



A.S. BRYDEN & SONS HOLDINGS LIMITED



Registered Address: 1 Ibis Avenue, San Juan
Trinidad & Tobago, W.I.
Website: Brydenstt.com



Prospectus

A.S. BRYDEN & SONS HOLDINGS LIMITED

(the “Company” or “ASBH”)

A limited liability company duly existing in Trinidad and Tobago under the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago.

with respect to

1,499,251,189 Ordinary Shares

and

30,403,000 Class A Preference Shares

Important Notice:

This Prospectus updates and replaces in its entirety the prospectus of the Company dated August 23, 2024.

This Prospectus has been prepared to support the listing of the Company's ordinary and Class A Preference Shares on the Trinidad and Tobago Stock Exchange and intends to serve the purpose of providing information in relation to the Company for the benefit of Prospective Investors in Trinidad and Tobago. This Prospectus is not intended to be used or relied on by any other person or for any other purpose.

By this Prospectus, the Company is NOT offering for subscription, shares in the capital of the Company. For greater certainty, no offer for sale or invitation is being made by the Company by this Prospectus, to the public or otherwise.

Nothing in this Prospectus constitutes an offer for sale of the Shares in any jurisdiction.

Defined terms when used in this Prospectus have the meanings ascribed to them under “Key Definitions” herein stated.

The Trinidad and Tobago Securities and Exchange Commission has not in any way evaluated the merits of the securities distributed hereunder and any representation to the contrary is an offence.

Dated the 8th day of August 2025

Responsibility Statement

This Prospectus has been seen and approved by the Directors of A.S. Bryden & Sons Holdings Limited (the '**Company**') and the Directors accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

Investor Warning

This Prospectus contains information that may help Investors to make an informed investment decision and understand their rights. It contains information about the Company, as well as the names of persons responsible for its organization and management.

Any person(s) relying on this Prospectus to make an investment decision is encouraged to read this Prospectus in its entirety, prior to making any investment decision and such person(s) are advised to retain this Prospectus for future reference.

The Directors have taken all reasonable care to ensure that the facts stated in this Prospectus in relation to the Company, are true and accurate in all material respects and are not misleading in any material respect, and that there are no other facts in relation to the Company, the omission of which would have the effect of making facts as stated herein misleading in any material respect. Each of the Directors accepts responsibility accordingly.

Each Investor contemplating purchasing shares in the Company is required to make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness, of the Company.

Neither the delivery of this Prospectus nor any subsequent offering, sale and delivery of shares in the capital of the Company shall create any implication that the information contained herein is correct at any time after the date hereof and that there has been no change in the financial condition and affairs of the Company since the date hereof.

If any Investor is in doubt as to any action such Investor should take, it is recommended that the Investor seek financial advice from the Investor's stockbroker or other independent financial advisor.

Any person(s) relying on this Prospectus to make an investment decision is also asked to carefully review the "Risk Factors" section in this Prospectus for a more complete discussion of the risks of an investment in shares in the capital of the Company.

Note

i. All figures included in this Prospectus are in Trinidad and Tobago dollars (TT\$), except where otherwise stated.

ii. Defined terms, as denoted by the capitalization of the first letter of such terms, have the meaning assigned to them in the "Key Definitions" of this Prospectus.

Disclaimer: Forward Looking Statements

Save for the historical financial information contained in this Prospectus, certain matters discussed herein contain forward-looking statements including but not limited to statements of expectations, future plans or future prospects, and financial projections. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. Although each of the Directors believes that in making any such statements its expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be different or materially different from those projected. Prospective Investors in the Company are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they have been made. Future events or circumstances could cause actual results to differ or differ materially from historical or anticipated results.

When used in this Prospectus, the words "anticipates", "believes", "expects", "intends" and similar expressions, as they relate to the Company, are intended to identify those forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been issued, none of the Directors undertakes any obligation to update or revise any of the forward-looking statements in light of new information or future events, including changes in the Company's financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made). There are important factors that could cause actual results to differ or differ materially from those in the forward-looking statements, certain of which are beyond the control of the Directors and the Company. These factors include, without limitation, economic, social and other conditions prevailing both within and outside of Trinidad and Tobago and the other jurisdictions in which the Group operates, including:

- actual rates of growth of the Trinidad and Tobago and regional economies, instability, high domestic inflation and unemployment;
- interest rates or exchange rate volatility;
- adverse climatic events and natural disasters;
- unfavourable market receptiveness to new products and services;
- changes in any legislation or policy adversely affecting the revenues or expenses of the Company or its tax status in Trinidad and Tobago;
- any other factor negatively impacting on the realization of the assumptions on which the Company's financial projections are based;
- other factors identified in this Prospectus; and
- factors as yet unknown to the Directors and/or the Company.

No government agency or regulatory authority in Jamaica or Trinidad and Tobago has made any determination on the accuracy or adequacy of the matters contained in this Prospectus. Prospective Investors are advised to read this entire Prospectus *carefully* before making an investment decision concerning investing in shares in the capital of the Company. Each recipient's attention is specifically drawn to the Risk Factors in this Prospectus. Prospective Investors are also advised to consult with their stockbroker, licensed Investment advisor, attorney-at-Law, accountant or other professional advisors before making an investment decision or for any clarification as to the contents of this document.

Table of Contents

RESPONSIBILITY STATEMENT	2
INVESTOR WARNING	3
DISCLAIMER: FORWARD LOOKING STATEMENTS	4
TABLE OF CONTENTS.....	5
KEY DEFINITIONS	6
1. CORPORATE DIRECTORY	8
2. SUMMARY OF KEY INFORMATION	10
3. DETAILS OF THE SHARES	12
4. INFORMATION ABOUT THE COMPANY	13
<i>The Company</i>	14
<i>A.S. Bryden & Sons (Trinidad) Limited</i>	14
<i>Bryden pi Limited</i>	21
<i>Caribbean Producers (Jamaica) Limited</i>	24
<i>F.T. Farfan Limited</i>	24
<i>Ibis Construction Equipment Sales & Rentals Inc. ("ICON")</i>	32
<i>Micon Marketing Limited</i>	34
<i>Stansfeld Scott (Barbados) Limited</i>	35
5. INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT	43
6. ASSOCIATIONS, RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST	52
7. MANAGEMENT DISCUSSION & ANALYSIS	53
8. SUMMARY FINANCIAL INFORMATION RELATING TO THE GROUP	55
9. REPORT OF THE DIRECTORS.....	58
10. RISK FACTORS.....	59
11. ADDITIONAL INFORMATION ON THE COMPANY	63
12. DOCUMENTS AVAILABLE FOR INSPECTION.....	65
13. CERTIFICATION	66
APPENDIX 1	68
APPENDIX 2	70

Key Definitions

The following words and phrases shall (save where the context requires otherwise) have the respective meanings set opposite them below:

Affiliates	of a specified Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or under the common control with the specified Person. For the purposes of this definition “control” when used with respect to any specified Persons, means the possession, directly or indirectly of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise, and the terms “controlling” and “control” have correlated meanings.
Articles	means the articles of amalgamation of the Company together with any further amendments thereto.
ABST	means A.S. Bryden & Sons (Trinidad) Limited.
Predecessor Auditor	means Ernst & Young Services Limited which served as external auditor of the Company for the financial years ended March 31, 2020, March 31, 2021 and March 31, 2022.
CPJ	means Caribbean Producers (Jamaica) Limited.
Current Auditor	means PricewaterhouseCoopers Trinidad and Tobago from the period beginning May 9, 2022 until the financial year ended December 31, 2024 or such other Person or Persons as may, for the time being and from time to time be duly appointed by the Board as auditor of the Company.
Board	means the board of directors of the Company.
Bryden pi	means Bryden pi Limited.
Companies Act	means the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago.
Directors	means Directors of the Company.
F.T. Farfan	means F.T. Farfan Limited.
Group	means the Company and each of its Subsidiaries existing as at the date of this Prospectus.
Investors and Prospective Investors	means investors/prospective investors with respect to Shares.
JSE	means the Jamaica Stock Exchange.
Micon	means Micon Marketing Limited.
Prospectus	means this Prospectus.
Person	includes an individual, firm, company or other corporate body.

Register	means the register of members maintained by the Company in accordance with the Companies Act.
Related Party	means any Person who beneficially owns or controls directly or indirectly, voting securities entitling him to more than ten percent (10%) of the voting rights attached to outstanding securities of the Company.
Securities Act	means the Securities Act, Chapter 83:02 of the laws of Trinidad and Tobago.
Seprod	means Seprod Limited, a company incorporated under the laws of Jamaica.
Shareholder	means a Person for the time being entered on the Register as the holder of a Share.
Shares	means the ordinary and preference shares of the Company in issue from time to time.
SSB	means Stansfeld Scott (Barbados) Limited.
Subsidiary	means any other company in which the Company controls more than fifty per cent (50%) of the issued and outstanding voting shares.
Stock Exchange	means the TTSE, JSE or any other securities exchange or self-regulatory organisation on which the Company elects to list its Shares.
TT Dollars or TT\$	means the lawful currency for the time being of the Republic of Trinidad and Tobago.
TTSE	means the Trinidad and Tobago Stock Exchange Limited.
US\$ or United States Dollars	means the lawful currency for the time being of the United States of America.

1. Corporate Directory

A.S. BRYDEN & SONS HOLDINGS LIMITED

The Company	A.S. Bryden & Sons Holdings Limited	Address	No. 1 Ibis Avenue San Juan, Trinidad
		Phone:	(868) 674-9191
		Email:	inquiry@brydenstt.com
		Website:	www.brydenstt.com
Trinidad and Tobago Attorneys at Law	M. Hamel-Smith & Co	Address	Eleven Albion Cor. Dere & Albion Streets Port of Spain, Trinidad
		Phone:	(868) 299 0981
		Email:	mhs@trinidadlaw.com
		Website:	www.trinidadlaw.com
Auditor for the FY ending December 31, 2024	PricewaterhouseCoopers	Address	11-13 Victoria Avenue Port-of-Spain, Trinidad
		Phone:	(868) 299-0700
		Website:	https://www.pwc.com/tt/en.html
Current Auditor	Ernst & Young Services Limited	Address	5-7 Sweet Briar Road, Port of Spain
		Phone:	(868) 628 1105
		Website:	https://www.ey.com/en_ao/locations/trinidad-and-tobago
Bankers	Citibank Trinidad & Tobago Limited 12 Queen's Park East, Port of Spain Trinidad and Tobago, W.I. Citibank N.A. Jamaica 19 Hillcrest Avenue, Kingston 6, Jamaica, W.I. CIBC First Caribbean International Bank 74 Long Circular Road, Maraval, Port of Spain Trinidad and Tobago, W.I. First Citizens Bank Limited 9 Queen's Park E, Port of Spain Trinidad and Tobago, W.I.		

	JMMB Group Limited 68 Ariapita Ave, Port of Spain, Trinidad and Tobago, W.I. Republic Bank Limited 9-17 Park Street, Port of Spain, Trinidad and Tobago, W.I. RBC Royal Bank Trinidad and Tobago 7 St. Clair Avenue, Port of Spain, Trinidad and Tobago, W.I. Scotiabank Trinidad and Tobago Limited 56-58 Richmond Street, Port of Spain, Trinidad and Tobago, W.I.		
Stock Exchanges where the Shares are or are intended to be listed	Jamaica Stock Exchange	Address Phone: Email: Website:	40 Harbour Street Kingston, Jamaica (876) 967-3271 communications@jamstockex.com https://www.jamstockex.com/
	Trinidad and Tobago Stock Exchange <i>(Subject to the approval of the Company's application to list its Shares)</i>	Address Phone: Email: Website:	10th Floor Nicholas Tower 63-65 Independence Square Port of Spain, Trinidad (868) 625-5107-9 ttse@stockex.co.tt https://www.stockex.co.tt/

2. Summary of Key Information

This summary highlights information contained in the Prospectus and may not contain all the information that may be important to Investors. Readers are advised to read the entire Prospectus prior to deciding whether to invest in Shares.

THE GROUP

A.S. Bryden & Sons Holdings Limited and its Subsidiaries and Affiliates is one of the largest distributors of fast-moving consumer goods in the English-speaking Caribbean. The Group represents global food, liquor, pharmaceutical, hardware, houseware and industrial equipment brands, and manufactures products under its own brands. The Group has a large market share in Trinidad and Tobago and Jamaica with a smaller but growing presence in Barbados, Guyana and St. Lucia. The Group operates through four principal operating subsidiaries A.S. Bryden & Sons (Trinidad) Limited, Bryden pi Limited, F.T. Farfan Limited and Caribbean Producers (Jamaica) Limited. Founded in 1923, today the Group has over 2,500 employees and last year generated revenues of approximately TT\$3,385,997,000 (as at December 31, 2024). Based on revenue, the Group is one of the largest consumer goods companies in the English-speaking Caribbean.

THE COMPANY

The Company serves as the non-operating parent company of the Group comprising the companies shown on the organization chart at **4.2 Legal Structure** below.

SHAREHOLDING OF DIRECTORS ALONG WITH THEIR CONNECTED PERSONS AS AT THE DATE OF THIS PROSPECTUS

Director	Shareholding
P.B. Scott (Chairman)	Nil
Shareholding of connected persons	1,210,695,084
Michael Conyers	90,103,014
Melanie Subratie	Nil
Shareholding of connected persons	1,209,578,641
Nicholas Scott	Nil
Shareholding of connected persons	743,335
Richard Pandohie	2,544,332
Geoffrey Charles Gordon	Nil
Brian Wynter	Nil

*The ordinary shares held by Paul Scott and Melanie Subratie through Seprod Limited and Musson Investments Limited are held by them together.

SHAREHOLDING OF SENIOR OFFICERS AS AT THE DATE OF THIS PROSPECTUS

Richard Pandohie	2,544,332
Michael Conyers	90,103,014
Gerard Conyers	47,878,649
Bernadette Sammy	6,948,316
David Franco	6,948,316
Scott Franco	6,948,316
Andrew Crooks	6,948,316
Stephen Welch	6,948,316
Barry Tangwell	6,948,316
Tiffany Reid	5,973,113
Damion Dodd	188,469
Adam Conyers	150,000

3. Details of the Shares

3.1. Description of the Shares

As at the date of this Prospectus, the Shares consist of 1,499,251,189 ordinary shares and 30,403,000 Class A preference shares.

For further information relating to the Shares and the rights attaching to the Shares please see **4.5 Characteristics of the Company's Shares** below.

The Company is not distributing any Shares pursuant to this Prospectus.

3.2. Listing of the Shares

The Shares were listed on the JSE by introduction on November 10, 2023.

The Company has submitted an application to list the Shares on the TTSE. The price for the Shares at listing will be equivalent to the market price for the Shares on the JSE at the date falling two (2) business days prior to the listing of the Shares on the TTSE.

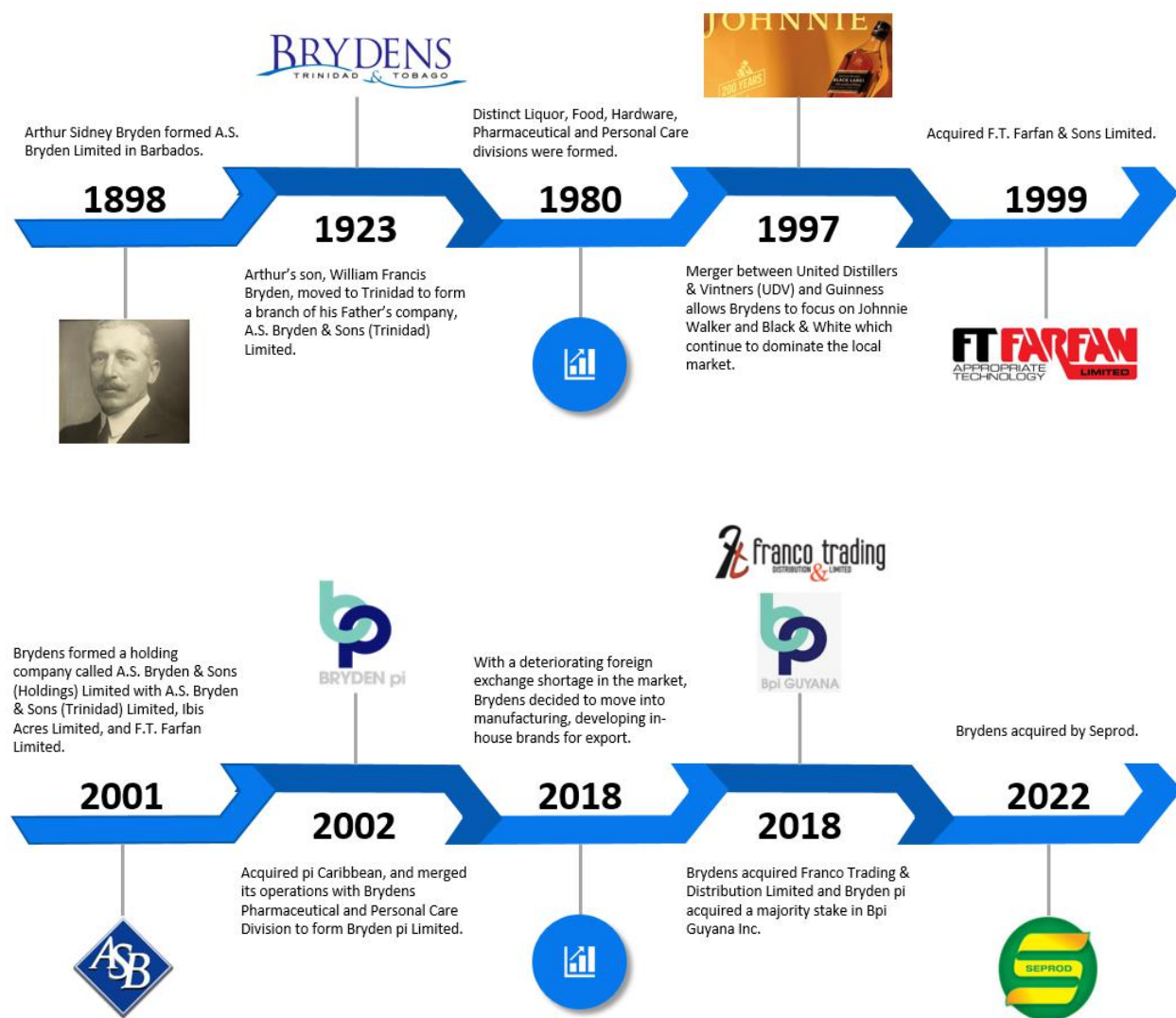
4. Information about the Company

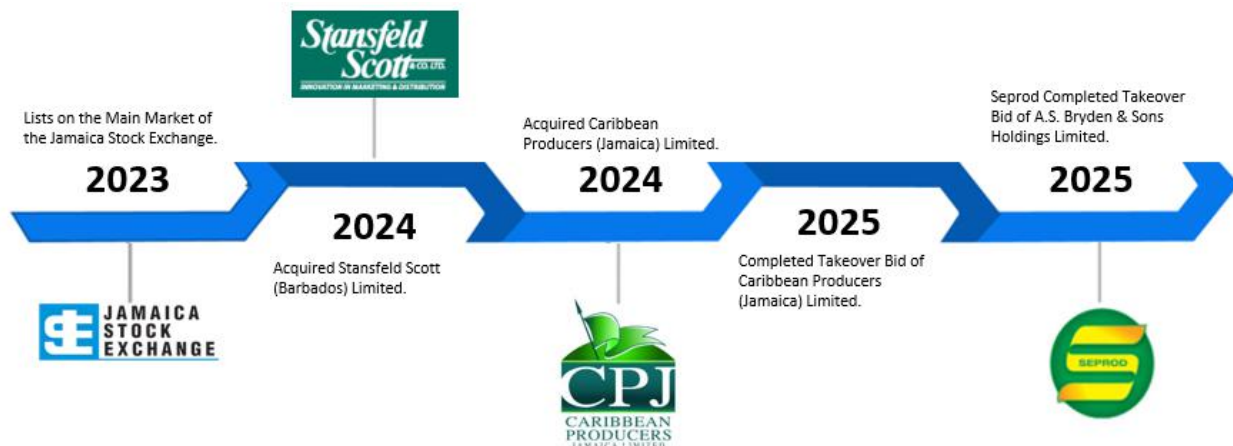
4.1. History

For almost 100 years, the Group has connected its customers to internationally coveted consumer brand and products. The Group was founded in 1923 with its predecessor entities tracing their legacy back to 1898.

Today, the Group is one of the largest consumer goods companies in the English-speaking Caribbean. The Group has a team of over 2,500 persons and revenues of approximately TT\$3,385,997,000 (based on the December 31, 2024 financial year end).

Prior to the Company's Shares being listing on the JSE, it was one of the largest privately-owned companies in Trinidad and Tobago by revenue. More recently, the Group has expanded its operations to Barbados, Guyana and Jamaica. In June 2022 the Group became a member of the Seprod Group of Companies.





The Company

The Company is the non-operating holding company of a Group whose primary business is as a consumer products distributor in Trinidad and Tobago. The Group distributes food, pharmaceuticals, hardware, houseware and industrial equipment. It is a partner of choice for global principals and has its own brands. It has significant market share in Trinidad and Tobago with smaller presence in Barbados, Guyana and Jamaica. The Group operates through four principal operating subsidiaries A.S. Bryden & Sons (Trinidad) Limited, Bryden pi Limited, F.T. Farfan Limited and Caribbean Producers (Jamaica) Limited.



A.S. Bryden & Sons (Trinidad) Limited

ASBT is a wholly owned subsidiary that is a wholesale and duty free distributor of fast-moving consumer goods in Trinidad. It represents the largest subsidiary with revenue of US\$137 million (approximately 27% of the Group's total revenue for financial year ended December 31, 2024) and over 500 employees. ASBT distributes food & grocery, premium beverages, and hardware & housewares for internationally coveted brands as well as its own brands including Eve, Cara Mia, Mondelez, Cadbury, Bon, Colombina, Johnnie Walker, Hennessy, Smirnoff, Moet & Chandon, El Dorado, Baileys, Ciroc, Red Bull, Whirlpool, LG, Rubbermaid, Truper, and Speed Queen.



About ASBT

ASBT was founded in 1923 when Arthur Sidney Bryden's son, William Francis Bryden, moved from Barbados to Trinidad to form a branch of his father's company. In the nearly 100 years since its founding, ASBT has established itself as a distributor of international consumer brands in Trinidad and Tobago. ASBT's focus is on fast-moving consumer goods, with three distinct sales divisions: Premium Beverages, Food & Grocery, and Hardware & Housewares. These divisions share support services including IT, HR, Operations and Logistics, Trade Marketing, Finance and a state-of-the-art Warehousing and Distribution Centre.

Today, ASBT's vision is to have a growing diversified business that is the first choice of suppliers, customers and people.



ASBT Leadership Team

ASBT's leadership team strategically guides its future, leveraging their expertise in management, supply chain, distribution, manufacturing and export.



ASBT Food & Grocery Division

Food & Grocery Brands



Bon Ice Cream



Cadbury



CGA



Chips Ahoy!



Chocolisto



Club Social



Colombina



Dentyne



Diamond



Energizer



Eve



Granuts



Halls



Hefty



Kool Aid



Matiz



Newtons



Oreo



Ritz



Tang

ASBT Hardware & Housewares Division

Housewares Brands



Bar Keepers Friend



Bissell



Black+Decker Appliances



Brita



Bubba



Char-Broil



Contigo®



Cook Prep Eat



Dirt Devil



GE Appliances



Genie



Hamilton Beach



Igloo



Imusa



Kitchen Classics



KitchenAid



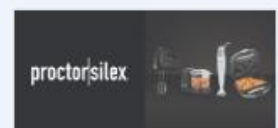
Lasko



LG



Oster



Proctor Silex



Rubbermaid



Rubbermaid Insulated



Speed Queen



Whirlpool

ASBT Premium Beverages Division

			
Ardbeig	Baileys	Beehive	Belvedere
			
Black and White	Captain Morgan	CÍROC	Crown Royal
			
De Kuyper	Diamond	Don Julio	Drambuie
			
El Dorado	Fireball	Glenmorangie	Goldschläger
			
Gordon's	Grand Marnier	Grand Old Parr	Hennessy
			
Jägermeister	Jim Beam	Johnnie Walker	Ketel One



1000 Stories



19 Crimes



Barton & Guestier



Bonterra



Cara Mia



Casillero del Diablo



Cheval des Andes



Cinzano



Cloudy Bay



Don Melchor



Dow's Port



Echo Bay



Frontera



Gérard Bertrand



Goosebump



Hardys



Kung Fu Girl



KVV



Lamothe Parrot



Lindeman's



Marchesi Antinori



Marques de Caceres



Marques de Casa Concha



Meiomi

Bryden pi Limited

Bryden pi is a wholly owned subsidiary that is a wholesale distributor of pharmaceutical, personal care, and consumer products in Trinidad and Tobago. It represents the second largest subsidiary with revenue of US\$119 million (approximately 24% of the Group's total revenue for financial year ended December 31, 2024) and over 400 employees. Bryden pi distributes healthcare, personal care and food and grocery products for international brands including Prottox, Painol, Genethics, GSK, Roche, Baxter, Sanofi, Janssen, Sandoz, Kimberly-Clark, Huggies, Scott, Enfagrow, Boost, Nutrament, Loreal, and Maybelline. Bryden pi also manufactures a line of over the counter products through its wholly-owned subsidiary Bpi Genethics Limited and operates in Guyana through its subsidiary Bpi Guyana Inc. and in Barbados through its joint venture Armstrong Healthcare Inc.



About Bryden pi

In 1994, pi Caribbean was founded in Trinidad and Tobago by entrepreneur Norman Tang. The Group acquired pi Caribbean in 2002 and merged its operations with Brydens Pharmaceutical and Personal Care Division to form Bryden pi Limited (of which the Group owned 90%). In 2013, Bryden pi founded AHCI Barbados with joint venture partner Armstrong Agencies, allowing Bryden pi to establish a footprint in Barbados and the Eastern Caribbean. In 2014, Bryden pi acquired Genethics Pharmaceuticals Ltd, a manufacturer and distributor of pharmaceutical products. The acquisition allowed Bryden pi to establish manufacturing and in-house brand development. Notably, in 2018, Bryden pi acquired a majority stake in Bpi Guyana Inc., establishing a footprint in Guyana. Bryden pi became a wholly owned subsidiary of the Company in March 2024.

Today, Bryden pi strives to enrich the lives of its customers, with products and services that bring health, happiness, and fulfilment.



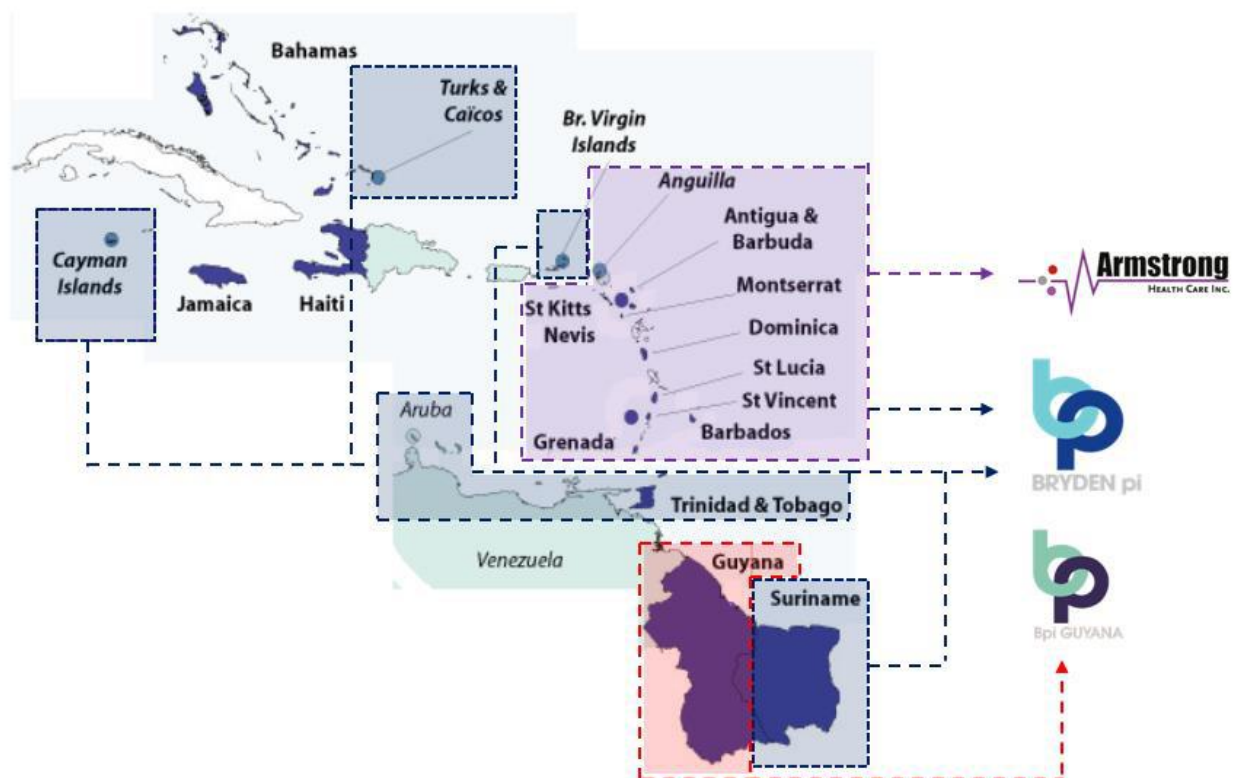
Bryden pi's Brand Portfolio

Bryden pi represents an enviable portfolio of strong regional & global brands.



Bryden pi's Regional Footprint

Bryden pi has a physical presence in Trinidad and Tobago, Barbados and Guyana through its joint venture partnerships. This footprint also allows the Bryden pi to serve additional markets in the English-speaking Caribbean with the exception of Jamaica.



Bryden Pi Leadership Team

our senior leadership team

EXECUTIVE DIRECTORS



BARRY TANGWELL
Managing Director

MARY-ANNE JULIEN
Director
(Hospital Equipment and Supplies)

SENIOR LEADERSHIP TEAM



AISHA SEALY
Operations Manager

KEISHA WALKER
Division Manager
(Consumer - Food & Grocery, and Professional Care)

MAJELLA JOSEPH-RAMDIN
Division Manager - Pharma

SUSAN GIBSON
Human Resource Manager

SHERRYANN SOOKLAL
Division Manager - Personal Care

WENDY MAHABIR
Division Manager - BPI Brands & BCL

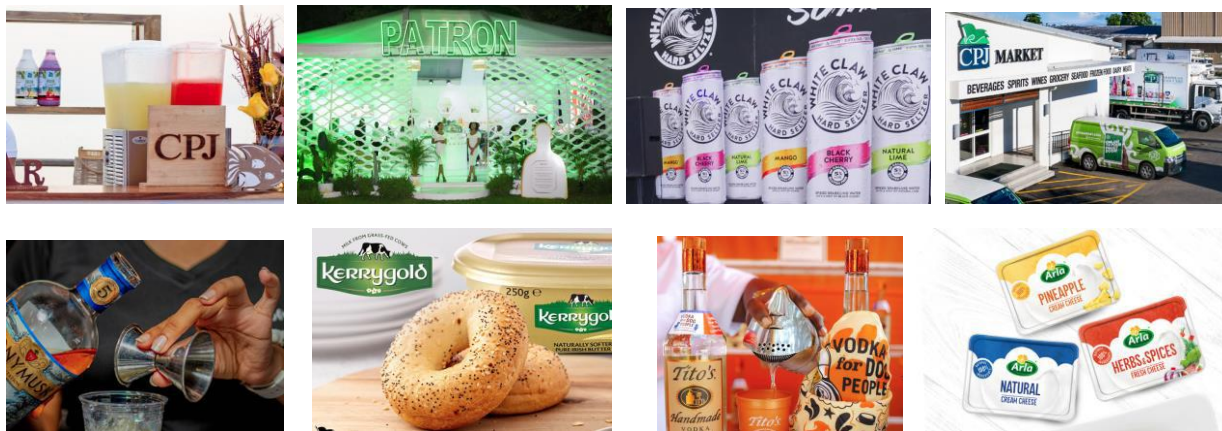
HAMMOND ABDUL
Financial Controller

Caribbean Producers (Jamaica) Limited

Caribbean Producers (Jamaica) Limited is a leading distributor and manufacturer of food and beverage products, serving the hospitality, retail, and foodservice sectors across the Caribbean. Headquartered in Montego Bay, Jamaica, CPJ operates warehousing, meat processing, and juice manufacturing facilities, and runs retail stores and dining outlets in Kingston and Montego Bay. The company supplies a wide range of imported and locally produced items including meats, seafood, dairy, dry goods, wines, spirits, and bar equipment. CPJ also produces its own line of juices and frozen beverages under the Cariburst brand. Through its joint venture in St. Lucia and growing export channels, CPJ extends its regional footprint beyond Jamaica. The company is publicly listed on the Jamaica Stock Exchange and is majority-owned by A.S. Bryden & Sons Holdings Limited.

About CPJ

CPJ was founded in 1994 in Montego Bay, Jamaica to serve the island's growing tourism industry. Over the years, CPJ expanded its operations to include warehousing, cold-chain logistics, meat and juice manufacturing, and retail and hospitality ventures. In 2015, CPJ entered the Eastern Caribbean market through a joint venture in St. Lucia, marking its first regional expansion outside Jamaica. The company was listed on the Jamaica Stock Exchange in 2011 and graduated to the Main Market in 2021. In December 2024, AS Bryden & Sons Holdings Limited acquired a majority stake in CPJ, strengthening its regional footprint and unlocking new opportunities for growth across the Caribbean. Today, CPJ is focused on delivering high-quality foodservice, beverage, and retail solutions, with a commitment to operational excellence and regional leadership.



F.T. Farfan Limited

F.T. Farfan is a wholly owned subsidiary that sells equipment and lubricants for industrial and agriculture use in Trinidad and Guyana. It represents the third largest subsidiary with revenue of US\$44 million (approximately 9% of A.S. Bryden's total revenue for financial year ended December 31, 2024) and over 200 employees. F.T. Farfan is an industrial supply and service company that serves international brands including JCB Construction, JCB Power Products, International Trucks, Lincoln Electric, Cummins, Kubota, Generac, Dewalt, Stihl, Milwaukee, Atlas Copco, Castrol, and Shell Marine. F.T. Farfan operates in Trinidad and in Guyana through its subsidiary Ibis Construction Equipment Sales & Rentals Inc. (ICON) Guyana. Divisions include construction, trucks, forklifts, generators, power tools, lubricants, parts, rentals, and service.



About F.T. Farfan

Founded in 1946, F.T. Farfan has been providing appropriate technology and engineering solutions for many industries in the Caribbean region for over 75 years. The Group acquired F.T. Farfan in 1999.

F.T. Farfan is one of the most diversified industrial supply companies in Trinidad and Tobago. Its mission of "Good People Making Life Great" has guided its extensive experience in providing solutions to its customers.

F.T. Farfan is proud to represent global brand partners and to serve its customers and suppliers.



F.T. Farfan Leadership Team

F.T. Farfan's leadership team brings decades of expertise in Industrial Equipment, Marketing, Service, Company Management, Projects, and Supply & Distribution.

Managing Director / CEO



Andrew Crooks

Division Heads



Donna-Marie Ramlogan
Director/Corporate
Secretary

Finance



Kevin O'Connor
General Manager
Industrial Group



Natalie Karamath
General Manager
Marketing Group



Shelley Rampersad
General Manager
Service & Parts Group



Joanne Tenia
Customer Care Manager



Paul Hee Houg
Operations Manager



Varlene Marcus-Boodhai
Human Resources Manager

JCB

At FT Farfan we offer a full range of JCB equipment which includes:

- Backhoes – 1CX (Mini) , 3CX (Full size)
- Excavators
- Loadall (Telehandler)
- Skidsteer
- Compaction equipment



CUMMINS

- Fuel systems
- Controls
- Air handling
- Filtration
- Emission solutions
- Electrical power generation systems



CUMMINS POWER GENERATION

Cummins PG provides a host of power solutions which includes:

- Emergency & Standby Power
- Rental Power
- Residential Power
- Mobile Power
- Cogeneration (Natural Gas sets)
- Prime Power
- Continuous Power
- Transfer Switches
- Paralleling Switchgear
- Remote Monitoring
- G-Drive engines



MATERIAL HANDLING

- Forklifts Sale and service support of forklifts encompassing all classes I - V
- Linde Material Handling is the second largest manufacturer of forklifts worldwide and the leader in cost improving innovations. Through Linde we have access to units ranging from standard counter balance lifts to narrow aisle units order pickers etc.
- CombiLift and AisleMaster – give us the flexibility to offer the customer truly innovative solutions.
- Hoists Sale and service support of Hoists from Columbus McKinnon Brands includes: Yale and Coffing
- Other MH products • Strapping and Stretch Wrap.



WELDING, PIPING & ENERGY

RENTALS

Supply and Rental of construction equipment and machinery for all types of jobs.

Range includes:

- Access Equipment
- Construction Equipment
- Dewatering pumps
- Generators
- Light Towers
- Hydraulic Power Packs
- Portable Diesel Welders
- Specialty Equipment
- Multi Operator Electric
- Welder Packs



CONSTRUCTION

We supply construction equipment for a wide range of jobs and applications:

- Lighting Towers
- Dewatering Pumps
- Cement Mixers
- Compaction equipment
- Milling equipment
- Paving equipment
- Construction equipment
- Portable Compressors
- Lifting & Pulling equipment



Range includes:

- Welding machines & consumables
- Gas cutting equipment
- Pipe cutting & beveling equipment
- All welding & fabrication accessories

FTF represents one of the world's leading plumbing systems.

Viega Pro press system is the fastest and most reliable seamless way to join copper.

Complete line of mechanical anchors, adhesive anchoring systems, roofing fasteners and carbide drill bits.

- Supply of top quality world renowned brands.
- Supply of specialty & traditional valves, gaskets and fiberglass grating.
- Manpower with more than 20 years combined experience.
- We represent key suppliers to the Oil & Gas Sector and other Down Stream industries.
- Represents USA Bluebook, APEX Engineering (RYDLYME & RYDALL), Bray, GD Engineering and Plenty Filtration.
- Suppliers to Repsol, BGTT, BHP Billiton and NGC





F.T. Farfan Service & Parts Division

The Service and Parts Group is responsible for providing efficient troubleshooting, repair and preventative maintenance for all of the brands sold by FT Farfan.

They also ensure adequate stock levels of parts and maintenance products such as filters, coolants and specialised lubes that may be required by our customers.

SERVICE DIVISION - We service and warranty everything we sell. - We service and repair both Light and Heavy machinery. - In house personnel exceed 45 fully certified technicians. - We service in excess of 800 jobs monthly.	MACHINE ENGINE BUSINESS UNIT Options include: - New Engines custom built from factory - Factory Reconditioned Engines - Local Overhaul Engine Service All our engines are supported by Cummins Global Warranties.
BATTERIES MUTLU BRAND	

WE STOCK OVER 15,000 PARTS FROM NUMEROUS GLOBAL SUPPLIERS



F.T. Farfan Marketing Division

SHELL MARINE

STIHL DIVISION

LUBRICANTS DIVISION

CASTROL Liquid Engineering is synonymous creating high-performance oils, lubricants, fluids, and greases for every application you can imagine.

FT Farfan is proud to celebrate 10 years of being the Shell Marine Lubricants Distributor in Trinidad & Tobago and providing lubrication products to service all your marine assets. From engine oils to hydraulic systems for ocean-going vessels, offshore platforms, trawlers and pleasure crafts. Shell Marine offers a complete range of lubricants to minimise deposit buildup and help keep engines clean. FT Farfan and Shell Marine look forward to continuing our seaworthy relationship and serving you for many years to come.

- FTF has represented the STIHL brand for over 50 years.
- The range includes brush cutters, chain saws, trimmers, blowers, hedge trimmers, pole pruners, lawn and garden equipment.
- Sales have grown by more than 250% over the past 7 years.
- FTF has the highest brush cutter sales per capita worldwide.
- FTF ranks the 7th highest in terms of brush cutter sales in the Western Hemisphere.
- FTF stocks the largest battery powered range of equipment in the Caribbean.

COATINGS, POWER & SAFETY DIVISION

AGRICULTURE, LAWN & GARDEN DIVISION

- Lawn and garden tractors
- Utility vehicles
- Lawn mowers
- Tillers
- Compact & utility tractors
- Fertilizers
- Tractor mounted land care equipment
- Agricultural supplies

- Moldex Respiratory and Hearing protection.
- Industrial electric power hand tools.
- Abrasive cut-off and grinding wheels and machines.
- Industrial coatings.
- PPE, ladders and scaffolding.

Consumer Range includes:

- Primers
- Mold killers
- Clear coats & Stains for
- Interior/exterior wood
- applications
- Specialty coatings

STIHL DIVISION

STIHL[®]

LUBRICANTS DIVISION



Shell Marine



CPS DIVISION



ALG DIVISION



CLAAS



Kubota



Ibis Construction Equipment Sales & Rentals Inc. (“ICON”)

IBIS Construction Equipment Sales and Rentals (ICON) was established in Guyana in 2019 as a joint venture between F.T. Farfan Limited of Trinidad and Tobago and Farfan & Mendes of Guyana with combined industrial experience over 100 years. ICON brings together unparalleled experience and solid reputations as trusted suppliers to the Construction, Oil & Gas, Agriculture, Manufacturing, Government Sectors and the business community. ICON's mission is to be the first choice for Heavy Equipment in Guyana by offering premier brands, developing strong business partnerships and providing efficient service to our customers.



ICON Brands

ICON'S FLAGSHIP BRAND



In every corner of the world you will find a JCB machine. JCB is one of the world's top 3 manufacturers of construction equipment.

JCB Power Products offers an extensive range of high specification diesel generators to meet customer requirements for any power application globally. Each JCB generator is built to the highest specification to deliver outstanding reliability, high performance and increased efficiency.





OTHER BRANDS

 PORTABLE COMPRESSORS, STATIONARY COMPRESSORS & CONSTRUCTION TOOLS	 CONSTRUCTION EQUIPMENT, MIXING, CONCRETE, SURFACE PREP & CUTTING EQUIPMENT	 CONSTRUCTION EQUIPMENT	 WELDING EQUIPMENT, ELECTRODES & ACCESSORIES, SIWSI WELDING ACES	 MATERIAL HANDLING EQUIPMENT
 POWER TOOLS & ACCESSORIES	 POWER TOOLS & ACCESSORIES	 LP6/GAS GENERATORS	 ACCESS EQUIPMENT	 AUTOMATIC TRANSFER SWITCH GEAR (ATS)
 CHICAGO PNEUMATIC	 HSB GENERATOR	 THOMPSON PUMP Experience Innovation		

Micon Marketing Limited

Micon was acquired by the Company on November 1, 2022.

Micon is a mid-sized distributor of fast-moving consumer goods in Trinidad and Tobago with smaller presence in St. Vincent. Micon represents global brands in Trinidad and Tobago including Nestle, Supligen, Endura Malt, Unilever, Lucozade, Welch's, Fermipan Yeast, Bazooka Candy, Faultless Niagara, Richmond Valley Cocoa, Monello Pet Foods and Gold Seal Flour. Micon had annual revenue of approximately US\$56 million (approximately 11% of A.S. Bryden's total revenue for financial year ended December 31, 2024), and has 170 employees.

Micon Leadership Team



Gerard Conyers – Director



Adam Conyers – Managing Director

Micon Brands



Stansfeld Scott (Barbados) Limited

Stansfeld Scott (Barbados) Limited is a prominent Barbadian marketing, distribution, and retail company specializing in fine wines, premium spirits, beverages, snack foods, and consumer health products. Founded in 1935, it has evolved into Barbados's leading specialist distributor and operates six Wine World branded retail outlets nationwide. With a comprehensive warehousing and delivery infrastructure, the company serves supermarkets, hotels, restaurants, pharmacies, duty-free shops, and convenience stores across the island. Its portfolio includes renowned brands such as El Dorado and Plantation rums, Glenfiddich whisky, Stolichnaya vodka, Twinings tea, and Endura Malt.

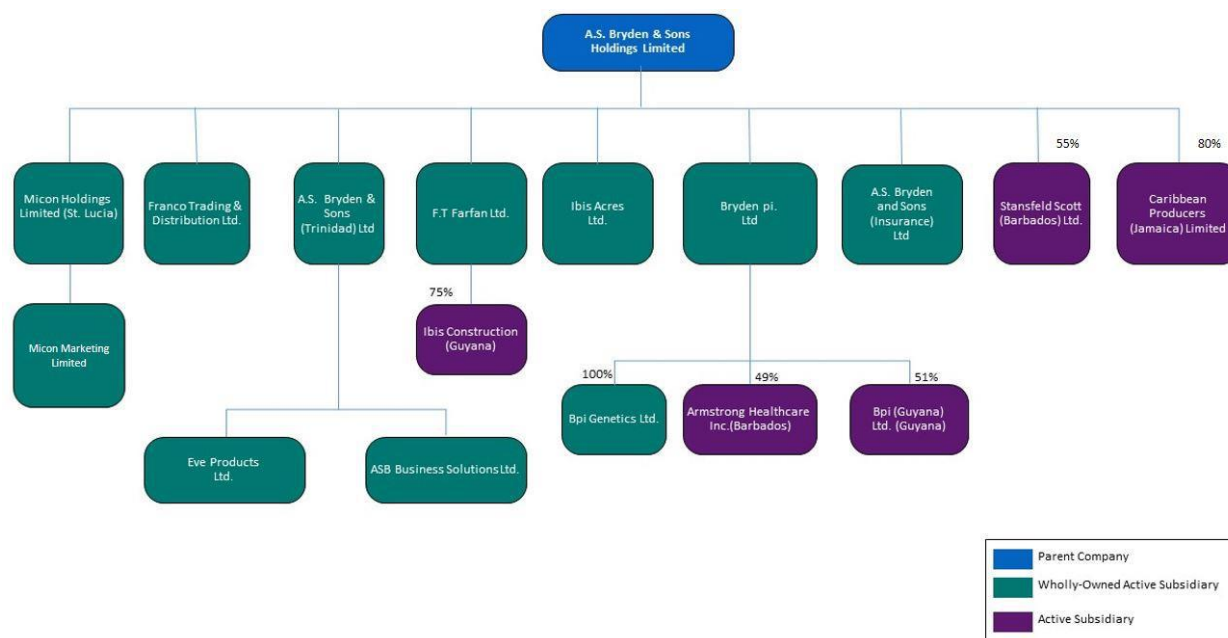
About Stansfeld Scott (Barbados) Limited

Founded in 1935 by Arthur V. Stansfeld and Donald V. S. Scott, the company initially engaged in blending and bottling local rums like Cockade and Falernum. In the late 1970s, ownership transitioned to the Cabral and Kessaram families, who refocused the business on wine and spirit distribution. By 1998, Stansfeld Scott had expanded into retail, establishing the Wine World chain as Barbados's top specialty liquor retailer. In March 2024, A.S. Bryden & Sons Holdings Limited acquired a 55% controlling stake. Today, Stansfeld Scott is committed to enhancing its market-leading distribution and retail services, leveraging its deep-rooted heritage and strategic backing to strengthen brand partnerships, optimize logistics, and ensure continued growth across Barbados and beyond.



4.2. Legal Structure

The Company serves as the non-operating parent company of the Group comprising the primary operating companies shown on the organization chart below.



4.3. Share Capital of the Company

The Company is authorized to issue:

- an unlimited number of ordinary shares of no par value
- an unlimited number of cumulative redeemable preference shares (the '**Class A preference shares**'); and
- an unlimited number of preference shares.

The Board of Directors are authorised pursuant to the Company's Articles to issue new ordinary shares and preference shares from time to time, without the prior consent of the shareholders of the Company. The Board may also issue additional Class A preference shares, subject to the consent of the holders of the Class A preference shares then in issue.

As at the date of this Prospectus, the stated capital of the Company stands at TT\$508,242,000 comprising:

- 1,499,251,189 ordinary shares of no par value, of which 176,520,000 are held by the Company in its representative capacity as treasury shares (the '**Treasury Shares**'); and
- 30,403,000 6.00% Class A preference shares of no par value.

The Company's majority shareholding is held by Seprod which holds 1,199,151,028 ordinary shares representing 80% of the Company's issued and outstanding ordinary shares (excluding the Treasury Shares). Previously, Seprod held approximately 50% of the Company's issued and outstanding ordinary shares. In May 2025, Seprod launched a takeover bid in which it made an offer to acquire up to 447,491,012

ordinary shares of the Company (approximately 29.85% of the Company's issued and outstanding ordinary shares). The takeover bid was successful and Seprod acquired 447,491,012 ordinary shares so that Seprod currently holds 80% of the Company's issued and outstanding shares.

4.4. Historical changes in the Company's share capital

On June 6, 2022, an amalgamation was effected between Bryden Group Limited and A.S. Bryden & Sons Holdings Limited ('Pre-Amalgamation ASBH') to form the Company. The amalgamation was undertaken to facilitate the acquisition of Pre-Amalgamation ASBH by the then shareholders of Bryden Group Limited, such that the Company issued 42,000,000 ordinary shares to the shareholders of Bryden Group Limited and 20,403,000 Class A preference shares to the shareholders of Pre-Amalgamation ASBH, in accordance with the terms of the amalgamation. These ordinary shares were issued for consideration equivalent to US\$1.00 per share and the preference shares were issued for consideration equivalent to US\$1.00 per share.

On September 28, 2022, one of the holders of ordinary shares surrendered its ordinary shares and these were reissued in favour of another existing shareholder for consideration equivalent to US\$1.00 per share.

On November 1, 2022, the Company issued 4,322,767 ordinary shares as consideration for the acquisition of Micon Holding Limited, the parent of Micon. These ordinary shares were issued for consideration equivalent to US\$3.47 per share.

Effective November 30, 2022, the Company amended its articles to split each issued ordinary share into 30 ordinary shares. This resulted in the total number of ordinary shares being 1,389,683,010.

The Company issued 94,871,379 additional ordinary shares in July 2024 as consideration a strategic stake in CPJ, and 14,696,800 additional ordinary shares in February 2025. This resulted in the total number of ordinary shares being 1,499,251,189.

All shares issued by the Company are fully paid up.

In addition, the Company may also utilise equity as consideration in future acquisitions. This may take the form of newly issued ordinary or preference shares, where deemed appropriate to do so by the Company's Board of Directors. It is possible that the Company may therefore issue new ordinary shares, Class A Preference Shares or other new preference shares in the future. For more information of how the Company's right to issue additional shares may impact investors, please see under the heading 'Dilution' in Section 10.

4.5. Characteristics of the Company's Shares

The Ordinary Shares

The rights, privileges, restrictions and conditions of the Ordinary Shares issued by the Company are detailed below.

- (i) *Voting Rights:* Any holder of ordinary shares issued by the Company is entitled to attend and vote at any meeting of the shareholders of the Company. A holder of ordinary shares shall be entitled to one (1) vote for each such ordinary share.

- (ii) *Election of Directors:*

Under the Company's By-Laws, the election of Directors shall take place at each annual meeting of the shareholders or any special meeting of the shareholders convened for such purpose in accordance with such By-Laws.

In accordance with the Company's By-Laws, persons may be nominated for election to office where he/she:

- (a) is a director who is retiring at the meeting;
 - (b) is recommended by the directors for election; and
 - (c) is nominated by shareholders of the Company who represent in the aggregate not less than five per cent (5%) of all the issued shares of the Company or five per cent (5%) of all the issued shares of a class of shares of the Company, each of whom is duly qualified to be present and vote at the meeting at which the election is to take place and notice of such nomination, duly signed by the shareholders and the person being nominated, is delivered to the Company at least six (6) days before the anniversary date of the previous Annual General Meeting.
- (iii) *Dividends:* Subject to the rights or restrictions attached to any other class or series of shares which may be issued by the Company from time to time in accordance with the Companies Act and the Company's Articles, all holders of ordinary shares issued by the Company are entitled to receive dividends declared and paid by the Company from time to time on a proportionate basis to their respective shareholding in the Company.
- (iv) *Property upon Dissolution:* Subject to the rights or restrictions attached to any other class or series of shares which may be issued by the Company from time to time in accordance with the Companies Act and the Company's Articles, the holders of ordinary shares issued by the Company are entitled to receive the remaining assets and other property of the Company upon dissolution or winding-up.

The Class A Preference Shares

The primary rights, privileges, restrictions and conditions of the Class A preference shares are detailed below.

- (i) *Voting Rights:* The holder of any of the Class A preference shares has the right to receive notice of, to be present, and to speak and vote, either in person or by proxy, at any general meeting of the company solely if the proposition to be submitted to the meeting either abrogates the rights and privileges attached to the Class A preference shares or considers a winding up of the Company. In addition, the holder of any of the Class A preference shares has the right to receive notice of and to be present, and to speak, either in person or by proxy, at any general meeting of the Company if any resolution is proposed for the winding up of the Company, in which case the holder may only vote on the resolution for winding up, and on any motion for adjournment. The holder of any of the Class A preference shares present in person or by proxy shall have one vote on a show of hands, and in the case of a poll, one vote for every Class A preference shares which he holds.
- (ii) *Dividends:* The holder of any of the Class A preference shares has the preferred right to a cumulative preferential dividend, to be paid, to the extent that there are profits available for distribution. The Company's targeted dividend rate on the Class A preference shares is 6% per annum, subject to and in accordance with the Company's dividend policy as may be adopted or varied by the Board from time to time.
- (iii) *Property upon Dissolution:* On a winding up, redemption or other return of capital, the holder of any of the Class A preference shares has the right to repayment, in priority to any payment to the holders of any other shares in the capital of the Company, of the following sums in respect of the Class A preference shares which he holds:
 - (a) the amounts paid up or deemed to be paid up on such Class A Preference Shares; and
 - (b) any declared and unpaid dividends on such Class A Preference Shares.
- (iv) *Any other rights:* The Class A preference shares shall confer no further rights to vote or to participate in the profits or the assets of the Company apart from those set out above.

In addition to ordinary shares and Class A preference shares, the Company may issue preference shares from time to time in one or more series with such rights, privileges, restrictions and conditions attaching to each series of preference shares as the Board may determine from time to time.

4.6. Dividend Policy

Dividends will be payable out of surplus funds from the Company's distributable profits and/or general reserves as may be determined by the Board from time to time. The Board reserves the right to not recommend a dividend for a period, if it considers it in the best interests of the Company to do so.

The Company will not declare any dividends where the law prevents such payment and if there are reasonable grounds for believing that the Company is or would be, after a dividend payment, (a) unable to pay its liabilities or discharge its obligations as and when they become due or (b) the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

Subject to the foregoing, the Board aims to declare and distribute as dividends on the ordinary shares approximately 40% of the Company's net profit available for distribution.

