a))	29,442	27,128
Overseas plans (See Note 9 (b))	10,214	7,372
	39,656	34,500

a) Trinidad and Tobago plans

Changes in present value of defined benefit obligation	**Defined benefit pension plan 2023 $'000**	**2022 $'000**
Defined benefit obligation at start of year	201,012	196,859
Interest cost	12,268	11,496
Current service cost – employer's portion	9,102	8,751
Employee additional voluntary contributions	7,428	8,510
Actuarial loss/(gain)	2,072	(13,997)
Transfer in	-	55
Benefits paid	(10,571)	(10,662)
Defined benefit obligation at end of year	221,311	201,012

9. Retirement benefits (continued)

a) Trinidad and Tobago plans (continued)	**Defined benefit pension plan**	
	2023	**2022**
	$'000	**$'000**
Change in fair value of plan assets		
Plan assets at start of year	238,317	234,011
Administration expense	(627)	(614)
Interest income	14,407	13,001
Expected return on plan assets	(2,879)	(15,687)
Employee additional voluntary contributions	7,428	8,510
Transfer in	-	1,248
Benefits paid	(10,571)	(10,662)
Company contributions	7,428	8,510
Plan assets at end of year	253,503	238,317
Amounts recognised in the consolidated statement of financial position		
Present value of pension obligations	(221,311)	(201,012)
Fair value of plan assets	253,503	238,317
Effect of asset ceiling	(2,750)	(10,177)
Net benefit asset	29,442	27,128
Represented by:		
Retirement benefit asset	29,442	27,128

9. Retirement benefits (continued)

a) Trinidad and Tobago plans (continued)	**Defined benefit pension plan**	
	2023	**2022**
	$'000	**$'000**
Amounts recognised in the consolidated statement of income		
Current service cost	9,102	8,751
Interest on obligation	1,893	1,926
Expected return on plan assets	(3,422)	(3,431)
Administration cost	627	614
Net pension expense recognised during the year	8,200	7,860
Movements in the net asset recognised in the consolidated statement of financial position		
Net asset at 1 October	27,128	26,397
Net pension expense recognised in the consolidated statement of income	(8,200)	(7,860)
Actuarial gains recognised in consolidated other comprehensive income	3,086	81
Employer contributions	7,428	8,510
Net asset at 30 September	29,442	27,128
The major categories of plan assets as a percentage of total plan assets are as follows:	**2023**	**2022**
Government securities	55%	51%
Local equities	19%	24%
Foreign assets	18%	17%
Short-term	8%	8%

9. Retirement benefits (continued)

a) Trinidad and Tobago plans (continued)

Principal actuarial assumptions at the consolidated statement of financial position date	**2023**	**2022**
Discount rate	6.0%	5.8%
Future salary escalation	4%	3%
Expected return on plan assets	3%	3%

A quantitative sensitivity analysis for significant assumptions as at 30 September is as shown below for Agostini's Limited and CDP Trinidad Limited:

Assumptions	**Discount rate**		**Future salary**	
2023	**1% increase $'000**	**1% decrease $'000**	**1% increase $'000**	**1% decrease $'000**
Impact on the defined benefit obligation	(11,263)	15,563	6,921	(4,063)
2022				
Impact on the defined benefit obligation	(9,269)	12,207	4,095	(1,315)

	2023	**2022**
Group contributions ($'000)	7,428	8,500
Average duration of DBO (years)	12.5	11
Weighted average DBO (years)	11	11

Both the Agostini's Limited and CDP Trinidad Limited pension plans are maintained at significant surpluses. The Group has chosen not to take any contribution holidays to ensure the continued health of the plans in the changing economic circumstances. Members of both pension plans, are required to contribute to the plans at the rate of 6% of their earnings for the foreseeable future.

The Group is expected to contribute $9.3 million to its defined benefit plans in 2024.

9. Retirement benefits (continued)

b) Overseas plans

Employee benefit asset	**Defined benefit pension plan 2023 $'000**	**2022 $'000**
Changes in present value of defined benefit obligation		
Defined benefit obligation at start of year	52,382	57,504
Foreign exchange translation	2,382	(293)
Changes in composition of the Group	51,352	-
Interest cost	9,699	4,385
Current service cost – employer's portion	2,197	835
Employee additional voluntary contributions	1,708	340
Actuarial loss/(gain)	601	(7,675)
Benefits paid	(6,475)	(2,714)
Defined benefit obligation at end of year	113,846	52,382
Change in fair value of plan assets		
Plan assets at start of year	71,114	73,000
Foreign exchange translation	52	(474)
Changes in composition of Group	58,819	-
Administration expense	193	(273)
Expected return on plan assets	2,207	122
Employee additional voluntary contributions	1,708	340
Company contributions	2,444	1,113
Benefits paid	(6,475)	(2,714)
Plan assets at end of year	130,062	71,114

9. Retirement benefits (continued)

b) Overseas plans (continued)	**Defined benefit pension plan**	
	2023	**2022**
	$'000	**$'000**
Amounts recognised in the consolidated statement of financial position		
Present value of pension obligations	(113,846)	(52,382)
Fair value of plan assets	130,062	71,114
Asset ceiling	(6,002)	(11,360)
Net benefit asset	10,214	7,372
Represented by:		
Retirement benefit asset	10,214	7,372
Amounts recognised in the consolidated statement of income		
Current service cost	2,197	835
Interest on obligation	9,699	4,385
Administration cost	(1,232)	273
Expected return on plan assets	(8,718)	(4,745)
Net pension expense recognised during the year	1,946	748

9. Retirement benefits (continued)

b) Overseas plans (continued)	**Defined benefit pension plan**	
	2023	**2022**
	$'000	**$'000**
Movements in the net liability recognised in the consolidated statement of financial position		
Net asset at 1 October	7,372	5,329
Foreign exchange	(1,793)	(106)
Changes in composition of Group	7,457	-
Net pension expense recognised in the consolidated statement of income	(1,946)	(748)
Actuarial(losses)/gains recognized in consolidated other comprehensive income	(3,320)	1,784
Employer contributions	2,444	1,113
Net asset at 30 September	10,214	7,372

The major categories of plan assets as a percentage of total plan assets are as follows:	**2023**	**2022**
Government securities	1%	1%
Local equities	51%	51%
Foreign assets	40%	38%
Short-term	8%	10%
Principal actuarial assumptions at the consolidated statement of financial position date		
Discount rate	7%	6%
Future salary escalation	6%	4%
Expected return on plan assets	8%	8%
Future pension increases (current retirees only)	3%	4%

9. Retirement benefits (continued)

b) Overseas plans (continued)

A quantitative sensitivity analysis for significant assumptions as at 30 September is as shown below for the overseas plans:

Assumptions	**Discount rate**		**Future salary**	
2023	**1% increase $'000**	**1% decrease $'000**	**1% increase $'000**	**1% decrease $'000**
Impact on the defined benefit obligation	(8,399)	12,933	3,256	(2,588)
2022				
Impact on the defined benefit obligation	(4,815)	5,855	761	(671)

	2023	**2022**
Weighted average DBO (years)	12	11

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The pension plan is maintained at a significant surplus. The Group has chosen not to take any contribution holidays to ensure the continued health of the plan in changing economic circumstances. The Group’s contribution rate of up to 6% of pensionable salaries will continue into the foreseeable future.

