ANNUAL REPORT 2018

TCL GROUP
Building a Brighter Future

CEMEX
Building a better future

Contents

Design and Layout: Paria Publishing Co. Ltd.
Cover illustration: freedesignfile / All-free-downloads.com
Printing: Scrip J

Strategic Framework

Vision	Building a Brighter Future
Mission	Create sustainable value by providing industry-leading construction products and solutions to satisfy the needs of our customers in the Caribbean
Strategic Priorities	Health, Safety and Environment Customer Centricity Operational Efficiencies One Company Sustainable Returns
Business Model	We leverage our Group's expertise and footprint to establish best practices and common processes, in order to operate with agility and effectiveness to ultimately create value for all of our stakeholders
Values	Safety Customers Excellence Leadership Integrity

Making Caribbean History

View our interactive historical timeline on
https://www.tcl.co.tt/index.php/about-tcl/company-information/history

Corporate Information

Board of Directors of Trinidad Cement Limited

Mr. Wilfred Espinet (Chairman)

Mr. Francisco Aguilera Mendoza (Deputy Chairman)

Mr. José Luis Seijo González

Ms. Louisa Page Rodriguez

Mr. Arun Goyal

Mr. Ruben McSween

Mr. David Inglefield

Ms. Claudia Emmanuel

Company Secretary

Ms. Michelle Davidson

Managing Director

Mr. José Luis Seijo González

Registered Office

Southern Main Road,
Claxton Bay,
Trinidad & Tobago, W.I.
Phone: (868) 225-8254
Fax: (868) 659-0818
Website: www.tclgroup.com

Bankers

(Local)
Republic Bank Limited
High Street, San Fernando
Trinidad & Tobago, W.I.

First Citizens Bank
38 Southern Main Road
Marabella
Trinidad & Tobago, W.I.

Bankers

(Foreign)
CITIBANK N.A.
111 Wall Street
New York, NY 10043
U.S.A.

Auditors

KPMG
11 Queen's Park East
Port of Spain
Trinidad & Tobago, W.I.

Registrar & Transfer Agent

Trinidad and Tobago Central Depository Limited
10th Floor, Nicholas Tower,
63-65 Independence Square,
Port of Spain,
Trinidad and Tobago, W.I.

Stock Exchanges on which the Company is listed:

Trinidad & Tobago Stock Exchange
10th Floor, Nicholas Tower,
63-65 Independence Square,
Port of Spain,
Trinidad & Tobago, W.I.

Attorneys-At-Law

Jason K. Mootoo
84 Abercromby Street
Port of Spain
Trinidad, W.I.

Girwar & Deonarine
Harris Court, 17-19 Court Street
San Fernando
Trinidad, W.I.

Johnson, Camacho & Singh
5th Floor, Newtown Centre
30-36 Maraval Road
Port of Spain
Trinidad, W.I.

M. Hamel Smith & Co.
Eleven Albion
Corner Dere & Albion Streets
Port of Spain
Trinidad, W.I.

Angelique Bart
11-13 Victoria Avenue
Port of Spain
Trinidad, W.I.

Gitanjali Gopeesingh
1st Floor, 55 Edward Street
Port of Spain
Trinidad, W.I.

Pollonais, Blanc, De La Bastide & Jacelon
17-19 Pembroke Street
Port of Spain
Trinidad, W.I.

Ravi Heffes-Doon
Upper Floor, Abercromby Court
84 Abercromby Street
Port of Spain
Trinidad, W.I.

Rafael Ajodhia
12 Fitt Street
Woodbrook
Port of Spain
Trinidad, W.I.

Reginald T.A. Armour, S.C.
Marie de Vere Chambers
5 Longden Street
Mahatma Gandhi Square
Port of Spain
Trinidad, W.I.

Derek Ali
12 Fitt Street
Port-of-Spain
Trinidad, W.I.

M.G. Daly & Partners
115A Abercromby Street
Port of Spain
Trinidad, W.I.

B. St. Michael Hylton, Q.C.
11A Oxford Road
Kingston 5
Jamaica, W.I.

Trench Rossi Watanabe
SP São Paulo
Edificio EZ Towers Torre A
Rua Arq. Olavo Redig de Campos,
105-31° andar
São Paulo – SP
04711-904
Brazil

Clarke, Gittens, Farmer
Parker House, Wildey Business Park
Wildey Road
St. Michael
Barbados, W.I.

Hughes, Fields & Stoby
62 Hadfield & Cross Streets
Werk-en-rust
Georgetown
Guyana, South America

Patterson Mair Hamilton
63-67 Knutsford Boulevard
Kingston 5
Jamaica, W.I.

Caribbean Juris Chambers
Hannah Waverhouse
P.O. Box 801
The Valley
Anguilla, BWI

Kelsick, Wilkin & Ferdinand
P.O. Box 174
Fred Kelsick Building
Independence Square South
Basseterre
St. Kitts, W.I.

Notice of Meeting

Notice is hereby given that the **ANNUAL MEETING of TRINIDAD CEMENT LIMITED** for the year ended December 31, 2018 will be held at the La Boucan, Trinidad Hilton and Conference Centre, Lady Young Road, Port of Spain, Trinidad, on Friday, May 24, 2019 at 5:00 p.m. for transaction of the following business:

ORDINARY BUSINESS

1. To receive and consider the Report of the Directors and the Audited Financial Statements for the financial year ended December 31, 2018 with the Report of the Auditors thereon;
2. To elect Directors;
3. To appoint Auditors and authorize the Directors to fix their remuneration for the year ending December 31, 2019;
4. To authorize the Board of Directors to fix the remuneration of the Directors; and
5. To transact any other business that may be properly brought before the meeting.

1. Record Date

The Directors have fixed Tuesday, April 2, 2019 as the record date for shareholders entitled to receive notice of the Annual Meeting. Shareholders listed on the Register of Members as at the close of business on that date will be sent formal notice of the meeting along with a proxy form, by mail. A list of such shareholders will be available for examination by shareholders at the registered office of the Trinidad & Tobago Central Depository, 10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain, during usual business hours and at the Annual Meeting.

2. Proxies

Members of the Company entitled to attend and vote at the Meeting are allowed to appoint one or more proxies to attend and vote instead of them. A proxy need not also be a member. Where a proxy is appointed by a corporate member, the form of proxy should be executed under seal or signed by some officer or attorney duly authorized.

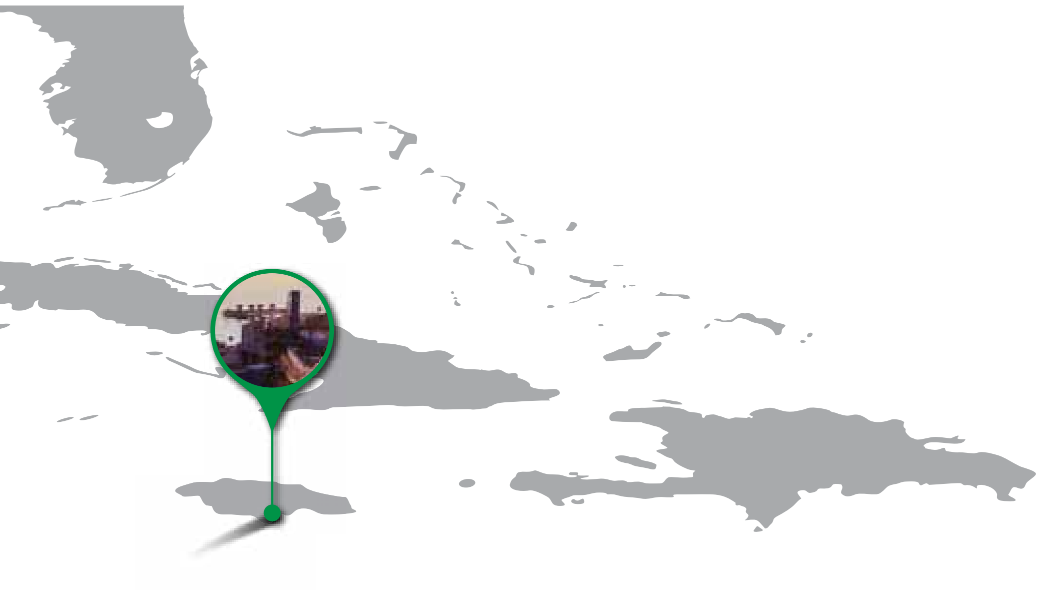
To be valid, the proxy form must be completed and deposited at the registered office of the Trinidad & Tobago Central Depository, 10th Floor, Nicholas Tower, 63-65 Independence Square, Port of Spain, not less than 48 hours (excluding non-business days) before the time fixed for holding the Meeting.

3. Annual Reports

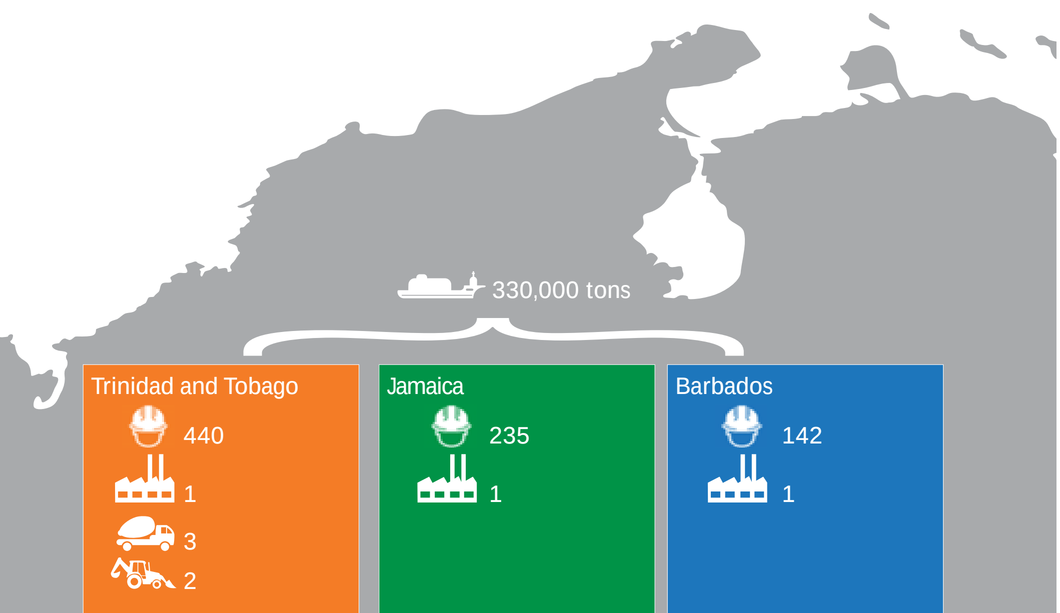
Annual Reports for the year ended December 31, 2018 will be mailed to shareholders listed on the Register of Members as at Tuesday, April 2, 2019.

By order of the Board

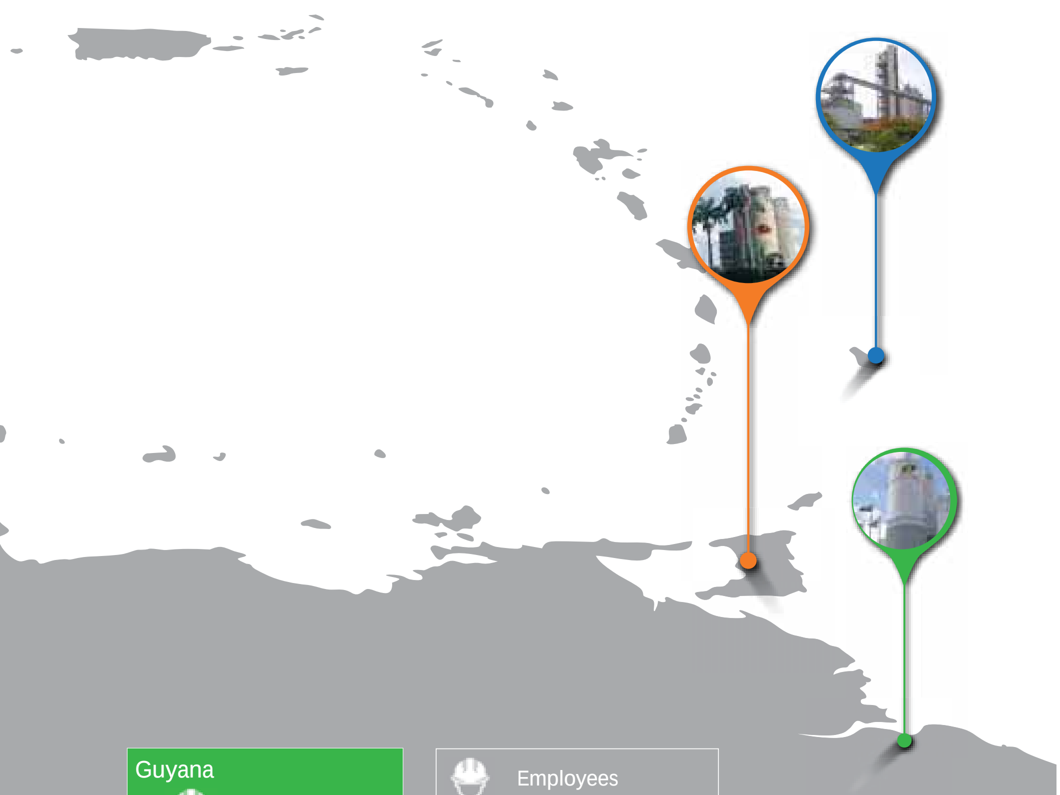
Michelle Davidson
Company Secretary
April 2, 2019



Regional Footprint



TCL celebrates its 65th Anniversary in 2019. As a proud member of the global CEMEX Group, we are strategically located in the Greater and Lesser Antilles and in South America, providing high quality cement and concrete for building projects large and small.



Guyana

Employees	29
Cement Terminal	1
Readymix Plants	1

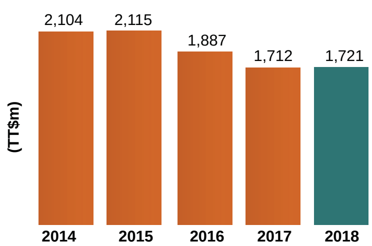
Employees
Cement Plants
Cement Terminal
Readymix Plants
Aggregate Quarries
Exports (tons)

GROUP
Building a Brighter Future

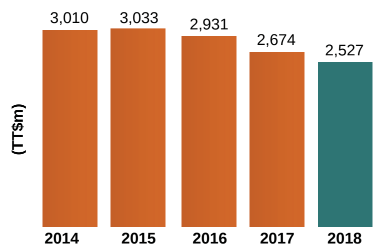
10-Year Consolidated Financial Review

	UOM	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Group Third Party Revenue	TT$M	1,755.80	1,561.10	1,560.86	1,615.89	1,941.05	2,104.81	2,115.45	1,887.01	1,712.57	1,721.12
Operating Profit (Loss)	TT$M	248.10	(1.20)	62.53	(0.76)	271.56	111.08	446.31	224.43	(51.61)	140.72
Group Profit (Loss) before Taxation	TT$M	84.00	(149.60)	(162.05)	(351.74)	33.79	(102.47)	487.49	89.63	(174.74)	56.16
Group Profit (Loss) attributable to Shareholders	TT$M	95.80	(48.50)	(167.17)	(292.91)	58.20	(214.39)	405.11	36.86	(267.57)	(37.66)
Foreign Exchange Earnings	TT$M	327.70	239.30	271.90	279.60	352.00	309.90	298.40	245.70	219.20	229.60
EPS	TT$	0.39	(0.20)	(0.68)	(1.19)	0.24	(0.87)	1.19	0.10	(0.72)	(0.10)
Ordinary Dividend per Share	TT$	-	-	-	-	-	-	-	0.04	0.02	-
Issued Share Capital – Ordinary	TT$M	466.20	466.20	466.20	466.20	466.20	466.20	827.73	827.73	827.73	827.73
Shareholders' Equity	TT$M	1,459.70	1,424.90	781.99	485.72	561.53	276.98	963.29	997.58	736.35	669.35
Group Equity	TT$M	1,579.30	1,517.30	810.26	461.07	536.30	245.53	950.97	990.53	719.31	671.83
Total Assets	TT$M	4,034.40	4,120.90	3,506.48	3,452.76	3,399.14	3,010.00	3,033.08	2,931.10	2,674.86	2,527.01
Net Assets per Share	TT$	6.32	6.07	3.24	1.85	2.15	0.98	2.54	2.64	1.92	1.79
Return on Shareholders' Equity	%	6.60	(3.40)	(21.38)	(60.30)	10.36	(77.40)	42.05	3.69	(36.34)	(5.63)
Share Price (Dec 31)	TT$	3.85	2.80	1.79	1.49	2.20	2.50	3.99	4.40	3.75	2.73
No. of Shares Outstanding (Dec 31)	'000	249,765.00	249,765.00	249,765.00	249,765.00	249,765.00	249,765.00	374,647.70	374,647.70	374,647.70	374,647.70
Market Capitalisation (Dec 31)	TT$M	961.60	699.30	447.08	372.15	549.48	624.41	1,494.84	1,648.45	1,404.93	1,022.79
Total Long Term Debt	TT$M	1,359.00	1,242.90	1,678.40	2,046.12	1,951.80	1,848.90	1,166.06	968.50	913.11	941.59
Total Long Term Debt/ Equity Ratio	%	86.10	81.90	207.14	443.78	363.94	753.03	122.62	97.78	126.94	140.15

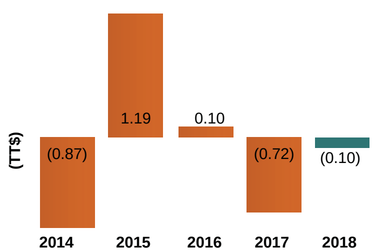
Group Third Party Revenue



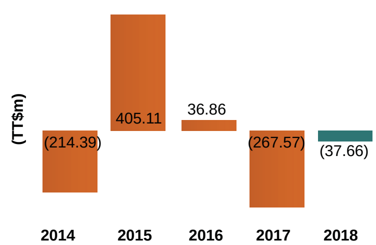
Group Total Assets



Earnings (Loss) per Share



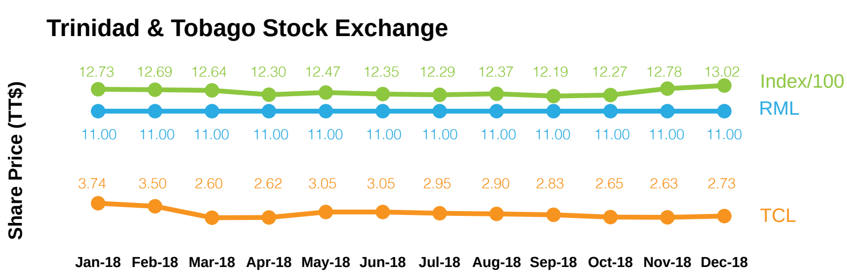
Group Profit (Loss) Attributable
to Shareholders



Share Performance

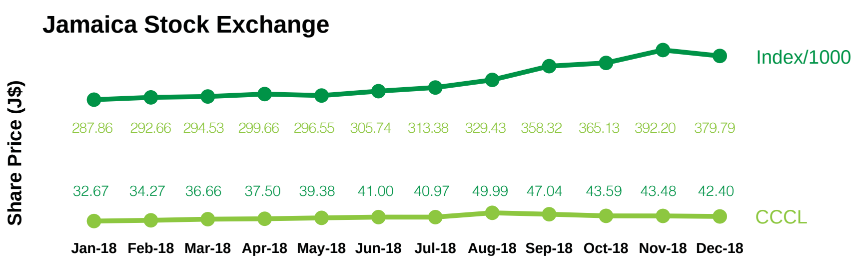
TTSE - www.stockex.co.tt	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Volume - TCL	113,628	213,057	75,406	603,916	67,366	147,287
Volume - RML	0	0	0	0	0	0

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	TOTAL
Volume - TCL	331,675	590,006	94,553	53,179	717,664	26,916	3,034,653
Volume - RML	4,792	0	0	0	0	0	4,792

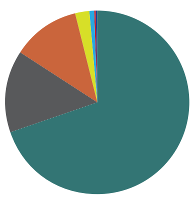


JSE - www.jamstockex.com	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Volume - CCCL	941,654	2,836,568	2,214,679	1,247,839	1,859,350	1,685,544

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	TOTAL
Volume - CCCL	1,567,545	1,255,258	1,445,278	1,345,393	337,353	3,139,856	19,876,317



Distribution of Shareholding



Category	% Distribution
Sierra Trading	69.83%
Individuals	14.43%
NIB	11.92%
Banks/Pension Funds/Credit Unions	2.66%
Other Foreign Investors	0.76%
Unit Trust	0.34%
Insurance Companies	0.06%

Group Performance Highlights

Group Performance Highlights		2018	2017	% Change
Income Statement				
Group Third Party Revenue	$m	1,721.12	1,712.57	0.5%
Group (Loss)/Profit Attributable to Shareholders	$m	(37.66)	(267.57)	85.9%
Foreign Exchange Earnings	$m	229.55	219.21	4.7%
Balance Sheet				
Total Assets	$m	2,527.01	2,674.86	-5.5%
Shareholders' Equity	$m	669.35	736.35	-9.1%
Net Assets per Share	$	1.79	1.92	-6.6%
Total Long Term Debt	$m	941.59	913.11	-3.1%
Total Long Term Debt to Equity Ratio	%	140.15	126.94	-10.4%

Operational Highlights			2018	2017	% Change
TCL	Clinker production	'000 tonnes	587.4	557.6	5.4%
CCCL	Clinker production	'000 tonnes	613.0	691.6	-11.4%
ACCL	Clinker production	'000 tonnes	200.3	173.8	15.2%
TPL	Paper sack production	millions	28.0	26.9	4.1%
TPM	Sling/Bag production	thousands	442.4	467.1	-5.3%

Chairman's Report

Wilfred Espinet
(Chairman)

A Focus on our Priorities

Throughout 2018, the TCL Group continued to honour its commitment of providing a safe work environment for employees, contractors and visitors. This was demonstrated through the many investments in our plants and programmes to drive robust health and safety standards for the well-being of the Company's most valuable asset - Our People.

The accomplishment of two consecutive years with no "Lost Time Injuries" (LTIs) at ACCL and RML, and TCL Ponsa Manufacturing Limited's achievement of eleven years without an LTI are exemplifications of the Group's steadfastness in this significant area. The Group's ongoing health and safety thrust also supports the Company's focus on customer centricity through enhanced customer experiences and the assurance of consistent supplies of cement products and services from our operations across the region, which are aligned with the highest international standards.

TCL Group Guyana Operations

As part of the Group's dedication to continue nurturing its operations in Guyana and contributing to the development of the country, TCL has acquired the 20% stake in TCL Guyana Inc., which was held by primary investors. TCL Guyana Inc. is now wholly owned by the TCL Group. Additionally, in the latter half of 2018, the TCL Group commenced readymix operations in Guyana, with a fully operational facility that manufactures and supplies concrete to the market.