4.7. Industry Overview

The Company operates in the (i) Fast-Moving Consumer Goods (FMCG), (ii) Healthcare, and (iii) Industrials industries, mainly in Trinidad and Tobago, with Guyana and Barbados having smaller contributions to performance. Players in these industries largely import and distribute goods and compete on pricing, brand recognition and distribution networks. These industries are characterized as favouring companies that have operational expertise, scale and access to capital.

FMCG

Within the FMCG industry, our Company mainly operates in the following sectors:

- **Consumer Goods:** food and groceries, hardware, and housewares.
- **Premium Beverages:** wines and spirits.

The primary business drivers impacting the Group's FMCG business include:

- Changing consumer preferences, preferences for established brands, and demand for premium beverages.
- Economic growth and construction activity: changes in disposable incomes impact demand for discretionary products; booms in construction drive demand for hardware and houseware products.
- Tourism: weaker or stronger carnival seasons have significant impact on premium beverage consumption.

In terms of the competitive landscape affecting the Group's FMCG business:

- The Group's main competitors in FMCG include conglomerates such as Massy, Hadco, and Agostini.
- Companies compete on attracting and maintaining relationships with brands and principals, distribution networks, pricing, innovation, marketing, and ability to attract and retain talent.

Healthcare

The Company supplies hospital supplies, prescription drugs and over-the-counter (OTC) drugs in the Pharmaceutical sector.

The primary business drivers impacting the Group's healthcare business include:

- Government policies: impact of regulatory changes on pricing and distribution; public tenders to supply drugs and hospital supplies to state owned facilities drive demand for products.
- Chronic diseases and ageing population impact demand for medications.
- Innovation: trends in local production versus import, and innovation in development of new drugs.

In terms of the competitive landscape affecting the Group's healthcare business:

- The Group's main competitor in the healthcare sector is Aventa Trinidad & Tobago.
- Companies compete on technical expertise, service and maintenance, ability to provide financing and supply chain logistics.

Industrials

The Company participates in the Industrials industry by distributing capital goods and providing business support services to customers who operate in agriculture, automotive, construction, manufacturing, mining and quarrying, and the marine industries. Products distributed by firms operating in the industry include items such as tractors, trucks, forklifts, lubricants, building supplies, and power generation.

The primary business drivers impacting the Group's industrial business include:

- Demand is driven by government spending on infrastructure projects and growth in construction projects.
- Demand is also driven by interest rates which in turn impact customers' ability to finance the purchase of capital goods.

In terms of the competitive landscape affecting the Group's industrial business:

- The Group's main competitors in the industrial sector include Massy CAT, Rossco Procom, and Trintrac Ltd.
- Companies compete on price, distribution capabilities, brands, ability to provide financing, technical expertise and ability to provide service maintenance.

4.8. Business Overview

Business Development Plans

The Company has undertaken a few key initiatives aimed at improving operational efficiencies. Some of these include:

- i. Attracting additional pharmaceutical agencies by leveraging our regional presence.
- ii. Expanding our regional premium beverage business following the acquisition of SSB, which gives us more relevance with principals.
- iii. The development of a 200,000 sq. ft. distribution centre in Chaguanas, Trinidad to consolidate seven rented warehouses that will improve productivity and regional expansion.
- iv. The 100,000 sq. ft. expansion of a distribution centre in Guyana to take advantage of the demand for industrial equipment to support near-shore drilling as well as infrastructure development and construction activities.

Growth Strategies

Key growth strategies for A.S. Bryden include:

- Investing in its employees and maintaining its enviable reputation as an employer of choice.
- Enhancing value added to its product principals.
- Attracting new product principals.
- Building upon its distribution platform in Trinidad.
- Increasing its regional market share, particularly in Barbados and Guyana.
- Investing in its Eve product brand.
- Growing its in-house brand development operations.
- Growing its manufacturing operations.
- Investing in technology to make it a key competitive advantage.
- Leveraging the relationship with its parent company, Seprod.

Company Strengths and Highlights

Key Company Strengths and Highlights for the Company include:

- Distribution platform in Trinidad and Tobago.
- Established, highly regarded group in operation for almost 100 years.
- Talented executive team with decade's long experience and relationships.
- Global food, pharmaceuticals, liquor, hardware, housewares and industrial equipment supplier partners.
- Growing portfolio of its own manufactured products and brands.
- Presence in Guyana, one of the fastest growing economies in the world.

5. Information on Shareholders, Directors and Key Management

5.1. Significant Shareholders

The persons holding more than 10% of any class of Shares as at the date of this Prospectus are as follows:

Name	Ordinary Shares	% of Total
Seprod Limited – a limited liability company incorporated in Jamaica	1,199,151,028	80%

Name	Class A Preference Shares	% of Total
Keskidee Limited – a limited liability company incorporated in Trinidad and Tobago	9,642,009	31.7%
Ambergate Limited – a limited liability company incorporated in Trinidad and Tobago	6,016,805	19.8%
Saravi Holdings SRL	4,200,000	13.8%
Famshare Holding and Investments Ltd.	5,800,000	19.1%

5.2. Board of Directors

The Board and Senior Management team as at the date of this Prospectus are as follows:

The Company's Board of Directors



P.B. Scott, OJ, CD, Chairman. Honourable P.B. Scott is the CEO, Chairman and Principal Shareholder of the Musson Group. For over 20 years he has conceptualized and led the expansion of the Musson Group from a Jamaican consumer wholesale distribution business to a diversified group operating in 30 countries. Musson is a regional leader in food, pharmaceuticals, IT, and insurance and includes leading businesses such as PBS Group, Seprod Group, General Accident Insurance, and A.S. Bryden. In addition to his private sector contributions, he has committed a significant amount of time to public service. He is the chairman of the Development Bank of Jamaica. In 2023, he was awarded “the Order of Jamaica (OJ)” for his exceptional contribution to the Business Industry, Investment, and Philanthropy in Jamaica and the Caribbean.



Michael Conyers, Executive Deputy Chairman. Michael is the Chairman of Micon Marketing Limited and the Executive Deputy Chairman of A.S. Bryden and, serves on the board of several companies in the Group. Previously he held the role of Managing Director of Micon Marketing Limited from 1997 to 2022. Between 1992 and 1997, he served as Managing Director at Grell Taurel Limited, part of the Neal & Massy Group and Managing Director for Trinidad Distributors Ltd in the McAl Group. He held directorships at T. Geddes Grant, Geo. F. Huggins, Marketing & Distribution Ltd, Neal & Massy Caribbean, Huggins Shipping, Caribbean Development Co. Ltd, Carib Brewery Ltd, Alston's Marketing Ltd, Alston's Shipping and Tobago Marketing Co. (Tamco).



Richard Pandohie, CD, JP, CEO. Richard assumed the role of CEO and Managing Director of the Seprod Group in January 2015. He boasts a wealth of experience, having served in diverse managerial and board capacities in corporations spanning multiple industries across the Caribbean and Central America. Noteworthy is Richard's impactful tenure as President of the Jamaica Manufacturers and Exporters' Association (JMEA), where he exhibited remarkable leadership and inspired industry-wide progress. His academic qualifications underscore his commitment to excellence, holding a Master of Business Administration degree in Corporate Finance and Operations Management from McGill University, complemented by a Bachelor of

Science degree in Chemical Engineering from The University of the West Indies. His outstanding contributions to national development in the manufacturing sector were duly recognized with the award of the "Order of Distinction (CD)", Commander Class, one of the highest honors bestowed by the nation, solidifying his status as a pioneering figure in the advancement of the industry.



Melanie Subratie, Director. Melanie is the Deputy Chairman of Musson, and is Chairman and CEO of Stanley Motta and Felton Property Management. Additionally, she is the Chairman of the Musson Foundation and the Seprod Foundation. Melanie is a director of Seprod, A.S. Bryden and subsidiaries. She serves on the audit committee of Seprod and is a trustee of the Seprod Pension Fund. Melanie is the Vice-Chairman of General Accident Insurance Company Limited and T. Geddes Grant Limited, a director of Facey Group, Interlinc Limited, Eppley Limited, Eppley Caribbean Property Fund (ECPF), PBS Group and subsidiaries. She is also Chairman of the Audit Committee for Interlinc Limited and serves the audit committees of ECPF, Seprod,

Interlinc and ASBH. A keen angel investor, she is a director of Bookfusion Limited. Melanie is a director of the Jamaica Chamber of Commerce. She is a graduate of the London School of Economics.



Nicholas Scott, Director. Nicholas is the Chief Investment Officer of the Musson Group and serves as a director of most of its subsidiaries and affiliates. He is also the Vice Chairman of Eppley Limited and the Chairman of the Eppley Caribbean Property Fund Limited SCC. Mr. Scott is the former Chairman of the Student Loan Bureau and is a former Vice-President of the Private Sector Organisation of Jamaica. He holds a B.Sc. in Economics from the Wharton School at the University of Pennsylvania, an M.B.A from Columbia Business School and an M.P.A. from the Harvard Kennedy School of Government.



Brian Wynter, OJ, CD, Director. Honourable Brian Wynter is internationally recognized as a central banker and financial markets executive with a wide range of experience in challenging environments. He was Governor of Bank of Jamaica during Jamaica's historic turnaround, co-chair of the Economic Programme Oversight Committee, founding CEO of Jamaica's Financial Services Commission and corporate finance head and country treasurer for Citibank Jamaica. Moving seamlessly between public and private sectors, his professional experience includes stints at the International Monetary Fund's Caribbean Regional Technical Assistance Centre in Barbados and the capital markets and derivatives subsidiaries of Chase Manhattan and

Schroders in New York. Called to the bar in the UK and Jamaica, he holds a BSc (Econ) from the London School of Economics and Political Science, a Diploma in Law from The City University and a Masters in International Affairs from Columbia University School of International and Public Affairs. In 2020, he was awarded the "Order of Jamaica (OJ)" for distinguished service to central banking and the financial sector in Jamaica.



Geoffrey Gordon, Director. Geoffrey dedicated nearly 30 years to the Company, ultimately rising to the position of Group Finance Director before retiring in 2022. His wealth of experience and specialized knowledge play a pivotal role in steering The Brydens Group's financial strategy to enhance long-term shareholder value. In addition to his board responsibilities, he provides consultancy services further leveraging his expertise.

Other Directorships

Mr P. Scott, Mr. N. Scott, and Ms Subratie are also directors of Eppley Caribbean Property Fund Limited. The directors do not otherwise hold directorships in any other entity registered as a reporting issuer under the Securities Act.

5.3. Key Leadership Team



P.B. Scott, OJ, CD, Chairman. Honourable P.B. Scott is the CEO, Chairman and Principal Shareholder of the Musson Group. For over 20 years he has conceptualized and led the expansion of the Musson Group from a Jamaican consumer wholesale distribution business to a diversified group operating in 30 countries. Musson is a regional leader in food, pharmaceuticals, IT, and insurance and includes leading businesses such as PBS Group, Seprod Group, General Accident Insurance, and A.S. Bryden. In addition to his private sector contributions, he has committed a significant amount of time to public service. He is the chairman of the Development Bank of Jamaica. In 2023, he was awarded “the Order of Jamaica (OJ)” for his exceptional contribution to the Business Industry, Investment, and Philanthropy in Jamaica and the Caribbean.



Michael Conyers, Executive Deputy Chairman. Michael is the Chairman of Micon Marketing Limited and the Executive Deputy Chairman of A.S. Bryden and, serves on the board of several companies in the Group. Previously he held the role of Managing Director of Micon Marketing Limited from 1997 to 2022. Between 1992 and 1997, he served as Managing Director at Grell Taurel Limited, part of the Neal & Massy Group and Managing Director for Trinidad Distributors Ltd in the McAl Group. He held directorships at T. Geddes Grant, Geo. F. Huggins, Marketing & Distribution Ltd, Neal & Massy Caribbean, Huggins Shipping, Caribbean Development Co. Ltd, Carib Brewery Ltd, Alston's Marketing Ltd, Alston's Shipping and Tobago Marketing Co. (Tamco).



Richard Pandohie, CD, JP, CEO. Richard assumed the role of CEO and Managing Director of the Seprod Group in January 2015. He boasts a wealth of experience, having served in diverse managerial and board capacities in corporations spanning multiple industries across the Caribbean and Central America. Noteworthy is Richard's impactful tenure as President of the Jamaica Manufacturers and Exporters' Association (JMEA), where he exhibited remarkable leadership and inspired industry-wide progress. His academic qualifications underscore his commitment to excellence, holding a Master of Business Administration degree in Corporate Finance and Operations Management from McGill University, complemented by a Bachelor of Science degree in Chemical Engineering from The University of the West Indies. His outstanding contributions to national development in the manufacturing sector were duly recognized with the award of the “Order of Distinction (CD)”, Commander Class, one of the highest honors bestowed by the nation, solidifying his status as a pioneering figure in the advancement of the industry.



Stephen Welch

Stephen Welch is the Managing Director of A.S. Bryden & Sons (Trinidad). He holds a Bachelor of Commerce from Saint Mary's University, Canada. An accomplished senior executive with over 30 years of experience in the fast-moving consumer goods industry, his experience includes manufacturing, sales, distribution, supply chain, product development, marketing, operations and people development. He has a track record of leading high-performance teams through strategic goal setting and innovation whilst instilling high levels of trust and accountability.



Barry Tangwell

Barry Tangwell is the Managing Director of Bryden Pi. He holds an ACCA, and a BSc in Industrial Management from UWI St. Augustine. 30 years in the field of fast-moving consumer goods, with the last 8 years being also intimately involved in the Healthcare arena. He has lead Sales, Marketing, Business Development and Innovation Business Units in several categories across the Latin America and the Caribbean. He has a unique passion for creating winning brands fueled by an acute customer obsession.



Andrew Crooks

Andrew Crooks is the Managing Director of F.T. Farfan. He holds an MBA in Marketing from Arthur Lok Jack Graduate School of Business, UWI. Bachelor of Commerce in Economics and Finance from University of Guelph, Canada. 12 years' experience in fast-moving consumer goods and industrial supplies at both operational and strategic levels primarily focused in strategic planning and forecasting, sales and marketing, distribution management, new business development and communications.



David Franco

David Franco is Regional Business Development Director of the Group, with a focus on Premium Beverages. David earned a BA in Economics from the University of Western Ontario, Canada. He has over two decades of experience in progressive leadership roles across many industries including advertising, marketing, sales and distribution. David joined the Group in 1997 as a Sales and Promotions Manager in the Premium Beverages Division. By 2003, his hard work ultimately led to his appointment to the Board of Directors and promotion to Division Director. David's vast experience in the liquor industry from a brand building and supplier perspective aids in his successful approach to developing new business opportunities for the Group.



Bernadette Sammy

Bernadette Sammy is the Group Chief Financial Officer and Corporate Secretary of the Group. She is a Fellow of the Association of Chartered Certified Accountants (FCCA), a member of the Institute of Chartered Accountants of Trinidad and Tobago (ICATT), and a Certified Internal Controls Risk Analyst (CICRA). Bernadette is a senior finance and accounting professional with over 20 years' experience at operational and strategic levels. Her experience includes Chief Financial Officer at Angostura Limited, and Supervisor at KPMG.



Tiffany Reid

Tiffany Reid is the Group Head of Human Resources. She holds a BSc (Honours) from University of Guelph, Canada, and an MBA in Management and Organization Studies from Simon Fraser University, Canada. Tiffany is a senior Human Resource management professional with more than 20 years' HR experience in the public and private sectors. Experience includes expertise in Strategic Recruitment, Internal Communication, Employee Relations, Labour Laws & Issue Resolution, Job Evaluation, Compensation & Benefits, Talent Management, Training & Development and Policy Design & Administration.



Robert Scott Franco

Scott Franco is the Group's Head of Shared Services and Special Projects. He holds a BSc in Marketing from Saint Mary's University. He is responsible for the Group's Manufacturing, Digital, and Marketing of In-House Brands. He has over 30 years' experience in manufacturing & distribution industries and has been responsible for restructuring several businesses and the establishment of a number of successful food/manufacturing plants along with the establishment of regional distribution networks.

5.4. Other Matters Regarding Directors and Officers

Remuneration of directors and officers

The Company's Board of Directors is responsible for fixing the remuneration payable to the directors *provided that* such remuneration shall be based on prevailing market rates at the relevant time.

The aggregate cash remuneration and other cash or non-cash benefits paid to the Directors and senior officers in the last completed financial year of the Company was \$41.6 million. Further information on the remuneration paid to directors and senior officers of the Company is set out below.

Aggregate Remuneration	Number of Directors and Senior Officers
\$0.00 - \$500,000.00	3
\$500,000.01 - \$1,000,000.00	11
\$1,000,000.01 - \$2,000,000.00	17
> \$2,000,000.00	3

Indemnification

Under the Companies Act, directors and officers may be indemnified by the Company for any liability incurred by them for any acts they take (or do not take) in the performance of their duties unless such liability is the result of wilful neglect or failure to act on the part of the relevant director or officer. The Company has an insurance coverage for directors' and officers' liability.

As at the date of this Prospectus, the Board of Directors has instituted one standing committee, the Audit Committee.

Audit Committee

The audit committee serves as an independent committee and its role is to assist the Board of Directors with monitoring:

- the integrity of the Company's financial statements and public disclosures;
- the compliance by the Company with all applicable legal and regulatory requirements, including but not limited to the Company's compliance with Trinidad and Tobago's anti-money laundering legislation;
- any potential conflicts of interest between Board members and the Group to ensure that any such transactions are carried out on arms' length commercial terms and in accordance with prescribed conflict of interest rules contained in the Companies Act;
- adequacy and quality of corporate governance, internal control systems and risk management systems and the Company's compliance therewith; and
- the Company's internal and external auditing, accounting and financial reporting processes generally.

The audit committee is authorized and empowered to, amongst other things:

- recommend the appointment, compensation, and oversight of the work of the external auditors employed by the Company to conduct the annual audit;
- resolve any disagreements between the management and the external auditors regarding financial statements;
- authorize investigations into any matters within its terms of reference, charter and scope of responsibility;

- recommend the engagement of an independent counsel, accountant or other advisors to the board as it determines necessary to carry out its duties or assist in the conduct of investigation; and
- meet with the Company's officers, statutory/external/internal auditors, or outside counsel, as necessary.

Meetings and Quorum

The audit committee is authorized to convene meetings, as circumstances require but shall meet at least semi-annually.

Minutes shall be prepared for each audit committee meeting.

Two (2) members of the audit committee shall constitute a quorum.

Members of the Audit Committee

The Company's audit committee shall comprise of three (3) directors of the Company, the majority of whom are not officers or employees of the Company or any of its affiliates within the meaning of the Companies Act.

In accordance with the foregoing, the Company's audit committee consists of the following members as at the date of this Prospectus:

- Geoffrey Gordon
- Melanie Subratie
- Brian Wynter

6. Associations, Related Party Transactions and Conflict of Interest

A number of transactions are entered into with related parties in the normal course of business. These transactions are carried out on commercial terms and conditions and at market rates. As at December 31, 2024, the amounts outstanding to related parties and treated as other payables and accruals was \$3.9 million.

Mr. P. Scott and Ms. Subratie are siblings. They both hold significant shareholdings in one of the Company's significant shareholders, Musson Investments Limited.

Mr. P. Scott and Mr. N. Scott are not related.

7. Management Discussion & Analysis

Overview

The following discussion aims to provide Management's perspective of the unaudited consolidated financial statements for the quarter ended March 31, 2025.

The financial statements attached should be read in conjunction with this discussion. The information provided aims to assist readers in understanding the financial performance during the period specified and any trends which may have impacted on performance and future performance.

All amounts are stated in Trinidad and Tobago dollars unless otherwise stated.

Critical Accounting Policies

The accounting and reporting policies of the Company conform to IFRS Accounting Standards. Developments to these standards are actively monitored and disclosure is provided in accordance with IFRS Accounting Standards.

Summary

Q1 results for 2025 (January-March)

- The Group earned revenue of TT\$1,023.9 million, an increase of \$394.1 million (62.6%) over prior year Q1 2024.
- Gross Profit closed at TT\$284.2 million, which was TT\$111.8 million (64.8%) above the prior year.
- Operating profit of TT\$60.0 million was up TT\$14.1 million.
- Net profit of \$22.0 million was up \$3.3 million.

These results were primarily impacted by the inclusion of the financials of the subsidiaries which were acquired in 2024: Caribbean Producers (Jamaica) Limited (CPJ) and Stansfeld Scott Barbados Limited (SSB). The integration of CPJ and SSB have gone according to plan, and now we are at the stage of identifying and executing synergies across the Group.

Outlook

We continue to advance our agenda of building out a regional platform that will unlock value for our partners, shareholders and stakeholders. We recognize that seamlessly integrating our business units with the right technology and organizational structure is critical to drive our productivity and cost savings, which we will use to reinvest in the business.

In the short-term, our Trinidad and Tobago business continues to face challenges with acquiring sufficient foreign exchange at the official exchange rate, however, we are hopeful that the availability will improve. We are focusing to increase the export business which will help to mitigate against the forex gap. We are pleased with our export business, with Jamaica and Guyana in particular delivering very robust growth across multiple categories.

There are several capital expenditure projects in progress that will have a material positive impact on the bottom-line. These include:

- Upgrade of meat and seafood processing facilities in Jamaica.
- ERP implementation at CPJ.
- New warehouse buildout in Guyana and the in-progress distribution facility in Trinidad.
- Existing warehouse expansion in St. Vincent.

During the period, the Group closed its Offer to acquire up to 79.99% of the share capital of CPJ and completed the allotment process to acquire the shares of accepting shareholders. At the reporting date ASBH held 79.99% of the ordinary shares of CPJ. We remain committed and aligned to creating value and driving sustainable growth for our stakeholders, and are optimistic that we will deliver robust growth in 2025.

8. Summary Financial Information relating to the Group^{1 2}

The following information has been extracted from the Company's financial statements:

A.S. Bryden & Sons Holdings Limited

Unaudited Summary Consolidated Income Statement 2020 – 2024

TT\$	FY 2020	FY 2021	FY 2022	9 May 2022 to 31 December 2022	FY 2023	FY 2024
Turnover	1,645,966,000	1,618,332,000	1,715,232,000	1,253,758,000	2,563,833,000	3,385,997,000
Cost of Sales	(1,199,368,000)	(1,158,083,000)	(1,209,810,000)	(895,771,000)	(1,898,845,000)	(2,466,622,000)
Gross Profit	446,598,000	460,249,000	505,422,000	357,987,000	664,988,000	919,375,000
Other Income	4,181,000	4,505,000	2,724,000	341,000	396,000	11,804,000
	450,779,000	464,754,000	508,146,000	358,328,000	665,384,000	931,179,000
Operating Expenses	(342,273,000)	(334,429,000)	(366,397,000)	(251,901,000)	(445,739,000)	(707,168,000)
Operating Profit	108,506,000	130,325,000	141,749,000	106,427,000	219,645,000	224,011,000
Net Finance Cost	(11,618,000)	(12,053,000)	(12,951,000)	(23,597,000)	(53,926,000)	(83,856,000)
Share of Profit in Associate	1,959,000	2,794,000	2,955,000	1,272,000	47,000	19,000
Profit Before Taxation	98,847,000	121,066,000	131,753,000	84,102,000	165,766,000	140,174,000
Taxation	(31,383,000)	(36,928,000)	(41,540,000)	(14,455,000)	(25,936,000)	(76,323,000)
Net Profit	67,464,000	84,138,000	90,213,000	69,647,000	139,830,000	63,851,000

¹ FY2020 to FY2022 were extracted from consolidated financial statements audited by Ernst & Young. May to December 2022, FY2023 and FY2024 were extracted from consolidated financial statements audited by PwC.

² FY2020, FY2021, and FY2022 represent the results for the 12 months ended 31 March 2020 to 2022 respectively. FY2023 and FY2024 represent the 12 months ended 31 December 2023 and 2024 respectively.

A.S. Bryden & Sons Holdings Limited

Unaudited Summary Consolidated Statement of Financial Position 2020 – 2024

TT\$	FY 2020	FY 2021	FY 2022	As at 31 December 2022	FY 2023	FY 2024
Cash at bank and on hand	124,743,000	120,997,000	192,369,000	126,719,000	147,604,000	174,428,000
Inventories	324,617,000	325,788,000	368,079,000	590,435,000	673,678,000	971,773,000
Trade receivables	340,210,000	310,503,000	313,532,000	532,889,000	667,707,000	1,008,233,000
Other Current Assets	48,375,000	45,047,000	53,852,000	588,000	12,658,000	7,872,000
	837,945,000	802,335,000	927,832,000	1,250,631,000	1,501,647,000	2,162,306,000
Property, plant and equipment	202,724,000	201,345,000	324,520,000	255,455,000	272,996,000	401,955,000
Intangible assets	69,116,000	69,116,000	69,116,000	317,206,000	299,540,000	629,045,000
Other Non-current Assets	42,312,000	54,980,000	74,168,000	135,041,000	112,392,000	181,297,000
	314,152,000	325,441,000	467,804,000	707,702,000	684,928,000	1,212,297,000
Total Assets	1,152,097,000	1,127,776,000	1,395,636,000	1,958,333,000	2,186,575,000	3,374,603,000
Stated capital	14,451,000	14,451,000	14,451,000	387,600,000	387,600,000	508,242,000
Retained earnings	522,424,000	571,972,000	587,200,000	(41,545,000)	65,606,000	20,407,000
Preference Shares	-	-	-	123,340,000	123,340,000	191,340,000
Other	19,878,000	25,220,000	124,452,000	133,368,000	143,421,000	255,317,000
Total Equity	556,753,000	611,643,000	726,103,000	602,763,000	719,967,000	975,306,000
Borrowings	138,173,000	116,362,000	87,380,000	129,742,000	226,012,000	527,005,000
Trade payables	200,163,000	116,668,000	165,278,000	288,087,000	370,147,000	654,200,000
Other payables and accruals	54,720,000	54,627,000	80,486,000	91,491,000	157,811,000	-
Other Current Liabilities	64,863,000	78,968,000	120,199,000	41,275,000	31,295,000	86,208,000
	457,919,000	366,625,000	453,343,000	550,595,000	785,265,000	1,267,413,000
Borrowings - medium term	15,512,000	21,257,000	43,781,000	563,574,000	512,043,000	848,634,000
Lease liabilities	67,428,000	60,029,000	70,204,000	69,348,000	60,788,000	156,116,000
Other Non-current Liabilities	54,485,000	68,222,000	102,205,000	172,053,000	108,512,000	127,134,000
	137,425,000	149,508,000	216,190,000	804,975,000	681,343,000	1,131,884,000
Total Liabilities	595,344,000	516,133,000	669,533,000	1,355,570,000	1,466,608,000	2,399,297,000
Total Equity and Liabilities	1,152,097,000	1,127,776,000	1,395,636,000	1,958,333,000	2,186,575,000	3,374,603,000

¹ FY2020 to FY2022 were extracted from consolidated financial statements audited by Ernst & Young. May to December 2022, FY2023 and FY2024 were extracted from consolidated financial statements audited by PwC.

² FY2020, FY2021, and FY2022 represent the results for the 12 months ended 31 March 2020 to 2022 respectively. FY2023 and FY2024 represent the 12 months ended 31 December 2023 and 2024 respectively.

A.S. Bryden & Sons Holdings Limited

Unaudited Summary Consolidated Statement of Cash Flows 2020 – 2024

TT\$	9 May 2022 to 31 December					
	FY 2020	FY 2021	FY 2022	2022	FY 2023	FY 2024
Profit after taxation	67,464,000	84,138,000	90,213,000	69,647,000	139,830,000	63,851,000
Items not affecting cash resources:						
Depreciation	35,089,000	34,845,000	34,856,000	21,700,000	41,794,000	66,365,000
Amortisation of intangible assets	-	-	-	3,936,000	9,785,000	14,230,000
Loss/(gain) on disposal and other adjustments of property, plant and equipment	1,593,000	(1,945,000)	(2,298,000)	(1,826,000)	694,000	506,000
Expense recognised for post-employment benefit assets	10,543,000	10,869,000	10,217,000	6,981,000	9,295,000	10,112,000
Expense recognised for post-employment benefit obligations	131,000	9,646,000	10,660,000	6,522,000	(20,613,000)	503,000
Share of results of associate, net of tax	(1,959,000)	(2,794,000)	(2,955,000)	(1,272,000)	(47,000)	(19,000)
Taxation expense	31,383,000	36,928,000	41,540,000	14,455,000	25,936,000	76,323,000
Interest expense	11,618,000	12,053,000	12,951,000	23,597,000	53,926,000	83,856,000
	155,862,000	183,740,000	195,184,000	143,740,000	260,600,000	315,727,000
Changes in operating assets and liabilities:						
Inventories	(4,426,000)	(1,171,000)	(42,291,000)	(210,182,000)	(83,245,000)	10,107,000
Trade and other receivables	(83,099,000)	33,613,000	(12,788,000)	(104,530,000)	(134,815,000)	(154,759,000)
Trade and other payables	62,064,000	(83,307,000)	73,589,000	46,318,000	156,025,000	7,654,000
Cash from/(used in) operating activities	130,401,000	132,875,000	213,694,000	(124,654,000)	198,565,000	178,729,000
Employer contributions to post-employment benefit plans	(10,773,000)	(10,869,000)	(10,945,000)	(12,356,000)	(12,548,000)	(11,805,000)
Taxation paid	(34,251,000)	(32,175,000)	(40,286,000)	(30,964,000)	(55,532,000)	(62,708,000)
Cash from/(used in) operating activities	85,377,000	89,831,000	162,463,000	(167,974,000)	130,485,000	104,216,000
Cash Flows from Investing Activities:						
Purchase of property, plant and equipment	(28,645,000)	(35,394,000)	(33,764,000)	(16,414,000)	(47,547,000)	(63,381,000)
Proceeds on disposal of property, plant and equipment	11,091,000	3,435,000	6,462,000	5,593,000	2,038,000	2,687,000
Cash on acquisition of subsidiary	(4,880,000)	4,880,000	-	14,237,000	-	47,219,000
Dividends received from Associate	655,000	983,000	657,000	-	-	-
Cash provided (used in)/from investing activities	(21,779,000)	(26,096,000)	(26,645,000)	3,416,000	(45,509,000)	(13,475,000)
Cash Flows from Financing Activities:						
Borrowings received	31,500,000	51,792,000	74,502,000	555,240,000	475,538,000	917,125,000
Borrowings repaid	(3,237,000)	(67,858,000)	(80,959,000)	(89,237,000)	(430,799,000)	(570,456,000)
Cash on acquisition of Group	-	-	-	255,620,000	-	(232,529,000)
Lease obligations	(8,908,000)	(8,185,000)	(6,622,000)	(6,084,000)	(13,452,000)	(23,260,000)
Issue of shares by a subsidiary	-	1,623,000	1,362,000	2,484,000	-	-
Repurchase of shares	-	-	-	(394,489,000)	-	-
Investment in joint venture	-	-	-	-	-	(20,416,000)
Acquisition of non-controlling interest in subsidiary	-	-	-	-	-	(1,356,000)
Ordinary dividends paid by the Company	(30,849,000)	(31,180,000)	(37,835,000)	(3,772,000)	(31,238,000)	(54,282,000)
Preference dividends paid by the Company	-	-	-	(2,668,000)	(8,324,000)	(8,324,000)
Ordinary dividends paid by a subsidiary	(1,474,000)	(1,620,000)	(1,943,000)	(2,220,000)	(1,890,000)	-
Interest paid on borrowings	(11,618,000)	(12,053,000)	(12,951,000)	(23,597,000)	(53,926,000)	(83,857,000)
Cash (used in)/from financing activities	(24,586,000)	(67,481,000)	(64,446,000)	291,277,000	(64,091,000)	(77,355,000)
(Decrease)/Increase in cash and cash equivalents	39,012,000	(3,746,000)	71,372,000	126,719,000	20,885,000	13,386,000
Cash and cash equivalents at beginning of the period/year	85,731,000	124,743,000	120,997,000	-	126,719,000	147,604,000
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	124,743,000	120,997,000	192,369,000	126,719,000	147,604,000	160,990,000

¹ FY2020 to FY2022 were extracted from consolidated financial statements audited by Ernst & Young. May to December 2022, FY2023 and FY2024 were extracted from consolidated financial statements audited by PwC.

² FY2020, FY2021, and FY2022 represent the results for the 12 months ended 31 March 2020 to 2022 respectively. FY2023 and FY2024 represent the 12 months ended 31 December 2023 and 2024 respectively.

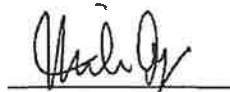
9. Report of the Directors

After due inquiry, the Board hereby confirms, in relation to the period between the Company's most recently completed financial year (the consolidated audited financial statements for which can be found at **8 Financial Information relating to the Group** above) and the date of the date of this Prospectus that in their opinion:

- (a) the business of the Company has been satisfactorily maintained;
- (b) there have not arisen any circumstances which have adversely affected the trading or the value of the assets of the Company;
- (c) the current assets of the Company appear in the books at values which are believed to be realisable in the ordinary course of business;
- (d) there are no new contingent liabilities by reason of any guarantees or indemnities given by the Company; and
- (e) there have been no changes in the published reserves or any unusual factors affecting the financial position of the Company.



Mr. Paul Scott



Mr. Michael Conyers



Ms. Melanie Subratie



Mr. Nicholas Scott



Mr. Richard Pandohie



Mr. Geoffrey Charles Gordon



Mr. Brian Wynter

10. Risk Factors

The following does not purport to be a comprehensive summary of all of the risks associated with an investment in Shares. Rather, the following are only certain risks to which the Company is subject and Prospective Investors should discuss and evaluate in detail with their professional advisors. Other risks and uncertainties that the Company does not presently consider to be material, or of which the Company is not presently aware, may become important factors that affect the Group's future financial condition and results of operations. The occurrence of any of the risks discussed below could materially and adversely affect the business, financial condition, financial performance or cash flows of the Company. Prospective Investors in Shares should carefully consider these risks before investing in Shares and seek advice from a stockbroker or other appropriate professional.

Investors should appreciate that there are inherent risks in all types of investments. Prices of investments can move erratically and be unpredictably affected by many diverse factors, including political and economic events but also rumours and sentiment.

Market Risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group treasury department which monitors the price movement of financial assets on the local and international markets.

There has been no recent change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It is also the risk that the Group will be able to source sufficient amounts of various currencies to fund its operations.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Trinidad and Tobago dollar, the Barbados Dollar, the Guyanese Dollar, the United States Dollar and others. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

The Group manages its foreign exchange risk by monitoring currency positions. The Group further manages this risk by maximizing foreign currency earnings and holding foreign currency balances.

The Group has certain investments in foreign operations, the net assets of which are exposed to foreign currency translation risk. The Group also has trade and financial liabilities denominated in hard currency. Currency exposure arising from the net assets of the Group's foreign operations and its hard currency liabilities exposes the Group (and companies within the Group) to foreign exchange risk.

Liquidity Risk

Apart from inventories, trade and other receivables are amongst the highest contributors to the nominal value of the Company's current assets. Thus, should payments from major customers be unexpectedly delayed, this could ultimately impact the Company's cash flows and its ability to meet financial obligations. Notwithstanding this, the Group has enforced strategies to mitigate this risk which includes, but is not limited

to, placing restrictions on the amounts extended to each customer while monitoring these exposures on an ongoing basis.

Business Risk

A.S. Bryden's business relies heavily on consumer preferences and tastes, which may often shift to other alternatives in unpredictable ways. Consequently, the failure to satisfy the evolving needs of the consumer could negatively impact the Company's profitability.

Climate Risk

Natural disasters, changing weather patterns and unfavorable weather affecting Trinidad and Tobago, such as hurricanes and earthquakes, may severely impact economic activity in Trinidad and Tobago and by extension, the future profitability of the Company. The properties from which the Company carries on business are susceptible to loss or damage by fire, hurricane, earthquake, flood and other perils.

Supplier Risk

The successful operation of the Company is contingent upon its ability to maintain its distribution relationships with key suppliers and to secure the products distributed through supplier arrangements. Should these relationships become terminated or impaired, the Company's profits would suffer in the short to medium-term while it takes steps to identify other suppliers.

Operational Risk

The Company is also subject to the risk of loss resulting from disruptions to its business, inadequate or failed internal processes, people and systems or from external events (including severe weather, other acts of God or social unrest). These also include systematic risk (including risk of accounting errors, failure to procure adequate insurance coverage, and compliance failures), legal risk and reputational risks. The Directors consider that the Company is prudent and that it insures itself against some (but not all) of these risks. It may not be feasible for the Company to insure itself in respect of all of the risks mentioned, because no coverage may be available, or it may not be economical to do so.

Limited Control

It is expected that Seprod will remain the majority shareholder in the Company and Seprod will likely maintain effective control of the Company's Board of Directors. Shareholders other than Seprod will have limited control over changes in the Company's policies and operations, save and except in respect of decisions which, pursuant to the Company's Articles, require the approval of both classes of shareholders.

The Company's Board will determine major policies, including policies regarding financing, growth, debt capitalization and the distribution of dividends. The Board may amend or revise these and other policies without a vote of the shareholders. The Board's discretion in setting policies and individual shareholders' inability to exert control over those policies may increase the uncertainty and risks of an investment in the Company.

Litigation Risks

In the course of the Group's operations, any member of the Group may become involved in, named as a party to or the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions. The outcome with respect to these potential future proceedings would be difficult to predict and may be determined in a manner adverse to the Group (or any member(s) of the Group) and, as a result, could have a material adverse effect on the assets, liabilities, business, financial condition and financial

performance of the Group (or member(s) of the Group). Even if the Group (or member of the Group) prevails in any such legal proceeding, the proceedings could be costly which could have a material adverse effect on the cash flows, financial condition or financial performance of the Group (or any member(s) of the Group) and its/their ability to make distributions to shareholders.

Return on Investment and Cash Distributions are Not Guaranteed

The Company's cash flow is dependent on the ability of its Subsidiaries to pay dividends. Should the Subsidiaries opt not to make distributions to its shareholders, or should future distributions by the Subsidiaries be lower in amount than historically made, the change may have a material adverse effect on the Company's financial performance and its ability to distribute dividends.

There can be no assurance regarding the amount of cash flow and income to be generated by the Company's shareholding in its Subsidiaries. The ability of the Company to make cash distributions to shareholders, and the actual amount distributed, will be entirely dependent on whether it will receive dividends from its Subsidiaries in the future.

Potential Volatility of Share Prices

The market price for the Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Group's executive officers, directors and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding shares or securities convertible into shares; (vi) sales or perceived sales of additional shares or securities convertible into shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Group's industry or target markets.

Another factor that may influence the market price of the Shares is the annual yield on the Shares. An increase in market interest rates may lead purchasers of Shares to demand a higher annual yield, which accordingly could materially adversely affect the market price of the shares.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Group's environmental and governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in limited or no investment in the Shares by those institutions, which could materially adversely affect the trading price of the Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations could be materially adversely impacted and the trading price of the Shares may be materially adversely affected.

Reliance on Key Personnel

The management and governance of the Company depends on the services of certain key personnel, including certain executive officers and the directors.

The management and governance of the Company depends upon the performance of certain key personnel including executive officers, directors and managers, among others.

The loss of the services of certain key personnel could have an adverse effect on the Company's business operations. If the Company is unable to retain and attract certain key personnel, it may not be able to implement its strategies and, accordingly, its business may be negatively impacted.

The Company can mitigate this risk by investing in our employees, maintaining our reputation as an employer of choice, continuously recruiting talented personnel, and ensuring robust succession planning.

Dilution

The number of shares that the Company is authorized to issue is unlimited. The Board may, in its sole discretion, issue additional shares from time to time and from time to time uses equity as consideration in acquisitions. When new shares are issued, the interests of shareholders may be diluted.

11. Additional Information on the Company

- I. The Company has no founders, management or deferred shares.
- II. The Articles fix no shareholding qualification for the directors.
- III. The provision of the By-Laws of the Company which relates to the remuneration of Directors provides as follows:

The Directors may be remunerated for acting in such capacity from time to time in accordance with the By-Laws of the Company.

- IV. The names, descriptions and addresses of the directors are included below:

Name	Address	Occupation
Mr P.B. Scott	Ithaca, St. Andrew, Jamaica	Director – PBS Technology Group Limited
Mr Michael Conyers	Fernandes Industrial Centre, Warehouse 23, Eastern Main Road, Laventille, Trinidad and Tobago	Director – Micon Marketing Limited
Ms. Melanie Subratie	19 - 21 Farringdon Drive, Kingston 6, St. Andrew, Jamaica	Director – PBS Technology Group Limited
Mr Nicholas Scott	High Rock, St. Andrew, Jamaica	Director – PBS Technology Group Limited
Mr Richard Pandohie	39 Dewsbury Avenue, Kingston 6, St. Andrew, Jamaica	CEO – Seprod Limited
Mr Geoffrey Charles Gordon	24 Mon Repos Road, Cascade	Director – A.S. Bryden & Sons (Trinidad) Limited
Mr. Brian Wynter	2 Bracknell Close, Kingston 6, Jamaica	Consultant

- V. The Company has no investments, other than its shareholdings in the subsidiaries.
- VI. Intangible Assets stated on the balance sheet relates to acquisitions over the period 2022-2024. Please refer to the Audited Financial Statements attached herein.
- VII. Aggregate bank loans as at December 31, 2024 amount to TT\$1,375,639,000. Please refer to the Audited Financial Statements attached herein.
- VIII. Provisions of the Articles relating to the voting rights conferred by and the rights in respect of capital and dividends attaching to the classes of shares in the capital of the Company are set out in Sections 4.5 above.

- IX. Save for such amount already recommended for distribution by the Company by way of dividend and accordingly paid, no further amount is recommended for distribution as at the date of this Prospectus.
- X. Neither the Company nor any of its subsidiaries is currently engaged in any material litigation, nor are they aware of any pending material litigation.
- XI. PricewaterhouseCoopers has given and not withdrawn its consent to the issue of this Prospectus with the inclusion therein of financial data extracted from audited financial statements and the references to its name in the form and context in which they are included. Please see APPENDIX 1 for a copy of the Auditor's Consent.
- XII. Ernst & Young Services Limited has given and not withdrawn its consent to the issue of this Prospectus with the inclusion therein of financial data extracted from audited financial statements and the references to its name in the form and context in which they are included. Please see APPENDIX 1 for a copy of the Auditor's Consent.

12. Documents available for inspection

The following material agreements/documents are available to Investors on the Company's website at www.brydenstt.com:

- a. The Company's Articles of Amalgamation and Articles of Amendment;
- b. The Company's By-Laws; and
- c. The Company's audited accounts for year ended December 31, 2024.

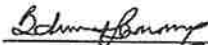
The Company's August 23, 2024 Prospectus is available for viewing, upon request, at the Company's head office at 1 Ibis Acres, San Juan, Trinidad.

13. **Certification**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the Company and the Shares as required by the Securities Act and the by-laws thereunder.



Richard Pandohie
Chief Executive Officer



Bernadette Sammy
Chief Financial Officer

on behalf of the Board:



Paul Scott
Director



Nicholas Scott
Director

APPENDIX 1
AUDITOR'S CONSENT



Ernst & Young Services Limited
P.O. Box 158
5/7 Sweet Briar Road
St. Clair, Port of Spain
Trinidad

Tel: +1 868 628 1105
Fax: +1 868 622 1153
www.ey.com

**Shape the future
with confidence**

SG/bl/nf
as

The Directors
A.S. Bryden & Sons Holdings Limited
1 Ibis Avenue
San Juan

4 August 2025

Consent Letter

Dear Sirs

We consent to being named in and to authorise the use of our Independent Auditor's Report dated 30 August, 2023 on the consolidated financial statements of A.S. Bryden & Sons Holdings Limited ("the Issuer") and its subsidiaries for the year ended 31 March 2022, in the Prospectus to be filed by A.S. Bryden & Sons Holdings Limited, the Issuer named in the Prospectus, to support the listing of the Issuer's shares on the Trinidad and Tobago Stock Exchange. We have not audited any consolidated financial statements of the Issuer as of any date or for any period subsequent to 31 March 2022.

We wish to draw attention to the following as it relates to our Independent Auditor's Report and the consolidated financial statements for the year ended 31 March 2022:

- Year ended 31 March 2022 - The consolidated financial statements for the year ended 31 March 2022, were re-approved and re-issued by the Board of Directors on the 30 August 2023, having been previously approved and issued on the 19 July 2022. This was done to recognize the recording of a post-retirement medical plan liability for the first time in these consolidated financial statements. Amounts relating to the year ended 31 March 2022 and for the year then ended, have been adjusted in these consolidated financial statements. In accordance with IAS 8: "Accounting policies, changes in estimates and errors", prior year amounts (including 2021 amounts) have also been adjusted and restated in these 31 March 2022 consolidated financial statements.

Except as describe above, based on our review of the Prospectus, we have no reason to believe that the information relating to the Issuer contained therein contains any misrepresentations that:

- a) may be derived from the consolidated financial statements of the Issuer on which we have reported; or
- b) are within our knowledge as a result of our audit of the consolidated financial statements of the Issuer as reported above.

We confirm that we have no interest in the Issuer and are independent of the Issuer in all respects.

Yours faithfully,

Port of Spain
Trinidad



Members of the Audit Committee
A.S. Bryden & Sons Holdings Limited
#1 Ibis Avenue
San Juan
Trinidad and Tobago

8 August 2025

We refer to the Prospectus dated 8 August 2025 issued by A.S. Bryden & Sons Holdings Limited which was prepared to support the listing of the Company's ordinary and Class A Preference Shares on the Trinidad and Tobago Stock Exchange and is intended to serve the purpose of providing information in relation to the Company for the benefit of Prospective Investors in Trinidad and Tobago (the prospectus).

We consent to being named in and to the use in the above-mentioned prospectus of A.S. Bryden & Sons Holdings Limited, of our reports dated 2 February 2024, 2 April 2024 and 30 April 2025 to the shareholders of the company on the following financial statements:

- the consolidated financial statements for ASBH for the year ended 31 December 2024, comprising:
 - the consolidated statement of financial position as at 31 December 2024;
 - the consolidated statement of comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.
- the consolidated statements of financial position as at 31 December 2022, 31 December 2023 and 31 December 2024;
- the consolidated statements of comprehensive income for the period from the date of incorporation on 9 May 2022 to 31 December 2022 and the years ended 31 December 2023 and 31 December 2024;
- We report that we have read the prospectus and all information therein and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the consolidated financial statements on which we have reported or that are within our knowledge as a result of our audit of such financial statements. We have complied with International Standard on Auditing 720 - The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements for an auditor's consent to the use of a report of the auditor included in a prospectus, which does not constitute an audit or review of the prospectus.

Yours sincerely

A handwritten signature in blue ink that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers, PO Box 550, 11-13 Victoria Avenue, Port of Spain, 100902, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

"PwC" refers to PricewaterhouseCoopers, a Trinidad and Tobago partnership, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

APPENDIX 2

AUDITED FINANCIAL STATEMENTS

A.S. Bryden & Sons Holdings Limited

Consolidated Financial Statements

31 December 2024

(Expressed in Trinidad and Tobago Dollars)

A.S. Bryden & Sons Holdings Limited

Contents	Page
Statement of Management's Responsibilities	1
Independent auditor's report	2 - 8
Consolidated statement of comprehensive income	9
Consolidated statements of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the consolidated financial statements	13 - 70

A.S. Bryden & Sons Holdings Limited

Statement of Management's Responsibilities

Management is responsible for the following:

Preparing and fairly presenting the accompanying audited consolidated financial statements of A.S. Bryden & Sons Holdings Limited ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended 31 December 2024, and notes, comprising material accounting policy information and other explanatory information;

- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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



Richard Pandohie
Chief Executive Officer
30 April 2025



Bernadette Sammy
Chief Financial Officer
30 April 2025

Independent auditor's report

To the Shareholders of A.S. Bryden & Sons Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of A.S. Bryden & Sons Holdings Limited (the Company) and its subsidiaries (together 'the Group') as at 31 December 2024, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

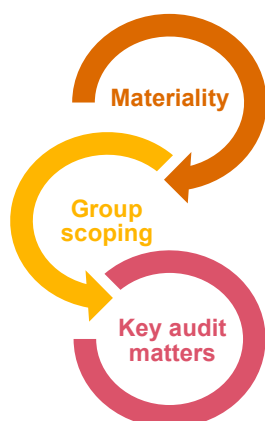
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



- Overall group materiality: TT\$25.6 million, which represents approximately 1% of revenue.

The Group audit included:

- the full scope audit of four subsidiaries which were deemed to be significant components due to risk or size, three located in Trinidad and Tobago and one located in Jamaica.
 - an audit of specific account balances in six other components, three located in Trinidad and Tobago, one in Barbados and two in Guyana.
-
- Accounting for business combinations
 - Goodwill impairment
 - Valuation of the post-employment benefit asset

Audit scope

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

How we tailored our group audit scope

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

The following components were deemed to be components that are significant due to risk or size and were subject to full scope audits:

- A.S. Bryden & Sons (Trinidad) Limited
- Bryden pi Limited
- FT Farfan Limited
- Caribbean Producers (Jamaica) Limited

The Group audit engagement team was the auditor for three of the four components subject to full scope audits. In addition, a further six components were subject to an audit of specific account balances, three of which were audited by the Group audit engagement team. For all other components that are within the scope of the Group audit, the work was performed by component auditors from non-PwC firms who are familiar with the local laws and regulations.

Materiality

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

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

Overall Group materiality	TT\$25.6 million
How we determined it	Approximately 1% of revenue
Rationale for the materiality benchmark applied	We chose revenue as the benchmark because, in our view, it is the most stable benchmark against which the performance of the Group is measured by users and is a generally accepted benchmark. We chose approximately 1% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT\$1.2 million, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<i>Accounting for business combinations</i> <i>Refer to notes 2(b) and 25 to the consolidated financial statements for disclosures of related accounting policies and balances.</i> There were two business combinations during the year as follows: (i) In July 2024, A.S. Bryden & Sons Holdings Limited acquired Caribbean Producers (Jamaica) Limited (CPJ), a listed entity domiciled in Jamaica. This acquisition was completed in stages with the first stage being an acquisition of 44.9% of the share capital of CPJ at which point management determined the Company had obtained control over the acquiree. A further stake was acquired in December 2024, which brought the Company's shareholding up to 75.3%. Purchase consideration comprised cash, promissory notes and ordinary shares in the Company for the second stage. The transaction resulted in the recognition of goodwill of TT\$81.9 million and intangible assets comprising customer relationships, trade name and brand assets in the amount of TT\$95.0 million. (ii) In March 2024, the Group acquired a controlling stake of 75% in Retail Acquisition Company Limited (RACL). Purchase consideration for this transaction amounted to TT\$66 million comprising cash, shares and convertible promissory notes. At the date of acquisition, a forward sale contract of shares was also entered into for the sale of shares to a third party resulting in the recognition of a non-controlling interest for this arrangement and a reduction in the Company's shareholding to 55%. This acquisition resulted in the recognition of intangible assets comprising a trade name and distribution agreement of TT\$45.6 million and goodwill of TT\$23.3 million. We focused on the Group's business combinations due to the significance of the intangible assets identified / acquired and the complex accounting requirements, some of which required the exercise of management judgement.	Our approach to addressing the matter, with the assistance of our internal specialists, involved the following procedures, amongst others: • Read the relevant agreements, including the share purchase agreements and amalgamation agreement and evaluated the appropriateness of the accounting for the acquisitions as business combinations against management's accounting policies and the applicable accounting standards. • Evaluated the reasonableness of management's determination that control was obtained following acquisition of 44.9% of the share capital of CPJ. • Held discussions with management and their experts to understand and evaluate their basis for determining assumptions. • Assessed the objectivity, competence and capability of management's valuation experts. • Evaluated the application and valuation methodologies used to derive the fair values of the intangible assets. • Tested the reasonableness of valuation assumptions and inputs including: - o Evaluating the key variables being the revenue growth rates, attrition rate, future margins and discount rates against historic and prospective financial, industry and economic information, taking into consideration our knowledge of the Group and its industries. - o Where relevant, considering third party sources and challenging management's future revenue estimates taking into account changes in the market or actions by competitors. • Tested the mathematical accuracy of the calculations by recalculating the difference between the total net consideration paid and the fair value of the net assets acquired.

Management engaged external experts to assist with the determination of the Purchase Price Allocation (PPA) for both acquisitions which encompassed identifying and estimating the fair value of intangible assets acquired. This involved the use of assumptions for a number of inputs including revenue growth rates, attrition rate, future margins and discount rates.

Goodwill impairment

Refer to notes 2(f), 4 and 14 to the consolidated financial statements for disclosures of related accounting policies and balances.

As at 31 December 2024, the Group carried a significant amount of goodwill amounting to TT\$173.2 million.

In line with IAS 36 - Impairment of Assets, management performs an annual impairment assessment of goodwill. An asset is impaired when its carrying value exceeds its recoverable amount. The recoverable amount of each cash generating unit (CGU) is calculated as the higher of the value-in-use (VIU) and fair value less costs of disposal (FVLCD).

Management determined the recoverable amount by reference to the VIU which was derived using a discounted expected cash flow approach where management makes significant judgements on certain key inputs and assumptions, including discount rates and growth rates.

We focused on this area because of the significant level of judgment required in arriving at the key assumptions used in management's impairment assessment.

Our approach to addressing the matter, with the assistance of our internal expert, involved the following procedures, amongst others:

- Obtained an understanding of the methods used by management to perform its goodwill impairment assessment and assessed whether they were in compliance with IAS 36;
- Recalculated the weighted average cost of capital (WACC) used to discount the expected cash flows and evaluated those rates against observable market-based inputs and our knowledge of the economic environment;
- Assessed the assumptions including the growth rate by reference to historical performance of the CGU and relevant external economic industry data;
- Tested the mathematical accuracy of management's impairment calculations; and
- Evaluated management's future cash flow forecasts used in the impairment calculation for reasonableness with respect to the current business strategies and current level performance.

Valuation of the post-employment benefit asset

Refer to notes 2(o) and 16 to the consolidated financial statements for disclosures of related accounting policies and balances.

The Group sponsors a defined benefit pension plan. As at 31 December 2024, the Group reported on the consolidated statement of financial position, a net post-employment benefit asset of TT\$33.4 million, which represents 1.0% of total assets, comprising plan assets valued at TT\$278.6 million and an obligation of TT\$245.2 million.

The valuation of the net post-employment benefit asset requires significant levels of judgement and technical expertise in determining appropriate assumptions.

Our approach to addressing the matter, involved the following procedures, amongst others:

- Assessed the independence and competence of the actuaries used by management to calculate the pension obligation.
- Updated our understanding of the plan including assessing whether there were any changes to the actuarial methodology, assumptions, or underlying terms and operations of the plan in the current year.
- Tested the key assumptions for the defined benefit pension obligation for the current period as follows:
 - o compared the discount rates used by management to the yield of a Government of Trinidad and Tobago bond of a similar tenor;

Changes in key assumptions could have a material impact on the calculation of the net pension asset including:

- discount rates;
- mortality rates; and
- salary increases.