The Group is expected to contribute $3.4 million to its overseas defined benefit plans in 2024.

10. Inventories	**2023 $'000**	**2022 $'000**
Finished goods and goods for resale	806,209	572,490
Raw materials	107,787	152,250
	913,996	724,740
Provision for obsolescence	(33,054)	(23,809)
	880,942	700,931
Goods in transit	208,580	204,834
Work-in-progress	3,362	25,344
	1,092,884	931,109
The cost of inventories recognised as an expense and included in cost of sales amounted to	3,275	2,784

11. Construction contract work-in-progress		
Contract costs incurred in the year	91,244	40,293
Contract expenses recognised in the year	(88,131)	(38,881)
	3,113	1,412
Contract costs incurred and recognised profits (less losses) to date	5,338	6,089

Amounts due from customers for construction contracts are shown in Note 12.

12. Trade and other receivables	2023 $'000	2022 $'000
Trade receivables	779,769	547,002
Less: Provision for expected credit losses	(47,449)	(46,703)
Trade receivables - net	732,320	500,299
Prepaid expenses	24,142	13,279
Other receivables	111,755	73,379
Receivables from VEML group (Note 25)	6,751	6,464
Receivables from GEL group (Note 25)	7,221	5,888
	882,189	599,309
Amounts due from customers for construction contracts	5,489	11,466
Less: Provision for expected credit losses for construction contracts	(625)	(425)
	4,864	11,041
	887,053	610,350
As at 30 September, trade receivables and amounts due from construction customers that were impaired and fully provided for:	48,074	47,128

Movements in the expected credit losses for impairment of trade receivables were as follows:

	2023 $'000	2022 $'000
Balance at 1 October	47,128	40,053
Charge for the year	4,890	9,846
Changes to the composition of the Group	(1,067)	-
Write backs/collections	(2,877)	(2,771)
	48,074	47,128

12. Trade and other receivables (continued)

As at 30 September 2023 and 2022, the ageing analysis of trade receivables is as follows:

	Neither past due nor impaired $'000	Past due but not impaired 30-90 days $'000	Past due but not impaired over 90 days $'000	Total $'000
2023	346,305	209,085	176,930	732,320
2022	236,100	188,173	76,026	500,299

13. Stated capital and reserves

	2023 $'000	2022 $'000
Authorised		
An unlimited number of ordinary shares of no par value		
Issued and fully paid		
69,103,779 (2022: 69,103,779) ordinary shares of no par value	364,716	364,716

Other reserves consists of foreign exchange differences arising on the translation of the financial statements of foreign subsidiaries into Trinidad and Tobago dollars (the Group's presentation currency).

Revaluation reserves arise from the revaluation of freehold properties.

14. Borrowings

		2023 $'000	2022 $'000
Current			
i)	Bankers' acceptances (Note 22)	112,807	24,097
ii)	Bank overdraft (Note 22)	78,509	34,928
iii)	Bank borrowings	128,145	120,565
		319,461	179,590

14. Borrowings (continued)		**2023**	**2022**
		$'000	**$'000**
Non-current			
iv)	Bank borrowings	661,181	332,080
Total borrowings		980,642	511,670

i) Bankers' acceptances are unsecured with a maturity period of 1–3 months. Interest rates on these borrowings are 3.82% - 4% per annum (2022: 2.91% - 3.35% per annum).

ii) The bank overdraft is secured by a debenture over the fixed and floating assets of the Group stamped to cover $50,000,000 with Scotiabank Trinidad and Tobago Limited ranking pari passu with Republic Bank Limited. Certain subsidiaries' bank borrowings and bank overdrafts are secured by guarantees stamped to cover $50,800,000. The bank overdrafts incur interest at the rate of 4.5% - 5.5% per annum (2022: 4% - 7% per annum).

iii) **Bank borrowings include the following loans:**

- On 2 October 2015, the Group entered into a refinancing arrangement with Scotiabank Trinidad and Tobago Limited to refinance all term debts and the Fixed Rate Bonds issued by RBC Trust Limited, Republic Bank Limited and First Citizens Trust Services Limited.

  This loan of $170,000,000 is secured by a first mortgage debenture over the fixed and floating assets of the Group, stamped to cover $275,000,000. The principal amount of the loan was $170,000,000 repayable via 28 quarterly equal principal payments of $4,250,000 plus interest beginning January 2015. A bullet payment of the remaining balance of $51,000,000 will be due at maturity or subject to refinancing for a further 3 years at the bank's option.

  In September 2021, the Group decided to refinance this loan for a further 3 years, repaying the remaining $51,000,000 over twelve (12) equal quarterly instalments of $4,250,000.

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

- A Republic Bank Limited loan of $60,000,000 which is secured by a second debenture over the fixed and floating assets of Agostini's Limited ranking pari passu with Scotiabank Trinidad and Tobago Limited and a specific first demand legal mortgage over additional real estate assets. The loan will be repaid via monthly instalments of $637,939 which began on 31 October 2016 over a period of 10 years.

- In December 2015, Agostini's Limited secured a $38,000,000 non-revolving loan with Scotiabank Trinidad and Tobago Limited. This loan is repayable via sixty (60) equal quarterly principal payments of $633,333 plus interest beginning in March 2016. This is secured by a first demand on property located at #3-7 Chootoo Road, Aranguez.

- In November 2016, Caribbean Distribution Partners Limited secured a $43,000,000 non-revolving loan with Scotiabank Trinidad and Tobago Limited. This loan is repayable via thirty-two (32) equal quarterly principal payments of $1,075,000. A bullet payment of the remaining balance of $12,900,000 is due on the date of maturity. This is secured by the fixed and floating assets of the Borrower.

- CDP Trinidad Limited- Vemco Division has a loan with Republic Bank Limited which was consolidated in April 2021, fixed for 2 years, thereafter, to be reassessed, payable in equal monthly instalments of $692,875 inclusive of interest, commencing April 2021. This loan is secured by a Debenture upstamped to cover $96.5 million.