Redemption of Preference Shares and Termination of the Operating Lease

TCL and CCCL entered into a Memorandum of Understanding ("MOU") dated March 16, 2018. Pursuant to the terms of this MOU, on April 27, 2018, TCL and CCCL entered into a Lease Termination Agreement and an Equipment Sale and Purchase Agreement for the sale of the assets that were subject to a Lease Agreement that had been entered into in July 2010. The equipment sold by TCL to CCCL mainly consists of the Kiln 5 and Mill 5 processes at CCCL's Rockfort, Kingston, Jamaica facility. CCCL has since paid the purchase price of the equipment to TCL with proceeds from loans procured from CEMEX España S.A.

Also pursuant to the terms of the MOU dated March 16, 2018, on July 6, 2018, TCL and CCCL entered into a Preference Share Redemption Agreement for the redemption of an aggregate number of fifty-two million preference shares held by TCL that were issued by CCCL in 2010 and 2013. On December 21, 2018, CCCL took the decision to partially redeem 3,928,603 preference shares out of the 15,000,000 preference shares issued to TCL in 2010. These transactions stimulated improvements on CCCL's balance sheet.

Financing

During the period in review, the Group continued to renegotiate its loans to align the maturity profile and currency mix with the medium term cash generation requirements and to maintain flexibility to meet its funding needs. TCL entered into two loan agreements on July 24, 2018. The first of these is a loan agreement with Citibank (Trinidad and Tobago) Limited as lender in the principal amount of TTD $110,000,000.00 and the second is a loan agreement with First Citizens Bank Limited for an aggregate principal amount of up to TTD $210,000,000.00. The proceeds of these loans are being used for general corporate purposes as well as the prepayment of the April 26, 2017 loan, which TCL had with First Citizens Bank. In keeping with our strategy of aligning our debt servicing obligations, CCCL negotiated a JMD $3 billion loan with NCBJ on November 30, 2018. Proceeds of this facility were used to pay down USD $23.6 million, which reduces CCCL's US Dollar debt.

Financial Performance

For the year ended 2018, Net Group Sales were $1.7 billion, although flat year on year, the Group generated positive Earnings before interest, tax, depreciation, gain on disposal of property, plant and equipment, restructuring costs and impairment of $343 million - an 8% increase in comparison to 2017. This increase along with an overall reduction in net one-off restructuring costs resulted in a loss for the period of $7 million, an improvement of approximately $250 million in comparison with the position as at year-end 2017.

Strategic Priorities and Outlook

Our strategic plan remains focused on strengthening all aspects of the Group's performance.

Our priority remains the achievement of a strong foundation for a safe and healthy future for all our stakeholders. We will continue managing our cost base and asset efficiencies, to ensure that our cash flow generation remains steady to support the Group's requirements.

We are also optimistic about our export potential. We continue to identify new markets and deepen our presence in existing markets, while launching and implementing key value propositions as part of our customer centric strategy. Furthermore, we will continue investing in our plants to enhance operational efficiencies and to offer our customers products and services that meet global quality standards.

We believe this is the key to the competitiveness and sustainability of our business.

Board Changes

Mr. Nigel Edwards tendered his resignation from the Board of Directors of the company, effective March 25, 2018. We welcomed Ms. Claudia Emmanuel, who was appointed to the Board on September 25, 2018 to fill the vacancy created by Mr. Edwards.

We thank Mr. Edwards for his exemplary service and contribution to the Group.

Acknowledgements

Our success is predicated on the contribution of each stakeholder and we are truly appreciative of your support during the year:

- The sustained confidence of our shareholders who have invested in the Group.
- Fellow directors who continue to advance the Group's strategic and operational vision.
- The commitment and hard work of the management teams, who collaborate to improve organisational efficiencies and production in line with the Group's vision.
- The employees who contribute towards the successful functioning of the Group and their representative trade unions.
- The unwavering support of our customers and end-users, who continue to demonstrate their confidence in our brands.
- The continued support of neighbouring communities.

We remain confident in the overall strategic plan and commercial direction of the TCL Group and look forward to another year of safe practices and improved performance in every aspect of our operations.

Wilfred Espinet
Group Chairman

Our Board

Left-right:
Mr. Wilfred Espinet (Chairman)
Mr. Francisco Aguilera Mendoza (Deputy Chairman)
Mr. José Luis Seijo González
Ms. Louisa Page Rodriguez

Left-right:
Mr. Arun Goyal
Mr. Ruben McSween
Mr. David Inglefield
Ms. Claudia Emmanuel

About Our Board of Directors

The Board of Directors is responsible for setting the strategic aims of the organisation, by reviewing and approving corporate strategy, major plans of action, annual budgets and business plans. It has the statutory authority and obligation to act honestly and in good faith, with a view to the best interests of all shareholders as well as the interests of the Company's employees in general. Full details of the Board's responsibilities and duties can be downloaded from this website: http://www.tclgroup.com/about-tcl-group/article/corporate-governance.

The Board is comprised of the following directors:

Wilfred Espinet

Non-Executive Director and Chairman of the Board

Mr. Wilfred Espinet was appointed to the Board in August 2014. He is a businessman with considerable international experience in Manufacturing, Shipping and Retail industries in several countries. He is a former Director of Associated Brands Industries Limited; Managing Director of Consolidated Biscuits Ltd. and Chocolate Products Ltd. in Malta and President Director General of Cheval Blanc S.A. in France. He is a Past President of the Trinidad and Tobago Manufacturers' Association.

Mr. Espinet is also the Chairman of Aeromarine International Logistics Company, which has operations in North America, Central America and the Caribbean, and Mayfair, a Cosmetic Retailer with outlets throughout the Caribbean.

Francisco Aguilera Mendoza

Non-Executive Director and Deputy Chairman

Mr. Francisco Aguilera Mendoza was appointed to the Board in August 2014. He is the Vice President of CEMEX South, Central America and the Caribbean Region. Mr. Aguilera Mendoza was appointed to this position in October 2016 and prior to this, was responsible for the trading of cement and clinker for CEMEX in the Americas, including the Caribbean Region.

Mr. Aguilera Mendoza joined CEMEX in June 1996, and has held positions in various areas throughout CEMEX's US operations including Logistics Manager, Sales Administration Director, Aggregate Operations VP, and VP & General Manager for the Concrete Pipe Division; and VP of Trading for Europe, Middle East, Africa and Asia, based in Madrid, Spain. He has extensive experience in the building materials industry, especially in fields such as general management, logistics operations, international commerce and post-merger integrations.

Mr. Aguilera Mendoza holds an MBA with a Major in Operations from the Kellogg Graduate School of Management of Northwestern University, and a BSc in Mechanical and Industrial Engineering from the Monterrey Institute of Technology, Mexico.

José Luis Seijo González

Managing Director

Mr. José Luis Seijo González was appointed Managing Director of the TCL Group effective May 20, 2016. Prior to this, he held the position of Chief Executive Officer of the TCL Group, from May 04, 2015. He has had many years of experience in the cement industry, having worked in several key cross postings at CEMEX. The most recent posting, before taking up his appointment at TCL, was that of Head - Strategic and Financial Planning for Spain and the Mediterranean region.

Mr. Seijo joined CEMEX in 1999, initially in the area of production before moving to strategic planning at the company's operations in Spain. His vast experience incorporates assignments in Mexico in corporate strategic planning, in Israel as Chief Financial Officer, in Bangladesh as Chief Executive Officer and in Latvia, also as Chief Executive Officer.

He holds a BSc in Mechanical Engineering with a Master's Degree in Finance from the University of Bath, United Kingdom.

Claudia Emmanuel

Non-Executive Director

Ms. Claudia Emmanuel was appointed as a Director of Trinidad Cement Limited on September 25, 2018. Ms. Emmanuel is a multi disciplinary and multi jurisdictional Lawyer and Director with a BA Hons in Economics who possesses two decades of solid corporate and commercial experience.

Ms. Emmanuel was the former President/ Cofounder of Emunite Fiscal Solutions Limited and Emunite Energy Solutions Limited. These companies focused on economic development via sustainable renewable energy projects. She served as the CEO of the Trinidad and Tobago Securities Exchange Commission, and assumed executive responsibility for the day-to-day management of the Commission and responsibility for the regulation of the securities industry within Trinidad and Tobago.

Ms. Emmanuel was a Director and Head of Legal for State Street Global Advisors Limited (an asset management company), State Street Unit Trust Management Limited (a unit trust company) and Managed Pensions Funds Limited (an insurance company). Her remit spanned Europe, the Middle East and Africa wherein she advised these financial institutions and investors on all legal, risk management and regulatory aspects of transactions and corporate activity within the financial markets. Upon qualification as a lawyer, she joined the law firm Clifford Chance LLP where she advised on various private equity and corporate projects.

Louisa Page Rodriguez

Non-Executive Director

Ms. Louisa Rodriguez was appointed to the Board effective September 8, 2017. She is a Managing Director of CEMEX located in the New York office.

Ms. Rodriguez has over twenty-six years' experience in international finance and capital markets. She joined CEMEX in 2006 in the Investor Relations Department where she has been involved in more than $15 billion of equity and fixed income fundraising efforts. In addition, she represents the company in the international financial community. Prior to CEMEX, Ms. Rodriguez spent 15 years at Citibank where she worked in capital markets origination, debt syndicate and securitization financing for Emerging Market issuers. In her early career, she worked for KPMG in their Audit Department.

Ms. Rodriguez holds a B.A. in Economics from Trinity College (Hartford Ct.), a Masters in Business Administration from New York University and a Masters from Columbia University School of International and Public Affairs. She is a Certified Public Accountant (lapsed).

David Inglefield

Non-Executive Director

Mr. David Inglefield's career in advertising has spanned thirty-six years. Starting in 1969 at Trinity Advertising, he became Managing Director in 1978 and in 1981 merged the business with Corbin Compton Caribbean, a major international agency in the Region. He was appointed CEO of Corbin Compton in 1982 until he resigned in 1993 and founded Inglefield, Ogilvy & Mather.

Recognized as one of the leaders in the Caribbean on Strategic Business and Brand Development, in October 2003, he brought his considerable knowledge and experience to the ANSA McAL Group as a Parent Board Director and member of the Group's Executive Committee. As Group Marketing Director, he played a decisive role in the acquisition of the Bryden's Group in Barbados and its successful integration into the Group's distribution business in Barbados.

During the period 2005 to 2015, Mr. Inglefield served in various capacities within the ANSA McAL Group, including Group Distribution Sector Head, President/CEO ANSA McAL (Barbados) Ltd, Sector Head/ Executive Chairman of Guardian Media Limited as well as Chairman of the Services & Retail Sectors.

Mr. Inglefield retired from the ANSA McAL Group in June 2015 and is now an active business consultant to major businesses in the Energy and Construction Sectors.

Mr. Inglefield was appointed as a Director of Trinidad Cement Limited on June 22, 2017. He is also on the Board of First Citizens Bank Limited, a Director of First Citizens Trustee Services Limited, First Citizens Investment Services Limited, First Citizens Investment Services (Barbados) Limited and First Citizens Bank (Barbados) Limited.

He is also the Chairman and a Director of Inglefield, Ogilvy & Mather.

Ruben McSween

Non-Executive Director

Mr. Ruben McSween was appointed to the Board in July 2015. He has been serving as Founder/President of Eve Financial Services Limited since February 2012. Effective February 1, 2016 Mr. McSween was elected as the Deputy Chairman of the National Insurance Board of Trinidad and Tobago.

Mr. McSween has over thirty-five years' experience in the local and international financial services sector having held senior positions in areas such as investments, operations and business development including the position of Vice President, Customer Service at the Trinidad and Tobago Unit Trust Corporation ("UTC"). He is currently a Director and Executive Committee Member of the Employers' Consultative Association ("ECA"); Director - Caribbean Employers' Confederation; Director – UTC; and Alternative Member - Registration and Recognition Board.

Mr. McSween has been a past Chairman of the ECA; President - Rotary Club of Central POS, President - United Nations of Trinidad and Tobago and Chairman - Beetham Gardens Organising Committee.

Mr. McSween holds a BSc in Finance (1st Class Honours), BSc in Accounting (2nd Class Honours) from Southeastern University and a Master of Business Administration (MBA) from Howard University in Washington, DC. In 1984, he was one of thirty outstanding students throughout the USA who was granted a one-year scholarship to understudy the American System of Government and Politics.

Arun Goyal

Non-Executive Director

Mr. Arun Goyal was appointed to the Board of Trinidad Cement Limited in December, 2015.

A long-standing member of the TCL Group, Mr. Goyal has held several instrumental roles including that of General Manager of Trinidad Cement Limited & Caribbean Cement Ltd, Group Manufacturing Development Manager and Director on the Board of Readymix (W.I.) Limited.

Prior to his appointment as General Manager in 1995, Mr. Goyal, a Chemical Engineer, also served in the capacity of Operations Manager, Senior Process Engineer and Assistant Operations Manager at TCL and Process Engineer at Guyana Mining Enterprise Ltd, Guyana and Industrial Gases Ltd, Trinidad.

Mr. Goyal has been past member of the Board of Directors of APCAC – Association of Cement Manufacturers of Central America, Caribbean and Latin America, FICEM (Federación Interamericana del Cemento), South Trinidad Chamber of Industry & Commerce and Rotary Club of Pointe-a-Pierre. Mr. Goyal is Fellow of the Association of Professional Engineers of Trinidad and Tobago and recipient of its Career of Excellence Award in 2009.

Mr. Goyal also serves as Chairman of TCL Packaging Limited; TCL Ponsa Manufacturing Limited; and Arawak Cement Company Limited.

New Candidate Proposed for Election

The National Insurance Board of Trinidad and Tobago (the "NIBTT") holds 12.04% of the total issued share capital of Trinidad Cement Limited ("TCL" or "the Company"). Given the NIBTT's significant shareholding in the Company and the notification from their current nominee Director – Mr. Ruben McSween, that he will not offer himself for re-election at the next Annual Meeting of TCL, Ms. Patricia Narayansingh has been proposed by the NIBTT as a candidate for election.

Patricia Narayansingh, FCCA, ACIB is passionate about utilising the extensive knowledge, skills and hands on experience gained during her 40+ year career in accounting, auditing, banking and financial and administrative management, to positively impact and uplift the level of corporate governance in T&T and assist the next generation of leaders in their journey to self improvement and self fulfillment. She is committed to excellence and has established a reputation for attention to detail, critical analysis and an excellent work ethic.

Having held positions ranging from Chief Financial Officer and Manager, Corporate Lending of Republic Bank Limited and Chief Internal Auditor and subsequently Chief Administrative Officer of the RBC Financial Caribbean Group as well as being a Member, Chair and Audit Committee member on the boards of a number of companies within RBC Financial Caribbean Group and Aon Energy Caribbean Limited, she has an in-depth appreciation of organisational realities.

She currently sits on the Boards of The Heroes Foundation and the Water and Sewage Authority and is also an alternate director on the National Insurance Board. Additionally she volunteers as a Financial Consultant for the Roman Catholic Archdiocese of Port of Spain.

Directors' Report

The Directors have pleasure in submitting their Report and the Audited Financial Statements for the year ended December 31, 2018.

Financial Results	**TT$'000**
Turnover	1,721,123
Net Earnings for the Year	(7,012)
Dividends Paid	Nil

Directors' Interest (Ordinary Shares of TCL)

Name	Position	Direct Holdings at 31-12-18	Indirect Holdings at 31-12-18
Wilfred Espinet	Chairman	Nil	200
Francisco Aguilera Mendoza	Director/Deputy Chairman	Nil	Nil
José Luis Seijo González	Managing Director	Nil	Nil
Louisa Page Rodriguez	Director	Nil	Nil
Claudia Emmanuel	Director	Nil	Nil
Arun Goyal	Director	Nil	Nil
David Inglefield	Director	Nil	Nil
Ruben McSween	Director	Nil	45,109,609

Senior Officers' Interest (Ordinary Shares of TCL)

Name	Position	Direct Holdings at 31-12-18	Indirect Holdings at 31-12-18
Rodolfo Martinez Martin	General Manager – TCL (Former)	Nil	Nil
Guillermo Rojo De Diego	General Manager – TCL	Nil	Nil
Michelle Davidson	Group Manager Legal/Company Secretary	Nil	Nil
Gewan Armoogam	Group Internal Control Manager	7,732	Nil
Maria Boodoo	Group Internal Audit Manager	Nil	Nil
Peter Donkersloot	General Manager – CCCL	Nil	Nil
Yago Castro Izaguirre	General Manager – ACCL	Nil	Nil
Nigel Tozer	General Manager – RML	Nil	Nil
Luis Ali Moya	Group Finance Manager	Nil	Nil
Bernardo Cioni Diaz	Group Strategic Planning Manager	Nil	Nil
Miguel Estrada Sanchez	Group Operations Manager	Nil	Nil
Juan Carlos Mendoza	Group Procurement Manager	Nil	Nil
Khalid Rahaman	Group Technology & Information Manager	6,425	Nil
Bonnie Alexis	Human Resource Manager/Group Coordinator	1,210	Nil

Dividends

No Dividends were paid to shareholders in the year ended December 31, 2018.

Substantial Interests

(A substantial interest means a beneficial holding of 5% or more of the issued share capital of the Company).

	Holdings at 31-12-18	% of Issued Share Capital at 31-12-18
Sierra Trading (Cemex S.A. de C.V.)	261,623,911	69.83%
The National Insurance Board of T&T	45,109,609	12.04%

Service Contracts & Directors

There exists a Technical and Managerial Services Agreement dated April 23, 2015 (as restated) between TCL and CEMEX, S.A.B. de C.V. (“CEMEX”), pursuant to which CEMEX provides support to TCL by making available, suitable, qualified and experienced executives to fill key positions, and to provide training as well as technical assistance to support the Group’s trading and shipping departments.

There also exists a contract between David Inglefield (Director) and Trinidad Cement Limited dated July 14, 2017, as extended from time to time, pursuant to which Mr. Inglefield provides consultancy advice on the TCL Group’s communication strategy. This contract is due to expire on June 30, 2019.

BY ORDER OF THE BOARD

MICHELLE DAVIDSON
Company Secretary

Corporate Governance

TCL Group – Board Sub-Committees

Governance Committee

The TCL Group recognises that a robust corporate governance system redounds to the overall benefit of the organization by fostering better performance and by facilitating a lower risk of malfeasance as well as a lower cost of capital. Based on the guiding principles of fairness, transparency and accountability, the Company strives to maintain a high standard of corporate governance through the establishment of a comprehensive and efficient framework of policies, procedures and systems and the promotion of a responsible corporate culture throughout the Group. The TCL Group is committed to adhering to the principles and practices of good corporate governance and the Governance Committee, a Subcommittee of the Board, establishes the foundations for compliance.

Members:

- Mr. Arun Goyal (Chairman)
- Mr. Francisco Aguilera Mendoza (Member)
- Mr. David Inglefield (Member)
- Mr. José Luis Seijo González (Managing Director)
- Ms. Michelle Davidson (Recording Secretary)

The role of the Corporate Governance Committee is reflected on the Company's Website – www.tclgroup.com

Audit Committee

The Audit Committee is a Subcommittee of the Board charged with the responsibility for:

1. Appointment and ongoing assessment of the External Auditors;
2. Reviewing and advising the Board on the integrity of financial statements;
3. Oversight of the establishment, implementation and assessment of the Risk Management Function;
4. Ensuring that an effective system of internal controls is established and maintained;
5. Assessing compliance with applicable laws and regulations; and
6. Monitoring and assessing the internal audit function.

Members:

- Ms. Claudia Emmanuel (Chairman)
- Mr. Arun Goyal (Member)
- Mr. David Inglefield (Member)
- Ms. Louisa Page Rodriguez (Member)
- Ms. Maria Boodoo (Recording Secretary)

Finance Committee

The objectives of the Board Finance Committee are two-fold:

1. To enhance the financial strength and shareholder value of the TCL Group by providing guidance and recommendations on issues which have a major financial impact on the TCL Group; and
2. To enhance communication and understanding between TCL Group's management and the Board on financial matters.

A summary of the unofficial terms of reference of the Finance Committee follows:

1. Review all significant issues of a financial nature before they are presented for consideration to the Board;
2. Review the adequacy and sourcing of working capital for the TCL Group;
3. Evaluate and recommend proposals for the ongoing long term financing of the TCL Group;

4. Examine and/or develop proposals for reducing the tax obligation of the TCL Group and the efficient management of its tax affairs;
5. Review annual budgets and five year plans for the TCL Group before submission for approval to the Board;
6. Examine and/or develop solutions for problems of a financial nature arising from changes in accounting standards, tax regulations and governmental legislation;
7. Develop a set of financial objectives for the TCL Group; and
8. Determine the appropriate capital structure for the TCL Group.

Members:

- Ms. Louisa Page Rodriguez (Chairman)
- Ms. Claudia Emmanuel (Member)
- Mr. Luis Ali Moya (Group Finance Manager)
- Mr. Osben Cuffie (Recording Secretary)

Human Resource Committee

In order to ensure excellence in TCL Group's human capital and cultural initiatives, the Human Resource Committee's strategic direction and vision are aligned to the Company's strategic plan. The following categories of policies are administered by the Human Resource Committee:

- Talent acquisition
- Organization capacity building
- Performance management
- Executive development
- Organizational structure and design
- Employee wellness

A summary of the Terms of Reference of the Human Resources Committee follows:

1. To formulate policies for the TCL Group's Human Resource Management function and to make recommendations to the Board for approval and adoption;
2. To review, approve and ensure compliance with existing administrative policies and recommend to the Board the adoption of proposals for all senior managers and executives across the TCL Group;
3. To ensure that the TCL Group Human Resource function provides efficient services to all Subsidiaries utilizing equitable, transparent and contemporary performance management measures and systems; and
4. To act autonomously and approve on its own account specific human capital initiatives and recommendations that fall within the overall ambit of pre-existing Board approved policies and systems.

Members:

- Mr. Ruben McSween (Chairman)
- Mr. David Inglefield (Member)
- Mr. José Luis Seijo González (Managing Director)
- Ms. Bonnie Alexis (Human Resource Manager/Group Coordinator)

Group Executive Committee

Left-right:
Mr. José Luis Seijo González
Mr. Peter Donkersloot Ponce
Mr. Guillermo Rojo de Diego
Mr. Juan Carlos Mendoza

Left-right:
Mr. Gewan Armoogam
Mr. Luis Gilberto Ali Moya
Ms. Michelle Davidson

Left-right:
Mr. Nigel Tozer
Ms. Maria Boodoo
Mr. Bernardo Cioni Diaz
Ms. Bonnie Alexis

Left-right:
Mr. Yago Castro Izaguirre
Mr. Miguel Roberto Estrada Sanchez
Mr. Khalid Rahaman

José Luis Seijo González

Managing Director

(see profile on page 18/19)

Peter Donkersloot Ponce

General Manager, Caribbean Cement Company Limited

Mr. Peter Donkersloot Ponce was appointed General Manager of Caribbean Cement Company Limited effective November 7, 2016. Mr. Peter Donkersloot Ponce has over thirteen years working experience in the Cement Industry, holding key positions in five different countries (Jamaica, Panama, Peru, El Salvador and Guatemala). His experience ranges in Commercial Operations, Logistics, Risk Assessment, Management Strategic Planning and General Management.