Management utilises an independent external actuary to perform certain calculations with respect to the estimated obligations.

The pension assets consist of financial investments held at fair value, which are based on a range of inputs. While many of the inputs can be obtained from readily available observable market prices and rates, certain securities are based on modelled prices as observable market data is limited. In these instances, management is required to make significant judgments due to the complexity in the valuation model estimates resulting in high estimation uncertainty risk.

We focused our audit efforts in this area due to the degree of estimation uncertainty involved in determining the valuation of the post-employment benefit plan assets and the defined benefit obligation of the post-employment benefit plan.

- o compared mortality rates to relevant publicly available statistics for Trinidad and Tobago;
 - o on a sample basis, tested the completeness and accuracy of the employee data used in the actuarial calculation by comparing it to personnel files; and
 - o compared salary increases to historical increases, taking into account the current economic climate as well as terms specified in the existing trade union agreements.
- For investments which were valued using a valuation model:
 - o evaluated the assumptions, methodologies and models used by the Group;
 - o tested the significant inputs relating to yield, prices and valuation, on a sample basis, to external sources where available and compared to similar transactions in the marketplace; and
 - o recalculated the valuation for a sample of modelled securities.

Other information

Management is responsible for the other information. The other information comprises the A.S. Bryden & Sons Holdings Limited Annual Report 2024 (but does not include the consolidated financial statements and our auditor's report thereon), which 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.

When we read the A.S. Bryden & Sons Holdings Limited Annual Report 2024, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Roshni Senike.

A handwritten signature in blue ink, appearing to read "Priya Patel", with a stylized flourish at the end.

Port of Spain
Trinidad, West Indies
30 April 2025

A.S. Bryden & Sons Holdings Limited

Consolidated Statement of Comprehensive Income

For the year ended December 31, 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

		Year ended 31 December	
	Notes	2024 \$'000	2023 \$'000
Revenue	5	3,385,997	2,563,833
Direct expenses	6	<u>(2,466,622)</u>	<u>(1,898,845)</u>
Gross profit		919,375	664,988
Administration and other operating expenses	6	(703,780)	(441,319)
Net impairment losses on trade receivables	6	(3,388)	(4,420)
Other income		<u>11,804</u>	<u>396</u>
Operating profit		224,011	219,645
Finance costs	8	(83,856)	(53,926)
Share of results of associate and joint venture	15	<u>19</u>	<u>47</u>
Profit before taxation		140,174	165,766
Taxation	9	<u>(76,323)</u>	<u>(25,936)</u>
Net profit		<u>63,851</u>	<u>139,830</u>
Other comprehensive Income, net of taxes			
Items that will not be reclassified to profit or loss –			
Re-measurements of post-employment benefits, net of tax	9,16	<u>1,988</u>	<u>22,608</u>
		<u>1,988</u>	<u>22,608</u>
Total comprehensive income		<u>65,839</u>	<u>162,438</u>
Net profit is attributable to:			
Stockholders of the Company	10	53,726	128,766
Non-controlling interest	26	<u>10,125</u>	<u>11,064</u>
		<u>63,851</u>	<u>139,830</u>
Total comprehensive income is attributable to:			
Stockholders of the Company		55,714	150,495
Non-controlling interest		<u>10,125</u>	<u>11,943</u>
		<u>65,839</u>	<u>162,438</u>
Earnings per Stock Unit attributable to Stockholders of the Company – Basic and Diluted	10	<u>\$0.04</u>	<u>\$0.09</u>

The notes on pages 13 to 70 are an integral part of these consolidated financial statements.

A.S. Bryden & Sons Holdings Limited

Consolidated Statements of Financial Position

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

		As at 31 December	
	Notes	2024 \$'000	2023 \$'000
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	12	401,955	272,996
Right of use assets	13	167,396	69,416
Intangible assets	14	461,649	230,124
Investment in associate and joint venture	15	37,508	15,590
Post-employment benefit asset	16	33,402	27,249
Deferred tax assets	24	110,387	69,553
		<u>1,212,297</u>	<u>684,928</u>
<i>Current assets</i>			
Inventories	17	971,773	673,678
Trade and other receivables	18	1,008,233	667,707
Taxation recoverable		7,872	12,658
Cash and bank balances		174,428	147,604
		<u>2,162,306</u>	<u>1,501,647</u>
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	19	654,200	527,958
Borrowings	22	527,005	226,012
Lease obligations	13	43,640	13,945
Loan due to affiliate	23	10,000	11,906
Taxation payable		19,130	5,444
Bank overdraft		13,438	--
		<u>1,267,413</u>	<u>785,265</u>
Net current assets		<u>894,893</u>	<u>716,382</u>
		<u>2,107,190</u>	<u>1,401,310</u>
<i>Equity attributable to stockholders of the Company</i>			
Share capital	20	508,242	387,600
Preference shares	20	191,340	123,340
Capital reserves	21	94,900	94,900
Retained earnings		20,407	65,606
		<u>814,889</u>	<u>671,446</u>
<i>Non-controlling interests</i>	26	160,417	48,521
		<u>975,306</u>	<u>719,967</u>
<i>Non-current liabilities</i>			
Post-employment benefit obligations	16	19,722	18,131
Borrowings	22	848,634	512,043
Lease obligations	13	156,116	60,788
Deferred tax liabilities	24	107,412	90,381
		<u>1,131,884</u>	<u>681,343</u>
		<u>2,107,190</u>	<u>1,401,310</u>

The notes on pages 13 to 70 are an integral part of these consolidated financial statements.

Approved for issue by the Board of Directors of A.S. Bryden & Sons Holdings Limited on 30 April 2025 and signed on its behalf by:


Paul B. Scott Director


Richard Pandohie Director

A.S. Bryden & Sons Holdings Limited

Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Attributable to Stockholders of the Company					Non-controlling Interests	Total
	Share capital \$'000	Preference shares \$'000	Capital reserve \$'000	Retained earnings \$'000	Sub-total \$'000	\$'000	\$'000
Balance at 01 January 2024	387,600	123,340	94,900	65,606	671,446	48,521	719,967
Profit for the year	--	--	--	53,726	53,726	10,125	63,851
Re-measurement of post-employment benefits	--	--	--	1,988	1,988	--	1,988
Total comprehensive income	387,600	123,340	94,900	121,320	727,160	58,646	785,806
Transactions with owners:							
Issue of shares as consideration for acquisition of subsidiary (Note 25)	120,642	--	--	--	120,642	--	120,642
Issue of preference shares (Note 25)	--	68,000	--	--	68,000	--	68,000
Non-controlling interests on acquisition of subsidiary (Note 25)	--	--	--	--	--	250,506	250,506
Acquisition of shareholding of a non-controlling interest in a subsidiary (Note 26)	--	--	--	(55,819)	(55,819)	(148,735)	(204,554)
Ordinary dividends declared by the Company (Note 11)	--	--	--	(36,770)	(36,770)	--	(36,770)
Preference dividends declared by the Company (Note 11)	--	--	--	(8,324)	(8,324)	--	(8,324)
Balance at 31 December 2024	508,242	191,340	94,900	20,407	814,889	160,417	975,306
Balance at 01 January 2023	387,600	123,340	94,900	(41,545)	564,295	38,468	602,763
Profit for the year	--	--	--	128,766	128,766	11,064	139,830
Re-measurement of post-employment benefits	--	--	--	21,729	21,729	879	22,608
Total comprehensive income	387,600	123,340	94,900	108,950	714,790	50,411	765,201
Transactions with owners:							
Dividend paid to non-controlling interest	--	--	--	--	--	(1,890)	(1,890)
Ordinary dividends declared by the Company (Note 11)	--	--	--	(35,020)	(35,020)	--	(35,020)
Preference dividends declared by the Company (Note 11)	--	--	--	(8,324)	(8,324)	--	(8,324)
Balance at 31 December 2023	387,600	123,340	94,900	65,606	671,446	48,521	719,967

The notes on pages 13 to 70 are an integral part of these consolidated financial statements.

A.S. Bryden & Sons Holdings Limited

Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Notes	Year ended 31 December 2024 \$'000	Year ended 31 December 2023 \$'000
Cash flows from operating activities			
Net profit after taxation		63,851	139,830
Items not affecting cash resources:			
Depreciation	12, 13	66,365	41,794
Amortisation of intangible assets	14	14,230	9,785
Expenses recognised on post-employment benefit assets	7, 16	10,112	9,295
Expenses recognised on post-employment benefit obligations	7, 16	503	(20,613)
Loss on disposal and other adjustments of property, plant and equipment	12	506	694
Share of results of associate, net of tax	15	(19)	(47)
Taxation expense	9	76,323	25,936
Interest expense	8	83,856	53,926
		<u>315,727</u>	<u>260,600</u>
Changes in operating assets and liabilities:			
Inventories		10,107	(83,245)
Trade and other receivables		(154,759)	(134,815)
Trade and other payables		<u>7,654</u>	<u>156,025</u>
Cash generated from operations		178,729	198,565
Employer contributions to post-employment benefit plans	16	(11,805)	(12,548)
Taxation paid		<u>(62,708)</u>	<u>(55,532)</u>
Cash generated from operating activities		<u>104,216</u>	<u>130,485</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(63,381)	(47,547)
Proceeds on disposal of property, plant and equipment		2,687	2,038
Cash on acquisition of subsidiary	25	<u>47,219</u>	<u>--</u>
Cash used in investing activities		<u>(13,475)</u>	<u>(45,509)</u>
Cash flows from financing activities			
Borrowings received	22	917,125	475,538
Borrowings repaid	22	(570,456)	(430,799)
Acquisition of new subsidiaries		(232,529)	--
Lease obligations		(23,260)	(13,452)
Investment in joint venture		(20,416)	--
Acquisition of non-controlling interest in subsidiary		(1,356)	--
Ordinary dividends paid by the Company		(54,282)	(31,238)
Preference dividends paid by the Company		(8,324)	(8,324)
Ordinary dividends paid by a subsidiary		--	(1,890)
Interest paid on borrowings		<u>(83,857)</u>	<u>(53,926)</u>
Cash used in financing activities		<u>(77,355)</u>	<u>(64,091)</u>
Increase in cash and cash equivalents		13,386	20,885
Opening cash and cash equivalents		<u>147,604</u>	<u>126,719</u>
Cash, cash equivalents and bank overdrafts at end of the year		<u>160,990</u>	<u>147,604</u>
Cash and bank balances		174,428	147,604
Bank overdraft		<u>(13,438)</u>	<u>--</u>
		<u>160,990</u>	<u>147,604</u>

The notes on pages 13 to 70 are an integral part of these consolidated financial statements.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations

A.S. Bryden & Sons Holdings Limited (“the Company”) is a holding company incorporated and domiciled in the Republic of Trinidad and Tobago, and has its registered office at 1 Ibis Avenue, San Juan.

The Company and its subsidiaries are collectively referred to as “the Group”.

The Company’s subsidiaries, its associate, their principal activities, their countries of incorporation and domicile and their percentage ownership (wholly owned unless otherwise indicated) are as follows:

Subsidiaries	Principal activity	Country of Incorporation and Domicile
Anthony A Pantin Limited	Dormant	Trinidad and Tobago
A.S. Bryden & Sons Insurance Limited	General insurance agency	Trinidad and Tobago
A.S. Bryden & Sons (Trinidad) Limited, and its subsidiaries	Sale of consumer products	Trinidad and Tobago
• ASB Business Solutions Limited	Dormant	Trinidad and Tobago
• Eve Products Limited	Dormant	Trinidad and Tobago
• A.S. Bryden & Sons Guyana Inc.	Sale of consumer products	Guyana
Asset Rentals Limited	Dormant	Trinidad and Tobago
Bryden pi Limited (owned 90%), and its subsidiaries	Sale of pharmaceutical and consumer products	Trinidad and Tobago
• Bpi Genethics Limited	Manufacture and sale of pharmaceutical products	Trinidad and Tobago
• Bpi Guyana Limited (owned 51%)	Sale of pharmaceutical and consumer products	Guyana
Bryden Properties Limited	Dormant	Trinidad and Tobago
FT Farfan Limited, and its subsidiary	Sale of industrial equipment	Trinidad and Tobago
• Ibis Construction Equipment Sales & Rental Limited (owned 75%)	Sale of industrial equipment	Guyana
Franco Trading & Distribution Limited	Packaging and sale of consumer products	Trinidad and Tobago
Ibis Acres Ltd.	Investments in real estate	Trinidad and Tobago
Micon Holdings Limited, and its subsidiaries	Investments	St. Lucia
• Micon Marketing Limited	Sale of consumer products	Trinidad and Tobago
• Facey Trading Ltd (owned 75%)	Sale of consumer products	St. Vincent
Premium Brands Limited	Dormant	Trinidad and Tobago
Retail Acquisition Company Limited, and its subsidiary	Investment holding	Barbados
• Stansfeld Scott Barbados Limited	Sale of consumer products	Barbados
Caribbean Producers (Jamaica) Limited, and its subsidiaries*	Sale of consumer products	Jamaica
• CPJ Homeporting Limited (owned 100%)	Logistics services	Jamaica
• CPJ Investments Limited (owned 100%)	Investment holding	St. Lucia
• CPJ (St. Lucia) Limited (owned 51%)	Sale of consumer products	St. Lucia

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations (continued)

Associate	Principal activity	Country of Incorporation and Domicile
Armstrong Healthcare Inc. (49% owned by Bryden Pi Limited)	Sale of pharmaceutical Products	Barbados
Joint Venture	Principal activity	Country of Incorporation and Domicile
Caparo Industrial Properties Limited (50% owned by A.S. Bryden & Sons Holdings Limited)	Rental of warehousing space	Trinidad and Tobago

- * Effective 6 December 2024, the Company acquired an additional 30% of the shareholding in Caribbean Producers (Jamaica) Limited ('CPJ'), with the consideration being the issue of new ordinary shares of the Company (Note 25). This acquisition of the additional interest in CPJ diluted Seprod Limited's shareholding in the Company from 54% to 51% at the reporting date.

2 Material accounting policies

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

a. Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the (IFRS) Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for the measurement of land and buildings at revalued amount and defined benefit pension plan assets measured at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

(ii) Historical cost convention (continued)

New and amended standards adopted by the Group

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial period. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

- *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*– effective 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- *Supplier finance arrangements – Amendments to IAS 7 and IFRS 7*– effective 1 January 2024.
These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- *Amendment to IFRS 16 – Leases on sale and leaseback* – effective 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The amendments listed above did not have any impact on the amounts recognised in the current year and prior periods and is not expected to significantly affect future periods. There were no other new standards or amendments effective for the first time that had a material impact on the Group.

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

- *Lack of exchangeability– Amendments to IAS 21*– effective 1 January 2025. These amendments help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

(ii) Historical cost convention (continued)

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted (continued)

- *Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7* – effective 1 January 2025. These amendments:
 - Clarify the date of recognition and derecognition of some financial assets and liabilities settled through an electronic cash transfer system;
 - Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).
- *IFRS 18 'Presentation and Disclosure in Financial Statements* – effective 1 January 2027. This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The amendments listed above are not mandatory for December 31, 2024, reporting period and have not been early adopted by the Group. While these standards are expected to have a material impact, the full assessment by the Group is still pending.

b. Basis of consolidation

Consolidation of subsidiaries

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

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary includes the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

b. Basis of consolidation (continued)

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intercompany transactions, balances and unrealised gains and losses on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Loans to subsidiaries that are intended to provide subsidiaries with a long-term source of additional capital are considered additions to the Company's investment. Accordingly, these loans are included in Investment in Subsidiaries on the Company's statement of financial position.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

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

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

Associates and Joint Ventures

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

b. Basis of consolidation (continued)

Associates and Joint Ventures (continued)

Joint ventures are also accounted for using the equity method. The Group discontinues the use of the equity method from the date on which it ceases to have joint control over, or have significant influence in, a jointly controlled entity.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in retained earnings attributable to owners of the Company. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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

Sales of goods

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. No significant element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

Revenue is recognised at a point in time when control of the goods has been established – being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been transported to a specific predetermined location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

c. Revenue and income recognition (continued)

Sales of goods (continued)

A receivable is recognised when the goods are delivered, at which point in time the consideration is deemed unconditional and only the passage of time is required before the payment is due.

Interest income

Interest income on bank accounts with financial institutions is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

d. Foreign currency translation

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

The foreign exchange differences arising from the translation of the results and financial position of the Group's entities that have a functional currency other than Trinidad and Tobago dollars are recognised in other comprehensive income. Such exchange differences are recognised in profit or loss where the related Group entity is sold or partially sold.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transactions and from the translation of foreign currency monetary assets and liabilities at the year-end exchange rates are recognised in profit or loss.

Translation differences resulting from changes in the amortised cost of foreign currency monetary assets are recognised in profit or loss. Other changes in the fair value of financial investments are recognised in other comprehensive income. Translation differences on non-monetary financial investments are reported as a component of the fair value gain or loss in other comprehensive income.

e. Property, plant and equipment

Land and buildings are initially recorded at cost and are subsequently shown at fair market value based on triennial (or earlier) valuations by external independent valuers, less subsequent depreciation of buildings. 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. Increases in carrying amounts arising on revaluation are credited to other comprehensive income and shown in capital reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against capital reserve; all other decreases are charged to profit or loss.

All other items of property, plant and equipment continue to be carried at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

e. *Property, plant and equipment (continued)*

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.

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

Depreciation is calculated on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Land is not depreciated. The expected useful lives of other assets are as follows:

Buildings	40 – 50 years
Plant, equipment and furniture	3 – 10 years
Motor vehicles	4 years

Leasehold improvements are depreciated at the lower of useful life and life of the lease.

Useful lives and residual values are assessed annually.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Repairs and maintenance expenditure is charged to profit or loss during the financial period in which it is incurred.

f. *Intangible assets*

Goodwill

Goodwill is recorded at cost and represents the excess of the fair value of the consideration paid over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Supplier relationships, trade names and brands

Supplier relationships, customer relationships, trade names and brands obtained by the Group in a business combination are recognised at fair value at the acquisition date. These intangible assets are deemed to have a finite useful life, and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the carrying values over their estimated useful lives. The expected useful lives are as follows: Supplier relationships - 12 years; Customer relationships – 14 years; Trade names - 20 years; and Brands - 10 to 15 years. Amortisation of intangible assets is included in administration and other operating expenses in the statement of comprehensive income.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

g. *Impairment of non-financial assets*

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

h. *Financial assets*

Classification

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

- those to be measured subsequently at fair value (either through profit or loss or through other comprehensive income);
- and those to be measured at amortised cost.

The classification depends on the business model used for managing the financial assets and, in respect of debt instruments, the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

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

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. Financial assets (continued)

Measurement (continued)

Debt instruments (continued)

Amortised cost: Debt instruments held for the collection of contractual cash flows, where those represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVOCI: Debt instruments that are held for the collection of contractual cash flows and for the selling of financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income and impairment gains and losses are recognised in profit or loss. When the debt instrument is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVPL: Debt instruments that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on such instruments are recognised in profit or loss in the period in which they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

Application of the General Model to financial assets other than trade receivables

Under this model, the Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and at fair value through other comprehensive income. The ECL will be recognized in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. The impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. Financial assets (continued)

Measurement (continued)

Impairment (continued)

Application of the General Model to financial assets other than trade receivables (continued)

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD – the probability of default occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD – the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment are included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

The Group uses judgement when considering the following factors that affect the determination of impairment:

Assessment of significant increase in credit risk

To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

Macroeconomic factors, forward looking information and multiple scenarios

The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurements of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

Expected Credit Losses

When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group exposed to credit risk and where the credit losses would not be mitigated by management actions.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. *Financial assets (continued)*

Expected Credit Losses

For trade receivables other than those deemed specifically impaired, the Group applies the simplified approach which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables. The lifetime ECLs are determined by taking into consideration historical rates of default for each category of aged receivables as well as the estimated impact of forward-looking information.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2023 or 1 January 2024, respectively, and the corresponding historical credit losses experienced within this period. Government receivables have been separately assessed due to their varying credit rating and risk profile relative to the overall receivables portfolio. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

i. *Inventories*

Inventories are stated at the lower of cost or net realisable value, cost being determined using the weighted average cost method. The cost of finished goods and work in progress includes cost of raw materials used, direct labour and an appropriate proportion of overhead expenses. The cost of merchandise for resale are determined after deducting rebates and discounts, using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of selling expenses.

j. *Trade receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (Note 2h). Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

k. *Borrowings and borrowing costs*

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

k. *Borrowings and borrowing costs (continued)*

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

l. *Provisions*

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

m. *Leases*

As lessee, the Group mainly leases various warehouses and retail stores. Rental contracts are typically made for fixed periods of 1 to 10 years, but may have extension options which are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

m. Leases (continued)

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

n. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

n. *Income taxes (continued)*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

o. *Employee benefits*

Pension obligations

Defined benefit plans

The Group operates two defined benefit plans, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The amount recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

o. Employee benefits (continued)

Pension obligations (continued)

Defined benefit plan (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Government of Trinidad and Tobago bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The employees of the Group also participate in an Individual Retirement Scheme operated by an independent insurance Company. The Group makes fixed contributions to the scheme for participating employees. The Group has no obligation for the benefits provided under the scheme as these are payable by, and accounted for by the insurance Company. Accordingly, the Group recognises a cost equal to its contributions payable in respect of each accounting period in the statement of comprehensive income.

Other post-employment benefits

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

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

o. *Employee benefits (continued)*

Profit share scheme

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's equity holders after certain adjustments.

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

p. *Ordinary share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

q. *Preference shares*

Preference shares are classified as equity as, under the terms of the preference shares, the company has no cash obligation. Dividend distribution to preference shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

r. *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee (EMC) that guides strategic decisions and which is led by the Chief Executive Officer. As further described in Note 4 '*Critical accounting estimates and judgments in applying accounting policies*' Management has concluded that there is only one reportable segment within the Group, '*Distribution of consumer products*' and as such only entity-wide segment disclosures will be made as all other reportable segment data is already disclosed within the primary statements and notes to the consolidated financial statements.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Board has established committees/departments for managing and monitoring risks, as follows:

Central treasury department

The central treasury department is responsible for managing the Group's financial assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units.

Audit committee

The Audit Committee was constituted following the Amalgamation of the Company in 2022 and is now operational. The Committee is responsible for overseeing the Group's risk management framework, including how management monitors compliance with established risk management policies and procedures. It also reviews the adequacy and effectiveness of the risk management system in the context of the Group's planning, operations and reporting.

During the year, the Audit Committee formalised the establishment of the Internal Audit ("IA") function of the Group. This function was established via an outsourced service to a suitably qualified external expert whose mandate is the development of the Internal Audit ecosystem of the Group. This exercise comprises inter alia, the development of an Internal Audit Charter and Manual, performance of risk assessments and preparation of detailed audit plans for a defined period. The work of Internal Audit is also informed by an initial assessment of high-risk areas performed by Management and outlined in its initial briefing to the Internal Auditor. Internal Audit will perform regular and ad hoc reviews across all functional areas of the business, and findings and recommendations will be reported directly to the Audit Committee to support continuous improvement in risk governance and strengthening of the internal control system of the Group.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

The carrying values of the Group's financial instruments are as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Financial assets		
At cost or amortised cost –		
Trade receivables (Note 18)	833,125	570,585
Other receivables	147,064	83,079
Due from affiliates (Note 18)	16,876	1,155
Cash and bank balances	174,428	147,604
	<u>1,171,493</u>	<u>802,423</u>
Financial liabilities		
At cost or amortised cost –		
Trade payables (Note 19)	450,655	370,147
Other payables and accruals	152,512	101,859
Dividends payable	18,386	17,510
Due to affiliate	16,427	4,572
Loan due to affiliate	10,000	11,906
Bank overdraft	13,438	--
Lease obligations (Note 13)	199,756	74,733
Borrowings (Note 22)	1,375,639	738,055
	<u>2,236,813</u>	<u>1,318,782</u>

The Group is exposed to credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate and other price risk.

a. Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is the most important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and its holdings of investments. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and industry segments.

There were no changes in the policies and procedures for managing credit risk compared with prior year.

Cash and bank balances

Cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The executive committee has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the Board. Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, industry, aging profile, and previous financial difficulties. The Group has procedures in place to restrict customer orders if the order will exceed their credit terms. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

To measure expected credit losses, trade receivables are grouped by customer sector (based on shared risk characteristics) as well as by aging buckets. Lifetime expected credit losses are determined by taking into consideration historical rates of default for the totals of each customer segment of aged receivables as well as the estimated impact of forward looking information.

The ageing analysis of trade receivables is as follows:

	31 December 2024				
	Within 60 days	61 to 90 days	91 to 120 days	> than 120 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 18)	543,924	85,375	47,292	182,600	859,191
Average expected loss rates	% 0.25	% 0.72	% 1.67	% 12.75	% 3.03
Provision for credit losses	1,375	610	791	23,290	26,066

	31 December 2023				
	Within 60 days	61 to 90 days	91 to 120 days	> than 120 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 18)	368,973	71,632	39,351	111,895	591,851
Average expected loss rates	% 0.00%	% 0.01%	% 0.29%	% 18.89%	% 3.59%
Provision for credit losses	5	5	114	21,142	21,266

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

The movement in the provision for impairment of trade receivables is as follows:

	2024 \$'000	2023 \$'000
Opening balance	21,266	30,327
On acquisition of subsidiary	3,005	--
Provided during the period	3,388	4,420
Amounts written off during the year	(1,066)	(7,315)
Unused amounts reversed	(527)	(6,166)
Closing balance	26,066	21,266

The creation and release of provision for impaired receivables have been included in "net impairment gains and losses on trade receivables" in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The majority of the Group's trade receivables are receivable from customers in Trinidad and Tobago.

b. Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the central treasury department, includes: (i) monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required; (ii) maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; (iii) maintaining committed lines of credit; (iv) optimising cash returns on investments; and (v) managing the concentration and profile of debt maturities.

There were no changes in the policies and procedures for managing liquidity risk compared with prior year.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

b. Liquidity risk (continued)

Liquidity risk management process (continued)

Undiscounted contractual cash flows of financial liabilities

The maturity profile of financial liabilities, based on contractual undiscounted payments, is as follows:

	Within 1 year \$'000	1 to 5 Years \$'000	Over 5 years \$'000	Total \$'000
31 December 2024				
Borrowings (Note 22)	558,530	1,014,028	3,789	1,576,347
Loan due to affiliate	10,000	--	--	10,000
Lease obligation (Note 13)	62,786	154,223	159,568	376,577
Trade and other payables including dividends payable (Note 19)	637,979	--	--	637,979
	<u>1,269,295</u>	<u>1,168,251</u>	<u>163,357</u>	<u>2,600,903</u>
31 December 2023				
Borrowings (Note 22)	248,885	626,446	3,675	879,006
Loan due to affiliate	11,906	--	--	11,906
Lease obligation (Note 13)	18,073	46,056	84,295	148,424
Trade and other payables including dividends payable (Note 19)	511,598	--	--	511,598
	<u>790,462</u>	<u>672,502</u>	<u>87,970</u>	<u>1,550,934</u>

Assets available to meet all of the liabilities and to cover financial liabilities include cash and investments.

c. Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group treasury department which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar, Jamaican dollar, Euro, Pound Sterling and the Guyanese dollar. Foreign exchange risk arises primarily from transactions for purchases and sales and financing activities.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

The statement of financial position for the Group includes the following:

	2024 \$'000	2023 \$'000
Aggregate net foreign liabilities denominated in United States dollars	1,023,604	394,313
Aggregate net foreign liabilities denominated in Guyanese dollars	76,191	60,881
Other currencies (Euros, Pounds Sterling, Jamaican and Eastern Caribbean dollars)	<u>86,730</u>	<u>12,370</u>
Aggregate net foreign assets denominated in United States dollars	651,156	77,547
Aggregate net foreign assets denominated in Guyanese dollars	184,279	139,375
Other currencies (Euros, Pounds Sterling, Jamaican and Eastern Caribbean dollars)	<u>89,666</u>	<u>27,237</u>

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The following table indicates the effect on profit before taxation (there is no effect on other items of equity) arising from changes in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end based on management's assessment of the possible change in foreign exchange rates. The sensitivity was primarily as a result of foreign exchange gains and losses on translation of trade receivables, cash, payables and borrowings.

	Year ended 31 December 2024 \$'000	Year ended 31 December 2023 \$'000
Effect on profit before taxation -		
US dollar		
1% devaluation	(52,639)	(21,477)
1% revaluation	52,639	21,477
Euro		
2% devaluation	459	765
2% revaluation	(459)	(765)
Pound Sterling		
5% devaluation	--	--
5% revaluation	--	--
Eastern Caribbean Dollar		
1% devaluation	118	(55)
1% revaluation	(118)	55
Guyanese dollar		
1% devaluation	(6)	(1)
1% revaluation	<u>6</u>	<u>1</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial bearing liabilities.

The Group's interest rate risk arises from long term borrowings and other debt instruments. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on profit before taxation based on floating rate borrowing and other debt instruments. The sensitivity of other components of equity is calculated by revaluing fixed rate investments for the effects of the assumed changes in interest rates.

The following table indicates the sensitivity to a reasonably possible change in interest rates in respect of Trinidad and Tobago dollar and United States dollar denominated instruments, with all other variables held constant, on profit before taxation and other components of equity.

Type of borrowings	Change in basis points	Effect on Profit before Taxation	Effect on Other Components Equity
12 months ended December 2024	December 2024	December 2024	December 2024
		\$'000	\$'000
Variable rate borrowings	100	(975)	--
Variable rate borrowings	-100	975	--

Type of borrowings	Change in basis points	Effect on Profit before Taxation	Effect on Other Components of Equity
12 months ended December 2023	December 2023	December 2023	December 2023
		\$'000	\$'000
Variable rate borrowings	100	(1,910)	--
Variable rate borrowings	-100	1,910	--

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to equity price risk as it does not hold investments classified either as available-for-sale or at fair value through profit or loss.

At the reporting date, the Group had no significant exposure to price risk.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

d. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. It also includes monitoring any metrics and key performance indicators that are the subject of external obligations including debt covenants. Capital includes long and short term borrowings, interest bearing preference share capital and ordinary share capital.

Covenants relating to debt versus EBITDA, interest cover and working capital, attach to certain of the Group's secured debt instruments, and are reported monthly (actual and projected values) as part of the performance assessment process. In computing the results of financial covenant tests, the Group applies certain interpretations to the definition of key formula inputs namely, Funded Debt which has been assumed to exclude intercompany debt owed by subsidiaries within the Bryden Group, and Capital Leases which has been assumed to exclude intercompany leases held with subsidiaries of the Bryden Group.

No defaults were noted during the year, in relation to external debt covenants.

The Board of Directors also monitors the return on capital, which the Group defines as net operating income excluding non-recurring items, divided by total stockholders' equity as well as the level of dividends declared and paid to stockholders.

The Group's gearing ratio at the reporting date was as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Total borrowings (Note 22)	1,375,639	738,055
Bank overdraft	13,438	--
Less cash and cash equivalents	(174,428)	(147,604)
Net debt	<u>1,214,649</u>	<u>590,451</u>
 Borrowings (Note 22)	1,375,639	738,055
Interest bearing preference share capital (Note 20)	191,340	123,340
Ordinary share capital (Note 20)	508,242	387,600
	<u>2,075,221</u>	<u>1,248,995</u>
Gearing	<u>58.53%</u>	<u>47.27%</u>

e. Fair value estimates

Fair values of financial instruments re-measured at their fair value after initial recognition

At 31 December 2024 (2023: nil), the Group had no financial instruments re-measured at their fair value after initial recognition.

Fair values of financial instruments not re-measured at fair value after initial recognition

The following methods and assumptions have been used in determining fair values for instruments not re-measured at their fair value after initial recognition:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade and other receivables (Note 18) and payables (Note 19) and short term borrowings (Note 22).

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

e. Fair value estimates (continued)

Fair values of property

The Group measures its land and buildings at fair value on a triennial basis. Management, through an independent valuation expert used the income capitalisation approach to determine the fair value of all of the land and buildings. This method takes into consideration a number of factors that require estimation and judgement. The key factors include: estimation of rental income; determination of a capitalisation factor; and determination of the discount rate.

The Group classifies its land and buildings in Level 3 due to the unobservable inputs used in the determination of fair value for those assets. As at 31 December 2024, the carrying values of land and buildings classified as level 3 amounted to \$178,926,000 (2023: \$180,284,000).

In assessing the likelihood of a requirement for fair value adjustments relating to properties, management considers whether there were any material changes in the following inputs:

- The nature, condition or use of properties held by the Group;
- The commercial markets in which the Group operates and which affect the Group;
- The operations of the Group;
- Borrowing terms available to the Group;
- Local property tax rules;
- Local and regional real estate markets metrics.

The fair value of property held by the Group is considered relatively insensitive to fluctuations in the factors listed above with the exception of local and regional real estate market metrics, to which property fair values are assessed as moderately sensitive. Reliable estimations of fair value impairments if any, cannot be made without the involvement of expert valuers. Based on the reviews performed, management has concluded that the carrying values of properties approximated their fair values at the reporting date.

4 Critical accounting estimates and judgments in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income taxes

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were originally recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Post-employment benefit obligations

The present value of the pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (or income) for post-employment benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of post-employment benefit obligations. The Group determines the appropriate discount rate at the end of each year.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Post-employment benefit obligations (continued)

This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-employment benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related obligation. Other key assumptions for post-employment benefit obligations are based in part on current market conditions. Sensitivity disclosures in relation to changes in assumptions are disclosed in Note 16.

Fair value of property

Land and buildings are carried at fair value. The Group uses independent professional valuers to value its land and buildings triennially. These fair values are derived using the income capitalisation approach, which takes into consideration a number of factors, primarily the estimation of rental income; determination of a capitalisation factor; and determination of the discount rate. Rental rates of the subject properties are adjusted to reflect the market rent for properties of similar size, location and condition. The higher the rental rate the higher the fair value. The higher the capitalisation rate the lower the fair value.

The Group's approach to assessing the fair value of properties and sensitivity to unobservable inputs is described above at Note 3e.

Purchase consideration in a business combination

Purchase consideration in a business combination is measured at fair value at acquisition date. The fair value is derived using applicable valuation techniques depending on the instruments that comprise the consideration paid. The following categories of purchase consideration applied to business combinations during the year:

- Cash.
- Promissory notes redeemable for Class A Preference Shares in the Company. The redemption option attached to these promissory notes represented embedded derivatives attached to the sale and purchase agreements of the related business combination transactions. The embedded derivatives were compound financial instruments as they contained liability and equity components, and each component was fair valued using appropriate valuation techniques, in order to assess the fair value of the purchase consideration of the related business combination. In each instance, the fair values derived were not materially different from the face value of the promissory note and as such, no fair value adjustments were recognised in these audited consolidated financial statements in relation to the purchase consideration of the business combinations.
- Promissory note redeemable for ordinary shares in a subsidiary. The redemption option attached to this promissory note represented a forward contract derivative instrument which was exercised within four months of the business combination date. Due to the value of the promissory note, proximity in timing of its redemption and the fact that there was no material change to the operations or expected profitability of the subsidiary whose ordinary shares were attached to the forward contract, the face value of the promissory note was assessed as approximating fair value and as such, no fair value adjustment was recognised in these audited consolidated financial statements in relation to the purchase consideration of the related business combination.
- Ordinary shares in the Company, the fair value of which was based on the traded price of the Company's ordinary shares on the date of the related business combination.
- Promissory note convertible to a non-current debt instrument. The fair value of this promissory note was assessed using appropriate valuation techniques and approximated its face value. As such, no fair value adjustment was recognised in these audited consolidated financial statements in relation to the business combination.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Goodwill

The Group test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates and the discount rate. Any changes in these variables would impact the value in use calculations.

The fair value of goodwill is determined by assessing the fair value of a cash generating unit ("CGU") relative to its carrying value. The fair value of a CGU is the higher of its fair value less costs of disposal ("FVLCD") and value in use ("VIU"). The Group has identified four cash generating units based on the geographical location of subsidiaries and business combination transactions including the Amalgamation which occurred in 2022. Goodwill was assessed for each CGU, and the value in use of each CGU exceeded its carrying amount. As such, the Group determined that there was no indication of impairment of goodwill at the reporting date. The sensitivity of the fair values of CGUs was reviewed in relation to two major inputs namely, the post-tax discount rate and net working capital as a percent of revenue, and for all CGUs, a 1.0% change in either of these inputs did not result in an erosion of the VIU below the carrying amount of the CGUs.

Business combinations

Business combinations are accounted for using the acquisition method regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group measured at fair value
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group determines the identifiable assets and liabilities using the Purchase Price Allocation method. Under this method, the Group makes the estimates about future cash flows which are derived based on factors such as revenue growth, future margins, attrition rates and discount rates in determining the fair values of intangible assets.

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

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
 - amount of any non-controlling interest in the acquired entity, and
 - acquisition-date fair value of any previous equity interest in the acquired entity
- over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Business combinations (continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

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

Business combinations under common control

The Groups enters into restructuring transactions from time to time for a variety of reasons, such as group simplifications or in preparation for an IPO. This might involve moving businesses (underlying trade and assets) or subsidiaries (equity investments) within a group. Transactions where the ultimate parent controls the subsidiary being transferred both before and after the transaction, and control is not transitory, are treated as common control transactions.

For common control transactions involving a new company and existing entities, where the new company is inserted as intermediate parent of an existing entity that is a business, the pre-combination carrying amounts of the identified acquirer are included in the New Co's consolidated financial statements with no fair value uplift.

No new goodwill is recorded. Any difference between the cost of the transaction and the carrying value of the net assets is recorded in equity.

The acquirer's consolidated financial statements include the acquired entity's full-year results (including comparatives), or the results from the date when the entity joined the group, where such a date is later.

Segment reporting

While the Group comprises various operating entities trading in various industries (Distribution of consumer goods; Distribution of hardware and houseware goods; Distribution of healthcare goods and; Distribution of industrial equipment and lubricants), these activities are all considered to be Distribution services and accordingly, the EMC and Chief Executive Officer review the performance of the business on this basis i.e. at the overall Group level and do not consider disaggregated results. Primary performance metrics are revenue, gross profits, gross margins and earnings before interest, tax, depreciation and amortisation ("EBITDA") which are examined on a consolidated basis in the context of the Group's strategic and operating plans.

Strategy and operational planning and risk management occur at a consolidated level. While entity level plans are accumulated into the overall Group outlook, the approach to goal setting and development of targets is to establish these at a consolidated level and ensure that the aggregated results of business units align. For ongoing monitoring, emphasis is placed on the overall Group result against plan, and while there is discussion of the performance of entities within the Group, this is framed in the context of the achievement of Group targets.

The chief operating decision maker views this approach to performance management as most suited to the Group, since the primary business of the Group remains distribution albeit in various markets and industries. Management has therefore concluded that the Group has only one reportable segment, "*Distribution of consumer products*".

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

5 Business segments

The Group has one reportable segment, 'Distribution of consumer products', however, revenue from external customers is generated from the sale of goods and services of varying types. Similar products and services have been grouped together and revenue for the year disclosed below. No single customer accounted for a significant portion of sales for the year.

	31 December 2024 \$'000	31 December 2023 \$'000
Consumer goods	2,303,933	1,717,391
Hardware and housewares	212,288	198,510
Healthcare	509,387	327,023
Industrial equipment and lubricants	397,542	363,257
Eliminations	(37,153)	(42,348)
	<u>3,385,997</u>	<u>2,563,833</u>

Revenue was generated from sales to customers in the domestic and export markets.

	31 December 2024 \$'000	31 December 2023 \$'000
Sales to customers in country of domicile	3,268,730	2,492,910
Sales to customers in other countries	<u>117,267</u>	<u>70,923</u>
At end of period	<u>3,385,997</u>	<u>2,563,833</u>

All sales to customers in countries other than the Company's country of domicile originated from the Industrial Equipment, Food, Beverage, Household and Pharmaceutical segment. No single country accounted for a significant portion of total export sales for the period. Operating profit, capital expenditure, depreciation, assets and liabilities cannot be allocated between geographical sales territories.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

6 Expenses by nature

Total direct, administration and other operating expenses:

	31 December 2024 \$'000	31 December 2023 \$'000
<i>Direct expenses</i>		
Cost of inventories recognised as an expense	2,466,622	1,898,845
<i>Administration and other operating expenses</i>		
Amortisation of intangible assets (Note 14)	14,230	9,785
Depreciation of property, plant and equipment (Note 12)	40,479	27,274
Depreciation of right of use assets (Note 13)	25,886	14,520
Directors fees	801	279
Staff costs (Note 7)	353,034	215,544
Delivery costs	24,844	10,942
Advertising	48,799	34,216
Professional fees	20,487	15,399
Repairs and maintenance	12,970	5,838
Telephone and utilities	17,115	6,481
Security	11,309	4,558
Motor vehicle expenses	15,321	8,287
Insurance	11,972	6,321
Other	106,533	81,875
	<u>703,780</u>	<u>441,319</u>
	3,170,402	2,340,164
<i>Net impairment losses on trade receivables</i>	3,388	4,420
	<u>3,173,790</u>	<u>2,344,584</u>

Audit fees for the year ended 31 December 2024 amounted to \$3,040,000 (2023: \$1,873,150).
There were no other fees paid to the auditor (and related network firms).

7 Staff costs

Wages and salaries	296,982	208,582
Statutory contributions	22,310	13,793
Pension – defined benefit (Note 16)	10,112	9,295
Termination benefits (Note 16)	1,634	1,028
Other post-employment benefits (Note 16)	503	(21,645)
Redundancy	211	1,036
Other	21,282	3,455
	<u>353,034</u>	<u>215,544</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

8 Finance costs

	31 December 2024 \$'000	31 December 2023 \$'000
Interest expense –		
Borrowings (Note 22)	74,760	48,831
Lease obligation (Note 13)	9,096	5,095
	<u>83,856</u>	<u>53,926</u>

9 Taxation expense

Taxation is based on the profit for the period adjusted for tax purposes and is comprised as follows:

Current taxation	64,812	9,055
Prior year under accrual	15,400	--
Deferred taxation (Note 24)	(3,889)	16,881
	<u>76,323</u>	<u>25,936</u>

The tax on the Group's profits differ from the theoretical amounts that would arise using the applicable tax rate as follows:

Profit before taxation	140,174	165,766
Tax calculated at a tax rate of 30%	42,052	49,729
Adjusted for the effect of:		
Change in tax accounting period on amalgamation (Note 24)	--	(29,218)
Income not subject to tax	(10,532)	(2,705)
Expenses not deductible for tax purposes	29,693	4,591
Items deductible for tax purposes not expensed	(142)	(313)
Unrelieved tax losses	3,428	1,556
Permanent timing differences	(5,113)	801
Foreign tax rate differential	1,537	1,495
Prior year tax under provisions	15,400	--
	<u>76,323</u>	<u>25,936</u>

Tax charge relating to components of other comprehensive income are as follows:

	Before tax \$'000	Tax effect \$'000	After tax \$'000
	31 December 2024		
Re-measurements of post-employment benefit obligations (Note 16)	2,824	(847)	1,977
Re-measurements of post-retirement medical plan obligations (Note 16)	16	(5)	11
Other comprehensive income	<u>2,840</u>	<u>(852)</u>	<u>1,988</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

9 Taxation expense (continued)

	Before tax \$'000	Tax effect \$'000	After tax \$'000
	31 December 2023		
Re-measurements of post-employment benefit obligations (Note 16)	(4,277)	1,282	(2,995)
Re-measurements of post-retirement medical plan obligations (Note 16)	36,575	(10,972)	25,603
Other comprehensive income	32,298	(9,690)	22,608

10 Earnings per Stock Unit Attributable to Stockholders of the Company

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders of the Company by the weighted average number of ordinary stock units in issue, as follows:

	31 December 2024	31 December 2023
Net profit attributable to stockholders of the Company (\$'000)	53,726	128,766
Weighted average number of ordinary stock units ('000)	1,484,554	1,389,683
Basic and diluted earnings per stock unit (\$)	\$0.04	\$0.09

The Company has no dilutive potential ordinary shares.

11 Dividends declared by the Company

Ordinary dividends

\$0.0126 per share declared on 26 June 2023 and paid on 28 June 2023	--	17,510
\$0.0126 per share declared on 07 December 2023 and paid commencing on January 18, 2024	--	17,510
\$0.01323 per share declared on 25 June 2024 and paid on 26 July 2024	18,385	--
\$0.01323 per share declared on 18 November 2024 and payable on 31 January 2025	18,385	--
	<u>36,770</u>	<u>35,020</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

11 Dividends declared by the Company (continued)

Preference dividends

	31 December 2024	31 December 2023
\$0.10 per preference share declared on 01 February 2024 and paid on 14 February 2024 (2023 - \$0.10)	2,081	2,081
\$0.10 per preference share declared on 06 May 2024 and paid on 29 May 2024 (2023 - \$0.10)	2,081	2,081
\$0.10 per preference share declared on 29 July 2024 and paid on 15 August 2024 (2023 - \$0.10)	2,081	2,081
\$0.10 per preference share declared on 16 October 2024 and paid on 12 November 2024 (2023 - \$0.10)	2,081	2,081
	<u>8,324</u>	<u>8,324</u>

12 Property, plant and equipment

	Freehold Land \$'000	Freehold buildings \$'000	Leasehold improvement, equipment & furniture \$'000	Motor vehicles \$'000	Work in progress \$'000	Total \$'000
Cost/valuation -						
<i>At 01 January 2024</i>	78,550	119,657	72,674	22,661	3,665	297,207
On acquisition of subsidiary (Note 25)	--	--	312,460	--	--	312,460
Additions	--	--	54,101	8,617	663	63,381
Disposals	--	--	(25,868)	(6,243)	--	(32,111)
Adjustments	--	--	--	--	2,272	2,272
At 31 December 2024	78,550	119,657	413,367	25,035	6,600	643,209
Accumulated Depreciation						
<i>At 01 January 2024</i>	--	1,248	20,850	2,113	--	24,211
On acquisition of subsidiary (Note 25)	--	--	205,482	--	--	205,482
Charge for the period	--	1,287	29,535	9,657	--	40,479
Disposals	--	--	(23,045)	(5,873)	--	(28,918)
At 31 December 2024	--	2,535	232,822	5,897	--	241,254
Net Book Value						
At 31 December 2024	78,550	117,122	180,545	19,138	6,600	401,955

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

12 Property, plant and equipment (continued)

	Freehold land \$'000	Freehold buildings \$'000	Leasehold improvement, equipment & furniture \$'000	Motor vehicles \$'000	Work in progress \$'000	Total \$'000
Cost/valuation -						
At 01 January 2023	78,550	119,657	42,307	20,377	40	260,931
Additions	--	--	32,436	8,813	6,298	47,547
Disposals	--	--	(2,771)	(6,529)	(1,971)	(11,271)
Transfers	--	--	702	--	(702)	--
At 31 December 2023	78,550	119,657	72,674	22,661	3,665	297,207
Accumulated Depreciation -						
At 01 January 2023	--	(206)	6,111	(429)	--	5,476
Charge for the period	--	1,454	17,770	8,050	--	27,274
Disposals	--	--	(3,031)	(5,508)	--	(8,539)
At 31 December 2023	--	1,248	20,850	2,113	--	24,211
Net Book Value -						
At 31 December 2023	78,550	118,409	51,824	20,548	3,665	272,996

If land and buildings were stated on a historical cost basis at 31 December 2023, the carrying amounts would be:

- land at a cost of \$28,813,000 (2023: \$28,813,000); and
- buildings at a cost of \$58,462,000 (2023: \$58,462,000), net of accumulated depreciation of \$22,014,000 (2023: \$20,845,000).

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

13 Right of use assets and related lease obligation

The Group leases property for business use. The movement in the right of use assets is as follows:

	2024 \$'000	2023 \$'000
Opening balance	69,416	77,297
On acquisition of subsidiary (Note 25)	77,610	--
Additions	55,184	--
Disposals	(8,928)	6,639
Depreciation	(25,886)	(14,520)
Closing balance	<u>167,396</u>	<u>69,416</u>

The related lease obligation recognised in the statement of financial position is as follows:

	31 December	
	2024 \$'000	2023 \$'000
Current obligations	43,640	13,945
Non-current obligations	<u>156,116</u>	<u>60,788</u>
	<u>199,756</u>	<u>74,733</u>

The movement in the lease obligation is as follows:

	31 December	
	2024 \$'000	2023 \$'000
Opening balance	74,733	81,548
On acquisition of subsidiary (Note 25)	92,432	--
Additions	55,641	6,639
Interest expense (Note 8)	9,096	5,095
Lease payments	(32,357)	(18,549)
Other	211	--
Closing balance	<u>199,756</u>	<u>74,733</u>

The expiration profile of the Group's leases is as follows:

	31 December	
	2024 \$'000	2023 \$'000
Within 1 year	40,745	--
1 to 5 years	49,051	27,355
Over 5 years	<u>109,960</u>	<u>47,378</u>
	<u>199,756</u>	<u>74,733</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets

	Goodwill \$'000	Customer relationships \$'000	Supplier relationships \$'000	Trade name \$'000	Brands \$'000	Software \$'000	Total \$'000
Cost -							
At 31 January 2024	67,965	32,000	61,100	38,300	44,480	--	243,845
On acquisition of subsidiary (Note 25)	105,208	53,720	42,500	3,060	40,908	359	245,755
At 31 December 2024	173,173	85,720	103,600	41,360	85,389	359	489,600
Accumulated amortisation -							
At 01 January 2024	--	2,286	5,092	3,209	3,134	--	13,721
Charge for the year	--	4,780	4,973	2,465	1,868	144	14,230
At 31 December 2024	--	7,066	10,065	5,674	5,002	144	27,951
Net Book Value -							
At 31 December 2024	173,173	78,654	93,535	35,686	80,387	215	461,649

	Goodwill \$'000	Customer relationships \$'000	Supplier relationships \$'000	Trade name \$'000	Brands \$'000	Software \$'000	Total \$'000
Cost -							
At 31 January 2023	67,965	32,000	61,100	38,300	44,480	--	243,845
At 31 December 2023	67,965	32,000	61,100	38,300	44,480	--	243,845
Accumulated amortisation -							
At 01 January 2023	--	--	1,876	906	1,154	--	3,936
Charge for the year	--	2,286	3,216	2,303	1,980	--	9,785
At 31 December 2023	--	2,286	5,092	3,209	3,134	--	13,721
Net Book Value -							
At 31 December 2023	67,965	29,714	56,008	35,091	41,346	--	230,124

The allocation of goodwill is as follows:

	31 December	
	2024 \$'000	2023 \$'000
A.S. Bryden & Sons Holdings Limited	50,318	50,318
Micon Holdings Limited	17,647	17,647
Retail Acquisition Company Limited	23,334	--
Caribbean Producers (Jamaica) Limited	81,874	--
	<u>173,173</u>	<u>67,965</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets (continued)

Goodwill is primarily attributable to the Company's assembled workforce, licences and customer relationships. Further goodwill value is derived from expected operational synergies including but not limited to: common suppliers and brands; negotiating power with service providers; opportunities for sale and purchase transactions within the Group and related profit generation and savings; expansion of the regional trading footprint of the ultimate parent company.

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows. The cash flow projections are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates (which do not exceed the long-term average growth rate for the business in which the CGU operates) and a terminal growth rate of 2.5% to 3%. Based on assessments performed the Group has concluded that no impairment adjustments were required to goodwill at the reporting date.

The key assumptions used for the respective value in use calculations are as follows:

	Revenue Growth Rate	Discount Rate
A.S. Bryden & Sons Holdings Limited	8.1% to 16.6%	18.6% to 21.8%
Micon Holdings Limited	5.8% to 45.3%	21.2% to 24.3%
Retail Acquisition Company Limited	3.3% to 13.3%	15.1% to 17.3%
Caribbean Producers (Jamaica) Limited	(1.1)% to 5.0%	15.3% to 17.5%

These values were derived from the projected profit and loss performance of the entities, taking account of future planned activities and adjusting to normalize for any non-recurring historical transactions.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

15 Investment in associate and joint venture

The Group owns 49% of Armstrong Healthcare Inc, a company that sells healthcare items. The carrying value of the investment approximates 49% of the carrying value of the net assets of the associate.

The movement in investment in associate is as follows:

	31 December	
	2024 \$'000	2023 \$'000
Opening balance	15,590	15,269
Adjustments to net assets of Associate	1,609	274
Share of results, net of tax	19	47
Closing balance	<u>17,218</u>	<u>15,590</u>

During the current year, the Group invested in a 50% interest in Caparo Industrial Properties Limited through a joint venture arrangement with ECPF Industrial Property Holdings Limited. The joint venture was established to construct a warehousing facility aimed at creating a regional logistics and distribution hub. The carrying value of the investment approximates 50% of the carrying value of the net assets of the joint entity.

The movement in investment in joint venture is as follows:

	31 December	
	2024 \$'000	2023 \$'000
Opening balance	--	--
Investment in joint venture during the year	20,290	--
Closing balance	<u>20,290</u>	<u>--</u>
Investment in associate and joint venture	<u>37,508</u>	<u>15,590</u>

Summarised financial information for the associate is as follows:

Summarised statement of comprehensive income

	31 December	
	2024 \$'000	2023 \$'000
Revenue	71,695	67,382
Depreciation	817	210
Net profit	<u>850</u>	<u>3,628</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

15 Investment in associate and joint venture (continued)

Summarised statement of financial position

	2024 \$'000	2023 \$'000
Property, plant and equipment and other non-current assets	10,529	4,487
Current assets:		
Inventories	33,537	22,102
Cash at bank and on hand	190	508
Receivables and other current assets	21,591	19,178
	<u>55,318</u>	<u>41,788</u>
Current liabilities:		
Bank overdraft	4,705	4,724
Payables and other current liabilities	26,002	9,735
	<u>30,707</u>	<u>14,459</u>
Net assets	<u>35,140</u>	<u>31,816</u>
Share of net assets at 49%	<u>17,218</u>	<u>15,590</u>

Summarised statement of cash flows

	31 December 2024 \$'000	2023 \$'000
Cash flows from operating activities	(143)	(654)
Cash flows from investing activities	(156)	(3,820)
Cash flows from financing activities	<u>--</u>	<u>--</u>

Summarised financial information for the joint venture is as follows:

Summarised statement of financial position

	2024 \$'000	2023 \$'000
Property, plant and equipment and other non-current assets	40,580	--
Net assets	<u>40,580</u>	<u>--</u>
Share of net assets at 50%	<u>20,290</u>	<u>--</u>

Summarised statement of cash flows

	31 December 2024 \$'000	2023 \$'000
Cash flows from operating activities	--	--
Cash flows from investing activities	(40,580)	--
Cash flows from financing activities	<u>40,580</u>	<u>--</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits

Pension schemes

Defined contribution plans

In addition to the defined benefit pension plans described below, employees participate in various defined contribution pension plans. Employees participating in the plans contribute up to 15% of pensionable earnings while the Group contributes 5%. The Group's contribution for the year ended 31 December 2024 amounted to \$11,696,000 (2023: \$9,057,000).

