2023

ANGOSTURA®

ANNUAL REPORT

ENGAGE EMPOWER EVOLVE


BY APPOINTMENT TO
HER MAJESTY QUEEN ELIZABETH II
MANUFACTURERS OF
ANGOSTURA® aromatic bitters
ANGOSTURA LIMITED
PORT OF SPAIN
ANGOSTURA
aromatic bitters
44.7% alc./vol.
alc. 44.7% vol.
473 ml
PRODUCT OF TRINIDAD & TOBAGO

ENGAGE EMPOWER EVOLVE

This year's theme embodies Angostura's profound appreciation for the unwavering dedication and collaborative spirit of our employees. It symbolises our belief that success is born from the collective effort of an engaged and empowered team working together towards a common goal. In the face of adversity, our unity shines brightest and our team evolves to rise to any challenge.

The cover artwork serves as a visual ode to the power of unity and teamwork. Through playful imagery of diverse hands interlocking and supporting each other, we illustrate the strength that emerges when individuals unite towards a common purpose. It symbolises the solidarity and camaraderie that define our workplace culture, inspiring us to overcome challenges and achieve greatness together.

This year presented us with a formidable challenge as our Company faced the threat of fire. In a remarkable display of unity and bravery, our employees rallied together, joining forces with fire services to save our cherished home and ensure the continuation of our legacy. This pivotal moment exemplifies the indomitable spirit of our team and serves as a testament to our ability to evolve and overcome adversity together.

As we reflect on the triumphs and challenges of the past year, let us celebrate not only our achievements but also the enduring spirit of our people. The 2023 Annual Report is a testament to the power of our unified team in driving our success and shaping our future. Together, we stand stronger, more resilient, and more determined than ever.

Artist: Nicholas Huggins

ANGOSTURA

ANNUAL REPORT 2023

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Scan QR Code to view the CHAIRMAN'S REPORT on YouTube

Photography of Board and Management:
Gary Jordan Photography
@garyjordanstudios

Videography:
NEUFX
@neufx

VISION, MISSION, PURPOSE AND VALUES

VISION

To be a global leader, born in Trinidad & Tobago, crafting flavourful and innovative products that elevate consumer experiences, by blending legacy, authenticity, and sustainability for success.

MISSION

To offer exceptional bitters & spirits brands to consumers around the world, to drive a successful business.

PURPOSE

To transform everyday celebrations into extraordinary experiences.

VALUES (PRIME):

PASSION: We are passionate about our product, our people, our customers, and our consumers.

RESPECT: We treat every individual with dignity, valuing diverse perspectives and fostering an inclusive environment.

INTEGRITY: We uphold the highest ethical standards, always doing what is right even when no one is watching.

MUTUAL TRUST: We cultivate an environment of trust, relying on each other's capabilities and fostering strong relationships.

EXCELLENCE: We pursue excellence in everything we do, setting high standards and continually striving for improvement.

WHO WE ARE

Angostura®, a world market leader for bitters, is one of the Caribbean's leading rum producers and home to a superb collection of rum brands.

Our iconic rums include:

- **Angostura® 1824**
- **Angostura® 1787**
- **Angostura 1919®**
- **Angostura® 7-year-Old rum**
- **Angostura® 5-year-Old rum**
- **Angostura® Reserva**
- **Angostura® Single Barrel**
- **Angostura Tamboo®**
- **Angostura® White Oak** and its innovative array of flavours – Sorrel, Coconut, Watermelon, Pink Grapefruit and Pineapple,
- **Forres Park Puncheon Rum**
- **Fernandes Black Label Rum**
- **Royal Oak**

As a market leader for bitters, Angostura® produces products such as:

- **ANGOSTURA® Aromatic Bitters**
- **ANGOSTURA® Orange Bitters**
- **ANGOSTURA® Cocoa Bitters**
- **Amaro di Angostura®**

Signature beverages which include:

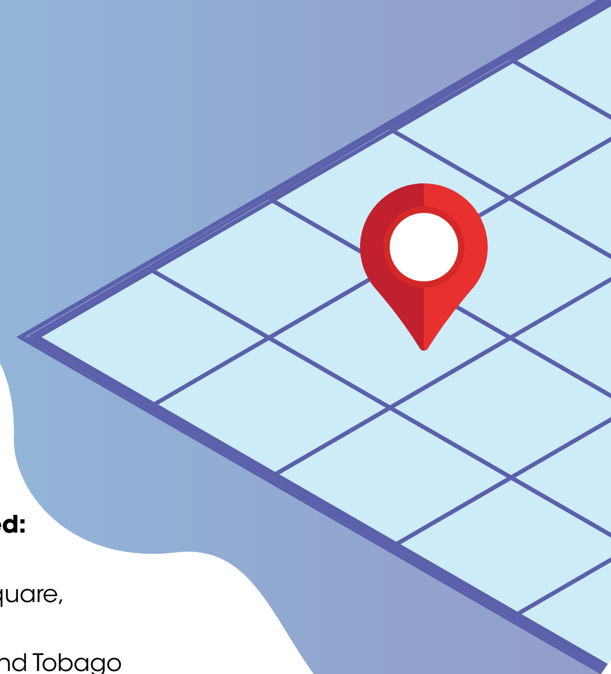
- **Angostura® Chill** and its range of flavours - Lemon, Lime and Bitters, Sorrel and Bitters, Blood Orange and Bitters and Ginger and Bitters.

Along with being a holder of a Royal Warrant of Appointment to Queen Elizabeth II for our Angostura® Aromatic Bitters, we have successfully marketed our iconic bitters globally and have a geographic reach into 170 markets. The recipe for Angostura® Aromatic Bitters has not been changed since the first bottle was introduced to the world in 1824 and remains a Top Secret.

Many of our brands have been bringing joy for generations in Trinidad and Tobago, which is the nucleus of our rum market. Meanwhile, our premium rums have been causing a stir at countless international competitions over the past decade. We have been awarded many prestigious accolades internationally. Our rum and bitters brands won over 40 international awards and also topped the World Spirits Award for World Class Distillery and SIP Awards tasting for Amaro di Angostura®.

In 2023, Angostura® maintained its position as the best-selling and top trending brand for cocktail bitters by *Drinks International*. Our rums were also voted amongst the top ten trending brands, globally.

CORPORATE INFORMATION



BOARD OF DIRECTORS
Mr. Terrence Bharath S.C. (Chairman)
Ms. Franka Costelloe
Dr. Sterling Frost O.R.T.T
Ms. Ingrid Lashley
Dr. Maryam Richards C.M.

COMPANY SECRETARY
Mrs. Kathryna Baptiste Assee
Company Secretary

Ms. Tishana Abdool
Assistant Company Secretary

REGISTERED OFFICE
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Telephone: (868) 623-1841
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Website: www.angostura.com

REGISTRAR & TRANSFER AGENT
Trinidad & Tobago Central Depository Limited,
10th Floor, Nicholas Towers,
63-65 Independence Square,
Port of Spain,
Republic of Trinidad and Tobago
Telephone: (868) 625-5107/9
Fax: (868) 623-0089

AUDITORS
PricewaterhouseCoopers (PwC)
11-13 Victoria Avenue,
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Republic of Trinidad and Tobago
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Fax: (868) 623-6025

ATTORNEYS-AT-LAW
Fitzwilliam, Stone, Furness-Smith and Morgan
#48-50 Sackville Street,
Port of Spain,
Republic of Trinidad and Tobago
Telephone: (868) 623-1618/2425,
Fax: (868) 623-6524/9121

BANKERS
Republic Bank Limited:
Promenade Centre,
#72 Independence Square,
Port of Spain,
Republic of Trinidad and Tobago

First Citizens Bank Limited:
Corporate Banking Unit, 2nd Floor,
Corporate Centre, #9 Queen's Park East,
Port of Spain,
Republic of Trinidad and Tobago

Citibank (Trinidad & Tobago) Limited:
#12 Queen's Park East,
Port of Spain,
Republic of Trinidad and Tobago

Scotiabank Limited:
Scotia Centre Branch,
#56-58 Richmond Street,
Port of Spain,
Republic of Trinidad and Tobago

ANGOSTURA®

Royal Caribbean
INTERNATIONAL

CHAIRMAN'S REPORT

" These strategic investments in our brands will bolster future growth prospects both locally and internationally. "

MR. TERRENCE BHARATH S.C.
CHAIRMAN

The Group surpassed the one-billion-dollar revenue mark once more, recording Revenue growth of 2.5%, to close the year at $1.05b.

The challenges faced in 2023 included shifts in consumer discretionary spending, contraction of operations in the on-trade resulting in markets opting to maintain reduced inventory levels, international inflationary pressures and uncertainty in the global economic environment. Notwithstanding these challenges, international business increased by 5.9% over prior year, fueled by key marketing initiatives. Despite the shifts in consumer spending locally, total local revenue increased by $9.3m or 1.4% over the prior year, driven by our strategy to recapture consumer demand by investing in the on-trade and the Group's retail outlets. As a result of our continued investment which improved operational efficiency within our manufacturing processes, the Group achieved an increase in its Gross Profit Margin from 46% in the prior year to 48% in 2023.

The Group continued to focus on sustainability, cost management and innovation programs, which supported its achievement of an increase in Operating Profit of $14.5m or 7.9%.

As a result of these focused initiatives, the Group recorded a Profit Before Tax of $220m, an increase of $16m or approximately 8% and Profit After Tax of $152m, an increase of 4.6% when compared to the prior fiscal year 2022.

SEGMENTS & MARKETS

Overall revenue growth of $26m was driven primarily by the international markets accounting for $16.7m. This was mainly due to growth in the Bitters business in North America, particularly in the aromatic and orange segments in the US market, arising from favourable results in on-premise activity. The primary driver behind a 12% increase in revenue in the Caribbean was largely attributed to the introduction of new markets for Bitters. Our rum sales also contributed to an improvement of $3.0m in revenue when compared to the previous year. With the increased flow of passengers through the duty-free channel and seasonal rum promotions to drive consumer engagement with these brands, there was a $1.9m or 17.5% uptake in this segment. Growth in rums as well as entry into new markets within Latin America resulted in a $1.6m or 15.7% increase in revenue.

Economic and political issues in certain international markets resulted in a decline in Bitters revenue. Accordingly, steps were taken to further develop key cocktail markets using the premium rum range as a short-term mitigation strategy. Growth in mainland Europe of $2.0m or 3.4% was fueled by increased on-trade presence of brands and investment in the premium rum range over the last two (2) years.

Locally, revenue from branded products improved by $10.7m or 1.6% over the prior year, despite increased competition in the value driven segment and greater price sensitivity. The Chill segment increased by 46% due to continued investment in brand-building activities, such as the Caribbean Premier League and in-market promotions. The on-trade segment and Solera retail outlets performed above expectations, with the opening of a new location at Albion Plaza, Port of Spain. However, supermarkets and grocery chains showed a decline in the local customer categories. The Group continues to tailor its imported portfolio to cater to niche markets and meet consumer demands by offering additional products within the wines and spirits category at our Solera retail outlets.

PROFITABILITY

During fiscal 2023 and with the aim of improving on the prior year's performance, the Group's profitability was favourably impacted by its focus on building efficiencies in operations and supply chain processes. Although the rising cost of raw materials and services adversely impacted production overheads, a persistent approach to planning production schedules in line with demand resulted in an improvement in the Gross Profit Margin to 48%, compared to 46% in 2022.

The Group's commercial and marketing strategies included entering new markets in Latin America and the Caribbean with different brands and building the premium rum presence in the on-trade in key European markets. Various strategies were used to increase our presence in North America and efforts were made to reconnect with markets and distributors in critical countries to promote international growth. Further, the Group launched its latest innovation, a limited-edition premium rum - Symphony 2023. There were several seasonal promotional product offerings which were featured in the local and duty-free markets. Building on 2023 growth, there is more to anticipate in 2024 as the Group celebrates a significant milestone of its 200 year anniversary.

The Expected Credit Loss decreased significantly mainly due to a writeback from customers' repayment of outstanding debts.

Net finance income generated from returns on our investment portfolio, which grew by 7% over 2022, helped to bolster the Group's Profit Before Tax. Profit After Tax was $152.0m, which represented an increase of 4.6% over the prior fiscal year.

SUSTAINABILITY - ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

The Board of Directors recognises that ESG is an integral part of our business which drives long-term value creation and resilience. The Group is committed to upholding the highest standards of corporate governance, ethics and accountability while actively managing the environmental and social impacts of our operations.

We understand the urgency of addressing the environmental impacts of our business. Throughout 2023, we prioritised projects and activities to improve water and energy use. We are also in the initial stage of exploring the use of biogas as well as solar power as alternative energy sources.

Social sustainability remains a top priority for the Group, as we strive to conduct our business to promote diversity, equity and inclusion. Our commitment continues to foster a safe, respectful and inclusive environment where employees are valued and empowered. We actively engage with our communities to support and contribute to their development through education, sport, youth development, arts and culture.

The Group recognises that a robust corporate governance framework is crucial to its optimal performance and facilitates the ultimate goal of building long-term value for its stakeholders. The Board of Directors remains committed to upholding the highest standards of corporate governance in carrying out its duties.

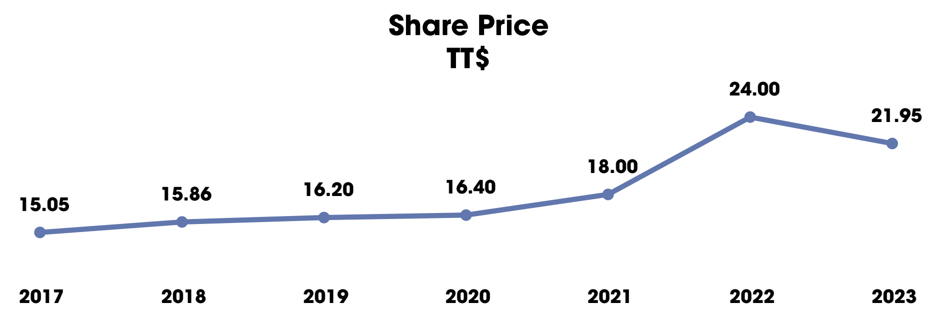
The Group continues to advance its ESG agenda thereby contributing to a more sustainable future.

DIVIDEND

The Board of Directors recommends a final dividend in respect of the financial year ended December 31, 2023 of $0.28 per share. This will result in a total dividend of $0.38 per share declared for 2023, which is an increase of 8.6% compared to prior year. If approved, this dividend will be paid on July 31, 2024, to shareholders on record as at July 12, 2024. To facilitate this payment, the shareholders' register will be closed on July 11, 2024.

SHARE PRICE

The share price has appreciated by 46% over the period 2017 to 2023. While there was a decline in share price in 2023, the closing mark of $21.95 was the second highest year-end closing price in the Company's history.



CLOSING REMARKS

On behalf of the Board of Directors, I would like as always to commend and thank our staff, who have worked assiduously despite the challenges faced. As we move into the 200th anniversary of our operations, we are proud of the dedication and commitment of our team and look forward to their ongoing engagement to continue to deliver sustainable growth. We expect that our strong product portfolio and dedicated Angostura team will deliver growth and increased value to you, our shareholders.

MR. TERRENCE BHARATH S.C.
CHAIRMAN

CEO'S OVERVIEW

CEO's OVERVIEW

Building on last year's historic achievement of surpassing the one-billion-dollar revenue mark, Angostura continued to navigate the spirits and bitters markets, attaining $1.05b in revenue for 2023.

The Group delivered Profit Before Tax of $220m for fiscal year 2023, growing by approximately 8%. Our performance was due to sustained investment in our brands and continued improvements to our manufacturing processes. The Group's commitment to sustainable growth is underpinned by its performance, closing the year with a low debt ratio of 0.18 and a strong liquidity position. Additionally, the Company increased shareholder value with Earnings Per Share increasing by 4% to $0.74.

Angostura's key internationalisation strategy led to 76% of the Group's year-on-year growth. This was fueled by strategic investments in our iconic Angostura® Bitters and our premium rum range portfolios. Driven by a dynamic cocktail culture and improved on-premise activity in the North American Market, Bitters consumption (particularly in the aromatic and orange segments) increased, leading to international revenue growth. According to Drinks International, the Angostura rum brand is among the top 10 trending rum brands globally, with the innovative Angostura Tamboo® spiced rum leading the way. In 2023, our rums continued to gain traction around the world, with 10% revenue growth. Internationally, Angostura® Chill continued to perform above expectations with a 6% revenue increase.

MR. LAURENT SCHUN
CHIEF EXECUTIVE OFFICER

Despite challenges faced in the local market, such as a shift in consumer discretionary spending and increased price sensitivity, Angostura's strategy to recapture the hearts of its consumers resulted in total local revenue growth of $9.3m or 1.4% over the prior year. The Group pursued a strategy of market expansion locally, which resulted in revenue growth in the premium rum range of 11%. Building on the success of the Solera retail stores over the last five (5) years, we continued to invest in this channel, to provide consumers with a wider range of international premium wines and spirits brands. The on-trade segment and Solera retail outlets performed above expectations, with the opening of a new Solera store at Albion Plaza, Port of Spain. Revenue generated from our portfolio of Agency brands in the local trade segment increased by 13%.

Angostura continued its innovation in the rums segment with the launch of Symphony 2023 Edition - "A carefully crafted and bottled masterpiece of ages, flavours and aromas".

The Group showed its ability to navigate through challenges in key markets. However, the persistent volatility in our operating landscape emphasises the necessity to remain vigilant and avoid complacency. We will continue to invest in our brands for the long term while ensuring operational efficiency in our daily activities.

Our Team

Angostura's dedication to its employees was evident throughout 2023. The Group orchestrated a series of initiatives aimed at fostering a vibrant work culture, enhancing employee well-being, and celebrating collective achievements.

From our vibrant Carnival celebrations to educational workshops for staff and their families, Angostura prioritised employee engagement and recognition. Events like the Annual Calypso Competition, our mental health workshops, meditation series and long-service awards underscored the Group's dedication to nurturing a supportive and fulfilling work environment. Furthermore, initiatives like the "JAVA Experience" and the celebration of administrative professionals reinforced camaraderie and appreciation within the workforce.

Angostura's commitment to Corporate Social Responsibility was exemplified through initiatives like the Annual International Coastal Cleanup, demonstrating a dedication to environmental stewardship and community engagement. By partnering with local organisations and participating in meaningful activities, the Group showcased its commitment to making a positive impact beyond the workplace.

Recognising the importance of health, safety, and environmental (HSE) excellence, Angostura prioritised the well-being of its employees and the integrity of its operations.

However, the true testament to Angostura's resilience and dedication came during an unfortunate fire incident at the Laventille facility. Promptly responding with trained expertise and coordinated teamwork, employees effectively managed the situation, safeguarding both personnel and assets. This incident underscored the Group's unwavering commitment to employee preparedness and safety, highlighting the strength derived from unity and shared values.

The Group exhibited a holistic approach to organisational success, characterised by a commitment to employee engagement, community involvement, HSE excellence, and employee empowerment. By prioritising the well-being and development of its workforce, Angostura has reinforced its position as a leading employer and corporate citizen, poised for continued growth and success in the future.

AWARDS

In 2023, Angostura was recognised in the local business environment, having received several awards. The Group was honoured with the prestigious *Manufacturer of the Year* award by the Trinidad and Tobago Manufacturers' Association. The Group's continued dedication to implementing a robust HSE culture was also recognised as we received the *Most Improved OSH Performance* award from the American Chamber of Commerce. In addition, the Group received the Coreen Jones Award for *Best Place to Work* and the Maxine Barnett Award for HR Excellence from the Human Resource Management Association of Trinidad and Tobago.

Internationally, our iconic Angostura® Bitters has been ranked by *Drinks International* as the #1 best-selling bitters brand and the #1 trending bitters brand. Despite new competitors, our brand, building on its legacy and innovation, remains at the pinnacle of the market.

Human Resource Management Association of Trinidad and Tobago (HRMATT) Coreen Jones Award for Best Place to Work and Maxine Barnett Award for HR Excellence, Trinidad and Tobago Manufacturers Association (TTMA) Manufacturer Of The Year 2022 award and the American Chamber of Commerce of Trinidad and Tobago (AMCHAM TT) 2023 Most Improved OSH Performance

OUR COMMITMENT TO ESG (Environmental, Social and Governance)

Driven by the commitment of our Board of Directors, the Group remains focused on ensuring that ESG elements are incorporated into its corporate strategy. We have developed a strategic roadmap and are making significant progress towards achieving this crucial objective.

The Group's commitment to sustainability and making a positive impact in our communities and the environment remains of paramount importance having regard to the United Nations Sustainable Development Goals.

In keeping with the Group's Mission, ESG remains a foundational element of our strategy to achieve long-term sustainability and growth. Our ESG ambitions will continue to strengthen our relationships with key stakeholders through investments in our employees and partnerships with our communities, investors, consumers and suppliers. Integrating ESG into our operations is not only for risk mitigation and business opportunities but is also now an essential aspect of our core values of Passion, Respect, Integrity, Mutual Trust, and Excellence (PRIME).

In 2023, the Group invested in several initiatives in communities across the country through education, sport, youth development, arts, and culture. The Group will continue to engage stakeholders from our fenceline community and throughout the country as we continue to develop innovative ways of creating a lasting impact on society.

FINANCIAL SUMMARY

For the 7th consecutive year, Angostura achieved top-line growth, with overall revenue growth of $26m. Gross Margin increased from 46% to 48%, driven by improved operational efficiency to our manufacturing and supply chain processes. These initiatives enabled the Group to sustain strategic investments in brand development, setting the foundation for future growth opportunities.

The Group continued to maintain its Balance Sheet with sufficient liquid assets and optimal leveraging of short-term financing, managing its short-term obligations and maintaining receivables at consistent levels. Total assets increased by 6.0% to $1.8b.

CLOSING REMARKS

I wish to convey my sincere appreciation to the dedicated employees and stakeholders of Angostura. Our employees' unwavering commitment to the Group was evident throughout 2023. In particular, their quick response and selfless actions during the fire in December 2023 deserve special commendation.

Angostura will continue to build on its legacy as it embraces its new Vision, Mission and Purpose. In 2024 as we celebrate our 200th anniversary, and embark on an inspiring journey embodying our new PRIME values, I am confident that the Group will deliver sustainable growth. We sincerely appreciate the trust bestowed upon the Management team by our esteemed shareholders and embrace the opportunity to continue to serve you in 2024 and beyond.

MR. LAURENT SCHUN
CHIEF EXECUTIVE OFFICER

DIRECTORS' REPORT

DEAR SHAREHOLDER,

The Directors present the Annual Report and Audited Financial Statements for the fiscal year ended December 31, 2023.

ANGOSTURA

THE BOARD OF DIRECTORS

The Board of Directors currently comprises five (5) Directors. They are:

(L-R):
- **Dr. Sterling Frost O.R.T.T**
- **Dr. Maryam Richards C.M.**
- **Mr. Terrence Bharath S.C. (Chairman)**
- **Ms. Franka Costelloe**

Not in photo
- **Ms. Ingrid Lashley**

DIRECTOR BIOGRAPHIES

MR. TERRENCE BHARATH S.C.
CHAIRMAN

Mr. Bharath is a Senior Counsel who graduated from the University of Nottingham, United Kingdom with a Bachelor of Laws Degree with Honours in the year 1986.

Thereafter, he attended the Council of Legal Education in London and became a member of Lincoln's Inn. In 1987, he successfully completed the examination for the call to the Bar of England and Wales and was thereafter admitted to practice as an Attorney-at-Law in Trinidad and Tobago. Mr. Bharath, since his return to Trinidad in October 1987, has been in practice for a period of thirty-six (36) years as an Advocate and is currently the Head of Chambers at Carlisle Chambers, Barristers and Attorneys-at-Law. His principal areas of practice include complex litigation and intricate non-litigious matters. Having attained thirty-six (36) years' experience in advocacy and advisory work, his knowledge and expertise spans a wide cross-section of legal areas. Some of these include, but are not limited to, Commercial Law, Banking, Security Instruments, Company Law, Judicial Review and Administrative Law, Pensions, Negligence, Land Law, Arbitration matters, FIDIC, Trust, Regulation of the Financial Sector, the Securities Act, Telecommunications Law, Environmental Law, Fraud and Insolvency and Succession Law.

For the past twenty-seven (27) years, Mr. Bharath has sat on fifteen (15) Boards and gained diverse knowledge in various commercial ventures, ranging from the Financial Sector to the Manufacturing Sector. For seventeen (17) years he served as a Director of the Trinidad and Tobago Unit Trust Corporation, one of the largest financial services companies in the country.

Having a passion for the societal development of Trinidad and Tobago, he advocates that the development of the nation's youth is a major contributor to our success as a country. In this regard, he was an Associate Tutor at the Hugh Wooding Law School (HWLS) for a cumulative period of eleven (11) years and also delivered guest lectures.

Mr. Bharath has and continues to serve as a Board member of a charitable organisation for the past fourteen (14) years. This organisation is the only one in the country. It is located in the heart of the city of Port of Spain. This organisation is dedicated to rehabilitate displaced children. It provides housing and protection for the children with a view of preparing them to return to society.

Mr. Bharath was appointed Chairman of the Board of Angostura Holdings Limited and its subsidiaries on June 25, 2018.

MS. FRANKA COSTELLOE DIRECTOR

Ms. Franka Costelloe is a Director of Lifetime Roofing Ltd. It is a full-service specialty manufacturer and contractor of roofing, architectural and structural systems registered in Trinidad and Tobago and trading broadly across the Caribbean region and South America.

An entrepreneur with a strong commitment to excellence, she has been instrumental in transforming Lifetime's business over the last twenty (20) years. The recent technology thrust to include online trade and integrate ERP systems is improving efficiencies for the company and setting a model for doing business differently, while simultaneously strengthening the company's export potential.

During her tenure, she has served in various capacities in the company, including Human Resources, Accounts, Project Management, Sales and Marketing. Her experience has afforded her the opportunity to contribute to a resilient organisation, that effectively weathers the volatility of today's trading space.

She sits as the Chairperson of InvesTT for the period September 2021 to date. Over this period InvesTT's investments have grown 75% from $278m in 2021 to $486m in 2023 creating new jobs and economic activity.

Ms. Costelloe is the Chair of the First Citizens Trustee Services Limited and is a Director on the Boards of First Citizens Bank Limited, First Citizens Bank (Barbados) Limited, First Citizens Costa Rica S.A. and First Citizens Group Financial Holdings Limited. She brings a wealth of expertise in operational negotiations with both governmental and private institutions.

Ms. Costelloe also sits as a Director on the Boards of The Heroes Foundation, Angostura Holdings Limited, Angostura Limited and Trinidad Distillers Limited.