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

- In December 2017, Caribbean Distribution Partners Limited (CDPL) acquired a $35,670,000 non-revolving term loan from Scotiabank Trinidad and Tobago Limited. This loan is repayable in twenty-four (24) equal quarterly principal instalments of $990,833. The bullet payment of the balance of the loan of $11,890,000 shall be payable on the day which is the sixth anniversary from the date of advance or subject to refinance for a further three (3) years at the Bank's sole option. This is secured by a registered debenture over the fixed and floating assets of the Borrower and a deed of properties executed by the Bank, CDPL and Republic Bank Limited.

- In May 2019, Agostini's Limited secured a $15,000,000 non-revolving loan with Republic Bank Limited to assist with the construction and installation of a cold storage facility. The loan is repayable via 120 equal monthly instalments of $164,654 commencing 15 June 2019. Instalments were reduced to $156,456 following the reduction in interest rates in August 2020.

- Peter & Company Limited refinanced its various loans with Republic Bank (EC) Limited in May 2021. This loan is fully secured by a first demand continuing fixed sum mortgage debenture stamped to $78,082,258 in the aggregate, with a first charge over the fixed and floating assets of the Company. The loan is repayable over 15 years with instalments of $186,296 monthly.

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

- Agostini Properties (Guyana) Inc. obtained and accessed a non-revolving bridging loan of $34,634,610 from Bank of Nova Scotia (Guyana) to assist in the construction of a warehousing commercial complex in 2021. In the current financial year, Agostini Properties (Guyana) Inc. obtained an additional non-revolving bridging loan of $36,600,000 from Bank of Nova Scotia (Guyana) to assist in the second phase of construction of another warehousing commercial complex. Repayments of this loan are due to commence within 24 months from the final draw down date.

  The loan is secured by a Standby Letter of Credit from Scotiabank Trinidad and Tobago Limited for US$11,047,800.

- CDP Trinidad Limited - Vemco Division has a consolidated loan with Republic Bank Limited secured by a first debenture stamped to cover $70 million over the assets of the company. The loan is repayable by instalments of $490,359 per month expiring on 21 July 2029.

- CDP Trinidad Limited - Vemco Division has a loan with Scotiabank Trinidad and Tobago Limited of $4,583,333 obtained to acquire machinery in March 2018. The loan is repayable via 72 equal monthly principal payments of $152,778 plus interest.

- Hanschell Inniss Limited has a loan with the Bank of Nova Scotia (Barbados) to assist in the repayment of an associated company loan. The loan is secured by a guarantee from Goddard Enterprises Limited and Agostini's Limited. The loan matures in October 2025 and payable in monthly instalments of $191,462.

- In December 2017, SuperPharm Limited entered into a loan guarantee with Republic Bank Limited for a loan of $15,000,000. In August 2020, the interest rate was amended to a fixed reducing balance, repayable by 89 monthly instalments of principal plus interest of $164,430 until December 2027.

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

- In March 2021, Smith Robertson & Company Limited secured a $50,000,000 loan with Republic Bank Limited to assist with the purchase of Oscar Francois Limited and Intersol Limited. This loan is repayable monthly for 10 years at $518,193 per month. The loan is secured by a second Debenture over fixed and floating assets of the company stamped collateral to the loan agreement to rank pari passu with Scotiabank Trinidad and Tobago Limited.

- Rosco Procom Limited obtained a $50,000,000 loan with Scotiabank Trinidad and Tobago Limited for the purchase of Process Components Limited. The loan is repayable via twenty-eight equal quarterly principal payments of $1,250,000 plus interest. A bullet payment of the outstanding balance of $15,000,000 will be due at maturity or subject to refinance for a further 3 years. The loan is secured by the first registered demand debenture over the fixed and floating assets of Rosco Procom Limited stamped collateral to the Loan Agreement.

- To finance the reconstruction of an existing cold storage warehouse, Hanschell Inniss Limited secured a loan for $23,170,000 in June 2022. The loan is repayable in 59 equal monthly principal payments. A bullet payment shall be payable on the 5th anniversary from the date of the loan. The loan is renewable for a further period at maturity subject to both the Bank and HIL's discretion. This loan is secured by the first ranking debenture mortgage over all the assets of the borrowers.

- Coreas Distribution Limited secured a $28,462,500 loan in December 2021 to assist in the construction of a building to house it's Head Office and Warehouse from Republic Bank (EC) Limited. The loan is repayable in equal consecutive monthly payments of $214,117 over 15 years. The loan is secured by a First Demand Registered Mortgage over property located in Diamond St. Vincent and the Grenadines stamped to $33,000,000.

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

- In December 2022, Agostini's Limited secured a multicurrency loan to fund the purchase of Collins Limited and Carlisle Laboratories Limited with Scotiabank Trinidad and Tobago Limited and Scotiabank (Barbados) Limited. The loan was secured in 3 tranches:

  1. Tranche 1 - TT$50,287,399, repayable via 20 equal quarterly principal payments of TT$2,514,370.
  2.Tranche 2 – US $3,000,000, repayable via 20 equal quarterly principal payments of US$150,000.
  3.Tranche 3 – BBD$44,000,000 repayable via 40 quarterly principal payments of BBD$1,100,000

  This loan is secured by the loan agreement between all Co-Borrowers, Guarantors and the Bank in the amount of BBD$68,000,000 and supported by a First Registered Mortgage Debenture over the fixed and floating assets of Collins Limited and Carlisle Laboratories Limited.

- In June 2023, Caribbean Distribution Partners Limited obtained $67,800,000 for the purchase of Chinook Trading Canada Limited from Scotiabank Trinidad and Tobago Limited. The loan is repayable in 20 equal quarterly principal instalments of $1,695,000 totalling 50% of the drawn loan. The balloon payment of the remaining 50% of the drawn amount of the loan shall be payable on the day of the 5th anniversary from the date of the first advance, or subject to refinance for a further five (5) years at the Bank's sole option.

- Agostini's (Jamaica) Limited, acquired a TTD $119,918,722 (J$2,815,200,000) loan from The Bank of Nova Scotia Jamaica Limited for the purchase of Health Brands Limited. The loan is repayable in 18 quarterly principal payments.

  On or before the 5th anniversary of the disbursement date and at the discretion of the Bank, the tenor of the facilities may be extended for a further five (5) years.

- The interest rates on the above loans vary between 3.5% to 8.5% (2022: 3.5% - 6%).