Defined benefit plans

The Group operates defined benefit plans which are administered by Sagicor Life Insurance Trinidad and Tobago Limited. The plans provide benefits to members based on average earnings for the final year of service, with the Group and employees each contributing 5% of pensionable salaries. Employees may make additional voluntary contributions up to 5%.

The defined benefit plans are valued by independent actuaries annually using the Projected Unit Credit Method. The latest full triennial actuarial valuation was carried out as at 31 March 2022.

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

	2024 \$'000	2023 \$'000
Present value of funded obligations	(245,182)	(233,818)
Fair value of plan assets	278,584	261,067
Asset in the statement of financial position	<u>33,402</u>	<u>27,249</u>

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

	31 December	
	2024 \$'000	2022 \$'000
Opening balance	27,249	29,091
Amounts recognised in profit or loss (Note 7)	(10,112)	(9,295)
Amounts recognised in other comprehensive income (Note 9)	2,824	(4,277)
Employers' contributions	13,441	11,730
Closing balance	<u>33,402</u>	<u>27,249</u>

The movement in the defined benefit obligation is as follows:

Opening balance	(233,818)	(211,156)
Current service cost	(12,639)	(10,596)
Interest cost	(14,766)	(13,348)
Re-measurements – experience gains and losses	10,413	(2,659)
Members' contributions	(5,372)	(5,612)
Benefits paid	11,000	9,553
Closing balance	<u>(245,182)</u>	<u>(233,818)</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

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

	31 December	
	2024	2023
	\$'000	\$'000
Opening balance	261,067	240,247
Interest income	15,939	14,649
Re-measurement – return on plan assets, excluding amounts included in interest income	(7,588)	(1,618)
Employer's contributions	13,443	11,730
Members' contributions	6,723	5,612
Benefits paid	(11,000)	(9,553)
Closing balance	<u>278,584</u>	<u>261,067</u>

Plan assets are comprised as follows:

	2024	2023
	\$'000	\$'000
Government bonds	185,880	183,438
Mortgages	27,040	24,461
Equities	41,190	38,508
Cash	24,474	14,660
	<u>278,584</u>	<u>261,067</u>

With the exception of equities, all categories of plan assets are unquoted.

The responsibility for the management of the assets of the Fund is vested in the Trustees and representatives of the fund and investment managers. They ensure that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension fund. Within this framework, the Fund's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Fund actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Fund has not changed the processes used to manage its risks from previous periods. The Fund does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Funding levels are monitored on an annual basis and the current agreed contribution rate is 5% of pensionable salaries. The Group considers that the contribution rates set at the last valuation date to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

The expense recognised in profit or loss is as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Current service cost	11,285	10,596
Interest costs	14,766	13,348
Interest income	(15,939)	(14,649)
Total, included in staff costs (Note 7)	<u>10,112</u>	<u>9,295</u>

Expected employer contributions to the post-employment pension plan for the year ended 31 December 2024 amount to \$12,878,000.

The significant actuarial assumptions used were a discount rate of 6%; future salary increases of 4.5%; and future pension increases of Nil. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		31 December 2024		31 December 2023	
	Change in Assumption	Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	0.50%	(7,595)	9,468	(7,975)	9,361
Future salary increases	0.50%	<u>1,592</u>	<u>(1,529)</u>	<u>1,847</u>	<u>(1,761)</u>

Further, assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a female pensioner retiring at age 60 and for a male pensioner retiring at age 65. If the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$2,790,000 (2023: \$2,538,000).

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation at 31 December 2024 is 42-43 years and at 31 December 2023 is 42 years.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

Other post-employment benefits

	31 December	
	2024	2023
	\$'000	\$'000
Termination benefit obligation	(11,112)	(9,477)
Medical plan obligation	(8,610)	(8,654)
Liability in the statement of financial position	<u>(19,722)</u>	<u>(18,131)</u>

Termination benefit obligation

The Group provides termination lump sum benefits to its unionised employees who retire directly from the Group. Benefits are determined according to length of service. The movement in the defined benefit obligation is as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Opening balance	(9,478)	(8,449)
Current service cost, recognised in profit or loss (included in staff costs (Note 7)) in the statement of comprehensive income	(1,634)	(1,028)
Benefits paid	--	--
Closing balance	<u>(11,112)</u>	<u>(9,477)</u>

The significant actuarial assumptions used were a discount rate of 5% and future salary increases of 2%. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		31 December 2024		31 December 2023	
	Change in Assumption	Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	0.50%	(10,375)	11,970	(9,019)	10,151
Future salary increases	0.50%	<u>10,460</u>	<u>(11,884)</u>	<u>10,164</u>	<u>(9,005)</u>

Medical plan obligation

In addition to pension benefits, the Group offers retirees medical insurance benefits that contribute to the health care of employees and beneficiaries after retirement. The obligations under the medical plan are unfunded. The method of accounting and frequency of valuations are similar to those used for the pension scheme.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Other post-employment benefits (continued)

Medical plan obligation (continued)

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

	2024 \$'000	2023 \$'000
Opening balance	(8,654)	(67,692)
Current service cost	--	(4,564)
Interest cost	(503)	(4,044)
Past service cost	--	30,253
	(503)	21,645
Re-measurements – experience gains and losses recognised in other comprehensive income (Note 9)	16	36,575
Benefits paid	531	818
Closing balance	<u>(8,610)</u>	<u>(8,654)</u>

At 31 December 2024 the present value of the defined benefit obligation is allocated 100% to retirees. As at 31 December 2024, the present value of the defined benefit obligation was allocated 76% to active employees and 24% to members in retirement.

The weighted average duration of the defined benefit obligation at 31 December 2024 is 10.7 years (2023: 11.0 years).

Expected claims for the year ended 31 December 2024 amount to \$544,000.

The significant actuarial assumptions used were a discount rate of 6% and long-term increase in health cost of 5.5% per annum. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		31 December 2024		31 December 2023	
Change in Assumption		Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	1.00%	(802)	948	(868)	1,030
Health cost	1.00%	944	(813)	1,025	(879)

Further, if the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$372,000.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Risks associated with pension and other post-employment plans

Through its defined benefit pension and other post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Trinidad and Tobago bond yields. If plan assets underperform this yield, this will create a deficit. As the plan matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Group believes that, due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long term strategy to manage the plans efficiently. See below for more details on the Group's asset-liability matching strategy.

Changes in bond yields

A decrease in Government of Trinidad and Tobago bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are unaffected by fixed interest bonds meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

17 Inventories

	2024	2023
	\$'000	\$'000
Merchandise for resale	795,905	547,749
Raw and packaging materials	21,344	10,985
Goods in transit	154,524	114,944
	<u>971,773</u>	<u>673,678</u>

Merchandise for resale are shown net of provisions of \$37,068,000 (2023: \$29,774,000).

Movements in the provision for obsolete inventory for the period were as follows:

Opening balance	29,774	29,052
On acquisition of subsidiary	5,917	--
Provided during the period	4,646	3,943
Unused amounts reversed	(3,269)	(3,221)
	<u>37,068</u>	<u>29,774</u>

Unused provisions which were reversed represent aged inventory which was provided for as obsolete but subsequently sold.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

18 Trade and other receivables

	2024	2023
	\$'000	\$'000
Trade receivables		
Gross amount	859,191	591,851
Less: provision for expected credit losses	<u>(26,066)</u>	<u>(21,266)</u>
	833,125	570,585
Other receivables and prepayments		
Gross amount	160,995	97,186
Less: provision for expected credit losses	<u>(2,763)</u>	<u>(1,219)</u>
	158,232	95,967
Due from affiliates	<u>16,876</u>	<u>1,155</u>
	<u>1,008,233</u>	<u>667,707</u>

19 Trade and other payables

Trade payables	450,655	370,147
Other payables and accruals	168,732	135,729
Due to affiliates	16,427	4,572
Dividends payable	<u>18,386</u>	<u>17,510</u>
	<u>654,200</u>	<u>527,958</u>

20 Share capital and preference shares

Ordinary shares

The Company has an unlimited number of unauthorised ordinary shares of no par value. The movement of issued and fully paid ordinary shares is as follows:

	31 December 2024	
	# of shares	value
	'000	\$'000
Opening balance	1,389,683	387,600
Issue of shares as consideration for the equity acquisition of subsidiary (Note 25)	<u>94,871</u>	<u>120,642</u>
Closing balance	<u>1,484,554</u>	<u>508,242</u>

	31 December 2023	
	# of shares	value
	'000	\$'000
As at 31 December 2023	1,389,683	387,600

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

20 Share capital (continued)

Preference shares

	31 December 2024	
	# of shares	value
	'000	\$'000
Opening balance	20,403	123,340
Issue of shares as consideration for the equity acquisition of subsidiary (Note 25)	10,000	68,000
As at 31 December 2024	<u>30,403</u>	<u>191,340</u>

	31 December 2023	
	# of shares	value
	'000	\$'000
As at 31 December 2023	<u>20,403</u>	<u>123,340</u>

21 Capital reserves

Capital reserves comprise the gain on revaluation of freehold property, net of deferred tax.

22 Borrowings

The movement in borrowings is as follows:

	2024	2023
	\$'000	\$'000
Opening balance	738,055	693,316
On acquisition of subsidiary (Note 25)	287,065	--
Proceeds	922,696	470,283
Repayments	(570,456)	(430,799)
Foreign exchange differences	(9,197)	5,255
Interest charged and expensed (Note 8)	74,760	48,831
Interest paid	(67,284)	(48,831)
Closing balance	<u>1,375,639</u>	<u>738,055</u>

Borrowings comprise the following:

Term loans denominated in Trinidad and Tobago dollars	591,277	358,828
Term loans denominated in United States dollars	422,851	179,524
Term loans denominated in Guyana dollars	41,048	15,753
Term loans denominated in Jamaica dollars	16,450	--
Revolving loans denominated in Trinidad and Tobago dollars	296,230	153,000
Revolving loans denominated in Guyana dollars	7,783	30,950
	<u>1,375,639</u>	<u>738,055</u>
Current portion	<u>(527,005)</u>	<u>(226,012)</u>
	<u>848,634</u>	<u>512,043</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

22 Borrowings (continued)

- a. Secured and unsecured Trinidad and Tobago dollar denominated amortizing facilities, bearing interest at rates ranging from 2.75% to 7.61% and with maturities from March 2025 to June 2029. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- b. Secured and unsecured United States dollar denominated amortizing facilities, bearing interest at rates ranging from 3.25% to 9.0% and with maturities from January 2025 to February 2039. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- c. Secured Guyana dollar denominated amortizing facilities bearing interest at 6.0% to 7% and with maturities from November 2027 to February 2037. Debt is secured by a guarantee from another Group company.
- d. Unsecured Jamaica dollar denominated amortizing facilities bearing interest at 6.95% to 8.50% and with maturities from October 2025 to June 2029.
- e. Unsecured Trinidad and Tobago dollar denominated 30 day rolling facilities bearing interest at rates ranging from 2.85% to 5.73% with option to re-draw on settlement.
- f. Unsecured Guyana dollar denominated 30 day rolling facilities bearing interest at 6.0% with option to re-draw on settlement.

The carrying amount of financial assets held as collateral for borrowings was as follows:

	2024 \$'000	2023 \$'000
Property, plant and equipment (Note 12)	401,955	272,996
Inventories (Note 17)	971,773	673,678
Trade receivables (Note 18)	1,008,233	667,707
Cash and cash equivalents	174,428	147,604
	<u>2,556,389</u>	<u>1,761,985</u>

Under the terms of the first debenture which secures the related debt, the Group is permitted to dispose of any of the pledged assets in the normal course of business with no requirements for consent from lenders. For additional pledges of security, consent from first secured lenders is required. There were no re-pledges of collateralized asset at the reporting date and the carrying values of pledged assets approximated their fair values at that date.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

Within 1 year	488,772	205,367
1 to 5 years	886,308	532,688
Over 5 years	559	--
	<u>1,375,639</u>	<u>738,055</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

23 Loan due to affiliate

	2024 \$'000	2023 \$'000
Within 1 year	<u>10,000</u>	<u>11,906</u>

The loan bears interest at 3.6% per annum and is repayable in full on 28 February 2025.

24 Deferred taxation

The movement in deferred tax assets and liabilities recognised on the statement of financial position is as follows:

	At 01 January 2024 \$'000	On acquisition of subsidiary \$'000	Recognised in profit or loss \$'000	Recognised in other comprehen sive income \$'000	At 31 December 2024 \$'000
Deferred tax assets:					
Unused tax losses	2,471	--	231	--	2,702
Lease liabilities	59,448	14,604	4,398	--	78,450
Unearned profit	707	--	--	--	707
Vacation accrual	1,486	--	184	--	1,670
Post-employment medical plan	2,597	--	(339)	(5)	2,253
Termination benefits	2,844	--	490	--	3,334
Accelerated tax depreciation – on acquisition of subsidiary	--	14,506	2,814	--	17,320
Other deferred tax assets on acquisition of subsidiary	--	3,130	821	--	3,951
	<u>69,553</u>	<u>32,240</u>	<u>8,599</u>	<u>(5)</u>	<u>110,387</u>
Deferred tax liabilities:					
Post-employment benefit asset	(7,999)	--	(210)	(847)	(9,056)
Right of use assets	(56,161)	(11,458)	(2,874)	--	(70,493)
Finance lease	(14)	--	(144)	--	(158)
Accelerated tax depreciation	(6,116)	--	(1,278)	--	(7,394)
Asset revaluation surplus	(17,900)	--	--	--	(17,900)
Goodwill on amalgamation	(2,191)	--	--	--	(2,191)
Other deferred tax liabilities on acquisition of subsidiary	--	(16)	(204)	--	(220)
	<u>(90,381)</u>	<u>(11,474)</u>	<u>(4,710)</u>	<u>(847)</u>	<u>(107,412)</u>
Net (liabilities)/assets	<u>(20,828)</u>	<u>20,766</u>	<u>3,889</u>	<u>(852)</u>	<u>2,975</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

24 Deferred taxation (continued)

	At 01 January 2023 Revised \$'000	On acquisition of subsidiary \$'000	Recognised in profit or loss \$'000	Recognised in other comprehensive income \$'000	At 31 December 2023 \$'000
Deferred tax assets:					
Unused tax losses	961	--	1,510	--	2,471
Lease liabilities	64,866	--	(5,418)	--	59,448
Unearned profit	707	--	--	--	707
Vacation accrual	1,304	--	182	--	1,486
Post-employment medical plan	20,308	--	(17,711)	--	2,597
Termination benefits	2,535	--	309	--	2,844
	90,681	--	(21,128)	--	69,553
	At 01 January 2023 Revised \$'000	On acquisition of subsidiary \$'000	Recognised in profit or loss \$'000	Recognised in other comprehensive income \$'000	At 31 December 2023 \$'000
Deferred tax liabilities:					
Post-employment benefit asset	(8,728)	--	(554)	1,283	(7,999)
Right of use assets	(61,799)	--	5,638	--	(56,161)
Finance lease	(14)	--	--	--	(14)
Accelerated tax depreciation	(5,279)	--	(837)	--	(6,116)
Asset revaluation surplus	(17,900)	--	--	--	(17,900)
Goodwill on amalgamation	(2,191)	--	--	--	(2,191)
	(95,911)	--	4,247	1,283	(90,381)
Net liabilities	(5,230)	--	(16,881)	1,283	(20,828)

All deferred tax assets and liabilities are expected to be recovered after more than 12 months.

25 Business combinations

During the year ended 31 December 2024, the Group completed the following acquisitions:

- Retail Acquisition Company Limited**
 Effective 1 March 2024 the Group acquired 55.0% of the share capital of Retail Acquisition Company Limited ("RACL"), a company incorporated and domiciled in Barbados and which is a holding company with a 100.0% ownership stake in Stansfeld Scott (Barbados) Limited ("SSBL"). SSBL is a distributor and retailer of fast moving consumer goods including food, alcoholic and non-alcoholic beverages, and health supplements. These operations have expanded the Group's presence and distribution capabilities in the region.

The acquisition involved an initial purchase of 75% of RACL and immediate reduction to 55% via transfer of the risks and rewards of 20% of the share capital to a non-controlling interest, for consideration paid by the non-controlling interest.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

- Retail Acquisition Company Limited (continued)

The Group has assessed that the transfer of risks and rewards to the non-controlling interest occurred at fair value which approximated the carrying value of the consideration paid. In assessing the carrying value of the consideration, the Group considered the present value of the related instrument which was assessed as materially equal to the face value thereof. The change in the value of non-controlling interests from 25% to 45% was recognised in retained earnings. As a result of this transaction, the non-controlling interest on this acquisition amounted to \$53,529,000.

The purchase consideration also included a compound financial instrument in the form of a put option which was held by certain vendors and was redeemable for Class A Preference Shares in the Company. The fair value of the compound financial instrument approximated its face value of the underlying purchase consideration and as a result, no fair value adjustments were recognised on the business combination.

- Caribbean Producers (Jamaica) Limited Group

During the year the Group acquired a majority stake (75.3% of the share capital) of Caribbean Producers (Jamaica) Limited ("CPJ" "Subsidiary") in stages, with major purchases as follows:

- Acquisition of 44.9% of the share capital of CPJ in July 2024
- Acquisition of 30.4% of the share capital of CPJ in December 2024 (Note 26)

Management performed an assessment of control in accordance with IFRS 10 *Consolidated Financial Statements* and concluded that the Group had obtained control of CPJ at the date of the initial 44.9% acquisition due to the Group's ability to direct the relevant activities of CPJ and as a result, goodwill was recognised on the basis of the acquisition balance sheet at the initial stage of the acquisition, including the estimated fair value of intangible assets acquired at that date. As a result of this transaction, the non-controlling interest on this acquisition at the initial stage amounted to \$196,977,000. As at the date of approval of these audited consolidated financial statements, the values of identified intangible assets and goodwill recognised were provisional and subject to change based on the outcome of final valuations relating to the acquisition.

By virtue of the second stage of the acquisition (Note 26) and the Group's resulting 75.3% ownership stake in the Subsidiary, a mandatory take-over bid process was triggered, and in accordance with Regulations 12(1) and 26(1) of the Securities (Take-Overs and Mergers) Regulations of the Laws of Jamaica, the Group made an offer to the remaining shareholders of CPJ, to acquire up to 79.99% of the share capital of the Subsidiary in exchange for ordinary shares in the Company. As at the date of approval of these audited consolidated financial statements, the mandatory take-over bid offer was closed, and the Group issued ordinary shares in settlement of acceptances, thereby increasing its ownership position in the Subsidiary to 79.99%.

The total non-controlling interest on acquisition of subsidiaries during the year amounted to \$250,506,000.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

These acquisitions have expanded the Group's distribution capability in the Region.

Details of net assets acquired are as follows:

	Retail Acquisition Company Limited \$'000	Caribbean Producers (Jamaica) Limited Group \$'000	Total \$'000
Property, plant and equipment	6,426	100,552	106,978
Right of use assets	12,578	65,032	77,610
Intangible assets	45,560	94,628	140,188
Deferred tax assets	--	20,810	20,810
Other assets	--	1,073	1,073
Inventories	26,571	286,605	313,176
Trade and other receivables	22,450	126,968	149,418
Taxation recoverable	--	212	212
Cash at bank and on hand	12,672	67,444	80,116
Trade and other payables	(10,201)	(71,209)	(81,410)
Taxation payable	--	(9,106)	(9,106)
Due to related parties	--	(6,406)	(6,406)
Bank overdraft	(11,767)	--	(11,767)
Borrowings	(59,277)	(227,788)	(287,065)
Lease obligations	(12,578)	(79,854)	(92,432)
	<u>32,434</u>	<u>368,961</u>	<u>401,395</u>
Non-controlling interests	(53,529)	(86,998)	(140,527)
	<u>(21,095)</u>	<u>281,963</u>	<u>260,868</u>

The goodwill on acquisition was determined as follows:

Purchase consideration comprising cash and promissory notes	42,840	243,195	286,035
Adjustment to working capital	2,514	--	2,514
Issue of ordinary shares	--	120,642	120,642
	<u>45,354</u>	<u>363,837</u>	<u>409,191</u>
Fair values of net assets acquired	21,095	(281,963)	(260,868)
Impact of change in non-controlling interest	(43,115)	--	(43,115)
	<u>23,334</u>	<u>81,874</u>	<u>105,208</u>

Acquired receivables

The fair value of acquired trade receivables of RACL is \$15,592,000. The gross contractual amount of receivables due was \$15,653,000 with a loss allowance of \$61,000 recognised on acquisition.

The fair value of acquired trade receivables of CPJ is \$89,480,000. The gross contractual amount of receivables due was \$92,425,000 with a loss allowance of \$2,945,000 recognised on acquisition.

The net cash inflows from the RACL and CPJ acquisitions were \$9,816,000 and \$18,382,000 respectively.

There were no acquisitions in the year ended 31 December 2023.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

Post-acquisition revenue and profits for the acquired businesses were as follows:

	Retail Acquisition Company Limited \$'000	Caribbean Producers (Jamaica) Limited Group \$'000	Total \$'000
Revenue	142,029	545,022	687,051
Profit after tax	1,656	16,986	18,642

26 Non-controlling interests

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

	2024 \$'000	2023 \$'000
<i>Accumulated balances with non-controlling interests</i>		
Material non-controlling interests	146,487	41,893
Individually immaterial non-controlling interests	13,930	6,628
	<u>160,417</u>	<u>48,521</u>

Non-controlling interests are in respect of the following subsidiaries:

	2024 \$'000	2023 \$'000
Bryden pi Limited and its subsidiaries	6,147	41,893
Ibis Construction Equipment Sales & Rental Limited	6,958	6,252
Facey Trading Limited	825	376
Retail Acquisition Company Limited and its subsidiaries	54,274	--
Caribbean Producers (Jamaica) Limited and its subsidiaries	92,213	--
	<u>160,417</u>	<u>48,521</u>

Acquisition of shareholding of non-controlling interest in Bryden pi Limited and Caribbean Producers (Jamaica) Limited

During the year ended 31 December 2024, the Group acquired the remaining non-controlling interest in Bryden pi Limited, the parent company of the Bryden pi Limited Subgroup (the "Subgroup"). As the Group previously held a controlling interest, this transaction did not result in a change of control and was therefore accounted for as an equity transaction in accordance with IFRS 10 *Consolidated Financial Statements*.

The difference between the consideration paid and the carrying amount of the non-controlling interest acquired has been recognised directly in equity and attributed to the Group.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

26 Non-controlling interests (continued)

As a result of this transaction, the non-controlling interest decreased by \$38,756,000 and equity attributable to the Group decreased by \$2,040,000.

Although the Group now holds 100% of Bryden pi Limited, a non-controlling interest continues to exist within the Subgroup through another subsidiary entity. This remaining interest is reflected as part of Non-Controlling Interest in the consolidated financial statements.

Following the initial acquisition of 44.8% of CPJ and the establishment of control, the Group acquired an additional 30.4% equity interest in December 2024, increasing its total ownership to 75.3% (Note 25).

As control had already been obtained at the initial acquisition date, this second-stage acquisition was accounted for as a transaction with owners in their capacity as owners, in accordance with IFRS 10 *Consolidated Financial Statements*. Accordingly, no additional goodwill was recognised.

The difference between the consideration paid for the additional interest and the carrying amount of the non-controlling interest acquired was recognised directly in equity, within retained earnings. The transaction had no impact on profit or loss or other comprehensive income for the period.

As a result of this transaction, the non-controlling interest decreased by \$109,979,000 and equity attributable to the Group decreased by \$10,662,000.

The total decrease in non-controlling interests as a result of these transactions during the year amounted to \$148,735,000.

	2024 \$'000	2023 \$'000
<i>Profit for the year from non-controlling interests</i>		
Material non-controlling interests	5,960	8,313
Individually immaterial non-controlling interests	4,165	3,630
	<u>10,125</u>	<u>11,943</u>

Individually immaterial non-controlling interests include Bryden pi Limited Subgroup (in the current year), Ibis Construction Equipment Sales & Rental Limited and Facey Trading Limited.

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

Summarised statement of comprehensive income

	31 December	Caribbean
	Retail	Producers
	Acquisition	(Jamaica)
	Company	Limited
	Limited	Group
	2024	2024
	\$000	\$000
Revenue	142,029	545,022
Depreciation	5,213	15,681
Net profit	1,656	16,986
Other comprehensive income	--	--
Net profit allocated to non-controlling interests	745	5,215
Dividends paid to non-controlling interests	--	--

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

26 Non-controlling interests (continued)

Summary statement of financial position

	Retail Acquisition Company Limited 2024 \$'000	Caribbean Producers (Jamaica) Limited Group 2024 \$000
Non-current assets:		
Property, plant and equipment	4,980	113,584
Right of use assets	9,230	96,590
Intangible assets	--	215
Other non-current assets	--	44,266
	<u>14,210</u>	<u>254,655</u>
Current assets:		
Inventories	29,379	278,824
Cash and cash equivalents	1,263	45,956
Receivables and other current assets	103,487	162,780
	<u>134,129</u>	<u>487,560</u>
Non-current liabilities:		
Non-current portion of long term liabilities	53,770	103,637
Other non-current liabilities	4,955	104,784
	<u>58,725</u>	<u>208,421</u>
Current liabilities:		
Trade and other payables	23,284	103,945
Current portion of long term liabilities	3,186	103,861
Other current liabilities	4,906	46,200
	<u>31,376</u>	<u>254,006</u>
Net assets	<u>58,238</u>	<u>279,788</u>

Summarised statement of cash flows

	Retail Acquisition Company Limited 2024 \$'000	Caribbean Producers (Jamaica) Limited Group 2024 \$000
Cash flows from operating activities	(3,730)	20,658
Cash flows from investing activities	(593)	(25,384)
Cash flows from financing activities	(1,427)	(17,755)
Net decrease in cash and cash equivalents	<u>(5,750)</u>	<u>(22,481)</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

27 Significant non-cash transactions

In the prior year, the Company acquired Micon Holdings Limited. This acquisition was funded by the issue of ordinary shares.

Effective 6 December 2024, the Company acquired an additional 30.4% equity stake in Caribbean Producers Jamaica Limited (Note 25). This acquisition was funded by the issue of ordinary shares.

28 Contingent liabilities

	31 December	
	2024	2023
	\$'000	\$'000
Performance bonds	22,133	41,288
Customs bonds	16,715	16,017
Letters of credit	53,495	57,235
Collection items	195	209

Property tax:

The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from 1 January 2010. There were challenges with its implementation and GORTT implemented waivers of the tax, the last of which expired on 30 September 2017. At present, there is a Tax amnesty granted by the GORTT for the period 14 November 2022 to 17 March 2023. The PTA has not yet been enforced primarily due to noncompletion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified.

29 Litigation, claims, assessments and provisions

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

In respect of claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both the financial position and results of operations.

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

30 Related party transactions

Key management comprise the key decision makers and budget owners across the Company. These individuals manage activities and are responsible for the results of their operating units. Key management compensation for the year ended 31 December 2024 was as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Short-term employee benefits	39,888	33,461
Post-employment benefits	1,702	989
	<u>41,590</u>	<u>34,450</u>

Transactions with key management during the period were as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Sales of goods	<u>1,628</u>	<u>618</u>

Balances held with key management at the reporting date were as follows:

	31 December	
	2024	2023
	\$'000	\$'000
Amounts due to key management	<u>3,916</u>	<u>5,101</u>
Amounts due from key management	<u>1,823</u>	<u>1,052</u>

31 Post balance sheet events

Acquisition of subsidiary

Subsequent to the reporting date but before approval of these audited consolidated financial statements by the Board of Directors, the Group acquired a further 4.71% of the share capital of Caribbean Producers (Jamaica) Limited (Note 25).

32 Net debt reconciliation

The net debt and movements in net debt are set out below:

	2024	2023
	\$'000	\$'000
Cash and cash equivalents	174,428	147,604
Borrowings	(1,375,639)	(738,055)
Lease liabilities	(199,756)	(74,733)
Bank overdraft	(13,438)	--
	<u>(1,414,405)</u>	<u>(665,184)</u>

A.S. Bryden & Sons Holdings Limited

Notes to the Consolidated Financial Statements (continued)

31 December 2024

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

32 Net debt reconciliation (continued)

	Cash and cash equivalents \$'000	Borrowings \$'000	Lease liabilities \$'000	Bank overdraft \$'000	Total \$'000
	Year ended 31 December 2024				
Opening balance	147,604	(738,055)	(74,733)	--	(665,184)
On acquisition of subsidiary	80,116	(287,065)	(92,432)	(11,767)	(311,148)
Financing cash flows	(53,077)	(359,715)	23,050	(1,671)	(391,413)
New leases	--	--	(55,641)	--	(55,641)
Foreign exchange adjustments	--	9,196	--	--	9,196
Interest expense	--	(74,760)	(9,096)	--	(83,856)
Interest payments (presented as operating cash flows)	--	74,760	9,096	--	83,856
	174,643	(1,375,639)	(199,756)	(13,438)	(1,414,190)

	Cash and cash equivalents \$'000	Borrowings \$'000	Lease liabilities \$'000	Bank overdraft \$'000	Total \$'000
	Year ended 31 December 2023				
Opening balance	126,719	(693,316)	(81,548)	--	(648,145)
Financing cash flows	20,885	(39,484)	13,454	--	(5,145)
New leases	--	--	(6,639)	--	(6,639)
Foreign exchange adjustments	--	(5,255)	--	--	(5,255)
Interest expense	--	(48,831)	(5,095)	--	(53,926)
Interest payments (presented as operating cash flows)	--	48,831	5,095	--	53,926
	147,604	(738,055)	(74,733)	--	(665,184)

A.S. Bryden and Sons Holdings Limited

Consolidated Financial Statements

31 December 2023

(Expressed in Trinidad and Tobago Dollars)

A.S. Bryden and Sons Holdings Limited

Contents	Page
Statement of Management's Responsibilities	1
Independent auditor's report	2 - 8
Consolidated statement of comprehensive income	9
Consolidated statements of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the consolidated financial statements	13 - 71

A.S. Bryden and Sons Holdings Limited

Statement of Management's Responsibilities

Management is responsible for the following:

Preparing and fairly presenting the accompanying consolidated financial statements of A.S. Bryden and Sons Holdings Limited ("the Group"), which comprise the consolidated statements of financial position as 31 December 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended 31 December 2023, and notes, comprising material accounting policy information and other explanatory information;

- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

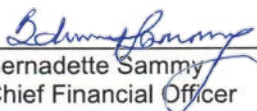
In preparing these audited consolidated financial statements, management utilised International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago ("IFRS Accounting Standards"). Where IFRS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

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

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



Richard Pandohie
Chief Executive Officer
2 April 2024



Bernadette Sammy
Chief Financial Officer
2 April 2024



Independent auditor's report

To the Shareholders of A.S. Bryden and Sons Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of A.S. Bryden and Sons Holdings Limited (the Company) and its subsidiaries (together 'the Group') as at 31 December 2023, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

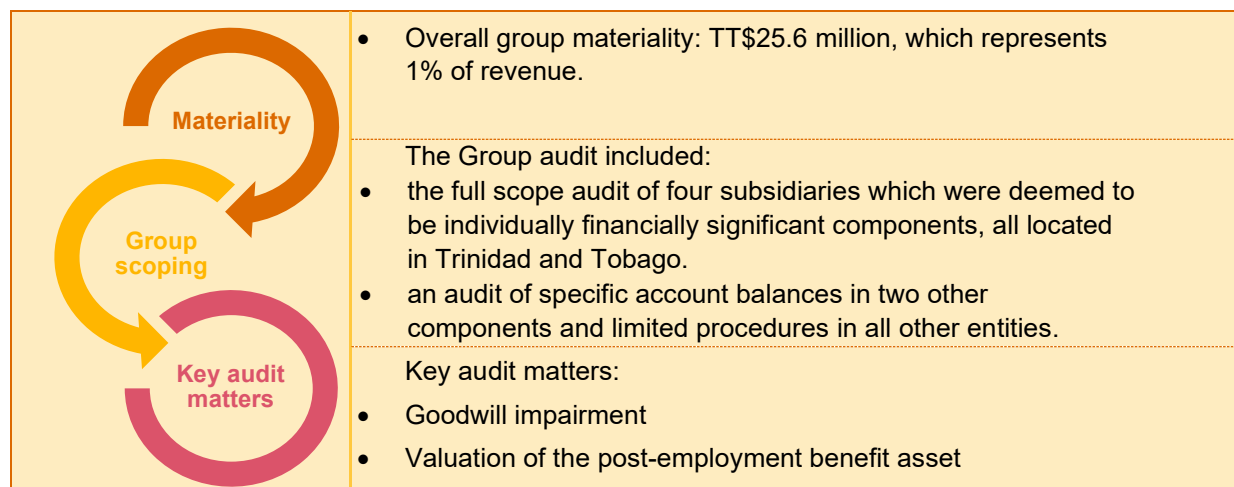
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



Audit scope

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

How we tailored our group audit scope

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

The following components were deemed to be individually financially significant and were subject to full scope audits:

- A.S. Bryden and Sons (Trinidad) Limited
- Bryden pi Limited
- FT Farfan Limited
- Micon Marketing Limited

The Group audit engagement team was the auditor for these four components and the two components subject to an audit of specific account balances. Other components were the subject of limited audit procedures.

Materiality

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

Our audit approach (continued)

Materiality (continued)

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

Overall Group materiality	TT\$25.6 million
How we determined it	1% of revenue
Rationale for the materiality benchmark applied	We chose revenue as the benchmark because, in our view, it is the most stable benchmark against which the performance of the Group is measured by users, and is a generally accepted benchmark. We chose 1% which is within a range of acceptable benchmark thresholds.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above TT\$1.2 million, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment <i>Refer to notes 2(e), 4 and 14 to the consolidated financial statements for disclosures of related accounting policies and balances.</i> As at 31 December 2023, the Group carried a significant amount of goodwill amounting to TT\$68 million. In line with IAS 36 - Impairment of Assets, management performs an annual impairment assessment of goodwill. The recoverable amount of each cash generating unit (CGU) is calculated as the higher of the value-in-use (VIU) and fair value less costs of disposal (FVLCOB). Management determined the recoverable amount by reference to the VIU which was derived using a discounted expected cash flow approach where management makes significant judgements on certain key inputs and assumptions, including discount rates and growth rates. We focused on this area because of the significant level of judgment required in arriving at the key assumptions used in management's impairment assessment.	Our approach to addressing the matter, with the assistance of our internal expert, involved the following procedures, amongst others: • obtained an understanding of the methods used by management to perform its goodwill impairment assessment and assessed whether they were in compliance with IAS 36; • recalculated the weighted average cost of capital (WACC) used to discount the expected cash flows and evaluated those rates against observable market-based inputs and our knowledge of the economic environment; • assessed the assumptions including the growth rate by reference to historical performance of the CGU and relevant external economic industry data; • tested the mathematical accuracy of management's impairment calculations; and • compared management's future cash flow forecasts used in the impairment calculation to those approved by the Board of Directors as part of the annual budgeting process and strategic plans. Based on the results of the procedures performed, management's goodwill impairment assessment conclusion was not unreasonable.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of the post-employment benefit asset <i>Refer to notes 2(n) and 16 to the consolidated financial statements for disclosures of related accounting policies and balances.</i> The Group sponsors a defined benefit pension plan. As at 31 December 2023, the Group reported on the consolidated statement of financial position, a net post-employment benefit asset of TT\$27.2 million, which represents 1.2% of total assets, comprising plan assets valued at TT\$261.0 million and an obligation of TT\$233.8 million. The valuation of the net post-employment benefit asset requires significant levels of judgement and technical expertise in determining appropriate assumptions. Changes in key assumptions could have a material impact on the calculation of the net pension asset including: • discount rates; • mortality rates; and • salary increases. Management utilises an independent external actuary to perform certain calculations with respect to the estimated obligations. The pension assets consist of financial investments held at fair value, which are based on a range of inputs. While many of the inputs can be obtained from readily available observable market prices and rates, certain securities are based on modelled prices as observable market data is limited. In these instances, management is required to make significant judgments due to the complexity in the valuation model estimates resulting in high estimation uncertainty risk. We focused our audit efforts in this area due to the degree of estimation uncertainty involved in determining the valuation of the post-employment benefit plan assets and the defined benefit obligation of the post-employment benefit plan.	Our approach to addressing the matter, with the assistance of our internal actuarial experts, involved the following procedures, amongst others: Assessed the independence and competence of the actuaries used by management to calculate the pension obligation. Tested the key assumptions for the defined benefit pension obligation for the current period as follows: • compared the discount rates used by management to the yield of a Government of Trinidad and Tobago bond of a similar tenor; • compared mortality rates to relevant publicly available statistics for Trinidad and Tobago; • on a sample basis, tested the completeness and accuracy of the employee data used in the actuarial calculation by comparing it to personnel files; and • compared salary increases to historical increases, taking into account the current economic climate as well as terms specified in the existing trade union agreements. For investments which were valued using a valuation model: • evaluated the assumptions, methodologies and models used by the Group; • tested the significant inputs relating to yield, prices and valuation, on a sample basis, to external sources where available and compared to similar transactions in the marketplace; and • recalculated the valuation for a sample of modelled securities. Based on the results of the procedures performed, the valuation of the post-employment benefit asset was not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the A.S. Bryden and Sons Holdings Limited Annual Report 2023 (but does not include the consolidated financial statements and our auditor's report thereon), which 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.

When we read the A.S. Bryden and Sons Holdings Limited Annual Report 2023, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Roshni Senike.



Port of Spain
Trinidad, West Indies
2 April 2024

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Comprehensive Income For the year ended December 31, 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Notes	Year ended 31 December 2023 \$'000	Period ended 31 December 2022 \$'000
Revenue	5	2,563,833	1,253,758
Direct expenses	6	<u>(1,898,845)</u>	<u>(895,771)</u>
Gross profit		664,988	357,987
Administration and other operating expenses	6	(441,319)	(247,725)
Net impairment losses on trade receivables	6	(4,420)	(4,176)
Other income		<u>396</u>	<u>341</u>
Operating profit		219,645	106,427
Finance costs	8	(53,926)	(23,597)
Share of results of associate	15	<u>47</u>	<u>1,272</u>
Profit before taxation		165,766	84,102
Taxation	9	<u>(25,936)</u>	<u>(14,455)</u>
Net profit		<u>139,830</u>	<u>69,647</u>
Other comprehensive Income, net of taxes			
Items that will not be reclassified to profit or loss –			
Re-measurements of post-employment benefits, net of tax	16	<u>22,608</u>	<u>(7,641)</u>
		<u>22,608</u>	<u>(7,641)</u>
Total comprehensive income		<u><u>162,438</u></u>	<u><u>62,006</u></u>
Net profit is attributable to:			
Stockholders of the Company	10	128,766	65,367
Non-controlling interest		<u>11,064</u>	<u>4,280</u>
		<u><u>139,830</u></u>	<u><u>69,647</u></u>
Total comprehensive income is attributable to:			
Stockholders of the Company		150,495	57,916
Non-controlling interest		<u>11,943</u>	<u>4,090</u>
		<u><u>162,438</u></u>	<u><u>62,006</u></u>
Earnings per Stock Unit attributable to Stockholders of the Company – Basic and Diluted	10	<u><u>\$0.09</u></u>	<u><u>\$0.05</u></u>

The notes on pages 13 to 71 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Consolidated Statements of Financial Position

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

		As at 31 December	
	Note	2023 \$'000	2022 \$'000
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	12	272,996	255,455
Right of use assets	13	69,416	77,297
Intangible assets	14	230,124	239,909
Investment in associate	15	15,590	15,269
Post-employment benefit asset	16	27,249	29,091
Deferred tax assets	24	69,553	90,681
		<u>684,928</u>	<u>707,702</u>
<i>Current assets</i>			
Inventories	17	673,678	590,435
Trade and other receivables	18	667,707	532,889
Taxation recoverable		12,658	588
Cash and bank balances		<u>147,604</u>	<u>126,719</u>
		1,501,647	1,250,631
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	19	527,958	379,578
Borrowings	22	226,012	129,742
Lease obligations	13	13,945	12,200
Loan due to parent	23	11,906	—
Taxation payable		5,444	29,075
		<u>785,265</u>	<u>550,595</u>
Net current assets		<u>716,382</u>	<u>700,036</u>
		<u>1,401,310</u>	<u>1,407,738</u>
<i>Equity attributable to stockholders of the Company</i>			
Share capital	20	387,600	387,600
Preference shares	20	123,340	123,340
Capital reserves	21	94,900	94,900
Retained earnings/(accumulated deficit)		65,606	(41,545)
		<u>671,446</u>	<u>564,295</u>
<i>Non-controlling interests</i>		<u>48,521</u>	<u>38,468</u>
		<u>719,967</u>	<u>602,763</u>
<i>Non-current liabilities</i>			
Post-employment benefit obligations	16	18,131	76,142
Borrowings	22	512,043	563,574
Lease obligations	13	60,788	69,348
Deferred tax liabilities	24	90,381	95,911
		<u>681,343</u>	<u>804,975</u>
		<u>1,401,310</u>	<u>1,407,738</u>

The notes on pages 13 to 71 are an integral part of these consolidated financial statements.

Approved for issue by the Board of Directors of A.S. Bryden and Sons Holdings Limited on 2 April 2024 and signed on its behalf by:


Paul B. Scott

Director


Richard Pandohie

Director

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Attributable to Stockholders of the Company					Non-controlling Interests	Total
	Share capital \$'000	Preference shares \$'000	Capital reserve \$'000	Retained Earnings/ (Accumulated deficit) \$'000	Sub-total \$'000	\$'000	\$'000
Balance at 01 January 2023	387,600	123,340	94,900	(41,545)	564,295	38,468	602,763
Profit for the year	--	--	--	128,766	128,766	11,064	139,830
Re-measurement of post-employment benefits	--	--	--	21,729	21,729	879	22,608
Total comprehensive income	387,600	123,340	94,900	108,950	714,790	50,411	765,201
Transactions with owners:							
Dividend paid to non-controlling interest	--	--	--	--	--	(1,890)	(1,890)
Ordinary dividends declared by the Company (Note 11)	--	--	--	(35,020)	(35,020)	--	(35,020)
Preference dividends declared by the Company (Note 11)	--	--	--	(8,324)	(8,324)	--	(8,324)
Balance at 31 December 2023	387,600	123,340	94,900	65,606	671,446	48,521	719,967
At 9 May 2022	--	--	--	--	--	--	--
Profit for the 7 month period	--	--	--	65,367	65,367	4,280	69,647
Re-measurement of post-employment benefits	--	--	--	(7,451)	(7,451)	(190)	(7,641)
Total comprehensive income	--	--	--	57,916	57,916	4,090	62,006
Transactions with owners:							
On amalgamation (Note 25)	--	--	94,900	(79,293)	15,607	30,690	46,297
Change in composition of Group	--	--	--	--	--	1,204	1,204
Issue of preference shares (Note 25)	--	123,340	--	--	123,340	--	123,340
Issue of ordinary shares subsequent to amalgamation (Note 25)	285,600	--	--	--	285,600	--	285,600
Issue of shares as consideration for the acquisition of subsidiary (Note 25)	102,000	--	--	--	102,000	--	102,000
Issue of shares to non-controlling interest	--	--	--	--	--	2,484	2,484
Ordinary dividends declared by the Company (Note 11)	--	--	--	(17,500)	(17,500)	--	(17,500)
Preference dividends declared by the Company (Note 11)	--	--	--	(2,668)	(2,668)	--	(2,668)
Balance at 31 December 2022	387,600	123,340	94,900	(41,545)	564,295	38,468	602,763

The notes on pages 13 to 71 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Notes	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Cash flows from operating activities			
Net profit after taxation		139,830	69,647
Items not affecting cash resources:			
Depreciation	12, 13	41,794	21,700
Amortisation of intangible assets	14	9,785	3,936
Expenses recognised on post-employment benefit assets	7, 16	9,295	6,981
Expenses recognised on post-employment benefit obligations	7, 16	(20,613)	6,522
Loss/(gain) on disposal and other adjustments of property, plant and equipment	12	694	(1,826)
Share of results of associate, net of tax	15	(47)	(1,272)
Taxation expense	9	25,936	14,455
Interest expense	8	53,926	23,597
		<u>260,600</u>	<u>143,740</u>
Changes in operating assets and liabilities:			
Inventories		(83,245)	(210,182)
Trade and other receivables		(134,815)	(104,530)
Trade and other payables		<u>156,025</u>	<u>46,318</u>
Cash from/(used in) operations		198,565	(124,654)
Employer contributions to post-employment benefit plans	16	(12,548)	(12,356)
Taxation paid		<u>(55,532)</u>	<u>(30,964)</u>
Cash from/(used in) operating activities		<u>130,485</u>	<u>(167,974)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(47,547)	(16,414)
Proceeds on disposal of property, plant and equipment		2,038	5,593
Cash on acquisition of subsidiary	25	--	14,237
Cash (used in)/from investing activities		<u>(45,509)</u>	<u>3,416</u>
Cash flows from financing activities			
Borrowings received	22	475,538	555,240
Borrowings repaid	22	(430,799)	(89,237)
Cash on acquisition of Group		--	255,620
Lease obligations		(13,452)	(6,084)
Issue of shares by a subsidiary		--	2,484
Repurchase of shares		--	(394,489)
Ordinary dividends paid by the Company		(31,238)	(3,772)
Preference dividends paid by the Company		(8,324)	(2,668)
Ordinary dividends paid by a subsidiary		(1,890)	(2,220)
Interest paid on borrowings		<u>(53,926)</u>	<u>(23,597)</u>
Cash (used in)/from financing activities		<u>(64,091)</u>	<u>291,277</u>
Increase in cash and cash equivalents		20,885	126,719
Opening cash and cash equivalents		<u>126,719</u>	<u>--</u>
Closing cash and cash equivalents		<u>147,604</u>	<u>126,719</u>

The notes on pages 13 to 71 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial statements

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations

A.S. Bryden and Sons Holdings Limited ("the Company") is a holding company incorporated and domiciled in the Republic of Trinidad and Tobago, and has its registered office at 1 Ibis Avenue, San Juan. The Company is the result of an amalgamation between Bryden Group Limited (incorporated 9 May 2022) and the surviving entity, A.S. Bryden and Sons Holdings Limited. It commenced operations on 6 June 2022 being the date that these entities came under common control (Note 24).

The Company and its subsidiaries are collectively referred to as "the Group".

Effective 6 June 2022, Seprod Limited acquired a majority shareholding in the Company. Seprod Limited is incorporated and domiciled in Jamaica and is publicly listed on the Jamaica Stock Exchange.

The Company's subsidiaries, its associate, their principal activities, their countries of incorporation and domicile and their percentage ownership (wholly owned unless otherwise indicated) are as follows:

Subsidiaries	Principal activity	Country of Incorporation and Domicile
Anthony A Pantin Limited	Dormant	Trinidad and Tobago
A.S. Bryden & Sons Insurance Limited	General insurance agency	Trinidad and Tobago
A.S. Bryden & Sons (Trinidad) Limited, and its subsidiaries	Sale of consumer products	Trinidad and Tobago
-ASB Business Solutions Limited	Dormant	Trinidad and Tobago
-Eve Products Limited	Dormant	Trinidad and Tobago
Asset Rentals Limited	Dormant	Trinidad and Tobago
Bryden pi Limited (owned 90%), and its subsidiaries	Sale of pharmaceutical and consumer products	Trinidad and Tobago
-Bpi Genethics Limited	Manufacture and sale of pharmaceutical products	Trinidad and Tobago
-Bpi Guyana Limited (owned 51%)	Sale of pharmaceutical and consumer products	Guyana
Bryden Properties Limited	Dormant	Trinidad and Tobago
FT Farfan Limited, and its subsidiary	Sale of industrial equipment	Trinidad and Tobago
-Ibis Construction Equipment Sales & Rental Limited (owned 75%)	Sale of industrial equipment	Guyana
Franco Trading & Distribution Limited	Packaging and sale of consumer products	Trinidad and Tobago
Ibis Acres Ltd.	Investments in real estate	Trinidad and Tobago
Micon Holdings Limited, and its subsidiaries*	Investments	St. Lucia
-Micon Marketing Limited	Sale of consumer products	Trinidad and Tobago
-Facey Trading Ltd (owned 75%)	Sale of consumer products	St. Vincent
Premium Brands Limited	Dormant	Trinidad and Tobago
Associate	Principal activity	Country of Incorporation and Domicile
Armstrong Healthcare Inc. (49% owned by Bryden Pi Limited)	Sale of pharmaceutical products	Barbados

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations (continued)

- * Effective 1 November 2022, the Company acquired 100% of the shareholding in Micon Holdings Limited, with the consideration being the issue of new shares (Note 24). This acquisition by the Company diluted Seprod Limited's shareholding in the Company from 60% to 54%.

2 Material accounting policies

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

a. *Basis of preparation*

(i) *Compliance with IFRS*

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the (IFRS) Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

(ii) *Historical cost convention*

The consolidated financial statements have been prepared under the historical cost convention, except for the measurement of land and buildings at revalued amount and defined benefit pension plan assets measured at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

New and amended standards adopted by the Group

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial period. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

- Definition of accounting estimates – amendments to IAS 8

This amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The importance of the distinction is that changes in accounting estimates are applied prospectively to future transactions and other future events, while changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The amendments had no impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

a. Basis of preparation (continued)

(ii) Historical cost convention (continued)

- Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12

This amendment requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendment applies to lease arrangements entered into by the Group as a lessee and requires that the Group recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. The amendments resulted in changes to the disclosures relating to deferred tax assets arising on lease liabilities and deferred tax liabilities arising on right of use assets as further disclosed in Note 24.

- Disclosure of accounting policies – Amendments to IAS 1 and IFRS Practice Statement 2.

The amendments resulted in the revision of accounting policy disclosures to remove accounting policies not meeting the definition of 'material' according to the Standard.

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

b. Basis of consolidation

Consolidation of subsidiaries

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

b. Basis of consolidation (continued)

Consolidation of subsidiaries (continued)

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary includes the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intercompany transactions, balances and unrealised gains and losses on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Loans to subsidiaries that are intended to provide subsidiaries with a long-term source of additional capital are considered additions to the Company's investment. Accordingly, these loans are included in Investment in Subsidiaries on the Company's statement of financial position.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

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

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

b. Basis of consolidation (continued)

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in retained earnings attributable to owners of the Company. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

c. *Revenue and income recognition*

Sales of goods

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. No significant element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

Revenue is recognised at a point in time when control of the goods has been established – being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been transported to a specific predetermined location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. A receivable is recognised when the goods are delivered, at which point in time the consideration is deemed unconditional and only the passage of time is required before the payment is due.

Interest income

Interest income on bank accounts with financial institutions is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

d. *Foreign currency translation*

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

The foreign exchange differences arising from the translation of the results and financial position of the Group's entities that have a functional currency other than Trinidad and Tobago dollars are recognised in other comprehensive income. Such exchange differences are recognised in profit or loss where the related Group entity is sold or partially sold.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transactions and from the translation of foreign currency monetary assets and liabilities at the year-end exchange rates are recognised in profit or loss.

Translation differences resulting from changes in the amortised cost of foreign currency monetary assets are recognised in profit or loss. Other changes in the fair value of financial investments are recognised in other comprehensive income. Translation differences on non-monetary financial investments are reported as a component of the fair value gain or loss in other comprehensive income.

e. *Property, plant and equipment*

Land and buildings are initially recorded at cost and are subsequently shown at fair market value based on triennial (or earlier) valuations by external independent valuers, less subsequent depreciation of buildings. 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. Increases in carrying amounts arising on revaluation are credited to other comprehensive income and shown in capital reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against capital reserve; all other decreases are charged to profit or loss.

All other items of property, plant and equipment continue to be carried at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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.

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

Depreciation is calculated on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Land is not depreciated. The expected useful lives of other assets are as follows:

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

e. *Property, plant and equipment (continued)*

Buildings	40 – 50 years
Plant, equipment and furniture	3 – 10 years
Motor vehicles	4 years

Leasehold improvements are depreciated at the lower of useful life and life of the lease.

Useful lives and residual values are assessed annually.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Repairs and maintenance expenditure is charged to profit or loss during the financial period in which it is incurred.

f. *Intangible assets*

Goodwill

Goodwill is recorded at cost and represents the excess of the fair value of the consideration paid over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Supplier relationships, trade names and brands

Supplier relationships, customer relationships, trade names and brands obtained by the Group in a business combination are recognised at fair value at the acquisition date. These intangible assets are deemed to have a finite useful life, and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the carrying values over their estimated useful lives. The expected useful lives are as follows: Supplier relationships - 12 years; Customer relationships - 14 years; Trade names - 20 years; and Brands - 10 to 15 years. Amortisation of intangible assets is included in administration and other operating expenses in the statement of comprehensive income.

g. *Impairment of non-financial assets*

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. Financial assets

Classification

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

- those to be measured subsequently at fair value (either through profit or loss or through other comprehensive income);
- and those to be measured at amortised cost.

The classification depends on the business model used for managing the financial assets and, in respect of debt instruments, the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

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

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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

Amortised cost: Debt instruments held for the collection of contractual cash flows, where those represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVOCI: Debt instruments that are held for the collection of contractual cash flows and for the selling of financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income and impairment gains and losses are recognised in profit or loss. When the debt instrument is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. Financial assets (continued)

Measurement (continued)

Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVPL: Debt instruments that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on such instruments are recognised in profit or loss in the period in which they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

Application of the General Model to financial assets other than trade receivables

Under this model, the Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and at fair value through other comprehensive income. The ECL will be recognized in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. The impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD – the probability of default occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD – the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment are included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

h. Financial assets (continued)

The Group uses judgement when considering the following factors that affect the determination of impairment:

Assessment of significant increase in credit risk

To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

Macroeconomic factors, forward looking information and multiple scenarios

The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurements of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

Expected life

When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group exposed to credit risk and where the credit losses would not be mitigated by management actions.

Application of the Simplified Approach to trade receivables

For trade receivables other than those deemed specifically impaired, the Group applies the simplified approach which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables. The lifetime ECLs are determined by taking into consideration historical rates of default for each category of aged receivables as well as the estimated impact of forward-looking information.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2022 or 1 January 2022, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

i. *Inventories*

Inventories are stated at the lower of cost or net realisable value, cost being determined using the weighted average cost method. The cost of finished goods and work in progress includes cost of raw materials used, direct labour and an appropriate proportion of overhead expenses. The cost of merchandise for resale are determined after deducting rebates and discounts, using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of selling expenses.

j. *Trade receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (Note 2h). Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

k. *Borrowings and borrowing costs*

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

k. *Borrowings and borrowing costs (continued)*

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

l. *Provisions*

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

m. *Leases*

As lessee, the Group mainly leases various warehouses and retail stores. Rental contracts are typically made for fixed periods of 1 to 10 years, but may have extension options which are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

m. Leases (continued)

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

n. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

n. *Income taxes (continued)*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

o. *Employee benefits*

Pension obligations

Defined benefit plan

The Group operates a defined benefit plan, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The amount recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

o. Employee benefits (continued)

Pension obligations (continued)

Defined benefit plan (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Government of Trinidad and Tobago bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The employees of the Group also participate in an Individual Retirement Scheme operated by an independent insurance Company. The Group makes fixed contributions to the scheme for participating employees. The Group has no obligation for the benefits provided under the scheme as these are payable by, and accounted for by the insurance Company. Accordingly, the Group recognises a cost equal to its contributions payable in respect of each accounting period in the statement of comprehensive income.