Ms. Costelloe sat on the Board of Trinidad and Tobago Manufacturers Association (TTMA) for eight (8) years and held the role of TTMA president during the period May 2019 to April 2021. As a thought leader and strategist, she actively promotes technology as the catalyst for driving critically needed efficiencies in the manufacturing sector. Ms. Costelloe was instrumental in the creation of the TTMA Export Strategy, appended to National Strategy, to double exports to $7b by 2025 as a means for transforming the local economy.

She holds a BSc in Administrative and Commercial Studies from the University of Western Ontario, a MSc in Building and Construction Management from the University of the West Indies, and a Masters' Certificate in Corporate Governance from the Caribbean Corporate Governance Institute.

More recently, Ms. Costelloe has been positioned as an industry advocate. She is vocal on trade issues - particularly on creating a more enabling business environment that attracts investors and facilitates manufacturing export growth. Recognised for a deep commitment to national development and a passion for all things local, she is a strong advocate for investment in MSMEs, and encourages public and private sector support for entrepreneurial initiatives as an important solution to the diversification challenge for Trinidad and Tobago.

DR. STERLING FROST O.R.T.T.
DIRECTOR

Dr. Sterling Frost, O.R.T.T., DBA, MBA, FCG, Acc. Dir., Professor of Practice – Management Studies was appointed as a Director on the Board of Angostura Holdings Limited and its subsidiaries (Angostura Limited and Trinidad Distillers Limited) in January 2022.

He is the former Group Deputy Chief Executive Officer – Operations and Administration, First Citizens. His past and present directorships span the financial services, utilities, manufacturing, academia and public sectors across Trinidad and Tobago, Panama, Nicaragua, Honduras, St Lucia, Jamaica and Barbados.

Dr. Frost is a First Examiner and Adjunct Senior Lecturer at The University of the West Indies (UWI) Global School of Business, Faculty of Social Sciences - Department of Management and Department of Political Science, for several courses in both undergraduate and postgraduate programmes. He specialises in the areas of Organisational Behaviour and Development, Human Resources Management, Cross-Cultural Management, Strategic Planning, Strategic Leadership, Strategic Performance Management and Change Management.

His contribution to various government, academic and civil society organisations is reflected in his Chairmanship of The UWI Faculty of Social Sciences Advisory Board, The UWI Institute for Gender and Development Studies External Advisory Board, The UWI Development and Endowment Fund, The UWI Global Institute for Climate-Smart and Resilient Development Advisory Board and The Foundation for the Enhancement and Enrichment of Life (FEEL). He also serves as Deputy Chair of the Statutory Authorities Service Commission of the Republic of Trinidad and Tobago, Assessor/Advisor to the Industrial Court of Trinidad and Tobago, and Director of The UWI Mona School of Business and Management. He is the Honorary Consul for the Republic of Costa Rica to the Republic of Trinidad and Tobago.

MS. INGRID L-A LASHLEY DIRECTOR

Ms. Ingrid L-A Lashley is a distinguished professional with a robust background in finance and corporate governance. Since 2016, she has served as a Director of Angostura Holdings Limited and its subsidiaries, where she also holds the position of Chairman of the Group's Audit Committee. With a wealth of experience as a former banker and executive in the financial services sector, Ms. Lashley has established herself as a prominent figure in Trinidad and Tobago's corporate landscape.

Throughout her career, Ms. Lashley has held positions on the boards of various companies in both the public and private sectors, spanning diverse industries. Her comprehensive experience in corporate management and business leadership has equipped her to make significant contributions at the highest levels of corporate governance.

Ms. Lashley's educational background includes a Bachelor of Commerce degree (B.Comm) in Accounting and Finance from Concordia University in Montreal, as well as a Master of Business Administration (MBA) in Accounting and Finance from McGill University, also in Montreal, Canada. She holds professional designations as a Certified Management Accountant (CMA), Certified Public Accountant (CPA), and Chartered Accountant (CA), showcasing her expertise and commitment to the field of finance.

Beyond her professional endeavours, Ms. Lashley is actively involved in charitable and professional initiatives, demonstrating her dedication to giving back to the community and advancing her profession. Her multifaceted background and extensive qualifications make her a respected leader in the business community in Trinidad and Tobago. In recognition of this, Ms. Lashley was awarded the Doctor of Laws Degree (Honoris Causa) by the University of the West Indies for her work in corporate banking and finance.

DR. MARYAM RICHARDS C.M.
DIRECTOR

Dr. Maryam Abdool-Richards, C.M. is a highly respected strategist and thought leader on building purposeful and robust partnerships for international development in Wellbeing, Wellness, and Welfare.

As the Principal Medical Officer for the Ministry of Health in Trinidad and Tobago, she has been effective in the delivery of Public Health leadership during periods of volatility such as the COVID-19 pandemic, and for which she was awarded her country's second highest honour, the Chaconia Medal Gold.

With expertise in the areas of governance, strategy, healthcare systems, project management, business development, and transformational leadership, Dr. Abdool-Richards has been sought out by both Private and Public sector organisations to serve as Director and expert advisor on matters of organisational and fiscal transformation to several international and regional entities in the Financial Services, Manufacturing, Healthcare and Project Management Sectors. Her Board directorships include Angostura Holdings Limited and subsidiaries, NIPDEC, TATIL, TATIL Life and the ERHA. In a voluntary capacity, she is a Director to the Boards of two of the Caribbean's leading Non-Governmental Organisations, the Heroes Foundation (youth development) and the Shelter for Battered Women (T&T), and most recently, the Angostura Foundation.

As a Director on the Board of Angostura Holdings Liimited, she serves on the Audit, Manufacturing and Production and Governance Committees, providing oversight and expertise to OSH/HSSE, operational capacity and supply chain management. Based on her previous experience, she plays a key role in ensuring that Environmental, Social and Governance (ESG) alignments are incorporated into AHL's business strategy.

Over the past decade, Dr. Abdool-Richards has forged strategic, cross-sectoral alliances to co-design, implement, and lead complex, high-value projects for Government and the Private sector, as well as non-profit and international organisations.

Popularised as host of the Caribbean Medical TV, Dr. Abdool-Richards has become a household name across the region, and a respected voice on a wide range of health-related issues.

Dr. Abdool-Richards has been recognised internationally as Vice Chair of the 75th World Health Assembly, a Fellow of the U.S. Department of States International Visitor Leadership Program and by U.S. Secretary of State, Anthony Blinken for leadership of frontline healthcare workers.

A specialist Family Medicine and Public Health Physician by training, Dr. Abdool-Richards' qualifications include an M.B., B.S degree (UWI), MSc. Family Medicine (UWI), MSc. Public Health in Developing Countries (LSHTM), EMBA (ALJGSB, UWI), and a Master's Certificate in Corporate Governance from the Caribbean Corporate Governance Institute (CCGI). She is also trained and has significant experience in International Relations, Diplomacy and State Protocol.

Dr. Abdool-Richards is an active member of the International Women's Forum, the Caribbean Corporate Government Institute, the Energy Chamber of Trinidad & Tobago, the Trinidad & Tobago Manufacturers' Association, and the American Chamber of Industry and Commerce.

DISCLOSURE OF INTERESTS OF DIRECTORS AND OFFICERS IN ANY MATERIAL CONTRACTS WITH THE COMPANY (PURSUANT TO SECTION 93(1)(A) OF THE COMPANIES ACT, CHAPTER 81:01)	DISCLOSURE OF DIRECTORS AND OFFICERS WHO ARE DIRECTORS OR OFFICERS OF COMPANIES THAT ARE A PARTY TO MATERIAL CONTRACTS WITH THE COMPANY (PURSUANT TO SECTION 93(1)(B) OF THE COMPANIES ACT, CHAPTER 81:01)
Disclosure - During the financial year ended December 31, 2023, no director or officer has entered into or been party to any material contract or proposed material contract with the Company.	During the financial year ended December 31, 2023, no Director or officer who is also a Director or officer of another company was a party to a material contract or proposed contract with the Company.

INTEREST OF DIRECTORS, SENIOR OFFICERS AND CONNECTED PERSONS AS AT DECEMBER 31, 2023

NAME	POSITION	NUMBER OF SHARES HELD	SHARES HELD BY CONNECTED PERSON	SHARE CERTIFICATE NUMBER
EXECUTIVES				
Mr. Laurent Schun	Chief Executive Officer	0	0	N/A
Mrs. Kathryna Baptiste Assee	Group General Counsel/ Corporate Secretary	0	0	N/A
Mr. Ian Forbes	Chief Operating Officer	0	0	N/A
*Mr. Amar Seechan	Chief Financial Officer	0	0	N/A
Mr. Rahim Mohammed	Executive Manager - Business Efficiency and Shared Services	0	0	N/A
*Mrs. Melissa Sophia Charles-Barber	Executive Manager – Marketing	0	0	N/A
*Ms. Cindy Wilson	Executive Manager - Human Resources (Ag.)	0	0	N/A
*Mr. Alejandro Santiago	Executive Manager - Regional Sales	0	0	N/A
DIRECTORS				
Mr. Terrence Bharath	Chairman	0	0	N/A
Ms. Ingrid Lashley	Director	0	0	N/A
Ms. Franka Costelloe	Director	0	0	N/A
Dr. Maryam Richards	Director	0	0	N/A
Dr. Sterling Frost	Director	0	0	N/A
*Ms. Alana Beaubrun	Director	0	0	N/A

* Ms. Alana Beaubrun's term of office as a director expired at the close of the 2022 Annual Meeting of Shareholders held on July 5, 2023. Ms. Beaubrun did not offer herself for re-election, and therefore ceased to be a director of Angostura Holdings Limited and its subsidiaries, with effect from July 5, 2023.

* Mr. Amar Seechan was appointed as the Chief Financial Officer with effect from April 03, 2023 following the resignation of Ms. Ginelle Lambie effective March 25, 2023.

* Mrs. Melissa Sophia Charles-Barber resigned from the position of Executive Manager – Marketing with effect from February 26, 2024.

* Ms. Cindy Wilson was appointed as the Executive Manager - Human Resources with effect from February 01, 2024. Ms. Wilson previously acted in the role of Executive Manager -Human Resources during the period October 02, 2023 to January 31, 2024.

* Mr. Alejandro Santiago retired from the position of Executive Manager - Regional Sales with effect from October 1, 2023. Mr. Curtis Durity was appointed Executive Manager - Local Sales with effect from March 4, 2024.

TOP TEN SHAREHOLDERS AS AT DECEMBER 31, 2023

NAME	SHAREHOLDINGS	PERCENTAGE
RUMPRO COMPANY LIMITED	92,551,212	44.97%
NATIONAL INVESTMENT FUND HOLDING COMPANY LIMITED	61,677,011	29.97%
NATIONAL INSURANCE BOARD	9,665,190	4.70%
COLONIAL LIFE INSURANCE COMPANY (TRINIDAD) LTD	5,294,866	2.57%
TATIL LIFE ASSURANCE LIMITED A/C C	1,900,000	0.92%
TATIL LIFE ASSURANCE LIMITED	1,866,716	0.91%
REPUBLIC BANK LIMITED A/C 1162 01	1,542,922	0.75%
RBC TRUST (TRINIDAD & TOBAGO) LIMITED - T534	1,476,360	0.72%
RBC TRUST (TRINIDAD & TOBAGO) LIMITED - T426	1,387,752	0.67%
FIRST CITIZENS ASSET MANAGEMENT LTD PT36	1,364,205	0.66%

FINANCIAL RESULTS FOR THE YEAR

The Directors present this Summary Statement of Account for the year ended December 31, 2023.

	2023		2022	
	Per Share $	$Million	Per Share $	$Million
Profit attributable to Shareholders	0.74	152.0	0.71	145.2
Other Reserve Movements	-	-	0.01	2.1
Dividends on Ordinary Stock	0.38	78.2	0.35	72.1
Interim Dividend	0.10	20.6	0.10	20.6
Final Dividend	0.28	57.6	0.25	51.5
Retained profits from previous year	5.66	1,165.5	5.42	1,115.9
Retained profits at end of the year	6.06	1,246.3	5.66	1,165.5

The Directors have recommended a final dividend in respect of the year ended December 31, 2023 of $0.28 per share, which would result in a total dividend of $0.38 per share for the year.

AUDITORS

The auditors of the Company for the financial year ended December 31, 2024 will be appointed at the Annual Meeting.

By Order of the Board

Kathryna Baptiste Assee
Corporate Secretary
April 25, 2024

OUR TEAMS

ANGOSTURA®

THE EXECUTIVE TEAM

Front (L-R)

Mr. Laurent Schun – Chief Executive Officer (CEO)
Mr. Curtis Durity – Executive Manager, Local Sales
Ms. Cindy Wilson – Executive Manager, Human Resources
Mr. Rahim Mohammed – Executive Manager, Business Efficiency & Shared Services.

Back (L-R)

Mr. Amar Seechan – Chief Financial Officer (CFO)
Mrs. Kathryna Baptiste Assee – Group General Counsel/ Company Secretary
Mr. Ian Forbes – Chief Operating Officer (COO).

MARKETING & PUBLIC RELATIONS TEAM: (L-R)

Shivani Narinesingh – Marketing Manager
Marie Iles – Marketing Manager - Agency
Judy Kanhai – Manager, PR & Hospitality
Vitra Deonarine – Marketing Manager
Lawn Davis – Marketing Manager
Merlisa Ramoutar-Ali – Marketing Manager

Not in photo:
Shivanie Harripersad – Marketing Analyst

LOCAL SALES TEAM: (L-R)

Sheldon Roach – Local Sales Manager
Curtis Durity – Executive Manager, Local Sales
Ricardo Bideshi – Trade Marketing Manager

Not in photo:
David Ramsaran – Retail Operations Manager

OPERATIONS TEAM: (L-R)

Wendell Collymore	*– Senior Electrical Engineer*
Marc Paul	*– Distillery Operations Plant Manager*
Rance Williams	*– Risk & Inventory Control Manager*
Ayanna-Rene De Noon	*– Maintenance Planning Engineer*
Anessia Warner	*– Operations Special Projects Manager*
Aruna Narinesingh	*– Quality Control Manager*
Ian Forbes	*– Chief Operating Officer (COO)*
Ann-Marie O'Brien	*– Manager - Blending & Quality*
Narissa Joseph	*– Manager - Blending Rum & Bitters*
Mark Mohammed	*– Senior Mechanical Engineer*
Anil Maharaj	*– Senior Operations Manager*
Ronneil Juman	*– Chief Engineer*

Not in photo:

Ariana Nerissa Maharaj	*– New Product Development Manager*
Carson Chadee	*– Plant Engineer*
Sharon Ramsaran	*– Plant Manager – Bottling Operations*
Wendell Kipps	*– Maintenance Plant Engineer*
William Jordan	*– Quality Assurance Manager*

BUSINESS EFFICIENCY & SHARED SERVICES TEAM: (L-R)

Desiree Baptiste-Stafford	*- Project Manager*
Stephen Lai Yim	*- ICT Manager*
Kym Chan Chow	*- Sales & Operations Planning Manager*
Rahim Mohammed	*- Executive Manager, Business Efficiency & Shared Services*
Keegan Ramlogam	*- Procurement Manager*
Essien Knight	*- Inventory Control Manager*

Not in photo:

Indera Narine	*- Shipping Logistics Manager*

HUMAN RESOURCES TEAM:

Candice Diaz	*– Industrial Relations Manager*
Nicolas Seepersad	*– HSSE Manager*
Cindy Wilson	*– Executive Manager, Human Resources*
Michelle Gonzales	*– Human Resources Operations Manager*

FINANCE TEAM: (L-R)

Lystra Mahabir – Risk & Compliance Manager
Melinda De Freitas-Peters – Business Partner – Commercial
Amar Seechan – Chief Financial Officer (CFO)
Leslie-Ann Wilson – Business Partner – Reporting
Shazara Khan – Business Partner – Operations

Not in photo:
Nilaja Quintal – Business Partner – Intel

LEGAL & CORPORATE SECRETARIAT TEAM: (L-R)

Donna Chin Asiong	*– Records Management & Compliance Manager*
Tishana Abdool	*– Manager, Legal / Assistant Company Secretary*
Shashi Seecharan	*– Senior Legal Counsel*
Kathryna Baptiste Assee	*– Group General Counsel / Company Secretary*
Karuna Ramsaran	*– Senior Legal Advisor*

OFFICE OF THE CEO & COMMERICAL TEAM: (L-R)

Melissa Shonika Clarke	*– Commercial Operations Manager*
Laurent Schun	*– Chief Executive Officer (CEO)*
Rita Purdeen-Nandlal	*– Manager, Internal Audit*
Brian Tom Yew	*– Export and Business Development Manager*

Not in photo:

Leesha Alexander	*- Commercial Manager*
Marlon Boysielal	*- CARICOM Manager*
Nikecia Moore-Burrowes	*- Project Manager, Business Continuity*

RECOGNISING OUR HEROS

Some of the staff members who assisted in the efforts to combat the fire

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL OVERVIEW

The following discussion and analysis set out Management's perspective on the Company's consolidated financial statements as well as insight on key operational aspects for the year ended December 31, 2023.

This Management discussion and analysis should be read in conjunction with the audited consolidated financial statements that have been included as part of the Annual Report. The Group's accounting and reporting policies conform to the relevant financial reporting standards and global industry best practice.

The details and information set out in this section are intended to assist readers in understanding the Group's financial performance in 2023 (compared to the prior year) as well as provide some insight into the strategies contributing to the said financial performance.

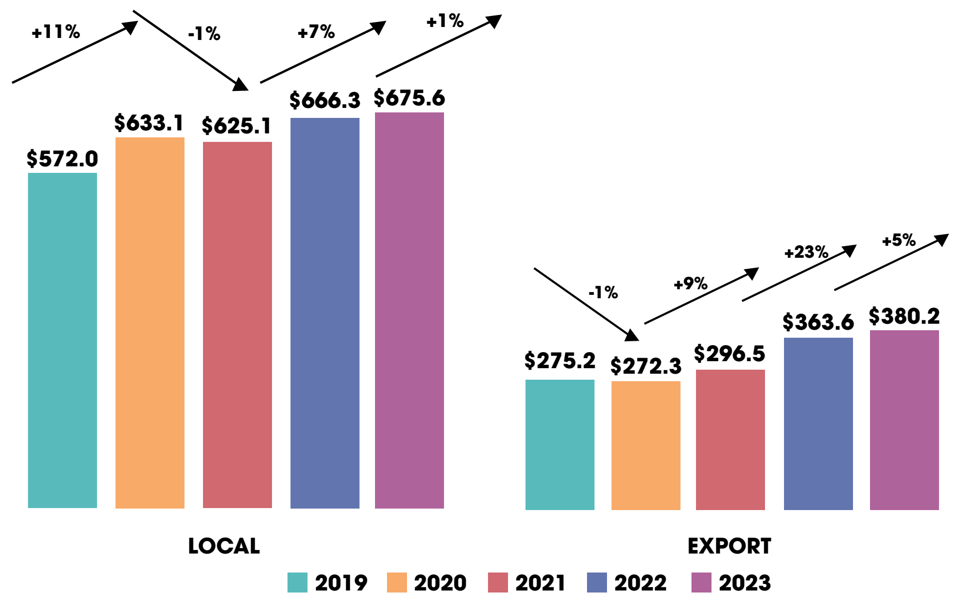
REVIEW OF KEY FINANCIAL INDICATORS

REVENUE

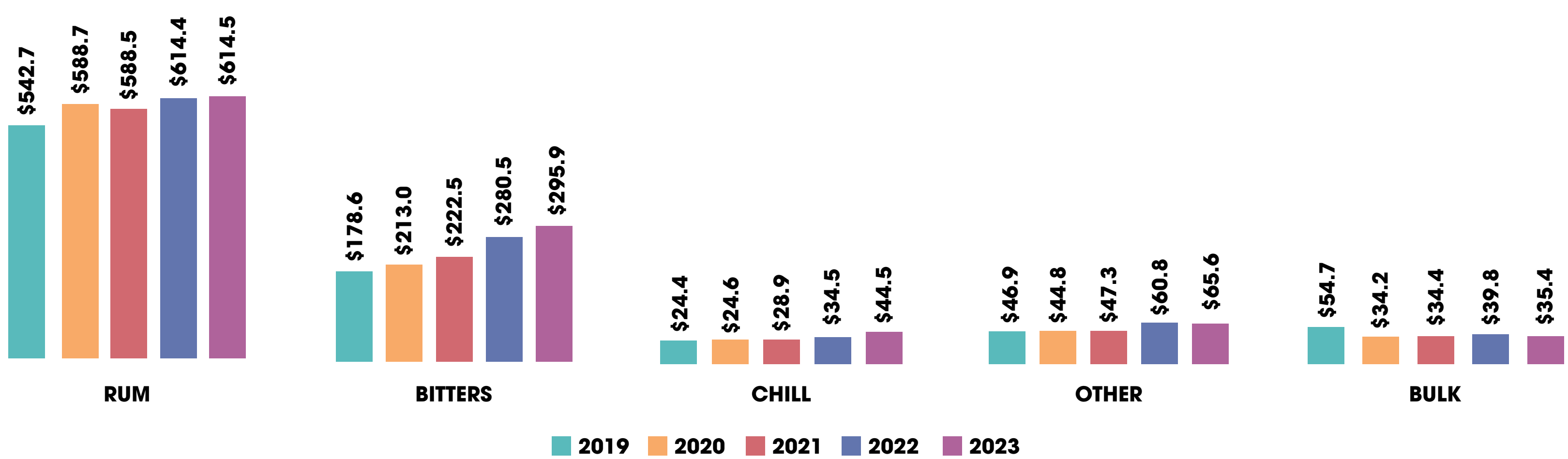
For the second consecutive year, the Group crossed the one-billion-dollar revenue mark and earned revenue of $1.05b, which represented growth of 2.5% over the prior fiscal year. Local revenue contributed $675.6m or 64%, while exports contributed to $380.2m or 36% of the revenue value.

Several international markets continued to perform well, namely, North America, and contributed to the $15.4m or 6% growth in the Bitters segment when compared to 2022. While the overall revenue earned from the rum business remained flat, international rum revenue grew by approximately 10% driven by the continued investments in the premium rum range with 8% growth coming from the EMEAA region. Regional markets of the Caribbean and Duty free with further increased levels of travel activity, seasonal promotions and a preference for local rum in these areas also showed steady growth and compensated for the 0.6% decline in the local market. The Chill business bolstered the local branded revenue growth of 1.6% with overall growth of $10.0m or 29% as the range of flavours continued to be favourably accepted in this segment regionally. The charts below outline revenue by region and by product segment.

REVENUE BY REGION TT$M



REVENUE BY SEGMENT TT$M



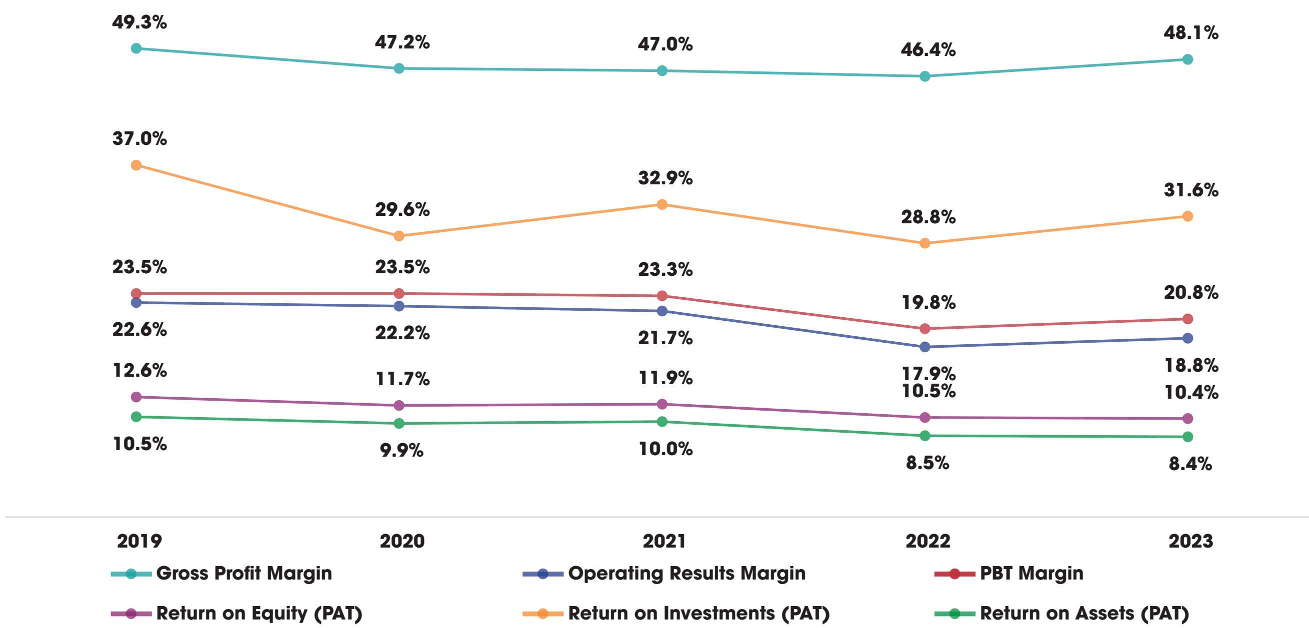
PROFITABILITY

The Group ended the year December 31, 2023, with Profit after Tax of $152.0m which represented an increase of 4.6% over the prior fiscal year.

This increase in profit after tax was primarily due to the improved Gross Profit as the Group focused on building efficiencies within the core production and supply chain areas within its control. Through these net improvements, gross profit margin was 48%, upwards by approximately 2% from 46% in 2022.

This GP margin increase counteracted the overall rise in operating expenses of $16.0m or 5.6% with the continued drive to invest in international markets while maintaining a strong local presence. Increased cost of administrative and selling due to evident overall rise in cost of doing business was 70% offset by reduction in the Expected Credit Loss with recovery of outstanding balances made through customer payments during 2023. The Group's investment strategy whereby surplus US dollar earnings are invested in a combination of short and long-term instruments presented a 7% growth in 2023 to further drive the overall Profit before Tax growth of 7.8% when compared to 2022. The summary consolidated statement of profit and loss highlight the key contributors to Angostura's performance in 2023 when compared to 2022. The profitability ratios are set out in the chart below.