14. Borrowings (continued)

iii) **Bank borrowings include the following loans:** (continued)

	2023 $'000	2022 $'000
Maturity of non-current borrowings:		
Between 1 and 2 years	156,165	79,655
Between 2 and 5 years	268,330	121,610
Over 5 years	236,686	130,815
	661,181	332,080

15. Deferred income tax

The movement on the deferred tax account is as follows:

	Accumulated tax depreciation $'000	Fair value gains $'000	Retirement benefit obligation $'000	Tax losses $'000	Intangible assets $'000	Total $'000
As at 1 October 2022	32,459	29,824	4,626	(7,217)	9,126	68,818
(Credit)/charge to consolidated statement of income (Note 20)	(4,077)	-	65	-	(1,703)	(5,715)
Charge/(credit) to consolidated OCI	-	9,944	(59)	-	-	9,885
Other movements	1,266	1	655	-	(813)	1,109
As at 30 September 2023	29,648	39,769	5,287	(7,217)	6,610	74,097
As at 1 October 2021	25,158	30,814	3,996	(7,032)	9,052	61,988
Charge to consolidated statement of income (Note 20)	3,278	-	12	(187)	(2,039)	1,064
Credit/(charge) to consolidated OCI	-	(990)	660	-	-	(330)
Other movements	4,023	-	(42)	2	2,113	6,096
As at 30 September 2022	32,459	29,824	4,626	(7,217)	9,126	68,818

15. Deferred income tax (continued)	**2023 $'000**	**2022 $'000**
Deferred tax liability	94,007	91,326
Deferred tax asset	(19,910)	(22,508)
	74,097	68,818

Tax losses of Facey's Trading Limited which are available for set off against future taxable income for corporation tax purposes are as follows:

Income	**Amount brought forward $'000**	**Amount utilised $'000**	**Amount carried forward $'000**	**Expiry date**
2015	3,388	-	3,388	2024
	3,388	-	3,388	

16. Trade and other payables	**2023 $'000**	**2022 $'000**
Trade payables	545,630	466,875
Accrued expenses	114,620	121,784
Amounts due to contractors	13,287	17,373
Other payables	10,909	10,743
Payables to GEL Group (Note 25)	55,243	49,975
	739,689	666,750

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60 day terms.
- Other payables are non-interest bearing and have an average term of six months.
- For terms and conditions with related parties, refer to Note 25.

17. Other operating income	2023 $'000	2022 $'000
Foreign exchange gains	9,253	3,666
Rental income	13,249	7,519
Commissions	19,926	18,301
Gain on sale of property, plant and equipment	3,035	955
Miscellaneous income	18,096	10,888
	63,559	41,329

18. Expenses by nature

Expenses incurred during the year in arriving at operating profit is presented below by nature of expenses:

	2023 $'000	Restated 2022 $'000
Depreciation and amortisation (Notes 5 and 8)	67,261	55,911
Depreciation on right of use assets (Note 7)	17,944	16,002
Employee benefit expense (Note 23)	420,865	369,861
Changes in inventories of finished goods and work in progress	2,085,061	1,591,336
Raw materials and consumables	1,344,188	1,328,285
Transportation	29,986	24,585
Advertising costs	57,517	43,039
Net creation of provision for expected credit losses	568	575
Insurance	17,968	13,940
Repairs and maintenance – vehicles	11,973	10,746
Repairs and maintenance – property	14,641	28,710
Legal and professional fees	17,415	7,930
Green fund levy	9,823	9,617
Directors fees	8,669	6,382
Operating lease payments	636	2,475
Other expenses	159,775	208,614
Total cost of goods sold, other operating, administration, and marketing and distribution expenses	4,264,290	3,718,008

19. Finance costs - net	2023 $'000	2022 $'000
Interest income	(1,052)	(1,300)
Interest on lease liability (Note 7)	10,614	10,899
Interest expense - bank borrowings and acceptances	39,527	24,108
	49,089	33,707

20. Taxation

	2023 $'000	Restated 2022 $'000
Current tax	129,327	121,048
Deferred tax (Note 15)	(5,715)	1,064
Business levy	315	415
Prior years over provision	(1,128)	(133)
	122,799	122,394

The tax on profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2023 $'000	Restated 2022 $'000
Profit before taxation	515,925	386,216
Taxes at aggregate statutory tax rates of all jurisdictions:	147,041	121,430
Differences resulting from:		
Expenses not deductible for tax purposes	2,408	4,231
Income not subject to tax	(25,466)	(781)
Movement in deferred tax assets not recognized	2,241	(2,927)
Prior years over provision	(1,128)	(133)
Business levy	315	415
Other permanent differences	(2,612)	159
	122,799	122,394
Tax losses available for set off against future profits	3,388	3,000

21. Earnings per share

Basic and diluted

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Parent by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are no dilutive potential ordinary shares in existence.

	2023 $'000	Restated 2022 $'000
Profit attributable to shareholders of the Parent ($'000)	313,358	190,820
Weighted average number of ordinary shares in issue ('000)	69,104	69,104
Basic and diluted earnings per share ($ per share)	$ 4.53	$ 2.76

22. Cash and cash equivalents	2023 $'000	2022 $'000
Cash at bank and in hand	223,686	261,602
Bank overdraft (Note 14)	(78,509)	(34,928)
Bankers' acceptances (Note 14)	(112,807)	(24,097)
	32,370	202,577

23. Employee benefit expense

Wages and salaries	342,415	305,926
National insurance	27,171	19,173
Other benefits	31,808	32,929
Pension costs	18,622	10,373
Termination costs	849	1,460
	420,865	369,861

24. Subsidiaries

Subsidiaries	Principal activities	Country of incorporation	2023 Percentage of equity held	2022 Percentage of equity held
Smith Robertson & Company Limited	Wholesale distribution of pharmaceutical and personal care items	Trinidad & Tobago	100%	100%
SuperPharm Limited	Sale of pharmaceutical and convenience items	Trinidad & Tobago	100%	100%
Rosco Procom Limited	Marketing of equipment and services to petroleum related companies	Trinidad & Tobago	95%	95%
Ponderosa Pine Consultancy Limited	Rental of properties	Trinidad & Tobago	100%	100%
Intersol Limited	Manufacturer of personal care products	Trinidad & Tobago	100%	100%
Curis Technologies Limited	Sale and service of medical equipment	Trinidad & Tobago	100%	100%
Two Acres Retail Limited	Management of real estate	Trinidad & Tobago	100%	100%
Agostini Properties (Guyana) Inc.	Management of real estate	Guyana	100%	100%
Agostini Guyana Inc.	Supply of building products and contracting services	Guyana	100%	100%
Lambou Investments Limited	Holding Company for Collins Group	Barbados	100%	-
Collins Limited	Wholesale distribution of pharmaceutical and personal care items	Barbados	100%	-
Carlisle Laboratories Limited	Manufacture and sale of pharmaceutical drugs and products	Barbados	100%	-
Coem Limited	Staff services to Collins Limited	Barbados	100%	-