Mr. Donkersloot Ponce holds a Global Masters of Business Administration (MBA) from the Thunderbird School of Global Management along with professional qualifications in Industrial Engineering from the Monterrey Institute of Technology (ITESM), Mexico. Mr. Donkersloot Ponce is fluent in both the Spanish and English Language.

Guillermo Rojo De Diego

Country Manager for Trinidad and Tobago - TCL, RML, TPL, TPM.

Mr. Guillermo Rojo de Diego was appointed Country Manager for Trinidad and Tobago on February 6, 2019. Prior to this appointment, he held the position of Country Manager, CEMEX Guatemala for three and a half years.

Experienced professional with a 20-year history of working in the building materials industry in Spain, Morocco, Italy, Guatemala and now Trinidad and Tobago. Mr Rojo de Diego assumed growing responsibilities within several CEMEX holding companies in a variety of areas such as technical, commercial, operations management and strategic planning in various businesses such as cement, concrete, mortar and aggregates.

Mr. Rojo de Diego holds an International MBA from INSEAD, France, along with a major degree in Geological Sciences from Universidad Complutense de Madrid, Spain & Universidade de Ciencias de Lisboa, Portugal. Mr Rojo de Diego is fluent in Spanish, English and French.

Juan Carlos Mendoza

Group Procurement Manager

Mr. Juan Mendoza was appointed as the TCL Group Procurement Manager on May 4, 2015. He has thirty-six years' experience in the mining and cement industry, with particular focus on procurement, negotiations and inventories management. His most recent position, prior taking up an appointment at TCL, was as Procurement Manager (CEMEX) in Miami, Florida.

Mr. Mendoza joined CEMEX on July 22, 1982. During his tenure, he was involved in Post-Merger Integration (PMI) in Australia and the USA, as well as Due Diligence (DD) in India, Gabon among other countries.

He has held several positions at CEMEX including, Supply Planning Manager, Mexam Trade (Texas); Procurement Manager (Texas) and Manager: Purchases and Materials/Stock (Venezuela).

Mr. Mendoza's key areas of expertise include: Customs Law, Shipping Insurance, Material Coding and Classification as well as International Business.

Gewan Armoogam

Group Internal Control Manager

Mr. Gewan Armoogam has been with the TCL Group for over twenty-four years and has worked in the Finance and Internal Audit functions. Mr. Armoogam was appointed as the Group Internal Control Manager effective November 1, 2017.

Prior to his appointment Mr. Armoogam previously held the position of Group Internal Auditor and has a wealth Internal Audit experience in the Cement, Premix and Packaging operations.

Mr. Armoogam is ACCA qualified and is also a member of the Institute of Internal Auditors. He holds certification as a Lead Auditor of the ISO 9001 Quality Management System and is currently pursuing an Executive MBA at the Arthur Lok Jack Graduate School of Business, Trinidad.

Luis Gilberto Ali Moya

Group Finance Manager

Mr. Luis Gilberto Ali Moya was appointed as the Group Finance Manager, effective January 1, 2016. Prior to joining the TCL Group, Mr. Ali Moya served in the positions of: Financial and Cost Analyst (Cemex, Venezuela); Business Process Coordinator (D.H.L, Costa Rica); and most recently, as Business Service Organization Manager (Cemex, Costa Rica).

Mr. Ali Moya earned his Bachelor of Accounting degree from the Universidad Católica “Andres Bello” in Caracas, Venezuela (1997). He then went on to attain a Master of Business Administration degree from the Universidad Latinoamericana de Ciencia y Tecnología in San José, Costa Rica (2009).

Michelle Davidson

Group Manager Legal/ Company Secretary

Ms. Michelle Davidson was appointed Group Manager-Legal/Company Secretary of the TCL Group effective June 1, 2018. Prior to this, she held the position of Group Legal Counsel/Company Secretary of Arawak Cement Company Limited and TTLI Trading Limited.

Ms. Davidson is an Attorney-at-Law with experience in corporate, commercial and employment law. Prior to joining the TCL Group in 2016, Ms. Davidson practised law at a regional corporate law firm in the corporate and commercial litigation department.

Ms. Davidson obtained a Bachelor of Laws (LL.B) (Honours) Degree from the University of the West Indies and a Legal Education Certificate (LEC) of Merit from the Hugh Wooding Law School, St. Augustine, Trinidad. She is currently pursuing a Master of Laws (LL.M) Degree in Corporate Commercial Law, at the University of the West Indies, Cave Hill, Barbados.

Nigel Tozer

General Manager - Readymix (West Indies) Limited

Mr. Nigel Tozer was appointed General Manager of Readymix (West Indies) Limited in October, 2017. Mr. Tozer has over thirty years of practical experience in the Readymix & Aggregate Industries throughout the United Kingdom. He was formerly with the RMC Group and joined CEMEX in 2005. His past positions include both Commercial and Operational roles at various levels in the business.

Mr. Tozer has completed the Institute of Leadership & Management programme (ILM) and is NEBOSH certified, being fully conversant with all aspects of Health and

Safety management within the Industry. In addition, he is also a distinction student of the Sandler Commercial Academy.

Maria Boodoo

Group Internal Audit Manager

Ms. Maria Boodoo was appointed Group Internal Audit Manager in November 2017. Ms. Boodoo has over twelve years of progressive experience, with eight years of her career at a managerial level. She specializes in the field of internal & external auditing, forensic auditing, internal controls and policy development and compliance management. She has also accumulated knowledge and experience in relation to financial management, analytics and forecasting.

Ms. Boodoo's competencies and expertise was established through her career practice in the areas of; oil & gas, manufacturing, financial and banking sector, educational sector, mining and aggregates operations and the telecommunications sector, having worked with state enterprises and private corporations, such as Ernst & Young (T&T), Digicel Group / Digicel Trinidad & Tobago.

Ms. Boodoo is a registered Fellow Charted Certified Accountant (FCCA) and a Certified Forensic Auditor (FCPA), she also holds a Bachelor of Science Degree – Special in Accounting (BSc) from the University of the West Indies.

Bernardo Cioni Diaz

Group Strategic Planning Manager

Mr. Bernardo Cioni Diaz was appointed Group Strategic Planning Manager with effect from November 1, 2017. He has over thirteen years of experience in the cement industry, having worked in several key cross postings at CEMEX. The most recent posting, before taking up his appointment at the TCL Group, was that of Business Development Manager for Arizona, California and Pacific Northwest for CEMEX USA Inc.

Mr. Cioni joined CEMEX in 2006 in the area of strategic planning at the company's operations in the Caribbean. His vast experience also incorporates assignments in Europe, the Middle East, Africa and USA.

He holds a B.Sc. in Accounting with an Executive Master's Degree in Finance from the IEB School of Finance and an Executive MBA from the London Business School.

Bonnie Alexis

Human Resources Manager and Group Coordinator, Trinidad Cement Limited

Ms. Bonnie Alexis joined TCL in January 2014 as the HR Business Partner and was promoted to Industrial Relations Manager in 2015. In August 2016, she was elevated to the position of Human Resource Manager/ Group Coordinator.

While Ms. Alexis' human resource background is rooted in industrial relations, she has developed a broad knowledge base that has allowed her to successfully practice as a generalist, accredited to her twenty-seven years of professional life. Before joining TCL, she served as an executive member of a prominent trade union in Trinidad and Tobago and has held the position of Industrial Relations Officer/ Manager in state and private enterprises.

Ms. Alexis is a member of the Society for Human Resource Management (SHRM) and the Human Resources Management Association of Trinidad and Tobago (HRMATT) and graduated from Cipriani College of Labour and Co-operative studies (Trinidad & Tobago) and the National Labour College (USA). She also holds an advanced Diploma in Labour Laws and obtained a post graduate certification in Change Management (PROSCI).

Additionally, Ms. Alexis is professionally trained using different methodologies to conduct job evaluation exercises.

Yago Castro Izaguirre

General Manager, Arawak Cement Company Limited

Mr. Yago Castro Izaguirre was appointed as the General Manager of Arawak Cement Company Limited on May 1, 2018. He has extensive industrial and strategic experience, having worked for almost 15 years at CEMEX in Europe, Midwest and Central America. Prior to this, he was the Planning, Procurement and Legal Director for CEMEX in Nicaragua, Guatemala and El Salvador.

Mr. Castro Izaguirre obtained a B.Sc. in Chemical Engineering from the Universidad Complutense de Madrid and an Executive MBA from the IE Business School. He has a strong technical and operational background, coupled with financial and strategic management skills.

Miguel Roberto Estrada

Group Operations Manager

Mr. Miguel Roberto Estrada was appointed as the Group Operations Manager on May 4, 2016. He has spent his entire professional life of thirty-three years in the cement industry, specifically in the area of plant operations.

Before joining the TCL Group, Mr. Estrada was based in Colombia and held the position of Optimisation Director at CEMEX South America providing technical assistance to CEMEX's plants in the region. Previously, he was Vice President of Operations at CEMEX Philippines, responsible for the two cement plants in the country as well as technical direction for CEMEX Bangladesh and CEMEX Thailand. Mr. Estrada also worked at CEMEX Egypt as Vice President of Operations at the Assiut Cement Plant, the largest production unit of CEMEX worldwide. His career started at CEMEX Colombia.

Mr. Estrada graduated from the Universidad Tecnológica de Pereira, Colombia in 1986 as a Mechanical Engineer.

Khalid Rahaman

Group Technology & Information Manager

Mr. Khalid Rahaman has been with the TCL Group for over twenty years and has worked in various positions within the Information Technology Department. Mr. Rahaman was appointed as the Group Technology & Information Manager effective April 01, 2013.

Prior to his appointment Mr. Rahaman held the position of Group Senior Network Administrator and has considerable experience in leading Process & IT related projects across the region.

Mr. Rahaman holds BSc. (Hons) in Computing & Information Systems from the University of London.

Other Line Managers

Roger Ramdwar

Business Manager –
TCL Guyana Inc.

Mr. Roger Ramdwar joined the TCL Group in April 2006 in the capacity of Group Internal Auditor. In October 2018, he assumed the position of Business Manager at TCL Guyana Inc. Prior to this, Mr. Ramdwar held the position of General Manager of TCL Packaging Limited and TCL Ponsa Manufacturing Limited.

Mr. Ramdwar has over twenty-one years of combined finance, internal and external audit; and managerial experience, of which thirteen years have been at the TCL Group.

In January 2013, he graduated with distinction from the Arthur Lok Jack Graduate School of Business with an Executive MBA. He is an FCCA, a Member of the Institute of Internal Auditors and a member of ICATT. Mr. Ramdwar is also a Certified Fraud Examiner.

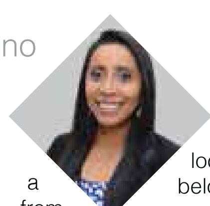
Rajeev Chadee

Business Manager –
TCL Packaging Limited and
TCL Ponsa Manufacturing
Limited

Mr. Rajeev Chadee joined the TCL Group on August 1, 1997. In October 2018, he was appointed Business Manager – TCL Packaging Limited and TCL Ponsa Manufacturing Limited. Prior to this, Mr. Chadee held several positions at Trinidad Cement Limited including Process Engineer - Cement Mills & Kilns; Packing Plant Supervisor; Production Superintendent and Production Manager.

Mr. Chadee holds a BSc. in Chemical and Process Engineering from the University of the West Indies and an MBA from the Australian Institute of Business.

Lorena Andrea Moreno Urquijo



Group Tax Manager –
TCL Group

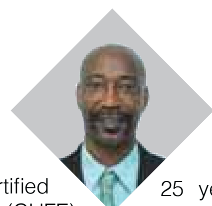
Ms. Lorena Moreno is a public accounting graduate from Universidad Nacional de Colombia. She combines a high level of knowledge in local and international taxes with experience of the taxation regulations for local and multinational corporations belonging to different economy sectors, especially those in the oil and gas industry. Prior to her appointment at TCL Group on February 25, 2018, she has worked at Ernst & Young S.A.S. as Tax Senior and at PricewaterhouseCoopers as Tax Assistant.

Alejandro Madrigal Meneses

Enterprise Risk Manager –
TCL Group

Mr. Alejandro Meneses is Lead for the risk agenda and mitigation measures for TCL in the entire Caribbean region. Prior to this appointment, he held various positions at CEMEX since 2010, among them as ERM Coordinator, Project Coordinator and Business Intelligence Coordinator. Mr. Meneses, a Costa Rican by birth, holds a Master's degree in Project Management, a Finance degree and a Bachelor's degree in Business Administration all from Instituto Tecnológico de Costa Rica.

Jaris Cleennell Liburd



Business Manager –
TTLI Trading Limited, Barbados

Mr. Jaris Liburd holds a Certified Hospitality Facility Executive (CHFE) certification from American Hotel & Lodging Educational Institute. He joined the TCL Group in August, 2006. Mr. Liburd has over 25 years of management experience mainly in Facility Management, Customer Service and over 9 years experience in Trading and Logistics.

Managing Director's Report and Management Discussion 2018

José Luis Seijo González
(Managing Director)

1.0 HEALTH, SAFETY AND ENVIRONMENT (HSE)

Occupational Safety and Health

2018 has been a key year for health and safety, filled with great challenges and, more importantly, significant results for our employees. Among these, Arawak Cement Company Limited (ACCL) and Readymix (West Indies) Limited (RML) each attained two years of being LTI (Lost Time Incident)-free.

The leadership and highly involved approach demonstrated by our executive group has achieved excellent results for various other initiatives, which were implemented under the guidelines of CEMEX.

Our Health and Safety Management System (HSMS) was reinforced across the Group. This has been developed following considerable consultation with CEMEX, to provide a practical, risk-based management system and is being used across all Business Units to support our Policy and 2019 goal of Zero 4 Life.

Throughout the year, we also strengthened the tools implemented during the Post Merger Integration (PMI) process including the Driving Essentials and Driving School, both aimed at achieving a significant reduction in our vehicular accidents.

The Safety Academy was another advancement in our journey to forge a "Safety Culture" among our employees. This programme was initially directed to the Management Team, but owing to the relevance of the initiative throughout the organisation, it is now mandatory training for employees at every level.

Environmental Management

Source emitter registration was obtained for all RML sites and for both TCL Sites at Claxton Bay and Mayo. TCL and RML achieved compliance with the Air Pollution Rules, as per the EMA Act 35:05.

CCCL also saw improvement in its environmental performance for 2018. Enhancement in the closed loop application saw a 29.3% reduction in water abstraction. Significant gains have been made regarding the built environment as well as dust abatement. This process has been continued into 2019 with the installation of dust collector units along the clinker transport conveyors and within the packaging plant facility. The plant transitioned to the ISO14001:2015 standard in 2017 and maintained certification with significant management system improvement throughout 2018.

The most significant environmental improvement occurred at ACCL with the upgrade of the Electrostatic Precipitator (EP) where Chamber 2 was converted to a bag filter. Unlike EPs, where performance may vary significantly depending on process and electrical conditions, functioning baghouses typically have a particulate collection efficiency of 99% or better, even when the particle size is very small.

2.0 FINANCIAL REVIEW AND ANALYSIS

During 2018, the Group continued restructuring activities designed to achieve a competitive cost structure.

In Q3, the TCL Group entered into 3-year loan agreements to refinance its short term loans. In Q4 the Group negotiated a 5-year Jamaican Dollar term loan to refinance part of the USD revolving facility and achieve a currency mix that is better aligned to cash flow generation.

The Group's total revenue of $1.7 billion was essentially flat when compared to 2017. Adjusted EBITDA increased to $342.8 million for the year 2018, an increase of 8% when compared to 2017.

Revenue

Total revenue of $1.7 billion remained stable when compared to 2017 as the impact of increases in some markets was offset by decreases in other markets. Revenue in Jamaica increased by 8% as this country's economy continues to progress, whilst revenue in Trinidad and Tobago decreased by 19% due to a continued slowdown of construction activity and by 4% in Barbados. Export sales volumes improved by 12%.

Revenues from the ready-mix and aggregates business declined by 31% compared to 2017, also due to continued contraction of the building industry in Trinidad and Tobago.

Operating Results

The Group recorded earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and restructuring costs for the year of $342.8 million in 2018. This represents an increase of $25.6 million or 8% compared to 2017. This improvement was largely driven by the strong operating results in Jamaica.

There was an overall operating profit for the year of $140.7 million compared with a loss of $51.6 million in 2017. These results included restructuring costs of $84.9 million (2017 - restructuring costs of $140.3 million and asset impairment costs of $93.4 million).

Net Finance Costs

The Group's net finance cost decreased by 31% mainly due to one-off debt extinguishment expenses of $44.9 million recorded in 2017.

Liquidity & Financial Position

Cash generated from Operations in 2018 was $220.1 million, a decline from 2017 ($423.8 million). A significant amount of this, $169.7 million, was used for capital investment and $6.8 million was used to acquire the non-controlling interest in TCL Guyana Inc., as the Group sought to consolidate and streamline its structure.

The Group's debt increased to $941.6 million from 2017 ($913.2 million). This increase was mainly utilised to settle one-off restructuring costs.

Summary Financial Performance (figures quoted in TTD)

The Group recorded a loss for the year of $7.0 million (in 2017 a loss of $257.0 million). Impacting significantly on this result were the restructuring costs incurred. The major costs included were one-off operating costs of $84.9 million (in 2017 – one-off operating costs of $140.3 million, impairment of $93.4 million, debt extinguishment of $44.9 million and write-off of deferred tax assets of $39.6 million). These initiatives continue to be crucial to laying the foundation that will position the Group to adapt to and thrive in the increasingly competitive regional environment.

Group revenue of $1.7 billion (2017: $1.7 billion) was maintained despite the continued contraction of construction activity in Trinidad and Tobago as well as competition across the region.

3.0 GROUP MARKETING

Our 2018 total cement sales volume remained generally flat when compared to 2017 with a minor increase of 0.2%.

In Barbados, overall cement demand grew by 1.20% from 2017 to 2018. Despite this, ACCL's domestic volume decreased 5%. This was largely attributed to the foreign competition, which saw an increase of 19% from its 2017 level. Additionally, ACCL's export volume grew by 24% as a result of increased volumes in the Guyana market as well as sales in more islands around the Caribbean.

In Guyana, the overall cement demand grew 10% from 2017 to 2018. Also, TGI's domestic volume increased 27% and foreign competition saw a decrease of 21%.

In Jamaica, CCCL increased its domestic sales volume by 5.6% above the volume achieved in 2017 - attributed to the growing market demand. Domestic demand was fueled by continued government spending on infrastructural projects, private developments and retail consumption. However, total cement sales declined by 1.9%, primarily as a result of the anticipated decline in export sales of cement and clinker.

In Trinidad and Tobago, the TCL plant saw its first positive growth in cement sales volume of 1.1% after 4 years in 2018. Nonetheless, domestic cement demand has declined by a further 12.2% continuously since 2016. The market remains in a depressed state as a result of almost no government investment in the construction sector, and TCL has also been experiencing heightened competition. Noteworthy, the company's export volume increased by a staggering 28.3% when compared to 2017.

In the premixed concrete sector in Trinidad and Tobago, declining activity in construction persisted in 2018. Concrete sales volumes at RML remained flat in 2018, but the company was able to maintain a leadership position in this sector, remaining focused on providing its customers with affordable high-quality concrete solutions and technology together with its reputable level of service. Third-party aggregate sales significantly declined by 39% due to a mix of increased competition and the slowdown in construction. It is expected that for 2019, the company will reclaim some market share with its newly installed wash plant facility.

4.0 GROUP OPERATIONS

The primary focus on continuous improvement was sustained in 2018 and the TCLG operations was integrated into the CX SCA&C and Global reporting systems.

The theme of operational excellence by striving for 0-92-90 (0 LTIs, 92% operational efficiency and 90% Quality Index) has been embedded. There has been some success in achieving this KPI and it is anticipated that in 2019 and beyond, all of the TCLG Cement Plants will consistently achieve this milestone. Manpower rationalisation and the development of competency continues throughout the Group. This supported by Subject Matter Experts (SMEs) is bringing significant value.

TCL achieved significant operational milestones with record production of slurry – 108,715 MT and clinker 66,942 MT in April 2018 and Cement Mill 3 Production – 71,625 MT in May 2018.

Other major areas of focus in the year included:

EQUIPMENT OVERHAULS

Heavy Capital Expenditure continued in 2018 as the the Group sought to stabilise its operations with major overhauls - some long overdue, of obsolete equipment and the optimisation of other equipment to enhance safety, environmental and plant performance.

Above: At CCCL, a new 10-spout Roto packer and Automatic Bag Placer purchased in 2017 was installed. This increased packaging output by 35%. The unit has a delivery capacity of 3,200 bags per hour and has made a positive impact in improving the reliability of cement supply to customers.

Above: A new Dry process coal grinding mill was installed, while two old Raymond mills were shut down. This upgrade would avoid the use of fuel oil and prepare the CCCL plant for a future increase in kiln capacity.

Above: A new raw material automatic reclaimer has been installed at CCCL, replacing the old, obsolete unit to increase the continuity of the operations by avoiding unnecessary stops.

At TCL, several major electrical capital projects were completed in 2018 to ensure continuity of operations, reduced cost and improved overall plant efficiency. These included:

66KV Breakers Upgrade Project

Below: The entire compound of Claxton Bay was powered by two (2) 66kV oil circuit breakers. These units were very old, obsolete and there was a risk of major plant downtime due to imminent failure. They also leaked oil which was a safety hazard. Both breakers were replaced by modern ABB SF6 units which require practically no maintenance.

Before

After

Cement Mill #3 VSK Upgrade

Below: The VSK Separator is essential to cement production of both CM#3 and the HPGR at TCL. The variable speed fan is controlled by a 350hp VFD that was obsolete and for which spare parts were no longer available. The VFD was upgraded to a modern type for which spare parts and service are available and the upgrade ensured continuity of the operations of CM#3/HPGR.

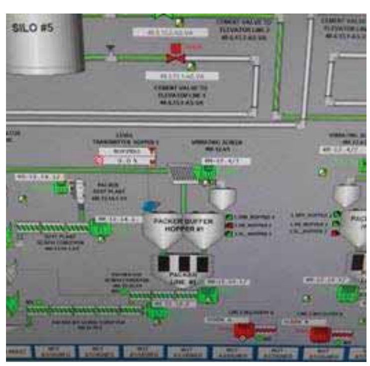
Before

After

Packing Plant #2 Extraction PLC Upgrade at TCL

Below: PP#2 packs cement into sacks and bulk trucks for both local and export markets. The extraction system was controlled by an obsolete relay control system, which required a dedicated person per shift to operate and also resulted in extended downtime due to difficulty in troubleshooting electrical issues. The relay control system was upgraded to a Rockwell Automation PLC system that now controls the extraction automatically without the need for a dedicated operator per shift.