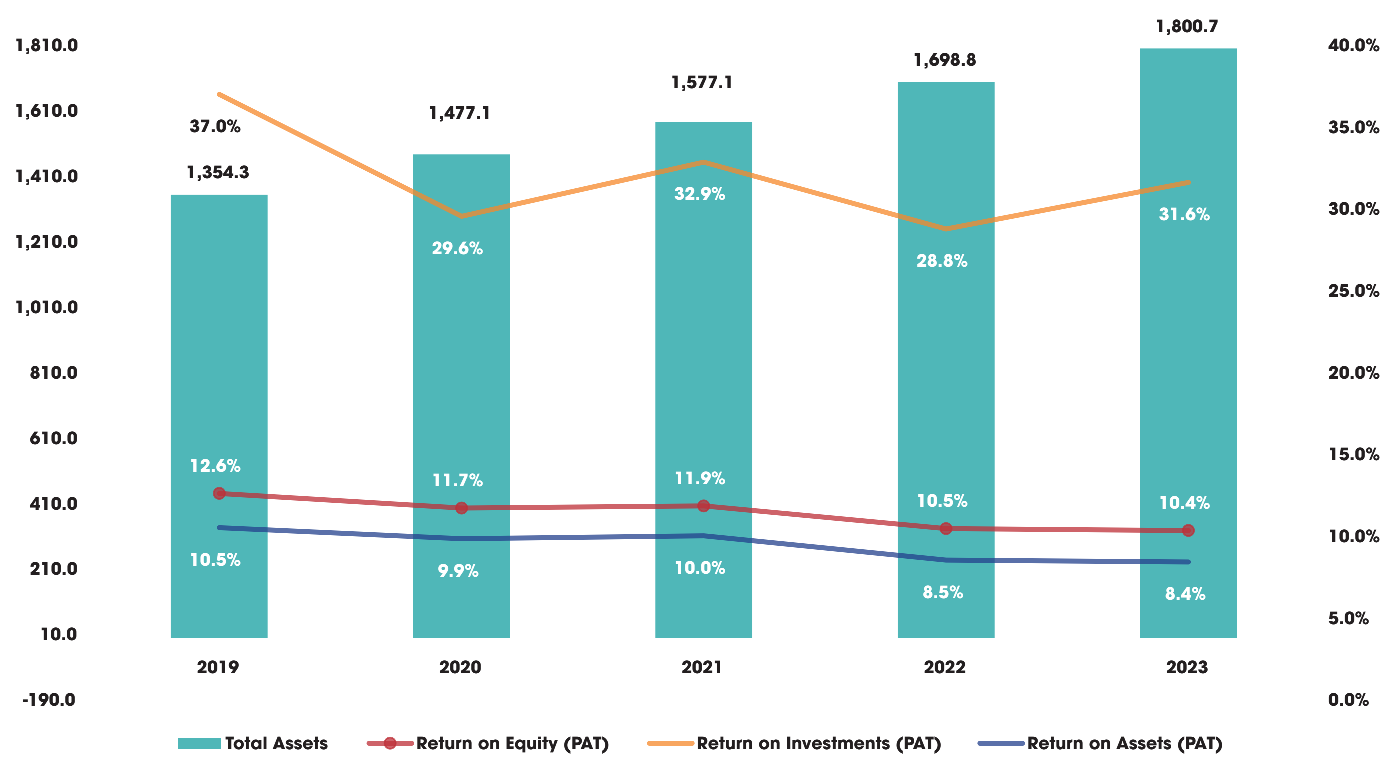
Profitability Ratios



BALANCE SHEET ANALYSIS

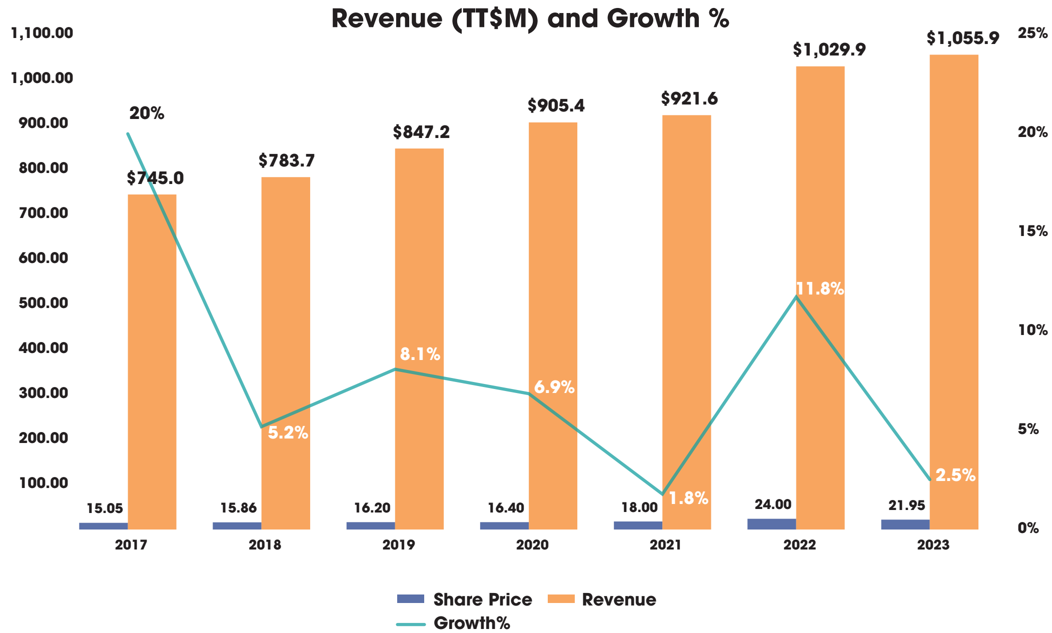
In 2023, the Group's assets increased by 6.0% to $1.8b, with increases in cash of 48% from short-term borrowings to ensure sufficient liquidity for TT dollar-based operations and not significantly impact returns on investments. With continued Capital Expenditure (CAPEX) investments to drive efficiency in operations and the challenge to maintain inventory at optimal levels both in terms of cost and quantity, while maintaining receivables and payables at a minimal 0.5% increase, the Group strengthened its financial position from a balance sheet perspective. The chart below shows key financial performance indicators, including Total Assets, Return on Assets, Return on Equity and Return on Investments.

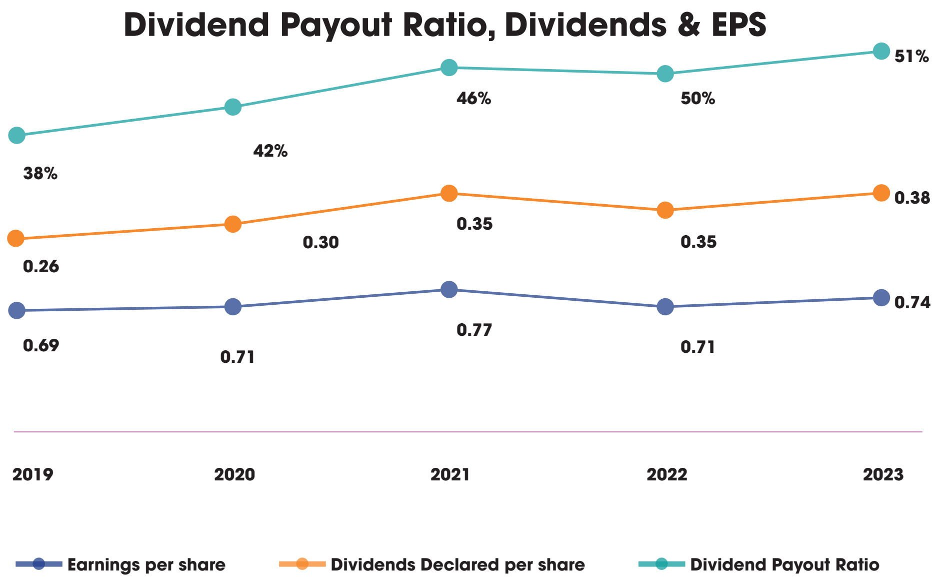
Total Assets, Return on Equity, Return on Investments and Return on Assets



SHAREHOLDER DETAILS (DIVIDEND PAYMENT AND SHARE PRICE)

The Group's Board of Directors is pleased to recommend a final dividend in respect of the year ended December 31, 2023 of $0.28 per share, which will result in a total dividend declared for 2023 of $0.38, and represents an increase of 8.6% on the payout when compared to prior year. The Group's share price stood at $21.95 as at December 31, 2023. Despite the 8.5% decline from 2022 to 2023 in the year end share price, the share price stood at $15.05 in 2017 and appreciated by 46% over the period. The charts below reflect changes in the share price as it relates to revenue as well as dividend payout ratios year on year.





CONCLUSION

The Group ended 2023 surpassing the billion-dollar revenue mark, with some growth in key financial areas. Despite the continued challenges in global economies and the increased cost of doing business, the Group's performance reflects the strategies implemented, resilience and commitment which will assist with the Group moving forward.


SINCE 1824
ANGOSTURA
Chill
BLOOD ORANGE & BITTERS
TANGY BLOOD ORANGE WITH A DASH
OF ANGOSTURA® AROMATIC BITTERS
SINCE 1824
ANGOSTURA
Chill

OUR OPERATIONS

In pursuit of the Company's strategic vision, the Operations Department continued to explore options to increase productivity in a cost-effective manner to maintain competitiveness. The Group focused on innovation and implemented strategies to face emerging challenges in the dynamic global environment.

Outlined below are some of our 2023 highlights:

DISTILLERY, PRODUCTION AND THE WATER RESOURCE RECOVERY AND ANAEROBIC DIGESTER FACILITY (WRRAD)

Our distillation operations demonstrated stability, consistently yielding over 500,000 litres of alcohol each month. The exceptional performance achieved during Q1 to Q3 prompted an organised reduction in production during Q4 due to the full capacity reached in all alcohol storage tanks. The distillation plant successfully increased the Trinidad Distillers Limited (TDL) bulk alcohol stock from 2.1 million litres in 2022 to an impressive 5.8 million litres by the end of 2023. This achievement reflects our commitment to operational excellence and continuous improvement in production processes.

In 2023, two major infrastructure upgrades were conducted, which included a rehabilitation project for the GH2 tower and the replacement of two (2) water storage tanks reserved for fire fighting. The GH2 tower has been a part of the TDL facility in Laventille since its establishment in 1947.

Refurbished GH2 Distillation Tower

As part of our planned maintenance programme, TDL conducted a repair and restoration upgrade of the tower at a cost of TT$4.7m.

The two (2) water tanks are part of the fire safety response infrastructure within TDL. One tank was completely rebuilt in 2023 and the other is 75% completed. Similar works are planned for the refurbishment of the facility's main water storage tank in 2024.

The Water Resource Recovery and Anaerobic Digester (WRRAD) Facility demonstrated exceptional reliability by efficiently treating 82,684 cubic meters of waste generated from the distillation process. This treatment rate was within the plant's design capacity. The consistent operation of the WRRAD ensured operational demands were met whilst enabling the seamless execution of major planned maintenance at the distillery in Q4 of 2023. These successful maintenance initiatives at the distillery supported our commitment to maintaining high standards of operational efficiency and environmental responsibility.

Repaired Fire Fighting Water Tank

The Operations Department enhanced its Inventory Management System within the Warehouse and Aging areas by implementing the Distillery Records and Management System (DRAMS), a software solution that enables comprehensive tracking of the aged rum inventory.

This system establishes a direct correlation between the cask supplier, the cask's performance, and its lifecycle during the spirit aging process. Each cask housing aging rum is assigned a unique spirit ID, enabling scanning to access comprehensive historical data pertaining to that specific rum cask.

Cask labeled with the new DRAMS barcode system for inventory tracking.

BLENDING OPERATIONS

The Blending Operations Department pursued three (3) key projects in 2023 that contributed to achieving the company's strategic vision. These included the commissioning of the Warehouse No. 5 Batch Chiller (Chill Filtration System), the installation and commissioning of a new Distillery Water Treatment System, which were completed in March 2023 and the initiation of a Bitters Expansion project in October 2023.

The upgrades to the Chill Filtration System is to ensure the timely supply of rum for bottling and to prevent scheduling conflicts. The new Batch Chiller is operating optimally with the ability to chill 9000L of product within one (1) day compared to the previous chilling time of two and a half days.

The goal of upgrading the Distillery's water treatment plant was to enhance the capacity and reliability of the blending water treatment system, ensuring it can meet the demand for treated water required by the Distillery. The output of the new plant is 53 gallons per minute (GPM), a substantial increase from the previous production rate of 10.4 GPM.

Batch Chiller Facility

Upgraded Water Treatment Plant

Phase 1 of the Bitters Expansion project at the Special Events warehouse commenced in October 2023 and will continue into 2024. Upon completion, this project will enhance the raw material storage and processing capacity of the Bitters Blending Facility.

In 2023, the Blending Department initiated projects aimed at enhancing the physical and visual aspects of its infrastructure to align with Quality, Food Safety, and Health and Safety standards. Additionally, efforts were made to reassess processes for enhancing the quality of the final blend and to explore alternative suppliers for 80% of TDL's top 10 ingredients. Further developments are planned for 2024 in this regard.

RUM AND BITTERS BOTTLING PRODUCTION LINES

In 2023, the Rum bottling lines achieved enhanced Overall Equipment Efficiency (OEE), while the Bitters Bottling Lines sustained their existing performance levels. These advancements were facilitated through collaborative endeavours with Original Equipment Manufacturers (OEMs), comprehensive overhaul initiatives, and a concentrated emphasis on bolstering the reliability of our bottling machinery.

This proactive approach underscores our commitment to maintaining top-tier operational standards and ensuring the longevity of our bottling processes.

ENGINEERING AND MAINTENANCE

Driving improved reliability of the plant and equipment within Operations was a major objective in 2023. TDL bolstered its utilities with the installation and commissioning of two (2) new 1000 cubic feet per minute (CFM) air compressors, to mitigate interruptions and promote efficiency.

Casks labeled with the new DRAMS barcode system for inventory tracking

Furthermore, in line with the Group's strategic objective to expand the global presence of its flagship Bitters products, heightened focus was directed towards enhancing the performance of the Bitters Production Line. Collaborating with the Original Equipment Manufacturer (OEM), thorough overhauls of essential equipment on the line were effectively executed in 2023. This resulted in a significant reduction of line downtime by 50% when compared to 2022.

Water storage tank being repaired

QUALITY CONTROL AND ASSURANCE

The Group successfully maintains compliance to its international certifications, including FSSC 22000 Scheme Version 5.1, ISO/IEC 17025:2017 Laboratory Accreditation, ISO 9001:2015 Quality Management System as well as the ISO 14001:2015 Environmental Quality Management Standard.

In November 2023, the site was successful in its FSSC 22000 recertification audit against Version 5.1 of the Scheme. Concurrently, the Laboratory initiated efforts to broaden the scope of testing activities, enhancing flexibility and throughput for improved process monitoring and real-time management. This initiative aims at advancing efficiency and sustainability. These certifications play a pivotal role in ensuring compliance with legal and regulatory requirements, while adhering to international best practices.

Anchored on these core principles and driven by continuous improvement initiatives, the Company not only sustains its presence but also positions itself for growth in both local and international markets.

Ensuring regulatory compliance is a cornerstone of the Angostura Group's commitment to ethical business practices. By maintaining rigorous adherence to applicable laws, regulations, and industry standards, the Company cultivates a culture of integrity and accountability. This commitment extends beyond mere compliance, encompassing proactive measures to continuously assess and enhance internal processes and procedures to align with evolving regulatory requirements.

In addition to re-engineering a compliant culture, the Angostura Group prioritises transparency and accountability in its operations. Through enhanced internal controls and governance structures, the Company strives to uphold the highest standards of corporate governance. Regular audits and assessments are conducted to evaluate the effectiveness of these controls and identify areas for improvement. By proactively addressing compliance issues and implementing corrective measures, the Angostura Group demonstrates its dedication to responsible corporate citizenship and sustainable business practices.

Reinforcement of the Food Safety Culture and first-hand operational training from the OEM serves to strengthen the competency and performance of our Quality staff.

OUR INNOVATIONS

The Group prides itself on its ability to innovate and produce limited-edition creations that cannot be easily replicated.

New Product Development

The New Product Development team, in collaboration with our skilled Blending professionals, successfully crafted the 2023 edition of Symphony, a Premium Caribbean Rum from our Limited-Edition Private Cask Collection series.

This release was formally unveiled in December 2023, showcasing our dedication to innovation and the enduring legacy of artistry, craftsmanship, and elegance that has characterised Angostura Rums for generations.

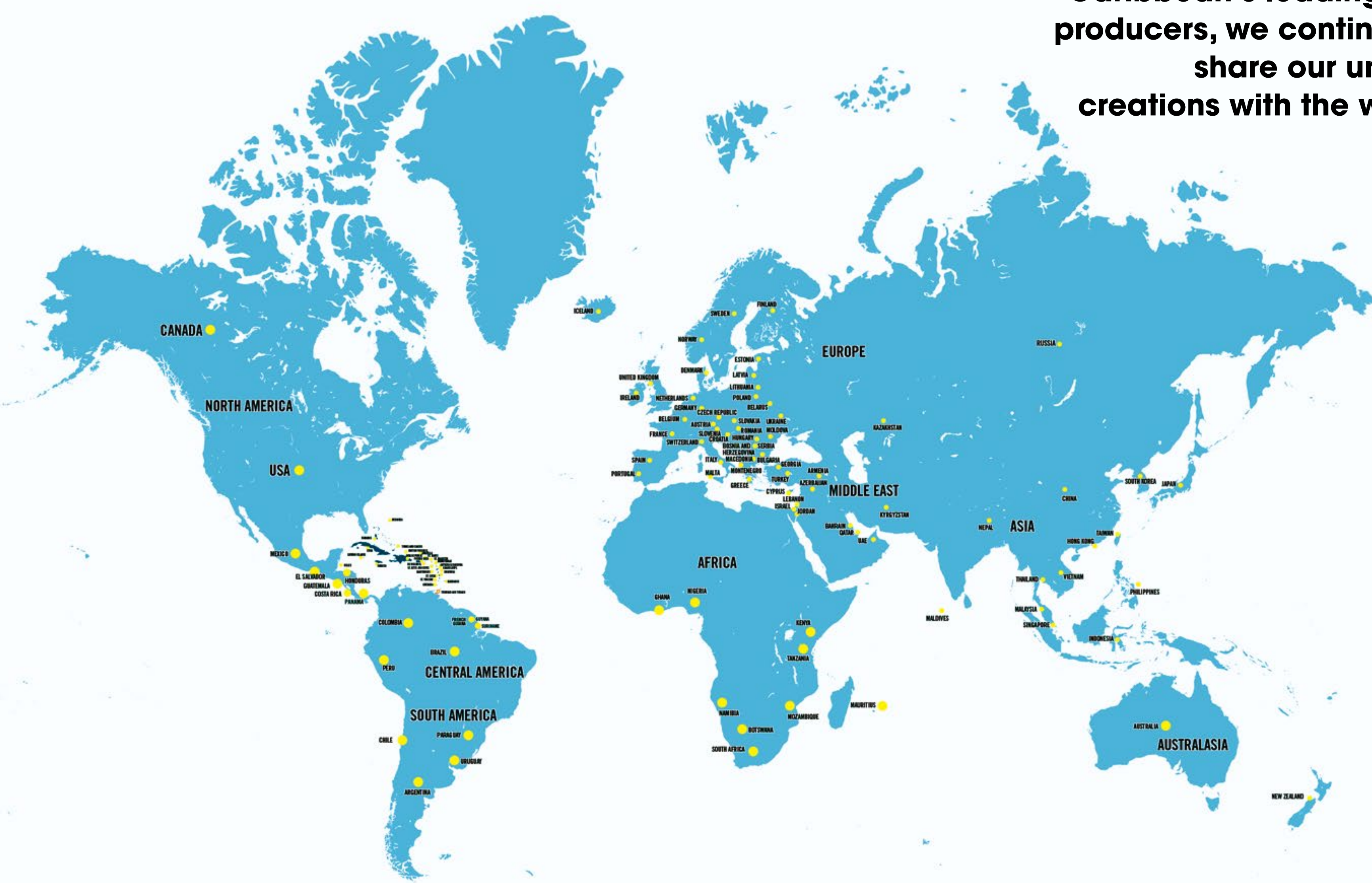
The Symphony 2023 Limited Edition Rum is a blended testament to the meticulous curation of rums, carefully crafted using diverse and refined distillation techniques. Its ethereal aroma reveals subtle toasted wood undertones; an orchestra of dried fruits and vanilla performs a symphony, contributing to the creamy profile.

In anticipation of our impending 200th anniversary, substantial efforts have been undertaken to curate commemorative blends in advance of the historic year 2024. These efforts shall demonstrate our dedication to preserving and celebrating the rich heritage of the House of Angostura.

The New Product Development Department has undergone strategic expansion, receiving approval to establish its own dedicated space.The upgraded workspace which is intended to be delivered in 2024 will be meticulously designed to align with global sensory evaluation standards, structuring an environment that will encourage unrestricted creativity, research and development. It will also prominently showcase Angostura's own world-class sensory room, reaffirming our steadfast dedication to excellence in product innovation.

OUR PRESENCE & OUR BRANDS

A world market leader for Bitters as well as one of the Caribbean's leading rum producers, we continue to share our unique creations with the world.



The Group continued to make strides for global expansion in 2023, with our products continuing to be available in over 170 countries worldwide. We are proud that our products can be found in major continents such as North America, Europe, South America, Africa and Asia.

Brand Education and Customer Engagement continued to play a major role in 2023 as events were arranged in several countries, including Germany, Hungary, Poland, Latvia, Lithuania and Mexico. The year 2023 also brought new opportunities for the Group, including the placement of its products on the Royal Caribbean International cruise ship, Icon of the Seas.

Further insight into key marketing initiatives regarding our presence and brands are highlighted below.

Bar Convent Berlin (BCB)

House of Angostura's Global Brand Ambassador - Daniyel Jones - having a toast with Bar Convent attendees in Berlin 2023

Bar Convent Berlin (BCB) is one of the largest trade fairs for the bar and beverage industry worldwide, attracting over 13,000 visitors from many different types of industries and professional backgrounds.

The Trade Show is mainly attended by bar owners, bartenders, distributors and manufacturers from almost 90 countries every year to network, learn about product innovations and attend educational seminars. BCB has expanded its global network with further shows in Brooklyn, São Paulo and now, Singapore.

The House of Angostura partnered with BCB for over 7 years. The continued activation at BCB supported the House of Angostura's positioning and brand equity within the European Region over this period. At this year's Trade Show, the House of Angostura occupied a 600m x 600m stand, which catered to approximately 5600 visitors with our Queens Park Swizzle Club theme.

House of Angostura's National Brand Ambassador to the Netherlands - Ciro Adriano de Georgio

Tamboo Baltic Tour

In 2023 Angostura completed its groundbreaking Tamboo Baltic Tour, leaving a lasting impression across Latvia, Lithuania and Poland. Angostura meticulously executed a series of events, embodying precision, innovation and an unrivalled taste experience.

This included, Angostura Tamboo® tastings by Brand Ambassador, Daniyel Jones who treated guests to unforgettable experiences. Technical activations, including branded booths, giveaways, cocktail cards, behind-the-bar product displays, and strategic digital posts, harmonised to enhance the festival experience.

The Baltic Tour showcased the epitome of technical sophistication, inviting enthusiasts, industry professionals, and media representatives to partake in this extraordinary celebration of flavour, craft and innovation.

Hungary and Romania Campaigns

Hungary and Romania Campaigns

The 2023 campaigns in the Hungary and Romania markets showcased a series of eight (8) brand events and activities across two (2) markets featuring brand ambassador, Daniyel Jones. The campaign introduced Angostura Tamboo® to trade partners, influential members of bartender communities and to target end consumers in Budapest and Bucharest. The events collectively garnered over 250 direct contacts, with exceptionally positive feedback.

Angostura Tamboo® sales commenced in both markets in early March 2023, with a strategic focus on trending on-trade accounts. The initial phase has set the stage for future activations and listings, ensuring a strong presence in the coming months.

BARRA Mexico

In 2023, Angostura took an active role in the fourth instalment of BARRA Mexico, a highly influential event situated in the bustling metropolis of Mexico City. This event fostered a pivotal nexus for both consumers and professionals across the Latin American spirits industry.

BARRA Mexico stands as a beacon for the dissemination of emerging industry trends, product launches, educational endeavours, and the nurturing of a vibrant and interconnected bar community.

Chief Brand Educator Raymond Edwards (middle) alongside bartenders for BARRA Mexico.

LOCAL INITIATIVES

White Oak Sponsorship of the TKR team for CPL 2023

Angostura entered into a continued sponsorship agreement with the Trinbago Knight Riders for the 2023 CPL Tournament. The Trinbago Knight Riders continues to be one of the popular teams of the CPL tournament which attracts a viewership of 103.4 million persons. The TKR players are globally recognised, securing a worldwide fan base. As the White Oak brand continues to expand its regional and global footprint, continuing this alignment proved beneficial in further growing the White Oak fan base.

White Oak was designated as the Official Rum Sponsor of the tournament with exclusive pouring and branding rights in the Product Category. The brand capitalised on these significant branding opportunities through its merchandise among other marketing strategies.

This ongoing collaboration plays a pivotal role in reinforcing the brand's positioning and enhancing its equity on a local, regional and international scale.

White Oak Social Media post

Carnival 2023

White Oak's engagement in Carnival celebrations extended to band launches, fetes, events and active participation in Carnival festivities on the road. Through the company's involvement in these activities, the brand increased its visibility by utilising various marketing strategies and promotional initiatives.

The Company forged strategic partnerships with multiple prominent events and Mas promoters during Tobago's Carnival in 2023. The festivities encompassed a diverse range of events such as cooler parties, J'ouvert, Pavement Lime and the grand Parade of the Bands. These collaborative ventures facilitated synergies between the brand and event promoters, allowing for exclusive representation in the Rum category.

Tobago Carnival

Tribe Band Launch

Spirit Mas Band Launch

SOLERA

Solera Wines & Spirits continued its expansion in 2023, building upon its exceptional growth experienced in 2022. This resulted in the generation of a 7% increase in total revenue amounting to $81 million. The retail store channel accelerated its transformation towards offering premium international products, to cater to consumers' appetite for distinctive wines and spirits brands from all around the world. In that perspective, a new premium Solera branch was opened in Port of Spain, performing above expectations.

The continuous success of Solera underscores the effectiveness of its strategic initiatives. Additionally, Management's focus on diversifying supply sources, enhancing inventory management and boosting operational flexibility also contributed significantly to this achievement.

Boosting its portfolio with premium imported brands, such as Bollinger prestigious champagne, the highly successful Titos' vodka, Macallan Scotch Whisky, alongside a diverse range of Tequila products, which grew by 27%, Solera Wines & Spirits is driving local consumers into extraordinary experiences.

Chief Executive Officer of Angostura, Mr. Laurent Schun delivering remarks at the opening ceremony of the new Solera outlet at Albion Plaza

Chairman of the Angostura Group Mr. Terrence Bharath S.C. delivering remarks at the opening ceremony of the new Solera outlet at Albion Plaza

Curating one of the most comprehensive ranges of fine wines from around the world (such as France, Italy, Spain, Argentina and Chile), Solera aims to offer to its customers the perfect experience for any occasion. Through hosting tasting events, providing educational content and building strong relationships via our loyalty program, Solera has seen consistent growth, with a Compound Annual Growth Rate (CAGR) of 50.8% over the last three (3) years, outpacing the overall market by expanding its market presence, optimising online sales, and engaging new customer demographics.