24. Subsidiaries (continued)

Subsidiaries	Principal activities	Country of incorporation	2023 Percentage of equity held	2022 Percentage of equity held
Health Brands Limited	Wholesale distribution of pharmaceutical items	Jamaica	100%	-
Agostini's (Jamaica) Limited	Holding Company for Health Brands Limited	Jamaica	100%	-
Caribbean Distribution Partners Limited	Holding company	Trinidad & Tobago	50%	50%
CDP Trinidad Limited	Wholesale distribution of food, beverage and grocery products	Trinidad & Tobago	50%	50%
Coreas Distribution Limited	Wholesale distribution of food, beverage and grocery products	St. Vincent	50%	50%
Independence Agencies Limited	Wholesale distribution of food, beverage and grocery products	Grenada	29.3%	29.3%
Hanschell Inniss Limited	Wholesale distribution of food, beverage and grocery products	Barbados	50%	50%
Facey's Limited	Wholesale distribution of food, beverage and grocery products	Barbados	50%	50%
Desinco Limited	Wholesale distribution of food, beverage and grocery products	Guyana	25.5%	25.5%
Peter and Company Limited	Wholesale distribution of food, beverage and grocery products	St. Lucia	50%	50%

24. Subsidiaries (continued)

Subsidiaries	Principal activities	Country of incorporation	2023 Percentage of equity held	2022 Percentage of equity held
CDP Brands Holdings Limited IBC	Holding of Peardrax brand	St. Lucia	50%	50%
Hilbe Investments Limited	Holding of Eve Brand	Barbados	50%	50%
CDP Distribution Limited	Holding Company for Chinook Trading Canada Ltd	Canada	50%	-
Chinook Trading Canada Limited	Wholesale distribution of food, beverage and grocery products	Canada	40%	-
Chootoo Hydroponics Limited	Land Holding Company	Trinidad	50%	-

CDP Trinidad Limited consists of two (2) divisions involved in the consumer goods and food manufacturing segment, Hand Arnold and Vemco.

Caribbean Distribution Partners Limited ("CDPL") is primarily a holding company which has ownership of share capital in the following companies:

1) CDP Trinidad Limited (100%)
2) CDP Brands Holdings Limited (100%)
3) Hanschell Inniss Limited (100%)
4) Peter and Company Limited (100%)
5) Coreas Distribution Limited (100%)
6) Independence Agencies Limited (58.49%)
7) Desinco Limited (51%)
8) CDP Distribution Limited (100%)
9) Chootoo Hydroponics Limited (100%)
10) Chinook Trading Canada Limited (80%)

24. Subsidiaries (continued)

In accordance with IFRS 10 – Consolidated Financial Statements, Agostini's Limited was assessed as having control of CDPL on the basis of the criteria for control as described in Note 2(b) (i). When an investor determines that it controls an investee, the investor (the parent) consolidates the investee (the subsidiary). A parent consolidates a subsidiary from the date on which the parent first obtains control, and continues consolidating that subsidiary until the date on which control is lost.

25. Related party transactions

The total amount of transactions that have been entered into with related parties are as follows:

		2023 $'000	2022 $'000
i)	Amounts due by related parties:		
	Victor E. Mouttet Limited Group (Note 12)	6,751	5,888
	Goddard Enterprises Limited Group (Note 12)	7,221	6,464
		13,972	12,352
ii)	Amounts due to related parties:		
	Goddard Enterprises Limited Group (Note 16)	55,243	49,975
iii)	Transactions with related parties:		
	Sales and services to related companies	63,937	66,216
	Purchases and services from related companies	223,445	243,051
iv)	Compensation of key management personnel:		
	Salaries and other short-term employee benefits	58,224	47,785

v) Related party transactions:

Note 24 provides the information about the Group’s structure including the details of the subsidiaries and the holding company.

25. Related party transactions (continued)

v) Related party transactions: (continued)

Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 September 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

26. Material partly owned subsidiary

Financial information of subsidiaries that have material non-controlling interest is provided below:

Proportion of equity interest held by non-controlling interest:

Company name	**Country of Incorporation and Operation**	**% Interest 2023**	**% Interest 2022**
Caribbean Distribution Partners Limited Group	Republic of Trinidad and Tobago	50	50

	2023 $'000	**2022 $'000**
Accumulated balances of material non-controlling interest:		
Caribbean Distribution Partners Limited Group	429,009	391,401
Profit allocated to material non-controlling interest:		
Caribbean Distribution Partners Limited Group	79,768	67,311

26. Material partly owned subsidiary (continued)

The summarised financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations (where applicable):

	Caribbean Distribution Partners Limited Group	
	2023	**2022**
Summarised consolidated statement of income:	**$'000**	**$'000**
Revenue	2,797,746	2,513,852
Cost of sales	(2,115,937)	(1,888,269)
Administrative expenses	(187,863)	(160,853)
Other expenses - net	(266,378)	(251,516)
Finance cost	(16,015)	(14,206)
Profit before tax	211,553	199,008
Taxation	(61,527)	(58,962)
Profit after tax	150,026	140,046
Total comprehensive income	206,480	141,214
Attributable to non-controlling interest	7,811	6,287
Dividends paid to non-controlling interests	2,014	1,991
Summarised consolidated statement of financial position:		
Non-current assets	904,519	782,020
Current assets	1,123,387	1,009,853
Non-current liabilities	291,569	282,097
Current liabilities	571,572	495,058
Total equity attributable to:		
Equity holders of parent	1,119,909	972,827
Non-controlling interests	44,933	41,888

		Caribbean Distribution Partners Limited Group	
26.	**Material partly owned subsidiary** (continued)	**2023**	**2022**
		$'000	**$'000**
	Summarised consolidated cash flow information:		
	Operating	117,215	65,039
	Investing	(109,292)	(89,338)
	Financing	(38,739)	(22,556)
	Net decrease in cash and cash equivalents	(30,816)	(46,855)

27. Contingencies and Commitments

(i)	Customs bonds	29,129	26,303
(ii)	Bank guarantees	860	675
(iii)	Letter of credits	48,326	38,345
(iv)	Performance bonds	3,181	2,679

The Group's subsidiaries are involved in proceedings which are at various stages of litigation and their outcomes are difficult to predict. The information usually required by IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* is not disclosed on the grounds that it can be expected to prejudice seriously the outcome of these matter. In the Board of Directors' opinion, however, the disposition of these matters is not likely to have a materially adverse effect on the Group's financial condition or results of operations.

28. Dividends

The dividends paid and declared in 2023 and 2022 were $93,290,102 ($1.35 per share) and $69,103,779 ($1.00 per share) respectively.