Other post-employment benefits

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

During the reporting period the Group undertook various amendments to the post-retirement medical plan including insuring future claims under the plan, as well as a curtailment of company sponsorship for any new member enrolling after December 31, 2023. Under the new terms of the plan, retirees meeting the previously stipulated minimum service period will now be required to opt into the plan, select a benefits package and cover their own cost of insurance premiums.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Material accounting policies (continued)

o. *Employee benefits (continued)*

Profit share scheme

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's equity holders after certain adjustments.

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

p. *Ordinary share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

q. *Preference shares*

Preference shares are classified as equity as, under the terms of the preference shares, the company has no cash obligation. Dividend distribution to preference shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

r. *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee (EMC) that guides strategic decisions and which is led by the Chief Executive Officer. As further described in Note 4 '*Critical accounting estimates and judgments in applying accounting policies*' Management has concluded that there is only one reportable segment within the Group, '*Distribution of consumer products*' and as such only entity-wide segment disclosures will be made as all other reportable segment data is already disclosed within the primary statements and notes to the consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Board has established committees/departments for managing and monitoring risks, as follows:

Central treasury department

The central treasury department is responsible for managing the Group's financial assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units.

Audit committee

The Audit Committee was constituted following the Amalgamation of the Company as described further in Note 25. The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. As at the reporting date, the Audit Committee had undertaken to commence the process for establishment of Internal Audit. The Internal Audit function will initially be outsourced to a suitably qualified external expert while the Group works to develop internal capability in this area. Internal Audit will undertake both regular and ad hoc reviews of risk management controls and procedures, the result of which will be reported to the Audit Committee.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

The carrying values of the Group's financial instruments are as follows:

	31 December	
	2023	2022
	\$'000	\$'000
Financial assets		
At cost or amortised cost –		
Trade receivables (Note 18)	570,585	446,910
Other receivables	83,079	78,620
Due from affiliates (Note 18)	1,155	2,257
Cash and bank balances	147,604	126,719
	<u>802,423</u>	<u>654,506</u>
Financial liabilities		
At cost or amortised cost –		
Trade payables (Note 19)	370,147	288,087
Other payables	101,859	57,485
Dividends payable	17,510	13,728
Due to affiliate	4,572	15,588
Loan due to parent	11,906	--
Lease obligation (Note 13)	74,733	81,548
Borrowings (Note 22)	738,055	693,316
	<u>1,318,782</u>	<u>1,149,752</u>

The Group is exposed to credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate and other price risk.

a. Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is the most important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and its holdings of investments. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and industry segments.

Cash and bank balances

Cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The executive committee has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the Board. Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, industry, aging profile, and previous financial difficulties. The Group has procedures in place to restrict customer orders if the order will exceed their credit terms. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

To measure expected credit losses, trade receivables are grouped by customer sector (based on shared risk characteristics) as well as by aging buckets. Lifetime expected credit losses are determined by taking into consideration historical rates of default for the totals of each customer segment of aged receivables as well as the estimated impact of forward looking information.

The ageing analysis of trade receivables is as follows:

	31 December 2023				
	Within 60 days	61 to 90 days	91 to 120 days	> than 120 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 18)	368,973	71,632	39,351	111,895	591,851
Average expected loss rates	% 0.00%	% 0.01%	% 0.29%	% 18.89%	% 3.59%
Provision for credit losses	5	5	114	21,142	21,266

	31 December 2022				
	Within 60 days	61 to 90 days	91 to 120 days	> than 120 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 18)	242,857	133,792	27,434	73,154	477,237
Average expected loss rates	% 0.39%	% 0.36%	% 6.60%	% 37.02%	% 6.35%
Provision for credit losses	949	487	1,810	27,081	30,327

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

The movement in the provision for impairment of trade receivables is as follows:

	2023 \$'000	2022 \$'000
Opening balance	30,327	--
On amalgamation (Note 25)	--	23,084
On acquisition of subsidiary	--	5,140
Provided during the period	4,420	4,176
Amounts written off during the year	(7,315)	--
Unused amounts reversed	(6,166)	(2,073)
Closing balance	21,266	30,327

The creation and release of provision for impaired receivables have been included in "net impairment gains and losses on trade receivables" in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The majority of the Group's trade receivables are receivable from customers in Trinidad and Tobago.

b. Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the central treasury department, includes: (i) monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required; (ii) maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; (iii) maintaining committed lines of credit; (iv) optimising cash returns on investments; and (v) managing the concentration and profile of debt maturities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

b. Liquidity risk (continued)

Liquidity risk management process (continued)

Undiscounted contractual cash flows of financial liabilities

The maturity profile of financial liabilities, based on contractual undiscounted payments, is as follows:

	Within 1 year \$'000	1 to 5 Years \$'000	Over 5 years \$'000	Total \$'000
	31 December 2023			
Borrowings (Note 22)	248,885	626,446	3,675	879,006
Loan due to Parent	11,906	--	--	11,906
Lease obligation (Note 13)	18,073	46,056	84,295	148,424
Trade and other payables (Note 19)	511,598	--	--	511,598
	<u>790,462</u>	<u>672,502</u>	<u>87,970</u>	<u>1,550,934</u>
	31 December 2022			
Borrowings (Note 22)	171,691	451,569	241,712	864,972
Lease obligation (Note 13)	14,408	77,607	64,278	156,293
Trade and other payables (Note 19)	374,888	--	--	374,888
	<u>560,987</u>	<u>529,176</u>	<u>305,990</u>	<u>1,396,153</u>

Assets available to meet all of the liabilities and to cover financial liabilities include cash and investments.

c. Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group treasury department which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar, Euro and Pound Sterling and the Guyanese dollar. Foreign exchange risk arises primarily from transactions for purchases and sales and financing activities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

The statement of financial position for the Group includes the following:

	2023 \$'000	2022 \$'000
Aggregate net foreign liabilities denominated in United States dollars	394,313	331,301
Aggregate net foreign liabilities denominated in Guyanese dollars	60,881	28,068
Other currencies (Euros, Pounds Sterling, Eastern Caribbean dollars)	<u>12,370</u>	<u>--</u>
Aggregate net foreign assets denominated in United States dollars	77,547	--
Aggregate net foreign assets denominated in Guyanese dollars	139,375	75,575
Other currencies (Euros, Pounds Sterling, Eastern Caribbean dollars)	<u>27,237</u>	<u>12,697</u>

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The following table indicates the effect on profit before taxation (there is no effect on other items of equity) arising from changes in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end based on management's assessment of the possible change in foreign exchange rates. The sensitivity was primarily as a result of foreign exchange gains and losses on translation of trade receivables, cash, payables and borrowings.

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Effect on profit before taxation -		
US dollar		
1% devaluation (December 2023 – 0.3%)	(21,477)	(3,313)
1% revaluation (December 2023 – 0.3%)	21,477	3,313
Euro		
2% devaluation (December 2023 – 1.2%)	765	778
2% revaluation (December 2023 – 1.2%)	(765)	(778)
Pound Sterling		
5% devaluation (December 2023 – 5%)	--	(14)
5% revaluation (December 2023 – 5%)	--	14
Eastern Caribbean Dollar		
1% devaluation (December 2023 – 0.1%)	(55)	(14)
1% revaluation (December 2023 – 0.1%)	55	14
Guyanese dollar		
1% devaluation (December 2023 – 0%)	(1)	(281)
1% revaluation (December 2023 – 0%)	<u>1</u>	<u>281</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial bearing liabilities.

The Group's interest rate risk arises from long term borrowings and other debt instruments. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on profit before taxation based on floating rate borrowing and other debt instruments. The sensitivity of other components of equity is calculated by revaluing fixed rate investments for the effects of the assumed changes in interest rates.

The following table indicates the sensitivity to a reasonably possible change in interest rates in respect of Trinidad and Tobago dollar and United States dollar denominated instruments, with all other variables held constant, on profit before taxation and other components of equity.

Type of borrowings	Change in basis points	Effect on Profit before Taxation	Effect on Other Components Equity
12 months ended December 2023	December 2023	December 2023	December 2023
		\$'000	\$'000
Variable rate borrowings	100	(1,910)	--
Variable rate borrowings	-100	1,910	--

Type of borrowings	Change in basis points	Effect on Profit before Taxation	Effect on Other Components of Equity
9 May 2022 to 31 December 2022	December 2022	December 2022	December 2022
		\$'000	\$'000
Variable rate borrowings	100	(2,833)	--
Variable rate borrowings	-100	2,833	--

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to equity price risk as it does not hold investments classified either as available-for-sale or at fair value through profit or loss.

At the reporting date, the Group had no significant exposure to price risk.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

d. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. It also includes monitoring any metrics and key performance indicators that are the subject of external obligations including debt covenants. Capital includes long and short term borrowings, interest bearing preference share capital and ordinary share capital.

Covenants relating to debt versus EBITDA, interest cover and working capital, attach to certain of the Group's secured debt instruments, and are reported monthly (actual and projected values) as part of the performance assessment process. No defaults were noted during the year/period, in relation to external debt covenants.

The Board of Directors also monitors the return on capital, which the Group defines as net operating income excluding non-recurring items, divided by total stockholders' equity as well as the level of dividends declared and paid to stockholders.

The Group's gearing ratio at the reporting date was as follows:

	31 December	
	2023	2022
	\$'000	\$'000
Total borrowings (Note 22)	738,055	693,316
Less cash and cash equivalents	(147,604)	(126,719)
Net debt	<u>590,451</u>	<u>566,597</u>
 Borrowings (Note 22)	738,055	693,316
Interest bearing preference share capital (Note 20)	123,340	123,340
Ordinary share capital (Note 20)	387,600	387,600
	<u>1,248,995</u>	<u>1,204,256</u>
Gearing	<u>47.27%</u>	<u>47.05%</u>

e. Fair value estimates

Fair values of financial instruments re-measured at their fair value after initial recognition

At 31 December 2023 (2022: nil), the Group had no financial instruments re-measured at their fair value after initial recognition.

Fair values of financial instruments not re-measured at fair value after initial recognition

The following methods and assumptions have been used in determining fair values for instruments not re-measured at their fair value after initial recognition:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade and other receivables (Note 18) and payables (Note 19) and short term borrowings (Note 22).

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

e. Fair value estimates (continued)

Fair values of property

The Group measures its land and buildings at fair value on a triennial basis. Management, through an independent valuation expert used the income capitalisation approach to determine the fair value of all of the land and buildings. This method takes into consideration a number of factors that require estimation and judgement. The key factors include: estimation of rental income; determination of a capitalisation factor; and determination of the discount rate.

The Group classifies its land and buildings in Level 3 due to the unobservable inputs used in the determination of fair value for those assets. As at 31 December 2023, the carrying values of land and buildings classified as level 3 amounted to \$180,284,000 (2022: \$181,450,000).

In assessing the likelihood of a requirement for fair value adjustments relating to properties, management considers whether there were any material changes in the following inputs:

- The nature, condition or use of properties held by the Group;
- The commercial markets in which the Group operates and which affect the Group;
- The operations of the Group;
- Borrowing terms available to the Group;
- Local property tax rules;
- Local and regional real estate markets metrics.

The fair value of property held by the Group is considered relatively insensitive to fluctuations in the factors listed above with the exception of local and regional real estate market metrics, to which property fair values are assessed as moderately sensitive. Reliable estimations of fair value impairments if any, cannot be made without the involvement of expert valuers. Based on the reviews performed, management has concluded that the carrying values of properties approximated their fair values at the reporting date.

4 Critical accounting estimates and judgments in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income taxes

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were originally recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Post-employment benefit obligations

The present value of the pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (or income) for post-employment benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of post-employment benefit obligations. The Group determines the appropriate discount rate at the end of each year.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Post-employment benefit obligations (continued)

This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-employment benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related obligation. Other key assumptions for post-employment benefit obligations are based in part on current market conditions. Sensitivity disclosures in relation to changes in assumptions are disclosed in Note 16.

Fair value of property

Land and buildings are carried at fair value. The Group uses independent professional valuers to value its land and buildings triennially. These fair values are derived using the income capitalisation approach, which takes into consideration a number of factors, primarily the estimation of rental income; determination of a capitalisation factor; and determination of the discount rate. Rental rates of the subject properties are adjusted to reflect the market rent for properties of similar size, location and condition. The higher the rental rate the higher the fair value. The higher the capitalisation rate the lower the fair value.

The Group's approach to assessing the fair value of properties and sensitivity to unobservable inputs is described above at Note 3e.

Purchase consideration in a business combination

Purchase consideration in a business combination is measured at fair value at acquisition date. The fair value is derived using applicable valuation techniques depending on the instruments that comprise the consideration paid. The Group issued preference shares as part of the consideration paid in the amalgamation discussed at Note 25, and recorded the fair value of the preference shares at acquisition date. A 1% increase or decrease in the underlying valuation parameter being the United States dollar yield curve relating to similar instruments, would result in a fair value loss of \$15,915,000 or fair value gain of \$21,451,000.

Goodwill

The Group test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates and the discount rate. Any changes in these variables would impact the value in use calculations.

Goodwill impairment is determined as the higher of fair value less costs of disposal and value in use.

A 1% increase in the discount rates and a 1% reduction in revenue growth would not result in an impairment of goodwill.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Business combinations

Business combinations are accounted for using the acquisition method regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group measured at fair value
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group determines the identifiable assets and liabilities using the Purchase Price Allocation method. Under this method, the Group makes the estimates about future cash flows which are derived based on factors such as revenue growth, future margins, attrition rates and discount rates in determining the fair values of intangible assets.

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

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
 - amount of any non-controlling interest in the acquired entity, and
 - acquisition-date fair value of any previous equity interest in the acquired entity
- over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Business combinations under common control

The Groups enters into restructuring transactions from time to time for a variety of reasons, such as group simplifications or in preparation for an IPO. This might involve moving businesses (underlying trade and assets) or subsidiaries (equity investments) within a group. Transactions where the ultimate parent controls the subsidiary being transferred both before and after the transaction, and control is not transitory, are treated as common control transactions.

For common control transactions involving a new company and existing entities, where the new company is inserted as intermediate parent of an existing entity that is a business, the pre-combination carrying amounts of the identified acquirer are included in the New Co's consolidated financial statements with no fair value uplift.

No new goodwill is recorded. Any difference between the cost of the transaction and the carrying value of the net assets is recorded in equity.

The acquirer's consolidated financial statements include the acquired entity's full-year results (including comparatives), or the results from the date when the entity joined the group, where such a date is later.

Segment reporting

While the Group comprises various operating entities trading in various industries (Distribution of consumer goods; Distribution of hardware and houseware goods; Distribution of healthcare goods and; Distribution of industrial equipment and lubricants), these activities are all considered to be Distribution services and accordingly, the EMC and Chief Executive Officer review the performance of the business on this basis i.e. at the overall Group level and does not consider disaggregated results. Primary performance metrics are revenue, gross profits, gross margins and earnings before interest, tax, depreciation and amortisation ("EBITDA") which are examined on a consolidated basis in the context of the Group's strategic and operating plans.

Strategy and operational planning and risk management occur at a consolidated level. While entity level plans are accumulated into the overall Group outlook, the approach to goal setting and development of targets is to establish these at a consolidated level and ensure that the aggregated results of business units align. For ongoing monitoring, emphasis is placed on the overall Group result against plan, and while there is discussion of the performance of entities within the Group, this is framed in the context of the achievement of Group targets.

The chief operating decision maker views this approach to performance management as most suited to the Group, since the primary business of the Group remains distribution albeit in various markets and industries. Management has therefore concluded that the Group has only one reportable segment, "*Distribution of consumer products*".

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

5 Business segments

The Group has one reportable segment, 'Distribution of consumer products', however, revenue from external customers is generated from the sale of goods and services of varying types. Similar products and services have been grouped together and revenue for the period disclosed below. No single customer accounted for a significant portion of sales for the period.

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Consumer goods	1,717,391	819,632
Hardware and housewares	198,510	123,473
Healthcare	327,023	174,235
Industrial equipment and lubricants	363,257	164,373
Eliminations	(42,348)	(27,955)
	<u>2,563,833</u>	<u>1,253,758</u>

Revenue was generated from sales to customers in the domestic and export markets.

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Sales to customers in country of domicile	2,492,910	1,226,368
Sales to customers in other countries	70,923	27,390
At end of period	<u>2,563,833</u>	<u>1,253,758</u>

All sales to customers in countries other than the Company's country of domicile originated from the Food, Beverage, Household and Pharmaceutical segment. No single country accounted for a significant portion of total export sales for the period. Operating profit, capital expenditure, depreciation, assets and liabilities cannot be allocated between geographical sales territories.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

6 Expenses by nature

Total direct, administration and other operating expenses:

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
<i>Direct expenses</i>		
Cost of inventories recognised as an expense	1,898,845	895,771
<i>Administration and other operating expenses</i>		
Amortisation of intangible assets (Note 14)	9,785	3,936
Depreciation of property, plant and equipment (Note 12)	27,274	13,080
Depreciation of right of use assets (Note 13)	14,520	8,620
Directors fees	279	177
Staff costs (Note 7)	215,544	133,179
Delivery costs	10,942	11,392
Advertising	34,216	14,457
Professional fees	15,399	4,209
Repairs and maintenance	5,838	3,474
Telephone and utilities	6,481	3,123
Security	4,558	3,135
Motor vehicle expenses	8,287	4,019
Insurance	6,321	2,638
Other	81,875	42,286
	<u>441,319</u>	<u>247,725</u>
	2,340,164	1,143,496
<i>Net impairment losses on trade receivables</i>	4,420	4,176
	<u>2,344,584</u>	<u>1,147,672</u>

Audit fees for the year ended 31 December 2023 totalled \$1,873,150. There were no other fees paid to the auditor (and related network firms).

7 Staff costs

Wages and salaries	208,582	107,692
Statutory contributions	13,793	7,155
Pension – defined benefit (Note 16)	9,295	6,981
Termination benefits (Note 16)	1,028	(83)
Other post-employment benefits (Note 16)	(21,645)	6,605
Redundancy	1,036	3,474
Other	3,455	1,355
	<u>215,544</u>	<u>133,179</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

8 Finance costs

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Interest expense –		
Borrowings (Note 22)	48,831	19,481
Lease obligation (Note 13)	5,095	4,116
	<u>53,926</u>	<u>23,597</u>

9 Taxation expense

Taxation is based on the profit for the period adjusted for tax purposes and is comprised as follows:

Current taxation	9,055	15,924
Deferred taxation (Note 24)	<u>16,881</u>	<u>(1,469)</u>
	<u>25,936</u>	<u>14,455</u>

The tax on the Group's profits differ from the theoretical amounts that would arise using the applicable tax rate as follows:

Profit before taxation	<u>165,766</u>	<u>84,102</u>
Tax calculated at a tax rate of 30%	49,729	25,231
Adjusted for the effect of:		
Change in tax accounting period on amalgamation (Note 24)	(29,218)	(17,898)
Income not subject to tax	(2,705)	--
Expenses not deductible for tax purposes	4,591	6,900
Items deductible for tax purposes not expensed	(313)	(123)
Unrelieved tax losses	1,556	11
Permanent timing differences	801	(434)
Foreign tax rate differential	1,495	532
Other	--	236
	<u>25,936</u>	<u>14,455</u>

Tax charge relating to components of other comprehensive income are as follows:

	Before tax \$'000	Tax effect \$'000	After tax \$'000
	31 December 2023		
Re-measurements of post-employment benefit obligations (Note 16)	(4,277)	1,282	(2,995)
Re-measurements of post-retirement medical plan obligations (Note 16)	36,575	(10,972)	25,603
Other comprehensive income	<u>32,298</u>	<u>(9,690)</u>	<u>22,608</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

9 Taxation expense (continued)

	Before tax \$'000	Tax effect \$'000	After tax \$'000
	31 December 2022		
Re-measurements of post-employment benefit obligations (Note 16)	(10,914)	3,273	(7,641)
Other comprehensive income	(10,914)	3,273	(7,641)

In order to align with its Parent Company's year-end, the Group changed its financial year-end from 31 March to 31 December, with effect for the period ended 31 December 2022. As a result of this change, there was an adjustment to the tax charge for both reported periods as the tax expense was calculated on a pro-rata 12 month profit from the 'long period' of 1 April 2022 to 31 December 2023.

10 Earnings per Stock Unit Attributable to Stockholders of the Company

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders of the Company by the weighted average number of ordinary stock units in issue, as follows:

	Year ended 31 December 2023	9 May 2022 to 31 December 2022
Net profit attributable to stockholders of the Company (\$'000)	128,766	65,367
Weighted average number of ordinary stock units ('000)	1,389,683	1,297,409
Basic and diluted earnings per stock unit (\$)	\$0.09	\$0.05

The Company had a 30 for 1 stock split on 30 November 2022. The effect of the stock split was applied retrospectively in calculating the weighted average number of ordinary stock units in issue for the period ended 31 December 2022.

The Company has no dilutive potential ordinary shares.

11 Dividends declared by the Company

Ordinary dividends

\$0.0126 per share declared on 20 December 2022 and paid commencing on 28 December 2022	--	17,500
\$0.0126 per share declared on 26 June 2023 and paid on 28 June 2023	17,510	--
\$0.0126 per share declared on 07 December 2023 and paid commencing on January 18, 2024	17,510	--
	<u>35,020</u>	<u>17,500</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

11 Dividends declared by the Company (continued)

Preference dividends

	Year ended 31 December 2023	9 May 2022 to 31 December 2022
\$0.13 per preference share declared on October 25, 2022 and paid on November 11, 2022	--	2,668
\$0.10 per preference share declared on 31 January 2023 and paid on 14 February 2023	2,081	--
\$0.10 per preference share declared on 16 March 2023 and paid on 14 April 2023	2,081	--
\$0.10 per preference share declared on 24 July 2023 and paid on 11 August 2023	2,081	--
\$0.10 per preference share declared on 30 October 2023 and paid on 09 November 2023	2,081	--
	<u>8,324</u>	<u>2,668</u>

12 Property, plant and equipment

	Freehold land \$'000	Freehold buildings \$'000	Leasehold improvement, equipment & furniture \$'000	Motor vehicles \$'000	Work in progress \$'000	Total \$'000
Cost/valuation -						
At 01 January 2023	78,550	119,657	42,307	20,377	40	260,931
Additions	--	--	32,436	8,813	6,298	47,547
Disposals	--	--	(2,771)	(6,529)	(1,971)	(11,271)
Transfers	--	--	702	--	(702)	--
At 31 December 2023	<u>78,550</u>	<u>119,657</u>	<u>72,674</u>	<u>22,661</u>	<u>3,665</u>	<u>297,207</u>
Accumulated Depreciation -						
At 01 January 2023	--	(206)	6,111	(429)	--	5,476
Charge for the period	--	1,454	17,770	8,050	--	27,274
Disposals	--	--	(3,031)	(5,508)	--	(8,539)
At 31 December 2023	<u>--</u>	<u>1,248</u>	<u>20,850</u>	<u>2,113</u>	<u>--</u>	<u>24,211</u>
Net Book Value -						
At 31 December 2023	<u>78,550</u>	<u>118,409</u>	<u>51,824</u>	<u>20,548</u>	<u>3,665</u>	<u>272,996</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

12 Property, plant and equipment (continued)

	Freehold land \$'000	Freehold buildings \$'000	Leasehold improvement, equipment & furniture \$'000	Motor vehicles \$'000	Work in progress \$'000	Total \$'000
Cost/valuation -						
At 9 May 2022	--	--	--	--	--	--
On amalgamation (Note 25)	79,243	121,198	34,700	15,566	771	251,478
On acquisition of subsidiary (Note 25)	--	--	959	3,452	--	4,411
Additions	--	1,147	7,851	7,144	272	16,414
Disposals	--	(3,423)	(1,292)	(5,699)	(163)	(10,577)
Adjustments	(693)	--	(16)	(86)	--	(795)
Transfers	--	735	105	--	(840)	--
At 31 December 2022	78,550	119,657	42,307	20,377	40	260,931
Accumulated Depreciation -						
At 9 May 2022	--	--	--	--	--	--
Charge for the period	--	1,525	7,333	4,222	--	13,080
Disposals	--	(3,423)	(1,211)	(4,651)	--	(9,285)
Adjustments	--	1,692	(11)	--	--	1,681
At 31 December 2022	--	(206)	6,111	(429)	--	5,476
Net Book Value -						
At 31 December 2022	78,550	119,863	36,196	20,806	40	255,455

If land and buildings were stated on a historical cost basis at 31 December 2023, the carrying amounts would be:

- land at a cost of \$28,813,000 (2022: \$28,813,000); and
- buildings at a cost of \$58,462,000 (2022: \$58,462,000), net of accumulated depreciation of \$20,845,000 (2022: \$19,676,000).

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

13 Right of use assets and related lease obligation

The Group leases property for business use. The movement in the right of use assets is as follows:

	2023 \$'000	2022 \$'000
Opening balance	77,297	--
On amalgamation (Note 25)	--	73,853
On acquisition of subsidiary (Note 25)	--	3,509
Additions	6,639	8,555
Depreciation	(14,520)	(8,620)
Closing balance	<u>69,416</u>	<u>77,297</u>

The related lease obligation recognised in the statement of financial position is as follows:

	31 December	
	2023 \$'000	2022 \$'000
Current obligations	13,945	12,200
Non-current obligations	<u>60,788</u>	<u>69,348</u>
	<u>74,733</u>	<u>81,548</u>

The movement in the lease obligation is as follows:

	12 months ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Opening balance	81,548	--
On amalgamation (Note 25)	--	75,916
On acquisition of subsidiary (Note 25)	--	3,593
Additions	6,639	8,555
Interest expense (Note 8)	5,095	4,116
Lease payments	(18,549)	(10,200)
Other	--	(432)
Closing balance	<u>74,733</u>	<u>81,548</u>

The expiration profile of the Group's leases is as follows:

	31 December	
	2023 \$'000	2022 \$'000
Within 1 year	--	527
1 to 5 years	27,355	30,414
Over 5 years	<u>47,378</u>	<u>50,607</u>
	<u>74,733</u>	<u>81,548</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets

	Goodwill \$'000	Customer relationships \$'000	Supplier relationships \$'000	Trade name \$'000	Brands \$'000	Total \$'000
Cost -						
At 31 January 2023	67,965	32,000	61,100	38,300	44,480	243,845
At 31 December 2023	67,965	32,000	61,100	38,300	44,480	243,845
Accumulated amortisation -						
At 01 January 2023	--	--	1,876	906	1,154	3,936
Charge for the year	--	2,286	3,216	2,303	1,980	9,785
At 31 December 2023	--	2,286	5,092	3,209	3,134	13,721
Net Book Value -						
At 31 December 2023	67,965	29,714	56,008	35,091	41,346	230,124

	Goodwill \$'000	Customer relationships \$'000	Supplier relationships \$'000	Trade name \$'000	Brands \$'000	Total \$'000
Cost -						
At 9 May 2022	--	--	--	--	--	--
On amalgamation (Note 25)	50,318	--	61,100	23,300	44,480	179,198
On acquisition of subsidiary (Note 25)	17,647	32,000	--	15,000	--	64,647
At 31 December 2022	67,965	32,000	61,100	38,300	44,480	243,845
Accumulated amortisation -						
At 9 May 2022	--	--	--	--	--	--
Charge for the period	--	--	1,876	906	1,154	3,936
At 31 December 2022	--	--	1,876	906	1,154	3,936
Net Book Value -						
At 31 December 2022	67,965	32,000	59,224	37,394	43,326	239,909
At 9 May 2022	--	--	--	--	--	--

The allocation of goodwill is as follows:

	31 December	
	2023 \$'000	2022 \$'000
A.S. Bryden and Sons Holdings Limited	50,318	50,318
Micon Holdings Limited	17,647	17,647
	<u>67,965</u>	<u>67,965</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets (continued)

Goodwill is primarily attributable to the Company's assembled workforce, licences and customer relationships. Further goodwill value is derived from expected operational synergies including but not limited to: common suppliers and brands; negotiating power with service providers; opportunities for sale and purchase transactions within the Group and related profit generation and savings; expansion of the regional trading footprint of the ultimate parent company.

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows. The cash flow projections are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates (which do not exceed the long-term average growth rate for the business in which the CGU operates) and a terminal growth rate of 2%. Based on assessments performed the Group has concluded that no impairment adjustments were required to goodwill at the reporting date.

The key assumptions used for the respective value in use calculations are as follows:

	Revenue Growth Rate	Discount Rate
A.S. Bryden and Sons Holdings Limited and Micon Holdings Limited	7.1% to 15.9%	11.4% to 18.3%

These values were derived from the projected profit and loss performance of the entities, taking account of future planned activities and adjusting to normalize for any non-recurring historical transactions. The projections did not include the estimated benefits to be derived from the amalgamation of the entities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

15 Investment in associate

The Group owns 49% of Armstrong Healthcare Inc, a company that sells healthcare items. The carrying value of the investment approximates 49% of the carrying value of the net assets of the associate.

The movement in investment in associate is as follows:

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Opening balance	15,269	--
On amalgamation (Note 25)	--	13,997
Adjustments to net assets of Associate	274	--
Share of results, net of tax	47	1,272
Closing balance	<u>15,590</u>	<u>15,269</u>

Summarised financial information for the associate is as follows:

Summarised statement of comprehensive income

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Revenue	67,382	40,662
Depreciation	210	144
Net profit	<u>3,628</u>	<u>2,595</u>

Summarised statement of financial position

	2023 \$'000	2022 \$'000
Property, plant and equipment and other non-current assets	<u>4,487</u>	<u>667</u>
Current assets:		
Inventories	22,102	22,885
Cash at bank and on hand	508	1,011
Receivables and other current assets	<u>19,178</u>	<u>25,353</u>
	<u>41,788</u>	<u>49,249</u>
Current liabilities:		
Bank overdraft	4,724	5,803
Payables and other current liabilities	<u>9,735</u>	<u>12,284</u>
	<u>14,459</u>	<u>18,087</u>
Net assets	<u>31,816</u>	<u>31,162</u>
Share of net assets at 49%	<u>15,590</u>	<u>15,269</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

15 Investment in associate (continued)

Summarised statement of cash flows

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Cash flows from operating activities	(654)	(3,967)
Cash flows from investing activities	(3,820)	--
Cash flows from financing activities	--	--

16 Post-employment benefits

Pension schemes

Defined contribution plan

In addition to the defined benefit pension scheme described below, employees participate in various defined contribution pension schemes. Employees participating in the scheme contribute up to 15% of pensionable earnings while the Group contributes 5%. The Group's contribution for the period ended 31 December 2023 amounted to \$9,057,000 (2022: \$4,712,000).

Defined benefit plan

The Group operates defined benefit schemes which are administered by Sagicor Life Inc. The plans provide benefits to members based on average earnings for the final year of service, with the Group and employees each contributing 5% of pensionable salaries. Employees may make additional voluntary contributions up to 5%.

The defined benefit plan is valued by independent actuaries annually using the Projected Unit Credit Method. The latest full triennial actuarial valuation was carried out as at 31 March 2022.

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

	2023 \$'000	2022 \$'000
Present value of funded obligations	(233,818)	(211,156)
Fair value of plan assets	261,067	240,247
Asset in the statement of financial position	27,249	29,091

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

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

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Opening balance	29,091	--
On amalgamation (Note 25)	--	35,167
Amounts recognised in profit or loss (Note 7)	(9,295)	(6,981)
Amounts recognised in other comprehensive income (Note 9)	(4,277)	(10,914)
Employers' contributions	11,730	11,819
Closing balance	<u>27,249</u>	<u>29,091</u>

The movement in the defined benefit obligation is as follows:

Opening balance	(211,156)	--
On amalgamation (Note 25)	--	(197,689)
Current service cost	(10,596)	(8,359)
Interest cost	(13,348)	(9,151)
Re-measurements – experience gains and losses	(2,659)	(2,087)
Members' contributions	(5,612)	(3,982)
Benefits paid	9,553	10,112
Closing balance	<u>(233,818)</u>	<u>(211,156)</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

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

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Opening balance	240,247	--
On amalgamation (Note 25)	--	232,856
Interest income	14,649	10,529
Re-measurement – return on plan assets, excluding amounts included in interest income	(1,618)	(8,827)
Employer's contributions	11,730	11,819
Members' contributions	5,612	3,982
Benefits paid	(9,553)	(10,112)
Closing balance	<u>261,067</u>	<u>240,247</u>

Plan assets are comprised as follows:

	2023 \$'000	2022 \$'000
Government bonds	183,438	168,901
Mortgages	24,461	26,291
Equities	38,508	37,723
Cash	14,660	7,332
	<u>261,067</u>	<u>240,247</u>

With the exception of equities, all categories of plan assets are unquoted.

The responsibility for the management of the assets of the Fund is vested in the Trustees and representatives of the fund and investment managers. They ensure that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension fund. Within this framework, the Fund's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Fund actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Fund has not changed the processes used to manage its risks from previous periods. The Fund does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Funding levels are monitored on an annual basis and the current agreed contribution rate is 5% of pensionable salaries. The Group considers that the contribution rates set at the last valuation date to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

The expense recognised in profit or loss is as follows:

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Current service cost	10,596	8,359
Interest costs	13,348	9,151
Interest income	(14,649)	(10,529)
Total, included in staff costs (Note 7)	9,295	6,981

Expected employer contributions to the post-employment pension plan for the year ending 31 December 2024 amount to \$12,197,000.

The significant actuarial assumptions used for the year ended 31 December 2023 and period from 9 May 2022 to 31 December 2022 were a discount rate of 6%; future salary increases of 4.5%; and future pension increases of Nil. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		31 December 2023		31 December 2022	
	Change in Assumption	Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	0.50%	(7,975)	9,361	(7,582)	9,039
Future salary increases	0.50%	1,847	(1,761)	1,857	(1,777)

Further, assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a female pensioner retiring at age 60 and for a male pensioner retiring at age 65. If the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$2,538,000 (2022: \$2,746,000).

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation at 31 December 2023 and 31 December 2022 is 42 years.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

Other post-employment benefits

	31 December	
	2023	2022
	\$'000	\$'000
Termination benefit obligation	(9,477)	(8,450)
Medical plan obligation	(8,654)	(67,692)
Liability in the statement of financial position	<u>(18,131)</u>	<u>(76,142)</u>

Termination benefit obligation

The Group provides termination lump sum benefits to its unionised employees who retire directly from the Group. Benefits are determined according to length of service. The movement in the defined benefit obligation is as follows:

	Year ended 31 December 2023 \$'000	9 May 2022 to 31 December 2022 \$'000
Opening balance	(8,450)	--
On amalgamation (Note 25)	--	(8,533)
Current service cost, recognised in profit or loss (included in staff costs (Note 7)) in the statement of comprehensive income	(1,028)	83
Benefits paid	--	--
Closing balance	<u>(9,478)</u>	<u>(8,450)</u>

The significant actuarial assumptions used were a discount rate of 5% and future salary increases of 2%. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		31 December 2023		31 December 2022	
	Change in Assumption	Increase in Assumption \$'000	Decrease in Assumption \$'000	Increase in Assumption \$'000	Decrease in Assumption \$'000
Discount rate	0.50%	(9,019)	10,151	(1,004)	1,041
Future salary increases	0.50%	<u>10,164</u>	<u>(9,005)</u>	<u>1,070</u>	<u>(1,034)</u>

Medical plan obligation

In addition to pension benefits, the Group offers retirees medical insurance benefits that contribute to the health care of employees and beneficiaries after retirement. The obligations under the medical plan are unfunded. The method of accounting and frequency of valuations are similar to those used for the pension scheme.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Other post-employment benefits (continued)

Medical plan obligation (continued)

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

	2023 \$'000	2022 \$'000
Opening balance	(67,692)	--
On amalgamation (Note 25)	--	(61,624)
Amounts recognised in the profit or loss (included in staff costs (Note 7) in the statement of comprehensive income	--	--
Current service cost	(4,564)	(4,529)
Interest cost	(4,044)	(2,076)
Past service cost	30,253	--
	21,645	(6,605)
Re-measurements – experience gains and losses recognised in other comprehensive income (Note 9)	36,575	--
Benefits paid	818	537
Closing balance	<u>(8,654)</u>	<u>(67,692)</u>

At 31 December 2023 the present value of the defined benefit obligation is allocated 100% to retirees. As at 31 December 2022, the present value of the defined benefit obligation was allocated 76% to active employees and 24% to members in retirement.

The weighted average duration of the defined benefit obligation at 31 December 2023 is 11.0 years (2022: 19.5 years).

Expected claims for the year ending 31 December 2024 amount to \$551,000.

The significant actuarial assumptions used were a discount rate of 6% and long-term increase in health cost of 5.5% per annum. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in Assumption	31 December 2023		31 December 2022	
		Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	1.00%	(868)	1,030	(11,004)	14,267
Health cost	1.00%	<u>1,025</u>	<u>(879)</u>	<u>14,191</u>	<u>(11,143)</u>

Further, if the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$2,453,000.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Risks associated with pension and other post-employment plans

Through its defined benefit pension and other post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Trinidad and Tobago bond yields. If plan assets underperform this yield, this will create a deficit. As the plan matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Group believes that, due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long term strategy to manage the plans efficiently. See below for more details on the Group's asset-liability matching strategy.

Changes in bond yields

A decrease in Government of Trinidad and Tobago bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are unaffected by fixed interest bonds meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

17 Inventories

	2023 \$'000	2022 \$'000
Merchandise for resale	547,749	490,300
Raw and packaging materials	10,985	--
Goods in transit	114,944	100,135
	<u>673,678</u>	<u>590,435</u>

Merchandise for resale are shown net of provisions of \$29,774,000 (2022: \$29,052,000). Movements in the provision for obsolete inventory for the period were as follows:

Opening balance	29,052	--
On amalgamation	--	29,566
Provided during the period	3,943	20
Unused amounts reversed	(3,221)	(534)
	<u>29,774</u>	<u>29,052</u>

Unused provisions which were reversed represent aged inventory which was provided for as obsolete but subsequently sold.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

18 Trade and other receivables

	2023	2022
	\$'000	\$'000
Trade receivables		
Gross amount	591,851	477,237
Less: provision for expected credit losses	(21,266)	(30,327)
	570,585	446,910
Other receivables and prepayments		
Gross amount	97,186	86,454
Less: provision for expected credit losses	(1,219)	(2,732)
	95,967	83,722
Due from affiliates	1,155	2,257
	667,707	532,889

19 Payables

Trade payables	370,147	288,087
Other payables and accruals	135,729	62,175
Due to affiliates	4,572	15,588
Dividends payable	17,510	13,728
	<u>527,958</u>	<u>379,578</u>

20 Share capital

Ordinary shares

The Company has an unlimited number of unauthorised ordinary shares of no par value. The movement of issued and fully paid ordinary shares is as follows:

	31 December 2023	
	# of shares	value
	'000	\$'000
As at 31 December 2023	1,389,683	387,600

	31 December 2022	
	# of shares	value
	'000	\$'000
Opening balance	--	--
Issue of new shares to acquirees subsequent to amalgamation (Note 25)	42,000	285,600
Issue of shares as consideration for the acquisition of subsidiary (Note 25)	4,323	102,000
	46,323	387,600
Increase due to 30 for 1 stock split (Note 10)	1,343,360	--
Closing balance	<u>1,389,683</u>	<u>387,600</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

20 Share capital (continued)

Preference shares

	31 December 2023	
	# of shares	value
	'000	\$'000
As at 31 December 2023	20,403	123,340

	31 December 2022	
	# of shares	value
	'000	\$'000
As at 31 December 2022	20,403	123,340

In June 2022, the Company issued 20,403,000 preference shares to the selling ordinary shareholders as a precursor to the acquisition of the majority of its ordinary shares by Seprod Limited (Note 25). The preference shares rank above the ordinary shares of the Company in the event of a liquidation and are redeemable at the option of the Company. Dividends on the preference shares are payable at the discretion of the Company; however, the Company is required to pay all accumulated and unpaid dividends on the preference shares prior to paying dividends to its ordinary shareholders.

21 Capital reserves

Capital reserves comprise the gain on revaluation of freehold property, net of deferred tax.

22 Borrowings

The movement in borrowings is as follows:

	2023 \$'000	2022 \$'000
Opening balance	693,316	--
On amalgamation (Note 25)	--	619,903
On acquisition of subsidiary (Note 25)	--	18,916
Proceeds	470,283	143,734
Repayments	(430,799)	(88,659)
Foreign exchange differences	5,255	(578)
Interest charged and expensed (Note 8)	48,831	19,481
Interest paid	(48,831)	(19,481)
Closing balance	738,055	693,316

Borrowings comprise the following:

Term loans denominated in Trinidad and Tobago dollars	358,828	372,912
Term loans denominated in United States dollars	179,524	245,998
Term loans denominated in Guyana dollars	15,753	18,755
Revolving loans denominated in Trinidad and Tobago dollars	153,000	44,914
Revolving loans denominated in Guyana dollars	30,950	10,737
	738,055	693,316
Current portion	(226,012)	(129,742)
	512,043	563,574

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

22 Borrowings (continued)

- a. Secured and unsecured Trinidad and Tobago dollar denominated amortizing facilities, bearing interest at rates ranging from 2.75% to 7.0% and with maturities from March 2024 to June 2029. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- b. Secured and unsecured United States dollar denominated amortizing facilities, bearing interest at rates ranging from 3.42% to 15.0% and with maturities from March 2024 to June 2029. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- c. Secured Guyana dollar denominated amortizing facilities bearing interest at 6.0% and with maturities from November 2027 to February 2037. Debt is secured by a guarantee from another Group company.
- d. Unsecured Trinidad and Tobago dollar denominated 30 day rolling facilities bearing interest at rates ranging from 2.55% to 4.25% with option to re-draw on settlement.
- e. Unsecured Guyana dollar denominated 30 day rolling facilities bearing interest at 6.0% with option to re-draw on settlement.

The carrying amount of financial assets held as collateral for borrowings was as follows:

	2023 \$'000	2022 \$'000
Property, plant and equipment (Note 12)	272,996	255,455
Inventories (Note 17)	673,678	590,435
Trade receivables (Note 18)	667,707	446,910
Cash and cash equivalents	147,604	126,719
	<u>1,761,985</u>	<u>1,419,519</u>

Under the terms of the first debenture which secures the related debt, the Company is permitted to dispose of any of the pledged assets in the normal course of business with no requirements for consent from lenders. For additional pledges of security, consent from first secured lenders is required. There were no re-pledges of collateralized asset at the reporting date and the carrying values of pledged assets approximated their fair values at that date.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

Within 1 year	205,367	129,742
1 to 5 years	532,688	198,298
Over 5 years	--	365,276
	<u>738,055</u>	<u>693,316</u>

During the period, a long-term facility denominated in United States dollars was refinanced to local currency as the Group has more ready access to Trinidad and Tobago dollars to support debt service obligations. The existing lender refinanced the facility, and the revised terms are in line with other local currency facilities held with that lender. The change was treated as a modification. The tenor of the facility remained unchanged following refinancing.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

23 Loan due to Parent

	2023 \$'000	2022 \$'000
Within 1 year	11,906	--

The loan bears interest at 3.6% per annum and is repayable in full on 31 December 2024.

24 Deferred taxation

The movement in deferred tax assets and liabilities recognised on the statement of financial position is as follows:

	At 01 January 2023 Revised \$'000	Recognised in profit or loss \$'000	Recognised in other comprehensive income \$'000	At 31 December 2023 \$'000
Deferred tax assets:				
Unused tax losses	961	1,510	--	2,471
Lease liabilities	64,866	(5,418)	--	59,448
Unearned profit	707	--	--	707
Vacation accrual	1,304	182	--	1,486
Post-employment medical plan	20,308	(17,711)	--	2,597
Termination benefits	2,535	309	--	2,844
	90,681	(21,128)	--	69,553
Deferred tax liabilities:				
Post-employment benefit asset	(8,728)	(554)	1,283	(7,999)
Right of use assets	(61,799)	5,638	--	(56,161)
Finance lease	(14)	--	--	(14)
Accelerated tax depreciation	(5,279)	(837)	--	(6,116)
Asset revaluation surplus	(17,900)	--	--	(17,900)
Goodwill on amalgamation	(2,191)	--	--	(2,191)
	(95,911)	4,247	1,283	(90,381)
Net liabilities	(5,230)	(16,881)	1,283	(20,828)

	On amalgamation (Note 25) Revised \$'000	Recognised in profit or loss \$'000	Recognised in other comprehensive income \$'000	At 31 December 2022 Revised \$'000
Deferred tax assets:				
Unused tax losses	880	81	--	961
Lease liabilities	65,681	(815)	--	64,866
Unearned profit	259	448	--	707
Vacation accrual	1,436	(132)	--	1,304
Post-employment medical plan	18,487	1,821	--	20,308
Termination benefits	2,560	(25)	--	2,535
	89,303	1,378	--	90,681

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

24 Deferred taxation (continued)

	On amalgamation (Note 25) Revised \$'000	Recognised in profit or loss \$'000	Recognised in other comprehensive income \$'000	At 31 December 2022 Revised \$'000
Deferred tax liabilities:				
Post-employment benefit asset	(10,552)	(1,449)	3,273	(8,728)
Right of use assets	(63,261)	1,462	--	(61,799)
Finance lease	(14)	--	--	(14)
Accelerated tax depreciation	(5,357)	78	--	(5,279)
Asset revaluation surplus	(17,900)	--	--	(17,900)
 Goodwill on amalgamation	 (2,191)	 --	 --	 (2,191)
	(99,275)	91	3,273	(95,911)
Net liabilities	(9,972)	1,469	3,273	(5,230)

All deferred tax assets and liabilities are expected to be recovered after more than 12 months.

25 Business combinations

Amalgamation involving the Company

Effective 6 June 2022, the Company became a majority owned subsidiary of Seprod Limited, a company incorporated in Jamaica and listed on the Jamaica Stock Exchange. This change in ownership was effected via a business combination and capital reorganisation, which ultimately resulted in the creation of a new entity carrying the name A.S. Bryden and Sons Holdings Limited ("Company"), but which is separate and distinct from the predecessor entity that carried the same name ("Predecessor ASB Holdings").

Amalgamation involving the Company

To execute the business combination, a new entity called Bryden Group Limited ("BGL") was incorporated, and performed the following steps:

1. Settled purchase consideration comprising cash and preference shares to the previous owners of the Predecessor ASB Holdings;
2. Issued new ordinary shares to the new owners of the Company.
Bryden Group Limited subsequently amalgamated with the Predecessor ASB Holdings, to form the Company, which is a new legal entity with an effective business commencement date of 6 June 2022 that is, the date that BGL and the Predecessor ASB Holdings came under common control.

The capital reorganisation that occurred on acquisition and amalgamation of the Company comprised the elimination of the share capital of the Predecessor ASB Holdings and replacement with the ordinary and preference share capital of the Company. The amalgamation and resulting business combination rendered the Company the effective beneficiary of the fair value of assets acquired and in this regard, required the recognition of intangible assets, including goodwill, in the consolidated financial statements of the Company, as the newly amalgamated entity. These operations have significantly expanded the Group's distribution capability and footprint throughout The Caribbean Community (Caricom).

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

Details of the fair value of net assets as at the date of amalgamation were as follows:

	9 May 2022 \$'000
Property, plant and equipment	251,478
Right of use assets	73,853
Intangible assets	122,880
Investment in associates	13,997
Post-employment benefit assets	35,167
Deferred tax assets	22,670
Inventories	333,055
Trade and other receivables	382,308
Taxation recoverable	489
Cash at bank and on hand	255,620
Payables	(267,424)
Taxation payable	(43,162)
Post-employment benefit obligations	(65,349)
Borrowings	(619,903)
Lease obligations	(75,916)
Deferred tax liabilities	(30,449)
	<u>389,314</u>
Non-controlling interests	<u>(30,690)</u>
	<u><u>358,624</u></u>

The goodwill on acquisition was determined as follows:

	2022 \$'000
Issue of ordinary shares	285,600
Issue of preference shares	<u>123,340</u>
	408,940
Fair values of net assets as at the date of amalgamation	<u>(358,622)</u>
	<u><u>50,318</u></u>

Acquired receivables

The fair value of acquired trade receivables is \$382,308,000. The gross contractual amount for trade receivables due was \$405,392,000, with a loss allowance of \$23,084,000 recognised on acquisition.

As the acquisition was funded directly from the issue of newly created ordinary and preference shares, the cash balance of the amalgamated entity represents the net cash inflow from the acquisition.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

On amalgamation, the reserves attributable to the Company were as follows:

The capital reorganisation comprised the following:

	2022 \$'000
Revaluation reserve on property, plant and equipment	94,900
Retained earnings of Predecessor ASB Holdings	606,534
Impact of capital reorganisation on amalgamation	(685,827)
Net reserves on amalgamation	15,607
Non-controlling interests	30,690
	<u>46,297</u>

The share repurchase comprised the following:

Issue of ordinary share capital	285,600
Issue of preference share capital net of fair value adjustments	123,340
Elimination of share capital of Predecessor ASB Holdings	(14,451)
	<u>394,489</u>

Acquisition of Micon Holdings Limited

Effective 1 November 2022, the Company acquired the entire shareholding of Micon Holdings Limited. These operations have expanded the Group's distribution capability in Trinidad and Tobago.

Details of net assets acquired are as follows:

Property, plant and equipment	4,411
Right of use assets	3,509
Intangible assets	47,000
Inventories	47,198
Trade and other receivables	46,053
Cash at bank and on hand	14,237
Payables	(54,836)
Taxation payable	(710)
Borrowings	(18,916)
Lease obligations	(3,593)
	<u>84,353</u>

The goodwill on acquisition was determined as follows:

Ordinary shares issued by the Company in exchange for 100% shareholding in Micon Holdings Limited	102,000
Fair values of net assets acquired	(84,353)
	<u>17,647</u>

As the acquisition was funded directly from the issue of newly created shares, the cash balance of the acquired entity represents the net cash inflow from the acquisition.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Business combinations (continued)

Post-acquisition revenue and profits of Micon Holdings limited were as follows:

	1 November 2022 to 31 December 2022 \$'000
Revenue	<u>78,882</u>
Profit after tax	<u>1,395</u>

26 Non-controlling interests

Non-controlling interests are in respect of the following subsidiaries:

	2023 \$'000	2022 \$'000
Bryden pi Limited and its subsidiaries	41,893	33,280
Ibis Construction Equipment Sales & Rental Limited	6,252	5,317
Facey Trading Limited	<u>376</u>	<u>(129)</u>
	<u>48,521</u>	<u>38,468</u>

Summarised financial information for Bryden pi Limited and its subsidiaries, before intercompany eliminations, is as follows:

Summarised statement of comprehensive income

	Year ended 31 December 2023 \$000	9 May 2022 to 31 December 2022 \$000
Revenue	759,383	423,258
Depreciation	(7,897)	4,348
Net profit	<u>83,128</u>	<u>31,349</u>
Other comprehensive income	<u>879</u>	<u>(190)</u>
Net profit allocated to non-controlling interests	8,313	4,010
Dividends paid to non-controlling interests	<u>(1,890)</u>	<u>(2,220)</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

26 Non-controlling interests (continued)

Summary statement of financial position

	2023	2022
	\$'000	\$'000
Non-current assets:		
Property, plant and equipment	18,950	20,961
Right of use assets	46,239	45,394
Intangible assets	18,680	18,680
Other non-current assets	--	39,749
	<u>83,869</u>	<u>124,784</u>
Current assets:		
Inventories	202,201	162,110
Cash and cash equivalents	23,598	24,287
Receivables and other current assets	289,372	167,291
	<u>515,171</u>	<u>353,688</u>
Non-current liabilities:		
Non-current portion of long term liabilities	30,017	7,603
Other non-current liabilities	40,304	73,884
	<u>70,321</u>	<u>81,487</u>
Current liabilities:		
Payables	179,246	99,335
Current portion of long term liabilities	13,664	15,350
Other current liabilities	44,266	19,696
	<u>237,176</u>	<u>134,381</u>
Net assets	<u>291,543</u>	<u>262,604</u>

Summarised statement of cash flows

	Year ended 31 December 2023	9 May 2022 to 31 December 2022
	\$000	\$000
Cash flows from operating activities	14,469	19,304
Cash flows from investing activities	(5,111)	(5,343)
Cash flows from financing activities	(7,093)	(12,482)
Net increase in cash and cash equivalents	<u>2,265</u>	<u>1,479</u>

Summarised financial information for Ibis Construction Equipment Sales & Rental Limited, before intercompany eliminations, is as follows:

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

26 Non-controlling interests (continued)

Summarised statement of comprehensive income

	Year ended 31 December 2023 \$000	9 May 2022 to 31 December 2022 \$000
Revenue	68,432	19,440
Depreciation	(2,379)	289
Net profit	<u>3,777</u>	<u>987</u>
Net profit allocated to non-controlling interests	<u>944</u>	<u>284</u>

Summarised statement of financial position

	31 December 2023 \$'000	2022 \$'000
Non-current assets:		
Property, plant and equipment	30,708	18,862
Other non-current assets	<u>841</u>	<u>998</u>
	<u>31,549</u>	<u>19,860</u>
Current assets:		
Inventories	46,655	22,929
Cash and cash equivalents	16,970	92
Receivables and other current assets	<u>17,505</u>	<u>11,925</u>
	<u>81,130</u>	<u>34,946</u>
	2023 \$'000	2022 \$'000
Non-current liabilities:		
Non-current portion of long term liabilities	<u>22,096</u>	<u>16,768</u>
Current liabilities:		
Current portion of long term liabilities	13,550	14,169
Payables and other current liabilities	<u>60,312</u>	<u>2,380</u>
	<u>73,862</u>	<u>16,549</u>
Net assets	<u>16,721</u>	<u>21,489</u>

Summarised statement of cash flows

	Year ended 31 December 2023 \$000	9 May 2022 to 31 December 2022 \$000
Cash flows from operating activities	(2,199)	(13,248)
Cash flows from investing activities	(14,225)	(553)
Cash flows from financing activities	<u>36,757</u>	<u>14,991</u>
Net increase in cash and cash equivalents	<u>20,333</u>	<u>1,190</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

27 Significant non-cash transactions

In the prior year, on the Company issued preference shares to the selling ordinary shareholders as a precursor to the amalgamation (Note 25).