In November 2023, Solera Wines & Spirits launched its newest outlet, at the Albion Plaza, Victoria Avenue, Port of Spain. Designed to match the standards of leading wines and spirits stores in Europe and North America, this modern and premium outlet represents a key step in the Company's expansion plan.

Premium range of products on display at Solera Wines & Spirits at Albion Plaza

The new Solera Wines & Spirits outlet at Albion Plaza

Angostura Bitters display at Solera Wines & Spirits, Albion Plaza


SOLERA
WINES & SPIRITS
BY THE HOUSE OF ANGOSTURA
PRIVATE CASK COLLECTION
PREMIUM CARIBBEAN
TRINIDAD & TOBAGO
44.7% alc./vol. 750ml

OUR PEOPLE

The year 2023 highlighted the crucial role played by members of the Angostura Family in pursuing the Company's objectives and, more importantly, securing its future. While the team's dedication and continued resilience have been tested in the past, 2023 presented new challenges that we successfully surmounted, notably the fire at the Laventille compound on December 01, 2023.

The year 2023 stands out as a significant period characterised by employee engagement, growth, and resilience for our organisation. Despite facing uncertainties, our commitment to engaging employees from all facets remained unwavering.

As a globally recognized Group, our workforce stands as a cornerstone of our organisational triumphs. Human Resources Management Association of Trinidad and Tobago (HRMATT) granted the following awards:

1) Coreen Jones Award for Best Place to Work to the Company; and
2) Maxine Barnett Award for HR Excellence to Mr. Rahim Mohammed

These awards underscore Angostura's steadfast dedication to cultivating an environment conducive to learning, development, progression and employee engagement.

Aligned with this commitment, Angostura developed a dynamic calendar encompassing a range of activities and events designed for staff recognition and reward, as well as nurturing a healthy and vibrant work culture. Noteworthy examples include:

A member of the Distillery Operations Department, being awarded a token of appreciation by Director Dr. Sterling Frost, O.R.T.T.

Director Dr. Maryam Richards, C.M. presenting the Environmental Safety & Quality Coordinator with a token of appreciation

Recognising Our Heroes

On December 1, 2023, a fire occurred at the Bitters Blending Storage room of the Laventille facility. In a commendable display of dedication and resilience, our vigilant employees promptly heeded the call to action, swiftly initiating our emergency response procedures to suppress and gain control over the situation.

The provision of training in both basic and advanced firefighting equipped employees with essential skills to proficiently handle fire-related emergencies. These training sessions empowered our workforce to execute proper evacuation protocols, utilise firefighting equipment effectively, and collaborate seamlessly in potential crisis situations. This investment in their preparedness ensured a prompt and organised response.

This response not only ensured the safety of our employees and protection of assets but also highlighted the invaluable strength that comes from a unified team. This incident serves as evidence of the effectiveness of our emergency response procedures, as well as the dedication and preparedness of our employees, reflecting the core values that propel our organisation forward.

To acknowledge these employees for their selflessness and dedication, a special recognition ceremony was conducted.

Celebrating the 'Mother of All Carnivals'

In 2023, the vibrant energy of Carnival reached new heights, with Angostura at the epicentre of the celebrations. Our Annual Carnival Party and Calypso Competition, held on February 10, 2023, saw an impressive turnout of staff rallying behind their colleagues participating in a Calypso Competition. After the spirited competition, employees were treated to a delightful array of entertainment, featuring special guest performances by Angostura's Brand Ambassadors - Voice and Nailah Blackman, adding an extra layer of excitement to the festivities.

As anticipation for Carnival festivities reached a fever pitch, the Company delighted everyone with our own Angostura created Snow Cones in the Courtyard on Fantastic Friday. This delightful treat not only evoked nostalgic childhood memories but also served as a joyous start to the Carnival weekend festivities.

Picture of fire at Angostura Laventille compound on December 1, 2023.
Photo credit - Daily News Limited (Newsday Newspapers)

Employee entertaining his colleagues at the Company's Annual Calypso Competition and Carnival Party.

Giving our SEA students a boost.

In March 2023, the Human Resources Department organised its annual S.E.A mental health workshop for eighteen (18) children of staff members. Sessions were conducted with the students, imparting coping techniques and strategies to prevent anxiety.

The workshop addressed key subjects including strategies for maintaining mental focus in the face of distractions, techniques for self-motivation when dealing with complex tasks, methods for improving concentration, and strategies for setting realistic and achievable goals and expectations. Additionally, exam packages and study kits containing essential exam materials and resources to assist in their preparation for the transition to secondary school were distributed to the children.The positive feedback received from both parents and children served as a testament to the significance of this initiative, affirming its position in our engagement calendar.

Mental Health Awareness

In observance of Mental Health Awareness Month in May, the Company organised two initiatives aimed at fostering a deeper understanding of the importance of prioritising mental well-being amongst staff. Aligned with the 2023 theme focusing on anxiety, our Employee Assistance Program (EAP) provider, PEAPSL, conducted an informative session aimed at providing employees with valuable insights into identifying signs of mental health challenges, effective coping strategies, and accessing mental health support services. Employees were also invited to engage in a series of meditation sessions held throughout the month. These sessions were crafted to assist participants in cultivating mental clarity and emotional calmness. Through focused concentration on specific objects, thoughts or activities, attendees were encouraged to train their minds towards achieving a tranquil state.

Recognising the Internal Audit Department

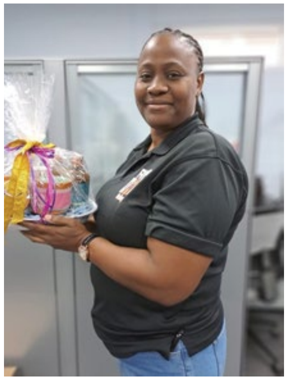
In May 2023, we observed Internal Audit Month, during which our Internal Audit Department seized the opportunity to educate employees about their crucial role within the Company. This initiative aimed to provide insights into assessing risks, evaluating controls, reviewing processes, assuring safeguards and providing suggestions to enhance the Company's operations and add value. In recognition of their hard work and dedication to the Company, the HR Department presented the Internal Audit team with tokens of appreciation, extending heartfelt thanks for their invaluable contributions.

(L-R) Executive Manager- HR, Ms. Cindy Wilson, Internal Audit Manager- Rita Purdeen-Nandlal, Brittany Lee Gin- Internal Audit Officer and HR Officer, Ms. Karen Mohan.

Celebrating our Administrative Professional

The team had the pleasure of acknowledging our indispensable administrative assistants, whose dedication and outstanding work ethic continue to serve as the cornerstone of our organisation.

To honour their dedicated efforts, these employees were treated to an unforgettable lunch experience at the Hyatt, followed by sincere expressions of appreciation and celebration. The occasion not only served as a moment to extend our gratitude but also as an opportunity to recognise the essential contributions of our administrative professionals.



Showing appreciation for our Administrative Professional, a member of the Procurement Department.

"The JAVA Experience" created a stir in "Angostura Town," with the goal of nurturing camaraderie and boosting staff engagement. It comprised of six (6) events that were held throughout the July-August period.

From the creative sip and paint session to the enchanting movies under the stars, the competitive All Fours Competition at Games Night, the lively Karaoke Night, the festive Christmas in July and the beloved Angostura Kids Camp, our JAVA Experience offered something for everyone.

Staff members engaging in a fun activity during our Games Night.

Members of the HR Team and Executive Team participating in our Christmas in July celebrations.

Employees' children at the Kids' Summer Camp.

Annual International Coastal Clean Up

Aligned with our corporate social responsibility commitments, Angostura has maintained a long-standing partnership with the Caribbean Network for Integrated Rural Development (CNIRD) for over sixteen (16) years., encompassing collaboration with the broader entity, International Coastal Cleanup (ICC). At the heart of this collaboration lies our annual involvement in the international coastal cleanup initiative, observed annually on the third Saturday of September. In 2023, under the theme "Clean Seas for Healthy Fisheries," this initiative resonated deeply with employees, relatives, and friends as they journeyed to Chacachacare Island. There, they undertook the task of conscientiously removing waste from our shorelines, blending meaningful work with enjoyable activities. This endeavour not only reinforces our commitment to corporate social responsibility but also underscores the significance of collective action in addressing issues like indiscriminate garbage disposal. Angostura's active engagement in this cleanup stands as a testament to our dedication to environmental stewardship and community involvement in combating climate change.

(L-R) Director Ms. Ingrid Lashley, Executive Manager, Human Resources Ms. Cindy Wilson, and employees of Angostura after the coastal cleanup at Chacachacare Island.

Long Service Awards

On October 28, 2023, the Group hosted its annual Long Service Awards (LSA) at the House of Angostura. It was an evening radiating warmth, recognition and jubilation in honor of our tenured employees. This ceremony commemorated a noteworthy milestone, specifically designed to recognise individuals who have demonstrated unwavering commitment and dedicated their talents to the company for periods ranging from 10 to 35 years. Their enduring dedication has undeniably served as a pillar of the Company's success.

Amidst the warmth and encouragement of their families and colleagues, the atmosphere was filled with jubilation and camaraderie as the awardees revelled in their well-earned recognition. This celebration transcends mere acknowledgment of years served; it is a heartfelt salute to the passion and diligence that have sculpted our collective triumphs

Chairman, Mr. Terrence Bharath S.C. presenting Ms. Nicki Abraham -Accounts Payable Assistant with her 10 year long service award

Derek Thompson - Sales Representative receiving his 35 year long service award from Mr. Laurent Schun - CEO

Celebrating Christmas: "My Favourite Things"

The 2023 Christmas Staff Party, themed "My Favourite Things," was eagerly anticipated by all, and it was clear throughout the evening that every attendee wholeheartedly embraced the theme. The occasion was marked by delicious food, exquisite drinks, fantastic entertainment and an abundance of camaraderie among friends. The Angostura family truly united, transforming our venue into a lively hub of joy. As the night unfolded, heartfelt toasts resonated, echoing sentiments of unity and shared success. The atmosphere was infused with a spirit of appreciation as staff members expressed gratitude for the wonderful time they experienced.

Collaboration with Key Stakeholders

For the year 2023, the Group continued to maintain its steadfast position on the handling of all matters through effective dialogue between the Company, and the Seamen and Waterfront Workers Trade Union (SWWTU).

Mrs. Kathryna Baptiste Assee - Group General Counsel/ Company Secretary and Ms. Allana Affan - Legal Coordinator at the Annual Christmas Party

The Industrial Relations Department maintained its focus on strengthening training initiatives aimed at promoting best practices across diverse divisions. Training sessions in Industrial Relations were conducted for managers, supervisors, and select bargaining unit staff, facilitating the resolution of workplace issues.

Through collaborative efforts with all pertinent stakeholders, the team effectively implemented the Company's restructured centralised procurement system, contributing to enhanced business efficiencies and oversight at all levels. Alongside the HRMATT awards, the company garnered additional accolades in 2023, highlighting the dedication and excellence of our team.

Ms. Cindy Wilson, Executive Manager, Human Resources and Ms. Karen Mohan, HR Officer, enjoying the festivities at our annual Christmas Party

OUR COMMUNITY

Corporate Social Responsibility Highlights

The Group understands its responsibility to society, thereby recognising the importance of positively impacting individuals and communities across the country.

In 2023 the Group's Corporate Social Responsibility (CSR) focused on several areas including:

- *Education,*
- *Sports,*
- *Youth Development,*
- *Culture and the Arts.*

(L-R) The twelve finalists of the Angostura Secondary Schools art competition with MP for Laventille East/Morvant, the Honourable Adrian Leonce, the Honourable Dr. Nyan Gadsby-Dolly, Minister of Education, Group's former Executive Manager – Marketing, Mrs. Sophie Charles-Barber and Chief Operating Officer, Mr. Ian Forbes.

In 2023, our corporate social responsibility (CSR) strategy prioritised proactive engagement with key stakeholders, including our fenceline community and diverse communities across the nation. Through extensive consultations and dialogues, we actively sought insights and feedback to pinpoint areas where our support could make a meaningful impact.

By initiating open communication and collaboration, we cultivated strong relationships with our stakeholders, empowering us to tailor our initiatives effectively. This inclusive approach not only enabled us to identify pressing needs but also facilitated the development of targeted solutions that align with our values and objectives. As a result, our CSR efforts in 2023 were characterised by strategic alignment, community-driven action and impactful outcomes.

Social sustainability is a critical part of our business model, as we recognise the significance of our relationships with people, communities and society. We once again collaborated with non-governmental organisations (NGOs) and other groups on several projects and initiatives. The aim is to reach communities across the country and strengthen our CSR footprint.

SUPPORTING OUR NATION'S YOUTH

The Group is dedicated to supporting our nation's youth through a diverse array of initiatives geared towards their needs and aspirations. By investing in our youth, we are investing in future leaders, innovators and change-makers who will drive progress and prosperity for generations to come. The Group strives to provide platforms for personal growth, skill development and community engagement.

Thus, in commemoration of World Art Day which was celebrated on April 15, 2023, the Group supported the artistic talents in our nation's schools. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), World Art Day celebrations help reinforce the links between artistic creations and society, and can promote arts and culture in schools thus allowing for inclusive and equitable education.

It was on that basis that the Group launched our very first Secondary Schools' Art Competition entitled "The Art In Us" for students in Forms 1 to 6.

We received submissions from schools across Trinidad and Tobago which were based on the theme of "My Community". Twelve (12) finalists were selected by an independent panel of judges and the winners were announced at a prize-giving ceremony held at the House of Angostura. The event was attended by the Honourable Dr. Nyan Gadsby-Dolly, Minister of Education, who delivered the feature address.

Second place winner in the Forms 1 to 3 category with her piece titled "Siparia: Gathering Under the "Mango Tree"

Second place winner in the Forms 4 to 6 category with her piece titled, "My Community".

Winner of the Secondary Schools art competition in the Forms 4 to 6 category with his piece titled "Love Until'.

Winner of the Forms 1 to 3 with her piece titled "Our Community"

The Group views investment in the education of our nation's youth as paramount, as they hold the key to shaping a brighter and more prosperous future for our society. As such, in 2023, the Group collaborated with pennacool.com Caribbean Limited to distribute SEA practice test booklets to Standard five (5) students in 5 primary schools from the Laventille/Morvant community to aid in their exam preparations.

Furthermore, the Group hosted its annual 'Top SEA Student' award ceremony, a significant event recognising academic excellence within our fenceline community. This ceremony celebrated the outstanding achievements of students from the seventeen (17) primary schools within our vicinity who attained the highest scores in the SEA examination, a pivotal educational milestone. Through this initiative, we aimed to promote a culture of academic excellence and recognise the dedication and hard work of these exceptional students. By acknowledging their accomplishments, we hope to inspire and motivate other students to strive for excellence in their academic pursuits. These students received book vouchers and a schoolbag filled with stationery supplies to help them prepare for their entry into secondary school.

As part of the Group's annual 'Back-to-School' initiative, stationery packages were distributed to students in primary and secondary schools, through several NGOs, community groups and other organisations, ensuring that they had the essential tools for academic success.

A student reviews the SEA practice test booklets which she received to help prepare for the exams.

(R-L) pennacool.com Caribbean Limited's Managing Director, Mr. Phaessuh Kromah, Group's Public Relations Officer, Ms. Ronda Betancourt, Acting Principal of Hokett Baptist Primary School, Ms. Petra Bompart and Pennacool.Com's Education Manager, Mr. Louis Devaux.

MP for Laventille East/Morvant, the Honourable Adrian Leonce and the Group's former Executive Manager – Marketing, Mrs. Sophie Charles-Barber with the top performing SEA students from schools in the Laventille/Morvant community.

These packages not only alleviate financial burdens on families, but also encourage a sense of readiness and enthusiasm for learning as students embark on a new academic year. The Group also donated computers, air conditioning units, refurbished photocopiers and fans to several schools across the country.

Top: The Group's Chief Operating Officer, Mr. Ian Forbes presents President of Single Mother's Association of Trinidad and Tobago, Ms. Shermaine Howe, with stationery packages for the Back-to-School initiative. Bottom: Chief Operating Officer, Mr. Ian Forbes presents President of the Chinapoo Police Youth Club, Mr. Eloy Burge, with stationery packages for the Back-to-School initiative.

Vishnu Boys' Hindu College benefitted from the generous support of the Group, receiving vital financial assistance to bolster their cricket programme. This funding enabled the school to procure essential cricket gear including

Cricket gear donated to Vishnu Boys' Hindu College for their cricket team

Students of the Vishnu Boys' Hindu College cricket team with their new cricket gear.

bats, balls, and wickets, elevating their capabilities and enhancing the overall quality of their cricketing experience. Moreover, this support extended beyond equipment provision, as it also facilitated the school's active participation in the Secondary Schools' Cricket League tournaments. By investing in the dreams and aspirations of these young athletes, the Group not only fuelled their passion for the sport but also instilled a sense of determination and resilience, propelling them towards greater success on the field and beyond.

FORGING MEANINGFUL PARTNERSHIPS

Through strategic collaborations with NGOs, the Group harnessed collective expertise and resources to tackle multifaceted societal challenges. These partnerships served as catalysts for progress, amplifying impact through the synergistic integration of diverse perspectives and capabilities. By uniting efforts towards shared objectives, we strengthened sustainable solutions aimed at driving and enduring positive change. Together, we paved the way for a more inclusive and resilient society, where every individual has the opportunity to thrive and contribute to a brighter future for all.

In 2023, the Group continued its partnership with the Loveuntil Foundation and its 'Link to Learn' programme, an initiative which provides secondary school students who live in the fence line community of Laventille/Morvant with schoolbooks, stationery supplies, extra lessons, remedial classes, life skills training, transport and groceries. While the programme initially sought to support these students for a 3-year period until they completed their CSEC examination, it was expanded to include those who were accepted to Form 6 to do the CAPE examinations.

Broadening Participation, Education and Outreach

The Group continues to partner with Loveuntil Foundation to provide selected secondary school students with essential school supplies

The Group partnered with Blue Phoenix Mentorship Services to execute an Adolescent Development Programme at the Rose Hill RC Primary School which is located within the Group's fenceline community. This 8-week programme was conducted at the school for students writing the SEA examination in 2024. Weekly sessions included topics such as stress management, managing conflict, effective communication and learning to overcome negative peer pressure.

The Group partnered with Blue Phoenix Mentorship Services to host an 8-week Adolescent Development Programme at the Rose Hill RC primary school.

Another partnership, this time with Steven Edwards Production, saw the launch of an anti-bullying initiative which was conducted at five (5) primary schools in the fenceline community. Members of the theatre group performed a short skit on bullying/being bullied and the impact. Students were then engaged to identify the wrong actions being taken and to suggest corrective actions. The scene was then reenacted using the suggested corrective actions.

STOP BULLYING

The Group and Families in Action partnered for the second year to execute two (2) programmes which engaged participants from across the country in virtual sessions. The SHE-RA Project was designed to equip young women between the ages of 16 to 25 with essential knowledge and skills to foster personal and professional growth, leadership development, economic expansion, self-love, and empowerment. The other programme, Building Strong Fathers, helped present and future fathers understand their role as a male parent and how to transfer healthy strategies to their children to navigate life and positively contribute to society.

The Group's Executive Manager - Human Resources, Ms. Cindy Wilson (right) and Rajanne Andrew - Families In Action's Project Lead, Youth Education (centre) with some of the graduates of the SHERA Project initiative.

The Group's Executive Manager – Human Resources, Ms. Cindy Wilson (3rd from left) and Mr. Ken Ramdhan, Families in Action's Project Lead, Parenting Education & Special Projects (3rd from right) with some of the graduates of the Building Strong Fathers programme.

CHAMPIONS OF THE ENVIRONMENT

As a component of its CSR programme, the Group is dedicated to preserving the environment. Through partnerships with conservation organisations, the Group undertook initiatives to minimise its ecological footprint while leading the way towards a greener future.

The Group executed a joint initiative with the Caribbean Network for Integrated Rural Development (CNIRD), which chairs the local National Planning Committee for the annual International Coastal Cleanup (ICC), to organise a youth-focused clean-up initiative around Pool 2 at Caura River. Approximately two hundred (200) young persons came together, wearing branded Angostura® Chill jerseys to clean up the area around Pool 2 at Caura River, which is a very popular venue for families and friends to gather.

This initiative was designed to raise awareness among young participants about the critical importance of environmental stewardship, particularly in the context of combating climate change. By actively engaging in a clean-up exercise and participating in educational sessions led by officers from the Forestry Division, participants gained first-hand insight into the pressing need to preserve and protect our natural surroundings. Equipped with this knowledge and empowered by their experiences, these youths emerged as passionate advocates for sustainable practices within their communities. By inspiring a new generation of environmental champions, this programme contributed to the collective effort to mitigate the impacts of climate change and promote a healthier, more resilient planet for future generations.

Students from four (4) secondary schools within the Group's fenceline community – Morvant Laventille Secondary School, Malick Secondary School, Russell Latapy High School and Success Laventille Secondary School – joined with teams from St. Francois Girls Secondary School, Naparima District Scouts, SpartansTT Basketball Club and Caribbean Youth Environment Network.

To celebrate World Tourism Day and also Caribbean Tourism Month, the Group partnered with Tourism Trinidad Limited in an exercise where repurposed rum barrels were donated to several stakeholders. This collaboration was aimed at promoting eco-friendly tourism practices through the Sustainable Tourism Cask Repurposing Initiative. The tourism stakeholders receiving the barrels included Brasso Seco Paria Tourism Action Committee, Fondes Amandes Reforestation Project, Princes Town Regional Corporation and Beausejour Community Council. The barrels were used as planters to promote environment consciousness in an innovative way.

Youths from several schools and youth clubs executed a clean-up initiative at Pool 2, Caura River which was coordinated by the Caribbean Network for Integrated Rural Development (CNIRD) and sponsored by the Group.

SUPPORTING ARTS & CULTURE

The Group demonstrated its unwavering support for arts and culture through various initiatives, such as sponsoring cultural events, art exhibitions and performances. By investing in these endeavours, the Group not only enriches the cultural landscape of the community, but also fosters creativity, expression and appreciation for the arts among its stakeholders and the wider public.

In recognition of World Art Day celebrated on April 15, 2023 the Group hosted a special week of tours, where visitors were given an exclusive view of selected art pieces from the Angostura® Art Collection that are not usually seen by the public and its first Sip and Paint event. Participants spent their time painting, enjoying wine and delicious appetizers, surrounded by works of some of this country's renowned artists.

Patrons at the Group's first Sip & Paint event to celebrate World Art Day show off their artistic skills

The Group provided support to the Trinbago Unified Calypsonians Organization (TUCO) for its celebrations of Calypso History Month in November, which sought to recognise and honour the musical heritage of some of T&T's greatest calypso legends. The theme for their 2023 celebrations was 'Reignite the Calypso Magic' and activities to mark the occasion culminated in the hosting of a Legends Legacy Concert. The Group's support for Calypso Month was in keeping with our appreciation of the country's rich and diverse culture.

Patrons at TUCO's Legends Legacy Concert enjoy our Angostura® Queen's Park Swizzle cocktail.

The Group's Public Relations Officer, Ms. Ronda Betancourt (R), presents The People's Choice Award to representatives of the filmmaker, Adam Bartholomew, for his film, "Panazz: The Story" at the closing ceremony of the T&T Film Festival.

The steelband fraternity also received assistance in the form of branded jerseys, banners, cash and products to support their efforts for the various Panorama competitions. Financial assistance was given to two (2) schools for the Junior Panorama Competition, as well as the Uptown Carnival Improvement Committee and Laventille for Laventillians for their Carnival activities. The all - female Calypso Cabaret, 'Divas', received branded polos for their cast members and hampers to give as prizes to patrons.

Financial assistance for the 18th edition of the T&T Film Festival was also provided by the Group. This signature event, which ran for one (1) week in September 2023, saw entries from all around the world taking part in the festival, with films being shown in several locations. The Group was proud to sponsor the awards for the Best Documentary Short Award and the Best T&T Film People's Choice Award.

Additionally, the Angostura® Chill team gave patrons a taste of our refreshing carbonated beverage at the opening and closing nights of the festival and also at the screening events hosted at the UWI St. Augustine campus.

FOSTERING ATHLETIC DEVELOPMENT

The Group sponsored the cash prizes and hampers for the first and second place winners of the UWI St. Augustine Academy of Sport (SAAS) 17th edition of its International Half Marathon in both the male and female categories. Thousands of athletes from across the Caribbean, USA, Latin America, Africa, and Europe participated in this signature event.

The Group also provided financial assistance to the Altruistic Benefit Cup - a themed charity football match that sought to raise funds for charitable causes. In 2023, the focus was placed on men's health and raising awareness on the fight against prostate cancer. The all-star match was held at the Marvin Lee Stadium and saw thousands of patrons come out to support their team of either popular media personalities, national sportsmen, music artistes and well-known businessmen.

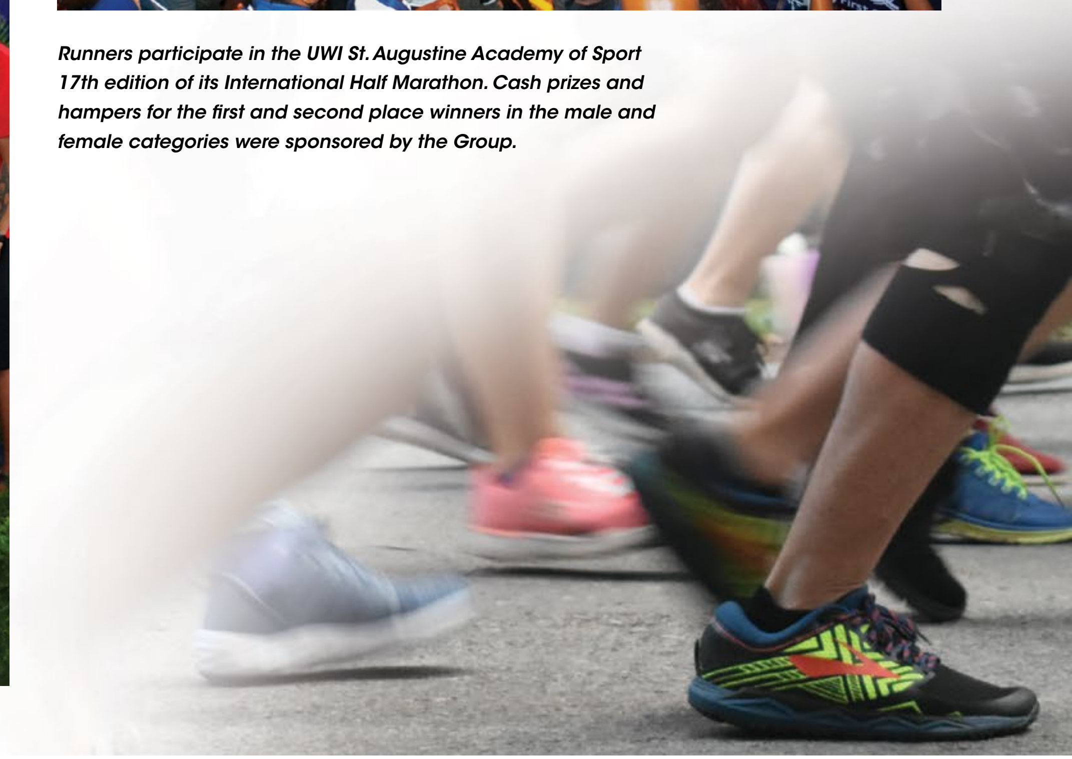
One of the participating teams in the Altruistic Benefit Cup wear uniforms which were sponsored by the Group.