Subsequent to year end on 29 November 2023, the Group proposed and approved a final dividend for 2023 of $76,014,157 ($1.10 per share). This 2023 final dividend will be charged against retained earnings in 2024.

29. Revenue from contracts with customers

a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended 30 September 2023			
Segments	**Pharmaceutical & health care $'000**	**Consumer Products $'000**	**Energy, industrial and holdings $'000**	**Total $'000**
Type of goods or service				
Sale of beverages	-	298,222	-	298,222
Sale of consumer products	3,864	2,443,458	-	2,447,322
Sale of pharmaceutical & personal care products	1,601,783	41,759	-	1,643,542
Sale of medical equipment	8,713	-	-	8,713
Sale of industrial products & MOBIL lubricants	-	-	282,863	282,863
Construction services	-	-	2,925	2,925
Total revenue from contracts with customers	1,614,360	2,783,439	285,788	4,683,587

29. Revenue from contracts with customers (continued)

a) Disaggregated revenue information (continued)

	For the year ended 30 September 2022			
Segments	**Pharmaceutical & health care**	**Consumer Products**	**Energy, industrial and holdings**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Type of goods or service				
Sale of beverages	-	300,749	-	300,749
Sale of consumer products	-	2,206,730	-	2,206,730
Sale of pharmaceutical & personal care products	1,294,949	-	-	1,294,949
Sale of medical equipment	19,941	-	-	19,941
Sale of industrial products & MOBIL lubricants	-	-	253,051	253,051
Construction services	-	-	21,182	21,182
Total revenue from contracts with customers	1,314,890	2,507,479	274,233	4,096,602

b) Timing of revenue recognition	**2023**	**2022**
	$'000	**$'000**
Goods transferred at a point in time	4,680,662	4,075,420
Services transferred over time	2,925	21,182
Total revenue from contracts with customers	**4,683,587**	**4,096,602**

29. Revenue from contracts with customers (continued)

c) Performance obligations

Sale of products

The performance obligation is satisfied upon delivery of the items. The terms of payment are determined by prior approval and can be cash, cash on delivery, or credit for a period of 30 days. Returns due to damaged or faulty products or sales errors are entitled to full refunds within one month. Warranty can vary from one year to seven years based on the brand and the functional parts and component and are provided for manufacturers' defects only.

Rendering of services

Performance obligations for rendering of services are generally satisfied over time. In some cases, installation services are provided to customers who purchase manufactured products or equipment purchased for resale. This performance obligation is separate from that for the supply of the relevant item and is satisfied over-time. Payment terms vary depending on the contract terms. In the case of short-term contracts, payment is generally due within 30 days of the completion of the installation. In the case of long-term contracts, payment is due according to a schedule of specific milestones.

The performance obligation for the servicing of equipment as-and-when required is satisfied when the servicing is completed. The terms of payment are determined by prior approval and can be cash, cash on delivery, or credit for a period of 30 days.

Equipment servicing packages are also sold to customers. These performance obligations are satisfied over time.

30. Segment information

For management purposes, the Group's operating segments are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products.

The pharmaceutical and health care segment is a diversified supplier of pharmaceutical related items. The consumer products segment is a supplier and manufacturer of food and household related products. The energy, industrial and holdings segment provides services relating to interior modelling, other construction related services and oilfield services. Transfer prices amongst operating segments are set on an arm's length basis under normal commercial terms and conditions, similar to transactions with unrelated third parties. Segment revenue, expenses and results include transfers amongst operating segments. Those transfers are eliminated upon consolidation.

The Group's Board of Directors monitors the operating result of its business units and operating segments for the purpose of making decisions about resource allocations and performance assessments.

Business segments	**Pharmaceutical & health care**		**Consumer products**		**Energy, industrial and holdings**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue								
Total revenue	1,751,568	1,402,025	2,797,746	2,513,852	298,707	282,274	4,848,021	4,198,151
Less: Inter segment sales	(137,208)	(87,135)	(14,307)	(6,373)	(12,919)	(8,041)	(164,434)	(101,549)
Revenue from contracts to customers	1,614,360	1,314,890	2,783,439	2,507,479	285,788	274,233	4,683,587	4,096,602

30. Segment information (continued)

Business segments (continued)	**Pharmaceutical & health care**		**Consumer products**		**Energy, industrial and holdings**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**Restated 2022**	**2023**	**Restated 2022**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Results								
Operating profit	220,822	178,464	229,377	218,008	32,657	23,451	482,856	419,923
Net gain on acquistions	-	-	-	-	84,886	-	84,886	-
Loss on revaluation of investment property	(2,798)	-	70	-		-	(2,728)	-
Finance costs - net	(19,164)	(15,953)	(13,824)	(11,742)	(16,101)	(6,012)	(49,089)	(33,707)
Profit before taxation	198,860	162,511	215,623	206,266	101,442	17,439	515,925	386,216
Taxation	(51,034)	(51,712)	(63,066)	(60,633)	(8,700)	(10,049)	(122,799)	(122,394)
Profit for the year	147,826	110,799	152,557	145,633	92,742	7,390	393,126	263,822
Non-controlling interests							(79,768)	(73,002)
Net profit attributable to equity holders of the parent							313,358	190,820
Consolidated total assets								
Segment assets	1,481,144	858,687	1,885,760	1,680,109	846,459	792,023	4,213,363	3,330,819
Consolidated total liabilities								
Segment liabilities	691,928	499,103	788,839	681,035	556,020	322,142	2,036,787	1,502,280

30. Segment information (continued)

Business segments (continued)	**Pharmaceutical & personal care**		**Consumer Products**		**Energy, industrial and holdings**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Other information								
Capital expenditure	21,706	11,857	48,725	87,756	12,229	7,069	82,660	106,682
Depreciation and amortization	23,721	24,875	36,502	39,647	7,038	7,039	67,261	71,561

No revenue from transactions with a single external customer or counterparty amounted to 5% or more of the Group's total revenue in 2023 or 2022.

Geographical information	**Trinidad & Tobago**		**Barbados**		**Other countries**		**Total**	
	2023	**Restated 2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**Restated 2022**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Third party revenue	2,867,948	2,770,859	759,366	390,745	1,056,273	934,998	4,683,587	4,096,602
Non-current assets	1,205,824	1,096,585	244,687	62,531	452,382	292,944	1,902,893	1,452,060

Other countries include Grenada, Guyana, Jamaica, St. Lucia, St. Vincent and Canada. The revenue information is based on the relevant subsidiaries' principal place of business.

Non-current assets include property, plant and equipment, investment properties, right of use assets and intangible assets.