Before



After

EP Upgrade at ACCL

Below: ACCL's Electrostatic Precipitator (EP) installed over 30 years ago was addressed. The 2nd chamber of the EP was converted to a bag filter and the 1st chamber was overhauled. This has resulted in improved environmental performance, a reduction in neighbourhood complaints and higher plant availability.

Before

After

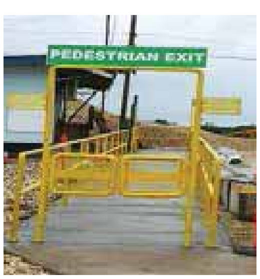
HOUSEKEEPING

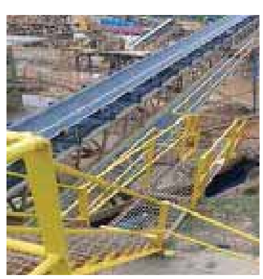
There was a major focus on Traffic Management, Pedestrian Crossing, Guarding and Re-organising of work areas at all the plants.

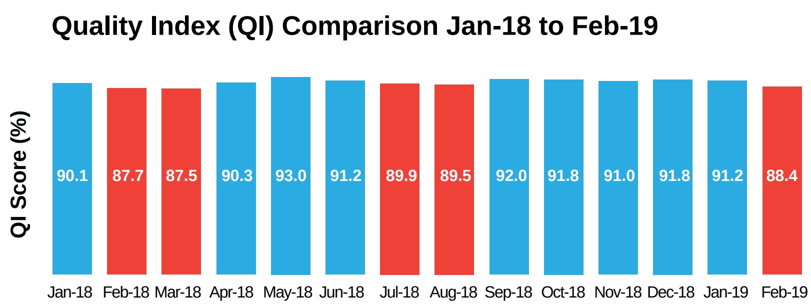
Below: Guarding and new rails installed in power station and throughout ACCL plant.

Below: Guarding at RML.

Below: Traffic Management across the Group.







QUALITY MANAGEMENT

The Quality Index (QI), as used by CEMEX, continued to be utilised across all cement plants within the TCLG. The QI is a number representing the measure of compliance of the main quality parameters on each stage of the process and thereby the consistency of the products from the process. During the last period, all 3 plants have realised improvements to the overall scores in the QI. This was directly attributed to the continued support of CEMEX SCA&C, as well as capex upgrades to equipment, training for staff and an emphasis on a quality culture. There was also significant improvement in prepared material inventory, auxiliary equipment uptime and kiln efficiencies which helped to propel the increase in index scores. This improved stability has led to greater consistency in product quality. As we celebrate the successes; the focus continues to be centered on continuous improvement on all aspects of our quality.

In regard to CCCL, improvement in quality assurance saw an increase in the QI score over 2017's 80.5% to 87.5% at the end of 2018, with the plant achieving a high of 93.2% in August of 2018. This improvement was gained through the installation of a new portal reclaimer, which in turn increased operational stability for material supplied to the roller mill, improved kiln efficiency and lowered the deviation between clinker and cement produced as well as staff training to improve competence in testing and root cause identification. In accordance with the principle of continuous improvement and a focus on key KPI's at all stages of the process, the Jamaica plant strives to maintain an above 90% performance, as improved quality assurance is aligned to improved customer satisfaction.

CCCL also saw improvement in its environmental performance for 2018. Enhancement in close loop application saw a 29.3% reduction in water abstraction. Significant gains have been made regarding the built environment as well as dust abatement. The dust abatement process will continue into 2019 with the installation of dust collector units along the clinker transport conveyors and within the packaging plant facility. The plant transitioned to the ISO14001:2015 standard in 2017 and maintained certification with significant management system improvement throughout 2018.

TCL was re-certified for the API Monogram license programme and successfully transitioned from ISO 9001:2008 to ISE 9001:2015. The lab accreditation was maintained in 2018. Like CCCL, TCL was able to attain and maintain a performance of over 90% in the QI. This was mostly due to improved consistency of limestone from the Mayo Quarry, a review and re-enforcement of Standard Operating Procedures for all pieces of equipment and training of employees across all levels in the organisation.

The Lab operations were optimised by moving the activities of the works lab (a small satellite lab on the plant) to the main laboratory. As part of our customer centricity, cross testing was done with some of our customer's labs in an attempt to build relationships.

At ACCL, continuous improvement was achieved for clinker in the free lime and C3X convertibility thereby increasing the clinker score and for cement via process improvements that would allow for more effective clinker blending. ACCL has not yet been able to achieve a 90% performance in QI primarily due to High standard deviation in kiln feed LSF and residues because of issues with raw meal silo homogenisation, resulting in low Raw Meal scores.

QUARRY MANAGEMENT

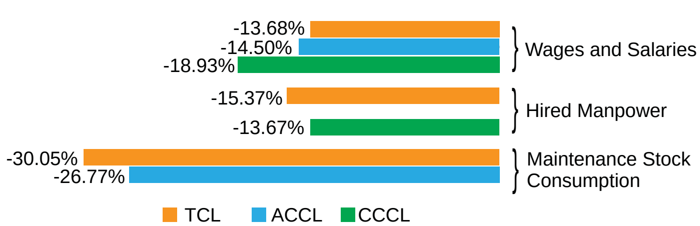
In 2018, CCCL and TCL continued to utilise the Mining Software - Datamine in their operations and have seen the benefits of it in maintaining updated topographies and handling our wealth of chemical data for planning purposes. Also, an additional feature was sought from Datamine in 2018, where both plants were provided with the end of mine reserves and also a final Pit design starting with the Limestone Quarry. The plan is to emulate this concept for all Quarries. This long-term feature will guide the day-to-day operations to ensure that our actions are in line with the end goal.

CCCL has also received two additional Mining Licenses in 2018 which have increased its reserves as follows:

- Harbour Head Limestone – 17.3 million MT – This will allow further optimisation of reserves by blending low purity limestone which would have otherwise been unusable.
- Cambridge Shale - 7.2 million MT – An excess of 3.5 million MT of low Sulphur shale (proven by core drilling) that will allow CCCL to continue using lower cost fuel. The reduction of low Sulphur shale in the "old" Cambridge Quarry has been challenging, therefore this new approval is very beneficial from a safety, cost and quality perspective.

COST MANAGEMENT

Cost control across the TCL Group continued aggressively in 2018 towards bringing the cement plants in line with CEMEX's operating standards. There was major focus in the area of wages and salaries, hired man power and maintenance stock consumption. The results achieved in 2018 over 2017 are reflected below:



PACKAGING OPERATIONS

In 2018, TPL continued to reorganise its operations to achieve greater operating efficiencies. As the organisation moves towards a competitive cost structure since the cost of major inputs continue to rise, it has embarked on initiatives to develop a sack that has a moisture barrier. This will improve the quality of sacks for its customers by ensuring a longer shelf life for products. A smaller sack option is also being explored to increase the company's sales volumes.

TPL is also pursuing the possibility of becoming a Freezone company to benefit from tax and duty concessions since its business profile for exports fits the requirements.

TPM also continues to reorganise it's operations to achieve a more efficient cost structure. The company has also embarked on the sourcing of new suppliers for goods and services from India and China to further reduce it overheads and gain a competitive edge. TPM continues to source new customers – CEMEX Jamaica, CEMEX Dominican Republic and CEMEX Philippines – supplying Jumbo Bags and Slings.

CONCRETE OPERATIONS

The Readymix Quarries, which include Melajo Quarry and Bermudez Quarry continue to carry out sand and gravel extraction methods which are in keeping with CEMEX' standards. RML's goal is to continue to optimise its mining operations to meet the production and quality requirements while minimising costs. RML is about to embark on a "Pit-Run exploration" project to estimate the reserves in virgin territory within the quarries. A reforestation and rehabilitation project will be run concurrently with this initiative, ensuring that the areas exploited are properly reclaimed and regenerated.

Upgrade works previously started at the Pt. Lisas Concrete Plant are continuing in 2019. These works will boost the HSE performance and production capability of the plant.

5.0 GROUP DEVELOPMENTAL ACTIVITIES

Sustainable Road Solutions

In 2018, the promotion and penetration of concrete road solutions was strong, primarily in Jamaica. The major project was the Montego Bay airport, which was completed with the support of CEMEX Mexico.

In Barbados, lobbying of relevant authorities was the main focal point and this remains for 2019.

Conventional and short slabs concrete roads continued to grow in Guyana with approximately 3 KM of paving completed for the Mahadia, GYSBI and other projects during 2018.

In Trinidad, continuous lobbying of key government agencies has been the primary step. With the closure of state-owned Petrotrin in Q4 of 2018, the supply of refinery bitumen for road paving has been deeply impacted and the respective CET has since been reduced to facilitate imports. In spite of this, the opportunity remains strong for conversion to concrete and, with increased lobbying and promotion of the technologies, our target of capturing at least 5% of all public roads requiring construction or rehabilitation is achievable.

Housing

Housing continues to be a major socio-economic issue for the Caribbean. Most countries have indicated that affordable housing is an ongoing challenge especially for people in the lower income tier.

In Trinidad, discussions with the Ministry of Housing have been ongoing with the objective of filling the gaps in low-cost housing. The TCL Group has been working to provide support through bundled packages of building solutions.

Phase one of the East Lakes' housing project being built on RML's land at Guanapo in collaboration with Home Solutions Limited is almost 70% completed. It is primarily aimed at providing middle-income homes, a segment identified by the Housing Ministry to be in high demand. Construction of the development also utilises concrete in ancillary work such as pavements, sidewalks, car parks and drainage.

In Guyana, the Minister of Housing has also requested that low-cost solutions be provided for middle-income families. Discussions have been ongoing with various housing contractors who have requested building solutions support from TCL Guyana Inc (TGI)/TCL Group. The establishment of TGI Concrete Solutions (Readymix division) has aptly positioned the company to reliably supply quality concrete to the growing economy.

In Barbados, talks have been ongoing with the government regarding support for low-cost housing. Additionally, in a move to become more vertically integrated, ACCL has expanded its product portfolio to supply Readymix concrete and precast solutions to the housing market in Barbados. The company also initiated the "Home Sweet Home" programme, which successfully delivered a totally renovated home to a deserving family.

In Jamaica, the Authorities increased the density of housing units allowed to be constructed in many regions. The conversion of additional lands for building purposes will also result in increased construction of high-rise residences and multi-storey buildings.

Furthermore, within the Caribbean, a major campaign was done to promote H&S and paving technologies in the construction sector. There has been excellent feedback regarding the incorporation of new technologies and methodologies to increase construction efficiencies within the region. The Group has been strategically partnering with the public and private sector in each country to establish optimised solutions.

6.0 HUMAN CAPITAL

Moving towards operational excellence continues to be at the forefront of our efforts as a Group. As we move forward, we have been focused on achieving our strategic priority for operational efficiency by aligning systems, processes and procedures with our parent company. Likewise, managing our performance to meet market demand in order to optimise our success.

Our people are our most fundamental asset in achieving competitive edge. We remain relentless in honouring our commitment to training and duevelopment, enabling and empowering employees, leveraging technology and building a safe and cohesive environment where workers can develop and perform at their best.

In the pursuit of excellence, we are mindful that improving the performance of our employees is significant for achieving our objectives. Therefore, we continue to actively invest in our people through talent / performance management and leadership development building on best practices.

The Group is mindful that the key to staying ahead requires a re-engineered thinking. As such, we continue to move away from a 'one size fits all approach' towards more flexible and collaborative management that engenders a culture of diversity and continuous improvement. In so doing, we are able to deliver value to our stakeholders.

We are pleased with the progress made in fulfilling our commitment to staff through the signing of the Revised Memorandum of Agreement (MOA) on February 19, 2018 which settles all outstanding payments while remaining focused on streamlining our activities through cost management.

As we look ahead, we are resilient and optimistic that our efforts are building blocks that will yield successful returns to all stakeholders.

7.0 COMMUNICATIONS

The TCL Group seeks to build bridges through open and transparent communication and ongoing dialogue. We see this as central to achieving our goals of building a brighter future together with our customers, employees, shareholders, communities, regulators and other stakeholders.

Internally, we have devised ways of sharing information, holding meetings cost effectively, bringing our people across the Caribbean together and facilitating rapid feedback and alerts using tools such as: newsletters, WhatsApp groups, instant messaging, ZOOM, Skype for Business and other facilities. Our communications systems are efficient and cutting edge and facilitate the fast paced, high performance, engaged culture that defines the TCL Group.

We have been successful with embedding our number one message – that of Safety First – through visual aids, modeling appropriate behaviour, rewards, training and other incentives. The result is that we have continued to reduce the number of accidents at our plants.

Over the years, we have become experts at identifying the preferred channels of our stakeholders and making use of both traditional and digital tools to reach and listen to our various audiences. All member companies within the Group have websites and are on social media, in particular, Facebook and Instagram. These platforms are updated frequently and as such, achieve a high level of engagement. As the technology continues to evolve, we expect to keep abreast of the most current and optimal tools and services in order to provide top tier customer service and sales delivery.

8.0 CHANGES TO EXECUTIVE MANAGEMENT

In 2018, the under-mentioned changes were implemented in the Group's executive structure and management team:

- Mr.Yago Castro was appointed General Manager – Arawak Cement Company Limited (ACCL).
- Mr. Guillermo Rojo was appointed General Manager – Trinidad Cement Limited (TCL).
- Ms. Michelle Davidson was appointed Group Legal Manager/ Corporate Secretary.
- Mr. Alejandro Madrigal was appointed Group Enterprise Risk Manager.
- Mr. Roger Ramdwar was appointed Business Manager for TCL Guyana (TGI) operations.
- Mr.Rajeev Chadee was appointed Business Manager for TCL Packaging Limited (TPL) and TCL Ponsa Manufacturing Limited (TPM).

Managing Director's Report and Management Discussion 2018 (continued)

9.0 LOOKING AHEAD

Contracted construction compounded by increased competition and ever changing trade dynamics are expected to continue for some of our markets. However, we remain optimistic that with CEMEX' ongoing strategic guidance, stringent cost management, improved operational efficiencies, stakeholder support and a customer centric focus, the Group will achieve competitiveness, profitability and sustainability.

10.0 ACKNOWLEDGEMENTS

We are sincerely appreciative of all our stakeholders for their unstinting support, as together we work to build a stronger Caribbean. I wish to specially thank our valued shareholders for their confidence; our dedicated employees for their hard work and commitment, and our Chairman and my fellow directors for their stewardship throughout the year.

José Luis Seijo González
Managing Director

Corporate Social Responsibility

Launch of Mayo Youth Academy

TCL Group is Building Dreams .... and Building Lives! In March 2018, the Mayo Youth Academy was launched at the company's grounds in Trinidad. Over 35 young footballers from the nearby communities registered for the academy. Sport has a positive impact on our lives, promotes well-being and is an essential part of any community. TCL recognised academy manager Dwayne Baptiste and coaches Jahvorn Neptune and Kareem Assivery for their efforts and passion. TCL and CEMEX are proud sponsors of the Mayo Youth Academy.

Readymix Road Safety Campaign

Readymix launched its first safety-branded concrete mixer, targeting pedestrians with the message "Don't Chance It…Look Out Before You Step Out". The company hopes to create a stronger road safety culture in Trinidad and Tobago, in conjunction with CEMEX. The branded drum of the concrete mixer is in a strikingly yellow colour, designed to easily capture attention.

Home Sweet Home Initiative

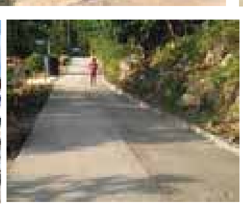
Thanks to Arawak Cement Company and other sponsors, one deserving family in Barbados has received a decent place to live. At left, the Green family in front of their home before remodelling began. Below at right, the blindfolded Green family arrives in a limousine to see their remodelled home in December.

Carib Cement Building Lives

Caribbean Cement Company in Jamaica helped to improve lives through eight projects which promoted and facilitated wellness, as well as social and economic development. By way of an investment of JMD $ 61.9 million, more than 33,000 persons were positively impacted.

The projects were: a 370-metre jogging trail in Mona Heights, St. Andrew; multi-purpose sports half-court in Maxfield Park, St. Andrew; a new community centre in Caenwood, Portland; improvements to the Harbour View Community Centre in St. Andrew; new concrete roads in farming rural communities of Bull Bay and Savage Pen in St. Andrew as well as in Litchfield, Manchester. Overall, 221 men and women from the communities were employed on the projects and trained in safety and the correct handling and mixing of cement.

Forty-four students who live in the communities near to the Rockfort Plant as well as children of employees received bursaries valued at JMD $1.9 mn. Our other contributions include: supporting National Labour Day, International Coastal Clean Up Day, Read Across Jamaica and Teachers Day.



Trinidad Cement Ltd.

TRINIDAD CEMENT LIMITED

Registered Office
Southern Main Road, Claxton Bay,
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Fax: (868) 659-2540
Website: www.tcl.co.tt

Trinidad Cement Limited was incorporated in Trinidad in 1951 and commenced production in 1954. Its primary activity is the manufacture and sale of Portland Pozzolan Cement, Ordinary Portland Cement, and Class G High Sulphate Resistant (HSR) Oilwell Cement. The distribution of its shareholding is detailed in the pie chart on page 13.

Company Secretary

Ms. Michelle Davidson

Principal Officers

1. Mr. Guillermo Rojo de Diego	-	General Manager
2. Mr. Rodney Cowan	-	Sales Industrial Segment & Supply Chain Manager
3. Ms. Lisel Cozier	-	Procurement Manager
4. Mrs. Sonia Gobin	-	Finance Manager
5. Mrs. Gloria Jacobs	-	Projects & Operations Support Manager
6. Ms. Bonnie Alexis	-	Human Resource Manager/ Group Coordinator
7. Mr. Ravi Bahall	-	Engineering Services Manager (Ag.)
8. Mrs. Reshma Gooljar Singh	-	Sales Distributor Segment Manager
9. Mr. Damian Caesar	-	H&S Manager (Ag.)
10. David Neuhaus	-	Production Manager

Readymix (W.I.) Ltd.

READYMIX (WEST INDIES) LIMITED

Registered Office
Tumpuna Road, Guanapo, Arima,
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Fax: (868) 643-3209
Website: www.readymix.co.tt

Readymix (West Indies) Limited (RML) was incorporated in Trinidad in 1961. Its primary activities are the manufacture and sale of pre-mixed concrete, the winning and sale of sand and gravel ("aggregates") and the development of surplus land for sale. In 1995, Trinidad Cement Limited (TCL) acquired majority ownership of the Company.

Board of Directors

Mr. Michael Glenn Hamel-Smith (Chairman)
Mr. José Luis Seijo González
Mr. Jinda Maharaj
Mr. Luis Ali Moya
Mr. Anton Gopaulsingh

Company Secretary

Mr. Malcolm Sooknanan

Distribution of Shareholding

Principal Officers

1. Mr. Nigel Tozer - General Manager
2. Mr. Malcolm Sooknanan - Finance Manager/Company Secretary
3. Mr. Afzal Ali - Commercial Manager
4. Mr. Wayne Benjamin - Technical Services Manager
5. Mr. Arneal Sieupresad - Quarry & Maintenance Manager
6. Ms. Cindy Siewbally - Human Resource Manager
7. Mr. Anthony Ferguson - Health, Safety, Security & Environment Coordinator
8. Mr. Pedro Arjona Conde - Senior Procurement Officer

Caribbean Cement Company Ltd.

CARIBBEAN CEMENT COMPANY LIMITED
CARIB CEMENT

Registered Office
P.O. Box 448, Kingston
Jamaica, W.I.
Tel: (876) 928-6231-5
Website: www.caribcement.com

Caribbean Cement Company Limited was incorporated in Jamaica in 1947 and commenced production in 1952. Its primary activity is the manufacture and sale of Portland Pozzolan Cement and Ordinary Portland Cement. CCCL has three subsidiaries, namely Jamaica Gypsum & Quarries Limited, which is involved in the mining and sale of gypsum and anhydrite; Caribbean Gypsum Company Limited which has major assets of gypsum/anhydrite quarry lands to enhance the reserve of raw material available to the Company, where the new Halberstadt Quarry opened in 2014; and Rockfort Mineral Bath Complex Limited, a national heritage site and mineral spa.

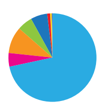
Board of Directors

Mr. Parris Lyew-Ayee (Chairman)
Mr. José Luis Seijo González
Mr. Peter Donkersloot Ponce
Mr. Luis Gilberto Ali Moya
Mr. Hollis N. Hosein
Mr. Peter Moses
Mrs. Dania Jocelyn Heredia Ramírez

Company Secretary

Mr. Craig Lloyd Neil

Distribution of Shareholding



TCL	74.08%
CEMEX - Scancem International (St. Lucia) Ltd	4.96%
Individuals	10.03%
Pension Plans	5.72%
Companies	3.43%
Financial Institutions	1.12%
Government	0.53%
Churches, Clubs & Associations	0.13%

Caribbean Cement Company Limited (continued)

Principal Officers

1.	Mr. Peter Donkersloot	-	General Manager
2.	Mr. Rohan Anderson	-	Process Manager
3.	Mr. Wayne Ballen	-	Security Manager
4.	Mrs. Klao Bell-Lewis	-	Communication, Community Management & Media Strategy Manager
5.	Mr. Christopher Brown	-	Production Manager
6.	Mr. Marchel Burrell	-	Health & Safety Manager
7.	Mr. Jorge Camelo	-	Human Resource Manager
8.	Mr. Jorge Herrera	-	Supply Chain Manager
9.	Mr. Jorge Lizama	-	Operations Director
10.	Mr. Craig Lloyd Neil	-	Legal Counsel/Company Secretary
11.	Mr. Ricardo Lopez	-	BSO Manager, Finance
12.	Mr. Wilson Pena	-	Industrial Sales Manager
13.	Mr. Carlos Phipps	-	Maintenance Manager
14.	Mr. Nelson Sanchez	-	Strategic Planning Manager
15.	Mr. Adrian Spencer	-	Procurement Manager
16.	Mr. Andrew Stephenson	-	Quality, Quarry & Environment Manager
17.	Mr. Garen Williams	-	Sales Manager, Domestic Sales Distribution

TCL Group Business Units - Principal Officers

Arawak Cement Company Ltd.

ARAWAK CEMENT

Registered Office
Checker Hall, St. Lucy,
Barbados, W.I.
BB27178
Tel: (246) 439-9880
Fax: (246) 439-7976
Website: www.arawakcement.com.bb

Arawak Cement Company Limited was incorporated in Barbados in 1981 and was wholly acquired by TCL in 1994. Its primary activity is the manufacture and sale of Portland Limestone Cement.