Through strategic sponsorship of sporting programmes at a national level, the Group played an important role in fostering athletic development on a broader scale. By providing financial resources and promotional support to these initiatives, the Group not only elevated the calibre of competitions, but also contributed to the growth and success of the sporting community.

In our sister isle of Tobago, the Group gave financial support for the Tobago International Cycling Classic, a 5-day competition that attracts hundreds of participants from the local, regional and international cycling fraternity. Premium hampers were also presented to race officials.

First and second place winners in the male and female category of the UWI's International Half Marathon receive their prizes which were sponsored by the Group.

Runners participate in the UWI St. Augustine Academy of Sport 17th edition of its International Half Marathon. Cash prizes and hampers for the first and second place winners in the male and female categories were sponsored by the Group.



The Group provided financial assistance to the Igbéga Foundation to execute a community-based sporting event entitled "Bringing Communities Together", and the Group sponsored the cricket aspect, which included uniforms for the players and officials, as well as cricket equipment. Sponsorship was also provided to the Morvant Swim Academy for their first youth swim meet at the Morvant Community Swimming pool. This allowed them to purchase jerseys for the participants and bags for their swim gear.

The Group sponsored uniforms for several cricket teams that participated in a community-based tournament in Laventille/Morvant, which was coordinated by the Igbéga Foundation.

HELPING THOSE LESS FORTUNATE IN OUR SOCIETY

The Group demonstrates its commitment to aiding those less fortunate in society through various charitable endeavours and outreach programmes. By partnering with local charities to provide essential resources, the Group strives to alleviate hardships and promote opportunities for individuals facing adversity, fostering a more inclusive and compassionate community.

The Group provided financial support to The Hummingbird House Foundation to convert two (2) waiting rooms at the Surgical and Paediatrics Medical One Wards at the Wendy Fitzwilliam Paediatric Hospital, Mount Hope into children's playrooms. The refurbishment included the repainting of walls, installation of mouldings, cleaning and buffing the floors, and the installation of furniture, soft furnishings, toys and a mini library. The new spaces will allow the children to express their creativity and foster their learning and socialising skills.

The new children's playroom at the Wendy Fitzwilliam Pediatric Hospital, Mount Hope. The refurbishment of the playroom was sponsored by the Group.

The Group's former Executive Manager – Marketing, Mrs. Sophie Charles-Barber (L) and President of the Hummingbird House Foundation, Ms. Alexandria Bachan at the opening of the new children's playrooms at the Wendy Fitzwilliam Pediatric Hospital, Mount Hope

The Group's former Executive Manager – Marketing, Mrs. Sophie Charles-Barber (R) and representatives from the Hummingbird House Foundation and the Wendy Fitzwilliam Pediatric Hospital, Mount Hope, cut the ribbon to officially commission the new children's playrooms.

By striving for equity, we broke down those barriers that stood in the way of women's ability to thrive. In recognition of International Women's Day, the Group collaborated with the Single Mothers' Association of Trinidad and Tobago and the Heroes Foundation to make a difference in the lives of single mothers in society.

The Group covered all school expenses such as books, uniforms, transport and extra lessons, - for the children of four (4) single mothers for the year.

This solidified the Group's stance to supporting and strengthening the role of our women.

As part of its annual 'Christmas Cheer' initiative, the Group worked with several NGOs, community groups and rural schools to distribute food hampers, toy and grocery vouchers and cases of Angostura® Chill. These contributions were aimed at supporting families, uplifting spirits and bringing a sense of joy during the festive season across different communities nationwide including the Group's fence line community.

The Group partnered with the Single Mothers' Association of Trinidad and Tobago and Heroes Foundation to launch an initiative for International Women's Day.

Founder of Build a Life Foundation, Ms. Anita Mahadeo received toy vouchers and cases of Angostura® Chill as part of the Group's Christmas Cheer initiative.

Team Leader of Is There Not A Cause (ITNAC), Ms. Avonelle Hector Joseph, received toy and food vouchers and cases of Angostura® Chill as part of the Group's Christmas Cheer initiative.

President of Mayaro Past Pupils Association, Mr. Oliver Alexander received hampers, toy vouchers and cases of Angostura® Chill as part of the Group's Christmas Cheer initiative.

As part of the Group's social responsibility, the Company provided support to animal shelters. A contribution was made to the Trinidad and Tobago Society for the Prevention of Cruelty to Animals to aid in the construction and refurbishment of the Shelter's Nursing Mums section. This was part of the Group's commitment to assisting with the Shelter's mission of rescuing and housing stray animals. Financial assistance was also provided to the Mustapha Project, another NGO which rescues and rehabilitates stray dogs and re-homes them.

(L-R) Former Executive Manager - Marketing, Mrs. Sophie Charles-Barber, TTSPCA Chairman – Ms. Sita Kuruvilla, Angostura's Public Relations & Hospitality Manager, Ms. Judy Kanhai, Public Relations Officer, Ms. Ronda Betancourt and TTSPCA Operations Manager - Sara Maynard-Agostini.

The Group actively engages and invests in its fenceline community demonstrating its commitment through various initiatives and partnerships aimed at addressing local needs. By prioritising the well-being and development of its neighbouring community, the Group fosters a symbiotic relationship that enriches both parties and contributes to sustainable growth.

In 2023, the Group embarked on a comprehensive renovation project for the Laventille Community Complex situated within its premises, focusing on enhancing its infrastructure. The refurbishment initiative included several key upgrades: the perimeter walls underwent thorough power washing, plastering, and repainting to revitalise their appearance and durability. Simultaneously, significant attention was directed towards the main building, where all windows were systematically replaced with sleek, contemporary designs, elevating both aesthetics and functionality. Furthermore, extensive repairs were undertaken on the roof to ensure structural integrity, while the top floor underwent a complete refurbishment to optimise space utilisation and modernise facilities. This infrastructure development endeavour reflects the Group's commitment to fostering vibrant and sustainable community spaces that meet the evolving needs of residents.

Before and after images of the Laventille Community Complex which the Group has been refurbishing.

RESPONSIBLE CONSUMPTION CAMPAIGN

The Group passionately reinforced its commitment to championing responsible alcohol consumption through a dynamic array of social media advertisements during the vibrant Carnival and festive Christmas seasons. These compelling ads, meticulously tailored and strategically distributed across multiple platforms, served as powerful catalysts for sparking conversations about the pivotal role of moderation and informed decision-making when indulging in alcoholic beverages. By captivating our audiences with informative and engaging content, the Group aspires to ignite a collective movement towards responsible drinking, prioritising the health and safety of both consumers and communities alike. Embracing the spirited theme of #RevelResponsibly, our Carnival campaign exemplifies our unwavering dedication to enforcing a culture of mindfulness and empowerment surrounding alcohol consumption. Together, let's celebrate responsibly and ensure memorable festivities for all.

It featured a blend of iconic Carnival characters with vital tips on safe alcohol consumption.

The objective of the responsible consumption campaign for the Carnival period was to remind revellers, party patrons and spectators of the festivities about the dangers of drinking and driving and over consumption.

In December, the campaign was entitled **#PartyLikeThereIsATomorrow.** It was designed to resonate with the public on the dangers of excessive drinking during the holidays.

The Group's responsible consumption campaigns are essential as it's yet another way that we demonstrate our commitment to social responsibility, complying with regulations, building trust with consumers and educating the public.

The essence of this campaign pivoted around a central theme: "Gauging Your Consumption". This message underscored the importance of mindfulness and moderation when indulging in alcoholic beverages. The Group aims to cultivate a culture where individuals can savour our products responsibly, understanding their limits, and ensuring their well-being and safety.

As the Group prepares to celebrate its 200th anniversary in 2024, it will continue to adopt innovative approaches to positively assist and give back to our stakeholders. In December, 2023 the Angostura Foundation was incorporated, with the intention being for this entity to further enhance the Group's approach to CSR and ESG moving forward.

We continue to connect with our stakeholders so that our approaches are aligned to the needs of society and the rapidly evolving business landscape.

Responsible consumption campaign images.

ESG

ENVIRONMENTAL, SOCIAL & GOVERNANCE

In keeping with the Company's Mission, ESG has become a key element of our strategy as we continue to forge a positive legacy, by creating economic, social and environmental value through sound governance and decision making.

Our ESG ambitions are aimed at strengthening our relationships with key stakeholders through investing in our employees and partnerships with our communities, investors, suppliers and other business organisations.

We continue to strive for excellence by aligning our initiatives with the United Nations Sustainable Development Goals which seek to have lasting impacts on the environment and society. The ESG arena is rapidly evolving and as such, the Group is continuously improving its approach, keeping in mind local and international standards and best practices.

In December 2023, the Group took a significant step toward advancing its commitment to Environmental, Social, and Governance principles by establishing the Angostura Foundation. Scheduled to commence operations in 2024, the Foundation embodies our dedication to sustainable development and responsible business practices. As we embark on this sustainability journey, we extend a warm welcome to our stakeholders to join us in shaping a brighter future. Key upcoming initiatives include defining the scope of our ESG efforts and crafting a comprehensive ESG framework that aligns with our values and objectives.

ENVIRONMENTAL SUSTAINABILITY

The Group continues to ensure that environmental sustainability is integrated throughout its operations. We have retained continued certification in International Standards Organization (ISO) 14001:2015 standard for Environmental Management Systems.

Throughout 2023, we prioritised projects and activities to improve water and energy use with impact realisation expected in 2024. We have increased our capability for data monitoring and acquisition to support decision-making for strategic, material investments.

We continue to position our environmental practices to align with the framework of the United Nations Sustainable Development, with a concentrated effort on:

- Clean Water and Sanitation
- Responsible Consumption and Production
- Affordable and Clean Energy
- Climate Action and establishing Partnerships for the Goals

We have taken preliminary steps towards utilising biogas (generated from our Wastewater Treatment Operations) as an alternative energy source with the aim of reducing the use of fossil-fuel based energy and slashing our carbon emissions. As we enter our 200th year in 2024, we will be continuing our ambition for the use of solar energy. Through these investments, we seek to continuously make a positive impact to the environment.

Environmental Priorities for Angostura Holdings Limited

Feature on the "SMALL STEPS TO CHANGE" Series

Our continued efforts to integrate sustainability into our operations were featured on the National Gas Company of Trinidad and Tobago (NGC) local TV series entitled "Small Steps to Change" and highlighted Angostura's commitment to environmental sustainability. See the link https://www.youtube.com/watch?v=a4yYMjO8Blg or scan the QR code below to access the video.

"Small Steps to Change" poster for Angostura's Segment

Angostura Symphony 2023

Sustainability by Design (Limited Edition)

With the launch of Symphony Limited Edition Rum, Angostura continued its commitment to the integration of sustainability in the design and development of its products. The product's exquisite and creative packaging was crafted with Forest Stewardship Council (FSC) certified stock paper material. FSC certification ensures that products come from responsibly managed forests that provide environmental, social and economic benefits.

WORLD TOURISM DAY

Theme: "Tourism and Green Investment"

Observed on September 28th, 2023, Angostura® partnered with Tourism Trinidad Limited (TTL) to contribute iconic rum barrels to key tourism partners: Lopinot Country-style Community Tourism (Café Mariposa) and Trini Tours and Transportation Company in Paramin. This collaboration serves as a creative endeavour to promote eco-tourism and promote environmental awareness within our communities.

These recycled rum barrels were ingeniously repurposed as planters within the eco-tourism realm. This innovative initiative not only resonated with the theme of 'Tourism and Green Investment' but also underscored Angostura's steadfast dedication to sustainable principles.

Casks donated to for repurposing as planters.

Representatives from Brasso Seco Paria Tourism Action Committee, Fondes Amandes Reforestation Project, Princes Town Regional Corporation, Beausejour Community Council

SOCIAL RESPONSIBILITY

We aim to promote sustainable and transformative social impact aimed at addressing some of society's most pressing issues. The Group continues to demonstrate its commitment to improving society and our communities through continued stakeholder engagement. Our commitment to establishing corporate partnerships with local and international organisations plays an integral role in combating the social challenges of communities across the country.

Sustainable Partnerships

In 2023, the Angostura Group invested in several initiatives with our own internal team and in communities across the country. These span the areas of:

- *Safety,*
- *Education,*
- *Sport,*
- *Youth Development and*
- *Arts and Culture.*

A key aspect of social sustainability is ensuring a safe place of work for our team. In our pursuit of Health, Safety and Environmental (HSE) excellence, the Group continues to prioritize safety in the workplace. This commitment is not just a corporate obligation, it is a fundamental value deeply embedded within the organization. In 2023, significant strides were made in advancing our HSE performance and culture.

Recognizing the dynamic nature of safety challenges, the Group focused on the improvement, standardization and roll-out of key procedures that reinforce that employees are empowered advocates, actively contributing to the improvement of our safety culture. This empowerment is key to fostering a workplace where safety is not just a rule but a shared value.

The implementation of the systematic changes is aimed at proactively addressing potential hazards and forming part of a comprehensive strategy to continuously enhance Safety within the workplace. Our journey towards cultivating a robust Safety Culture continues to yield positive results:

3077 *Toolbox talks*

474 *Inspections*

89 *Leadership Walkthroughs*

On December 01st, 2023, the focus was on the readiness and training of our team was exemplified, in light of the rapid and effective response demonstrated by our employees in addressing the fire incident at the Laventille compound.

2023 Most Improved OSH/Environment Performance by the American Chamber of Commerce of Trinidad & Tobago

The Group was honored with an award from the American Chamber of Commerce of Trinidad & Tobago (AMCHAM) for Most Improved OSH/Environment Performance – Manufacturing – Large Category at AMCHAM's 13th Annual National Excellence in HSE Awards 2023. This award was intended to recognise companies that had achieved significant improvements in the management of Occupational Health, Safety, and Environmental over the last three (3) years. It sought to encourage companies to successfully establish, implement, and maintain HSE systems.

Attaining this award demonstrated recognition of the Safety Culture within the organisation. These strides are attributed to the successful implementation of key objectives, they are but not limited to:

- *Proactive Safety Measures,*
- *Promotion of visible safety initiatives,*
- *Reinforcement of emergency response capabilities,*
- *Enhancement of Health and Wellness Management and*
- *Seamless integration of HSE principles into the procurement processes.*

In charting the course for the future, a comprehensive understanding and management of key risks, such as fire or explosions, chemical safety and process safety, are crucial. To meet these demands, our internal Health, Safety and Environment (HSE) professionals continue to undergo extensive training to develop their skills through individual learning, networking with other companies and professional qualifications. Further to this, the intent is to further foster a culture of personal ownership of HSE within the Group.

Ensuring a Safe and Healthy Environment at Angostura: A Commitment to Excellence

Reinforce Loyalty and Independence

The members of our team (including Executive Management and the Board) uphold the highest standards of ethics and business conduct and act honestly and in good faith, in the best interest of the Group at all times.

Foster Accountability

The Board presents an accurate, timely and balanced assessment of the Company's performance, position and prospects through (inter alia) timely disclosure of material matters affecting the Company, a robust Audit Committee and reporting to Shareholders on an annual basis.

Strengthen Relationships with Shareholders

The Company strives to promote constructive relationships with all Shareholders to facilitate the exercise of their ownership rights and encourage engagement with the Company. The Company's annual and special meetings (when required) foster active participation by Shareholders who are encouraged to engage in discussions with the Board and Management. In addition to annual meetings, the Company periodically arranges other meetings with stakeholders, for example, Earnings Meetings/Calls, at which key performance highlights are presented, and questions are fielded from the audience, to promote investment in the Company, for the benefit of our shareholders. To further engage with our Shareholders, we have provided Shareholders with pertinent information on the Company via the Investor Relations section of our website, which also facilitates the submission of questions and queries by Shareholders.

HSSE TEAM - AMCHAM Most Improved OSH/Environment Performance Award and Certificate for 2023

GOVERNANCE HIGHLIGHTS

As part of our Environmental, Social and Governance journey, the Group recognises that a robust corporate governance structure is crucial to its optimal performance and facilitates the ultimate goal of building long-term value for its stakeholders. Accordingly, the Group strives to uphold the highest standards of corporate governance and is guided by the following five (5) principles as outlined in the Trinidad and Tobago Corporate Governance Code:

1. Establish a Framework for Effective Governance

The Company is headed by an effective Board of Directors, which is collectively responsible for the long-term success of the Group. As permitted by the Company's By-Law No. 1, the Board delegates certain of its powers to its Sub-Committees, subject to section 84(2) of the Companies Act, Chap. 81:01. The Sub-Committees make recommendations to the Board for approval.

2. Strengthen the Composition and Performance of Board and Committees

Our Directors are independent and possess diverse skills, knowledge, experience and perspectives, which lend to an effective Board. The Company also boasts of a gender-diverse Board, of which 60% are women.

3. Reinforce Loyalty and Independence

The members of our team (including Executive Management and the Board) uphold the highest standards of ethics and business conduct and act honestly and in good faith, in the best interest of the Group at all times.

4. Foster Accountability

The Board presents an accurate, timely and balanced assessment of the Company's performance, position and prospects through (inter alia) timely disclosure of material matters affecting the Company, a robust Audit Committee and reporting to Shareholders on an annual basis.

5. Strengthen Relationships with Shareholders

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BOARD AND SUB-COMMITTEE COMPOSITION

The Board of Directors of Angostura Holdings Limited is comprised of subject matter experts in various fields, including Manufacturing, Operations, Marketing, Legal, Finance/Accounting, Human Resources, Regulatory/Compliance, Risk Management, International Business and Change Management as illustrated in the Skills Matrix below.

SKILLS MATRIX

The Skills Matrix in relation to the Directors is as follows:

	Terrence Bharath	Ingrid Lashley	Maryam Richards	Franka Costelloe	Sterling Frost
Years on Board	**7.5**	**7.5**	**2.5**	**2.5**	**2.3**
Independent Business Owner / Consultant	x	x		x	x
C-Level	x	x	x	x	x
Industry Experience	x	x	x	x	
Finance / Accounting		x	x		x
Technology/IT/Cyber		x	x		x
Risk Management	x	x	x		x
Internal Audit		x	x		x
Marketing or PR	x		x	x	x
Operations	x	x	x	x	x
Legal	x				x
Corporate Governance	x	x	x	x	x
Compensation/HR / IR	x			x	x
Ethics & Compliance	x	x	x	x	x
Regional Business	x	x	x	x	x
International Business	x	x	x	x	x
Merger & Acquisitions	x	x	x	x	x
Regulatory	x	x	x	x	x
Change Management	x	x	x	x	x

APPOINTMENT AND ROTATION OF DIRECTORS

Dr. Maryam Richards who retires in accordance with Paragraph 4.6.1 of By-Law No. 1 of the Company, being eligible, offers herself for re-election as a Director of the Company at the next Annual Meeting in accordance with Paragraph 4.4.1 of By-Law No. 1 of the Company.

TERM AND FREQUENCY OF RE-ELECTION

All Directors retire after serving no more than three (3) years and offer themselves for re-election at the next meeting immediately after.

The Board discharges its responsibility for effective Corporate Governance by ensuring that a robust framework exists. The Board comprises of five (5) Directors, all of whom are non-executive and independent in the discharge of their responsibilities to the Company. This robust structure is supported by the frequent Board and Sub-Committee meetings held with the Executive Management team of the Company.

The Board of Angostura Holdings Limited has delegated certain of its functions to Sub-Committees, which include Audit, Human Resources, Sales, Marketing and Corporate Communications, Manufacturing and Production and Governance. Each of these Sub-Committees has adopted independent Terms of Reference and Committee Charters that ensure that all Directors acting on behalf of the Company are aware of their duties and responsibilities. All Sub-Committees refer their recommendations to the Board in order to obtain final approval.

The roles of the Audit, Human Resources, Sales, Marketing and Corporate Communications, Manufacturing and Production and Governance Sub-Committees are as follows:

AUDIT COMMITTEE

The Audit Committee is appointed by the Board of Directors to assist the Board in discharging its oversight responsibilities. The Audit Committee oversees the financial reporting process to ensure the balance, transparency and integrity of published financial information. The Audit Committee also reviews the effectiveness of the Company's internal financial control and risk management system; the effectiveness of the internal audit function; the independent audit process including recommending the appointment and assessing the performance of the external auditor; the Company's process for monitoring compliance with laws and regulations affecting financial reporting and, if applicable, its code of business conduct. The Internal Auditor reports to the Audit Committee.

The Internal Auditor directly reports to the Audit Committee, ensuring transparency and accountability in the forensic auditing process.

Committee members are:

- Ms. Ingrid Lashley (Chairman)
- Dr. Maryam Richards C.M.
- Dr. Sterling Frost O.R.T.T.

HUMAN RESOURCES COMMITTEE

The purpose of the Human Resources Committee of the Board of Directors is to assist the Board in discharging its responsibilities relating to Executive recruitment and staff compensation. In performing its duties, the Committee maintains effective working relationships with the Board of Directors and Management, as well as provides regular updates to the Board on its activities. The Committee also ensures the committee also ensures there is robust succession planning for the Executive management team.

Committee members are:

- Dr. Sterling Frost O.R.T.T (Chairman)
- Ms. Franka Costelloe

SALES, MARKETING AND CORPORATE COMMUNICATIONS COMMITTEE

The purpose of the Sales, Marketing and Corporate Communications Committee of the Board of Directors is to assist the Board in discharging its responsibilities relating to Angostura Holding Limited's overall current and strategic direction, risks, investments, and progress in the areas of Sales, Marketing and Corporate Communications initiatives. The Committee will also act in an advisory role to the Sales, Marketing and Public Relations & Hospitality Departments.

Additionally, the Committee serves in an advisory capacity to the Sales, Marketing, Public Relations, and Hospitality Departments.

Committee members are:

- Mr. Terrence Bharath S.C. (Chairman)
- Ms. Franka Costelloe

MANUFACTURING AND PRODUCTION COMMITTEE

The purpose of the Manufacturing and Production Committee is to assist the Board in discharging its responsibilities relating to Angostura Holdings Limited's overall current and strategic direction, risks, investments, and progress in the area of manufacturing and production initiatives. The Committee also acts in an advisory role to the Operations Department as well as matters from a Health and Safety perspective. In performing its responsibilities, the Committee maintains effective working relationships with the Board of Directors and Management and provides regular updates to the Board on its activities.

Committee members are:

- Dr. Maryam Richards C.M. (Chairman)
- Ms. Ingrid Lashley

GOVERNANCE COMMITTEE

The purpose of the Governance Committee is to assist the Board in monitoring and executing corporate governance best practices including Board composition, evaluation and compensation. In performing its responsibilities, the Committee maintains effective working relationships with the Board of Directors and Management, as well as provides regular updates to the Board on its activities. The Committee recommends to the Board, a set of governance policies including but not limited to, its corporate governance principles under its By-laws and other relevant legislation.

Committee members are:

- Mr. Terrence Bharath S.C. (Chairman)
- Ms. Ingrid Lashley
- Ms. Franka Costelloe
- Dr. Maryam Richards C.M.
- Dr. Sterling Frost O.R.T.T.

FREQUENCY OF MEETINGS AND ATTENDANCE AT BOARD AND SUB-COMMITTEE MEETINGS

On average, the Board meets once per month but holds additional meetings as necessary. Generally, in 2023, Sub-committees met bi-monthly, with the exception of the Sales, Marketing & Corporate Communications Committee which convened on a monthly basis and the Governance Committee, which met on an as-needed basis.

ANGOSTURA HOLDINGS LIMITED 2023 BOARD MEETINGS						
NAME OF DIRECTOR	**BOARD / SUB-COMMITTEES**					
	ANGOSTURA HOLDINGS LIMITED	**AUDIT COMMITTEE**	**HUMAN RESOURCES COMMITTEE**	**SALES, MARKETING & CORPORATE COMMUNICATIONS COMMITTEE**	**MANUFACTURING & PRODUCTION COMMITTEE**	**GOVERNANCE COMMITTEE**
NUMBER OF MEETINGS HELD IN 2023	12	7	7	12	7	3
TERRENCE BHARATH	12	n/a	n/a	12	n/a	3
INGRID LASHLEY	10	7	n/a	n/a	5	3
MARYAM RICHARDS	10	7	n/a	n/a	7	2
FRANKA COSTELLOE	12	n/a	7	12	n/a	2
STERLING FROST	11	6	7	n/a	n/a	1
*ALANA BEAUBRUN	6	n/a	3	n/a	6	1

**In January 2023, Mr. Fabio Di Giammarco resigned as a Director of the Board.*

**Ms. Alana Beaubrun's term of office as a Director expired at the close of the 2022 Annual Meeting of Shareholders held on July 05, 2023. Ms. Beaubrun did not offer herself for re-election, and therefore ceased to be a director of Angostura Holdings Limited and its subsidiaries, with effect from July 05, 2023.*

**In July 2023, Dr. Sterling Frost O.R.T.T. was appointed to the Governance Committee.*

n/a - Non-member

COMPANY'S ETHICAL FRAMEWORK

The Company has in effect a Code of Business Conduct and Ethics to which its employees, as well as the Board of Directors, subscribe.

The Code outlines the extent to which the private interests of Directors could be accommodated within the Company's operations to ensure the highest level of transparency. All employees and Directors of the Group attest to reading and adhering to the Code of Business Conduct and Ethics during the orientation process and agree to abide by its contents.

In addition to the Code, the Board, Management and team members are guided by the applicable policies that are reviewed periodically, keeping in mind changes to laws and regulations as well as best practices. The Company's ethical framework is further supported through ongoing employee training and robust whistle-blowing mechanisms.

BOARD EVALUATION AND BOARD STRATEGIC PLANNING

In keeping with best practices for board effectiveness, the Angostura Board aims to have frequent board evaluations. A board evaluation was conducted in November 2022 by way of a Board Assessment Questionnaire, administered by an external consultant, which focused on strategic planning for international business expansion as well as a focus on enhancing the Group's corporate governance practices. The feedback within the evaluation was considered by the Board when treating with matters in 2023. The next Board Evaluation will be conducted in 2024.