Effective 1 November 2022, the Company acquired Micon Holdings Limited (Note 25). This acquisition was funded by the issue of ordinary shares.

28 Contingent liabilities

	31 December	
	2023 \$'000	2022 \$'000
Performance bonds	41,288	14,918
Customs bonds	16,017	21,749
Letters of credit	57,235	33,570
Collection items	209	373

Property tax:

The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from January 1, 2010. There were challenges with its implementation and GORTT implemented waivers of the tax, the last of which expired on September 30, 2017. As of present date there have been no further changes to the legislation or extension of the waivers previously granted by the GORTT. The PTA has not yet been enforced primarily due to non-completion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified.

29 Litigation, claims, assessments and provisions

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

In respect of claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both the financial position and results of operations.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

30 Related party transactions

Key management comprise the key decision makers and budget owners across the Company. These individuals manage activities and are responsible for the results of their operating units. Key management compensation for the year ended 31 December 2023 was as follows:

	31 December	
	2023	2022
	\$'000	\$'000
Short-term employee benefits	33,461	17,948
Post-employment benefits	989	711
	<u>34,450</u>	<u>18,659</u>

Transactions with key management during the period were as follows:

	31 December	
	2023	2022
	\$'000	\$'000
Sales of goods	<u>618</u>	<u>883</u>

Balances held with key management at the reporting date were as follows:

	31 December	
	2023	2022
	\$'000	\$'000
Amounts due to key management	<u>5,101</u>	<u>(1,412)</u>
Amounts due from key management	<u>1,052</u>	<u>537</u>

31 Post balance sheet events

Acquisition of subsidiary

Subsequent to the reporting date but before approval of these audited consolidated financial statements by the Board of Directors, the Group acquired 55% of the share capital of a company incorporated and domiciled in Barbados. The company is a distributor and retailer of fast moving consumer goods including food, alcoholic beverages, non-alcoholic beverages and health supplements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

31 December 2023

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

32 Net debt reconciliation

The net debt and movements in net debt are set out below:

	2023 \$'000	2022 \$'000
Cash and cash equivalents	147,604	126,719
Borrowings	(738,055)	(693,316)
Lease liabilities	(74,733)	(81,548)
	<u>(665,184)</u>	<u>(648,145)</u>

	Cash and cash equivalents \$'000	Borrowings \$'000	Lease liabilities \$'000	Total \$'000
Year ended 31 December 2023				
Opening balance	126,719	(693,316)	(81,548)	(648,145)
Financing cash flows	20,885	(39,484)	13,454	(5,145)
New leases	--	--	(6,639)	(6,639)
Foreign exchange adjustments	--	(5,255)	--	(5,255)
Interest expense	--	(48,831)	(5,095)	(53,926)
Interest payments (presented as operating cash flows)	--	48,831	5,095	53,926
	<u>147,604</u>	<u>(738,055)</u>	<u>(74,733)</u>	<u>(665,184)</u>

	Cash and cash equivalents \$'000	Borrowings \$'000	Lease liabilities \$'000	Total \$'000
7 months ended 31 December 2022				
At May 9	--	--	--	--
On amalgamation	255,620	(227,313)	(75,916)	(47,609)
Financing cash flows	(143,138)	(444,294)	6,084	(581,348)
On acquisition of subsidiary	14,237	(21,131)	(3,593)	(10,487)
New leases	--	--	(8,123)	(8,123)
Foreign exchange adjustments	--	(578)	--	(578)
Interest expense	--	(19,481)	(4,116)	(23,597)
Interest payments (presented as operating cash flows)	--	19,481	4,116	23,597
	<u>126,719</u>	<u>(693,316)</u>	<u>(81,548)</u>	<u>(648,145)</u>

A.S. Bryden and Sons Holdings Limited

Consolidated Financial Statements

31 December 2022

(Expressed in Trinidad and Tobago Dollars)

A.S. Bryden and Sons Holdings Limited

Contents	Page
Statement of Management's Responsibilities	1
Independent auditor's report	2 - 8
Consolidated statement of comprehensive income	9
Consolidated statements of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the financial statements	13 – 69

A.S. Bryden and Sons Holdings Limited

Statement of Management's Responsibilities

Management is responsible for the following:

Preparing and fairly presenting the accompanying consolidated financial statements of A.S. Bryden and Sons Holdings Limited ("the Group"), which comprise the consolidated statements of financial position as at the date of incorporation on 9 May 2022 and on 31 December 2022, the consolidated statements of comprehensive income for the period from the date of incorporation on 9 May 2022 to 31 December 2022, changes in equity and cash flows for the period from the date of incorporation on 9 May 2022 to 31 December 2022, and notes, comprising significant accounting policies and other explanatory information;

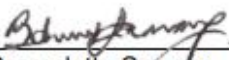
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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


Richard Pandohie
Chief Executive Officer
2 February 2024


Bernadette Sammy
Chief Financial Officer
2 February 2024



Independent auditor's report

To the Shareholders of A.S. Bryden and Sons Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of A.S. Bryden and Sons Holdings Limited (the Company) and its subsidiaries (together 'the Group') as at 31 December 2022 and the date of incorporation, 9 May 2022, and their consolidated financial performance and their consolidated cash flows for the period from the date of incorporation on 9 May 2022 to 31 December 2022, in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statements of financial position as at 31 December 2022 and the date of incorporation 9 May 2022;
- the consolidated statement of comprehensive income for the period from the date of incorporation on 9 May 2022 to 31 December 2022;
- the consolidated statement of changes in equity for the period from the date of incorporation on 9 May 2022 to 31 December 2022;
- the consolidated statement of cash flows for the period from the date of incorporation on 9 May 2022 to 31 December 2022; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

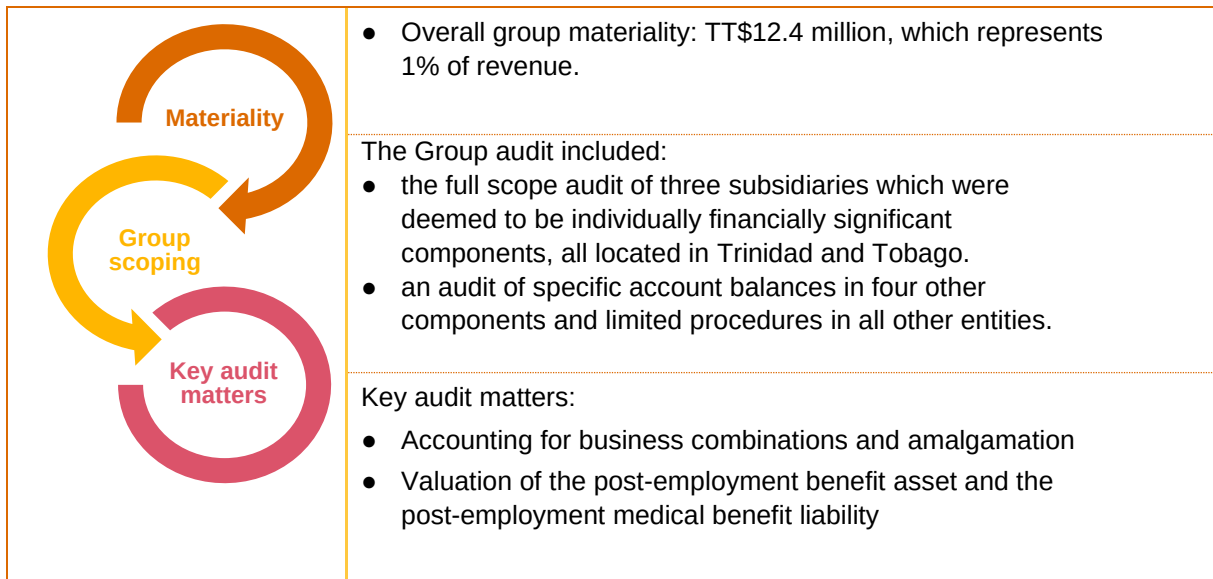
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



Audit scope

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

How we tailored our group audit scope

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

The following components were deemed to be individually financially significant and were subject to full scope audits:

- A.S. Bryden and Sons (Trinidad) Limited
- Bryden pi Limited
- FT Farfan Limited

The Group audit engagement team was the auditor for these three components and the four components subject to an audit of specific account balances.

Materiality

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

Our audit approach (continued)

Materiality (continued)

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

Overall Group materiality	TT\$12.4 million
How we determined it	1% of revenue
Rationale for the materiality benchmark applied	We chose revenue as the benchmark because, in our view, it is the most stable benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 1% which is within a range of acceptable benchmark thresholds.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above TT\$620,000, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Accounting for business combinations and amalgamation <i>Refer to notes 2(b) and 24 to the consolidated financial statements for disclosures of related accounting policies and balances.</i> There were two business combinations during the year as follows: (i) Effective 6 June 2022, A.S. Bryden & Sons Holdings Limited was acquired by Seprod Limited (Seprod), a listed entity domiciled in Jamaica. Seprod executed this acquisition by incorporating a Trinidad entity, Bryden Group Ltd. (BGL) which subsequently purchased 100% of the share capital of A.S. Bryden & Sons Holdings Limited from the existing owners. Immediately upon the acquisition by BGL of the share capital of A.S. Bryden and Sons Holdings Limited, an amalgamation between BGL and A.S. Bryden and Sons Holdings Limited took place, with the latter being the surviving entity.	Our approach to addressing the matter, with the assistance of our internal specialists, involved the following procedures, amongst others: • Read the relevant agreements, including the share purchase agreements and amalgamation agreement and evaluated the appropriateness of the accounting for the acquisitions as business combinations against management's accounting policies and the applicable accounting standards. • Held discussions with management and their experts to understand and evaluate their basis for determining assumptions. • Assessed the competence and capability of management's valuation experts. Evaluated the application and valuation methodologies used to derive the fair values of the intangible assets.

Accounting for business combinations and amalgamation (continued)

The business combination included purchase consideration comprising cash and preference shares and resulted in the recognition of goodwill of TT\$50.3 million.

The valuation of identifiable net assets acquired was performed by management as part of the Purchase Price Allocation (PPA) which resulted in the Group recognising intangible assets comprising trade name and brand assets in the amount of TT\$104.2 million.

Valuation of the fair value of the purchase consideration comprising shares was also performed, amounting to TT\$814.9 million.

(ii) Effective 1 November 2022, the Company acquired Micon Holdings Limited. Management assessed that the acquisition qualified as a business combination resulting in the recognition of goodwill of TT\$17.6 million.

Valuations of identifiable net assets acquired were performed as part of the Purchase Price Allocation (PPA) which resulted in the Group recognising an increase in intangible assets of TT\$47 million comprising customer relationships and trade names.

We focused on the Group's business combinations due to the significance of the intangible assets identified / acquired and due to the nature of business combinations, the accounting requirements of which can be complex and require management to exercise judgement in determining certain estimates. The most significant is the determination of the PPA.

Management engaged external experts to assist with the determination of the PPA which encompassed identifying and estimating the fair value of intangible assets acquired.

- Tested the reasonableness of valuation assumptions and inputs including:
 - Evaluating the key variables being the revenue growth rates, attrition rate, future margins and discount rates against historic and prospective financial, industry and economic information, taking into consideration our knowledge of the Group and its industries.
 - Where relevant, considering third party sources and challenging management's future revenue estimates taking into account changes in the market or actions by competitors.
- Recalculated the difference between the total net consideration paid and the fair value of the net assets acquired, for mathematical accuracy.

Based on the results of the procedures performed, management's business combinations and amalgamation accounting, judgements and estimates used in relation to the valuation of the net assets acquired, including intangible assets and purchase consideration were, in our view, not unreasonable.

Valuation of the post-employment benefit asset and the post-employment medical benefit liability

Refer to notes 2(q) and 16 to the consolidated financial statements for disclosures of related accounting policies and balances.

The Group sponsors a defined benefit pension plan and a post-employment medical benefit plan.

As at 31 December 2022, the Group reported on the consolidated statement of financial position:

- a net post-employment benefit asset of TT\$29.1 million, which represents 1.5% of total assets, comprising plan assets valued at TT\$240.2 million and an obligation of TT\$211.1 million.
- a post-employment medical benefit liability of TT\$67.7million which represents 5.2% of total liabilities.

The valuation of the net post-employment benefit asset and the post-employment medical benefit liability requires significant levels of judgement and technical expertise in determining appropriate assumptions.

Changes in key assumptions could have a material impact on the calculation of the net pension asset and medical liability including;

- discount rates;
- mortality rates;
- salary increases; and
- medical cost increases.

Management utilises an independent external actuary to perform certain calculations with respect to the estimated obligations.

The pension assets consist of financial investments held at fair value, which are based on a range of inputs. While many of the inputs can be obtained from readily available observable market prices and rates, certain securities are based on modelled prices as observable market data is limited. In these instances, management is required to make significant judgements due to the complexity in the valuation model estimates resulting in high estimation uncertainty risk.

We focused our audit efforts in this area due to the degree of estimation uncertainty involved in determining the valuation of the post-employment benefit plan assets and the defined benefit obligations of the post-employment benefit and medical plans.

Our approach to addressing the matter involved the following procedures, amongst others:

Assessed the independence and competence of the actuaries used by management to calculate the pension obligation and medical liabilities.

Tested the key assumptions for the defined benefit pension obligation and the post-employment medical benefit liability for the current period as follows:

- compared the discount rates used by management to the yield of a Government of Trinidad and Tobago bond of a similar tenor;
- compared mortality rates to relevant publicly available statistics for Trinidad and Tobago;
- on a sample basis, tested the completeness and accuracy of the employee data used in the actuarial calculation by comparing it to personnel files;
- compared salary increases to historical increases, taking into account the current economic climate as well as terms specified in the existing trade union agreements; and
- compared medical cost increases based on medical cost trends and other employers' medical plans with similar arrangements.

For investments which were valued using a valuation model:

- evaluated the assumptions, methodologies and models used by the Group;
- tested the significant inputs relating to yield, prices and valuation on a sample basis to external sources where available and compared to similar transactions in the marketplace; and
- recalculated the valuation for a sample of modelled securities.

Based on the results of the audit procedures performed, the valuations of the post-employment benefit asset and the post-employment medical benefit liability were not unreasonable.

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements (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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Roshni Senike.



Port of Spain
Trinidad, West Indies
2 February 2024

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Comprehensive Income

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Note	Period ended 31 December 2022 \$'000
Revenue	5	1,253,758
Direct expenses	6	<u>(895,771)</u>
Gross Profit		357,987
Administration and other operating expenses	6	(247,725)
Net impairment losses on trade receivables	6	(4,176)
Other income		<u>341</u>
Operating Profit		106,427
Finance costs	8	(23,597)
Share of results of associate	15	<u>1,272</u>
Profit before Taxation		84,102
Taxation	9	<u>(14,455)</u>
Net Profit		69,647
Other Comprehensive Income, net of taxes		
Items that will not be reclassified to profit or loss –		
Re-measurements of post-employment benefits, net of tax	16	<u>(7,641)</u>
		<u>(7,641)</u>
TOTAL COMPREHENSIVE INCOME		<u><u>62,006</u></u>
Net Profit is attributable to:		
Stockholders of the Company	10	65,367
Non-controlling interest		<u>4,280</u>
		<u><u>69,647</u></u>
Total Comprehensive Income is attributable to:		
Stockholders of the Company		57,916
Non-controlling interest		<u>4,090</u>
		<u><u>62,006</u></u>
Earnings per Stock Unit attributable to Stockholders of the Company – Basic and Diluted	10	<u><u>\$0.05</u></u>

The notes on pages 13 to 69 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Consolidated Statements of Financial Position

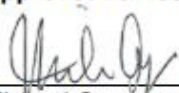
As at the Date of Incorporation on 9 May 2022 and 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

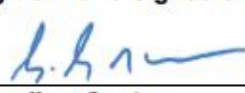
	Note	31 December 2022 \$'000	9 May 2022 \$'000
Non-current Assets			
Property, plant and equipment	12	255,455	--
Right of use assets	13	77,297	--
Intangible assets	14	239,909	--
Investment in associate	15	15,269	--
Post-employment benefit asset	16	29,091	--
Deferred tax assets	23	28,882	--
		<u>645,903</u>	<u>--</u>
Current Assets			
Inventories	17	590,435	--
Trade and other receivables	18	532,889	--
Taxation recoverable		588	--
Cash and bank balances		126,719	--
		<u>1,250,631</u>	<u>--</u>
Current Liabilities			
Trade and other payables	19	379,578	--
Borrowings	22	129,742	--
Lease obligations	13	12,200	--
Taxation payable		29,075	--
		<u>550,595</u>	<u>--</u>
Net Current Assets		<u>700,036</u>	<u>--</u>
		<u>1,345,939</u>	<u>--</u>
Equity Attributable to Stockholders of the Company			
Share capital	20	387,600	--
Preference shares	20	123,340	--
Capital reserves	21	94,900	--
Accumulated deficit		(41,545)	--
		<u>564,295</u>	<u>--</u>
Non-Controlling Interests		<u>38,468</u>	<u>--</u>
		<u>602,763</u>	<u>--</u>
Non-current Liabilities			
Post-employment benefit obligations	16	76,142	--
Borrowings	22	563,574	--
Lease obligations	13	69,348	--
Deferred tax liabilities	23	34,112	--
		<u>743,176</u>	<u>--</u>
		<u>1,345,939</u>	<u>--</u>

The notes on pages 13 to 69 are an integral part of these consolidated financial statements.

Approved for issue by the Board of Directors on 1 February 2024 and signed on its behalf by:


Michael Conyers

Director


Geoffery Gordon

Director

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Changes in Equity

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Attributable to Stockholders of the Company					Non-controlling Interests	Total
	Share capital	Preference shares	Capital reserve	Accumulated deficit	Sub-total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 9 May 2022	--	--	--	--	--	--	--
Profit for the 7 month period	--	--	--	65,367	65,367	4,280	69,647
Re-measurement of post-employment benefits	--	--	--	(7,451)	(7,451)	(190)	(7,641)
Total comprehensive income	--	--	--	57,916	57,916	4,090	62,006
Transactions with owners:							
On amalgamation (Note 24)	--	--	94,900	(79,293)	15,607	30,690	46,297
Change in composition of Group	--	--	--	--	--	1,204	1,204
Issue of preference shares (Note 24)	--	123,340	--	--	123,340	--	123,340
Issue of ordinary shares subsequent to amalgamation (Note 24)	285,600	--	--	--	285,600	--	285,600
Issue of shares as consideration for the acquisition of subsidiary (Note 24)	102,000	--	--	--	102,000	--	102,000
Issue of shares to non-controlling interest	--	--	--	--	--	2,484	2,484
Ordinary dividends declared by the Company (Note 11)	--	--	--	(17,500)	(17,500)	--	(17,500)
Preference dividends declared by the Company (Note 11)	--	--	--	(2,668)	(2,668)	--	(2,668)
Balance at 31 December 2022	387,600	123,340	94,900	(41,545)	564,295	38,468	602,763

The notes on pages 13 to 69 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Consolidated Statement of Cash Flows

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Note	9 May to 31 December 2022 \$'000
Cash flows from operating activities		
Net profit after taxation		69,647
Items not affecting cash resources:		
Depreciation	12, 13	21,700
Amortisation of intangible assets	14	3,936
Expenses recognised on post-employment benefit assets	7, 16	6,981
Expenses recognised on post-employment benefit obligations	7, 16	6,522
Loss on disposal and other adjustments of property, plant and equipment	12	(1,826)
Share of results of associate, net of tax	15	(1,272)
Taxation expense	9	14,455
Interest expense	8	23,597
		<u>143,740</u>
Changes in operating assets and liabilities:		
Inventories		(210,182)
Trade and other receivables		(104,530)
Trade and other payables		<u>46,318</u>
Cash used in operations		(124,654)
Employer contributions to post-employment benefit plans	16	(12,356)
Taxation paid		<u>(30,964)</u>
Cash used in operating activities		<u>(167,974)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	12	(16,414)
Proceeds on disposal of property, plant and equipment		5,593
Cash on acquisition of subsidiary	24	<u>14,237</u>
Cash provided by investing activities		<u>3,416</u>
Cash flows from financing activities		
Borrowings received	22	555,240
Borrowings repaid	22	(89,237)
Cash on acquisition of Group		255,620
Lease obligations		(6,084)
Issue of shares by a subsidiary		2,484
Repurchase of shares		(394,489)
Ordinary dividends paid by the Company		(3,772)
Preference dividends paid by the Company		(2,668)
Ordinary dividends paid by a subsidiary		(2,220)
Interest paid on borrowings		<u>(23,597)</u>
Cash provided by financing activities		<u>291,277</u>
Increase in cash and cash equivalents		126,719
Cash and cash equivalents on incorporation		<u>--</u>
Cash and cash equivalents at end of period		<u><u>126,719</u></u>

The notes on pages 13 to 69 are an integral part of these consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations

A.S. Bryden and Sons Holdings Limited ("the Company") is a holding company incorporated and domiciled in the Republic of Trinidad and Tobago, and has its registered office at 1 Ibis Avenue, San Juan. The Company is the result of an amalgamation between Bryden Group Limited (incorporated 9 May 2022) and the surviving entity, A.S. Bryden and Sons Holdings Limited. It commenced operations on June 6, 2022 being the date that these entities came under common control (Note 24).

The Company and its subsidiaries are collectively referred to as "the Group".

Effective 6 June 2022, Seprod Limited acquired a majority shareholding in the Company. Seprod Limited is incorporated and domiciled in Jamaica and is publicly listed on the Jamaica Stock Exchange.

The Company's subsidiaries, its associate, their principal activities, their countries of incorporation and domicile and their percentage ownership (wholly owned unless otherwise indicated) are as follows:

Subsidiaries	Principal activity	Country of Incorporation and Domicile
Anthony A Pantin Limited	Dormant	Trinidad and Tobago
A.S. Bryden & Sons Insurance Limited	General insurance agency	Trinidad and Tobago
A.S. Bryden & Sons (Trinidad) Limited, and its subsidiaries	Sale of consumer products	Trinidad and Tobago
-ASB Business Solutions Limited	Dormant	Trinidad and Tobago
-Eve Products Limited	Dormant	Trinidad and Tobago
Asset Rentals Limited	Dormant	Trinidad and Tobago
Bryden pi Limited (owned 90%), and its subsidiaries	Sale of pharmaceutical and consumer products	Trinidad and Tobago
-Bpi Genethics Limited	Manufacture and sale of pharmaceutical products	Trinidad and Tobago
-Bpi Guyana Limited (owned 51%)	Sale of pharmaceutical and consumer products	Guyana
Bryden Properties Limited	Dormant	Trinidad and Tobago
FT Farfan Limited, and its subsidiary	Sale of industrial equipment	Trinidad and Tobago
-Ibis Construction Equipment Sales & Rental Limited (owned 75%)	Sale of industrial equipment	Guyana
Franco Trading & Distribution Limited	Packaging and sale of consumer products	Trinidad and Tobago
Ibis Acres Ltd	Investments in real estate	Trinidad and Tobago
Micon Holdings Limited, and its subsidiaries *	Investments	St. Lucia
-Micon Marketing Limited	Sale of consumer products	Trinidad and Tobago
-Facey Trading Ltd (owned 75%)	Sale of consumer products	St. Vincent
Premium Brands Limited	Dormant	Trinidad and Tobago
Associate	Principal activity	Country of Incorporation and Domicile
Armstrong Healthcare Inc. (49% owned by Bryden Pi Limited)	Sale of pharmaceutical products	Barbados

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

1 Principal activities and operations (continued)

* Effective 1 November 2022, the Company acquired 100% of the shareholding in Micon Holdings Limited, with the consideration being the issue of new shares (Note 24). This acquisition by the Company diluted Seprod Limited's shareholding in the Company from 60% to 54%.

2 Significant accounting policies

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

a. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, except for the measurement of land and buildings at revalued amount and defined benefit pension plan assets measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

New and amended standards adopted by the Group

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial period. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

Amendment to IAS 16, 'Property, Plant and Equipment' (effective for annual periods beginning on or after 1 January 2022). This amendment prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. The amendment did not have a significant impact on the Group's financial statements.

Amendment to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets' (effective for annual periods beginning on or after 1 January 2022). This amendment clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. The amendment did not have a significant impact on the Group's financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

a. Basis of preparation (continued)

Amendment to IFRS 3, 'Business Combinations' (effective for annual periods beginning on or after 1 January 2022). This amendment updates the references to the Conceptual Framework for Financial Reporting and adds an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets' and Interpretation 21, 'Levies'. The amendment also confirms that contingent assets should not be recognised at the acquisition date. The Group applied this amendment to business combinations occurring as of 1 January 2022; however, the amendment did not have a significant impact on the Group's recognition of business combinations.

Annual Improvements 2018-2020 (effective for annual periods beginning on or after 1 January 2022). The IASB issued its Annual Improvements to IFRSs 2018-2020 cycle amending a number of standards, the following of which are relevant to the Group: *IFRS 9, 'Financial Instruments'* to clarify the fees that should be included in the 10% test for derecognition of financial liabilities; and *IFRS 16, 'Leases'*, in which illustrative example 13 was amended to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. The improvements did not have a significant impact on the Group's financial statements.

New standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the Group's accounting periods beginning on or after 1 January 2023 or later periods, but were not effective at the date of the statement of financial position. The Group has assessed the relevance of all such new standards, interpretations and amendments, and has determined that the following may be immediately relevant to its operations, and has concluded as follows:

Amendment to IAS 1, 'Presentation of Financial Statements' – Classification of liabilities as current or non current (effective for annual periods beginning on or after 1 January 2023). This amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date, such as the receipt of a waiver or a breach of covenant. The amendment further clarifies the reference to the 'settlement' of a liability. It is not anticipated that the amendment will have a significant impact on the Group's financial statements.

Amendment to IAS 1, 'Presentation of Financial Statements' and IFRS Practice Statement 2 – Disclosure of accounting policies (effective for annual periods beginning on or after 1 January 2023). This amendment requires entities to disclose their *material* rather than their *significant* accounting policies. The amendment defines what is 'material accounting policy information' and explains how to identify when accounting policy information is material. The amendment further clarifies that immaterial accounting policy information does not need to be disclosed, but, if disclosed, should not obscure material accounting information. *IFRS Practice Statement 2, 'Making Materiality Judgements'* was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has not yet done an assessment of whether the accounting policies disclosed are 'material' rather than 'significant', but it is not anticipated that the amendment will have a significant impact on the Group's financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

a. Basis of preparation (continued)

Amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' – Definition of accounting (effective for annual periods beginning on or after 1 January 2023). This amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The importance of the distinction is that changes in accounting estimates are applied prospectively to future transactions and other future events, while changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. It is not anticipated that the amendment will have a significant impact on the Group's financial statements.

Amendment to IAS 12, 'Income Taxes' – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023). This amendment requires companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendment applies to lease arrangements entered into by the Group as a lessee and requires that the Group recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. As the Group already accounts for deferred tax on such transactions consistent with the new requirements, it is not anticipated that the amendment will have a significant impact on the Group's financial statements.

Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures' – Sale or contribution of assets between an investor and its associate or joint venture (effective date not yet determined). The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures and confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business', as defined in IFRS 3, 'Business Combinations'. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. The Group is assessing the impact of these amendments on its financial statements.

b. Basis of consolidation

Consolidation of subsidiaries

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

b. Basis of consolidation (continued)

Consolidation of subsidiaries (continued)

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary includes the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intercompany transactions, balances and unrealised gains and losses on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Loans to subsidiaries that are intended to provide subsidiaries with a long-term source of additional capital are considered additions to the Company's investment. Accordingly, these loans are included in Investment in Subsidiaries on the Company's statement of financial position.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

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

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

b. Basis of consolidation (continued)

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in retained earnings attributable to owners of the Company. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

c. *Revenue and income recognition*

Sales of goods

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. No significant element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

Revenue is recognised at a point in time when control of the goods has been established – being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been transported to a specific predetermined location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. A receivable is recognised when the goods are delivered, at which point in time the consideration is deemed unconditional and only the passage of time is required before the payment is due.

Interest income

Interest income on bank accounts with financial institutions is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

d. *Foreign currency translation*

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

The foreign exchange differences arising from the translation of the results and financial position of the Group's entities that have a functional currency other than Trinidad and Tobago dollars are recognised in other comprehensive income. Such exchange differences are recognised in profit or loss where the related Group entity is sold or partially sold.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transactions and from the translation of foreign currency monetary assets and liabilities at the year-end exchange rates are recognised in profit or loss.

Translation differences resulting from changes in the amortised cost of foreign currency monetary assets are recognised in profit or loss. Other changes in the fair value of financial investments are recognised in other comprehensive income. Translation differences on non-monetary financial investments are reported as a component of the fair value gain or loss in other comprehensive income.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

e. *Property, plant and equipment*

Land and buildings are initially recorded at cost and are subsequently shown at fair market value based on triennial (or earlier) valuations by external independent valuers, less subsequent depreciation of buildings. 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. Increases in carrying amounts arising on revaluation are credited to other comprehensive income and shown in capital reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against capital reserve; all other decreases are charged to profit or loss.

All other items of property, plant and equipment continue to be carried at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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.

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

Depreciation is calculated on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Land is not depreciated. The expected useful lives of other assets are as follows:

Buildings	40 – 50 years
Plant, equipment and furniture	3 – 10 years
Motor vehicles	4 years

Leasehold improvements are depreciated at the lower of useful life and life of the lease.

Useful lives and residual values are assessed annually.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Repairs and maintenance expenditure is charged to profit or loss during the financial period in which it is incurred

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

f. *Intangible assets*

Goodwill

Goodwill is recorded at cost and represents the excess of the fair value of the consideration paid over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Supplier relationships, trade names and brands

Supplier relationships, customer relationships, trade names and brands obtained by the Group in a business combination are recognised at fair value at the acquisition date. These intangible assets are deemed to have a finite useful life, and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the carrying values over their estimated useful lives. The expected useful lives are as follows: Supplier relationships - 12 years; Customer relationships – 14 years; Trade names - 20 years; and Brands - 10 to 15 years. Amortisation of intangible assets is included in administration and other operating expenses in the statement of comprehensive income.

g. *Impairment of non-financial assets*

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

h. Financial assets

Classification

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

- those to be measured subsequently at fair value (either through profit or loss or through other comprehensive income);
- and those to be measured at amortised cost.

The classification depends on the business model used for managing the financial assets and, in respect of debt instruments, the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

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

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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

Amortised cost: Debt instruments held for the collection of contractual cash flows, where those represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVOCI: Debt instruments that are held for the collection of contractual cash flows and for the selling of financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income and impairment gains and losses are recognised in profit or loss. When the debt instrument is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

h. Financial assets (continued)

Measurement (continued)

Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

FVPL: Debt instruments that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on such instruments are recognised in profit or loss in the period in which they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

Application of the General Model to financial assets other than trade receivables

Under this model, the Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and at fair value through other comprehensive income. The ECL will be recognized in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. The impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD – the probability of default occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD – the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment are included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

h. Financial assets (continued)

The Group uses judgement when considering the following factors that affect the determination of impairment:

Assessment of significant increase in credit risk

To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

Macroeconomic factors, forward looking information and multiple scenarios

The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurements of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

Expected life

When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group exposed to credit risk and where the credit losses would not be mitigated by management actions.

Application of the Simplified Approach to trade receivables

For trade receivables other than those deemed specifically impaired, the Group applies the simplified approach which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables. The lifetime ECLs are determined by taking into consideration historical rates of default for each category of aged receivables as well as the estimated impact of forward-looking information.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2022 or 1 January 2022, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

i. *Inventories*

Inventories are stated at the lower of cost or net realisable value, cost being determined using the weighted average cost method. The cost of finished goods and work in progress includes cost of raw materials used, direct labour and an appropriate proportion of overhead expenses. The cost of merchandise for resale are determined after deducting rebates and discounts, using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of selling expenses.

j. *Trade receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (Note 2h). Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

k. *Cash and cash equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

l. *Payables*

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m. *Borrowings and borrowing costs*

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

m. *Borrowings and borrowing costs (continued)*

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

n. *Provisions*

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

o. *Leases*

As lessee, the Group mainly leases various warehouses and retail stores. Rental contracts are typically made for fixed periods of 1 to 10 years, but may have extension options which are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

o. Leases (continued)

- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

p. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

p. *Income taxes (continued)*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

q. *Employee benefits*

Pension obligations Defined benefit plan

The Group operates a defined benefit plan, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The amount recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

q. Employee benefits (continued)

Pension obligations (continued)

Defined benefit plan (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Government of Trinidad and Tobago bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plan

The employees of the Group also participate in an Individual Retirement Scheme operated by an independent insurance Company. The Group makes fixed contributions to the scheme for participating employees. The Group has no obligation for the benefits provided under the scheme as these are payable by, and accounted for by the insurance Company. Accordingly, the Group recognises a cost equal to its contributions payable in respect of each accounting period in the statement of comprehensive income.

Other post-employment benefits

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

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

2 Significant accounting policies (continued)

q. *Employee benefits (continued)*

Profit share scheme

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's equity holders after certain adjustments.

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

r. *Ordinary share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

s. *Preference shares*

Preference shares are classified as equity as, under the terms of the preference shares, the company has no cash obligation. Dividend distribution to preference shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

t. *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee (EMC) that guides strategic decisions and which is led by the Chief Executive Officer. As further described in Note 4 '*Critical accounting estimates and judgments in applying accounting policies*' Management has concluded that there is only one reportable segment within the Group, '*Distribution of consumer products*' and as such only entity-wide segment disclosures will be made as all other reportable segment data is already disclosed within the primary statements and notes to the consolidated financial statements.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Board has established committees/departments for managing and monitoring risks, as follows:

Central treasury department

The central treasury department is responsible for managing the Group's financial assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units.

Audit Committee

The Audit Committee was constituted following the Amalgamation of the Company as described further in Note 24. The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. As at the reporting date, the Audit Committee had undertaken to commence the process for establishment of Internal Audit. The Internal Audit function will initially be outsourced to a suitably qualified external expert while the Group works to develop internal capability in this area. Internal Audit will undertake both regular and ad hoc reviews of risk management controls and procedures, the result of which will be reported to the Audit Committee.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

The carrying values of the Group's financial instruments are as follows:

	December 2022 \$'000	9 May 2022 \$'000
Financial Assets		
At cost or amortised cost –		
Trade receivables (Note 18)	446,910	--
Other receivables	78,620	--
Due from affiliates (Note 18)	2,257	
Cash and bank balances	126,719	--
	<u>654,506</u>	<u>--</u>
Financial Liabilities		
At cost or amortised cost –		
Trade payables (Note 19)	288,087	--
Other payables	86,801	--
Lease obligation (Note 13)	81,548	--
Borrowings (Note 22)	693,316	--
	<u>1,149,752</u>	<u>--</u>

The most important types of risk are credit risk, liquidity risk and market risk. Market risk for the Group includes currency risk, interest rate and other price risk.

a. Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is the most important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and its holdings of investments. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and industry segments.

Cash and bank balances

Cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The executive committee has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the Board. Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, industry, aging profile, and previous financial difficulties. The Group has procedures in place to restrict customer orders if the order will exceed their credit terms. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

To measure expected credit losses, trade receivables are grouped by customer sector (based on shared risk characteristics) as well as by aging buckets. Lifetime expected credit losses are determined by taking into consideration historical rates of default for the totals of each customer segment of aged receivables as well as the estimated impact of forward looking information.

The ageing analysis of trade receivables is as follows:

		December 2022			
		Within 60 days	61 to 90 days	91 to 120 days	> than 120 days
		\$'000	\$'000	\$'000	\$'000
Trade receivables		242,857	133,792	27,434	73,154
		%	%	%	%
Average expected loss rates		0.39	0.36	6.60	37.02
		\$'000	\$'000	\$'000	\$'000
Provision for credit losses		949	487	1,810	27,081
		9 May 2022			
		Within 60 days	61 to 90 days	91 to 120 days	> than 120 days
		\$'000	\$'000	\$'000	\$'000
Trade receivables		--	--	--	--
		%	%	%	%
Average expected loss rates		--	--	--	--
		\$'000	\$'000	\$'000	\$'000
Provision for credit losses		--	--	--	--

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

a. Credit risk (continued)

The movement in the provision for impairment of trade receivables is as follows:

	Period ended 31 December 2022 \$'000	9 May 2022 \$'000
At 9 May 2022	--	--
On amalgamation (Note 24)	23,084	--
On acquisition of subsidiary	5,140	--
Provided during the period	4,176	--
Unused amounts reversed	(2,073)	--
At end of period	<u>30,327</u>	<u>--</u>

The creation and release of provision for impaired receivables have been included in "net impairment gains and losses on trade receivables" in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The majority of the Group's trade receivables are receivable from customers in Trinidad and Tobago.

b. Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the central treasury department, includes: (i) monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required; (ii) maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; (iii) maintaining committed lines of credit; (iv) optimising cash returns on investments; and (v) managing the concentration and profile of debt maturities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

b. Liquidity risk (continued)

Liquidity risk management process (continued)

Undiscounted contractual cash flows of financial liabilities

The maturity profile of financial liabilities, based on contractual undiscounted payments, is as follows:

	Within 1 year \$'000	1 to 5 Years \$'000	Over 5 years \$'000	Total \$'000
December 2022				
Borrowings	171,691	451,569	241,712	864,972
Lease obligation	14,408	77,607	64,278	156,293
Trade and other payables	374,888	--	--	374,888
	560,987	529,176	305,990	1,396,153
9 May 2022				
Long term liabilities	--	--	--	--
Lease obligation	--	--	--	--
Trade and other payables	--	--	--	--
	--	--	--	--

Assets available to meet all of the liabilities and to cover financial liabilities include cash and investments.

c. Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group treasury department which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar, Euro and Pound Sterling and the Guyanese dollar. Foreign exchange risk arises primarily from transactions for purchases and sales and financing activities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

The statement of financial position for the Group at 31 December 2022 includes aggregate net foreign liabilities of US\$331,301,000 and Guyanese dollar of \$28,068,000, as well as aggregate net foreign assets of Euro and Pound Sterling \$12,697,000.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The following table indicates the effect on profit before taxation (there is no effect on other items of equity) arising from changes in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end based on management's assessment of the possible change in foreign exchange rates. The sensitivity was primarily as a result of foreign exchange gains and losses on translation of trade receivables, cash, payables and borrowings.

	December 2022 \$'000
Effect on profit before taxation -	
US dollar	
1% devaluation (March 2022 – 1%)	(3,313)
1% revaluation (March 2022 – 1%)	3,313
Euro	
6% devaluation (March 2022 – 6%)	778
6% revaluation (March 2022 – 6%)	(778)
Pound Sterling	
5% devaluation (March 2022 – 5%)	(14)
5% revaluation (March 2022 – 5%)	14
Guyanese dollar	
1% devaluation (March 2022 – 1%)	(281)
1% revaluation (March 2022 – 1%)	281

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

c. Market risk (continued)

Interest rate risk (continued)

The Group's interest rate risk arises from long term borrowings and other debt instruments. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on profit before taxation based on floating rate borrowing and other debt instruments. The sensitivity of other components of equity is calculated by revaluing fixed rate investments for the effects of the assumed changes in interest rates.

The following table indicates the sensitivity to a reasonably possible change in interest rates in respect of Trinidad and Tobago dollar and United States dollar denominated instruments, with all other variables held constant, on profit before taxation and other components of equity.

Type of borrowings	Change in basis points	Effect on Profit before Taxation	Effect on Other Components of Equity
December 2022	December 2022	December 2022	December 2022
		\$'000	\$'000
Variable rate borrowings	+100	(2,833)	--
Variable rate borrowings	-100	2,833	--

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to equity price risk as it does not hold investments classified either as available-for-sale or at fair value through profit or loss.

At the reporting date, the Group had no significant exposure to price risk.

d. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. It also includes monitoring any metrics and key performance indicators that are the subject of external obligations including debt covenants. Capital includes long and short term borrowings, interest bearing preference share capital and ordinary share capital.

Covenants relating to debt versus EBITDA, interest cover and working capital, attach to certain of the Group's secured debt instruments, and are reported monthly (actual and projected values) as part of the performance assessment process. No defaults were noted during the period, in relation to external debt covenants.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

d. Capital management (continued)

The Board of Directors also monitors the return on capital, which the Group defines as net operating income excluding non-recurring items, divided by total stockholders' equity as well as the level of dividends declared and paid to stockholders.

The Group's gearing ratio at the reporting date was as follows:

	Period ended 31 December 2022 \$'000	9 May 2022 \$'000
Total borrowings	693,316	--
Less cash and cash equivalents	(126,719)	--
Net debt	<u>566,597</u>	--
 Borrowings	693,316	--
Interest bearing preference share capital	123,340	--
Ordinary share capital	387,600	--
	<u>1,204,256</u>	--
Gearing	<u>47.05%</u>	--

e. Fair value estimates

Fair values of financial instruments re-measured at their fair value after initial recognition

At 31 December 2022, the Group had no financial instruments re-measured at their fair value after initial recognition.

Fair values of financial instruments not re-measured at fair value after initial recognition

The following methods and assumptions have been used in determining fair values for instruments not re-measured at their fair value after initial recognition:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade and other receivables (Note 18) and payables (Note 19) and short term borrowings (Note 22).

Fair values of property

The Group measures its land and buildings at fair value on a triennial basis. Management, through an independent valuation expert used the income capitalisation approach to determine the fair value of all of the land and buildings. This method takes into consideration a number of factors that require estimation and judgement. The key factors include: estimation of rental income; determination of a capitalisation factor; and determination of the discount rate.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

3 Financial risk management (continued)

e. Fair value estimates (continued)

Fair values of property (continued)

The Group classifies its land and buildings in Level 3 due to the unobservable inputs used in the determination of fair value for those assets. As at 31 December 2022, the carrying values of land and buildings classified as level 3 amounted to: \$181,450,000.

In assessing the likelihood of a requirement for fair value adjustments relating to properties, management considers whether there were any material changes in the following inputs:

- The nature, condition or use of properties held by the Group;
- The commercial markets in which the Group operates and which affect the Group;
- The operations of the Group;
- Borrowing terms available to the Group;
- Local property tax rules;
- Local and regional real estate markets metrics.

The fair value of property held by the Group is considered relatively insensitive to fluctuations in the factors listed above with the exception of local and regional real estate market metrics, to which property fair values are assessed as moderately sensitive. Reliable estimations of fair value impairments if any, cannot be made without the involvement of expert valuers. Based on the reviews performed, management has concluded that the carrying values of properties approximated their fair values at the reporting date.

4 Critical accounting estimates and judgments in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income taxes

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were originally recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Post-employment benefit obligations

The present value of the pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (or income) for post-employment benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of post-employment benefit obligations. The Group determines the appropriate discount rate at the end of each year.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Post-employment benefit obligations (continued)

This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-employment benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related obligation. Other key assumptions for post-employment benefit obligations are based in part on current market conditions. Sensitivity disclosures in relation to changes in assumptions are disclosed in Note 16.

Fair value of property

Land and buildings are carried at fair value. The Group uses independent professional valuers to value its land and buildings triennially. These fair values are derived using the income capitalisation approach, which takes into consideration a number of factors, primarily the estimation of rental income; determination of a capitalisation factor; and determination of the discount rate. Rental rates of the subject properties are adjusted to reflect the market rent for properties of similar size, location and condition. The higher the rental rate the higher the fair value. The higher the capitalisation rate the lower the fair value.

The Group's approach to assessing the fair value of properties and sensitivity to unobservable inputs is described above at Note 3e.

Purchase consideration in a business combination

Purchase consideration in a business combination is measured at fair value at acquisition date. The fair value is derived using applicable valuation techniques depending on the instruments that comprise the consideration paid. The Group issued preference shares as part of the consideration paid in the amalgamation discussed at Note 24, and recorded the fair value of the preference shares at acquisition date. A 1% increase or decrease in the underlying valuation parameter being the United States dollar yield curve relating to similar instruments, would result in a fair value loss of \$15,915,000 or fair value gain of \$21,451,000.

Goodwill

The Group test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and the discount rate. Any changes in these variables would impact the value in use calculations.

A 1% increase in the discount rates and a 1% reduction in revenue growth would not result in an impairment of goodwill.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Business combinations

Business combinations are accounted for using the acquisition method regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group measured at fair value
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group determines the identifiable assets and liabilities using the Purchase Price Allocation method. Under this method, the Group makes the estimates about future cash flows which are derived based on factors such as revenue growth, future margins, attrition rates and discount rates in determining the fair values of intangible assets.

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

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
 - amount of any non-controlling interest in the acquired entity, and
 - acquisition-date fair value of any previous equity interest in the acquired entity
- over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

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

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

4 Critical accounting estimates and judgments in applying accounting policies (continued)

Business combinations under common control

The Groups enters into restructuring transactions from time to time for a variety of reasons, such as group simplifications or in preparation for an IPO. This might involve moving businesses (underlying trade and assets) or subsidiaries (equity investments) within a group. Transactions where the ultimate parent controls the subsidiary being transferred both before and after the transaction, and control is not transitory, are treated as common control transactions.

For common control transactions involving a new company and existing entities, where the new company is inserted as intermediate parent of an existing entity that is a business, the pre-combination carrying amounts of the identified acquirer are included in the New Co's consolidated financial statements with no fair value uplift.

No new goodwill is recorded. Any difference between the cost of the transaction and the carrying value of the net assets is recorded in equity.

The acquirer's consolidated financial statements include the acquired entity's full-year results (including comparatives), or the results from the date when the entity joined the group, where such a date is later.

Segment reporting

While the Group comprises various operating entities trading in various industries (Distribution of consumer goods; Distribution of hardware and houseware goods; Distribution of healthcare goods and; Distribution of industrial equipment and lubricants), these activities are all considered to be Distribution services and accordingly, the EMC and Chief Executive Officer review the performance of the business on this basis i.e. at the overall Group level and does not consider disaggregated results. Primary performance metrics are revenue, gross profits, gross margins and earnings before interest, tax, depreciation and amortisation ("EBITDA") which are examined on a consolidated basis in the context of the Group's strategic and operating plans.

Strategy and operational planning and risk management occur at a consolidated level. While entity level plans are accumulated into the overall Group outlook, the approach to goal setting and development of targets is to establish these at a consolidated level and ensure that the aggregated results of business units align. For ongoing monitoring, emphasis is placed on the overall Group result against plan, and while there is discussion of the performance of entities within the Group, this is framed in the context of the achievement of Group targets.

The chief operating decision maker views this approach to performance management as most suited to the Group, since the primary business of the Group remains distribution albeit in various markets and industries. Management has therefore concluded that the Group has only one reportable segment, "*Distribution of consumer products*".

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

5 Business segments

The Group has one reportable segment, 'Distribution of consumer products', however, revenue from external customers is generated from the sale of goods and services of varying types. Similar products and services have been grouped together and revenue for the period disclosed below. No single customer accounted for a significant portion of sales for the period.

	Period ended 31 December 2022 \$'000	9 May 2022 \$'000
Consumer goods	819,632	--
Hardware and housewares	123,473	--
Healthcare	174,235	--
Industrial equipment and lubricants	164,373	--
Eliminations	(27,955)	--
	<u>1,253,758</u>	<u>--</u>

Revenue was generated from sales to customers in the domestic and export markets.

	Period ended 31 December 2022 \$'000	9 May 2022 \$'000
Sales to customers in country of domicile	1,226,368	--
Sales to customers in other countries	27,390	--
At end of period	<u>1,253,758</u>	<u>--</u>

All sales to customers in countries other than the Company's country of domicile originated from the Food, Beverage, Household and Pharmaceutical segment. No single country accounted for a significant portion of total export sales for the period. Operating profit, capital expenditure, depreciation, assets and liabilities cannot be allocated between geographical sales territories.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

6 Expenses by nature

Total direct, administration and other operating expenses:

	Period ended 31 December 2022 \$'000
<i>Direct expenses</i>	
Cost of inventories recognised as an expense	895,771
<i>Administration and other operating expenses</i>	
Amortisation of intangible assets (Note 14)	3,936
Depreciation of property, plant and equipment (Note 12)	13,080
Depreciation of right of use assets (Note 13)	8,620
Directors fees	177
Staff costs (Note 7)	133,179
Delivery costs	11,392
Advertising	14,457
Professional fees	4,209
Repairs and maintenance	3,474
Telephone and utilities	3,123
Security	3,135
Motor vehicle expenses	4,019
Insurance	2,638
Other	42,286
	247,725
	1,143,496
<i>Net impairment losses on trade receivables</i>	4,176
	1,147,672

7 Staff costs

	Period ended 31 December 2022 \$'000
Wages and salaries	107,692
Statutory contributions	7,155
Pension – defined benefit (Note 16)	6,981
Termination benefits (Note 16)	(83)
Other post-employment benefits (Note 16)	6,605
Redundancy	3,474
Other	1,355
	133,179

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

8 Finance costs

	Period ended 31 December 2022 \$'000
Interest expense –	
Borrowings (Note 22)	19,481
Lease obligation (Note 13)	4,116
	<u>23,597</u>

9 Taxation expense

Taxation is based on the profit for the period adjusted for tax purposes and is comprised as follows:

Current taxation	15,924
Deferred taxation (Note 23)	(1,469)
	<u>14,455</u>

The tax on the Group's profits differ from the theoretical amounts that would arise using the applicable tax rate as follows:

Profit before taxation	<u>84,102</u>
Tax calculated at a tax rate of 30%	25,231
Adjusted for the effect of:	
Change in tax accounting period on amalgamation (Note 24)	(17,898)
Expenses not deductible for tax purposes	6,900
Items deductible for tax purposes not expensed	(123)
Unrelieved tax losses	11
Permanent timing differences	(434)
Foreign tax rate differential	532
Other	236
	<u>14,455</u>

Tax charge relating to components of other comprehensive income are as follows:

	Before tax \$'000	Tax effect \$'000	After tax \$'000
	<u>7 months ended 31 December 2022</u>		
Re-measurements of post-employment benefit obligations	(10,914)	3,273	(7,641)
Other comprehensive income	<u>(10,914)</u>	<u>3,273</u>	<u>(7,641)</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

10 Earnings per Stock Unit Attributable to Stockholders of the Company

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders of the Company by the weighted average number of ordinary stock units in issue, as follows:

	Period ended 31 December 2022
Net profit attributable to stockholders of the Company (\$'000)	65,367
Weighted average number of ordinary stock units ('000)	1,297,409
Basic and diluted earnings per stock unit (\$)	0.05

The Company had a 30 for 1 stock split on 30 November 2022. The effect of the stock split was applied retrospectively in calculating the weighted average number of ordinary stock units in issue for the period ended 31 December 2022.

The Company has no dilutive potential ordinary shares.

11 Dividends declared by the Company

Ordinary dividends

	Period ended 31 December 2022 \$'000
\$0.0126 per share declared on 20 December 2022 and paid commencing on 28 December 2022	17,500
	17,500

Preference dividends

	Period ended 31 December 2022 \$'000
\$0.13 per preference share declared on October 25, 2022 and paid on November 11, 2022	2,668
	2,668

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

12 Property, plant and equipment

	Freehold land \$'000	Freehold buildings \$'000	Leasehold improvement, equipment & furniture \$'000	Motor vehicles \$'000	Work in progress \$'000	Total \$'000
Period ended 31 December 2022						
Cost/valuation -						
At 9 May 2022	--	--	--	--	--	--
On amalgamation (Note 24)	79,243	121,198	34,700	15,566	771	251,478
On acquisition of subsidiary (Note 24)	--	--	959	3,452	--	4,411
Additions	--	1,147	7,851	7,144	272	16,414
Disposals	--	(3,423)	(1,292)	(5,699)	(163)	(10,577)
Adjustments	(693)	--	(16)	(86)	--	(795)
Transfers	--	735	105	--	(840)	--
At 31 December 2022	78,550	119,657	42,307	20,377	40	260,931
Accumulated Depreciation -						
At 9 May 2022	--	--	--	--	--	--
On amalgamation (Note 24)	--	--	--	--	--	--
On acquisition of subsidiary (Note 24)	--	--	--	--	--	--
Charge for the period	--	1,525	7,333	4,222	--	13,080
Disposals	--	(3,423)	(1,211)	(4,651)	--	(9,285)
Adjustments	--	1,692	(11)	-	--	1,681
At 31 December 2022	--	(206)	6,111	(429)	--	5,476
Net Book Value -						
At 31 December 2022	78,550	119,863	36,196	20,806	40	255,455

If land and buildings were stated on a historical cost basis at 31 December 2022, the carrying amounts would be:

- land at a cost of \$28,813,000; and
- buildings at a cost of \$58,867,000, net of accumulated depreciation of \$39,184,000.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

13 Right of use assets and related lease obligation

The Group leases property for business use. The movement in the right of use assets is as follows:

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	73,853
On acquisition of subsidiary (Note 24)	3,509
Additions	8,555
Disposals	--
Depreciation	(8,620)
At end of period	<u>77,297</u>

The related lease obligation recognised in the statement of financial position is as follows:

	December 2022 \$'000	9 May 2022 \$'000
Current obligations	12,200	--
Non-current obligations	69,348	--
	<u>81,548</u>	<u>--</u>

The movement in the lease obligation is as follows:

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	75,916
On acquisition of subsidiary (Note 24)	3,593
Additions	8,555
Interest expense (Note 8)	4,116
Lease payments	(10,200)
Other	(432)
Balance at end of period	<u>81,548</u>

The expiration profile of the Group's leases is as follows:

	December 2022 \$'000	9 May 2022 \$'000
Within 1 year	527	--
1 to 5 years	30,414	--
Over 5 years	50,607	--
	<u>81,548</u>	<u>--</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets

	Goodwill \$'000	Customer relationships \$'000	Supplier relationships \$'000	Trade name \$'000	Brands \$'000	Total \$'000
Cost -						
At 9 May 2022	--	--	--	--	--	--
On amalgamation (Note 24)	50,318	--	61,100	23,300	44,480	179,198
On acquisition of subsidiary (Note 24)	17,647	32,000	--	15,000	--	64,647
At 31 December 2022	67,965	32,000	61,100	38,300	44,480	243,845
Accumulated amortisation -						
At 9 May 2022	--	--	--	--	--	--
Charge for the period	--	--	1,876	906	1,154	3,936
At 31 December 2022	--	--	1,876	906	1,154	3,936
Net Book Value -						
At 31 December 2022	67,965	32,000	59,224	37,394	43,326	239,909
At 9 May 2022	--	--	--	--	--	--

The allocation of goodwill is as follows:

	December 2022 \$'000	9 May 2022 \$'000
A.S. Bryden and Sons Holdings Limited	50,318	--
Micon Holdings Limited	17,647	--
	67,965	--

Goodwill is primarily attributable to the Company's assembled workforce, licences and customer relationships. Further goodwill value is derived from expected operational synergies including but not limited to: common suppliers and brands; negotiating power with service providers; opportunities for sale and purchase transactions within the Group and related profit generation and savings; expansion of the regional trading footprint of the ultimate parent company.