Board of Directors

Mr. Arun K. Goyal – Chairman
Mr. José Luis Seijo González
Mr. Miguel Estrada Sanchez
Mr. Juan Mendoza
Mr. Luis Ali Moya

Company Secretary

Ms. Michelle Davidson

Principal Officers

1. Mr. Yago Castro Izaguirre	-	General Manager
2. Mr. Nelson Blanco Bogantes	-	Operations Director
3. Mr. Juan David Bedoya Velesquez	-	Marketing Co-ordinator
4. Mr. Leonardo Rojas Rondon	-	Finance Manager
5. Mrs. Sheryllyn Welch-Payne	-	Procurement Manager
6. Mrs. Seema Juman	-	Health & Safety Coordinator

TCL Packaging Ltd.

TCL PACKAGING LIMITED

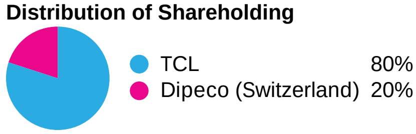
Registered Office
Southern Main Road, Claxton Bay,
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Fax: (868) 659-0950

TCL Packaging Limited was incorporated in Trinidad in 1989 and commenced operations in 1991. Its primary activity is the manufacture and sale of papersacks. The distribution of its shareholding is as follows:

Board of Directors

Mr. Arun K. Goyal – Chairman
Mr. José Luis Seijo González
Mr. Juan Carlos Mendoza
Mr. Luis Ali Moya
Mr. Carlos Martinez (Mondi Group – Parent Company of Dipeco Switzerland)

Distribution of Shareholding



Company Secretary

Mr. Brendan Sutherland

Principal Officers

1. Mr. Rajeev Chadee - Business Manager
2. Ms. Sursatee Heeralal - Marketing & Logistics Officer
3. Mr. Kaveer Seepersad - Senior Plant Co-ordinator
4. Mr. Joel Jaggernath - Health & Safety Officer

TCL Ponsa Manufacturing Ltd.

TCL – PONSA
MANUFACTURING LIMITED

Registered Office

Pacific Avenue, Point Lisas Industrial Estate,
Point Lisas, Trinidad & Tobago, W.I.
Tel: (868) 225-8254

TCL Ponsa Manufacturing Limited was incorporated in Trinidad in 1995. Its primary activity is the manufacture and sale of single use slings. It is also involved in the sale of jumbo bags, reusable slings, safety harnesses and polypropylene sacks, as well as webbing for use in the furniture industry.

The distribution of its shareholding is as follows:

Board of Directors

Mr. Arun K. Goyal - Chairman
Mr. José Luis Seijo González
Mr. Juan Ponsa (Industrias Ponsa - Spain)
Ms. Laura Ponsa (Industrias Ponsa - Spain)
Mr. Luis Gilberto Ali Moya
Mr. Juan Carlos Mendoza

Distribution of Shareholding

Company Secretary

Mr. Brendan Sutherland

Principal Officers

1. Mr. Rajeev Chadee	-	Business Manager
2. Ms. Sursatee Heeralal	-	Marketing & Logistics Officer
3. Mr. Stephen Ramcharan	-	Technical Coordinator
4. Mr. Joel Jaggernath	-	Health & Safety Officer

TCL Trading Ltd.

Registered Office
Checker Hall, St. Lucy,
Barbados, W.I.
BB27178
Tel: (246) 439-9880

TTLI Trading Limited was incorporated in Barbados on November 4, 2016. Its primary activity is trading in cement and cement-related products. The Company is fully owned by Trinidad Cement Limited.

Board of Directors
Mr. José Luis Seijo González
Mr. Yago Castro Izaguirre
Mr. Pedro Emilio Herrera Gazzani

Company Secretary
Ms. Michelle Davidson

Principal Officer
Mr. Jaris Liburd - General Manager

TCL Guyana Inc.

Registered Office
2-9 Lombard Street,
GNIC Compound,
Georgetown,
Guyana, South America.
Tel: 011 (592) 225 - 7520
Fax: 011 (592) 225 - 7347

TCL Guyana Inc. was incorporated in the Republic of Guyana, on March 17, 2004. Its primary activity is the packaging of bulk cement for sale on the Guyanese market (cement terminal facility). TCL Guyana Inc. is a wholly-owned subsidiary of TCL.

Board of Directors
Mr. Hollis N. Hosein (Chairman)
Mr. José Luis Seijo González
Mr. Yago Castro Izaguirre

Company Secretary
Ms. Michelle Davidson

Principal Officer
Mr. Roger Ramdwar - Business Manager

Statement of Management's Responsibilities

Trinidad Cement Limited

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Trinidad Cement Limited ("the Company") and its subsidiaries (collectively, "the Group") which comprise the consolidated statement of financial position as at December 31, 2018, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, 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 consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

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

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

José Luis Seijo González
Managing Director
Date: February 19, 2019

Michelle Davidson
Group Manager Legal/Company Secretary
Date: February 19, 2019

Independent Auditors' Report

To the Shareholders of Trinidad Cement Limited

Opinion

We have audited the consolidated financial statements of Trinidad Cement Limited ("the Company") and its subsidiaries (collectively, "the Group"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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 ***Auditors' 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' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with IESBA Code.

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

Key Audit Matters

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

Key Audit Matters (continued)

Tax contingencies	
See Note 27 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Group is involved in certain significant tax proceedings. Compliance with tax regulations is a complex matter within the Group because uncertainties exist with respect to the interpretation of certain tax regulations. Therefore, management's judgement and estimation is involved in the determination of any tax provisions which should or should not be recorded in respect of these tax matters. Resolution of tax proceedings may span multiple years, and may involve negotiation and therefore, making judgments of potential outcomes is a complex issue for the Group. Management applies judgment in estimating the likelihood of the future outcome in each case and recognises a provision where applicable. We focused on this area due to the inherent complexity and judgement in estimating the amount of the provision required.	We assessed the adequacy of the level of provision established, or lack thereof, in relation to significant uncertain tax positions, primary in respect of cases in Trinidad and Tobago and Guyana. We discussed the status of each significant case with management and critically assessed their responses. We read the latest correspondence between the Group and the various tax authorities and attorneys where applicable. We also obtained written responses from the Group's legal advisors containing their views on material exposures and any related litigation. In relation to tax matters, we also met with the Group's tax officers to assess their judgements on significant cases, their views and strategies, as well as the related technical grounds to their position based on applicable tax laws by involving our tax specialists. We assessed whether the Group's disclosures about legal and tax contingencies provided sufficient information to readers of the financial statements in light of the significance of these cases.

Key Audit Matters (continued)

Recoverability of deferred tax assets related to tax loss carry forwards	
See Note 12(d) to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Group has significant deferred tax assets in respect of tax losses (mainly in Trinidad and Tobago and Jamaica). There is inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are or are not recognised.	We evaluated the reasonableness of key tax assumptions, timing of reversal of temporary differences as well as evaluated the reasonableness of the forecasts for future taxable profits with reference to historical forecasting accuracy, considering the potential risk of management bias. These assessments were based on our knowledge of the tax, legal and operating environments in which the Group operates. We also assessed the adequacy of the Group's disclosures setting out the basis of the deferred tax asset balances and the level of estimation involved.

Allowance for impairment of trade receivables	
See Note 7(t) to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
As presented in Note 11, a significant percentage of the Group's trade receivables (36% or $35 million) are aged in excess of 90 days past due and have not been provided for by management. The recoverability of trade receivables requires management judgement due to the specific risks associated with each individual trade receivable. There is an element of management judgement in the assessment of the extent of the recoverability of long outstanding trade receivable balances. Management assessed the recoverability of trade receivables by reviewing customers' aging profile, credit history and status of subsequent settlement, and determined whether an impairment provision is required. For the purpose of impairment assessment, significant judgement and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.	Our audit procedures in relation to the recoverability of trade receivables include: • understood and tested the Group's credit control procedures and tested key controls over granting of credits to customers; • tested aging of trade receivable balances at year end on a sample basis; • reviewing the expected credit loss model, including methodology, underlying assumptions and data inputs; and • evaluating and testing the Group's policy for provisioning against trade receivables, including management assumptions. In addition, we evaluated the adequacy of the Group's disclosures regarding trade receivables.

Key Audit Matters (continued)

Timing of Revenue recognition	
See Note 7(j) to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
Revenues consist of transactions with short payment terms and low complexity. We have identified the recognition of revenue as a key audit matter because there is a risk of misstatement of the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period (cut-off).	In order to address the risk of misstatement related to cut-off in revenue recognition, we tested the Group's controls in respect to revenue recognition and, tested individual transactions occurring immediately before and after the year end. We also tested on a sample basis, credit notes issued after year end, to assess whether those transactions were recognised in the correct accounting period. Our tests of detail focused on transactions occurring within proximity of the year end, obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents.

Information Other Than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Group's 2018 Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. The Group's 2018 Annual Report is expected to be made available to us after the date of this auditors' 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 and 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 Group's 2018 Annual Report, if, based on the work we have performed, 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, 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements (continued)

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.

Auditors' 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 auditors' 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 judgement 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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 separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's 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, related safeguards.

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 auditors' 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 auditors' report is Robert Alleyne.

KPMG

Chartered Accountants
Port of Spain
Trinidad and Tobago
February 19, 2019

Consolidated Statement of Financial Position

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	2018 $	Restated 2017 $	Restated 2016 $
ASSETS				
Non-current assets				
Property, plant and equipment	9	1,853,066	1,811,779	1,805,255
Investment		1	-	-
Employee benefits	10	14,233	34,392	37,256
Trade and other receivables	11	-	114	1,966
Deferred tax assets	12 (d)	179,789	343,831	402,869
		2,047,089	2,190,116	2,247,346
Current assets				
Inventories	13	229,182	205,374	362,521
Trade and other receivables	11	173,002	160,539	134,683
Cash and cash equivalents	14	77,737	118,826	186,546
		479,921	484,739	683,750
Total assets		**2,527,010**	**2,674,855**	**2,931,096**
EQUITY AND LIABILITIES				
Equity				
Stated capital	15 (a)	827,732	827,732	827,732
Unallocated ESOP shares	16	(20,019)	(20,019)	(20,849)
Reserves	15 (b)	(248,355)	(241,067)	(254,305)
Retained earnings		109,987	169,707	445,001
Equity attributable to owners of the Company		669,345	736,353	997,579
Non-controlling interests	17	2,483	(17,048)	(7,053)
Total equity		671,828	719,305	990,526
Non-current liabilities				
Borrowings	18	922,469	669,137	839,646
Employee benefits	10	12,359	20,501	24,928
Other post-retirement benefits	10	160,952	148,063	129,586
Trade and other payables	19	86	87	-
Deferred tax liabilities	12 (d)	201,122	327,959	344,959
		1,296,988	1,165,747	1,339,119
Current liabilities				
Trade and other payables	19	539,070	545,832	472,601
Borrowings	18	19,124	243,971	128,850
		558,194	789,803	601,451
Total equity and liabilities		**2,527,010**	**2,674,855**	**2,931,096**

The notes on pages 73 to 135 are an integral part of these consolidated financial statements.

These consolidated financial statements were approved by the Board of Directors on February 19, 2019 and signed on their behalf by:

_______________ Director _______________ Director

Consolidated Statement of Profit or Loss

For the year ended December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	2018 $	2017 $
Continuing operations			
Revenue	20	1,721,123	1,712,569
Earnings before interest, tax, depreciation, gain on disposal of property, plant and equipment, restructuring costs and impairment	20	342,764	317,141
Depreciation	9	(127,126)	(127,969)
Loss on disposal of property, plant and equipment		(238)	(325)
Stockholding and restructuring costs		7,831	(81,352)
Impairment charge – Property, plant and equipment	9	-	(93,418)
Manpower restructuring costs	20	(84,930)	(59,023)
Impairment of trade receivables		2,415	(6,661)
Operating profit (loss)	20	140,716	(51,607)
Finance costs - Net	21	(84,557)	(123,137)
Profit (loss) before taxation		56,159	(174,744)
Taxation	12	(63,171)	(82,287)
Loss for the year from continuing operations		(7,012)	(257,031)
Loss attributable to:			
Owners of the Company	22	(37,662)	(267,565)
Non-controlling interests	17	30,650	10,534
		(7,012)	(257,031)

The notes on pages 73 to 135 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	2018 $	Restated 2017 $
Loss for the year		(7,012)	(257,031)
Items that are or maybe reclassified to profit of loss:			
Exchange differences on translation of foreign operations	15 (b)	(5,622)	13,941
Change in fair value of cash flow hedge	15 (b)	(3,976)	3,976
		(9,598)	17,917
Items that will not be reclassified to profit or loss:			
Re-measurement gains on pension plans and other post-retirement benefits	10	(24,530)	15,337
Related tax	12 (c)	7,615	(5,223)
		(16,915)	10,114
Other comprehensive (loss) income for the year, net of tax		(26,513)	28,031
Total comprehensive loss for the year		(33,525)	(229,000)
Total comprehensive loss attributable to:			
Owners of the Company		(62,354)	(243,630)
Non-controlling interests		28,829	14,630
		(33,525)	(229,000)
Loss per share:			
Basic and diluted (expressed in $ per share)	22	($0.10)	($0.72)

The notes on pages 73 to 135 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

		Attributable to Owners of the Company						
	Notes	Stated capital $	Unallocated ESOP shares $	Reserves $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Year ended December 31, 2017								
Balance at January 1, 2017 as previously stated		827,732	(20,849)	(254,305)	464,549	1,017,127	(221)	1,016,906
Restatement- correction of prior period errors		-	-	-	(19,548)	(19,548)	(6,832)	(26,380)
Balance at January 1, 2017 (Restated)		827,732	(20,849)	(254,305)	445,001	997,579	(7,053)	990,526
Loss for the year		-	-	-	(267,565)	(267,565)	10,534	(257,031)
Other comprehensive income	15 (c)	-	-	13,238	10,697	23,935	4,096	28,031
Total comprehensive income (loss)		-	-	13,238	(256,868)	(243,630)	14,630	(229,000)
Transactions with owners of the Company								
Share-based allocations	16	-	830	-	(200)	630	-	630
Dividends	23	-	-	-	(7,493)	(7,493)	(26)	(7,519)
Acquisition of NCI without change of control		-	-	-	(10,733)	(10,733)	(24,599)	(35,332)
		-	830	13,238	(275,294)	(261,226)	(9,995)	(271,221)
Restated Balance at December 31, 2017		827,732	(20,019)	(241,067)	169,707	736,353	(17,048)	719,305

	Notes	Stated capital $	Unallocated ESOP shares $	Reserves $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
		Attributable to Owners of the Company						
Year ended December 31, 2018								
Restated Balance at January 1, 2018		827,732	(20,019)	(241,067)	169,707	736,353	(17,048)	719,305
Adjustment on initial application of IFRS 9		-	-	-	(6,932)	(6,932)	(205)	(7,137)
Restated Balance at January 1, 2018		827,732	(20,019)	(241,067)	162,775	729,421	(17,253)	712,168
Loss for the year		-	-	-	(37,662)	(37,662)	30,650	(7,012)
Other comprehensive loss	15 (c)	-	-	(7,288)	(17,404)	(24,692)	(1,821)	(26,513)
Total comprehensive loss		-	-	(7,288)	(55,066)	(62,354)	28,829	(33,525)
Transactions with owners of the Company								
Acquisition of NCI without change of control		-	-	-	2,278	2,278	(9,093)	(6,815)
		-	-	(7,288)	(52,788)	(60,076)	19,736	(40,340)
Balance at December 31, 2018		827,732	(20,019)	(248,355)	109,987	669,345	2,483	671,828

The notes on pages 73 to 135 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	2018 $	Restated 2017 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operating activities	24	220,069	423,815
Pension contributions paid	10 (a)	(20,752)	(9,822)
Post-retirement benefits paid	10 (b)	(8,170)	(4,345)
Taxation paid		(21,470)	(42,059)
Net interest paid		(42,373)	(72,104)
Net cash from operating activities		127,304	295,485
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	9	(169,661)	(214,914)
Proceeds from disposal of property, plant and equipment		-	886
Net cash used in investing activities		(169,661)	(214,028)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(4,500)	(1,135,922)
Proceeds from borrowings		-	1,029,155
Net increase in revolving facilities		12,446	-
Dividends paid		-	(7,519)
Acquisition of non-controlling interests		(6,815)	(35,332)
Net cash from (used in) financing activities		1,131	(149,618)
Net decrease in cash and cash equivalents		(41,226)	(68,161)
Cash and cash equivalents at January 1		118,826	186,546
Effect of movement in exchange rate on cash held		137	441
Cash and cash equivalents at December 31		77,737	118,826
Represented by:			
Cash and cash equivalents		77,737	118,826

The notes on pages 73 to 135 are an integral part of these consolidated financial statements.

1. Incorporation and Business Activities

Trinidad Cement Limited (the "Company" or the "parent company") is resident and incorporated in the Republic of Trinidad and Tobago and is engaged in the manufacture and sale of cement, concrete and aggregates. The Company is a limited liability company with its registered office located at Southern Main Road, Claxton Bay and is the parent company of various subsidiary companies operating in Trinidad & Tobago and the wider Caribbean region.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

As at year end the ordinary shares of the Company and certain entities within the Group are publicly traded on the Trinidad and Tobago Stock Exchange (TTSE) and Barbados Stock Exchange (BSE). At the date of approval of the consolidated financial statements, the Company was delisted from the Jamaica Stock Exchange (JSE) and has embarked upon a process of delisting from the BSE.

The Company is a subsidiary of Sierra Trading. As a result, the Group's ultimate parent company is CEMEX, S.A.B. de C.V., a public stock corporation with variable capital (S.A.B. de C.V.) organised under the laws of the United Mexican States, or Mexico and its shares are publicly traded on the Mexican Stock Exchange ("MSE") as Ordinary Participation Certificates ("CPOs") under the symbol "CEMEXCPO". Each CPO represents two series "A" shares and one series "B" share of common stock of CEMEX, S.A.B. de C.V. In addition, CEMEX, S.A.B. de C.V.'s shares are listed on the New York Stock Exchange ("NYSE") as American Depositary Shares ("ADSs") under the symbol "CX". Each ADS represents ten CPOs.

The Company's subsidiaries and their principal activities are detailed in Note 25.

These consolidated financial statements were authorised for issue by Trinidad Cement Limited's Board of Directors on February 19, 2019.

2. Basis of Accounting

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

3. Basis of Measurement

The consolidated financial statements are prepared on the historical cost basis modified for the inclusion of net defined benefit asset (obligation) which is recognised at fair value of plan assets, adjusted by re-measurement through other comprehensive income (OCI), less the present value of the defined obligation adjusted by experience gains/losses on revaluation, limited as explained in Note 7(i) and Note 10.

4. Basis of Consolidation

(i) *Subsidiaries*

A subsidiary Company is an entity controlled by the Group. 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.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

Non-controlling interests (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

4. Basis of Consolidation (continued)

(i) *Subsidiaries (continued)*

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 carrying amount of assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Reclassifies to profit or loss or to retained earnings, as appropriate, the amounts recognised in OCI as would be required if the Group had directly disposed of the related assets or liabilities; and
- Recognises any resulting difference as a gain or loss in profit or loss attributable to the Parent.

Non-controlling interests represent the interests not held by the Group in Readymix (West Indies) Limited, Caribbean Cement Company Limited, TCL Ponsa Manufacturing Limited, and TCL Packaging Limited. The Company acquired the non-controlling interest held in TCL Guyana Inc during 2018.

(ii) *Transactions eliminated on consolidation*

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.

5. Functional and Presentation Currency

Items included in these consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These consolidated financial statements are presented in Trinidad and Tobago dollars, rounded to the nearest thousand, which is the Group'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.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

6. Use of Judgements and Estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The key judgements, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Impairment of non-financial assets*

An impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell is determined using an approach that includes the use of market observable data for similar type CGUs. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(ii) *Taxes*

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

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

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

6. Use of Judgements and Estimates (continued)

(iii) *Provision for doubtful debts*

Management exercises judgement in determining the adequacy of provisions established for accounts receivable balances for which collections are considered doubtful. Judgement is used in the assessment of the extent of the recoverability of certain balances. Actual outcomes may be materially different from the provision established by management.

Impairment losses: Policy applicable from January 1, 2018

Impairment losses of financial assets, including trade accounts receivable, are recognised using the expected credit loss model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability.

(iv) *Property, plant and equipment*

Management exercises judgement in determining whether costs incurred can accrue significant future economic benefits to the Group to enable the value to be treated as a capital expense.

Further judgement is applied in the annual review of the useful lives of all categories of property, plant and equipment and the resulting depreciation determined thereon.

Additionally, management exercises judgement in the determination of the key assumptions utilised in the impairment tests performed on the property, plant and equipment. These assumptions include the use of a suitable discount rate and applicable cash flow forecasts to be used in the analysis. These variables significantly impact the results and conclusions derived from the impairment tests performed.

(v) *Defined contribution plans*

The cost of defined benefit pension plans, and other post-retirement benefits are determined using actuarial valuations. The actuarial valuation involves making judgements and assumptions in determining discount rates, expected rates of return on assets, future salary increases, and future pension increases. Due to the long term nature of these plans, such assumptions are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

7. Significant Accounting Policies

The significant accounting policies adopted in the preparation of these consolidated financial statements have been applied consistently to all the periods presented in the consolidated financial statements and are set out below.

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. 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 costs incurred are expensed and included in administrative expenses.

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

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

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit and loss.

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 reassesses whether it has correctly identified all of the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in 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. The Group assesses at each reporting date whether there is an indication that goodwill maybe impaired. If any such indication exists, or when impairment testing for an asset is required, the Group makes an estimate of the assets recoverable amount.

7. Significant Accounting Policies (continued)

(a) Business combinations and goodwill *(continued)*

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 operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. All other repairs and maintenance are recognised in profit or loss.

Depreciation is provided on the straight line or reducing balance basis at rates estimated to write-off the assets over their estimated useful lives. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and the depreciation rates are adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Current rates of depreciation are:

Buildings	-	2%	-	4%
Plant, machinery and equipment	-	3%	-	25%
Motor vehicles	-	10%	-	25%
Office furniture and equipment	-	10%	-	33%

Leasehold land and improvements are amortised over the shorter of the remaining term of the lease and the useful life of the asset. Freehold land and capital work-in-progress are not depreciated. The limestone reserves contained in the leasehold land at a subsidiary is valued at fair market value determined at the date of acquisition of the subsidiary and was subsequently carried at this cost. A depletion charge is recognised based on units of production from those reserves.

All other limestone reserves which are contained in lands owned by the Group are not carried at fair value, but the related land is stated at historical cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(c) Inventories

Plant spares, raw materials and consumables are valued at the lower of weighted average cost and net realisable value. Work in progress and finished goods are valued at the lower of cost and net realisable value. Cost of inventories includes those expenditures incurred in acquiring or producing inventories including production overheads and other conversion costs incurred to bring them to their existing location and condition. Net realisable value is the estimate of the selling price less the costs of completion and direct selling expenses.

(d) Foreign currency translation

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 profit or loss.

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 recognised in other comprehensive income. On disposal of the foreign operation, the deferred cumulative amount recognised in other comprehensive income is recognised in profit or loss.