ONGOING TRAINING AND STRATEGIC PARTNERSHIPS

The Company also promotes ongoing training for all team members, including the Board of Directors and Senior Management, keeping in mind any changes to laws, regulations, or best practices from a governance perspective. In this regard, the Company, being an organisational member of the Caribbean Corporate Governance Institute (CCGI), actively participates in governance-related training sessions/seminars, both as attendees and as facilitators/panellists. The Company also has a representative sitting on the Trinidad and Tobago Chamber of Commerce ESG Committee and maintains relationships with several entities (local and international) to further enhance its governance and ESG-related practices/procedures.

FURTHER DEVELOPMENT OF THE GROUP'S FRAMEWORK FOR EFFECTIVE GOVERNANCE

The Group's Board and the Sub-Committees are guided by the applicable By-Laws and Charters that are reviewed periodically having regard to any changes to rules, regulations and best practices. The Company is aware of the ever-changing environment and pro-active steps continue to be taken to ensure that internal policies/processes are in line with any revisions to key laws, rules and guidelines, including the Trinidad and Tobago Corporate Governance Code, 2013. In this regard, a member of the Board (Director Franka Costelloe) is part of the Working Committee that is currently reviewing the local Corporate Governance Code. As part of further strengthening the Group's governance framework, we are seeking to adopt international best practices, for example, as referenced in ISO 37000 - Governance Standards.

FINANCIALS

ANGOSTURA HOLDINGS LIMITED
Consolidated Financial Statements December 31, 2023

Expressed in Trinidad and Tobago Dollars

Statement of Management Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Angostura Holdings Limited ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising material accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

Laurent Schun, Chief Executive Officer
25 March 2024

Amar Seechan, Chief Finance Officer
25 March 2024

Independent Auditor's Report

To the Shareholders of Angostura Holdings Limited

Report on the audit of the consolidated financial statements

Our opinion

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

What we have audited

The Group's consolidated financial statements comprise:

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

Basis for opinion

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

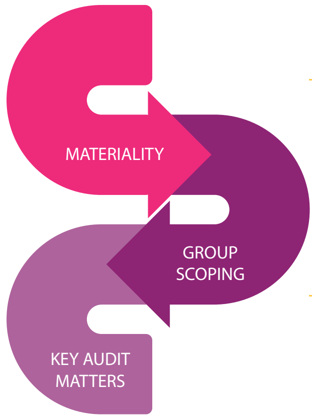
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

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

Our audit approach
Overview



- Overall group materiality: TT$10.5 million, which represents 5% of average profit before tax over the last five years.

- The Group audit included the full scope audit of the Company and two subsidiaries which were deemed to be individually financially significant components.

- Valuation of the retirement benefit asset and the post-retirement medical benefit liability

Audit scope

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

How we tailored our group audit scope

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

In addition to the Company, the following components were deemed to be individually financially significant and were subject to full scope audits:

- Angostura Limited
- Trinidad Distillers Limited

The Group audit engagement team was the auditor for the Company as well as these two components.

Materiality

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

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

Our audit approach (continued)

Materiality (continued)

Overall Group materiality	TT $10.5 million
How we determined it	5% of average profit before tax over the last five years
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5% which is within a range of acceptable benchmark thresholds and used average profit before tax over the last 5 years due to the historic volatility of earnings.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT$528,044, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Valuation of the retirement benefit asset and the post-retirement medical benefit liability *Refer to notes 5(f) and 13 to the consolidated financial statements for disclosures of related accounting policies and balances.* The Group sponsors a defined benefit pension plan and a post-retirement medical benefit liability. For the current financial year, as at December 31, 2023, the Group reported: • a retirement benefit asset of TT$47.1m, which represents 2.6% of total assets, comprising plan assets valued at TT$418.3m (of which TT$417.7m is based on a Managed Fund Contract with an insurer), and a defined benefit obligation of TT$371.2m. • a post-retirement medical benefit liability of TT$28.2m which represents 8.5% of total liabilities.	Our approach to addressing the matter, with the assistance of our internal actuarial expert, involved the following procedures, amongst others: Assessed the independence and competence of the actuary used by management to calculate the pension obligation and medical liabilities to determine whether they were qualified and whether there was any affiliation to the Group. Tested the key assumptions for the defined benefit pension obligation and the post-retirement medical benefit liability for the current year including, where applicable, the involvement of an auditor's expert, by: • evaluating management's discountrates against the yield of a Government of Trinidad and Tobago bond of similar tenor; • testing mortality rates to relevant publicly available statistics for Trinidad and Tobago;

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of the retirement benefit asset and the post-retirement medical benefit liability (continued) *Refer to notes 5(f) and 13 to the consolidated financial statements for disclosures of related accounting policies and balances (continued).* The valuation of the retirement benefit asset and the post-retirement medical benefit liability requires significant levels of judgement and technical expertise in determining appropriate assumptions. Changes in key assumptions could have a material impact on the calculation of the pension asset and medical liability including: • discount rates; • mortality rates; • salary increases; and • medical cost increases. Management utilises an independent external actuary to perform certain calculations with respect to the estimated obligations. Management also utilises the work of the plan's Administrator to perform the valuation of the plan's assets in the Managed Fund, some of which are not traded on active markets. The fair value of the plan's unquoted investments is determined based on a model developed by the Administrator. Significant judgement and assumptions are utilised due to the limited external evidence available to support the valuations. We focused our audit efforts in this area due to the degree of estimation uncertainty involved in determining the valuation of the retirement benefit asset and the post-retirement medical benefit liability.	• assessing salary increases by considering historical increases and taking into account the current economic climate as well as terms in the existing trade union agreements; and • evaluating the reasonableness of medical cost increases including by reference to medical cost trends and other employers' medical plans with similar arrangements. With respect to the plan's unquoted investments in the Managed Fund, procedures to assess the valuation of the pension plan assets included an evaluation of the procedures performed by the auditor of the Administrator of the plan assets. Based on the results of the audit procedures performed, the valuation of the retirement benefit asset and the post-retirement medical benefit liability are, in our view, not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Angostura Holdings Limited Annual Report 2023 (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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

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

- 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.

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Kerry-Ann Chevalier.

PricewaterhouseCoopers

Port of Spain
Trinidad, West Indies
27 March 2024

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

	Notes	As at December 31 2023 $'000	As at December 31 2022 $'000
Assets			
Non-current assets			
Property, plant and equipment	10	410,110	386,710
Investments	11	136,201	136,620
Deferred tax asset	12	25,288	14,746
Retirement benefit asset	13	47,110	43,209`
		618,709	581,285
Current assets			
Inventories	14	463,905	430,832
Trade and other receivables	15	204,592	203,479
Taxation recoverable		8,607	6,738
Investments	11	344,302	367,910
Cash and cash equivalents	17	160,630	108,542
		1,182,036	1,117,501
Total assets		1,800,745	1,698,786
Equity and liabilities			
Equity			
Share capital	18	118,558	118,558
Reserves	19	102,370	102,370
Retained earnings		1,246,340	1,165,549
Total equity		1,467,268	1,386,477
Liabilities			
Non-current liabilities			
Post-employment benefit obligation	13	28,246	25,363
Deferred tax liability	12	71,400	56,236
Lease liabilities	20	20,457	20,268
		120,103	101,867
Current liabilities			
Trade and other payables	21	146,075	145,329
Taxation payable		82	7,434
Borrowings	22	60,000	50,000
Lease liabilities	20	7,217	7,679
		213,374	210,442
Total liabilities		333,477	312,309
Total equity and liabilities		1,800,745	1,698,786

The notes on pages 108 to 166 are an integral part of these consolidated financial statements.

On 25 March 2024, the Board of Directors of ANGOSTURA HOLDINGS LIMITED authorised these consolidated financial statements for issue.

Director

Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended December 31 2023 $'000	Year ended December 31 2022 $'000
Revenue	9	1,055,883	1,029,910
Cost of goods sold	23	(547,664)	(552,483)
Gross profit		508,219	477,427
Selling and marketing expenses	23	(198,223)	(180,310)
Administrative expenses	23	(112,737)	(102,733)
Expected credit writeback/(loss)	7(a),23	985	(7,374)
Other income/(expenses)	24,23	458	(2,784)
Results from operating activities		198,702	184,226
Finance costs	25	(2,277)	(1,651)
Finance income	26	23,475	21,421
Profit before tax		219,900	203,996
Taxation expense	27	(67,918)	(58,759)
Profit for the year		151,982	145,237
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss:			

	Notes	Year ended December 31 2023 $'000	Year ended December 31 2022 $'000
Re-measurement of post-employment benefit obligations	13(xi)	1,209	(30,678)
Related tax	12	(363)	9,204
Gain on revaluation of land and buildings	10,19	--	2,095
Other comprehensive income/(loss) for the year - net of tax		846	(19,379)
Total comprehensive income for the year		152,828	125,858
Profit for the year attributable to:			
Owners of the Group		151,982	145,237
Total comprehensive income attributable to:			
Owners of the Group		152,828	125,858
Dividends paid per share	28	35¢	36¢
Earnings per share	29	74¢	71¢

The notes on pages 108 to 166 are an integral part of these consolidated financial statements.

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

	Note	Share Capital $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Year ended December 31, 2023		118,558	102,370	1,165,549	1,386,477
Profit for the year		--	--	151,982	151,982
Other comprehensive income for the year		--	--	846	846
Total comprehensive income for the year		--	--	152,828	152,828
Transactions with owners in their capacity as owners					
Dividends to equity holders	28	--	--	(72,037)	(72,037)
Balance as at December 31, 2023		118,558	102,370	1,246,340	1,467,268

	Note	Share Capital $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Year ended December 31, 2022		118,558	100,275	1,115,881	1,334,714
Profit for the year		--	--	145,237	145,237
Other comprehensive income/(loss) for the year		--	2,095	(21,474)	(19,379)
Total comprehensive income for the year		--	2,095	123,763	125,858
Transactions with owners in their capacity as owners					
Dividends to equity holders	28	--	--	(74,095)	(74,095)
Balance as at December 31, 2022		118,558	102,370	1,165,549	1,386,477

The notes on pages 108 to 166 are an integral part of these consolidated financial statements.

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

	Notes	Year ended December 31 2023 $'000	Year ended December 31 2022 $'000
Profit before tax		219,900	203,996
Adjustments for:			
Depreciation	10	25,252	22,807
Loss on disposal of property, plant and equipment	24	1,018	3,232
Impairment loss on property, plant and equipment		3,315	5,726
Gain on derecognition of lease liability		(157)	(3,647)
Unrealised foreign exchange loss		1,640	1,012
Finance costs	25	2,277	1,651
Finance income	26	(23,475)	(21,421)
Dividend income	24	(82)	(81)
Adjustment to property, plant and equipment	10	--	(1,497)
Post-employment benefit cost	13(xii)	13,161	9,699
Operating profit before working capital changes		242,849	221,477
Change in trade and other receivables		(1,409)	(35,664)
Change in inventories		(33,073)	(108,832)
Change in trade and other payables		558	14,809
Cash generated from operating activities		208,925	91,790
Interest paid		(2,201)	(1,497)
Corporation tax refunds received		2,591	12,873
Corporation tax paid		(75,470)	(60,469)
Post-employment benefit premiums paid		(12,970)	(12,583)
Net cash generated from operating activities		120,875	30,114

	Notes	Year ended December 31 2023 $'000	Year ended December 31 2022 $'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		179	122
Acquisition of property, plant and equipment excluding right of use assets		(45,916)	(37,061)
Adjustment to property, plant and equipment	10	609	251
Additions to investments	11	(623,501)	(496,982)
Redemptions of investments	11	652,762	490,173
Dividends received	24	82	81
Interest received		17,344	7,601
Net cash generated from/(used in) investing activities		1,559	(35,815)

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

	Notes	Year ended December 31 2023 $'000	 2022 $'000
Cash flows from financing activities			
Dividends paid	28	(72,037)	(74,095)
Repayment of borrowings		(50,000)	--
Proceeds from borrowings		60,000	50,000
Principal elements of lease payments	20	(7,974)	(6,016)
Net cash used in financing activities		(70,011)	(30,111)
Net increase/(decrease) in cash and cash equivalents		52,423	(35,812)
Cash and cash equivalents at January 01		108,542	144,063
Effect of movement in exchange rate on cash held		(335)	291
Cash and cash equivalents at December 31		160,630	108,542
Represented by:			
Cash at bank and in hand	17	160,630	108,542

The notes on pages 108 to 166 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

1 Reporting entity

Angostura Holdings Limited (the Company) is a limited liability Company incorporated and domiciled in the Republic of Trinidad and Tobago. The Company's registered office is Corner Eastern Main Road and Trinity Avenue, Laventille, Trinidad and Tobago. The Company has its primary listing on the Trinidad and Tobago Stock Exchange. Angostura Holdings Limited and its subsidiaries (the Group) are engaged in the manufacture and sale of rum, ANGOSTURA® aromatic bitters and other spirits, and the bottling of alcoholic and other beverages on a contract basis. The consolidated financial statements of the Group, comprise the Group and its subsidiaries (together referred to as the "Group" and individually as the "Group companies").

The subsidiaries are:

Company	Country of Incorporation	Parcentage Owned	Principal Activities
Angostura Limited	Trinidad and Tobago	100%	Sale of rum, ANGOSTURA® aromatic bitters and other spirits
Trinidad Distillers Limited	Trinidad and Tobago	100%	Manufacture and sale of rum, ANGOSTURA® aromatic bitters and other spirits
Warspite Limited	Trinidad and Tobago	100%	Dormant
Servis Limited	Trinidad and Tobago	100%	Dormant
Silver Rock Enterprises Limited	St. Lucia	100%	Dormant
Angostura Barbados Limited	Barbados	100%	Dormant
Angostura International Limited (Delaware)	United states of America	100%	Dormant
Angostura International Limited (Canada)	Canada	100%	Dormant
Petit Paradis Management Company Limited	Trinidad and Tobago	100%	Property Management

Trinidad Distillers Limited owns 100% of Fernandes Distillers Limited a company incorporated in the Republic of Trinidad and Tobago and is currently dormant.

Angostura International Limited (Canada) owns 100% of Fernandes Distillers International Limited a company incorporated in Canada and is currently dormant.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

2 Basis of accounting

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:
- IFRS Accounting Standards
- IAS® Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

- Equity securities at fair value through other comprehensive income (FVOCI);
- Net retirement benefit asset (obligation) - plan assets, measured at fair value;
- Leasehold lands and buildings measured at fair value less depreciation;
- Certain right of use leasehold lands measured at net present value less depreciation;
- Freehold land measured at fair value.

3 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These consolidated financial statements are presented in Trinidad and Tobago dollars, which is ANGOSTURA HOLDINGS LIMITED's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4 Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively, unless those revisions are the result of a change in accounting policy or a correction of a significant error, in which case the revision is required retrospectively, in the earliest reporting period.

Information about assumptions and estimation uncertainties that may have a significant risk of resulting in a material adjustment in the year ended December 31, 2023, is included in the following notes:

- Note 6 - determination of fair values.
- Note 7(a) - measurement of ECL allowance for trade receivables and key assumptions in determining the weighed-average loss rate.
- Note 13 - retirement benefit asset/ (obligation) - measurement of retirement benefit assets and obligations; key actuarial assumptions
- Note21 - other payables – provision for advertising and promotion.
- Note 20 - leases – discount and incremental borrowing rates.

5 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, where applicable.

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Notes to the Consolidated Financial Statements (continued)

December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

(a) Basis of consolidation (continued)

(ii) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interest

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at each reporting date. Changes in the Group's interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Interest in equity-accounted investees

The Group's interest in equity-accounted investees comprise interest in joint ventures. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The interest in the joint venture is accounted for using the equity method. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in 5 (c).

As at the year end the Group had an interest in one joint venture (Note 16).

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Financial instruments

Financial instruments include trade receivables, equity securities at FVOCI, cash and cash equivalents, borrowings, debt securities, leases, related party balances and trade and other payables.

(i) Trade receivables

(a) Classification, recognition and initial measurement

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

(b) Financial instruments (continued)

(i) Trade receivables (continued)

(a) Classification, recognition and initial measurement (continued)

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) investments

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

(a) Classification, recognition and initial measurement

The Group classifies its investments into one of the following three categories:

i. Amortised cost
ii. Equity Instruments at FVOCI (Fair value through other comprehensive income)
iii. Financial Instruments at FVTPL (Fair value through profit or loss)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

i. Amortised cost

A financial asset is classified at amortised cost only if it meets both of the following criteria:

- 'Hold-to-collect' business model test – The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- 'SPPI' contractual cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii. Financial assets at FVOCI

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

The Group measures all equity instruments at fair value.

The default approach is for all changes in fair value to be recognised in profit or loss. However, for equity instruments that are not held for trading, entities can make an irrevocable election at initial recognition to classify the instruments as at FVOCI, with all subsequent changes in fair value being recognised in other comprehensive income (OCI). This election is available for each separate investment.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

(b) Financial instruments (continued)

(ii) Investments (continued)

(a) Classification, recognition and initial measurement (continued)

ii. *Financial instruments at FVOCI (continued)*

Business model assessment

The Group makes an assessment of the objective of the business model in which afinancial asset is held at a portfolio level. A business model refers to how an entity manages its financial assets in order to generate cash flows and is determined at a level that reflects how the groups of financial assets are managed (rather than on an i*nstrument by instrument basis)*

The Group assesses financial assets using three types of business models:

- hold to collect
- hold to collect and sell
- other

SPPI assessment

The Group assesses the different types of cash flows that might arise from the contractual terms of a financial asset:

- Those that are solely payments of principal and interest i.e. cash flows that are
  consistent with a 'basic lending arrangement', and
- All other cash flows

Unlike the business model test, an entity is required to make this assessment on an instrument by instrument basis. If a non-equity financial asset fails the SPPI test, it will not be possible to classify it as amortised cost or as FVOCI.

iii. Financial instruments at FVTPL

A financial asset is classified and measured at FVTPL if the financial asset is

- equity instruments that are held-for-trading
- debt instruments that do not qualify to be measured at amortised cost or FVOCI
- An equity investment which the entity has not elected to classify fair value gains and losses through OCI

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

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

(iii) Debt instruments

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

• Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (expenses)/income. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.

• FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in other expenses/income in the period in which it arises. The Group does not have any financial instruments in this category as at year end.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

(b) Financial instruments (continued)

(ii) investments (continued)

(a) Classification, recognition and initial measurement (continued)

(iv) Equity instruments

The Group subsequently measures all equity instruments at fair value. Where the Group's management has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such instruments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other (expenses)/income in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

b. *Financial instruments (continued)*

(v) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see 5 e.(i) for further details.

c. *Property, plant and equipment*

(i) *Recognition and measurement*

Land, buildings and artworks are measured at revalued amount less accumulated depreciation on buildings.

Right of use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment in the consolidated statement of financial position.

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

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

Right of use assets are measured at cost on initial recognition and subsequently at the revalued amount in accordance with IAS 16, if it relates to a class of property, plant and equipment and the Group applies the revaluation model to all assets in that class.

The Group utilises the revaluation model for land, buildings and artworks.

Land and buildings are revalued by qualified independent experts every five years and the art collection is revalued by qualified independent experts every three years. Gains and losses are treated as follows:

- Gains are recorded in the revaluation reserve unless it represents the reversal of a revaluation decrease of the same asset previously recognised as an expense, in which case it will be recognised in consolidated statement of profit or loss to the extent that it offsets previous losses.
- Losses are recognised directly within profit or loss except to the extent that a loss offsets previous gains, in which case the loss is recognised against the revaluation reserve to the extent that it offsets previous gains. Any additional loss is recognised in profit or loss.

The Group's management annually reviews the latest valuations performed by the independent valuator at year end to ensure the fair value is a close approximation of carrying value.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

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

(i) *Recognition and measurement (continued)*

At each financial year end, the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the most recent valuation report;
- holds discussions with the independent valuator.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Assets in progress is valued on the basis of expenditure incurred. Assets in progress is not depreciated. The total cost of an asset is transferred to the relevant asset class on its completion and then it is depreciated.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) *Subsequent expenditure*

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) *Depreciation*

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss.

Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Freehold land, artwork and assets in progress are not depreciated.

Right-of-use assets are depreciated over the shorter of the lease term and their useful lives on a straight-line basis, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative years which informed depreciation rates are as follows:

	2023	2022
Buildings	10 – 50 years	10 – 50 years
Plant, machinery and equipment	5 – 50 years	5 – 50 years
Casks and pallets	6 years	6 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

d. *Inventories*

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on average cost, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Maturing inventories which are retained for more than one year are classified as current assets, as they are expected to be realised in the normal operating cycle.

Conversion costs include losses sustained in the alcohol aging process for the conversion of current distillate to aged distillate, as inventory is prepared for further blending and processing.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

e. *Impairment*

(i) *Non-derivative financial assets*

(a) *Financial instruments*

The Group has two main types of financial assets that are subject to the expected credit loss model:

- trade receivables for sale of inventory,
- debt instruments carried at amortised cost,

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the simplified approach permitted by IFRS 9 to trade receivables, which requires expected lifetime losses to be recognised from the initial recognition of receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 1 January 2023 respectively and the corresponding historical credit losses experienced within this period.

An ECL is calculated based on an individual rating assignment. Each customer is assigned a specific Loss Given Default (LGD) rate ranging from 20% to 100% depending on the aging and the risk rating of the customer. A provision matrix is then applied to all remaining accounts on a portfolio basis. Customer balances covered by specific provisions are excluded from the portfolio provision calculations to avoid double counting.

The ECLs are based on payment terms and corresponding historical credit loss experienced which are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the customer's ability to settle the receivables. Macroeconomic variables used include, but are not limited to, unemployment rates and inflation rates for each group of customers.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

e. *Impairment (continued)*

(i) *Non-derivative financial assets (continued)*

(a) *Financial instruments (continued)*

Trade receivables (continued)

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and

- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instruments) has not increased significantly since initial recognition.

Debt instruments

All of the entity's debt instruments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk here they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obliga-

(b) *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(c) *Financial assets write off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery or the Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

e. *Impairment (continued)*

(i) *Non-derivative financial assets (continued)*

(d) *Non-financial assets*

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets (referred to cash generating units or CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

f. *Employee benefits*

Post-employment obligations

The Group currently has a post-retirement medical plan and also operates two retirement benefit schemes, one trustee-administered and the other self-administered. The assets of the trustee-administered scheme are held in a consolidated fund and the plan is funded by contributions from the Group and its employees. The self-administered scheme is funded entirely by the Group out of cash resources, with no underlying assets. All post-retirement benefit schemes are subject to annual valuations by independent qualified actuaries.

(i) *Retirement contribution plans*

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

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

f. *Employee benefits*

Post-employment obligations

(ii) *Retirement benefit plans*

The liability or asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Where there is no deep market in such bonds, the market rates on government bonds are used.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurements of the net retirement benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a retirement benefit plan when the settlement occurs.

(iii) Post-retirement medical plan

The Group operates a post-retirement medical plan covering employees who retire either directly from the Group between ages 50 and 60 or as a result of ill health. Cover ceases on the earlier of the retiree's death or when the retiree reaches age 75.

All retirees who retire from permanent full-time employment are eligible for post-retirement medical benefits irrespective of their age, service and reason for retirement provided they joined the Group before July 01, 2020. Persons employed after July 01, 2020 are no longer entitled for post-retirement medical cover at the Group's expense. Two levels of cover are available: "Retiree only" and "Retiree plus one".

The Group's obligation in respect of the medical plan is calculated using approximate actuarial valuations of the Group's liabilities and the projected unit actuarial method as required by IAS 19.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

f. *Employee benefits (continued)*

(iii) *Post-retirement medical plan (continued)*

The defined benefit obligation is calculated as the capital value of the future premium payments the Group is expected to make on behalf of current and future retirees. Re-measurement of the net medical plan, which comprise actuarial gains and losses, (excluding interest) are recognised immediately in other comprehensive income. Net interest expense/(income) or the net defined liability is determined using the discount rate. Net interest expense and other expenses related to the medical and life insurance plan are recognised in profit or loss.

(iv) *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(v) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

Termination benefits are expensed at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; and

(b) when the Group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

g. *Provisions*

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(i) Advertising and Promotion – A provision for Advertising and Promotional (A&P) expenditure is recognised when the Group has incurred such costs but for which claims have not yet been submitted by customers in their individual markets. Advertising and Promotion – A provision for Advertising and Promotional (A&P) expenditure is recognised when the Group has incurred such costs but for which claims have not yet been submitted by customers in their individual markets.

(ii) Legal matters – A provision for legal matters is recognised when the Group has a potential liability for a payment that is probable to be settled in the future.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

g. *Provisions (continued)*

(iii) Other – The Group recognises a provision for incentives, utility and other expenses when the Group has a potential liability for a payment that is probable to be settled in the future.

h. *Revenue*

(i) *Sale of goods*

The Group recognises revenue by applying a five-step model to determine the nature, timing and amount of revenue, as it is recognised at a point in time when control of the goods is transferred to the customer and it is probable that the consideration to which the Group is entitled to in exchange for the goods will be collected.

Step 1 - Identify the contract(s) with the customer:

The Group has various contracts, both formal and implied, which generate various revenue streams, including the following:

- Revenue from local sales via trade customers and retail sales at Solera
- Revenue from international sales to customers and distributors in the Caribbean, North America, Canada, Latin America and the EMEAA (Europe, Middle East, Asia and Africa) Region.
- Revenue from the sale of bulk blends made to the customers' specification.
- Revenue related to the production and supply of Bulk Bitters and Angostura Lemon Lime Bitters® (LLB) flavour concentrate.

Step 1 - Identify the contract(s) with the customer (continued):

Each contract whether formal or implied, identifies each party's rights regarding the transfer of goods, payment terms and expected future cash flows required for the exchange of goods and services.

Step 2 - Identify the performance obligations in the contract:

The Group has identified the performance obligations of each contract to be the promised goods based on the specific sale. These performance obligations are usually satisfied at a point in time (as opposed to over time), when the Group transfers the promised goods to the customer, whereby control is transferred as the customer obtains the asset transferred.

Step 3 - Determine the transaction price:

For each revenue stream, the Group determines the transaction price, which is the amount of consideration exchanged by the customer in return for the promised goods. The transaction price is the amount which is invoiced to the customer.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

h. *Revenue (continued)*

(i) *Sale of goods (continued)*

<u>Step 4 - Allocate the transaction price to the performance obligations in the contract:</u>

As denoted above, the selling price may vary based on a customer type or customer contract, however this stand-alone selling price is determined at the inception of the contract, and is specific to the performance obligation. The transaction price is allocated to the performance obligations at a point in time when the Group transfers the promised goods to the customer.