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows. The cash flow projections are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates (which do not exceed the long-term average growth rate for the business in which the CGU operates) and a terminal growth rate of 2%. Based on assessments performed the Group has concluded that no impairment adjustments were required to goodwill at the reporting date.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

14 Intangible assets (continued)

The key assumptions used for the respective value in use calculations are as follows:

	Revenue Growth Rate	Return on EBIT	Discount Rate
A.S. Bryden and Sons Holdings Limited	4.5% to 10%	9.3% to	11.4% to
and Micon Holdings Limited		29.9%	18.3%

These values were derived from the projected profit and loss performance of the entities, taking account of future planned activities and adjusting to normalize for any non-recurring historical transactions. The projections did not include the estimated benefits to be derived from the amalgamation of the entities.

15 Investment in associate

The Group owns 49% of Armstrong Healthcare Inc, a company that sells healthcare items. The carrying value of the investment approximates 49% of the carrying value of the net assets of the associate.

The movement in investment in associate is as follows:

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	13,997
Share of results, net of tax	1,272
Balance at end of period	15,269

Summarised financial information for the associate is as follows:

Summarised statement of comprehensive income

Revenue	40,662
Depreciation	144
Net profit	2,595

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

15 Investment in associate (continued)

Summarised statement of financial position

	December 2022 \$'000	9 May 2022 \$'000
Property, plant and equipment and other non-current assets	667	--
Current assets:		
Inventories	22,885	--
Cash at bank and on hand	1,011	--
Receivables and other current assets	25,353	--
	49,249	--
Current liabilities:		
Bank overdraft	5,803	--
Payables and other current liabilities	12,284	--
	18,087	--
Net assets	31,162	--
Share of net assets at 49%	15,269	--

Summarised statement of cash flows

	Period ended 31 December 2022 \$'000
Cash flows from operating activities	(3,967)
Cash flows from investing activities	--
Cash flows from financing activities	--

16 Post-employment benefits

Pension schemes

Defined contribution plan

In addition to the defined benefit pension scheme described below, employees participate in various defined contribution pension schemes. Employees participating in the scheme contribute up to 15% of pensionable earnings while the Group contributes 5%. The Group's contribution for the period ended 31 December 2022 amounted to \$4,712,000.

Defined benefit plan

The Group operates defined benefit schemes which are administered by Sagicor Life Inc. The plans provide benefits to members based on average earnings for the final year of service, with the Group and employees each contributing 5% of pensionable salaries. Employees may make additional voluntary contributions up to 5%.

The defined benefit plan is valued by independent actuaries annually using the Projected Unit Credit Method. The latest actuarial valuation was carried out as at 31 December 2022.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

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

	December 2022 \$'000	9 May 2022 \$'000
Present value of funded obligations	(211,156)	--
Fair value of plan assets	240,247	--
Asset in the statement of financial position	<u>29,091</u>	<u>--</u>

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

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	35,167
Amounts recognised in profit or loss (Note 7)	(6,981)
Amounts recognised in other comprehensive income	(10,914)
Employers' contributions	11,819
Asset at end of period	<u>29,091</u>

The movement in the defined benefit obligation is as follows:

At 9 May 2022	--
On amalgamation (Note 24)	(197,689)
Current service cost	(8,359)
Interest cost	(9,151)
Re-measurements – experience gains and losses	(2,087)
Members' contributions	(3,982)
Benefits paid	10,112
At end of period	<u>(211,156)</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

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

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	232,856
Interest income	10,529
Re-measurement – return on plan assets, excluding amounts included in interest income	(8,827)
Employer's contributions	11,819
Members' contributions	3,982
Benefits paid	(10,112)
At end of period	<u>240,247</u>

Plan assets are comprised as follows:

	December 2022 \$'000	9 May 2022 \$'000
Government bonds	168,901	--
Mortgages	26,291	--
Equities	37,723	--
Cash	7,332	--
	<u>240,247</u>	<u>--</u>

With the exception of equities, all categories of plan assets are unquoted.

The responsibility for the management of the assets of the Fund is vested in the Trustees and representatives of the fund and investment managers. They ensure that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension fund. Within this framework, the Fund's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Fund actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Fund has not changed the processes used to manage its risks from the previous periods. The Fund does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Funding levels are monitored on an annual basis and the current agreed contribution rate is 5% of pensionable salaries. The Group considers that the contribution rates set at the last valuation date to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

The expense recognised in profit or loss is as follows:

	Period ended 31 December 2022 \$'000
Current service cost	8,359
Interest costs	9,151
Interest income	(10,529)
Total, included in staff costs (Note 7)	6,981

Expected employer contributions to the post-employment pension plan for the year ending 31 December 2023 amount to \$11,223,000.

The significant actuarial assumptions used were a discount rate of 6%; future salary increases of 4.5%; and future pension increases of Nil. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		December 2022		9 May 2022	
	Change in Assumption	Increase in Assumption \$'000	Decrease in Assumption \$'000	Increase in Assumption \$'000	Decrease in Assumption \$'000
Discount rate	0.5%	(7,582)	9,039	--	--
Future salary increases	0.5%	1,857	(1,777)	--	--

Further, assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a female pensioner retiring at age 60 and for a male pensioner retiring at age 65. If the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$2,746,000.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation at 31 December 2022 is 42 years.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Pension schemes (continued)

Defined benefit plan (continued)

Other post-employment benefits

	December 2022 \$'000	9 May 2022 \$'000
Termination benefit obligation	(8,450)	--
Medical plan obligation	(67,692)	--
Liability in the statement of financial position	<u>(76,142)</u>	<u>--</u>

Termination benefit obligation

The Group provides termination lump sum benefits to its unionised employees who retire directly from the Group. Benefits are determined according to length of service. The movement in the defined benefit obligation is as follows:

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	(8,533)
Current service cost, recognised in profit or loss (included in staff costs (Note 7)) in the statement of comprehensive income	83
Benefits paid	--
At end of period	<u>(8,450)</u>

The significant actuarial assumptions used were a discount rate of 5% and future salary increases of 2%. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		December 2022		9 May 2022	
	Change in Assumption	Increase in Assumption \$'000	Decrease in Assumption \$'000	Increase in Assumption \$'000	Decrease in Assumption \$'000
Discount rate	0.5%	(1,004)	1,041	--	--
Future salary increases	0.5%	<u>1,070</u>	<u>(1,034)</u>	<u>--</u>	<u>--</u>

Medical plan obligation

In addition to pension benefits, the Group offers retirees medical insurance benefits that contribute to the health care of employees and beneficiaries after retirement. The obligations under the medical plan are unfunded. The method of accounting and frequency of valuations are similar to those used for the pension scheme.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Other post-employment benefits (continued)

Medical plan obligation (continued)

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

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	(61,624)
Amounts recognised in the profit or loss (included in staff costs (Note 7)) in the statement of comprehensive income	
Current service cost	(4,529)
Interest cost	(2,076)
	(6,605)
Re-measurements – experience gains and losses recognised in other comprehensive income	--
Benefits paid	537
At end of period	(67,692)

At 31 December 2022, the present value of the defined benefit obligation is allocated 76% to active employees and 24% to members in retirement.

The weighted average duration of the defined benefit obligation at 31 December 2022 is 19.5 years.

Expected claims for the year ending 31 December 2023 amount to \$985,000.

The significant actuarial assumptions used were a discount rate of 6% and long-term increase in health cost of 5.5% per annum. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		December 2022		9 May 2022	
	Change in Assumption	Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
		\$'000	\$'000	\$'000	\$'000
Discount rate	1%	(11,004)	14,267	--	--
Health cost	1%	14,191	(11,143)	--	--

Further, if the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of \$2,453,000.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

16 Post-employment benefits (continued)

Risks associated with pension and other post-employment plans

Through its defined benefit pension and other post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Trinidad and Tobago bond yields. If plan assets underperform this yield, this will create a deficit. As the plan matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Group believes that, due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long term strategy to manage the plans efficiently. See below for more details on the Group's asset-liability matching strategy.

Changes in bond yields

A decrease in Government of Trinidad and Tobago bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by fixed interest bonds; meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

17 Inventories

	December 2022 \$'000	9 May 2022 \$'000
Merchandise for resale	490,300	--
Goods in transit	100,135	--
	<u>590,435</u>	<u>--</u>

Merchandise for resale are shown net of provisions of \$29,052,000.

Movements in the provision for obsolete inventory for the period were as follows:

	December 2022 \$'000
At May 9, 2022	--
On amalgamation	29,566
Provided during the period	20
Unused amounts reversed	(534)
	<u>29,052</u>

Unused provisions which were reversed represent aged inventory which was provided for as obsolete but subsequently sold.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

18 Trade and other receivables

	December 2022 \$'000	9 May 2022 \$'000
Trade receivables		
Gross amount	477,237	--
Less: provision for expected credit losses	(30,327)	--
	446,910	--
Other receivables and prepayments		
Gross amount	86,454	--
Less: provision for expected credit losses	(2,732)	--
	83,722	--
Due from affiliates	2,257	--
	<u>532,889</u>	<u>--</u>

19 Payables

	December 2022 \$'000	9 May 2022 \$'000
Trade payables	288,087	--
Other payables and accruals	62,175	--
Due to affiliates	15,588	--
Dividends payable	13,728	--
	<u>379,578</u>	<u>--</u>

20 Share capital

Ordinary shares

The Company has an unlimited number of unauthorised ordinary shares of no par value.

The movement of issued and fully paid ordinary shares is as follows:

	Period ended 31 December 2022	
	# of shares	value
	'000	\$'000
As at 9 May 2022	--	--
Issue of new shares to acquirees subsequent to amalgamation (Note 24)	42,000	285,600
Issue of shares as consideration for the acquisition of subsidiary (Note 24)	4,323	102,000
	46,323	387,600
Increase due to 30 for 1 stock split (Note 10)	1,343,360	--
At end of period	<u>1,389,683</u>	<u>387,600</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

20 Share capital (continued)

Preference shares

In June 2022, the Company issued 20,403,000 preference shares to the selling ordinary shareholders as a precursor to the acquisition of the majority of its ordinary shares by Seprod Limited (Note 24). The preference shares rank above the ordinary shares of the Company in the event of a liquidation and are redeemable at the option of the Company. Dividends on the preference shares are payable at the discretion of the Company; however, the Company is required to pay all accumulated and unpaid dividends on the preference shares prior to paying dividends to its ordinary shareholders.

21 Capital reserves

Capital reserves comprise the gain on revaluation of freehold property, net of deferred tax.

22 Borrowings

The movement in borrowings is as follows:

	Period ended 31 December 2022 \$'000
At 9 May 2022	--
On amalgamation (Note 24)	619,903
On acquisition of subsidiary (Note 24)	18,916
Proceeds	143,734
Repayments	(88,659)
Foreign exchange differences	(578)
Interest charged and expensed (Note 8)	19,481
Interest paid	(19,481)
At end of period	<u>693,316</u>

Borrowings comprise the following:

	December 2022 \$'000	9 May 2022 \$'000
Term loans denominated in Trinidad and Tobago dollars	372,912	--
Term loans denominated in United States dollars	245,998	--
Term loans denominated in Guyana dollars	18,755	--
Revolving loans denominated in Trinidad and Tobago dollars	44,914	--
Revolving loans denominated in Guyana dollars	<u>10,737</u>	<u>--</u>
	693,316	--
Current portion	<u>(129,742)</u>	<u>--</u>
	<u>563,574</u>	<u>--</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

22 Borrowings

- a. Secured and unsecured Trinidad and Tobago dollar denominated amortizing facilities, bearing interest at rates ranging from 2.75% to 7.0% and with maturities from March 2024 to June 2029. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- b. Secured and unsecured United States dollar denominated amortizing facilities, bearing interest at rates ranging from 3.42% to 15.0% and with maturities from July 2023 to June 2029. Secured debt is collateralized by a first debenture over the fixed and floating assets of the Group.
- c. Secured Guyana dollar denominated amortizing facilities bearing interest at 6.0% and with maturities from November 2027 to February 2037. Debt is secured by a guarantee from another Group company.
- d. Unsecured Trinidad and Tobago dollar denominated 30 day rolling facilities bearing interest at rates ranging from 2.55% to 4.25% with option to re-draw on settlement.
- e. Unsecured Guyana dollar denominated 30 day rolling facilities bearing interest at 6.0% with option to re-draw on settlement.

The carrying amount of financial assets held as collateral for borrowings was as follows:

	December 2022 \$'000	9 May 2022 \$'000
Property, plant and equipment (Note 12)	255,455	--
Inventories (Note 17)	590,435	--
Trade receivables (Note 18)	446,910	--
Cash and cash equivalents	126,719	--
	<u>1,419,519</u>	<u>--</u>

Under the terms of the first debenture which secures the related debt, the Company is permitted to dispose of any of the pledged assets in the normal course of business with no requirements for consent from lenders. For additional pledges of security, consent from first secured lenders is required. There were no re-pledges of collateralized asset at the reporting date and the carrying values of pledged assets approximated their fair values at that date.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

	December 2022 \$'000	9 May 2022 \$'000
Within 1 year	129,742	--
1 to 5 years	198,298	--
Over 5 years	365,276	--
	<u>693,316</u>	<u>--</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

23 Deferred taxation

The movement in deferred tax assets and liabilities recognised on the statement of financial position is as follows:

	On amalgamation (Note 24)	Recognised in profit or loss	Recognised in other comprehensive income	At end of period/year
	\$'000	\$'000	\$'000	\$'000
Period ended 31 December 2022				
Deferred tax assets:				
Unused tax losses	880	81	--	961
Lease liabilities, net	2,420	647	--	3,067
Unearned profit	259	448	--	707
Vacation accrual	1,436	(132)	--	1,304
Post-employment medical plan	18,487	1,821	--	20,308
Termination benefits	2,560	(25)	--	2,535
	26,042	2,840	--	28,882
Deferred tax liabilities:				
Post-employment benefit asset	(10,552)	(1,449)	3,273	(8,728)
Finance lease	(14)	--	--	(14)
Accelerated tax depreciation	(5,357)	78	--	(5,279)
Asset revaluation surplus	(17,900)	-	--	(17,900)
Goodwill on amalgamation	(2,191)	--	--	(2,191)
	(36,014)	(1,371)	3,273	(34,112)
Net liabilities	(9,972)	1,469	3,273	(5,230)

All deferred tax assets and liabilities are expected to be recovered after more than 12 months.

24 Business combinations

Amalgamation involving the Company

Effective 6 June 2022, the Company became a majority owned subsidiary of Seprod Limited, a company incorporated in Jamaica and listed on the Jamaica Stock Exchange. This change in ownership was effected via a business combination and capital reorganisation, which ultimately resulted in the creation of a new entity carrying the name A.S. Bryden and Sons Holdings Limited ("Company"), but which is separate and distinct from the predecessor entity that carried the same name ("Predecessor ASB Holdings").

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

24 Business combinations (continued)

Amalgamation involving the Company

To execute the business combination, a new entity called Bryden Group Limited ("BGL") was incorporated, and performed the following steps:

1. Settled purchase consideration comprising cash and preference shares to the previous owners of the Predecessor ASB Holdings;
2. Issued new ordinary shares to the new owners of the Company.

Bryden Group Limited subsequently amalgamated with the Predecessor ASB Holdings, to form the Company, which is a new legal entity with an effective business commencement date of 6 June 2022 that is, the date that BGL and the Predecessor ASB Holdings came under common control.

The capital reorganisation that occurred on acquisition and amalgamation of the Company comprised the elimination of the share capital of the Predecessor ASB Holdings and replacement with the ordinary and preference share capital of the Company. The amalgamation and resulting business combination rendered the Company the effective beneficiary of the fair value of assets acquired and in this regard, required the recognition of intangible assets, including goodwill, in the consolidated financial statements of the Company, as the newly amalgamated entity.

These operations have significantly expanded the Group's distribution capability and footprint throughout The Caribbean Community (Caricom).

Details of the fair value of net assets as at the date of amalgamation are as follows:

	\$'000
Property, plant and equipment	251,478
Right of use assets	73,853
Intangible assets	122,880
Investment in associates	13,997
Post-employment benefit assets	35,167
Deferred tax assets	22,670
Inventories	333,055
Trade and other receivables	382,308
Taxation recoverable	489
Cash at bank and on hand	255,620
Payables	(267,424)
Taxation payable	(43,162)
Post-employment benefit obligations	(65,349)
Borrowings	(619,903)
Lease obligations	(75,916)
Deferred tax liabilities	(30,449)
	<u>389,314</u>
Non-controlling interests	(30,690)
	<u>358,624</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

24 Business combinations (continued)

The goodwill on acquisition was determined as follows:

	\$'000
Issue of ordinary shares	285,600
Issue of preference shares	123,340
	<u>408,940</u>
Fair values of net assets as at the date of amalgamation	(358,622)
	<u><u>50,318</u></u>

Acquired receivables

The fair value of acquired trade receivables is \$382,308,000. The gross contractual amount for trade receivables due was \$405,392,000, with a loss allowance of \$23,084,000 recognised on acquisition.

As the acquisition was funded directly from the issue of newly created ordinary and preference shares, the cash balance of the amalgamated entity represents the net cash inflow from the acquisition.

On amalgamation, the reserves attributable to the Company were as follows:

	\$'000
Revaluation reserve on property, plant and equipment	94,900
Retained earnings of Predecessor ASB Holdings	606,534
Impact of capital reorganisation on amalgamation	(685,827)
Net reserves on amalgamation	<u>15,607</u>
Non-controlling interests	30,690
	<u><u>46,297</u></u>

The capital reorganisation comprised the following:

	\$'000
Revaluation reserve on property, plant and equipment	94,900
Retained earnings of Predecessor ASB Holdings	606,534
Impact of capital reorganisation on amalgamation	(685,827)
Net reserves on amalgamation	<u>15,607</u>
Non-controlling interests	30,690
	<u><u>46,297</u></u>

The share repurchase comprised the following:

	\$'000
Issue of ordinary share capital	285,600
Issue of preference share capital net of fair value adjustments	123,340
Elimination of share capital of Predecessor ASB Holdings	(14,451)
	<u><u>394,489</u></u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

24 Business combinations (continued)

Acquisition of Micon Holdings Limited

Effective 1 November 2022, the Company acquired the entire shareholding of Micon Holdings Limited. These operations have expanded the Group's distribution capability in Trinidad and Tobago.

Details of net assets acquired are as follows:

	\$'000
Property, plant and equipment	4,411
Right of use assets	3,509
Intangible assets	47,000
Inventories	47,198
Trade and other receivables	46,053
Cash at bank and on hand	14,237
Payables	(54,836)
Taxation payable	(710)
Borrowings	(18,916)
Lease obligations	(3,593)
	<u>84,353</u>

The goodwill on acquisition was determined as follows:

	\$'000
Ordinary shares issued by the Company in exchange for 100% shareholding in Micon Holdings Limited	102,000
Fair values of net assets acquired	(84,353)
	<u>17,647</u>

As the acquisition was funded directly from the issue of newly created shares, the cash balance of the acquired entity represents the net cash inflow from the acquisition.

Post-acquisition revenue and profits of Micon Holdings limited were as follows:

	\$'000
Revenue	<u>78,882</u>
Profit after tax	<u>1,395</u>

25 Non-controlling interests

Following the business combinations in Note 24, non-controlling interests at 31 December 2022 are in respect of the following subsidiaries:

	December 2022 \$'000	9 May 2022 \$'000
Bryden pi Limited, and its subsidiaries	33,280	--
Ibis Construction Equipment Sales & Rental Limited	5,317	--
Facey Trading Limited	(129)	--
	<u>38,468</u>	<u>--</u>

(64)

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Non-controlling interests (continued)

Summarised financial information for Bryden pi Limited and its subsidiaries, before intercompany eliminations, is as follows:

Summarised statement of comprehensive income

	Period ended 31 December 2022
Revenue	423,258
Depreciation	4,348
Net profit	31,349
Other comprehensive income	(190)

	Period ended 31 December 2022
Net profit allocated to non-controlling interests	4,010
Dividends paid to non-controlling interests	(2,220)

Summarised statement of financial position

	December 2022 \$'000	9 May 2022 \$'000
Non-current assets:		
Property, plant and equipment	20,961	--
Right of use assets	45,394	--
Intangible assets	18,680	--
Other non-current assets	39,749	--
	<u>124,784</u>	<u>--</u>
Current assets:		
Inventories	162,110	--
Cash and cash equivalents	24,287	--
Receivables and other current assets	167,291	--
	<u>353,688</u>	<u>--</u>
Non-current liabilities:		
Non-current portion of long term liabilities	7,603	--
Other non-current liabilities	73,884	--
	<u>81,487</u>	<u>--</u>
Current liabilities:		
Payables	99,335	--
Current portion of long term liabilities	15,350	--
Other current liabilities	19,696	--
	<u>134,381</u>	<u>--</u>
Net assets	<u>262,604</u>	<u>--</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Non-controlling interests (continued)

Summarised statement of cash flows

	Period ended 31 December 2022 \$'000
Cash flows from operating activities	19,304
Cash flows from investing activities	(5,343)
Cash flows from financing activities	(12,482)
Net increase in cash and cash equivalents	1,479

Summarised financial information for Ibis Construction Equipment Sales & Rental Limited, before intercompany eliminations, is as follows:

Summarised statement of comprehensive income

	Period ended 31 December 2022
Revenue	19,440
Depreciation	289
Net profit	987
Net profit allocated to non-controlling interests	284

Summarised statement of financial position

	December 2022 \$'000	9 May 2022 \$'000
Non-current assets:		
Property, plant and equipment	18,862	--
Other non-current assets	998	--
	<u>19,860</u>	<u>--</u>
Current assets:		
Inventories	22,929	--
Cash and cash equivalents	92	--
Receivables and other current assets	11,925	--
	<u>34,946</u>	<u>--</u>
Non-current liabilities:		
Non-current portion of long term liabilities	16,768	--
Current liabilities:		
Current portion of long term liabilities	14,169	--
Payables and other current liabilities	2,380	--
	<u>16,549</u>	<u>--</u>
Net assets	<u>21,489</u>	<u>--</u>

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

25 Non-controlling interests (continued)

Summarised statement of cash flows

	Period ended 31 December 2022 \$'000
Cash flows from operating activities	(13,248)
Cash flows from investing activities	(553)
Cash flows from financing activities	14,991
Net increase in cash and cash equivalents	1,190

26 Significant non-cash transactions

Effective 1 June 2022, the Company issued preference shares to the selling ordinary shareholders as a precursor to the amalgamation (Note 24).

Effective 1 November 2022, the Company acquired Micon Holdings Limited (Note 24). This acquisition was funded by the issue of ordinary shares.

27 Contingent liabilities

	December 2022 \$'000	9 May 2022 \$'000
Performance bonds	14,918	--
Customs bonds	21,749	--
Letters of credit	33,570	--
Collection items	373	--

Property tax:

The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from January 1, 2010. There were challenges with its implementation and GORTT implemented waivers of the tax, the last of which expired on September 30, 2017. As of present date there have been no further changes to the legislation or extension of the waivers previously granted by the GORTT. The PTA has not yet been enforced primarily due to non-completion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified.

28 Litigation, claims, assessments and provisions

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

28 Litigation, claims, assessments and provisions (continued)

In respect of claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both the financial position and results of operations.

29 Related party transactions

Key management comprise the key decision makers and budget owners across the Company. These individuals manage activities and are responsible for the results of their operating units. Key management compensation for the 7 months ended 31 December 2022 was as follows:

	December 2022 \$'000	9 May 2022 \$'000
Short-term employee benefits	17,948	--
Post-employment benefits	718	--
	<u>18,666</u>	<u>--</u>

Transactions with key management during the period were as follows:

	December 2022 \$'000	9 May 2022 \$'000
Sales of goods	883	--

Balances held with key management at the reporting date were as follows:

	December 2022 \$'000	9 May 2022 \$'000
Amounts due to key management	(1,412)	--
Amounts due from key management	537	--

30 Post balance sheet events

Dividends

Subsequent to the reporting date but before the approval of these consolidated financial statements by the Board, the Company has declared the following dividends:

Dividend type	Dividend per share	Declaration date	Payment date	Dividend (\$'000)
Ordinary dividends	\$0.0126 per share	26 June 2023	28 June 2023	17,500
Preference dividends	\$0.10 per share	31 January 2023	14 February 2023	2,081
Preference dividends	\$0.10 per share	16 March 2023	14 April 2023	2,081
Preference dividends	\$0.10 per share	24 July 2023	11 August 2023	2,081
Preference dividends	\$0.10 per share	30 October 2023	9 November 2023	2,081

A.S. Bryden and Sons Holdings Limited

Notes to the consolidated financial Statements (continued)

For the period from the Date of Incorporation on 9 May 2022 to 31 December 2022

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

30 Post balance sheet events (continued)

Listing on the Jamaica Stock Exchange

The Company listed its ordinary and preference shares on the Jamaica Stock Exchange on 10 November 2023 by way of introduction.

31 Net debt reconciliation

The net debt and movements in net debt for the period are set out below:

	December 2022 \$'000	9 May 2022 \$'000
Cash and cash equivalents	126,719	--
Borrowings	(693,316)	--
Lease liabilities	(81,548)	--
	<u>(648,145)</u>	<u>--</u>

	Cash and cash equivalents \$'000	Borrowings \$'000	Lease liabilities \$'000	Total \$'000
7 months ended 31 December 2022				
At May 9	--	--	--	--
On amalgamation	255,620	(227,313)	(75,916)	(47,609)
Financing cash flows	(143,138)	(444,294)	6,084	(581,348)
On acquisition of subsidiary	14,237	(21,131)	(3,593)	(10,487)
New leases	--	--	(8,123)	(8,123)
Foreign exchange adjustments		(578)		(578)
Changes in fair values				
Other changes	--	--	--	--
Interest expense	--	(19,481)	(4,116)	(23,597)
Interest payments (presented as operating cash flows)	--	19,481	4,116	23,597
	<u>126,719</u>	<u>(693,316)</u>	<u>(81,548)</u>	<u>(648,145)</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS (Re-issued)

FOR YEAR ENDED

31 MARCH 2022

Ernst & Young Services Limited



A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

C O N T E N T S	Page
Independent Auditor's Report	2 – 5
Consolidated Statement of Financial Position	6 – 7
Consolidated Statement of Comprehensive Income	8 – 9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11 – 12
Notes to the Consolidated Financial Statements	13 – 87

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of A.S. Bryden & Sons Holdings Limited and its Subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 March 2022, and the 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 31 March 2022 and its financial performance and 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.

Other matter

As described in Note 2.1, these consolidated financial statements have been re-approved by the Board of Directors on the 30 August 2023 and re-issued to take effect of the recording of a post-retirement medical plan liability and the prior years have been restated accordingly in accordance with IAS 8: "Accounting policies, changes in accounting estimates and errors".

In respect of our independent auditor's report dated 30 August 2023, relating to these consolidated financial statements as at 31 March 2022 and for the year then ended, our opinion remains unmodified in respect of the matter described in Note 2.1.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS SUBSIDIARIES

Report on the Audit of the Consolidated Financial Statements

(Continued)

Responsibilities of Management and the Board of Directors 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 Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS SUBSIDIARIES

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:

- 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.
- 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.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF A.S. BRYDEN & SONS HOLDINGS LIMITED AND ITS
SUBSIDIARIES

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

We communicate with the Board of Directors 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.



Port of Spain
TRINIDAD:
30 August 2023

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

	Notes	2022 \$	2021 \$ Restated	As at 1 April 2020 \$ Restated
ASSETS				
Non-current assets				
Property, plant and equipment	4	324,520	201,345	202,724
Intangible assets	5	69,116	69,116	69,116
Investment in associate	6	13,491	11,193	9,382
Deferred tax assets	14 (c)	25,510	21,437	18,425
Retirement benefit asset	12	35,167	22,350	9,625
Other asset		—	—	4,880
		<u>467,804</u>	<u>325,441</u>	<u>314,152</u>
Current assets				
Inventories	7	368,079	325,788	324,617
Trade receivables	8	313,532	310,503	340,210
Other receivables and prepayments	8	53,105	43,076	46,708
Due from affiliate		56	325	201
Finance lease receivable		—	—	398
Taxation recoverable		691	1,646	1,068
Cash at bank and on hand		<u>192,369</u>	<u>120,997</u>	<u>124,743</u>
		<u>927,832</u>	<u>802,335</u>	<u>837,945</u>
Total assets		<u>1,395,636</u>	<u>1,127,776</u>	<u>1,152,097</u>
EQUITY AND LIABILITIES				
Equity				
Stated capital	9	14,451	14,451	14,451
Asset revaluation surplus	9	94,900	—	—
Retained earnings		<u>587,200</u>	<u>571,972</u>	<u>522,424</u>
Equity attributable to owners of the parent		696,551	586,423	536,875
Non-controlling interests		<u>29,552</u>	<u>25,220</u>	<u>19,878</u>
Total equity		<u>726,103</u>	<u>611,643</u>	<u>556,753</u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

	Notes	2022 \$	2021 \$ Restated	As at 1 April 2020 \$ Restated
LIABILITIES				
Non-current liabilities				
Borrowings - medium term	10	43,781	21,257	15,512
Lease liabilities	11	70,204	60,029	67,428
Other post retirement benefit liabilities	13	68,382	57,722	48,076
Deferred tax liabilities	14 (c)	<u>33,823</u>	<u>10,500</u>	<u>6,409</u>
		<u>216,190</u>	<u>149,508</u>	<u>137,425</u>
Current liabilities				
Borrowings	10	87,380	116,362	138,173
Current portion of lease liabilities	11	6,617	7,780	9,005
Trade payables	22	165,278	116,668	200,163
Other payables and accruals	22	80,486	54,627	54,720
Due to affiliate		—	604	—
Taxation payable		35,325	32,749	24,678
Proposed dividends payable	19	<u>78,257</u>	<u>37,835</u>	<u>31,180</u>
		<u>453,343</u>	<u>366,625</u>	<u>457,919</u>
Total liabilities		<u>669,533</u>	<u>516,133</u>	<u>595,344</u>
Total equity and liabilities		<u>1,395,636</u>	<u>1,127,776</u>	<u>1,152,097</u>

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

:Director

:Director

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

	Notes	2022 \$	2021 \$ Restated
Revenue from contracts with customers	15	1,715,232	1,618,332
Cost of sales		<u>(1,209,810)</u>	<u>(1,158,083)</u>
Gross profit		505,422	460,249
Other income		2,724	4,505
Operating expenses		<u>(366,397)</u>	<u>(334,429)</u>
Profit from operating activities	16	141,749	130,325
Finance costs	17	(12,951)	(12,053)
Share of profit in associate	6	<u>2,955</u>	<u>2,794</u>
Profit before taxation		131,753	121,066
Taxation	14 (a)	<u>(41,540)</u>	<u>(36,928)</u>
Profit for the year		<u>90,213</u>	<u>84,138</u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

	Notes	2022 \$	2021 \$ Restated
Other comprehensive income			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement of defined benefit plans	12	12,089	12,725
Income tax effect	14 (c)	<u>(3,627)</u>	<u>(3,818)</u>
		<u>8,462</u>	<u>8,907</u>
Revaluation of freehold land and buildings	4	112,800	—
Income tax effect	14 (c)	<u>(17,900)</u>	<u>—</u>
		<u>94,900</u>	<u>—</u>
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		<u>103,362</u>	<u>8,907</u>
Total comprehensive income for the year, net of tax		<u>193,575</u>	<u>93,045</u>
Profit for the year attributable to:			
Owners of the parent		83,654	78,742
Non-controlling interests		<u>6,559</u>	<u>5,396</u>
		<u>90,213</u>	<u>84,138</u>
Total comprehensive income attributable to:			
Owners of the parent		186,945	87,383
Non-controlling interests		<u>6,630</u>	<u>5,662</u>
		<u>193,575</u>	<u>93,045</u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

	Attributable to equity holders			Non controlling interests \$	Total equity \$
	Stated capital \$	Asset revaluation surplus \$	Retained earnings \$		
Year ended 31 March 2021					
Balance at 1 April 2020 as previously stated	14,451	—	550,502	20,936	585,889
Impact of re-statement (refer to Note 2.1)	—	—	(28,078)	(1,058)	(29,136)
Re-stated balance at 1 April 2020	14,451	—	522,424	19,878	556,753
Issue of shares by a subsidiary	—	—	—	1,623	1,623
Profit for the year (Restated)	—	—	78,742	5,396	84,138
Other comprehensive income (Restated)	—	—	8,641	266	8,907
Total comprehensive income (Restated)	—	—	87,383	5,662	93,045
Dividends - proposed (Note 19)	—	—	(37,835)	(1,943)	(39,778)
Balance at 31 March 2021(Restated)	<u>14,451</u>	<u>—</u>	<u>571,972</u>	<u>25,220</u>	<u>611,643</u>
Year ended 31 March 2022					
Balance at 1 April 2021 (Restated)	14,451	—	571,972	25,220	611,643
Change in composition of Group (Note 20)	—	—	1,440	(1,440)	—
Issue of shares by a subsidiary (Note 20)	—	—	—	1,362	1,362
Profit for the year	—	—	83,654	6,559	90,213
Other comprehensive income	—	94,900	8,391	71	103,362
Total comprehensive income	—	94,900	92,045	6,630	193,575
Dividends - proposed (Note 19)	—	—	(78,257)	(2,220)	(80,477)
Balance at 31 March 2022	<u>14,451</u>	<u>94,900</u>	<u>587,200</u>	<u>29,552</u>	<u>726,103</u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

	Notes	2022 \$	2021 \$ Restated
Operating activities			
Profit before taxation		131,753	121,066
Adjustments to reconcile profit before taxation to net cash generated by operating activities:			
Depreciation of property, plant and equipment	4	34,856	34,845
Retirement benefit expense	12	10,217	10,869
Other post-retirement benefit obligation	13	10,660	9,646
Gain on disposal of property, plant and equipment	16	(2,298)	(1,945)
Share of profits in associate (net of tax)	6	(2,955)	(2,794)
Finance costs	17	<u>12,951</u>	<u>12,053</u>
		195,184	183,740
Working capital adjustments:			
Increase in inventories		(42,291)	(1,171)
(Increase)/decrease in trade and other receivables		(12,788)	33,613
Increase/(decrease) in trade and other payables		<u>73,589</u>	<u>(83,307)</u>
		213,694	132,875
Employer contributions	12	(10,945)	(10,869)
Finance costs paid		(12,951)	(12,053)
Taxation paid (net)		<u>(40,286)</u>	<u>(32,175)</u>
Net cash flows from operating activities		<u>149,512</u>	<u>77,778</u>
Investing activities			
Purchase of property, plant and equipment	4	(33,764)	(35,394)
Related party repayments	20	—	4,880
Dividend from associate	6	657	983
Proceeds from sale of property, plant and equipment		<u>6,462</u>	<u>3,435</u>
Net cash flows used in investing activities		<u>(26,645)</u>	<u>(26,096)</u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

	Notes	2022 \$	2021 \$
Financing activities			
Proceeds from borrowings		74,502	51,792
Repayment of borrowings		(40,605)	(23,568)
Non-controlling interest – Issue of shares	20	1,362	1,623
Payment of principal portion of lease liabilities		(6,622)	(8,185)
Dividends paid – non-controlling interests		(1,943)	(1,620)
Dividends paid	19	<u>(37,835)</u>	<u>(31,180)</u>
Net cash flows used in financing activities		<u>(11,141)</u>	<u>(11,138)</u>
Net increase in cash and cash equivalents		111,726	40,544
Net borrowings - beginning of year		<u>41,896</u>	<u>1,352</u>
Net cash - end of year		<u><u>153,622</u></u>	<u><u>41,896</u></u>
Represented by:			
Cash at bank and on hand		192,369	120,997
Short-term borrowings	10 (a)	<u>(38,747)</u>	<u>(79,101)</u>
		<u><u>153,622</u></u>	<u><u>41,896</u></u>

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

1. Incorporation and activities

A.S. Bryden & Sons Holdings Limited ('the Company') was incorporated on 1 July 1999 in the Republic of Trinidad and Tobago and is a holding company ('the parent'). The Company is domiciled in the Republic of Trinidad and Tobago and its registered office is at 1 Ibis Avenue, San Juan. A.S. Bryden & Sons Holdings Limited and its subsidiaries (together 'the Group') distribute and retail consumer goods in Trinidad and Tobago, Barbados and Guyana. A.S. Bryden & Sons Holdings Limited is a holding company and its subsidiaries and associate companies are all disclosed in Note 20.

The main operating subsidiaries of the Group are:

- A.S. Bryden & Sons (Trinidad) Limited is a wholly owned subsidiary of A.S. Bryden & Sons Holdings Limited and is a wholesale distributor of liquor, food, hardware and household goods.
- F.T. Farfan Limited is a wholly owned subsidiary of A.S. Bryden & Sons Holdings Limited and sells equipment and lubricants for industrial & agricultural use.
- Bryden pi Limited is a 90% owned subsidiary of A.S. Bryden & Sons Holdings Limited and is the wholesale distributor of pharmaceutical, personal care and consumer products.
- A.S. Bryden and Sons (Insurance) Limited is a wholly owned subsidiary of A.S. Bryden & Sons Holdings Limited and acts primarily as a general insurance agent for Guardian General Insurance Limited.
- Ibis Acres Limited is a wholly owned subsidiary of A.S. Bryden & Sons Holdings Limited and its principal business activity is the leasing of properties.
- BPI Genethics Limited is a wholly owned subsidiary of Bryden pi Limited and its principal business activities are the manufacture and sale of own-brand pharmaceutical products.
- BPI Guyana Inc. is a 51% owned subsidiary of Bryden pi Limited and its principal business activities is the sale, marketing and distribution of healthcare products (trade and institutional) and consumer products and the provision of related services.
- Franco Trading and Distribution Limited is a 80% owned subsidiary of A.S. Bryden & Sons Holdings Limited and its principal business activities include the importation, manufacture, packaging and distribution of consumer products.
- Ibis Construction Sales and Rentals Inc. is a 75% owned subsidiary of F.T. Farfan Limited and sells equipment and lubricants for industrial & agricultural use.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

1. Incorporation and activities (continued)

The consolidated financial statements of A.S. Bryden & Sons Holdings Limited and its subsidiaries (collectively, 'the Group') for the year ended 31 March 2022 were authorised for issue by the Board of Directors on the 30 August 2023.

2. Significant accounting policies

2.1 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 that have been measured at fair value (Note 2.3).

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). The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

Reissue of the consolidated financial statements

The consolidated financial statements for the year ended 31 March 2022, have been re-approved by the Board of Directors on the 30 August 2023, having been previously approved and issued on the 19 July 2022. This was done to recognize the recording of a post-retirement medical plan liability for the first time in these consolidated financial statements. Amounts relating to the year ended 31 March 2022 and for the year then ended, have been adjusted in these consolidated financial statements. In accordance with IAS 8: "Accounting policies, changes in estimates and errors", prior year amounts have also been adjusted and restated in these consolidated financial statements as further explained below in the section titled "Restatement of the consolidated financial statements". These re-issued consolidated financial statements supersede the previously issued statements approved on the 19 July 2022.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Restatement of the consolidated financial statements

The Group operates a self-funded medical plan which is financed from the proceeds of contributions made by employees and the Group, and which is managed by a third party administrator who is responsible to collect contributions and settle approved medical claims. The medical plan includes a component which relates specifically to retired employees of the Group who meet certain criteria at the time of retiring. No contributions are collected from retirees for funding of this plan. In the prior years no liability was recognised in respect of this retiree medical benefit and the related future obligation carried by the Group however, the obligation constitutes a post-retirement benefit which should be accounted for in accordance with IAS 19: “*Employee Benefits*”.

Prior year amounts have been restated in accordance with IAS 8. The impact of the restatement for the years ended 31 March 2021 and 2020 are illustrated in the table below:

	As at 31 March 2020 As previously reported \$	Impact of restatement \$	As at 31 March 2020 Restated \$
Consolidated Statement of Financial Position:			
Deferred tax assets	5,939	12,486	18,425
Other post-retirement benefit liabilities	(6,454)	(41,622)	(48,076)
Non-controlling interests	(20,936)	1,058	(19,878)
Retained earnings	(550,502)	28,078	(522,424)

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Restatement of the consolidated financial statements (continued)

The impact of the restatement for the years ended 31 March 2021 and 2020 are illustrated in the table below: (continued)

	As at 31 March 2021 As previously reported \$	Impact of restatement \$	As at 31 March 2021 Restated \$
Consolidated Statement of Financial Position:			
Deferred tax assets	6,228	15,209	21,437
Other post-retirement benefit liabilities	(7,025)	(50,697)	(57,722)
Non-controlling interests	(26,502)	1,282	(25,220)
Retained earnings	(606,178)	34,206	(571,972)
Consolidated Statement of Comprehensive Income:			
Operating expenses	325,354	9,075	334,429
Profit before taxation	(130,141)	9,075	(121,066)
Taxation	39,651	(2,723)	36,928
Profit after taxation	(90,490)	6,352	(84,138)
Consolidated Statement of Cashflows:			
Profit before taxation	(130,141)	9,075	(121,066)
Other post-retirement benefit obligation	571	9,075	9,646

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2021 except for the standards and interpretations noted below.

Revaluation of freehold properties (property, plant and equipment)

The Group re-assessed its accounting for property, plant and equipment with respect to measurement of a certain class of property, plant and equipment after initial recognition. The Group had previously measured all property, plant and equipment using the cost model whereby, after initial recognition of the asset classified as property, plant and equipment, the asset was carried at cost less accumulated depreciation and accumulated impairment losses.

On 28 March 2022, the Group elected to change the method of accounting for Freehold properties classified as property, plant and equipment, as the Group believes that the revaluation model provides more relevant information to the users of its financial statements. In addition, available valuation techniques provide reliable estimates of the freehold properties fair value. The Group applied the revaluation model prospectively.

After initial recognition, freehold properties are measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For details refer to Note 4.

New and amended standards and interpretations

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

New and amended standards and interpretations (continued)

The nature and the impact of each new standard or amendment is described below:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform Phase 2 (effective 1 January 2021)

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The amendments are mandatory, with earlier application permitted.

These amendments had no impact on the consolidated financial statements.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

New and amended standards and interpretations (continued)

Amendments to IFRS 16 Leases - COVID-19 Related Rent Concessions beyond 30 June 2021 (effective 1 April 2021)

On 28 May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying IFRS 16 guidance on lease modification to rent concessions arising as a direct consequence of the COVID-19 pandemic.

In March 2021, the Board amended the conditions of the practical expedient. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

Following the amendment, the practical expedient now applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and affects only payments originally due on or before 30 June 2022, once the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- There is no substantive change to other terms and conditions of the lease.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

New and amended standards and interpretations (continued)

Amendments to IFRS 16 Leases - COVID-19 Related Rent Concessions beyond 30 June 2021 (effective 1 April 2021) (continued)

Lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the amendment is first applied. In the reporting period in which a lessee first applies the 2021 amendment, the lessee will not be required to disclose the information required by paragraph 28(f) of IAS 8.

In accordance with paragraph 2 of IFRS 16, a lessee is required to apply the relief consistently to eligible contracts with similar characteristics and in similar circumstances, irrespective of whether the contract became eligible for the practical expedient before or after the amendment.

These amendments had no impact on the consolidated financial statements.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (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 impact of these new standards and interpretations and intends to adopt these standards, if applicable, when they become effective.

- Reference to the Conceptual Framework – Amendments to IFRS 3 – Effective 1 January 2022
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 – Effective 1 January 2022
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 – Effective 1 January 2022
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter – Effective 1 January 2022
- AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities – Effective 1 January 2022
- AIP IAS 41 Agriculture – Taxation in fair value measurements – Effective 1 January 2022
- IFRS 17 Insurance Contracts – Effective 1 January 2023
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current liabilities with Covenants – Effective 1 January 2023 and 2024
- Definition of Accounting Estimates – Amendments to IAS 8 – Effective 1 January 2023
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2 – 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
- Amendments to IFRS 16 – Lease liability in sale and leaseback – Effective 1 January 2024

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of A.S. Bryden & Sons Holdings Limited and its subsidiaries. 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 re-assesses 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 statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (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 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 related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. Where business combinations under common control occur, the acquisition method is also 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. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed and included in operating expenses.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

(a) Business combination and goodwill (continued)

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

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.

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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

(a) Business combination and goodwill (continued)

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest 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 re-assessment 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.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed in this circumstance is measured based on the relative values of the operation disposed and the portion of the cash-generating unit retained.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

(b) 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 is similar to those necessary to determine control over subsidiaries. The Group's investments in its associate is 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 comprehensive 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 is 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 comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

(b) Investment in associates (continued)

The financial statements some associates are prepared for the same reporting period as that of the Group. For other associates with different reporting dates, these dates were established when those companies were incorporated and have not been changed. Where the reporting dates are within three months of the Group's year end, the associates' audited financial statements are utilised. Where the reporting dates differ from the Group's year end by more than three months or the audited financial statements are not yet available, management accounts are utilised. Further, the financial statements of these associates are adjusted for the effects of significant transactions or events that occurred between that date and the Group's year end. When necessary, adjustments are also made to bring the accounting policies in line with those of the Group.

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 in associate' in the consolidated statement of comprehensive income.

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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

The consolidated financial statements are presented in Trinidad and Tobago dollars (expressed in thousands), which is the Parent's functional and presentation 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.

Foreign currency transactions

Transactions in foreign currencies are initially recorded by Group entities in their functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency spot rate of exchange ruling at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Exchange differences on foreign currency transactions are recognised in the consolidated statement of comprehensive income.

Foreign entities

On consolidation, assets and liabilities of foreign entities are translated into Trinidad and Tobago dollars at the rate of exchange ruling at the financial reporting date and their statements of income are translated at the weighted average exchange rates for the year. The exchange differences arising on re-translation are recognized in other comprehensive income. On disposal of the foreign operation, the deferred cumulative amount recognized in other comprehensive income is recognized in the consolidated statement of comprehensive income. At year end this amount is immaterial to the consolidated financial statements.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.3 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. 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 three years by qualified independent professional valuers. 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of freehold properties are recorded in other comprehensive income and credited to the asset revaluation surplus in the equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.3 Property, plant and equipment (continued)

Land and capital work-in-progress are not depreciated. Depreciation on all other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Freehold property – buildings	-	2% - 2.5%
Motor vehicles	-	25%
Equipment, furniture and fixtures	-	10% - 33%
Leasehold improvements	-	15% - 33%
Leased equipment	-	10% - 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date and adjusted prospectively if appropriate.

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 (Note 2.5).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the consolidated statement of comprehensive income. When revalued assets are sold, the amounts included in the revaluation surplus account are transferred to retained earnings.

2.4 Fair value measurement

The Group measures freehold 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.4 Fair value measurement (continued)

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.

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) at the end of each reporting period.

For 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.5 Impairment of non-financial assets

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 cash-generating unit's (CGU) fair value less costs to sell and its value in use and 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 to sell, recent market transactions are taken into account, if available. 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 subsidiaries or other available fair value indicators.

Impairment losses are recognised in the consolidated statement of comprehensive income.

2.6 Financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.7 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt 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 for forward-looking factors specific to the debtors and the economic environment (where necessary).

The Group considers a financial asset in default when contractual payments are 365 days past due. 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. In such cases specific provisions are recorded against the specific debtor balances. A financial asset is written off when there is no reasonable expectation of recovering the contractual cashflows.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Goods in transit are valued at the invoiced value of the goods translated at the year-end selling rate of exchange.

2.9 Trade receivables

Trade receivables are recognised initially at fair value. A provision for impairment of trade receivables (expected credit losses) is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of comprehensive income within operating expenses.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the consolidated statement of comprehensive income.

2.10 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, bank overdrafts and bankers' acceptances. Bank overdrafts and bankers' acceptances are shown within borrowings in current liabilities on the consolidated statement of financial position.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.11 Stated capital

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

2.12 Trade payables and accruals

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

Payables and accruals are recognised at fair value initially and subsequently measured at amortised cost.

2.13 Borrowings

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

Borrowings are derecognized when the obligation under the liability is discharged or cancelled or expires. When loan is replaced by another where the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the loan and the recognition of a new loan. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.14 Borrowing costs

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

2.15 Taxation

Current income tax

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 by the reporting date in the countries where the Group and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Currently enacted tax rates as well as rates applicable on tax holidays are used to determine deferred taxation. The principal temporary differences arise from depreciation on property, plant and equipment, asset retirement obligations, tax losses, pension asset, fair value adjustments, provision for severance and vacation accruals.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.15 Taxation (continued)

Deferred income tax (continued)

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary differences of the associates.

The share of results of associates, dividends received and capital gains are not taxable. As such, no deferred tax assets or liabilities have been recorded on the investments in associates.

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

2.16 Employee benefits

(a) Pension obligations

The Group operates two hybrid pension plans in Trinidad & Tobago. The hybrid pension plan contains elements of both a defined benefit and a defined contribution plan. The defined contribution plans are savings plans under which pension benefits are based on the contributions made by the employer/employee plus investment earnings accrued. Under the defined benefit plans, the employer commits to pay its employees a defined amount in the future which is based on the employee's salary and years of service. The plans are funded by contributions from both employees and the relevant Group companies through payments to insurance companies.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.16 Employee benefits (continued)

(a) Pension obligations (continued)

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an experienced and qualified actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Re-measurements, 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 recognized 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. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.16 Employee benefits (continued)

(b) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing where contractually obliged or where there is a past practice that has created a constructive obligation.

(c) Termination benefit

Under the union agreement, the Group is obligated to make certain payments to employees on retirement. Management has estimated these liabilities and accordingly recorded a provision.

(d) Post retirement medical benefits

The Group recognises a liability representing the future obligation due in respect of potential medical claims by retirees against a post-retirement medical plan which is funded by the Group. Retirees meeting certain criteria are enrolled in this plan on retirement, and may access insurance coverage for medical expenses subject to a defined schedule of benefits. Contributions to the plan are made by active employees and the Group.

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.18 Revenue from contracts with customers

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

Sale 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).

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. Based on this analysis, the Group does not believe that the returns are sufficiently material to warrant the creation of a refund liability.

A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.18 Revenue from contracts with customers (continued)

Rendering of services

The Group provides services that are either sold separately or bundled with the sale of goods and/or other services. Bundled sales may comprise two or more performance obligations where the items being sold are capable of being distinct and separately identifiable. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices.

The Group recognises revenue from certain services over time, using an input method to measure progress towards complete satisfaction of the service where the customer simultaneously receives and consumes the benefits provided by the Group.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

Other income

Other income is recognised on an accruals basis.

2.19 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 for short-term leases 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.19 Leases (continued)

Group as a lessee (continued)

i) Right-of-use assets (continued)

The cost of right-of-use assets includes the amount of the initial lease liabilities recognised, initial direct costs 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	1 to 60 years

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.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.5.

ii) Lease liability

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 under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.19 Leases (continued)

Group as a lessee (continued)

ii) Lease liability (continued)

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.

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

The Group applies the short-term lease recognition exemption to its short-term leases of land and building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.19 Leases (continued)

Group as a lessor

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.

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. Assets leased out under operating leases are included in property, plant and equipment in the consolidated statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of comprehensive income due to its operating nature. 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. Contingent rents are recognised as revenue in the period in which they are earned.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.20 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of comprehensive income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life 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.

2.21 Dividend distribution

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

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

2. Significant accounting policies (continued)

2.22 Current versus non-current classification

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 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

3. Critical accounting estimates and judgments

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

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

(a) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.5. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 5).

(b) Provision for inventory obsolescence

The Group reviews its inventory to assess obsolescence on a bi-annual basis. In determining whether an increase or decrease in the provision for obsolescence should be recorded in the consolidated statement of comprehensive income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated value of the inventory on hand. Management uses estimates based on the expected recoverable amounts of the inventory. As at 31 March 2022, inventories are shown net of provisions of \$27.6 million (2021: \$26.8 million) in relation to finished goods on hand for resale.

(c) Income taxes

Some judgment is required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination may be uncertain during the ordinary course of business. When the final tax returns are filed, the amounts payable may be different from the amounts that were initially recorded. Such differences will impact the income tax and deferred tax provisions in the consolidated financial statements.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

3. Critical accounting estimates and judgments (continued)

(d) Pension and other post-retirement benefits

The present value of the pension and other post retirement obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension and other post retirement obligations. The Group uses an Actuary to determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Actuary considers the interest rates for high quality corporate bonds that are denominated in the currency in which the benefits will be paid, which have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension and other post retirement obligations are based in part on current market conditions. Additional information is disclosed in Notes 12 and 13.

(e) Provision for doubtful debts (expected credit losses)

Judgment is required in determining level of allowance for doubtful debts (expected credit losses) considered to be adequate to provide for potentially uncollectible receivables. The level of this allowance is evaluated by management based on a number of factors such as the historical payment behavior of customers, known market factors, the Group's relationship with its customers, and status of receivables. The amount and timing of recorded expenses for any period would differ if management used different judgements or estimates.

(f) Impairment of intangible assets with indefinite lives

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March either individually or at the cash generating units' level, as appropriate, and when circumstances indicate that the carrying value may be impaired. This requires an estimation of the 'value in use' of the cash generating units to which the intangible asset is allocated. Estimating a value in use 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 in order to calculate the present value of those cash flows.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

3. Critical accounting estimates and judgments (continued)

(g) 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).

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 (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

3. Critical accounting estimates and judgments (continued)

(h) Revaluation of freehold properties

The Group measures freehold properties at revalued amounts with changes in fair value being recognised in other comprehensive income. The freehold properties were valued by reference to transactions involving properties of a similar nature, location and condition. The Group engaged an independent valuation specialist to assess fair values as at 31 March 2022 for the freehold properties.