(e) Segment information

The Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices. Revenues are attributable to geographic areas based on the location of the assets producing the revenues.

(f) Financial instruments

Financial instruments carried on the consolidated statement of financial position include cash and bank balances including advances/overdrafts, accounts receivables, accounts payables, and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(g) Leases

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

Operating leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Finance leases

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

(h) 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.

Deferred income tax

A deferred tax charge is provided, using the liability method, on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, to the extent that it is probable that future taxable profit will be available against which these deductible temporary differences and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

7. Significant Accounting Policies (continued)

(i) Employee benefits

Employee benefits include pension plans and post-retirement medical benefits. Defined benefit pension plans are generally funded by payments from employees and by the relevant Group companies, taking into account of the rules of the pension plans and the recommendations of independent professional actuaries.

For defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is calculated based on the advice of independent actuaries who also carry out a full funding valuation of the plans every three years. The pension obligation is measured at the present value of the estimated future cash outflows using interest rates of long term government securities.

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 recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Defined contribution plans are accounted for on the accrual basis, as the Group's liabilities are limited to its contributions.

Certain subsidiaries also provide post-retirement healthcare benefits to their retirees. The expected costs of these benefits are measured and recognised in a manner similar to that for defined benefit plans. Valuation of these obligations is carried out by independent professional actuaries using an accounting methodology similar to that for the defined benefit pension plans.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'personnel remuneration and benefits' in profit or loss:

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

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(j) Revenue recognition

Sales of goods

As mentioned in note 7 (w), the Group adopted IFRS 15 on January 1, 2018 using the retrospective approach. The Group's policies under IFRS 15 are as follows:

Revenue is recognised at a point in time or over time in the amount of the price, before tax on sales, expected to be received by the Group for goods and services supplied as a result of its ordinary activities, as contractual performance obligations are fulfilled, and control of goods and services passes to the customer. Revenues are decreased by any trade discounts or volume rebates granted to customers. Transactions between related parties are eliminated in consolidation.

Variable consideration is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised for the contract will not occur and is measured using the expected value or the most likely amount method, whichever is expected to better predict the amount based on the terms and conditions of the contract.

Revenue and costs from trading activities, in which the Group acquires finished goods from a third party and subsequently sells the goods to another third-party, are recognised on a gross basis, considering that the Group assumes ownership risks on the goods purchased, not acting as agent or broker.

Interest and investment income

Interest and investment income are recognised as they accrue unless collectability is in doubt.

(k) Trade and other receivables

Trade and other receivables are carried at anticipated realisable value. The policy from December 31, 2017 is to recognise impairment under the expected credit loss. The policy before December 31, 2017 was to record provisions for specific doubtful receivables based on a review of all outstanding amounts at each year-end.

(l) Trade and other payables

Liabilities for trade and other payables, which are normally settled on 30-120 day terms are carried at cost, which represents the consideration to be paid in the future for goods and services received whether or not billed to the Group.

7. Significant Accounting Policies (continued)

(m) Interest bearing loans and borrowings

Borrowings are initially recognised at the fair value of the consideration received less directly attributable costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in profit or loss.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective 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.

(o) Provisions

Provisions are recorded when the Group has a present 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 a reliable estimate of the amount can be made.

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features.

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

7. Significant Accounting Policies (continued)

(p) Earnings per share

Earnings per share is computed by dividing net profit or loss attributable to the shareholders of the Parent for the year by the weighted average number of ordinary shares in issue during the year. Diluted earnings or loss per share is computed by adjusting the weighted average number of ordinary shares in issue for the assumed conversion of potential dilutive ordinary shares into issued ordinary shares. The Group has no dilutive potential ordinary shares in issue.

(q) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include all cash and bank balances and overdraft balances with maturities of less than three months from the date of establishment.

(r) Equity compensation benefits

The Group accounts for profit sharing entitlements which are settled in the shares of the Parent Company through an Employee Share Ownership Plan (ESOP) as an expense determined at market value. The cost incurred in administering the Plan is recorded in the statement of income of the Parent Company. The cost of the unallocated shares of the Parent Company, which are treated as treasury shares, is recognised as a separate component within equity.

(s) Equity movements

Stated capital

Ordinary stated capital is classified within equity and is recognised at the fair value of the consideration received by the Company. As equity is repurchased, the amount of consideration paid is recognised as a charge to equity and reported in the consolidated statement of financial position as treasury shares.

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's Board of Directors. Interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the consolidated statement of financial position date are dealt with as an event after the end of reporting date.

Treasury shares

Own equity instruments which are re-acquired ("treasury shares") are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in other reserves. Such treasury shares are presented separately within equity and are stated at cost.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(t) Impairment of assets

Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to dispose 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 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. Impairment losses are separately disclosed in profit or loss.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amounts in which case the reversal is treated as a revaluation increase. Impairment losses recognised in relation to goodwill are not reversed for subsequent increases in its recoverable amount.

Financial assets

The carrying value of all financial assets not carried at fair value through profit or loss is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The identification of impairment and the determination of recoverable amounts is an inherently uncertain process involving various assumptions and factors, including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices.

7. Significant Accounting Policies (continued)

(u) Fair value measurement

The Group does not measure any assets or liabilities at fair value in its consolidated statement of financial position. The fair values of financial instruments measured at amortised cost are disclosed in Note 28. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

(v) Financial instruments

Financial instruments carried on the consolidated statement of financial position include cash at bank and short-term deposits, accounts payables, accounts receivables and borrowings.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described in the particular recognition methods disclosed in their individual policy statements associated with each item.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

***(v) Financial instruments* (continued)**

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Group's financial liabilities include accounts payable and accruals which are recognised initially at fair value.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in their individual policy statements associated with each item.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(w) Changes in significant accounting policies

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The Group has assessed them and has adopted those which are relevant to its financial statements:

The Group has initially applied IFRS 9, Financial Instruments and IFRS 15, Revenue from Contacts with Customers from January 1, 2018. A number of other new standards are also effective from January 1, 2018 but do not have a material effect on the Group's financial statements.

Due to the transition methods chosen by the Group in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards, except for separately presenting impairment loss on trade receivables.

The effect of initially applying these standards is mainly attributable to an increase in impairment losses recognised on trade receivables.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. **Significant Accounting Policies** (continued)

***(w) Changes in significant accounting policies** (continued)*

- IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell-non financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

  As a result of the adoption of IFRS 9, the Group has adopted consequential amendments to IAS 1 *Presentation of Financial Statements*, which require impairment of financial assets to be presented in a separate line item in the statement of profit or loss and OCI. Previously, the Group's approach was to include the impairment of trade receivables in earnings before interest, tax, depreciation, gain on disposal of property, plant and equipment and restructuring costs. Consequently, the Group reclassified impairment losses amounting to $6,661, recognised under IAS 39 *Financial Instruments: Recognition and Measurement*, from 'earnings before interest, tax, depreciation, gain on disposal of property, plant and equipment and restructuring costs' to 'impairment credit (loss) on trade receivables' in the statement of profit or loss for the year ended December 31, 2017. There were no impairment losses on other financial assets.

  Additionally, the Group had adopted consequential amendments to IFRS 7 *Financial Instruments: Disclosures* that are applied to disclosures about 2018 but have not been generally applied to comparative information.

  The following summarises the impact, net tax, of transition to IFRS 9 on the opening balances:

	Retained Earnings $	Non-Controlling Interest $
Recognition of expected credit losses under IFRS 9	(6,932)	(205)
Impact at January 1, 2018	(6,932)	(205)

  IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(w) Changes in significant accounting policies *(continued)*

- IFRS 9 (continued)

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities.

The following table below explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets and liabilities as at January 1, 2018.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at January 1, 2018 relates solely to the new impairment requirements.

Financial assets	**Original Classification under IAS 39**	**New Classification under IFRS 9**	**Original Carrying Amount $**	**New Carrying Amount $**
Trade receivables	Loans and receivables	Amortised cost	112,975	105,456
Cash and cash equivalents	Loans and receivables	Amortised cost	118,826	118,826
Financial liabilities				
Payables	Other financial liabilities	Amortised cost	327,959	327,959
Borrowings	Other financial liabilities	Amortised cost	913,108	913,108

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

For assets in the scope of IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Group has determined that the application of IFRS 9's impairment requirements at January 1, 2018 results in an additional allowance for impairment on trade receivables alone of $7,137.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. **Significant Accounting Policies** (continued)

(w) Changes in significant accounting policies *(continued)*

- IFRS 9 (continued)

  Transition

  The Group has used an exception not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are recognised in retained earnings as at January 1, 2018. Accordingly, the information presented for 2017 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.

  The following assessment has been made on the basis of the facts and circumstances that existed at the date if initial application:

  - The determination of the business model within which a financial asset is held.

- IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when the customer obtains control of the goods and services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. The Group's adoption of IFRS 15 had no impact on revenue recognition.

(x) New, revised and amended standards and interpretations that became effective during the year

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The Group has assessed them and has adopted those which are relevant to its financial statements:

- IFRS 9

  Effective beginning January 1, 2018, IFRS 9 sets forth the guidance relating to the classification and measurement of financial assets and financial liabilities, the accounting for expected credit losses of financial assets and commitments to extend credits, as well as the requirements for hedge accounting; and replaced IAS 39, *Financial instruments: Recognition and Measurement* ("IAS 39"). The Group applied IFRS 9 prospectively. The accounting policies were changed to comply with IFRS 9.

7. Significant Accounting Policies (continued)

(x) New, revised and amended standards and interpretations that became effective during the year (continued)

- IFRS 9 (continued)

The changes required by IFRS 9 are described as follows:

Among other aspects, IFRS 9 changed the classification categories for financial assets under IAS 39 and replaced them with categories that more closely reflect the measurement method, the contractual cash flow characteristics and the entity's business model for managing the financial asset:

- Cash and cash equivalents, trade and other accounts receivable and other financial assets, which were classified as "Loans and receivables" and measured at amortised cost under IAS 39, are now classified as "Held to collect" under IFRS 9 and continue to be measured at amortised cost.
- Investments and non-current accounts receivable that were classified as "Held to maturity" and measured at amortised cost under IAS 39, are now classified as "Held to collect" under IFRS 9 and continue to be measured at amortised cost.
- Investments that were classified as "Held for trading" and measured at fair value through profit or loss under IAS 39, are now classified as "Other investments" under IFRS 9 and are measured at fair value through profit or loss.
- Certain investments that were classified as "Held for sale" and measured at fair value through other comprehensive income under IAS 39, are now considered as strategic investments under IFRS 9 and continue to be measured at fair value through other comprehensive income.
- Financial instruments continue to be measured at fair value through profit or loss under IFRS 9.

The Group assessed which business models applied to its financial assets and liabilities as of the date of initial application of IFRS 9 and classified its financial instruments into the appropriate IFRS 9 categories.

In addition, under the new impairment model under IFRS 9, based on expected credit losses, impairment losses for the entire lifetime of financial assets, including trade accounts receivable, are recognised on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability.

The Company developed an expected credit loss model applicable to its trade accounts receivable that considers the historical performance and economic environment, as well as the credit risk and expected developments for each group of customers and applied the simplified approach upon adoption of IFRS 9.

7. Significant Accounting Policies (continued)

(x) New, revised and amended standards and interpretations that became effective during the year (continued)

- IFRS 15

  Under IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, following a five step model: Step 1: Identify the contract(s) with a customer (agreement that creates enforceable rights and obligations); Step 2: Identify the different performance obligations (promises) in the contract and account for those separately; Step 3: Determine the transaction price (amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services); Step 4: Allocate the transaction price to each performance obligation based on the relative stand-alone selling prices of each distinct good or service; and Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation by transferring control of a promised good or service to the customer.

  A performance obligation may be satisfied at a point in time (typically for the sale of goods) or over time (typically for the sale of services and construction contracts). IFRS 15 also includes disclosure requirements to provide comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  After an extensive analysis of its contracts with customers, business practices and operating systems for all the reported periods in all the countries in which the Group operates in order to review the different performance obligations and other promises (discounts, loyalty programs, rebates, etc.) included in such contracts, among other aspects, aimed to determine the differences in the accounting recognition of revenue with respect to prior IFRS.

(y) New, revised and amended standards and interpretations not yet effective

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Group has not early-adopted.

The Group is assessing the impact that the following amendments will have on its 2019 financial statements.

- IFRS 16 Leases, which is effective for annual reporting periods beginning on or after January 1, 2019, eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Entities will be required to bring all major leases on-balance sheet, recognising new assets and liabilities. The on-balance sheet liability will attract interest; the total lease expense will be higher in the early years of a lease even if a lease has fixed regular cash rentals. Optional lessee exemption will apply to short- term leases and for low-value items with value of US$5,000 or less.

7. Significant Accounting Policies (continued)

(y) New, revised and amended standards and interpretations not yet effective (continued)

Lessor accounting remains similar to current practice as the lessor will continue to classify leases as finance and operating leases.

Early adoption is permitted if IFRS 15, Revenue from Contracts with Customers is also adopted.

- IFRIC 23 Uncertainty over Tax Treatments, which is effective for annual reporting periods beginning on or after January 1, 2019, clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities, whilst aiming to enhance transparency. IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about:

  - judgements made;
  - assumptions and other estimates used; and
  - the potential impact of uncertainties that are not reflected.

- Amendments to IFRS 9, Prepayment Features with Negative Compensation, which is effective for annual reporting periods beginning on or after January 1, 2019, removes the word “additional” so that negative compensation may be regarded as “reasonable compensation” irrespective of the cause of the early termination. Financial assets with these prepayment features can therefore be measured at amortised cost or at FVOCI if they meet the other relevant requirements of IFRS 9. Retrospective application is required, subject to relevant transitional reliefs.

  The Board clarified that IFRS 9 (as issued in 2014) requires prepares to:

  - recalculate the amortised cost of the modified financial liability by discounting the modified contractual cash flows using the original effective interest rate (EIR); and
  - recognise any adjustment to profit or loss.

  The accounting treatment is therefore consistent with that required for modifications of financial assets that do not result in derecognition. If the initial application of IFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to transitional reliefs.

- Amendments to IAS 19, Plan Amendment, Curtailment or Settlement, which is effective for annual reporting periods beginning on or after January 1, 2019, clarifies that:

  - on amendment, curtailment or settlement of a defined benefit plan, the Group can now use updated actuarial assumptions to determine its current service cost and net interest for the period; and

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

7. Significant Accounting Policies (continued)

(y) New, revised and amended standards and interpretations not yet effective (continued)

- the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separate in other comprehensive income.

- Annual Improvements to IFRS Standards 2015-2017 Cycle, which is effective for annual reporting periods beginning on or after January 1, 2019:
  - Amendments to IFRS 3, Business Combinations and IFRS 11, Joint Arrangements, clarifies how a company accounts for increasing its interest in a joint operation that meets the definition of a business. The amendments also provide further guidance on what constitutes the previously held interest. This is the entire previously held interest in the joint operation.
  - Amendments to IAS 12, Income Taxes, clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognised consistently with the transactions that generated the distributable profits – i.e. in profit or loss, OCI or equity.
  - Amendments to IAS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction. Borrowings that are intended to specifically finance qualifying assets that are now ready for their intended use or sale – or any non-qualifying assets – are included in that general pool. The changes are to be applied prospectively to borrowing costs incurred on or after the date an entity adopts the amendments.
- Amendments to Reference to Conceptual Framework in IFRS Standards, which is effective for annual reporting periods beginning on or after January 1, 2020, is a comprehensive revision of the exiting framework. It covers all aspects of standard setting from the objective of financial reporting, to presentation and disclosures. Most of the concepts are not new, the revised framework codifies the IASB's thinking adopted in recent standards. Some areas such as the distinction between liabilities and equity have been removed from the revised Framework, and are being dealt with in separate projects.

8. Correction of Errors

During 2018 the Group discovered that payments for post-retirement medical care of retirees of the Jamaican subsidiaries were erroneously included and accounted for as short-term employee benefits. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors the financial statements have been restated to account for the employee benefits liability and expenses arising from commitments to provide this post-retirement medical care consistently with IAS 19, Employee Benefits. The impact of the restatement for the previously reported period ended December 31, 2017 is illustrated below.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

8. Correction of Errors (continued)

(a) Consolidated statement of financial position

		Impact of Correction of Error		
January 1, 2017	**Notes**	**As Previously Stated $**	**Adjustments $**	**As Restated $**
Non-current assets				
Deferred tax assets		394,075	8,794	402,869
Equity				
Retained earnings		464,549	(19,548)	445,001
Non-controlling interests	16	(221)	(6,832)	(7,053)
Non-current liabilities				
Other post-retirement benefits		94,412	35,174	129,586
December 31, 2017				
Non-current assets				
Deferred tax assets	11(d)	332,655	11,176	343,831
Equity				
Reserves	14(b)	(240,405)	(662)	(241,067)
Retained earnings		193,890	(24,182)	169,708
Non-controlling interests	16	(8,365)	(8,684)	(17,049)
Non-current liabilities				
Other post-retirement benefits		103,359	44,704	148,063

(b) Consolidated statement of profit or loss

		Impact of Correction of Error		
December 31, 2017	**Notes**	**As Previously Stated $**	**Adjustments $**	**As Restated $**
Earnings before interest, depreciation, amortisation, tax, stockholding and inventory restructuring and		312,998	(2,518)	310,480
manpower restructuring costs				
Taxation charge		(82,916)	629	(82,287)
Profit for the year		(255,142)	(1,889)	(257,031)
Loss attributable to:				
Owners of the Company	22	(266,165)	(1,400)	(267,565)
Non-controlling interests	17	11,023	(489)	10,534
		(255,142)	(1,889)	(257,031)

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

8. Correction of Errors (continued)

(b) Consolidated statement of profit or loss (continued)

		Impact of Correction of Error		
December 31, 2017	**Notes**	**As Previously Stated $**	**Adjustments $**	**As Restated $**
Consolidated statement of comprehensive income				
Item that may never be reclassified to profit or loss:				
Exchange differences on translation of foreign operations:		14,834	(893)	13,941
Items that will not be reclassified to profit or loss:				
Re-measurement gains on pension plans and other post-retirement benefits		21,158	(5,821)	15,337
Related tax charge		(6,678)	1,455	(5,223)
		14,480	(4,366)	10,114
Total comprehensive loss attributable to:				
Owners of the Company		(238,333)	(5,297)	(243,630
Non-controlling interests		16,481	(1,851)	14,630
		(221,852)	(7,148)	(229,000)

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

9. Property, Plant and Equipment

	Land and Buildings $	Plant, Machinery and Equipment and Motor Vehicles $	Office Furniture and Equipment $	Capital Work in Progress $	Total $
At December 31, 2018					
Cost	484,293	3,075,194	48,154	225,833	3,833,474
Accumulated depreciation and impairment	(255,645)	(1,639,157)	(43,333)	(42,273)	(1,980,408)
Net book amount	228,648	1,436,037	4,821	183,560	1,853,066
Net book amount					
January 1, 2018	222,455	1,293,613	19,026	276,685	1,811,779
Exchange rate adjustments	6,499	17,341	(10,611)	(7,551)	5,678
Additions	634	52,749	419	115,859	169,661
Transfers	12,454	189,320	393	(202,167)	-
Disposals and adjustments	1,731	(8,116)	(1,275)	734	(6,926)
Depreciation charge	(15,125)	(108,870)	(3,131)	-	(127,126)
December 31, 2018	228,648	1,436,037	4,821	183,560	1,853,066
At December 31, 2017					
Cost	466,368	3,428,825	58,855	318,740	4,272,788
Accumulated depreciation and impairment	(243,913)	(2,135,212)	(39,829)	(42,055)	(2,461,009)
Net book amount	222,455	1,293,613	19,026	276,685	1,811,779
Net book amount					
January 1, 2017	238,894	1,331,318	21,787	213,256	1,805,255
Exchange rate adjustments	2,990	10,572	88	571	14,221
Additions	8,180	32,983	449	173,302	214,914
Transfers	23,948	43,516	966	(68,430)	-
Disposals and adjustments	(45)	(1,093)	(86)	-	(1,224)
Depreciation charge	(12,085)	(112,271)	(3,613)	-	(127,969)
Impairment charge	(39,427)	(11,412)	(565)	(42,014)	(93,418)
December 31, 2017	222,455	1,293,613	19,026	276,685	1,811,779

9. Property, Plant and Equipment (continued)

In accordance with IAS 36: "Impairment of assets", management performed an impairment test on Property, Plant and Equipment (PPE) and related assets of the Barbados subsidiary (ACCL) and recorded an impairment provision of $93.4 million. The recoverable amount of $66.5 million was based on the fair value. A valuation exercise was undertaken during 2017 to determine the fair value of the Group and its assets at 1 February 2017. The valuation was conducted by external, independent professionals having appropriate qualifications and experience in the location and assets valued. The valuator used the market approach to value real property (land) and the cost approach to value buildings and machinery and equipment. This valuation was used to measure the fair value of the PPE in Barbados at December 31, 2017.

10. Employee Benefits

The Trinidad Cement Limited Employees' Pension Fund Plan, a defined benefit plan, is sectionalised for funding purposes into three segments to provide retirement pensions to the retirees of Trinidad Cement Limited ("TCL"), TCL Packaging Limited ("TPL") and Readymix (West Indies) Limited ("RML"). Another pension plan, resident in Barbados, covers the employees of Arawak Cement Company Limited and Premix and Precast Concrete Incorporated. Employees of TCL Ponsa Manufacturing Limited are paid an end of service lump sum payment directly by the Company.

The Parent Company's employees and employees of TPL and RML are members of the Trinidad Cement Limited Employees' Pension Fund Plan (the Plan). This is a defined benefit pension plan which provides pensions related to employees' length of service and basic earnings at retirement. The Plan's financial funding position is assessed by means of triennial actuarial valuations carried out by an independent professional actuary. The Actuarial Valuation report (the Report) as at December 31, 2015 revealed that the TCL section was in surplus by $77.1 million but the RML and TPL sections were in deficit by $6.1 million and $2.2 million respectively. The next triennial actuarial valuation is due as at December 31, 2018.

The Report recommended service contribution rates for TCL, RML and TPL as a percentage of salaries at 10%, 17.4% and 25.7% respectively.

Employees of Arawak Cement Company Limited are members of a defined benefit pension plan (the ACCL Plan), which became effective in September 1994. The ACCL Plan is established under an irrevocable trust and its assets are invested through an independently administered segregated fund policy. The triennial actuarial valuation was last carried out as at January 2013 and showed a funding surplus of $4.3 million. The actuary has recommended that the Company contributes at the rate of 1% of members' earnings.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

The numbers below are extracted from information supplied by independent actuaries.