<u>Step 5 - Recognise revenue as/when the entity satisfies the performance obligation:</u>

Once the contract's performance obligation and transaction price have been determined, the Group will recognise revenue when the performance obligation to the customer is fulfilled, there is an exchange of consideration, and control is passed from the Group to the customer.

Sale of goods wholesale

Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location and the wholesaler has acknowledged delivery by signing the delivery documents, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Sale of goods retail

Revenue from the sale of goods is recognised when the Group sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the products and takes delivery in the store.

(ii) *Co-packing manufacturing agreements*

The Group also generates revenue from co-packing manufacturing arrangements made to the customers' specification. These products have no alternative use for the Group due to contractual restrictions. A right to payment does not arise until the products have been shipped to the customer. Revenue is recognised when the performance obligations is satisfied in the contract at a point in time when the Group transfers the promised goods to the customer.

(iii) *Loyalty program*

The Group has a loyalty program for its retail business, Solera. Customers who purchase products may enter the Group's customer loyalty program and earn points that are redeemable as a discount against any future purchases of the Group's products. The points accumulate and do not expire. A loyalty point liability is created upon issuing of the points under the program and is thereafter reduced upon the redemption of the points for Group products.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

h. *Revenue (continued)*

(iii) *Loyalty program (continued)*

The Group allocates a portion of the consideration received to loyalty points. This allocation is based on the relative stand-alone selling prices. The amount allocated to the loyalty program is deferred and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. As a consequence, revenue is recognised at the point in time when control of the goods is transferred to the customer.

(iv) *Returns*

Customers have a right to return products to the Group for quality and other issues. The customer is issued with a credit note or replacement product for the same value of goods returned. These returns are not material and as such the Group has not provided for a liability on returns.

i. *Leases*

(i) *As a lessee*

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives receive.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The Group revalues certain right-of-use land and buildings which are subsequently depreciated over the life of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

i. *Leases (continued)*

(i) *As a lessee (continued)*

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- payments of penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group discloses right-of-use assets that do not meet the definition of investment property in the consolidated statement of financial position within the same class of assets as that which the corresponding underlying asset would be presented if they were owned.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

j. *Taxation*

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items are recognised directly in equity or in other comprehensive income.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

j. *Taxation (continued)*

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

5 **Material accounting policies (continued)**

k. *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management team which comprises the Chief Executive Officer and Executive Management team (chief operating decision maker), who are responsible for making strategic decisions, allocating resources on a reasonable basis and assessing performance of the operating segments. Unallocated items comprise assets and liabilities, finance costs and income, other income and expenses, dividend income, impairment charges, foreign exchange gains and losses, legal claim expense and tax expenses and income. Operating segments have been identified as Rum, Bitters, LLB, Bulk and Other.

l. *New and amended standards adopted by the Group*

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after January 01, 2023:

- *Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements* – effective 1 January 2023. The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

- *Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates – effective 1 January 2023.* The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

- *Amendments to IAS 12: Income Taxes – effective 1 January 2023.* The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

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

m. *New standards and interpretations not yet adopted*

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending December 31, 2023:

- *Classification of Liabilities as Current or Non-current – Amendments to IAS 1*– effective 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

- *Supplier finance arrangements – Amendments to IAS 7 and IFRS 7*– effective 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

- *Amendment to IFRS 16* – Leases on sale and leaseback – effective 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The amendments listed above are not mandatory for December 31, 2023, reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

6 Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the methods described below. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

a. *Fair value measurement*

(i) *Property, plant and equipment*

The fair value of property, plant and equipment is the estimated amount for which property could be exchanged at the reporting date between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had each acted knowledgeably. The fair value of items of property is based on a combination of direct comparison and investment method.

(ii) *Equity securities – at FVOCI*

The fair values of investments in equity securities are determined with reference to their quoted closing bid price at the measurement date, or if unquoted, determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected future cash flows and a market-related discount rate.

b. *Valuation models*

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: The fair value of financial instruments traded inactive markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period.

- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

  Valuation techniques use significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

6 **Determination of fair values (continued)**

c. *Financial instruments measured at fair value – fair value hierarchy*

At year end, the following financial instruments were measured at fair value.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Fair Value $'000
2023				
Investments	--	--	101	101
2022				
Investments	--	--	101	101

d. *Financial instruments not measured at fair value*

The table below shows the fair values of the financial instruments held at year end that are not measured at fair value. To provide an indication about there liability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is explained in 6 (b) above.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Fair Value $'000	Carrying Amount $'000
As at December 31, 2023					
Investments	--	480,402	--	480,402	480,402
As at December 31, 2022					
Investments	--	504,429	--	504,429	504,429

Due to their liquidity and short-term maturity, the carrying values of these financial instruments approximate their fair values.

e. *Non-financial instruments measured at fair value*

The Group's freehold land and buildings were revalued during November 2022 by Linden Scott & Associates Limited, Chartered valuation surveyors. Revaluations are done every five years in accordance with the Group's policy, or more frequently if there are any indicators of significant volatility in the market. The valuation surveyors used the direct comparison and income method to determine the values of land and buildings respectively

This basis of valuation was used due to the specialised nature of the properties, derived from the exigencies of the operations. The surplus thus arising was credited to revaluation surplus in equity. The Group's art collection was revalued during October 2021 by Geoffrey MacLean, independent valuator of art works. Revaluations are done every three years in accordance with the Group's policy. The valuation of artwork is based on the estimated selling price. Management evaluated the valuations and did not identify significant changes to warrant a change in the valuations as at year end.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

6 **Determination of fair values (continued)**

e. *Non-financial instruments measured at fair value (continued)*

The following table presents the changes in level 3 items for the periods ended December 31, 2023, and December 31, 2022, for recurring fair value measurements:

Fair value measurements as at December 31, 2023 using:

	Level 1 $'000	Level 2 $'000	Level 3 $'000
Recurring fair value measurements			
Land and buildings - freehold	--	--	136,622
Land and buildings - leasehold	--	--	58,220
Art collection	--	--	3,772
	--	--	197,614

Fair Value Hierarchy	Fair value as at January 01, 2023 $'000	Additions $'000	Depreciation $'000	Revaluations $'000	Transfers / disposals/ adjustments $'000	Fair value carried forward $'000
Land and buildings Level 3	203,167	4,103	(10,473)	(3,315)	360	193,842
Art collection	3,772	--	--	--	--	3,772
	206,939	4,103	(10,473)	(3,315)	360	197,614

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

6 **Determination of fair values (continued)**

e. *Non-financial instruments measured at fair value (continued)*

Fair value measurements as at December 31, 2022 using:

Recurring fair value measurements	Level 1 $'000	Level 2 $'000	Level 3 $'000
Land and buildings - freehold	--	--	136,918
Land and buildings - leasehold	--	--	66,249
Art collection	--	--	3,772
	--	--	206,939

Fair Value Hierarchy	Fair value as at January 01, 2022 $'000	Additions $'000	Depreciation $'000	Revaluations $'000	Transfers / disposals/ adjustments $'000	Fair value carried forward $'000
Land and buildings Level 3	185,734	18,871	(9,602)	2,095	6,069	203,167
Art collection	3,646	79	--	--	47	3,772
	189,380	18,950	(9,602)	2,095	6,116	206,939

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

6 **Determination of fair values (continued)**

e. *Non-financial instruments measured at fair value (continued)*

There were no transfers between levels during the year.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The main level 3 inputs used by the Group are derived and evaluated as follows:

Land:
The direct comparable method was used. In using this method, evidence of arm's length open market transactions of similar lands in less active markets are analysed and the results applied to the subject lands after taking into consideration appropriate adjustments for location, size and other relevant factors.

Buildings:
Buildings are valued using a combination of direct comparison and income method. Under the direct comparison method, the gross replacement cost of the buildings and other site works are then estimated from which appropriate deductions are then made to allow for the age, condition and obsolescence (economic and functional) of the buildings and site works. The total net replacement cost is then added to the estimated value of the land.

Under the income method, capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence is used.

Art collection:
The Art collection is valued using the fair market value approach. The art valuation is the expression of an opinion as to the value of a work of art. The valuation is an estimate based on the professional valuer's expertise and knowledge, and research into current market trends, values and conditions.

All resulting fair value estimates for properties and the art collection are included in Level 3.

Inputs considered in the valuation:
The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available management consider information from a variety of sources including:

(i) current prices in an active market for properties of a different nature or recent prices of similar properties and artwork in less active markets, adjusted to reflect those differences.

(ii) capitalised value projections based on annual rental values less outgoings at the rate for the shortest period of the leasehold interest.

The best evidence of fair value is current prices in an active market for artwork. Where such information is not available management consider information from a variety of sources including:

(i) current prices in an active market for artwork of a different nature or recent prices of similar artwork in less active markets, adjusted to reflect those differences.

(ii) Artist and the demand for their work, date and medium used in the preparation, size, quality and condition relative to any deterioration and historic reference if applicable.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management**

Risk Management Framework

The Group recognises that an overall unified Enterprise Risk Management (ERM) framework is essential to create, protect, enhance shareholder/stakeholder value, and achieve its strategic aspirations. As such, the Group is committed to ensuring that ERM practices are embedded into all business processes to drive consistent, effective, and accountable decision making and management practices. In light of this a Risk Management Committee (RMC) is in place that is led by the Chief Executive Officer (CEO) and the Executive Management team. The RMC ensures that key risks are actively and continuously identified, evaluated, controlled, monitored and reported by process owners. The Group's Risk Manager provides guidance to the RMC to ensure the ERM framework is effectively implemented and managed, and the risk culture and ERM process of the Group continually improves.

The principal risks are reviewed regularly to ensure identification of emerging risks or previously identified risks that may have different impacts. Effectively managing risks is the responsibility of all employees. Managers are accountable for allocating required resources to successfully manage risks to acceptable levels.

To ensure that the risk management and reporting system remains effective, a range of independent internal and external assurance processes are in place: Internal Audit, external certifications (ISO 9001: 2015, ISO 14001: 2015), assessment or reviews by regulatory bodies and the Group's external auditors.

The Group's Audit Committee oversees compliance with the Group's policies, procedures and the risk management and the internal audit control system. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of internal controls and procedures, the results of which are reported to the Audit Committee.

As part of the overall risk management process, the Risk Management Committee has reviewed the activities of the Group in consideration of its natural and commercial operating environments and has identified the major risks faced by the Group. The Group's risks have been classified into the following major categories and are assessed on the basis of residual exposure after consideration of the level of management and control activities designed and implemented to specifically mitigate against them:

- Financial and Reporting
- Operational
- Compliance
- Strategic
- Emerging
- Opportunities

The determined inherent risk levels (determined by their potential impact, and likelihood of occurrence in the absence of controls) are compared to management control levels to determine the appropriate risk response specifically, whether risks should be monitored or accepted or conversely, whether controls should be monitored or improved.

The Risk Management Committee manages and updates the Risk Register which details for each core functional area, the major risks identified, key drivers and metrics related to each risk, risk owner (with direct responsibility for managing the risk),the response adopted, type and frequency of monitoring, and action plan for implementation of the documented risk response.

The Risk Register is reviewed at least twice per year by functional areas to ensure that documented risks and related ratings, responses and actions plans are relevant in the context of the Group's operations.The Group's insurance structures are influenced by the findings of the risk management reviews. The Group's risk management methodology is in accordance with the principles of ISO 31000 Risk Management, and certain elements of the COSO Enterprise Risk Management-Integrated Framework.

The risk management process is dynamic and requires ongoing review and revision to enable the Group to maintain a position of strength in relation to inherent and residual risks.The process is continuously refined in response to environmental changes from the internal and external context of the Group. There were no changes in the policies and procedures from prior year.

Operational risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- capital risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

a. *Credit risk*

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instrument carried at amortised cost, at fair value through other comprehensive income (FVOCI) and deposits with banks and financial institutions, as well as outstanding receivables from related parties, wholesale and retail customers.

The carrying amount of financial assets (note 32) represents the maximum credit exposure.

The Group currently has a concentration of credit risk related to one foreign customer that contributes over 10% of the Group's revenue. To minimise this risk, sales are transacted with this customer in accordance with the Group's Credit & Delinquency policy.

Basis for measurement of expected credit losses for financial assets

Expected credit losses (ECL) on financial assets recognised in profit or loss were as follows.

	2023 $'000	2022 $'000
ECL decrease/(increase) on trade receivables	968	(6,906)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

The Group applied the simplified approach to measuring expected credit losses which used a provision matrix based on historic default rates over the expected life of the trade receivables and was adjusted for forward-looking estimates. When estimating the forward-looking rates the Group considered the macroeconomic indicators of unemployment and inflation to be the most closely correlated with movements within the trade receivable portfolios. This is described in policy Note 5(e)(i)(i).

	2023 $'000	2022 $'000
ECL decrease/(increase) on investments	17	(468)

The Group considers a debt security to have a low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be Baa3 or higher per Moody's or BBB- or higher from Standard & Poor's. When estimating the ECLs, the Group considers among other factors the risk rating category and aging of the investment. Each of these are associated with different Probability of Default, Exposure at Default and Loss Given Default. When relevant, the Group also incorporates how defaulted financial assets are expected to be recovered, including the value of collateral or the amount that might be received for selling the asset.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

a. *Credit risk (continued)*

On this basis, the loss allowance as at December 31, 2023, was determined as follows:

	Gross carrying amount $'000	Loss allowance $'000	Expected loss rate %
Current	155,484	368	0%
Past due 0-30 days	11,331	555	5%
Past due 31-60 days	527	43	8%
Past due 61-90 days	187	4	2%
Past due 91-120 days	71	3	4%
Past due more than 120 days	29,965	29,423	98%
	197,565	30,396	

On this basis, the loss allowance as at December 31, 2023, was determined as follows:

	Gross carrying amount $'000	Loss allowance $'000	Expected loss rate %
Current	109,176	295	0%
Past due 0-30 days	38,618	381	1%
Past due 31-60 days	16,457	243	1%
Past due 61-90 days	1,463	18	1%
Past due 91-120 days	176	3	2%
Past due more than 120 days	40,676	40,322	99%
	206,566	41,262	

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and/or distributor. However, management also considers factors which may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. There were no changes in the policies and procedures from prior year.

a. *Credit risk (continued)*

The Group has identified certain concentrations of credit risk related to the geographic dispersion of export customers. It has instituted policies and procedures to ensure that credit sales are made to customers with an appropriate credit history. The Group's Credit Committee continues to enforce its credit policy under which each new customer is analysed for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings when available, and in some cases bank references. Sales limits are established for each customer/distributor and are reviewed on an ongoing basis. Any sales exceeding those limits require approval in accordance with the credit approval hierarchy as set out in the Group's credit policy. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on an advance payment basis.

The table below sets out the effect on the Group's consolidated profit or loss of a 1% change to the forward rate assumptions for the expected credit loss.

	1% pa Increase $'000	1%pa Decrease $'000
Expected credit writeback/(loss)	1,676	(356)

For the purpose of credit risk assessment, customers are segregated into categories and reviews take account of the specific trading relationship of each category of debtor with the Group. Credit risk assessment presents significant implications for two major categories of debtors: trade receivables and related party receivables

Trade receivables – Management assesses the creditworthiness of major trade customers on an ongoing basis and revises credit limits based on the findings of analyses performed. Discretionary allowances are made for individual customers where temporary breaches in credit limits are deemed acceptable. Eligible local customers who trade in high volumes may benefit from adjustments to their credit terms at the year-end. The Group is closely monitoring the economic environment internationally in various markets and is taking actions to limit its exposure to customers in countries experiencing economic volatility. Measures adopted in relation to high risk customers include the establishment of standby letters of credit for certain sales, and requirement for advance payments from certain customers in regions where availability of currency is challenging.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 Financial risk management (continued)

Operational risk management (continued)

a. *Credit risk (continued)*

Cash and cash equivalents – Credit risk with banks and financial institutions is managed through the purchase and sale of foreign currency, transfer of balances between financial institutions to take advantage of interest rates, investment in short term, easily convertible, liquid assets and maintenance of flexible lines of credit. The Group maintains banking relationships with prominent local and foreign banks with a proven history of stability and corporate resilience. The financial results of banking institutions are monitored by Management and frequent liaison with representatives of banks ensures early warnings are received if banks encounter the risk of financial or operational difficulties. The Group has assessed cash and cash equivalents to be low risk and not material to the financial statements.

Investments – The Group's policy on investments is that the Group may invest in securities which may include, but not limited to, Stocks, Bonds, Mutual Funds, Bank products, Pooled Investment Funds, Repurchase Agreements, Options, Annuities, Hedge Funds, Fixed Deposits, Certificates of Deposits (CD's), Capital Investments, Business Acquisitions and Mergers, Expansion Assets, Plant and Machinery and any other instruments or Assets as approved by the BOD to achieve the Group's investment and growth strategies in line with the Group's risk appetite. The Group's Liquidity and Investment Management Policy provides requirements for investments and addresses inter alia, investment counterparties and concentration risk. As far as possible, not more than 40% of any Subsidiary surplus and/or 30% of the Group surplus must be placed with any one counterparty. Investments are categorised as Financial assets at amortised cost.

Related party receivables – Significant transactions falling outside the scope of regular trade require approval by the Board of Directors. Transactions undertaken with related parties are monitored during the year to ensure agreement of balances by relevant parties.

b. *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulty to meet payment obligations in a timely manner when they become due and the risk that assets may not be convertible into cash when needed. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Liquidity measures the ability of the Group to meet its short-term financial obligations. Liquidity risk is also addressed in part through monthly monitoring and reporting of the current ratio. The Group will maintain a minimum current ratio target of two (2) or higher, meaning the Group can easily settle each dollar on loan or accounts payable twice or more. The calculation of the current ratio is done by dividing the current assets by current liabilities. The Group currently has access to an overdraft facility to cover its working capital needs in the amount of $10m.

The Group uses actual costing through a combination of standard costing and recording of variances from actual cost of goods sold to cost its products, which assists it in managing cash flow requirements and optimizing its cash return on investments. Typically, the Group ensures that it has sufficient cash on hand to meet expected working capital requirements and operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following table provides information on the maturity profile of significant contractual obligations.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

b. *Liquidity risk (continued)*

December 31, 2023	Contractual Cash Flows Carrying Amount	Total Cash Flow	2 months or Less	2-12 months	1-2 years	2-5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Lease liabilities	27,674	(40,464)	(2,151)	(6,467)	(5,298)	(8,028)	(18,520)
Trade payables	59,297	(59,297)	(59,297)	--	--	--	--
Other payables	86,778	(70,044)	(5,391)	(64,653)	--	--	--
Borrowings	60,000	(60,410)	(20,105)	(40,305)	--	--	--
	233,749	(230,215)	(86,944)	(111,425)	(5,298)	(8,028)	(18,520)

December 31, 2022	Contractual Cash Flows Carrying Amount	Total Cash Flow	2 months or Less	2-12 months	1-2 years	2-5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Lease liabilities	27,947	(41,225)	(2,050)	(7,013)	(5,768)	(10,995)	(15,399)
Trade payables	65,625	(65,625)	(65,625)	--	--	--	--
Other payables	79,704	(65,007)	(10,394)	(54,613)	--	--	--
Borrowings	50,000	(50,276)	(20,084)	(30,192)	--	--	--
	223,276	(222,133)	(98,153)	(91,818)	(5,768)	(10,995)	(15,399)

c. *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return to the Group. There were no changes in the policies and procedures from prior year.

(i) *Currency risk*

The Group operates internationally and is exposed to foreign exchange currency risk arising from various currency exposures, primarily with respect to the US dollar, Euro and Pound Sterling. The risk from other currencies, other than US Dollar is considered not considered significant. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

c. *Market risk (continued)*

(i) Currency risk (continued)

Exposure to currency risk

The Group analyses the exposure of its major export receivables to fluctuations in the United States (US) dollar exchange rate. The US dollar exchange rate has been assessed as presenting the greatest exposure to market risk in the form of currency risk, since the majority of export sales are invoiced and collected in US dollars.

The following is an analysis of financial instruments by US currency:

Year ended December 31, 2023

	USD in (TTD $'000)	Total (TTD $'000)	% of Total
Trade receivables	81,379	197,565	41%
Cash and cash equivalents	109,665	160,630	68%
Investments	480,399	480,503	100%
Trade payables	(11,589)	(59,297)	20%
Net exposure	659,854	779,401	85%

Year ended December 31, 2022

	USD in (TTD $'000)	Total (TTD $'000)	% of Total
Trade receivables	72,905	206,533	35%
Cash and cash equivalents	82,474	108,542	76%
Investments	501,366	504,530	99%
Trade payables	(22,078)	(65,625)	34%
Net exposure	634,667	753,980	84%

The management of foreign currency risk against exchange gap limits is further supplemented by monitoring the sensitivity of the possible impact on net profits before tax and on equity of fluctuations of the US dollar foreign exchange rate relative to the Trinidad and Tobago dollar.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

c. *Market risk (continued)*

(i) *Currency risk (continued)*
The table below sets out the effect on the Group's profit or loss of a shift in the US dollar exchange rate against the Trinidad and Tobago dollar. The sensitivity was a 0.3% depreciation/appreciation in the rate of exchange (2022: 0.3%).

The analysis assumes that all other variables, in particular interest rates, remain constant.

	2023	2022
Appreciation/depreciation of TT dollar	0.3%	0.3%
	$'000	$'000
Increase/(decrease) in profit before taxation		
Effect of a depreciation of the TT dollar	(1,946)	(1,872)
Effect of an appreciation of the TT dollar	1,946	1,872

The Group prepared the sensitivity analysis above by applying the percentages rate to the net foreign currency position of financial instruments as at December 31 of the respective years. An analysis of financial instruments by US currency is shown in Note 7(c)(i)).

The Group considers revenue and receivables in US dollars to be the greatest source of currency risk, especially where customers are domiciled in non-US territories. Sales to EMEAA countries are invoiced in US dollars as is the case for the majority of export customers. The primary mitigating factor against currency exposure from sales and receivables is the Group's US dollar denominated purchases and payables. The Group is a net earner of US dollars

(ii) *Cash flow and fair value interest rate risk*

The Group has interest-bearing assets that are secured by bonds and guarantees. The Group has short-term interest-bearing liabilities in the form of unsecured borrowings.

Differences in contractual re-pricing or maturity dates and changes in interest rates expose the Group to interest rate risk. The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing date are as follows:

	2023 $'000	2022 $'000
6 months or less	60,000	50,000

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

7 **Financial risk management (continued)**

Operational risk management (continued)

c. *Market risk (continued)*

(ii) *Cash flow and fair value interest rate risk (continued)*

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the interest rate shift is determined based on expected market movements and anticipated changes arising from ongoing negotiations. The scenarios are run only for liabilities that represent major interest-bearing positions.

The Group assesses its interest burden and ranks its debt from high to low in relation to the demands placed on working capital for servicing. High interest facilities and facilities denominated in volatile currencies are considered first for refinancing, followed by lower interest rate borrowings and borrowings denominated in stable currencies or the functional currency of the Group.

(iii) *Price risk*

The Group does not have a policy for managing price risk as they are immaterial.

d. *Capital risk*

The Group's policy is to maintain a strong capital base to ensure investor, creditor and market confidence, and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings, and the advantages and security afforded by a sound capital position. Capital is defined as stated capital, reserves, retained earnings and borrowings. Debt to Equity ratio at December 31, 2023, is 0.22 (2022: 0.23). Debt to equity ratio is calculated as total liabilities / total equity.

In managing capital, the Group aims to safeguard its going concern status; provide returns to shareholders and benefits for other stakeholders; and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group does not have any regulatory restrictions on Capital. There were no changes in the policies and procedures from prior year.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

8 **Segment Information**

The Group's chief operating decision maker (CODM), consisting of the chief executive officer and executive management team, examines the group's performance both from a revenue and contribution by business segment perspective and has identified five reportable segments of its business:

i. Rum – includes the manufacture and sale of consumer alcohol products.

ii. Bitters – includes manufacture and sale of the world famous Angostura® aromatic bitters.

iii. Chill – this segment of the business sells and distributes Angostura® Chill products.

iv. Bulk – includes the manufacture and sale of bulk concentrate products such as Current Distillate (CD), Blends and Bulk bitters.

v. Other – consist of both locally manufactured and imported products for sale such as Wines, liquors and other branded Spirits.

The segment results for the year ended December 31, 2023 are as follows:

	Rum	Bitters	Chill	Bulk	Other	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	614,455	295,893	44,513	35,433	65,589	1,055,883
Cost of goods sold	(341,737)	(103,357)	(17,665)	(35,999)	(48,906)	(547,664)
Operating expenses	(174,558)	(94,447)	(15,777)	(6,096)	(18,639)	(309,517)
Results from operating activities	98,160	98,089	11,071	(6,662)	(1,956)	198,702
Finance costs						(2,277)
Finance income						23,475
Group profit before tax						219,900
Tax expense						(67,918)
Profit for the year						151,982

The segment results for the year ended December 31, 2022 are as follows:

	Rum	Bitters	Chill	Bulk	Other	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	614,357	280,460	34,511	39,807	60,775	1,029,910
Cost of goods sold	(355,426)	(95,842)	(16,308)	(35,258)	(49,649)	(552,483)
Operating expenses	(171,485)	(78,886)	(17,223)	(7,468)	(18,139)	(293,201)
Results from operating activities	87,446	105,732	980	(2,919)	(7,013)	184,226
Finance costs						(1,651)
Finance income						21,421
Group profit before tax						203,996
Tax expense						(58,759)
Profit for the year						145,237

The assets and liabilities of the Group are not allocated by segment.

Segments are aggregated based on product nature, as this quality has been assessed as having the greatest impact on trading criteria. Specifically, the following characteristics of trade are influenced by the nature of products:

- Geographical location of customer
- Type of customer
- Extent of marketing investment
- Treatment of selling and logistics

Rum, Bitters and Chill are branded trade products that carry specific differentiating characteristics, which make them unique to the Group and distinguishable from competitor products. These products are marketed in accordance with approved brand plans. Bulk items are commodity trade products that possess characteristics which can reasonably be attained by comparable producers in the spirits industry. Results from operating activities is used to measure performance for each segment as management believes that such information is the most relevant in evaluating the performance of these segments.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

9 **Revenue**

The Group derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

2023	Rum	Bitters	Chill	Bulk	Other	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Local	570,914	5,612	29,322	9,835	59,954	675,637
Export	43,541	290,281	14,306	25,598	6,520	380,246
Revenue from external customers	614,455	295,893	43,628	35,433	66,474	1,055,883
Timing of revenue recognition						
At a point in time	614,455	295,893	43,628	35,433	66,474	1,055,883

2022	Rum	Bitters	Chill	Bulk	Other	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Local	574,628	5,431	20,142	10,872	55,264	666,337
Export	39,729	275,029	14,369	28,935	5,511	363,573
Revenue from external customers	614,357	280,460	34,511	39,807	60,775	1,029,910
Timing of revenue recognition						
At a point in time	614,357	280,460	34,511	39,807	60,775	1,029,910

Revenue of approximately $164,410 thousand (2022 – $148,879 thousand) is derived from a single external customer. These revenues are attributed to the Bitters segment.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

10 **Property, plant and equipment**

	Land and Buildings $'000	Plant, Machinery and Equipment $'000	Casks and Pallets $'000	Assets in Progress $'000	Total $'000
Year ended December 31, 2023					
Opening net book value	203,168	138,831	39	44,672	386,710
Additions	4,103	9,517	--	40,647	54,267
Transfers	2,163	15,843	--	(18,006)	--
Adjustments	(481)	(128)	--	--	(609)
Impairment loss	(3,315)	--	--	--	(3,315)
Disposals	(1,324)	(328)	(39)	--	(1,691)
Depreciation charge	(10,473)	(14,779)	--	--	(25,252)
Net book value	193,841	148,956	--	67,313	410,110
At December 31, 2023					
Cost or valuation	212,431	330,172	3,047	67,313	612,963
Accumulated depreciation	(18,590)	(181,216)	(3,047)	--	(202,853)
Net book value	193,841	148,956	--	67,313	410,110

Plant, machinery and equipment includes the art collection. The net book value of property, plant and equipment, excluding fair value adjustment for land, buildings and artwork, is $307,945 thousand (2022: $288,319 thousand).