31. Business combinations

a) Process Components Limited

On 1 October 2021, the Group acquired Process Components Limited (ProCom) for $78,000,000. This Company was incorporated and was domiciled in Trinidad and Tobago and was primarily involved in the business of oilfield and manufacturing equipment and service of same. The company was immediately amalgamated with the Group's existing oil-service company, Rosco Petroavance Limited. On 1 April 2022 this company was renamed Rosco Procom Limited.

This acquisition was financed by Rosco Petroavance Limited and a loan from Scotiabank Trinidad and Tobago Limited for $50,000,000.

The consolidation of the ProCom into Agostini's Limited was accounted as a business combination using the acquisition method of accounting in accordance with IFRS 3 "Business Combinations". The net identifiable assets for the entities acquired at the acquisition date were measured and recorded by the Group in conjunction with goodwill arising from the business combination.

The fair values of the identifiable assets acquired, and liabilities assumed at the date of acquisition disclosed in the 2022 consolidated audited financial statements were provisional. Due to the complexity of the acquisition, the assessment of the fair values of all the assets and liabilities were not yet completed by the date when the 2022 consolidated financial statements were approved for issue by management. The assessment of fair values was completed in the year ended 30 September 2023 as follows:

31. Business combinations (continued)

a) Process Components Limited

	Final fair value ($'000)	Provisional fair value ($'000)
Property, plant and equipment (Note 5)	4,950	4,950
Intangible assets	9,936	-
Investments	-	1,469
Deferred tax asset	17	17
Total non-current assets	14,903	6,436
Inventories	32,117	30,739
Trade and other receivables	37,740	37,740
Taxation recoverable	364	364
Cash and cash equivalents	3,561	3,561
Total current assets	73,782	72,404
Total identifiable assets acquired	88,685	78,840
Trade and other payables	33,168	33,168
Other current liabilities	632	632
Total current liabilities	33,800	33,800
Borrowings	2,173	2,173
Deferred tax liability	1,182	1,182
Total non-current liabilities	3,355	3,355
Total identifiable liabilities assumed	37,155	37,155
Net identifiable assets acquired	51,530	41,685

Goodwill as at the acquisition date was determined at the end of the measurement period as follows:

	Final fair value ($'000)	Provisional ($'000)
Consideration for the acquisition	77,533	77,533
Net identifiable assets acquired	(51,530)	(41,685)
Goodwill	26,003	35,848

31. Business combinations (continued)

a) Process Components Limited (continued)

The net cash outflow on the acquisition was as follows:

	Final fair value ($'000) $'000	Provisional ($'000) $'000
Cash paid	(78,000)	(78,000)
Cash and cash equivalents acquired	3,561	3,561
Net cash outflow on acquisition	(74,439)	(74,439)

b) Impact of restatement

The impact of the adjustments to provisional amounts on the consolidated financial statements for the year ended 30 September 2022 is summarised below.

Effect on consolidated statement of financial position:

	Balance previously reported as at 30 Sept 2022 $'000	Adjustment to previously reported fair value $'000	Movement in total comprehensive income $'000	Restated balance as at 30 Sept 2022 $'000
Inventories	931,109	1,378	(1,378)	931,109
Intangible assets	311,690	(1,378)	(9,732)	300,580
Total equity	1,839,649	-	(11,110)	1,828,539

Effect on consolidated statement of comprehensive income:	Restated Year ended 30 Sept 2022 $'000
Cost of sales	(1,378)
Administrative expense	(9,732)
Decrease in total consolidated statement of comprehensive income for the year	(11,110)

31. Business combinations (continued)

b) Impact of restatement (continued)

Effect on consolidated statement of changes in equity ($'000)

	Balance previously reported as at 30 Sept 2022 $'000	Effect of adjustment on Statement of Comprehensive Income as at 30 Sept 2022 $'000	Restated balance as at 30 Sept 2022 $'000
Retained earnings	889,198	(10,566)	878,632
Non-controlling interest	437,611	(544)	437,067

	At acquisition date $'000
Cash and cash equivalents acquired	3,561
Net cash inflow on acquisition	3,561

c) Collins Group

On 1 December 2022, the Group acquired Collins Limited, Carlisle Laboratories Limited, Coem Limited and Lambou Investments Limited (Collins Group) via the purchase of 100% of the issued and outstanding shares of those companies. The companies are incorporated and are domiciled in Barbados. Collins Limited is a pharmaceutical and personal care distribution company, its subsidiary Carlisle Laboratories Limited is involved in pharmaceutical manufacturing. Coem Limited is also a subsidiary of Collins Limited whose principal activity is to provide staff and related services to companies within the Group while Lambou Investments Limited is the ultimate parent company of the Group whose principal activities is the provision of management services to related companies and the holding of investments.

31. Business combinations (continued)

c) Collins Group (continued)

The acquisition of the Collins Group was financed partially by Agostini's Limited and a long-term loan from Scotiabank Trinidad and Tobago Limited and Scotiabank (Barbados) Limited for $211,103,299.

The consolidation of the Collins Group into Agostini's Limited was accounted as a business combination using the acquisition method of accounting in accordance with IFRS 3 "Business Combinations". The net identifiable assets for the entities acquired at the acquisition date were measured and recorded by the Group in conjunction with goodwill arising from the business combination.

The fair values of the identifiable assets acquired, and liabilities assumed at the date of acquisition disclosed in the 2023 consolidated financial statements were provisional. Due to the complexity of the acquisition, the assessment of the fair values of all the assets and liabilities were not yet completed by the date the 2023 consolidated financial statements were approved for issue by management.

31. Business combinations (continued)

c) Collins Group (continued)

	Provisional fair value ($'000)
Property, plant and equipment (Note 5)	185,283
Retirement benefit asset	7,481
Total non-current assets	192,764
Inventories	112,969
Trade and other receivables	91,403
Cash and cash equivalents	70,438
Total current assets	274,810
Total identifiable assets acquired	467,574
Trade and other payables	67,627
Total current liabilities	67,627
Deferred tax liability	1,712
Total non-current liabilities	1,712
Total identifiable liabilities assumed	69,339
Net identifiable assets acquired	398,235

31. Business combinations (continued)

c) Collins Group (continued)

Goodwill as at the acquisition date was determined at the end of the measurement period as follows:

	Provisional ($'000)
Consideration paid for the acquisition	296,043
Fair value of net identifiable assets acquired	(398,235)
Goodwill	(102,192)

This transaction resulted in a gain due to the assets acquired compared to the consideration paid. The gain is presented within "Net gain on acquisitions" in the consolidated statement of income.