The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in Note 4. Inherent in the determination of fair value is the use of underlying assumptions applied in the valuation methodology.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

4. Property, plant and equipment

Year ended 31 March 2022	Freehold properties land \$	Capital work in progress \$	Leasehold property \$	Equipment, furniture and fittings \$		Leased equipment \$	Right of use asset - land & building \$		Total \$
				Motor vehicles \$					
Opening net book value	25,535	890	13,629	18,487	23,783	11,048	63,192	201,345	
Additions	5,762	2,010	485	10,427	10,761	4,319	14,762	48,526	
Revaluation	47,136	—	—	—	—	—	—	112,800	
Transfers	—	(2,638)	131	—	350	—	—	—	
Disposals/adjustments	—	—	—	(1,683)	(1,242)	(1,239)	869	(3,295)	
Depreciation charge (Note 16)	—	—	(2,685)	(8,522)	(8,623)	(3,818)	(9,857)	(34,856)	
Closing net book value	<u>78,433</u>	<u>262</u>	<u>11,560</u>	<u>18,709</u>	<u>25,029</u>	<u>10,310</u>	<u>68,966</u>	<u>324,520</u>	
31 March 2022									
Cost/valuation	78,433	262	37,759	74,057	114,999	27,106	96,440	543,385	
Accumulated depreciation	—	—	(26,199)	(55,348)	(89,970)	(16,796)	(27,474)	(218,865)	
Net book value	<u>78,433</u>	<u>262</u>	<u>11,560</u>	<u>18,709</u>	<u>25,029</u>	<u>10,310</u>	<u>68,966</u>	<u>324,520</u>	

Depreciation expense of \$34.856 million (2021: \$34.845 million) is included in operating expenses.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

4. Property, plant and equipment (continued)

Year ended 31 March 2021	Freehold properties Land Buildings		Capital work in progress	Leasehold improve- ments	Equipment, furniture and fittings		Leased equipment	Right of use asset - land & building		Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening net book value	19,921	40,440	1,193	15,659	16,214	24,536	10,819	73,942	202,724	
Additions	5,614	5,474	1,290	563	11,212	6,853	4,388	–	35,394	
Transfers	–	–	(1,593)	546	–	1,047	–	–	–	
Disposals/adjustments	–	–	–	(137)	(491)	(245)	(618)	(437)	(1,928)	
Depreciation charge (Note 16)	–	(1,133)	–	(3,002)	(8,448)	(8,408)	(3,541)	(10,313)	(34,845)	
Closing net book value	<u>25,535</u>	<u>44,781</u>	<u>890</u>	<u>13,629</u>	<u>18,487</u>	<u>23,783</u>	<u>11,048</u>	<u>63,192</u>	<u>201,345</u>	
31 March 2021										
Cost	25,535	65,392	890	37,140	76,917	101,944	26,903	82,484	417,205	
Accumulated depreciation	–	(20,611)	–	(23,511)	(58,430)	(78,161)	(15,855)	(19,292)	(215,860)	
Net book value	<u>25,535</u>	<u>44,781</u>	<u>890</u>	<u>13,629</u>	<u>18,487</u>	<u>23,783</u>	<u>11,048</u>	<u>63,192</u>	<u>201,345</u>	

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

4. Property, plant and equipment (continued)

Additions to property, plant and equipment (net of Right of use assets) included in the consolidated statement of cashflows amounted to \$33,764 for 2022.

Revaluation of freehold properties

Management determined that the freehold properties constitute a separate class of property, plant and equipment, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined using the market comparable method. The valuations have been performed by an external third party valuator and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition. As at the date of revaluation on 28 March 2022, the properties' fair values are based on valuations performed by Brent Augustus & Associates Ltd, an accredited independent valuer who has valuation experience for similar office properties. A gain from the revaluation of the freehold properties of \$112,800 in 2022 was recognised in other comprehensive income.

If the freehold properties were measured using the cost model, the carrying amounts would be, as follows:

	2022
	\$
Cost	98,846
Accumulated depreciation and impairment	<u>(21,962)</u>
Net carrying amount	<u>76,884</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

	2022	2021
	\$	\$
5. Intangible assets		
<i>Brand</i>		
Purchase of trademark	<u>18,680</u>	<u>18,680</u>
<i>Goodwill</i>		
Balance brought forward	<u>50,436</u>	<u>50,436</u>
Balance carried forward	<u>50,436</u>	<u>50,436</u>
Goodwill on acquisition of subsidiaries	51,730	51,730
Accumulated impairment provision	<u>(1,294)</u>	<u>(1,294)</u>
Net carrying amount	<u>50,436</u>	<u>50,436</u>
Total intangible assets	<u>69,116</u>	<u>69,116</u>

In accordance with International Financial Reporting Standard 3: Business Combinations, goodwill acquired through business combinations have 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 relate.

The net carrying amount of goodwill arising through business combinations was generated by the acquisition of Pi Caribbean Limited's agency business in 2002, Whirlpool distribution agency in 2014, Genethics Pharmaceuticals Limited's business in September 2015 and Franco Trading & Distribution Limited's agency business in April 2018.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

5. Intangible assets (continued)

Goodwill (continued)

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

	Bryden pi Limited	BPI Genethics Limited	Whirlpool distribution agency	Franco Trading & Distribution Limited
Carrying amount of goodwill				
– 1 April 2021	\$22,682	\$16,410	\$6,000	\$5,344
Carrying amount of goodwill				
– 31 March 2022	\$22,682	\$16,410	\$6,000	\$5,344
Basis of recoverable amount	Value in use	Value in use	Value in use	Value in use
Discount rate	10.77%	10.77%	12.11%	9.88%
Cash flow projection term	Five years	Five years	Five years	Five years
Growth rate (extrapolation period)	2%	2%	2%	2%

The values assigned to key assumptions reflect past experience. The recoverable amount of business units has been determined based on value in use calculations using pre-tax cash flow projections. As a result of the impairment review analysis, no impairment charge is recorded in the consolidated statement of comprehensive income during the year.

Brand

In 2011, the Protox brand was acquired and is recognized at the fair value at the acquisition date, which represented the cash consideration paid for the brand. The brand is expected to have an indefinite life. An impairment test was performed on the indefinite life brand at year end and there was no impairment charge arising during the year.

The following table highlights the impairment testing information for the brand:

Cash Generating Unit	Carrying amount of brand and license	Discount rate	Growth rate (extrapolation period)
Protox brand	\$18,680	10.97%	2%

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

5. Intangible assets (continued)

For the impairment test, the recoverable amount has been determined based on value in use calculations using pre-tax cash flow projections over a five (5) year term. These projections are based on financial budgets approved by the Board of Directors of the relevant subsidiary. In assessing value in use, the budget was adjusted to deliver an adequate balance between historic performance and future initiatives. The terminal growth rates are based on published industry research where available or the historic average of real GDP for the local economy.

	2022	2021
	\$	\$
6. Investment in associate		
<i>Movement in investment in associate</i>		
Balance at beginning of year	11,193	9,382
Share of profits (net of tax)	2,955	2,794
Dividends received	<u>(657)</u>	<u>(983)</u>
Balance at end of year	<u>13,491</u>	<u>11,193</u>
Represented by:		
Shares at cost	1,608	1,608
Share of reserves	<u>11,883</u>	<u>9,585</u>
	<u>13,491</u>	<u>11,193</u>

The Group's investment in associate consists of a 49% ownership interest in Armstrong Healthcare Inc. The Group's interest in associate is accounted for using the equity method in the consolidated financial statements.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

6. Investment in associate (continued)

Name of entity	Armstrong Healthcare Inc.
Country of incorporation	Barbados
% of ownership interest	
2022	49.0%
2021	49.0%

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

	2022 \$	2021 \$
Current assets	40,937	35,343
Non-current assets	1,099	772
Current liabilities	(14,502)	(13,269)
Non-current liabilities	—	—
Equity	<u>27,534</u>	<u>22,846</u>
Carrying amount of the investment	<u>13,491</u>	<u>11,193</u>
Revenue from contracts with customers	72,162	69,865
Profit for the year	6,031	5,702
Other comprehensive income	—	—
Total comprehensive income	<u>6,031</u>	<u>5,702</u>
Group's share of profit for the year	<u>2,955</u>	<u>2,794</u>
Dividends received for the year	<u>657</u>	<u>983</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

	2022	2021
	\$	\$
7. Inventories		
Finished goods for resale	285,047	267,666
Goods in transit	<u>83,032</u>	<u>58,122</u>
	<u>368,079</u>	<u>325,788</u>

Inventories are shown net of provisions of \$27.6 million (2021: \$26.8 million) in relation to stock on hand.

	2022	2021
	\$	\$
8. Trade and other receivables		
Trade receivables	336,616	328,707
Provision for expected credit losses	<u>(23,084)</u>	<u>(18,204)</u>
Trade receivables - net	<u>313,532</u>	<u>310,503</u>
Other receivables and prepayments	55,451	45,413
Provision for expected credit losses	<u>(2,346)</u>	<u>(2,337)</u>
Other receivables - net	<u>53,105</u>	<u>43,076</u>
	<u>366,637</u>	<u>353,579</u>

At 31 March 2022, trade receivables of \$23,084 (2021: \$18,204) were impaired and fully provided for.

Movements in the provision for expected credit losses of trade receivables are as follows:

	2022	2021
	\$	\$
At beginning of year	18,204	18,474
Provision for expected credit losses	2,639	842
Written off as uncollectible (net of recoveries)	3,473	(1,112)
Unused amounts reversed	<u>(1,232)</u>	<u>—</u>
At end of year	<u>23,084</u>	<u>18,204</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

8. Trade and other receivables (continued)

The other classes within other receivables contain impaired assets amounting to \$2,346 (2021: \$2,337) which have been fully provided for.

Movements in the provision for expected credit losses of other receivables are as follow:

	2022	2021
	\$	\$
At beginning of year	2,337	2,337
Provision for receivables impairment	9	—
Written off during the year as uncollectible	<u>—</u>	<u>—</u>
At end of year	<u>2,346</u>	<u>2,337</u>

The creation and release of provision for impaired receivables have been included in operating expenses in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash or the amounts are paid in full.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The group does not hold any collateral as security.

As at 31 March, the ageing analysis of trade receivables is as follows:

	Total	Current	Past due but not impaired		
			31-90 days	91-120 days	>120 days
2022	313,532	173,843	79,145	20,964	39,580
2021	310,503	120,308	115,261	35,251	39,683

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

		2022	2021
		\$	\$
9. Stated capital and equity			
Authorised			
Unlimited number of ordinary shares of no par value			
Issued and fully paid			
5,884,000 ordinary shares of no par value		<u>14,451</u>	<u>14,451</u>
The issued and fully paid shares comprise the following classes of shares:			
	# Shares		# Shares
Class A	1,735,180		1,735,180
Class B	2,780,649		2,780,649
Class C	800,000		800,000
Class D	<u>568,171</u>		<u>568,171</u>
	<u>5,884,000</u>		<u>5,884,000</u>

Asset revaluation surplus represents the revaluation gain recognized on the revaluation of Freehold Properties (Refer to Note 4) presented net of deferred taxation.

		2022	2021
		\$	\$
10. Borrowings	Note		
Current			
Bank overdraft	a)	4,735	12,956
Bankers' acceptances	a)	34,012	66,145
Demand loans	b)	47,176	37,261
Bills of exchange discounted	c)	<u>1,457</u>	<u>—</u>
		<u>87,380</u>	<u>116,362</u>
Medium term			
Demand loans	b)	<u>43,781</u>	<u>21,257</u>
		<u>131,161</u>	<u>137,619</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

10. Borrowings (continued)

- (a) At the reporting date the overdraft interest was borne at the rate of 7.5% per annum (2021: 7.5%). The bankers' acceptances and other short-term borrowings with various financial institutions bear interest at rates averaging 2.8% and 3.5% per annum (2021: 2.8% to 3.5%).

The overdraft and bankers' acceptance facilities are secured by:

- i. a debenture creating a fixed first charge on the goodwill and real estate of a subsidiary (including a postponed first charge on the freehold property), and a floating charge on all other assets, stamped to cover \$3 million.
 - ii. a registered demand debenture on the fixed and floating assets of a subsidiary stamped to cover \$10.25 million.
 - iii. an open Letter of Comfort issued by a fellow subsidiary in favour of the bankers of a subsidiaries.
- (b) Demand loans amounting to TT\$76.9 million which are denominated in United States dollars are unsecured and bear interest at rates varying between 3.24% and 5.39% (2021: between 3.24% and 3.31%) per annum. These demand loans are repayable in fixed monthly installments over a period of 1 and 3 years.
- Demand loans amounting to TT\$14.1 million which are denominated in Guyanese dollars bear interest at the rate of 6% per annum and are secured collectively by standby letters of credit issued by Scotiabank T&T Ltd for US\$3.95 million. One of the loans for Guy\$190 million is repayable in monthly instalments of Guy\$1.056 million over 15 years and the other loan for Guy\$233.5 million is repayable within 1 year of disbursement.
- (c) This represents bills of exchange issued in favor of a subsidiary by certain of its customers which were discounted with Republic Bank Limited at a rate of 5.50% per annum and for a period of 6 months. Under this financing arrangement, the bank reserved the right of recourse to the subsidiary in the event of default by the customer.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the reporting dates are as follows:

	2022	2021
	\$	\$
12 months or less	87,380	116,362
1 – 5 years	39,594	21,257
Over 5 years	<u>4,187</u>	<u>—</u>
	<u>131,161</u>	<u>137,619</u>

The fair value of borrowings approximates their carrying amount, as the impact of discounting is not significant.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

11. Lease liabilities

Group as a lessee

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

	2022 \$	2021 \$
As at 1 April	67,809	76,433
Additions – new leases	14,763	–
Interest accrued (Note 17)	5,870	4,343
Other movements	871	(439)
Payments	(12,492)	(12,528)
	76,821	67,809
Less: Short term	(6,617)	(7,780)
	<u>70,204</u>	<u>60,029</u>

As at 31 March

Presented in the consolidated statement of financial position as follows:

	2022 \$	2021 \$
Current	6,617	7,780
Non-current	<u>70,204</u>	<u>60,029</u>
	<u>76,821</u>	<u>67,809</u>

The table below summaries the maturity profile of the Group's lease liabilities at 31 March:

	2022 \$	2021 \$
Within 1 year	6,617	7,780
Between 1 to 5 years	34,723	32,500
Over 5 years	<u>35,481</u>	<u>27,529</u>
Total	<u>76,821</u>	<u>67,809</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

12. Retirement benefit asset

The numbers below are extracted from information supplied by independent actuaries.

	2022	2021
	\$	\$
Retirement benefit asset	<u>(35,167)</u>	<u>(22,350)</u>

The Group operates two hybrid pension plans in Trinidad and Tobago. A hybrid pension plan contains elements of both defined benefit and defined contribution plans. The defined contribution plans are savings plans under which pension benefits are based on the contributions made by the employer/employee plus investment earnings accrued. The defined benefit pension plans are final salary plans under which formula benefits are based on a percentage of average earnings during a specified number of years at the end of an employee's career. The Plans are administered in accordance with the rules and directions of a management committee referred to in the trust deeds and the laws of Trinidad and Tobago. The management committee consists of representatives of the members and of the primary companies. The trustees have elected to fund the benefits with Sagicor Life Inc.

The defined benefit plan requires final salary payments to be adjusted for the consumer price index once in payment during retirement. The level of pension benefits provided under the defined benefit plan depends on the member's length of service and salary at retirement age.

The defined benefit plan is exposed to inflation, interest rate risks and changes in the life expectancy for pensioners in the relevant jurisdictions. Under the defined contribution plan, investment risk and investment rewards are assumed by each employee/retiree and not by the employer. As the plan assets include investments in quoted equity shares, the Group is also exposed to equity market risk.

The Group contributes such amounts as are necessary, together with the members' contributions, to secure the members' benefits under the Plans, provided that such is not less than the aggregate contributions paid by the members in any year of income.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

12. Retirement benefit asset (continued)

A valuation in accordance with the prescribed principles of IAS 19 Employee Benefits was done as at 31 March 2022 for the sole purpose of preparing these consolidated financial statements.

	2022	2021
	\$	\$
The amounts recognised in the consolidated statement of financial position are as follows:		
Present value of funded obligations	197,689	188,585
Fair value of plan assets	<u>(232,856)</u>	<u>(210,935)</u>
Benefit deficit	(35,167)	(22,350)
Unrecognised actuarial loss	<u>—</u>	<u>—</u>
Benefit liability	<u><u>(35,167)</u></u>	<u><u>(22,350)</u></u>

The movement in the present value of funded obligations is as follows:

At beginning of year	188,585	175,803
Current service cost	16,132	15,937
Interest cost	11,043	10,351
Actuarial gain on obligation – Experience	(1,338)	(6,643)
Actuarial gain on obligation – Assumptions	(9,121)	—
Benefits paid	<u>(7,612)</u>	<u>(6,863)</u>
	<u><u>197,689</u></u>	<u><u>188,585</u></u>

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

At beginning of year	210,935	185,428
Actual return on plan assets	13,464	16,529
Benefits paid	(7,612)	(6,863)
Total contributions	<u>16,069</u>	<u>15,841</u>
At end of year	<u><u>232,856</u></u>	<u><u>210,935</u></u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

12. Retirement benefit asset (continued)

The major categories of plan assets as a percentage of total plan assets are as follows:

	2022	2021	2022	2021
	%	%	\$	\$
Government bonds	62%	55%	143,966	115,788
Mortgages	14%	18%	32,254	38,227
Equity	18%	17%	41,876	35,559
Cash	<u>6%</u>	<u>10%</u>	<u>14,760</u>	<u>21,361</u>
	<u>100%</u>	<u>100%</u>	<u>232,856</u>	<u>210,935</u>

All categories of plan assets with the exception of equity are unquoted investments.

The movement in the net retirement benefit obligation recognised in the consolidated statement of financial position is as follows:

	2022	2021
	\$	\$
Opening defined benefit asset	(22,350)	(9,625)
Net pension cost	10,217	10,869
Re-measurements recognised in the statement of comprehensive income	(12,089)	(12,725)
Employer contributions paid	<u>(10,945)</u>	<u>(10,869)</u>
Defined benefit asset	<u>(35,167)</u>	<u>(22,350)</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

12. Retirement benefit asset (continued)

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	2022	2021
	\$	\$
Current service cost - net of employee contributions	11,007	10,963
Interest cost	<u>(790)</u>	<u>(94)</u>
Net expense	<u>10,217</u>	<u>10,869</u>

The net expense of \$10,217 (2021: net expense of \$10,869) is included in staff costs.

The re-measurements recognised in the consolidated statement of comprehensive income are as follows:

	2022	2021
	\$	\$
Return on plan assets (excluding interest income)	(10,459)	(6,083)
Actuarial gain on obligation	<u>(1,630)</u>	<u>(6,642)</u>
Total amount recognised in other comprehensive income	<u>(12,089)</u>	<u>(12,725)</u>
Net interest on net defined liability:		
Interest expense	11,044	10,351
Interest income	<u>(11,834)</u>	<u>(10,445)</u>
	<u>(790)</u>	<u>(94)</u>
Return on plan assets (excluding interest income):		
Actual return on assets	13,464	16,528
Interest income	<u>(11,834)</u>	<u>(10,445)</u>
	<u>1,630</u>	<u>6,083</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

12. Retirement benefit asset (continued)

The principal long-term actuarial assumptions used for accounting purposes were:

	2022	2021
Discount rate	6.00%	5.50%
Future payroll increases	4.50%	4.50%

The plan does not directly hold any assets of the Group.

Life expectation of pensioners at the age of 60 (female) and 65 (male):	Years	Years
Male	18	18
Female	26	26

Sensitivity analysis

The calculations of the defined benefit obligations are sensitive to the assumptions used. The following table summarizes how the defined benefit obligations as at 31 March 2022 would have changed as a result of a change in the assumptions used:

	0.5% increase	0.5% decrease
Discount rate	(190,107)	206,810
Future salary increases	199,640	(195,825)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at 31 March 2022 by \$2.366 million (2021: \$2.758 million).

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

The weighted average duration of the defined benefit obligation at the end of the reporting period is 45 years.

The expected Group contributions to the plan for the year ended 31 March 2023 are \$11.425 million (2022: \$11.13 million).

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

13. Other post retirement benefit liabilities

The numbers below are extracted from information supplied by independent actuaries.

	2022	2021
	\$	\$
		Restated
a) Post retirement medical plan obligation	59,849	50,697
b) Termination benefit obligation	<u>8,533</u>	<u>7,025</u>
	<u>68,382</u>	<u>57,722</u>

a) Post retirement medical plan obligation

The Group provides a medical plan benefit to employees who retire with the Group and meet certain qualifying criteria. The plan is funded via active employee contributions as well as employer contributions, and claims are managed by a third party administrator. Benefits are defined in a schedule which is subject to review annually as part of the Group's Health Plan renewal process.

A valuation in accordance with the prescribed principles of IAS 19: "Employee Benefits" was done as at 31 March 2022 for the sole purpose of preparing these consolidated financial statements.

	2022	2021
	\$	\$
The amounts recognised in the consolidated statement of financial position are as follows:		
Present value of funded obligations	<u>59,849</u>	<u>50,697</u>
The movement in the present value of funded obligations is as follows:		
At beginning of year	50,697	41,622
Current service cost	7,396	7,043
Interest cost	2,761	2,282
Benefits paid	<u>(1,005)</u>	<u>(250)</u>
	<u>59,849</u>	<u>50,697</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

13. Other post retirement benefit liabilities (continued)

a) Post retirement medical plan obligation (continued)

The amounts recognised in the consolidated statement of comprehensive income are as follows:

	2022	2021
	\$	\$
Current service cost - net of employee contributions	7,396	7,043
Interest cost	<u>2,761</u>	<u>2,282</u>
Net expense	<u>10,157</u>	<u>9,325</u>

The net expense of \$10,157 (2021: net expense of \$9,325) is included in staff costs.

The principal long-term actuarial assumptions used for accounting purposes were:

	2022	2021
Discount rate	6.00%	5.50%
Medical expense inflation	5.50%	5.00%

The plan does not directly hold any assets of the Group.

	Years	Years
Life expectation of retirees at the age of 60 (female) and 65 (male):		
Male	18	18
Female	26	26

Sensitivity analysis

The calculations of the defined benefit obligations are sensitive to the assumptions used. The following table summarizes how the defined benefit obligations as at 31 March 2022 would have changed as a result of a change in the assumptions used:

	1.0% increase	1.0% decrease
Discount rate	(9,729)	12,614
Future increases in medical costs	12,547	(9,852)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at 31 March 2022 by \$2.169 million (2021: \$1.837 million).

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

13. Other post retirement benefit liabilities (continued)

a) Post retirement medical plan obligation (continued)

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

The weighted average duration of the defined benefit obligation at the end of the reporting period is 20 years.

The expected claims paid for the year ended 31 March 2023 are \$0.612 million (2022: \$1.005 million).

b) Termination benefit obligation

The Group provides termination lump sum benefits to its unionised employees who retire directly from the Group. Benefits are determined according to length of service.

The movement in the present value of the defined benefit obligation is as follows:

	2022	2021
	\$	\$
Defined benefit obligation at 1 April	7,025	6,454
Current service cost	1,538	571
Benefits paid	<u>(30)</u>	<u>—</u>
Defined benefit obligation at 31 March	<u>8,533</u>	<u>7,025</u>

The principal assumptions used for accounting purposes were:

	2022	2021
Discount rate	5%	5%
Future payroll increases	2%	2%

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

13. Other post retirement benefit liabilities (continued)

b) Termination benefit obligation

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions used. The defined benefit obligation would have changed at 31 March 2022 if the following assumptions were changed:

	0.5% increase	0.5% decrease
Discount rate	(7,595)	9,616
Salary increase	9,645	(7,565)
14. Taxation	2022	2021
	\$	\$
		Restated
(a) The major components of income tax expense are:		
Current year	44,802	40,199
Prior year over provision	(985)	(532)
Deferred taxation charge (Note 14 (c))	<u>(2,277)</u>	<u>(2,739)</u>
	<u>41,540</u>	<u>36,928</u>
(b) Reconciliation of applicable tax charge to effective tax charge		
Profit before taxation	<u>131,753</u>	<u>121,066</u>
Income tax at statutory rate of 30%	39,526	36,319
Income not subject to tax	(888)	(870)
Expenses not deductible for tax purposes	2,288	1,580
Items deductible for tax purposes not expensed	(110)	(70)
Permanent timing differences	17	409
Prior year over provision	(985)	(532)
Unrelieved tax loss	—	2
Prior year deferred tax adjustment	965	(414)
Business levy	317	363
Other	<u>410</u>	<u>141</u>
	<u>41,540</u>	<u>36,928</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

14. Taxation (continued)

(c) Deferred taxation

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

All deferred tax assets and liabilities are expected to be recovered after more than 12 months.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

14. Taxation (continued)

(c) Deferred taxation (continued)

The movement in deferred tax assets and liabilities during the year is as follows:

	At 2021 Restated \$	(Debit)/ credit to income statement \$	Change in composition of Group \$	(Debit)/credit to other comprehensive income \$	Debit to retained earnings \$	At 2022 \$
Deferred tax assets						
Unused tax losses	1,232	(352)	—	—	—	880
Lease liabilities (net)	1,420	1,000	—	—	—	2,420
Unearned profit	259	—	—	—	—	259
Vacation accrual	1,210	226	—	—	—	1,436
Post retirement medical plan	15,209	2,746	—	—	—	17,955
Termination benefit	<u>2,107</u>	<u>453</u>	—	—	—	<u>2,560</u>
Total deferred tax asset	<u>21,437</u>	<u>4,073</u>	—	—	—	<u>25,510</u>
Deferred tax liabilities						
Retirement benefit asset	(6,707)	(218)	—	(3,627)	—	(10,552)
Finance lease	(85)	71	—	—	—	(14)
Asset revaluation surplus	—	—	—	(17,900)	—	(17,900)
Accelerated tax depreciation	<u>(3,708)</u>	<u>(1,649)</u>	—	—	—	<u>(5,357)</u>
Total deferred tax liability	<u>(10,500)</u>	<u>(1,796)</u>	—	<u>(21,527)</u>	—	<u>(33,823)</u>
Net deferred tax liability	<u>10,937</u>	<u>2,277</u>	—	<u>(21,527)</u>	—	<u>(8,313)</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

14. Taxation (continued)

(c) Deferred taxation (continued)

The movement in deferred tax assets and liabilities during the year is as follows: (continued)

	At 2020 Restated \$	(Debit)/ credit to income statement \$	Change in composition of Group \$	(Debit)/credit to other comprehensive income \$	Debit to retained earnings \$	At 2021 Restated \$
Deferred tax assets						
Unused tax losses	2,014	(782)	—	—	—	1,232
Lease liabilities (net)	762	658	—	—	—	1,420
Unearned profit	259	—	—	—	—	259
Vacation accrual	968	242	—	—	—	1,210
Post retirement medical benefit	12,486	2,723	—	—	—	15,209
Termination benefit	<u>1,936</u>	<u>171</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,107</u>
Total deferred tax asset	<u>18,425</u>	<u>3,012</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>21,437</u>
Deferred tax liabilities						
Retirement benefit asset	(2,889)	—	—	(3,818)	—	(6,707)
Finance lease	(119)	34	—	—	—	(85)
Accelerated tax depreciation	<u>(3,401)</u>	<u>(307)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(3,708)</u>
Total deferred tax liability	<u>(6,409)</u>	<u>(273)</u>	<u>—</u>	<u>(3,818)</u>	<u>—</u>	<u>(10,500)</u>
Net deferred tax liability	<u>12,016</u>	<u>2,739</u>	<u>—</u>	<u>(3,818)</u>	<u>—</u>	<u>10,937</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

15. Revenue from contracts with customers	2022	2021
	\$	\$
<i>Disaggregated revenue information</i>		
Set out below is the disaggregation of the Group's revenue from contracts with customers:		
Food and grocery	682,985	637,389
Premium beverages	254,697	231,864
Hardware and housewares	192,496	185,009
Pharmaceuticals	342,609	288,606
Industrial	106,488	112,202
Non-industrial	<u>135,957</u>	<u>163,262</u>
	<u>1,715,232</u>	<u>1,618,332</u>
16. Profit from operating activities		
Revenue from contracts with customers	<u>1,715,232</u>	<u>1,618,332</u>
Expenses/(income) by nature:		
Changes in inventories of finished goods	(17,381)	(12,083)
Purchases of goods for resale	1,227,191	1,170,166
Staff costs (prior year restated)	222,232	201,703
Depreciation (Note 4)	34,856	34,845
Directors fees	438	438
Other administrative and operating expenses	110,716	98,415
Foreign exchange gains	(2,825)	(3,383)
Less: Allocated to cost of sales	3,278	4,356
Gain on sale of property, plant and equipment	(2,298)	(1,945)
Other income	<u>(2,724)</u>	<u>(4,505)</u>
	<u>1,573,483</u>	<u>1,488,007</u>
Profit from operating activities (prior year restated)	<u>141,749</u>	<u>130,325</u>
17. Finance costs		
Interest on borrowings and bank charges	7,081	7,710
Interest on lease liabilities (Note 11)	<u>5,870</u>	<u>4,343</u>
	<u>12,951</u>	<u>12,053</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

18. Leases

Group as a lessee

The Group has lease contracts for various items of land and buildings used in its operations. These leases of land and buildings generally have lease terms between 1.33 and 30 years.

The Group also has certain leases of office equipment with lease terms of 12 months or less.

The carrying amounts of right-of-use assets recognised and the movements during the year are disclosed in Note 4.

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 11.

During the year the Group finalized on a sublease agreement dated 19 May 2021 with Evolving Technologies and Enterprise Development Company for the use of undeveloped land. The sublease term is for an initial period of thirty (30) years (with the option to renew for a further 30 years) which commenced from 19 May 2021. The Group will initially benefit from a 27 month waiver on the annual rent which will commence on 19 August 2023.

Lease liabilities of \$76.8 million (2021: \$67.8 million) were recognised and presented separately in the consolidated statement of financial position. The Group has no lease contracts that contains variable payments, extensions and termination options.

The maturity analysis of lease liabilities is disclosed in Note 11.

The following are the amounts recognised in profit or loss:

	2022	2021
	\$	\$
Depreciation expense of right-of-use assets	9,857	10,313
Interest expense on lease liabilities	5,870	4,343
Expense relating to short-term leases	3,246	3,264
Expense relating to variable payments	277	181
Expense relating to leases of low-value assets	<u>398</u>	<u>576</u>
Total amount recognised in profit or loss	<u>19,648</u>	<u>18,677</u>

The Group had total cash outflows for leases of \$12.49 million (2021: \$12.53 million) in 2022.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

	2022	2021
	\$	\$
19. Dividends		
Final dividend	<u>78,257</u>	<u>37,835</u>

On 17th March 2022, a dividend of \$13.30 (2021: \$6.43) per ordinary share in respect of the year ended 31 March 2022 was declared by the Directors. This 2022 dividend amounting to \$78,257 (2021: \$37,835) is included as a charge against retained earnings in the current year. The 2021 dividend of \$37,835 was paid during the current year.

20. Related party disclosures

The Group's material subsidiaries and associate are as follows:

Subsidiaries	Country of incorporation	2022 % shareholding	2021
A.S. Bryden & Sons (Trinidad) Limited	Trinidad and Tobago	100	100
A.S. Bryden & Sons (Insurance) Limited	Trinidad and Tobago	100	100
Bryden pi Limited	Trinidad and Tobago	90	90
BPI Genethics Limited	Trinidad and Tobago	90	90
Ibis Acres Limited	Trinidad and Tobago	100	100
F.T. Farfan Limited	Trinidad and Tobago	100	100
Bpi Guyana Inc.	Guyana	46	46
Franco Trading and Distribution Limited	Trinidad and Tobago	80	80
Ibis Construction Sales and Rentals Inc.	Guyana	75	75

During the year Ibis Construction Sales and Rentals Inc. issued additional share capital. The Group acquired 75% of the additional share capital. A non-controlling interest of \$1.4 million was recognized representing the remaining 25% of the additional share capital issued during the year.

Effective 2 December 2020, the balance sheets of Lasco (Barbados) Limited (previously a 100% subsidiary of Bryden pi Limited) and Armstrong Healthcare Inc. were amalgamated. The amalgamated entity is now known as Armstrong Healthcare Inc. which is a 49% associate of the Group. As a result of this amalgamation an amount of \$1.4 million was transferred to retained earnings from non-controlling interest during the year.

Associates

The Group has a 49% interest in Armstrong Healthcare Inc. (2021: 49%). For more details, refer to Note 6.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

20. Related party disclosures (continued)

A number of transactions are entered into with related parties in the normal course of business. These transactions are carried out on commercial terms and conditions and at market rates.

	2022	2021
	\$	\$
(a) <i>Directors and key management - outstanding balances</i>		
Accounts and other payables - net	<u>32,374</u>	<u>24,165</u>
(b) <i>Directors and key management - income and expenses</i>		
Key management compensation:		
- Salaries and other short-term employee benefits	<u>46,677</u>	<u>42,123</u>

21. Financial risk management

21.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Such exposure arises primarily from purchases in currencies other than the Group's functional currency.

Management monitors its exposure to foreign currency fluctuations and employs appropriate strategies to mitigate any potential losses. Risk management in this area is active to the extent that hedging strategies are available and cost effective. The following table demonstrates the sensitivity to a possible change in the exchange rates, with all other variables held constant, of profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(a) Market risk (continued)

Foreign exchange risk (continued)

The Group's exposure to foreign currency changes for all other currencies is not material.

	Increase/decrease in currency rate	Effect on profit before tax \$	Effect on equity \$
2022			
US dollar	+1%	(1,157)	(810)
US dollar	-1%	1,157	810
Euro	+6%	(318)	(223)
Euro	-6%	318	223
Pound sterling	+5%	(50)	(35)
Pound sterling	-5%	50	35
Guy dollar	+1%	(121)	(84)
Guy dollar	-1%	121	84
2021			
US dollar	+1%	(1,462)	(1,023)
US dollar	-1%	1,462	1,023
Euro	+6%	(167)	(117)
Euro	-6%	167	117
Pound sterling	+5%	(48)	(34)
Pound sterling	-5%	48	34
Guy dollar	+1%	67	47
Guy dollar	-1%	(67)	(47)

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(a) Market risk (continued)

Foreign exchange risk (continued)

The aggregate value of financial assets and liabilities by reporting currency are as follows:

2022	TTD \$	USD \$	Euro/Pds \$	Guy \$	Total \$
ASSETS					
Cash at bank and on hand	125,336	66,504	315	214	192,369
Trade and other receivables	<u>329,367</u>	<u>25,525</u>	<u>208</u>	<u>11,537</u>	<u>366,637</u>
	<u>454,703</u>	<u>92,029</u>	<u>523</u>	<u>11,751</u>	<u>559,006</u>
LIABILITIES					
Borrowings	35,470	76,875	—	18,816	131,161
Leases	72,140	—	—	4,681	76,821
Trade payables	<u>27,330</u>	<u>130,809</u>	<u>6,832</u>	<u>307</u>	<u>165,278</u>
	<u>134,940</u>	<u>207,684</u>	<u>6,832</u>	<u>23,804</u>	<u>373,260</u>
2021	TTD \$	USD \$	Euro/Pds \$	Guy \$	Total \$
ASSETS					
Cash at bank and on hand	92,364	25,346	98	3,189	120,997
Trade and other receivables	<u>341,364</u>	<u>8,046</u>	<u>—</u>	<u>4,169</u>	<u>353,579</u>
	<u>433,728</u>	<u>33,392</u>	<u>98</u>	<u>7,358</u>	<u>474,576</u>
LIABILITIES					
Borrowings	63,703	73,916	—	—	137,619
Leases	67,809	—	—	—	67,809
Trade payables	<u>6,539</u>	<u>105,683</u>	<u>2,885</u>	<u>1,561</u>	<u>116,668</u>
	<u>138,051</u>	<u>179,599</u>	<u>2,885</u>	<u>1,561</u>	<u>322,096</u>

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(a) Market risk (continued)

Price risk

At present the Group is not exposed to price risk.

Interest rate risk

Interest rate risk for the Group centers on the risk that debt service cash outflow will increase due to changes in market interest rates. At the consolidated statement of financial position date, the Group's exposure to changes in interest rate relates primarily to bank overdraft, banker's acceptances, demand loans and a secured loan note which has a floating interest rate. The Group's policy is to manage its interest cost using variable rate debt.

The interest rate exposure of borrowings is as follows:

	2022	2021
	\$	\$
At floating rates	131,161	137,619

Interest rate risk table

The following table shows the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax:

	Increase/decrease in basis points	Effect on profit before tax \$
2022	+100	(1,312)
	-100	1,312
2021	+100	(1,376)
	-100	1,376

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(b) Credit risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Significant changes in the economy, or in the state of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different from those provided at the reporting date. Management therefore carefully manages its exposure to credit risk.

The Group structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one customer, or group of customers, and to industry segments. Such risks are monitored on an ongoing basis, and limits on the levels of credit risk that the Group can engage in are approved by the Board of Directors.

Exposure to credit risk is further managed through regular analysis of the ability of debtors and borrowers to settle outstanding balances, meet capital and interest repayment obligations and by changing these lending limits when appropriate. The Group does not hold collateral as security.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(b) Credit risk (continued)

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	
	2022	2021
	\$	\$
Trade receivables	313,532	310,503
Cash at bank	<u>192,369</u>	<u>120,997</u>
Total	<u>505,901</u>	<u>431,500</u>

(c) Liquidity risk

The Group monitors its risk to a shortage of funds by considering planned and probable expenditures against projected cash inflows from operations, from the settlement of financial assets such as accounts receivables and levels of cash sales. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft, bank loans and related party financing.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

21. Financial risk management (continued)

21.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below summaries the maturity profile of the Group's financial liabilities at 31 March based on contractual undiscounted payments:

2022	Within 1 year \$	2 to 5 years \$	> 5 years \$	Total \$
Trade and other payables	245,764	—	—	245,764
Lease liabilities	11,482	47,503	20,036	79,021
Borrowings	<u>88,918</u>	<u>41,886</u>	<u>5,426</u>	<u>136,230</u>
	<u>346,164</u>	<u>89,389</u>	<u>25,462</u>	<u>461,015</u>
2021				
Trade and other payables	171,295	—	—	171,295
Lease liabilities	11,906	42,985	30,249	85,140
Borrowings	<u>117,635</u>	<u>21,681</u>	<u>—</u>	<u>139,316</u>
	<u>300,836</u>	<u>64,666</u>	<u>30,249</u>	<u>395,751</u>

21.2 Capital management

Capital includes equity attributable to the equity holders of the parent.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

21. Financial risk management (continued)

21.2 Capital management (continued)

No changes were made in the objectives, policies or processes during the years ended 31 March 2022 and 31 March 2021.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash at bank and on hand. Total capital is calculated as equity, net of dividends, plus net debt.

	2022 \$	2021 \$ Restated
Total borrowings	131,161	137,619
Less cash at bank and on hand	<u>(192,369)</u>	<u>(120,997)</u>
Net debt	(61,208)	16,622
Total equity	<u>726,103</u>	<u>611,643</u>
Total capital	<u>664,895</u>	<u>628,265</u>
Gearing ratio	-9%	3%

21.3 Fair value estimation

The carrying value less impairment provision of trade receivables, payables and short term borrowings are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

At the end of the reporting period, the Group updated its assessment of the fair value of 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.

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

(Continued)

22. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	Loans and receivables	
	2022	2021
	\$	\$
Assets as per consolidated statement of financial position		
Trade receivables	313,532	310,503
Other receivables and prepayments	53,105	43,076
Cash at bank and on hand	<u>192,369</u>	<u>120,997</u>
Total	<u>559,006</u>	<u>474,576</u>
	Other financial liabilities	
	2022	2021
	\$	\$
Liabilities as per consolidated statement of financial position		
Trade payables	165,278	116,668
Other payables and accruals	80,486	54,627
Leases	76,821	67,809
Borrowings	<u>131,161</u>	<u>137,619</u>
Total	<u>453,746</u>	<u>376,723</u>
	2022	2021
	\$	\$
23. Contingent liabilities		
Performance bonds	3,324	3,324
Non-performance bonds	183	183
Letter of credit	4,894	4,894
General bonds	38,390	38,390

A.S. BRYDEN & SONS HOLDINGS LIMITED & ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)
(Continued)

24. Impact of COVID-19 pandemic

The duration and extent of the COVID-19 pandemic and related financial, social and public health impacts of the pandemic are uncertain. As such, the actual economic events and conditions in the future may be materially different from those estimated by the Company at the reporting date. No matters have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company. The Company will continue to closely monitor the situation in order to plan its response, if necessary.

25. Events after the reporting period

Acquisitions

On 1 April 2022 A.S. Bryden & Sons Holdings Limited purchased the remaining 20% shareholding of Franco Trading & Distribution Limited from the minority shareholder resulting in Franco Trading & Distribution Limited becoming a wholly owned subsidiary of A.S. Bryden & Sons Holdings Limited.

On 1 November 2022, A.S. Bryden & Sons Holdings Limited purchased 100% of the share capital of Micon Holdings Limited, a Company incorporated in St. Lucia and holding subsidiaries in St. Vincent and the Grenadines and Trinidad and Tobago (together “Micon Group”). The subsidiaries of the Micon Group are engaged in the distribution of food and non-alcoholic beverages in their respective markets. The acquisition was completed via an issue of shares by A.S. Bryden Holdings Limited, to the shareholders of Micon Holdings Limited.

Change in ownership

On 6 June 2022 A.S. Bryden & Sons Holdings Limited became a majority owned subsidiary of Seprod Limited, a company incorporated in Jamaica and listed on the Jamaica Stock Exchange. The change in ownership was effected via the settlement of purchase consideration comprising cash and preference shares issued to the previous owners of the Company, and an issue of ordinary share capital to the new owners.

Listing of Shares

At the date of approval of these consolidated financial statements, A.S. Bryden & Sons Holdings Limited is in the final stages of the process of executing the listing of its ordinary and preference shares on the Jamaica Stock Exchange.

Unaudited Interim Financial Statements to March 2025



A.S. Bryden & Sons Holdings Limited

INTERIM REPORT
March 31, 2025

(Expressed in Trinidad and Tobago Dollars)

A.S. Bryden & Sons Holdings Limited

INTERIM REPORT AT 31 MARCH 2025

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

HIGHLIGHTS FOR YEAR-TO-DATE



REVENUE

March 2025 – TT\$1,023.9 million

March 2024 – TT\$629.8 million



NET PROFIT

March 2025 – TT\$22.0 million

March 2024 – TT\$18.7 million



EPS

March 2025 – TT\$0.01 per share

March 2024 – TT\$0.01 per share



STOCKHOLDERS EQUITY

March 2025 – TT\$994.2 million

March 2024 – TT\$721.3 million

A.S. Bryden & Sons Holdings Limited

INTERIM REPORT AT 31 MARCH 2025

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

INTERIM REPORT TO THE STOCKHOLDERS

Quarter one (1) results for 2025 (January-March)

- The Group earned revenue of \$1,023.9 million, an increase of \$394.1 million (62.6%) over prior year Q1 2024.
- Gross Profit closed at \$284.2 million, which was \$111.8 million (64.8%) above the prior year.
- Operating profit of \$60.0 million was up \$14.1 million.
- Net profit of \$22.0 million was up \$3.3 million.

These results were primarily impacted by the inclusion of the financials of the subsidiaries which were acquired in 2024; Caribbean Producers (Jamaica) Limited (CPJ) and Stansfeld Scott Barbados Limited (SSBL). The integration of CPJ and SSBL have gone well, and now we are at the stage of identifying and executing synergies across the Group.

Outlook

We continue to advance our agenda of building out a regional platform that will unlock value for our partners, shareholders and stakeholders. We recognize that seamlessly integrating our business units with the right technology and organizational structure is critical to drive our productivity and cost savings, which we will use to reinvest in the business.

In the short-term, our Trinidad and Tobago business continues to face challenges with acquiring sufficient foreign exchange at the official exchange rate, however, we are hopeful that the availability will improve. We are focusing to increase the export business which will help to mitigate against the forex gap. We are pleased with our export business, with Jamaica and Guyana in particular delivering very robust growth across multiple categories.

There are several capital expenditure projects in progress that will have a material positive impact on the bottom-line. These include:

- Upgrade of meat and seafood processing facilities in Jamaica;
- ERP implementation at CPJ;
- New warehouse buildout in Guyana and the in-progress distribution facility in Trinidad;
- Existing warehouse expansion in St. Vincent.

During the period, the Group closed its Offer to acquire up to 79.99% of the share capital of CPJ and completed the allotment process to acquire the shares of accepting shareholders. At the reporting date ASBH held 79.99% of the ordinary shares of CPJ. We remain committed and aligned to creating value and driving sustainable growth for our stakeholders, and are optimistic that we will deliver robust growth in 2025.



Paul B. Scott

Chairman



Richard Pandohie

Director

A.S. Bryden & Sons Holdings Limited

INTERIM REPORT AT 31 MARCH 2025

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

SHAREHOLDER PROFILE AS AT 31 MARCH 2024

Ten Largest Shareholders

1.	Seprod Limited	751,660,016
2.	Musson Investments Limited	143,988,213
3.	Stony Hill Capital Limited	113,601,608
4.	Michael Anthony Conyers	90,103,014
5.	Richard Pandohie	65,826,147
6.	Sportswear Producers Limited	47,880,813
7.	Gerard Bruce Conyers	47,878,649
8.	Caribprop Limited	41,074,270
9.	Thomas Tyler	23,505,971
10.	Wave Trading Limited	23,484,595

Shareholding of Directors and Connected Persons

1.	Paul B Scott (Chairman)	Nil
	- connected persons	1,050,324,107
2.	Michael Anthony Conyers	90,103,014
3.	Melanie Subratie	Nil
	- connected persons	1,021,439,864
4.	Nicholas Scott	Nil
	- connected persons	19,231,313
5.	Richard Pandohie (Chief Executive Officer)	65,826,147
6.	Geoffrey Charles Gordon	Nil
7.	Brian Wynter	Nil
8.	Thomas Tyler	23,505,971

Shareholding of Management

1.	Richard Pandohie	65,826,147
2.	Michael Conyers	90,103,014
3.	Gerard Conyers	47,878,649
4.	Bernadette Sammy	6,948,316
5.	David Franco	6,948,316
6.	Scott Franco	6,948,316
7.	Andrew Crooks	6,948,316
8.	Stephen Welch	6,948,316
9.	Barry Tangwell	6,948,316
10.	Tiffany Reid	5,973,113
11.	Damion Dodd	4,876,011
12.	Adam Conyers	150,000

A.S. Bryden & Sons Holdings Limited

INTERIM REPORT AT 31 MARCH 2025

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

3 MONTHS ENDED 31 MARCH 2025

Index

Interim unaudited consolidated statement of comprehensive income	7
Interim unaudited consolidated statement of financial position	8
Interim unaudited consolidated statement of changes in equity	9
Interim unaudited consolidated statement of cash flows	10
Notes to the unaudited interim financial statements:	
- Business segments	11
- Basis of preparation	11

A.S. Bryden & Sons Holdings Limited

Interim Unaudited Consolidated Statement of Comprehensive Income

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Unaudited 3 months ended 31 March	Unaudited 3 months ended 31 March
	2025	2024
	TT\$000	TT\$000
Revenue	1,023,865	629,790
Direct expenses	(739,619)	(457,389)
Gross Profit	284,246	172,401
Other operating (expense)/income	(174)	233
Other operating expenses	(224,008)	(126,782)
Operating Profit	60,064	45,852
Finance costs	(23,316)	(13,924)
Share of results of Associate	1,006	234
Profit before Taxation	37,754	32,162
Taxation	(15,775)	(13,417)
Net Profit	21,979	18,745
Other comprehensive income, net of taxes	-	-
Total Comprehensive Income	21,979	18,745
Net Profit is attributable to:		
Stockholders of the Company	16,427	15,427
Non-controlling interests	5,552	3,318
Total	21,979	18,745
Total Comprehensive Income is attributable to:		
Stockholders of the Company	16,427	15,427
Non-controlling interests	5,552	3,318
Total	21,979	18,745
Earnings per stock unit attributable to Stockholders of the Company		
Continuing operations	TT\$0.01	TT\$0.01

A.S. Bryden & Sons Holdings Limited

Interim Unaudited Consolidated Statement of Financial Position

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Unaudited 31 March 2025	Unaudited 31 March 2024	Audited 31 December 2024
	TT\$000	TT\$000	TT\$000
Non-current Assets			
Property, plant and equipment	397,021	288,111	401,955
Right of use assets	167,398	69,416	167,396
Intangible assets	458,913	252,867	461,649
Investments	38,514	15,824	37,508
Post-employment benefit asset	33,402	27,246	33,402
Deferred tax assets	38,516	13,888	110,387
	<u>1,133,764</u>	<u>667,352</u>	<u>1,212,297</u>
Current Assets			
Inventories	912,328	607,519	971,773
Trade and other receivables	933,597	669,279	1,008,233
Taxation recoverable	12,953	16,951	7,872
Cash and bank balances	178,235	143,234	174,428
	<u>2,037,113</u>	<u>1,436,983</u>	<u>2,162,306</u>
Current Liabilities			
Trade and other payables	461,602	326,233	654,200
Borrowings	326,235	337,086	527,005
Lease obligations	9,628	11,901	43,640
Loan due to Parent	57,774	17,136	10,000
Taxation payable	15,892	9,826	19,130
Bank overdraft	12,067	-	13,438
	<u>883,198</u>	<u>702,182</u>	<u>1,267,413</u>
Net Current Assets	<u>1,153,915</u>	<u>734,801</u>	<u>894,893</u>
	<u>2,287,679</u>	<u>1,402,153</u>	<u>2,107,190</u>
Equity Attributable to Stockholders of the Company			
Share capital	508,242	387,600	508,242
Preference shares	191,340	123,340	191,340
Capital reserves	94,900	94,900	94,900
Retained earnings	33,733	71,218	20,407
	<u>828,215</u>	<u>677,058</u>	<u>814,889</u>
Non-Controlling Interests	<u>165,969</u>	<u>44,256</u>	<u>160,417</u>
	<u>994,184</u>	<u>721,314</u>	<u>975,306</u>
Non-current Liabilities			
Post-employment benefit obligations	19,740	18,147	19,722
Borrowings	1,057,634	570,160	848,634
Lease obligations	181,059	58,080	156,116
Deferred tax liabilities	35,062	34,452	107,412
	<u>1,293,495</u>	<u>680,839</u>	<u>1,131,884</u>
	<u>2,287,679</u>	<u>1,402,153</u>	<u>2,107,190</u>

Approved for issue by the Board of Directors on 15 May 2025 and signed on its behalf by:



Paul B. Scott

Director



Richard Pandohie

Director

A.S. Bryden & Sons Holdings Limited

Interim Unaudited Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

Unaudited 3 Months ended 31 March 2025	Share capital TT\$000	Preference shares TT\$000	Capital reserve TT\$000	Retained Earnings TT\$000	Sub- total TT\$000	Non- controlling Interests	Total
						TT\$000	TT\$000
At 01 January 2025	508,242	191,340	94,900	20,407	814,889	160,417	975,306
Profit for the 3 month period	-	-	-	16,427	16,427	5,552	21,979
Total comprehensive income	508,242	191,340	94,900	36,834	831,316	165,969	997,285
Transactions with owners:							
Change in composition of Group	-	-	-	-	-	-	-
Ordinary dividends declared by the Company	-	-	-	-	-	-	-
Preference dividends declared by the Company	-	-	-	(3,101)	(3,101)	-	(3,101)
Balance at 31 March 2025	508,242	191,340	94,900	33,733	828,215	165,969	994,184

Unaudited 3 Months ended 31 March 2024	Share capital TT\$000	Preference shares TT\$000	Capital reserve TT\$000	Retained Earnings TT\$000	Sub- total TT\$000	Non- controlling Interests	Total
						TT\$000	TT\$000
At 01 January 2024	387,600	123,340	94,900	65,606	671,446	48,521	719,967
Profit for the 3 month period	-	-	-	15,427	15,427	3,318	18,745
Total comprehensive income	387,600	123,340	94,900	81,033	686,873	51,839	738,712
Transactions with owners:							
Change in composition of Group	-	-	-	(7,734)	(7,734)	(7,583)	(15,317)
Ordinary dividends declared by the Company	-	-	-	-	-	-	-
Preference dividends declared by the Company	-	-	-	(2,081)	(2,081)	-	(2,081)
Balance at 31 March 2024	387,600	123,340	94,900	71,218	677,058	44,256	721,314

A.S. Bryden & Sons Holdings Limited

Interim Unaudited Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

	Unaudited 3 months ended 31 March 2025 TT\$000	Unaudited 3 months ended 31 March 2024 TT\$000
Cash Flows from Operating Activities		
Net profit after taxation	21,979	18,745
Items not affecting cash resources:		
Depreciation	12,818	6,779
Amortisation of intangible assets	2,736	2,736
Expenses recognised on post-employment benefit assets	-	-
Expenses/(gains) recognised on post-employment benefit obligations	-	16
(Gain)/loss on disposal and other adjustments of property, plant and equipment	208	(342)
Share of results of associate, net of tax	(1,006)	(234)
Taxation expense	15,775	13,417
Interest expense	23,316	13,924
	75,826	55,041
Changes in operating assets and liabilities:		
Inventories	59,444	91,854
Trade and other receivables	74,636	30,713
Trade and other payables	(175,520)	(210,932)
Amount due to affiliate	47,774	-
Cash used in operations	82,160	(33,324)
Employer contributions to post-employment benefit plans	-	-
Taxation paid	(23,713)	(14,063)
Cash (used in)/from operating activities	58,447	(47,387)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(7,831)	(4,942)
Change in composition of the Group	205	(15,317)
Proceeds on disposal of property, plant and equipment	-	987
Cash on acquisition of subsidiary	-	1,282
Cash used in investing activities	(7,626)	(17,990)
Cash Flows from Financing Activities		
Borrowings received	184,915	161,281
Borrowings repaid	(176,685)	(63,903)
Lease obligations	(9,070)	(4,752)
Ordinary dividends paid by the Company	(18,386)	(17,510)
Preference dividends paid by the Company	(3,101)	(2,081)
Ordinary dividends paid by a subsidiary	-	-
Interest paid on borrowings	(23,316)	(13,924)
Cash from/(used in) financing activities	(45,643)	59,111
(Decrease)/increase in cash and cash equivalents	5,178	(6,266)
Cash and cash equivalents at start of period	160,990	147,604
CASH AND CASH EQUIVALENTS AT END OF PERIOD	166,168	141,338

A.S. Bryden & Sons Holdings Limited

Notes to the Interim Unaudited Consolidated Financial Statements

(Expressed in Trinidad and Tobago dollars unless otherwise indicated)

Business Segments

The Group has one reportable segment however; revenue from external customers is generated from the sale of goods and services of varying types. Similar products and services have been grouped together and revenue for the period disclosed below.

	Unaudited 3 months ended 31 March 2025 TT\$000	Unaudited 3 months ended 31 March 2024 TT\$000
Consumer goods	742,759	387,303
Hardware and housewares	43,073	38,554
Healthcare	151,420	115,322
Industrial equipment and lubricants	93,763	106,384
Eliminations	(7,150)	(17,773)
	1,023,865	629,790

Revenue was generated from sales to customers in the domestic and export markets.

	Unaudited 3 months ended 31 March 2025 TT\$000	Unaudited 3 months ended 31 March 2024 TT\$000
Sales to customers in country of domicile	984,608	601,168
Sales to customers in other countries	39,257	28,622
At end of period	1,023,865	629,790

Sales to customers in countries other than the Company's country of domicile originated from all revenue categories noted above. Operating profit, capital expenditure, depreciation, assets and liabilities are not allocated between geographical sales territories.

Basis of preparation

The interim unaudited consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the (IFRS) Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

Certain accounting entries that are made at the year-end are estimated in these interim unaudited consolidated financial statements.

The accounting policies applicable to these interim unaudited consolidated financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2024.