Pension plan assets (liabilities) and other post-retirement obligations:

	2018 $	Restated 2017 $
Pension plan assets	14,233	34,392
Pension plan liabilities	(12,359)	(20,501)
Net pension plan assets	1,874	13,891
Other post-retirement obligations:		
Retiree's medical benefit obligations	(159,559)	(144,680)
Service benefit obligations	(1,393)	(3,383)
Total other post-retirement obligations	(160,952)	(148,063)
Re-measurement gains/(losses) recognised in OCI:		
Pension plan	(16,234)	26,462
Other post-retirement obligations	(8,296)	(11,125)
	(24,530)	15,337
Pension costs charged to profit or loss:		
Pension plan	(16,589)	34,732
Other post-retirement obligations	(10,502)	(10,502)
	(27,091)	24,230

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

(a) Changes in the defined benefit obligation and fair value of plan assets:

	Defined Benefit Obligation $	Fair Value of Plan Assets $	Net Pension Plan Asset $
Restated Balance at January 1, 2018	(966,917)	980,808	13,891
Pension cost charged to profit or loss			
Current service cost	(16,321)	(2,298)	(18,619)
Past service cost	-	-	-
Net interest	(52,447)	54,477	2,030
Sub-total included in profit or loss	(68,768)	52,179	(16,589)
Re-measurement gains (losses) recognised in OCI			
Return on plan assets	-	(46,686)	(46,686)
Actuarial changes arising from changes in financial assumptions			
Experience adjustments	31,709	(1,257)	30,452
Sub-total included in OCI	31,709	(47,943)	(16,234)
Other movements			
Contributions by employee	(10,441)	10,441	-
Contributions by employer	-	20,752	20,752
Benefits paid	64,472	(64,472)	-
Other movements	(207)	261	54
Sub-total – other movements	53,824	(33,018)	20,806
Balance at December 31, 2018	(950,152)	952,026	1,874

The Group expects to contribute $12.1 million to its pension plan in 2019.

The weighted average duration of the defined benefit obligations at December 31, 2018 ranges from 13.7 to 17.7 years (2017: 13.7 to 17.7 years).

(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

(a) Changes in the defined benefit obligation and fair value of plan assets:(continued):

	Defined Benefit Obligation $	Fair Value of Plan Assets $	Net Pension Plan Asset $
Balance at January 1, 2017	(941,920)	954,248	12,328
Pension cost charged to profit or loss			
Current service cost	(24,957)	(2,107)	(27,064)
Past service cost	(8,485)	-	(8,485)
Net interest	(51,966)	52,783	817
Sub-total included in profit or loss	(85,408)	50,676	(34,732)
Re-measurement gains (losses) recognised in OCI			
Return on plan assets	-	11,430	11,430
Experience adjustments	19,547	(4,515)	15,032
Sub-total included in OCI	19,547	6,915	26,462
Other movements			
Contributions by employee	(5,420)	5,420	-
Contributions by employer	-	9,822	9,822
Benefits paid	46,306	(46,306)	-
Other movements	(22)	33	11
Sub-total – other movements	40,864	(31,031)	9,833
Balance at December 31, 2017	(966,917)	980,808	13,891

(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

(b) Changes in the other post-retirement benefits

	2018 $	2017 $
Balance at January 1	(148,063)	(129,573)
Pension cost charged to profit or loss		
Current service cost	(3,846)	(4,172)
Past service cost	-	1,729
Net interest	(8,917)	(8,059)
Sub-total included in profit or loss	(12,763)	(10,502)
Re-measurement (losses) gains recognised in OCI		
Actuarial changes arising from changes in demographic assumptions	-	2,616
Actuarial changes arising from changes in financial assumptions	(6,967)	(6,764)
Experience adjustments	(1,329)	(6,977)
Sub-total included in OCI	(8,296)	(11,125)
Other movements		
Benefits paid	7,457	4,344
Other benefits	713	(1,194)
Sub-total – other movements	8,170	3,150
Balance at December 31	(160,952)	(148,063)

(c) The major categories of plan assets of the fair value of the total plan assets are, as follows:

	2018 %	2017 %
Cash and cash equivalents	4	6
Equities	44	43
Bonds	51	50
Mortgages	1	1
	100	100

Overseas equities are quoted on actively traded markets. Local equities are quoted on relatively illiquid markets.

(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

(d) Principal actuarial assumptions used in determining pension plan and other post-retirement benefits for the Group

Pension plan

The actual return on plan assets for 2018 amounted to $25,322 (2017: $57,330).

	2018 $	2017 $
Discount rate at December 31:		
Trinidad Cement Limited Employees' Pension Fund Plan	5.50	5.50
Arawak Cement Company Limited Pension Fund Plan	7.75	7.75
Future salary increases:		
Trinidad Cement Limited Employees' Pension Fund Plan	5.00	5.00
Arawak Cement Company Limited Pension Fund Plan	6.75	6.75

		2018	2017
Post-retirement mortality for pensioners at 60:			
	Male	21.0	21.0
	Female	25.1	25.1

A quantitative sensitivity analysis for significant assumptions as at December 31, 2018 is as shown below:

Assumptions	**Discount Rate**		**Future Salary Increases**		**Life Expectancy of Pensioners Increase**
Sensitivity level: 1%	**Increase**	**Decrease**	**Increase**	**Decrease**	**by 1 year**
Impact on the defined benefit obligation	(117)	149	47	(39)	14

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

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

10. Employee Benefits (continued)

(d) Principal actuarial assumptions used in determining pension plans and other post-retirement benefits for the Group (continued)

Other post-retirement obligations

	2018 %	2017 %
Discount rate at December 31:		
Trinidad and Tobago	5.5	5.5
Jamaica	7.0	8.0
Future medical claims inflation		
Trinidad and Tobago	5.0	5.0
Jamaica	6.0	7.0

		2018	2017
Post-retirement mortality for pensioners at 60:			
	Male	21.0	21.0
	Female	25.1	25.1

A quantitative sensitivity analysis for significant assumptions as at December 31, 2018 is as shown below:

Assumptions	Discount Rate		Future Medical Claims Inflation		Life Expectancy by Increase
Sensitivity level: 1%	**Increase**	**Decrease**	**Increase**	**Decrease**	**1 year**
Impact on the defined benefit obligation	(21)	27	26	(21)	5

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

The Group expects to contribute $5.790 million to its other post-retirement benefits in 2018.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

11. Trade and Other Receivables

	2018 $	2017 $
Trade receivables	128,486	144,111
Less: provision for doubtful debts	(29,886)	(31,136)
Trade receivables (net)	98,600	112,975
Sundry receivables and prepayments	57,997	30,217
Due from group companies (Note 26)	1,742	6,361
Deferred expenditure	-	865
Taxation recoverable	14,663	10,235
	173,002	160,653
Presented in the consolidated statement of financial position as follows:		
Non-current	-	114
Current	173,002	160,539
	173,002	160,653

	Total $	Neither past due nor impaired $	Past due but not impaired: 1-90 days $	91-180 days $	Over 180 days $
2018	98,600	63,198	32,568	2,746	88
2017	112,975	62,936	47,531	1,949	559

As at year end, the impairment provision for trade receivables assessed to be doubtful was $29.9 million (2017: $31.1 million). Movements in the provision for impaired receivables were as follows:

	2018 $	2017 $
At January 1	31,136	43,669
Adjustment on initial application of IFRS 9	7,136	-
Charge for the year	(2,415)	6,661
Unused amounts reversed/written off	(5,971)	(19,194)
At December 31	29,886	31,136

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

12. Taxation

	2018 $	Restated 2017 $
(a) Taxation charge		
Deferred taxation (Note 12(c))	44,070	36,305
Current taxation	19,101	45,982
	63,171	82,287

(b) Reconciliation of applicable tax rate to effective tax rate

	2018 $	2018 %	Restated 2017 $	Restated 2017 %
Profit (loss) before taxation	56,159	100	(174,744)	100
Tax charge calculated at 30% (2017: 30%)	16,848	30	(52,423)	(30)
Movement in deferred tax income assets not recognised and net effect of other charges	48,858	87	109,613	62
Impact of income not subject to tax	(4,576)	(8)	(6,953)	(4)
Business and green fund levies	6,005	11	6,983	4
Impact of change in Trinidad and Tobago tax rate	-	-	(50)	-
Others	(1,992)	(4)	-	-
Effect of different tax rates outside Trinidad and Tobago	(2,181)	(4)	25,117	15
Taxation charge reported in the profit of loss	63,171	112	82,287	47

As at December 31, 2018, a deferred tax asset of $127.9 million (2017: $332.6 million) in relation to tax losses and capital allowances available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilisation within a reasonable time.

Trinidad Cement Limited has tax losses of $701.2 million (2017: $1.359 million) available for set off against future taxable profits. Caribbean Cement Company Limited and its subsidiaries have tax losses of $84.5 million (2017: $115.5 million) available for set off against future taxable profits.

Arawak Cement Company Limited has tax losses of $371 million (2017: $370 million) available for set off against future taxable profits. These tax losses expire over a 6 year period ending in 2025.

These losses are subject to agreement with the respective tax authorities.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

12. Taxation (continued)

(c) Movement in deferred tax net balance:

	2018 $	Restated 2017 $
Net balance at January 1	15,872	57,910
Exchange rate and other adjustments	(750)	(510)
Credit (charge) to profit or loss	(44,070)	(36,305)
Charge to other comprehensive income	7,615	(5,223)
Net balance at December 31 (Note 11(d))	21,333	15,872

(d) Components of the deferred tax assets (liabilities) are as follows:

	2018 $	Restated 2017 $
Deferred tax assets:		
Tax losses carry forward	127,940	288,001
Interest accrual	813	805
Other post-retirement benefits	44,082	41,169
*Others	6,954	13,856
Balance at December 31	179,789	343,831

* Comprises mainly accruals and provisions.

	2018 $	Restated 2017 $
Deferred tax liabilities:		
Property, plant and equipment	(201,038)	(325,737)
Pension plan assets	-	(1,192)
Others	(84)	(1,030)
Balance at December 31	(201,122)	(327,959)
Net deferred tax (liabilities) assets	(21,333)	15,872

13. Inventories

	2018 $	2017 $
Plant spares	48,052	50,978
Raw materials and work in progress	70,617	47,931
Consumables	64,069	65,971
Finished goods	46,444	40,494
	229,182	205,374

Inventories are shown as net of obsolescence provision of $25.2 million (2017: $13.0 million) in respect of plant spares and consumables.

14. Cash and Cash Equivalents

Cash at bank earns interest at floating rates based on daily bank deposit rates.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

15. Stated Capital and Reserves

(a) Stated capital

Authorised

An unlimited number of ordinary and preference shares of no par value

	2018 $	Restated 2017 $
Issued and fully paid		
374,647,704 ordinary shares of no par value	827,732	827,732

(b) Reserves

	2018 $	Restated 2017 $
Balance at January 1	(241,067)	(254,305)
Other comprehensive loss		
Currency translation	(4,342)	10,292
Change in fair value of cash flow hedge	(2,946)	2,946
	(7,288)	13,238
Balance at December 31	(248,355)	(241,067)

Foreign currency translation account

This reserve records exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Hedging reserve

This account records the effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in stockholders' equity.

Up to December 31, 2018, the Group maintained a forward contract negotiated with CEMEX S.A. de C.V. to hedge the price of diesel fuel with the objective of changing the risk profile and fixing the price of fuel. The aggregate notional amount of the contract is $Nil (2017: US$2,911,000), with an estimated aggregate fair value of $Nil (2017: US$566,000). The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in fair value were recognised initially in other comprehensive income and were recycled to profit or loss as the related diesel volumes are consumed. Gains or losses in fair value of this contract recognised in other comprehensive income amounted to Nil (2017: US$566,000). Realised gain on hedge of fuel price reversed through the OCI amounted to $3,976.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

15. Stated Capital and Reserves (continued)

(c) Other comprehensive income, net of tax
The disaggregation of changes of other comprehensive income (loss) by type of reserve is shown below:

	Hedging Reserve $	Foreign Currency Translation Account $	Retained Earnings $	Total $
Year ended December 31, 2018				
Other comprehensive loss				
Currency translation	-	(5,622)	-	(5,622)
Change in fair value of cashflow hedge	(3,976)	-	-	(3,976)
Re-measurement gains on pension plans and other post-retirement benefits	-	-	(16,915)	(16,915)
	(3,976)	(5,622)	(16,915)	(26,513)
Year ended 31 December 2017				
Other comprehensive loss				
Currency translation	-	13,941	-	13,941
Change in fair value of cashflow hedge	3,976	-	-	3,976
Re-measurement gains on pension plans and other post-retirement benefits	-	-	10,114	10,114
	3,976	13,941	10,114	28,031

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

16. Employee Share Ownership Plan (ESOP)

	Thousands of shares 2018	Thousands of shares 2017
Employee share ownership plan		
Number of shares held - unallocated	2,845	2,845
Number of shares held - allocated	3,447	3,447
	6,292	6,292

	2018 $	2017 $
Cost of unallocated ESOP shares		
Balance at January 1	20,019	20,849
Share-based allocations	-	830
Balance at December 31	20,019	20,019
Fair value of shares held - unallocated	7,767	10,669
Fair value of shares held - allocated	9,410	12,926
	17,177	23,595
Charge to profit or loss for provision of shares allocated to employees	77	433

The Parent Company operates an Employee Share Ownership Plan ("the Plan" or "ESOP") to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the Parent Company based on a set formula. Employees may acquire additional company shares to be held in trust by the Trustees, but the costs of such purchases are for the employee's account. All permanent employees of the Parent Company and certain subsidiaries are eligible to participate in the Plan that is directed, including the voting of shares, by a Management Committee comprising management of the Parent Company and the general employee membership. Independent Trustees are engaged to hold in trust all shares in the Plan as well as to carry out the necessary administrative functions.

Shares acquired by the ESOP are funded by the Parent Company's contributions. The cost of the shares so acquired, and which remain unallocated to employees have been recognised in shareholders' equity under 'Unallocated ESOP Shares'. The fair value of shares was derived from the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the reporting date.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

17. Material Partly-Owned Subsidiaries - (Non-controlling Interests)

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity held by non-controlling interests:

Name	Country of Incorporation and Operation	2018	2017
Caribbean Cement Company Limited (Group)	Jamaica	26%	26%
Readymix (West Indies) Limited	Trinidad and Tobago	2.3%	2.3%
TCL Packaging Limited	Trinidad and Tobago	20%	20%
TCL Ponsa Manufacturing Limited	Trinidad and Tobago	35%	35%
TCL Guyana Inc.	Guyana	0%	20%

	2018 $	2017 $
Accumulated balances of material non-controlling interests		
Caribbean Cement Company Limited	(6,134)	(26,487)
Readymix (West Indies) Limited	(3,066)	(2,674)
TCL Packaging Limited	7,030	7,444
TCL Ponsa Manufacturing Limited	4,654	4,368
TCL Guyana Inc.	-	8,984
	2,484	(8,365)
Profit (loss) allocated to material non-controlling interests		
Caribbean Cement Company Limited	30,817	15,280
Readymix (West Indies) Limited	(292)	(1,339)
TCL Packaging Limited	(487)	(4,544)
TCL Ponsa Manufacturing Limited	166	746
TCL Guyana Inc.	446	391
	30,650	10,534

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

17. Material Partly-Owned Subsidiaries - (Non-controlling Interests) (continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

	Caribbean Cement Company Limited	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited	TCL Guyana Inc.
	$	$	$	$	$
Summarised statement of income for 2018:					
Revenue	934,816	86,357	47,522	25,416	138,183
Operating expenses	(719,891)	(99,859)	(51,417)	(24,904)	(136,405)
Finance costs (net)	(52,565)	25	1,530	(37)	(1,821)
Profit (loss) before tax	162,360	(13,477)	(2,365)	475	(43)
Income tax	(43,376)	600	(72)	-	(287)
Total comprehensive income	110,733	(12,890)	(2,074)	817	(525)
Attributable to non-controlling interests	29,940	(292)	(414)	286	407
Summarised statement of income for 2017:					
Revenue	872,882	120,690	47,853	21,947	148,981
Operating expenses	(787,594)	(147,738)	(71,958)	(19,811)	(143,989)
Finance costs (net)	(2,699)	(276)	1,792	(4)	(2,360)
Profit (loss) before tax	82,589	(27,324)	(22,313)	2,132	2,632
Income tax	(21,704)	7,260	(406)	-	(679)
Total comprehensive income	69,408	(16,580)	(20,653)	2,292	2,017
Attributable to non-controlling interests	19,639	(1,260)	(4,131)	802	404

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

17. Material Partly-Owned Subsidiaries - (Non-controlling Interests) (continued)

	Caribbean Cement Company Limited	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited	TCL Guyana Inc.
	$	$	$	$	$
Summarised statement of financial position as at December 31, 2018:					
Inventories, cash and bank balances and other current assets	160,140	41,820	55,332	17,036	36,810
Property, plant and equipment and other non-current assets	1,321,257	54,600	1,709	2,806	40,417
Trade and other payables and other current liabilities	(195,393)	(53,375)	(16,451)	(5,151)	(31,450)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(1,032,028)	9,604	(5,442)	(1,393)	(1,408)
Total equity	253,976	52,649	35,148	13,298	44,369
Attributable to:					
Equity holders of parent	260,110	55,715	28,117	8,644	44,369
Non-controlling interests	(6,134)	(3,066)	7,031	4,654	-
	253,976	52,649	35,148	13,298	44,369

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

17. Material Partly-Owned Subsidiaries - (Non-controlling Interests) (continued)

	Caribbean Cement Company Limited	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited	TCL Guyana Inc.
	$	$	$	$	$
Summarised statement of financial position as at December 31, 2017:					
Inventories, cash and bank balances and other current assets	213,670	76,712	57,545	16,201	41,729
Property, plant and equipment and other non-current assets	505,611	44,351	1,952	2,938	39,565
Trade and other payables and other current liabilities	(171,069)	(59,362)	(17,020)	(3,275)	(34,670)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(39,277)	8,235	(5,255)	(3,383)	(1,708)
Total equity	508,935	69,936	29,777	8,113	35,933
Attributable to:					
Equity holders of parent	535,422	72,610	29,777	8,113	35,933
Non-controlling interests	(26,487)	(2,674)	7,445	4,368	8,983
	508,935	69,936	37,222	12,481	44,916

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

17. Material Partly-Owned Subsidiaries - (Non-controlling Interests) (continued)

	Caribbean Cement Company Limited	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited	TCL Guyana Inc.
	$	$	$	$	$
Summarised cash flow information for the year ended December 31, 2018:					
Operating	224,410	(25,874)	(7,728)	669	(657)
Investing	(868,028)	22,492	9,426	(165)	(5,584)
Financing	(578,177)	-	-	-	-
Net (decrease) increase in cash and cash equivalents	(1,221,795)	(3,382)	1,698	504	(6,241)
Summarised cash flow information for the year ended December 31, 2017:					
Operating	163,114	12,575	(3,377)	(476)	(4,499)
Investing	(118,091)	(17,279)	(2,787)	(702)	(1,770)
Financing	3,884	-	-	-	(129)
Net (decrease) increase in and cash equivalents	48,907	(4,704)	(6,164)	(1,178)	(6,398)

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

18. Borrowings

	2018 $	2017 $
Maturity of borrowings		
One year	19,124	243,971
Two to five years	922,469	669,137
Gross borrowings	941,593	913,108
Current portion of borrowings	(19,124)	(243,971)
Non-current portion of borrowings	922,469	669,137
Currency denomination of borrowings		
US dollar	476,071	669,137
Local currencies	465,522	243,971
	941,593	913,108
Interest expense profile		
Fixed rates	208,564	-
Floating rates	715,029	913,108

	2018 %	2017 %
Weighted average effective interest rate	6.68	6.34

No collateral is pledged as security for the above loans.

On April 26, 2017 the Company repaid the Amended and Restated Credit Agreement loan ("5-year-term-loan") with the proceeds of a revolving loan from a related company and a short-term syndicated loan. Upon settlement of the 5-year term loan the Company recorded an expense of $44.9 million representing unamortised loan fees and expenses. This expense is included in other finance cost (Note 20).

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

18. Borrowings (continued)

(a) Revolving Loan ($476.0 million)

On the April 25, 2017 and May 28, 2017, the Company negotiated revolving facilities with a related company with the following key terms:

(i) Two revolving lines, that allows a maximum principal balance of US $202 million (US $150 million and US $52 million) and one fixed line that allows a maximum principal balance of US$50 million,

(ii) The Principal for the revolving lines bears interest at a rate of LIBOR 6M + 4.99% (effective 7.49% per annum) for the US $150 million and LIBOR 3M + 4.20% (effective 6.59% per annum) for the US $52 million, the fixed line bears interest at a fixed rate of 7.25% per annum,

(iii) Interest payments commenced on June 30, 2017 for the US $150 million facility and are payable semi-annually thereafter; in May 30, 2018 for the US $50 million and are payable semi-annually thereafter and US $52 million and are payable in a quarterly basis. with the last payment due on May 27, 2025,

(iv) Principal is repayable on April 25, 2020 for the US $150 million facility and May 27, 2025 for the US $50 million and US $52 million facility. Prepayments of principal are allowed without penalty.

(b) Short-term Loan ($244.0 million)

On the April 25, 2017 the Company negotiated a short-term loan. The key terms of the short-term syndicated loan and subsequent amendments are:

(i) The loan was for an original Principal amount of TT $245 million.

(ii) The Principal bears interest at a rate of 3 Month TT Treasury Bill + 375 basis points (effective 5.02% per annum).

(iii) Interest payments commenced on July 26, 2017 and are payable quarterly thereafter with the last payment due on April 26, 2018.

(iv) Principal is repayable on April 26, 2018. Prepayments of principal are allowed without penalty.

(v) The Group's borrowings cannot exceed US $145 million.

18. Borrowings (continued)

On July 24, 2018 the Group settled the short-term loan with the proceeds of 3 3-year loan facilities negotiated with the lenders of the short-term syndicate facility. The terms of these loans are disclosed below.

(c) 3-year Loan ($244.0 million)

On the July 24, 2018, the company negotiated a loan agreement with Citibank (Trinidad and Tobago) Limited as lender and two loans agreement with First Citizens Bank Limited as lender with the following key terms:

(i) The loan was for an original Principal amount of TT$110 million with Citibank and TT$120 million and TT$90 million with First Citizens.

(ii) The 3 Principal loans bears interest at a rate of 3 Month Open Market Operation + 305 basis points (effective 4.25% per annum).

(iii) Interest payments commenced on August 31, 2018 for the loans and are payable on quarterly thereafter basis with the last payment due on July 26, 2021.

(iv) Principal is repayable on July 26, 2021 for the loans with Citibank and TT$120 million First Citizens bank line, the TT$90 million line with First Citizens Bank is payable on a quarterly basis (TT$4.5 million). Prepayments of principal are allowed without penalty.

(v) The Group's borrowings cannot exceed US$145 million.

At December 31, 2018, the TCL Group was compliant with the terms and covenants of both loan agreements.

(d) 5-year-term Loan ($163.7 million)

On the November 30, 2018 the Company negotiated an unsecured revolving loan facility for 5 year. The key terms of the credit line are:

(i) The loan was for an original principal amount of JD$3,076 million.

(ii) The Principal bears interest at a fixed rate of 7.45% per annum.