The net cash outflow on the acquisition was as follows:

	Provisional $'000
Cash paid	(296,043)
Cash and cash equivalent acquired	70,438
Net cash outflow on acquisition	**(225,605)**

d) Health Brands Limited

On 1 August 2023, the Group acquired Health Brands Limited (Company) via the purchase of 100% of the issued and outstanding shares of the Company for $139,316,410. The Company was incorporated and is domiciled in Jamaica. Health Brands Limited is a pharmaceutical distribution company.

The acquisition of Health Brands Limited was financed partially by Agostini's Limited and a long-term loan from The Bank of Nova Scotia Jamaica Limited for $119,918,722.

31. Business combinations (continued)

d) Health Brands Limited (continued)

The consolidation of Health Brands Limited into Agostini's Limited was accounted as a business combination using the acquisition method of accounting in accordance with IFRS3 "Business Combinations". The net identifiable assets for the entities acquired at the acquisition date were measured and recorded by the Group in conjunction with goodwill arising from the business combination.

The fair values of the identifiable assets acquired, and liabilities assumed at the date of acquisition disclosed in the 2023 consolidated financial statements were provisional. Due to the complexity of the acquisition, and as the acquisition was in close proximity to the year end, the assessment of the fair values of all the assets and liabilities were not yet completed by the date when the 2023 consolidated financial statements were approved for issue by management.

	Provisional fair value ($'000)
Property, plant and equipment (Note 5)	1,566
Intangible asset	280
Deferred tax asset	387
Total non-current assets	2,233
Inventories	19,009
Trade and other receivables	14,240
Cash and cash equivalents	35,750
Total current assets	68,999
Total identifiable assets acquired	71,232

31. Business combinations (continued)

d) Health Brands Limited (continued)	**Provisional fair value ($'000)**
Trade and other payables	9,817
Other current liabilities	57
Total current liabilities	9,874
Total identifiable liabilities assumed	9,874
Net identifiable assets acquired	61,358

Goodwill as at the acquistion date was determined at the end of the measurement period as follows:

	Provisional ($'000)
Consideration paid for the acquisition	139,316
Fair value of net identifiable assets acquired	(61,358)
Goodwill	77,958

The net cash outflow on the acquisition was as follows:	**$'000**
Cash paid	(139,316)
Cash and cash equivalent acquired	35,750
Net cash outflow on acquisition	**(103,566)**

31. Business combinations (continued)

e) Chinook Trading Canada Limited

On 3 May 2023, the Group through it's Joint Venture company Caribbean Distribution Partners Limited, acquired Chinook Trading Canada Limited via the purchase of 80% of the issued and outstanding shares of the Company for $75,053,115. The Company was incorporated and is domiciled in Montreal, Canada. Chinook is an exporter of consumer products to various Caribbean markets.

The acquisition of Chinook Trading Canada Limited was financed partially by Agostini's Limited and Goddard Enterprises Limited and a long-term loan from Scotiabank Trinidad and Tobago Limited for $64,068,000.

The consolidation of the Chinook Trading Canada Limited into Caribbean Distribution Partners Limited and by extension, Agostini's Limited was accounted as a business combination using the acquisition method of accounting in accordance with IFRS 3 "Business Combinations". The net identifiable assets for the entities acquired at the acquisition date were measured and recorded by the Group in conjunction with goodwill arising from the business combination. The Group has elected to measure the non-controlling interest in the acquiree based on its share of the net assets at acquisition date.

The fair values of the identifiable assets acquired, and liabilities assumed at the date of acquisition disclosed in the 2023 consolidated financial statements were provisional. Due to the complexity of the acquisition the assessment of the fair values of all the assets and liabilities were not yet completed by the date when the 2023 consolidated financial statements were approved for issue by management.

	Provisional fair value ($'000)
Property, plant and equipment (Note 5)	2,763
Intangible assets	323
Prepaid expenses	146
Total non-current assets	3,232

31. Business combinations (continued)

e) Chinook Trading Canada Limited (continued)

	Provisional fair value ($'000)
Inventories	1,368
Trade and other receivables	11,820
Tax recoverable	3,414
Cash and cash equivalents	3,663
Total current assets	20,265
Total identifiable assets acquired	23,497
Trade and other payables	17,983
Other current liabilities	9,793
Total current liabilities	27,776
Total identifiable liabilities assumed	27,776
Net identifiable liabilities acquired	(4,279)

Goodwill as at the acquistion date was determined at the end of the measurement period as follows:

	Provisional ($'000)
Consideration paid for the acquistion	55,711
Contingent consideration	3,844
Fair value of 80% of net identifiable liabilities acquired	3,423
Goodwill	62,978
Goodwill recognised at Agostini's Group level (Note 8)	31,489

31. Business combinations (continued)

e) Chinook Trading Canada Limited (continued)

	$'000
Cash paid	(55,711)
Cash and cash equivalent acquired	3,663
Net cash outflow on acquisition	**(52,048)**

Contingent consideration
As part of the purchase agreement with the previous owner of Chinook Trading Canada Limited, a contingent consideration has been agreed. There will be additional cash payments of up to CAD$1,600,000 to the previous owner of Chinook Trading Canada Limited if the gross profit for the 12 months ended 30 April 2024 exceeds CAD$2,000,000.

As at the acquisition date, the fair value of the contingent consideration was estimated to be CAD$720,000.

The contingent consideration liability is due for final measurement and payment to the former shareholder on 30 April 2024.

32. Investment in associates

On 1 February 2022, Two Acres Retail Limited ("Two Acres") was incorporated in Trinidad and Tobago with 100% of the share capital owned by Agostini's Limited. This Company jointly invests (13.1%) in an entity known as Southside Property Acquisition Company Limited ("Southside"), a company incoporated in Trinidad and Tobago. The purpose of Southside is to invest in land for developing into commercial use.

In September 2022, Agostini Properties (Guyana) Inc. transferred its investment in a property located in Guyana to an entity known as PAUW Developers Inc ("PAUW"), a company incorporated in Guyana. This company's objective is to purchase and develop property in Guyana for commercial use. Agostini Properties (Guyana) Inc. holds a 25% stake in this company.

	2023 $'000	2022 $'000
Carrying value:		
Southside Property Acquisition Company Limited	4,379	3,849
PAUW Developers Inc.	18,763	1,826
	23,142	5,675

Associates

The following table illustrates the summarised financial information of the Group's investment in associates:

Southside Property Acquisition Company Limited	2023 $'000	2022 $'000
Assets:		
Non-current assets	4,379	3,849
	4,379	3,849
Net assets	4,379	3,849
Group's ownership	13.1%	13.1%
PAUW Developers Inc.		
Assets:		
Non-current assets	18,763	1,826
	18,763	1,826
Net assets	18,763	1,826
Group's ownership	25%	25%
Carrying amount of the investments	23,142	5,675

The associates have no contingent liabilities or capital commitments as at 30 September 2023.