(iii) Interest payments commenced on November 30, 2018 and are payable quarterly thereafter with the last payment due on November 30, 2023.

(iv) Principal is repayable on 30 November 2023. Prepayments of principal are allowed without penalty.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

19. Trade and Other Payables

	2018 $	2017 $
Sundry payables and accruals	218,015	296,127
Trade payables	229,447	178,051
Due to group companies (Note 26)	75,362	47,870
Interest and other finance charges	2,437	2,683
Taxation payable	751	940
Statutory obligations	13,144	20,251
	539,156	545,922
Presented in the consolidated statement of financial position as follows:		
Non-current	86	87
Current	539,070	545,835
	539,156	545,922

20. Operating Profit

	2018 $	2017 $
Revenue	1,721,123	1,712,569
Less expenses:		
Personnel remuneration and benefits (see below)	330,651	392,210
Fuel and electricity	362,599	318,593
Operating expenses	240,137	229,413
Raw materials and consumables	199,300	160,334
Equipment hire and haulage	112,220	128,336
Repairs and maintenance	85,319	93,952
Changes in finished goods and work in progress	68,088	74,013
Other income (see below)	(19,955)	(1,423)
Earnings before interest, tax, depreciation, and loss on disposal of property, plant and equipment, manpower and stockholding restructuring costs and impairment	342,764	317,141
Manpower restructuring costs (see below)	(84,930)	(59,023)
Stockholding and inventory restructuring costs	7,831	(81,352)
Depreciation (Note 9)	(127,126)	(127,969)
Impairment (Note 9)	-	(93,418)
Impairment of trade receivables	2,415	(6,661)
Loss on disposal of property, plant and equipment	(238)	(325)
Operating profit (loss)	140,716	(51,607)

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

20. Operating Profit (continued)

Manpower restructuring costs mainly comprise severance costs incurred during implementation of restructuring programme during the year. The objective of the restructuring programs is to improve cost efficiency.

The Group recorded a credit of $7.8 million in 2018 (2017: $81 million expense) in relation to a stockholding and inventory programme.

	2018 $	2017 $
Personnel remuneration and benefits include		
Salaries and wages	254,224	278,952
Other benefits	40,166	56,201
Statutory contributions	16,975	19,563
Pension costs – defined contribution plan	2,697	2,762
Net pension expense – defined benefit plans (Note 9(a))	16,589	34,732
	330,651	392,210
Operating profit is stated after deducting Directors' fees		
Directors' fees	674	646
Other income includes		
Miscellaneous income	19,955	1,423

21. Finance Costs – Net

	2018 $	2017 $
Interest expense on borrowings	65,835	63,579
Other finance costs	(35)	50,270
Bank and related charges	1,682	1,811
Interest income	(1,958)	(454)
	65,524	115,206
Foreign currency exchange loss	19,033	7,931
	84,557	123,137

Debt extinguishment

As described in Note 18, the Company prepaid the 5-year term loan on April 26, 2017 and recorded an expense of $44.9 million. This expense is included in other finance cost.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

22. Earnings per Share

The following reflects the income and share data used in the earnings per share computation:

	2018 $	2017 $
Loss for the year attributable to owners of the Company	(37,662)	(266,165)
Weighted average number of ordinary shares issued (net of treasury shares) (thousands of units)	371,803	371,698
Basic and diluted (loss) earnings per share (Expressed in $ per share)	(0.10)	(0.72)

The balance of the TCL Employee Share Ownership Plan (the Plan) relating to the cost of unallocated shares held by the Plan is presented as a separate component in equity. The weighted average number of unallocated shares of 2,845 million (2017: 2,950 million shares) held by the Plan during the year is deducted in computing the weighted average number of ordinary shares in issue. The Group has no dilutive potential ordinary shares in issue.

23. Dividends

	2018 $	2017 $
2018: no dividend declared or paid (2017: 2¢)	-	7,493

During the year of 2017, the Parent Company declared and paid a dividend of $7.5 million.

During the year of 2017 a subsidiary paid dividends of $0.026 million to non-controlling interests.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

24. Cash Generated from Operations

	Notes	2018 $	Restated 2017 $
Profit (loss) for the year		56,159	(174,744)
Adjustments for:			
- Depreciation	8	127,126	127,969
- Impairment – charge on property, plant and equipment	8	-	93,418
- Stockholding and restructuring costs	12	(7,831)	81,352
- Finance costs (net)	24	84,557	123,137
- ESOP share allocation and sale of shares net of dividends		-	630
- Pension plan expense	9 (a)	16,589	34,732
- Other post-retirement benefits expense	9 (b)	12,763	10,502
- Loss on disposal of property, plant and equipment		238	325
		289,601	297,321
Changes in:			
- Inventories		(16,908)	77,522
- Trade and other receivables		(19,688)	(24,043)
- Trade and other payables		(32,936)	73,015
Cash generated from operating activities		220,069	423,815

25. Subsidiary Undertakings

The Group's subsidiaries are as follows:

Company	Country of Incorporation	Principal Activities	Ownership Level 2018	Ownership Level 2017
Readymix (West Indies) Limited	Trinidad and Tobago	Concrete batching	97.7%	97.7%
TCL Packaging Limited	Trinidad and Tobago	Packaging production	80%	80%
TCL Ponsa Manufacturing Limited	Trinidad and Tobago	Packaging production	65%	65%
TCL Leasing Limited	Trinidad and Tobago	Leasing	100%	100%
RML Property Development Limited	Trinidad and Tobago	Property development	100%	100%
Caribbean Cement Company Limited	Jamaica	Cement production	74%	74%
Jamaica Gypsum and Quarries Limited	Jamaica	Mining and port management	74%	74%
Rockfort Mineral Bath Complex Limited	Jamaica	Spa facility	74%	74%
Caribbean Gypsum Company Limited	Jamaica	Mining	74%	74%
Arawak Cement Company Limited	Barbados	Cement production	100%	100%

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

25. Subsidiary Undertakings (continued)

The Group's subsidiaries are as follows (continued)

Company	Country of Incorporation	Principal Activities	Ownership Level 2018	2017
Premix & Precast Concrete Incorporated	Barbados	Concrete batching	58.6%	58.6%
TCL Trading Limited	Anguilla	Cement distribution	100%	100%
TCL (Nevis) Limited	Nevis	Holding company	100%	100%
TCL Guyana Inc.	Guyana	Cement distribution	100%	80%
Arawak Concrete Solutions Limited	Barbados	Cement production	100%	100%
TTLI Trading Limited	Barbados	Cement distribution	100%	100%
TGI Concrete Solutions Inc.	Guyana	Concrete batching	100%	100%

On May 23, 2014, RML Property Development Limited ("RML Property''), a limited liability company was incorporated under the Companies Act, 1995 in the Republic of Trinidad and Tobago and is a wholly owned subsidiary of the Readymix (West Indies) Limited. This subsidiary has had no trading activities to date.

Effective September 2014, the Board of Directors discontinued the operations of Premix & Precast Concrete Incorporated.

TGI Concrete Solutions Inc. was incorporated during the year.

26. Related Party Disclosures

A party is related to the Group if:

(a) The party is a subsidiary or an associate of the Group;

(b) The party is, directly or indirectly, either under common control or subject to significant influence with the Group or has significant or joint control of the Group.

(c) The party is a close family member of a person who is part of key management personnel or who controls the Group;

(d) The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the Group;

(e) The party is a joint venture in which the Group is a venture partner;

(f) The party is a member of the Group's or its parent's key management personnel;

(g) The party is a post-employment benefit plan for the Group's employees.

(h) The party, or any member of a group of which it is a part, provides key management personnel services to TCL or its Parent.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

26. Related Party Disclosures (continued)

The Group has entered into related party transactions with respect to the purchase and sale of product with CEMEX S.A.B. de C.V. ("CEMEX"). In addition, during 2015, the Company has entered into a management agreement with a subsidiary of CEMEX to provide managerial and technical support to the TCL Group.

The following table provides the total amount of transactions and balances at year end that have been entered into with the CEMEX Group for the relevant financial year:

	2018 $	2017 $
Sales for the year	34,376	11,710
Purchases for the year	188,463	115,950
Management fee expenses	22,593	24,792
Trade receivables at year end (Note 11)	1,742	6,361
Trade payables at year end (Note 19)	75,362	47,870
Long-term debt (Note 18)	476,071	669,137
Interest and other finance charges	(339)	381
Interest charges	48,784	31,087

These related party transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding trade receivables and trade payable balances are unsecured and interest free and no provision has been established at year end for these balances.

	2018 $	2017 $
Key management compensation of the Group		
Short-term employment benefits	21,789	27,383
Pension plan and post-retirement benefits	680	711

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

27. Capital Commitments and Contingent Liabilities

Capital commitments

The Group has contractual capital commitments of $33.5 million as at December 31, 2018 (2017: $149.9 million).

Contingent liabilities

The Group operates in a regulatory and legal environment that, by nature, has an element of litigation risk inherent to its operations. As a result, it is involved in various litigation and regulatory investigations and proceedings both in Trinidad and Tobago and in other jurisdictions, arising in the ordinary course of the Group's business.

There are contingent liabilities amounting to $37.6 million (2017:$83.9 million) for various claims, assessments, bank guarantees, and bonds against the Group. Included therein, are several pending legal actions and other claims in which the Group is involved. Based on the information provided by the Group's attorneys at law, owing to the uncertainty of the outcome of these possible liabilities, no provision has been made in these consolidated financial statements in respect of these matters.

The Board of Inland Revenue (the "BIR") has disallowed expenditure claimed by the Parent Company in respect of the following fiscal years:

Fiscal Years	Disallowed Expenditure $	Additional Tax Assessed $
2007	102.1 million	-
2008	284.4 million	-
2009	235.2 million	-
2010	247.4 million	12.9 million
2011	129.3 million	14.5 million

This has been objected to as the Parent Company is of the view that its claim is well supported in law and will defend its position in the resolution process. The BIR has confirmed their assessment in respect of the tax years of 2007, 2008 and 2009. The Parent Company has appealed a decision of the Board of Inland Revenue to disallow expenditure claimed by TCL (viz. wear and tear allowances, interest expense, management charges and other deductions), in respect of those fiscal years. All directions have been complied with and hearings (cross-examination of witnesses) are scheduled to take place on 18 and 19 February 2019. No provision has been made in these consolidated financial statements in respect of this matter as the possible liability is not considered probable. Subject to the future resolution of this matter, there may be a reduction in the accumulated tax losses of the Parent Company and future tax liabilities in respect of these years.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

27. Capital Commitments and Contingent Liabilities (continued)

Contingent liabilities (continued)

The subsidiary in Guyana (the Subsidiary) was given a commitment by the Government of Guyana in 2006 to have the corporate tax rate for non-commercial companies of 30 percent made applicable to its operations. Subsequent action by the Guyana Revenue Authority (the GRA) held that the corporate tax rate for commercial companies of 40 percent was applicable. The Subsidiary computes its corporation tax liability on the basis of the original commitment received while it contests through court action the failure to honour the original commitment

On the December 13, 2017 the above matter engaged the attention of the Full Bench of the Court of Appeal. The AG's office has appointed an Arbitrator and TGI has requested Mr. Timothy Jonas, a commercial attorney to act as its arbitrator. On January, 2019 the Court will appoint the Third Arbitrator and schedule a date for the arbitration proceedings. No provision has been made in these consolidated financial statements for the higher tax rate as the possible liability is not considered probable.

28. Fair Values

The fair values of cash at bank and on hand, receivables, payables and current portion of borrowings approximate their carrying amounts due to the short-term nature of these instruments. The fair values of these instruments and long term borrowings are presented below:

	2018		2017	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Financial assets				
Cash at bank	229,353	229,353	118,826	118,514
Trade receivables	99,607	99,607	112,975	112,977
Financial liabilities				
Borrowings	941,593	941,593	913,108	913,108
Trade payables	229,447	229,447	178,051	178,051
Interest and finance charges	2,437	2,437	2,683	2,683

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management

Introduction

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt prices, interest rates, market liquidity conditions and foreign currency exchange rates which are accentuated by the Group's foreign operations, the earnings of which are denominated in foreign currencies. Accordingly, the Group's financial performance and position are subject to changes in the financial markets. Overall risk management measures are focused on minimising the potential adverse effects on the financial performance of the Group of changes in financial markets.

Risk management structure

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies, principles and policies and procedures. Day to day adherence to risk principles is carried out by the executive management of the Group in compliance with the policies approved by the Board of Directors.

a. 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 year end. 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 geographical and 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 financial institutions to settle outstanding balances, meet capital and interest repayment obligations and by changing these lending limits when appropriate. The Group does not generally hold collateral as security.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management (continued)

Risk management structure (continued)

a. Credit risk (continued)

The following table shows the maximum exposure to credit risk for the components of the consolidated statement of financial position:

	Gross Maximum Exposure 2018 $	Gross Maximum Exposure 2017 $
Due from Group Companies	1,742	6,361
Trade receivables	99,607	112,975
Cash at bank	77,737	118,826
Credit risk exposure	179,086	231,162

Credit risk related to receivables

Customer credit risk is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all credit customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. At December 31, 2018, the Group had 9 customers (2017: 10 customers) that owed the Group more than $2 million each and which accounted for 50% (2017: 40%) of all trade receivables.

Expected credit loss assessment for trade receivables as at January 1 and December 31, 2018

The Group estimates expected credit losses ("ECL") on trade receivables using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. ECL rates are calculated for each major operating and geographic segment. The following table provides information about the ECL's for trade receivables as at December 31, 2018.

Geographical Segment	Weighted Average Loss Rate	Gross Carrying Amount	Impairment Loss Allowance
Trinidad and Tobago	36%	39,923	14,267
Jamaica	1%	19,014	275
Barbados	2%	17,434	417
Other countries	29%	52,115	14,927

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management (continued)

Risk management structure (continued)

a. Credit risk (continued)

Credit risk related to cash at bank

Credit risks from balances with banks and financial institutions are managed in accordance with Group policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

b. 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 receivable and levels of cash sales.

The table below summarises the maturity profile of the Group's financial liabilities based on their undiscounted cash flows at December 31. The balance includes principal and interest over the remaining term to maturity and therefore would differ from the carrying amounts shown in the statement of financial position.

	On demand $	1 year $	2 to 5 years $	> 5 years $	Total $
2018					
Borrowings	-	32,061	500,259	443,520	975,840
Interest and finance charges	-	2,437	-	-	2,437
Trade payables	-	229,361	86	-	229,447
Due to group companies	-	75,362	-	-	75,362
	-	339,221	500,345	443,520	1,283,086
2017					
Borrowings	-	293,439	729,339	-	1,022,778
Interest and finance charges	-	2,683	-	-	2,683
Trade payables	-	178,051	-	-	178,051
Due to group companies	-	47,783	87	-	47,870
	-	521,956	729,426	-	1,251,382

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management (continued)

Risk management structure (continued)

c. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy financial position in order to support its business activities and maximise shareholder value. Management monitors operating cash flows, return on capital and working capital.

d. Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Such exposure arises from sales or purchases by an operating unit in currencies other than the unit'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 reasonably 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:

	Increase/decrease in US/Euro rate	Effect on profit before tax $	Effect on equity $
2018			
US dollar	+1%	(5,269)	(3,688)
	–1%	5,269	3,688
Euro	+1%	(39)	(27)
	–1%	39	27
2017			
US dollar	+1%	(6,081)	(4,257)
	–1%	6,081	4,257
Euro	+1%	(22)	(15)
	–1%	22	15

December 31, 2018

(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management (continued)

Risk management structure (continued)

d. Foreign currency risk (continued)

The effect on profit is shown net of US dollar financial assets $68.8 million (2017: $126 million) and liabilities $595.7 million (2017: $739.3 million) and EURO financial assets $0.05 million (2017: $0.05 million) and net financial liabilities $4.0 million (2017: $2.3 million).

The aggregate value of financial assets and liabilities by reporting currency are as follows:

	TT $	US $	JM $	BDS $	Other $	Total $
2018						
Assets						
Trade receivables	25,654	24,293	18,739	9,327	21,594	99,607
Due from related party	-	1,743	-	-	-	1,743
Cash and cash equivalents	16,712	42,817	9,989	3,968	4,254	77,740
	42,366	68,853	28,728	13,295	25,848	179,090
Liabilities						
Borrowings	300,750	476,071	164,771	-	-	941,592
Interest and finance charges	381	2,056	-	-	-	2,437
Trade payables	49,478	42,176	112,027	16,503	9,262	229,446
Due to related party	-	75,363	-	-	-	75,363
	350,609	595,666	276,798	16,503	9,262	1,248,838
Net (liabilities) assets	(308,243)	(526,813)	(248,070)	(3,208)	16,586	(1,069,748)
2017						
Assets						
Trade receivables	19,266	32,766	24,952	19,610	16,381	112,975
Due from related party	-	6,362	-	-	-	6,362
Cash and cash equivalents	11,382	86,895	10,154	1,217	9,181	118,526
	30,648	126,023	35,106	20,827	25,562	238,166
Liabilities						
Borrowings	243,971	669,137	-	-	-	913,108
Interest and finance charges	2,302	381	-	-	-	2,683
Trade payables	44,327	14,810	76,839	40,074	1,999	178,051
Due to related party	-	47,871	-	-	-	47,870
	290,600	732,199	76,839	40,074	1,999	1,141,712
Net (liabilities) assets	(259,952)	(606,176)	(41,733)	(19,247)	23,563	(903,545)

Other currencies include the Euro.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

29. Financial Risk Management (continued)

Risk management structure (continued)

e. 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 reporting date, the Group's exposure to changes in interest rates relates primarily to bank loans which have a floating interest rate. The Group's policy is to manage its interest cost using a mix of fixed, variable rate debt and financial derivatives.

The interest rate exposure of borrowings is as follows:

	2018 $	2017 $
At floating rates	715,029	913,108

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 $
2018	+100	(7,150)
	-100	(7,150)
2017	+100	(6,691)
	–100	6,691

30. Financial Information by Segment

The Group is organised and managed on the basis of the main product lines provided which are cement, concrete and packaging. Management records and monitors the operating results of each of the business units separately for the purpose of making decisions about resource allocations and performance assessment. Transfer pricing between operating segments is on an arm's length basis.

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

30. Financial Information by Segment (continued)

Operating segment information

	Consolidation				
	Cement $	Concrete $	Packaging $	Adjustments $	Total $
2018					
Total revenue	1,867,067	83,330	72,517	-	2,022,914
Inter-segment revenue	237,962	-	63,829	-	301,791
Third party revenue	1,629,105	83,330	8,688	-	1,721,123
Depreciation	126,139	5,455	2,564	(7,032)	127,126
Profit before tax	(91,034)	(13,477)	(1,890)	162,560	56,159
Segment assets	3,172,640	113,574	79,338	(838,542)	2,527,010
Segment liabilities	2,998,459	56,633	30,892	(1,230,802)	1,855,182
Capital expenditure	159,865	8,260	1,536	-	169,661
Operating cash flows	42,361	(25,874)	(7,059)	116,111	125,539
Investing cash flows	(144,111)	22,492	9,261	(55,538)	(167,896)
Financing cash flows	56,438	-	-	(55,307)	1,131
Net (decrease) increase in cash and cash equivalents	(45,312)	(3,382)	2,202	5,266	(41,226)
2017					
Total revenue	1,870,226	120,541	69,232	-	2,059,999
Inter-segment revenue	284,603	-	62,827	-	347,430
Third party revenue	1,585,623	120,541	6,405	-	1,712,569
Depreciation	123,952	5,239	2,333	(3,555)	127,969
Loss before tax	(452,910)	(27,324)	(20,181)	325,671	(174,744)
Segment assets	3,093,878	134,642	80,971	(634,636)	2,674,855
Segment liabilities	2,728,771	60,414	31,268	(864,903)	1,955,550
Capital expenditure	203,724	8,181	3,009	-	214,914
Operating cash flows	227,206	12,575	(3,853)	59,557	295,485
Investing cash flows	(194,116)	(17,279)	(3,489)	856	(214,028)
Financing cash flows	(91,473)	-	-	(58,146)	(149,619)
Net (decrease) increase in cash and cash equivalents	(58,383)	(4,704)	(7,342)	2,268	(68,161)

December 31, 2018
(Expressed in Thousands of Trinidad and Tobago Dollars)

30. Financial Information by Segment (continued)

Geographical segment information

	Revenue 2018	Revenue 2017	Non-Current Assets 2018	Non-Current Assets 2017	Additions Property Plant and Equipment 2018	Additions Property Plant and Equipment 2017
	$	$	$	$	$	$
Trinidad and Tobago	393,117	485,665	471,247	1,207,655	44,835	49,985
Jamaica	915,159	848,369	1,232,331	490,476	71,167	118,092
Barbados	43,332	45,039	107,277	74,197	47,931	44,091
Other countries	366,374	333,495	40,417	39,565	3,963	2,746
Group total	1,717,982	1,712,569	1,848,964	1,811,893	167,896	214,914

The revenue information above represents third party revenue based on the location of the customers' operations. Other countries include Guyana, Venezuela, the OECS islands and Brazil.

Non-current assets comprise property, plant and equipment and receivables.

31. Operating Lease

Other operating leases represents the lease commitments of the Group. The accumulated future minimum lease payments are as below:

	2018	2017
	$	$
Within one year	7,220	2,821
After one year, but less than five years	14,389	2,792
More than five years	10,650	3,369
	32,259	8,982

Operating lease expenses amounting to $7.7 million (2017:$3.39 million) are included within the other operating expenses.

32. Subsequent Events

There are no events occurring after these consolidated statement of financial position date and before the date of approval of these consolidated financial statements by the Board of Directors that require adjustment to or disclosure in these consolidated financial statements.

REPUBLIC OF TRINIDAD AND TOBAGO

The Companies Act, 1995
Chapter 81:01 - Section 144
Form 10

MANAGEMENT PROXY CIRCULAR

1. Name of Company:

TRINIDAD CEMENT LIMITED **Company No:** T-51(C)

2. Particulars of Meeting:

The Annual Meeting of the company for the year ended December 31, 2018 to be held on May 24, 2019 at 5:00 p.m. at the La Boucan, Hilton Trinidad & Conference Centre, Lady Young Road, Port of Spain, Trinidad.

3. Solicitation:

It is intended to vote the Proxy solicited hereby, unless the Shareholder directs otherwise, in favour of all resolutions specified therein. .

4. Any director's statement submitted pursuant to Section 76(2):

No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, 1995.

5. Any auditor's statement submitted pursuant to Section 171(1):

No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, 1995.

6. Any shareholder's proposal and/or statement submitted pursuant to Section 116(a) and 117(2):

By correspondence dated February 7, 2019, the National Insurance Board of Trinidad and Tobago submitted a nomination proposal for Ms. Patricia Narayansingh to be elected a Director of Trinidad Cement Limited.

DATE	NAME AND TITLE	SIGNATURE
April 18, 2019	Michelle Davidson Company Secretary	

Building a better future

GROUP
Building a Brighter Future

www.tclgroup.com