Assets in progress consists of cost to acquire new machinery and equipment for the upgrade of the manufacturing process. These projects are currently ongoing as at year end and are expected to be completed in 2024.

The Group's freehold land and buildings were revalued in November 2022 by an Independent Professional Chartered Valuation Surveyor and the art collection was last revalued during October 2021 by qualified independent experts.

Notes to the Consolidated Financial Statements (continued)

December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

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

	Land and Buildings $'000	Plant, Machinery and equipment $'000	Casks and Pallets $'000	Assets in progress $'000	Total $'000
At January 01, 2022					
Cost or valuation	217,044	329,922	41,930	26,070	614,966
Accumulated depreciation	(31,310)	(186,961)	(41,607)	--	(259,878)
Net book value	185,734	142,961	323	26,070	355,088
Year ended December 31, 2022					
Opening net book value	185,734	142,961	323	26,070	355,088
Additions	18,871	7,439	--	33,858	60,168
Transfers	13,571	1,271	194	(15,036)	--
Adjustments	1,537	(71)	--	(220)	1,246
Revaluations (Note 19)	2,095	--	--	--	2,095
Impairment loss	(5,726)	--	--	--	(5,726)
Disposals	(3,312)	(38)	(4)	--	(3,354)
Depreciation charge	(9,602)	(12,731)	(474)	--	(22,807)
Net book value	203,168	138,831	39	44,672	386,710
At December 31, 2022					
Cost or valuation	244,080	338,523	42,120	44,672	669,395
Accumulated depreciation	(40,912)	(199,692)	(42,081)	--	(282,685)
Net book value	203,168	138,831	39	44,672	386,710

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

	Land and buildings $'000	Artwork $'000	Total $'000
As at December 31, 2023			
Cost	149,374	3,772	153,146
Accumulated depreciation	(53,926)	--	(53,926)
Net book value	95,448	3,772	99,220
As at December 31, 2022			
Cost	163,577	3,772	167,349
Accumulated depreciation	(58,801)	--	(58,801)
Net book value	104,776	3,772	108,548

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

10 Property, plant and equipment (continued)

Depreciation expense is included in profit or loss as follows:

	2023 $'000	2022 $'000
Amount included in cost of goods sold	13,422	13,266
Amount included in other operating expenses	11,830	9,541
	25,252	22,807

11 Investments

Non-current investments

Equity securities – at FVOCI	101	101
Debt securities – at amortised cost	136,100	136,519
	136,201	136,620

Non-current debt securities consist of corporate debt securities with interest rate of 6.25% (2022: 1.25% to 6.25%) and mature in 2025.

Balance at January 01	136,620	3,162
Reclassification	--	(3,061)
Additions	--	133,984
Redemptions	(8,295)	(4,171)
Interest received	6,186	4,156
Interest amortised	2,091	2,530
Exchange rate difference	(401)	20
Balance at December 31	136,201	136,620

Current investments

Debt securities – at amortised cost	344,302	367,910

Debt securities at amortised cost matured in 2023 at an interest rate of 3.30%.These consist of Value AddedTax (VAT) bonds issued by the Government of the Republic of Trinidad and Tobago. Corporate debt securities at amortised cost have interest rates ranging from 5.15% to 5.33% (2022: 1.25% to 6.25%) and mature in 12 months.

Balance as at January 01	367,910	481,564
Reclassification	--	3,061
Additions	607,357	355,224
Redemptions	(644,467)	(485,359)
Interest received	9,941	4,086
Interest amortised	4,040	10,647
Exchange rate difference	(496)	(845)
Expected credit loss	17	(468)
Balance as at December 31	344,302	367,910

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

11 Investments (continued)

The carrying amounts of the Group's investments are denominated in the following currencies:

	2023 $'000	2022 $'000
Trinidad and Tobago dollar	102	3,164
United States dollar	480,401	501,366
	480,503	504,530

Finance income generated from investments amounted to $22,258 thousand (2022: $21,421 thousand) (Note 26).

12 Deferred taxation

The movement in deferred tax assets and liabilities during the year is as follows:

	January 01, 2023 $'000	Reclassification $'000	(Charge) /credit to profit or loss $'000	(Charge)/ credit to OCI $'000	December 31, 2023 $'000
Deferred tax assets			(Note 27)		
IFRS 16 leases	286	8,098	(81)	--	8,303
Medical obligation	6,027	--	359	571	6,957
Advertising provisions	7,161	--	1,600	--	8,761
ECL non-specific provision	388	--	29	--	417
Accelerated tax depreciation	884	--	(34)	--	850
	14,746	8,098	1,873	571	25,288
Deferred tax liabilities					
IFRS 16 leases	--	(8,098)	1,197	--	(6,901)
Accelerated tax depreciation	(44,855)	--	(7,027)	--	(51,882)
Retirement benefit asset	(11,381)	--	(302)	(934)	(12,617)
	(56,236)	(8,098)	(6,132)	(934)	(71,400)
Net deferred tax liability	(41,490)	--	(4,259)	(363)	(46,112)

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

12 **Deferred taxation (continued)**

	January 01, 2022 $'000	(Charge)/credit to profit or loss $'000	(Charge)/credit to OCI $'000	December 31, 2022 $'000
Deferred tax assets		(Note 27)		
IFRS 16 leases	350	(64)	--	286
Medical obligation	5,871	430	(274)	6,027
Advertising provisions	6,965	196	--	7,161
ECL non-specific provision	--	388	--	388
Accelerated tax depreciation	--	884	--	884
	13,186	1,834	(274)	14,746
Deferred tax liabilities				
Revalued buildings	(188)	188	--	--
Accelerated tax depreciation	(47,331)	2,476	--	(44,855)
Retirement benefit asset	(19,402)	(1,457)	9,478	(11,381)
	(66,921)	1,207	9,478	(56,236)
Net deferred tax liability	(53,735)	3,041	9,204	(41,490)

13 **Post-employment benefit plans**

The Group's pension fund is funded by the Group and employees. The unfunded pension and post-retirement medical benefit obligation plans are funded by the Group. The funding requirements are based on the pension fund and medical plan's actuarial measurement performed by an independent qualified actuary.

The plan exposes the Group to actuarial risks such as longevity risk, currency risk, interest rate risk and market risk.

Consolidated Statement of Financial Position

The amounts recognised in the consolidated statement of financial position are represented by:

Retirement benefit asset	2023 $'000	2022 $'000
Fair value of plan assets (Note 13 (i))	418,312	400,515
Present value of retirement benefit obligation (Note 13 (i))	(371,202)	(357,306)
Retirement benefit asset	47,110	43,209

This approved pension plan will provide/provides pension payments to the current and former employees of the Group.

Post-employment benefit obligation

Unfunded pension benefit obligation (Note 13 (ii))	(5,055)	(5,275)

The unfunded pension benefit obligation plan provides lifetime monthly pension payments to three former employees payable by the Group. Pension payments will cease on death with no subsequent payment to any surviving spouse.

Post-retirement medical benefit obligation (Note 13 (iii))	(23,191)	(20,088)

This approved medical plan will provide/provides medical coverage to the current and former employees of the Group.

Total post-employment benefit obligation	(28,246)	(25,363)

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

(i) *Movement in retirement benefit asset*

	Pension Retirement Benefit Obligation		Pension Plan Fair Value of Plan Assets		Pension Retirement Benefit Net Asset	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Balance at January 01	(357,306)	(327,946)	400,515	398,658	43,209	70,712
Included in profit or loss						
Current service cost	(12,880)	(11,352)	--	--	(12,880)	(11,352)
Past service cost	(375)	--	--	--	(375)	--
Interest (cost)/income	(20,988)	(19,173)	24,030	23,861	3,042	4,688
Administrative expenses	--	--	(378)	(386)	(378)	(386)
	(34,243)	(30,525)	23,652	23,475	(10,591)	(7,050)
Included in other comprehensive income						
Remeasurement gain/(loss):						
Actuarial gain/(loss) arising from:						
- experience adjustments	9,671	(4,298)	--	--	9,671	(4,298)
- financial assumptions	--	(6,949)	--	--	--	(6,949)
- return on plan assets excluding interest income	--	--	(6,213)	(20,021)	(6,213)	(20,021)
	9,671	(11,247)	(6,213)	(20,021)	3,458	(31,268)
Other						
Contributions paid by Employer and members	(4,730)	(4,635)	15,764	15,450	11,034	10,815
Benefits paid	15,406	17,047	(15,406)	(17,047)	--	--
	10,676	12,412	358	(1,597)	11,034	10,815
Balance as at December 31	(371,202)	(357,306)	418,312	400,515	47,110	43,209

The defined benefit obligation is allocated between the Plan's members as follows.

	2023	2022
Active members	54%	53%
Deferred members	5%	5%
Pensioners	41%	42%

The weighted average duration of the defined benefit obligation at the year end.

2023	2022
15.0 years	15.1 years

93% of the value of the benefits for the active members is vested.

33% of the defined benefit obligation for active members is conditional on future salary increases.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

(ii) *Movement in retirement benefit liability*

	Retirement Benefit Obligation Plans	
	Unfunded Pension Plan	
	2023 $'000	2022 $'000
Balance at January 01	(5,275)	(5,499)
Included in profit or loss		
Interest cost	(291)	(305)
Included in other comprehensive income		
Re-measurement gain/(loss):		
Actuarial gain/(loss) arising from		
- experience adjustments	(343)	(325)
	(343)	(325)
Other		
Benefits paid	854	854
Balance as at December 31	(5,055)	(5,275)

The defined benefit obligation is all in respect of retired employees.

The weighted average duration of the defined benefit obligation at the year end

2023	2022
5.0 years	5.1 years

All of the benefits are vested.

None of the defined benefit obligation is conditional on future pension increases.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

(iii) *Movement in post-retirement medical benefit liability*

	Retirement Medical Benefit Obligation Plan Post-retirement Medical Plan	
	2023 $'000	**2022 $'000**
Balance at January 01	(20,088)	(19,573)
Included in profit or loss		
Current service cost	(1,106)	(1,197)
Interest cost	(1,173)	(1,147)
	(2,279)	(2,344)
Included in other comprehensive income		
Re-measurement gain:		
Actuarial loss arising from		
- financial assumptions	--	--
- experience adjustments	(1,906)	915
	(1,906)	915
Other		
Benefits paid	1,082	914
Balance as at December 31	(23,191)	(20,088)

The defined benefit obligation is allocated between the Plan's members as follows.

	2023	**2022**
Employees	63%	64%
Retirees	37%	36%

The weighted average duration of the defined benefit obligation at the year end

	13.4 years	--

50% of the benefits for employees are vested.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

(iv) *Summary of principal actuarial assumptions as at December 31*

Retirement benefit asset and medical plan

	2023	2022
Discount rate	6.0%	6.0%
Average individual salary increases	4.5%	4.5%
Future pension increases	0.0%	0.0%
Medical cost increases	5.0%	5.0%

Assumptions regarding future mortality rates are based on the published mortality tables.

The life expectancies underlying the value of the retirement benefit obligation as at December 31 are as follows:

	2023	2022
Life expectancy at age 60 for current pensioner in years:		
- Male	21.9	21.9
- Female	26.2	26.1
Life expectancy at age 60 for current members age 40 in years:		
- Male	22.8	22.7
- Female	27.1	27.1

The change in life expectancy was due to a review of the assumed post-retirement mortality rates which was used for valuations of local pension plans. This review was based on the mortality experience for larger plans, together with mortality data published in recent valuation reports on the local National Insurance System.

(v) *Summary of post-employment benefit obligation*

	2023	2022
	$'000	$'000
Post-retirement benefit liability	5,055	5,275
Post-retirement medical benefit liability	23,191	20,088
	28,246	25,363

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

	Pension Plan 2023 $'000	Pension Plan 2022 $'000
(vi) *Asset allocation*		
Insured managed fund contract	417,650	399,802
Immediate annuity policies	662	713
Fair value of plan assets	418,312	400,515

The value of the Plan's investment in the managed fund contract at December 31, 2023 was provided by the insurer Colonial Life Insurance Group (CLICO).

The Plan's assets are mostly invested in an insured managed fund contract with CLICO. The value of this policy is reliant on the financial strength of CLICO. Other than the purchase of immediate annuity policies for some of the Plan's pensioners, there are no asset-liability matching strategies used by the Plan.

	2023 %	2022 %
Plan assets are comprised as follows:		
Debt Securities	87.0	87.0
Other (short-term securities)	13.0	13.0
	100	100

In 2023 and 2022, none of the managed fund assets was invested in the Group's ordinary shares.

(vii) *Sensitivity analysis retirement benefit net asset*

The calculation of the retirement benefit obligation is sensitive to the assumptions used. The following table summarises how the retirement benefit obligation as at December 31, 2023 would have changed as a result of a change in the assumptions used.

Pension Plan	1% pa Increase $'000	1% pa Decrease $'000
Discount rate	(46,900)	59,277
Future salary increases	20,970	(18,281)

An increase of 1 year in the assumed life expectancies shown above would decrease the retirement benefit net asset at the year-end by $4,884 thousand (2022: $4,648 thousand).

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 **Post-employment benefit plans (continued)**

(viii) *Sensitivity analysis retirement benefit obligation*

The sensitivity was calculated by re-calculating the retirement benefit obligation using the revised assumptions.

Unfunded Pension Plan

	1% pa Increase $'000	1% pa Decrease $'000
Discount rate	(226)	247

An increase of 1 year in the assumed life expectancies shown above would increase the retirement benefit obligation at the year-end by $220 thousand (2022: $225 thousand).

(ix) *Sensitivity analysis post-retirement medical obligation*

The sensitivity was calculated by re-calculating the post-retirement medical obligation using the revised assumptions.

	Unfunded Pension Plan	
	1% pa Increase $'000	1% pa Decrease $'000
Discount rate	(2,666)	3,257
Medical cost increases	3,177	(2,650)

An increase of 1 year in the assumed life expectancies shown above would increase the net retirement medical obligation at the year-end by $186 thousand. (2022: $157 thousand).

(x) *Funding*

The Group meets the balance of the cost of funding the retirement benefit plan and must pay contributions at least equal to those paid by the members, which are fixed. The funding requirements are based on the regular (atleast every 3 years) actuarial valuations of the Plan and the assumptions used to determine the funding required may differ from those set out above.

The Group insures the medical benefits for retirees with Guardian Life of the Caribbean and pays the entire premium on behalf of retirees.

The Group expects to pay the following in 2024:

	$'000
Pension Plan contribution	11,500
Medical Plan contribution	1,136
Unfunded pension plan	791
	13,427

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

13 Post-employment benefit plans (continued)

(xi) *Re-measurement of post-employment benefit obligations recognised in other comprehensive income/(loss)*

	2023 $'000	2022 $'000
Pension retirement benefit plan	3,458	(31,268)
Unfunded pension plan	(343)	(325)
Post-retirement medical plan	(1,906)	915
	1,209	(30,678)

(xii) *Post-employment benefit cost recognised in the statement of cashflows*

	2023 $'000	2022 $'000
Pension retirement benefit plan	10,591	7,050
Unfunded pension plan	291	305
Post-retirement medical plan	2,279	2,344
	13,161	9,699

14 Inventories

	2023 $'000	2022 $'000
Raw and packaging materials	181,881	147,700
Maturing inventories	106,518	97,563
Work in progress	93,433	75,862
Consumable spares	7,914	6,178
Finished goods	100,711	111,653
	490,457	438,956
Provision for obsolescence	(26,552)	(8,124)
	463,905	430,832

The cost of inventory recognised as an expense in "cost of goods sold" amounted to $357,400 thousand (2022: $388,049 thousand). Maturing inventories consist of age drums which are expected to be utilised after more than one year in the normal operating cycle. (Note 23).

15 Trade and other receivables

	2023 $'000	2022 $'000
Trade receivables - gross	197,565	206,566
Expected credit loss allowance (Note 7 (a))	(30,396)	(41,262)
	167,169	165,304
Receivables from related parties – net (Note 33 (v))	1,019	1,701
Trade receivables – net	168,188	167,005
Prepayments and other receivables	36,404	36,474
	204,592	203,479

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

15 Trade and other receivables (continued)

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair value. The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	2023 $'000	2022 $'000
United States dollar	81,379	73,169
Trinidad and Tobago dollar	114,092	131,555
Canadian dollar	979	1,066
Euro	950	604
GBP	165	172
	197,565	206,566

Movements during the year in the expected credit loss allowance for trade and other receivables were as follows:

At January 01	41,262	36,008
Write off against provision	(6,116)	(1,652)
(Decrease)/increase in expected credit loss allowance	(4,750)	6,906
At December 31	30,396	41,262
Related party provision (Note 33 (vi))	45	45
Total expected credit loss allowance	30,441	41,307

Amounts charged to the expected credit loss allowance account are generally written off when there is no expectation of recovering additional cash. None of the classes within trade and other receivables contain impaired assets other than as disclosed above.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. None of the trade and other receivables of the Group are pledged as collateral for borrowings.

16 Investment in Joint Venture

Group	Country of incorporation	Percentage Owned 2023	Percentage Owned 2022
Tobago Plantations Limited	Trinidad and Tobago	50%	50%

The carrying value of the joint venture operation was reduced to nil in 2007 when the Group's share of the operating losses incurred by the joint venture surpassed the carrying value of the investment. This position has not since reversed and the accumulated losses still exceed the value of the investment. It is the Group's policy to recognise a share of losses only to the extent of its investment in the joint venture operation. There are no commitments or guarantees currently in effect that would require additional amounts to be recognised.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

17 Cash and cash equivalents

	2023 $'000	2022 $'000
United States dollar	109,665	82,474
Trinidad and Tobago dollar	49,562	24,641
Euro	1,401	1,427
Barbados dollars	2	--
Cash at bank and in hand	160,630	108,542

The Group maintains banking relationships with prominent local and foreign banks with a proven history of stability and corporate resilience.

18 Share capital

	2023	2022
Authorised		
Unlimited number of ordinary shares of no-par value		
Number of ordinary shares in issue ('000)	205,820	205,820

	2023 $'000	2022 $'000
Issued and fully paid		
Ordinary shares	118,558	118,558

19 Reserves

	Revaluation reserves $'000	Foreign currency translation reserve $'000	Total $'000
Balance at December 31, 2023	99,151	3,219	102,370
Balance at January 01, 2022	97,056	3,219	100,275
Revaluation gain (i) (Note 10)	2,095	--	2,095
Balance at December 31, 2022	99,151	3,219	102,370

Land and buildings were revalued in November 2022 by an independent professional chartered valuation surveyor in accordance with the Group's accounting policies. The Art collection was last revalued in October 2021 by an independent professional art valuator in accordance with the Group's accounting policies. Management evaluated the valuations and did not identify significant changes to warrant a change in the valuations as at year end.

Notes to the Consolidated Financial Statements (continued)

December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

20 **Leases**

The Group leases land and buildings, vehicles and office equipment. The leases typically run for a period ranging between two to nine hundred and ninety-nine (2-999) years, with an option to renew the lease after that date. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Information about leases for which the Group is a lessee is presented below.

(i) *Right-of-use assets*

Right-of-use assets related to leased properties that do not meet the definition of investment property are disclosed in the consolidated financial statements (see Note 5(i)). These are shown with the relevant classification within property, plant and equipment in Note 10.

	Land and Buildings	Vehicles and Equipment	Total
	$'000	$'000	$'000
Year ended December 31, 2023			
Opening net book value	66,251	6,410	72,661
Additions	2,311	6,040	8,351
Disposal	(494)	--	(494)
Revaluation	(3,315)	--	(3,315)
Depreciation charge	(6,218)	(2,492)	(8,710)
Net book value	58,535	9,958	68,493
As at December 31, 2023			
Cost or valuation	71,206	15,274	86,480
Accumulated depreciation	(12,671)	(5,316)	(17,987)
Net book value	58,535	9,958	68,493

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

20 **Leases (continued)**

(i) *Right-of-use assets (continued)*

	Land and buildings $'000	Vehicles and equipment $'000	Total $'000
Year ended December 31, 2022			
Opening net book value	59,308	1,635	60,943
Additions	16,959	6,148	23,107
Disposal	(3,312)	--	(3,312)
Revaluation	(1,399)	--	(1,399)
Depreciation charge	(5,305)	(1,373)	(6,678)
Net book value	66,251	6,410	72,661
As at December 31, 2022			
Cost or valuation	73,168	9,883	83,051
Accumulated depreciation	(6,917)	(3,473)	(10,390)
Net book value	66,251	6,410	72,661

(ii) *Amounts recognised in profit or loss*

	2023 $'000	2022 $'000
Interest on lease liabilities (Note 25)	(1,444)	(1,195)
Expenses relating to short-term leases	(85)	(23)
Depreciation expense		
Land and buildings	(6,218)	(5,305)
Vehicles and equipment	(2,492)	(1,373)
	(10,239)	(7,896)

The table below sets out the effect on the Group's consolidated profit or loss of a 1% change to the interest rate assumptions:

	1% pa Increase $'000	1% pa Decrease $'000
Interest on lease liabilities	(177)	195

(iii) *Amounts recognised in statement of cash flows*

	2023 $'000	2022 $'000
Interest on lease liabilities	(1,522)	(1,011)
Principal payments	(7,974)	(6,016)
Total cash outflow for leases	(9,496)	(7,027)

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

20 **Leases (continued)**

(iv) *Lease liabilities*

	2023 $'000	2022 $'000
At January 01	27,947	14,503
Additions	8,351	23,107
Payments	(9,496)	(7,027)
Interest	1,522	1,011
Derecognition	(650)	(3,647)
At December 31	27,674	27,947

Lease liabilities as at December 31, 2023 are payable as follows:

	Future minimum lease payments $'000	Interest $'000	Present value of minimum lease payments $'000
Less than one year	8,618	(1,401)	7,217
Between one and five years	13,326	(3,687)	9,639
More than five years	18,520	(7,702)	10,818
	40,464	(12,790)	27,674
Current	8,618	(1,401)	7,217
Non-current	31,846	(11,389)	20,457
	40,464	(12,790)	27,674

Lease liabilities as at December 31, 2022 are payable as follows:

	Future minimum lease payments $'000	Interest $'000	Present value of minimum lease payments $'000
Less than one year	9,063	(1,384)	7,679
Between one and five years	16,763	(2,324)	14,439
More than five years	15,399	(9,570)	5,829
	41,225	(13,278)	27,947
Current	9,063	(1,384)	7,679
Non-current	32,162	(11,894)	20,268
	41,225	(13,278)	27,947

(v) *Extension options*

The Group has a lease of property that contains options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessor. The Group assesses this option at the commencement of the lease to determine whether it is reasonably certain to exercise the options. The Group currently has one lease that was renewed in 2022 for a term of 30 years and it is reasonably certain this lease will be extended for a further 30 years at a total cost of $7.0m.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

21 Trade and other payables

	2023 $'000	2022 $'000
Trade payables	59,297	65,625
Provisions	29,203	23,870
Accruals	31,440	39,259
Other payables	26,135	16,575
	146,075	145,329

Provisions comprise mainly the estimated marketing costs of the Group for which expenses have been incurred during the year for which the claims are expected to be settled in the future.

Analysis of movement in provisions

At January 01	23,870	23,217
Provision utilised	(17,033)	(19,067)
Provision written back	(5,604)	(3,392)
Increase in provision	27,971	23,112
At December 31	29,204	23,870

The table below sets out the effect on the Group's consolidated profit or lossof a 1% change to the estimated marketing provisions.

	1% pa Increase $'000	1% pa Decrease $'000
Provisions	(292)	292

Accruals comprise amounts due in respect of known obligations of the Group at the year-end. These include statutory obligations, administrative, selling and marketing costs.

Other payables comprise amounts due in respect of statutory obligations and operating costs which were incurred by the reporting date.

22 Borrowings

	2023 $'000	2022 $'000
Unsecured borrowings	60,000	50,000

The carrying amounts of the Group's borrowings are denominated in the following currency:

Trinidad and Tobago dollar	60,000	50,000

The effective interest rate on debt servicing for the year was as follows:

Unsecured borrowings	2.87%	2.56%

The maturity dates for borrowings are February 17, 2024, and March 18, 2024. The fair values of the Group's borrowings are not materially different from their carrying amounts.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

23 Expenses by nature

Included in results from operating activities are the following operating expense items:

	2023 $'000	2022 $'000
Cost of inventories (Note 14)	(357,400)	(388,049)
Employee benefit expenses (Note 30)	(184,969)	(179,145)
Brand, selling and trade support expenses `	(111,100)	(101,260)
Manufacturing expenses	(43,744)	(27,529)
Technical and advisory services	(28,371)	(23,450)
Depreciation (Note 10)	(25,252)	(22,807)
Corporate service expenses	(25,251)	(20,880)
Repairs and maintenance expenses	(21,831)	(18,174)
Transport and handling expenses	(15,954)	(20,192)
Insurance	(11,840)	(10,808)
Other expenses	(11,336)	(10,126)
Facilities expenses	(10,572)	(9,776)
Utilities	(6,982)	(11,701)
Travel and related expenses	(2,579)	(1,787)
Cost of goods sold and other operating expenses	(857,181)	(845,684)

Audit fees for the year ended December 31, 2023, totalled $1,817 thousand (2022: $1,652 thousand). Other fees paid to the auditor (and related network firms) for non-assurance services totalled $1,063 thousand (2022: $1,147 thousand).

24 Other income/(expenses)

Loss on disposal of property, plant and equipment	(1,018)	(3,232)
Dividend income	82	81
Foreign exchange losses	(269)	(287)
Other income	1,663	654
	458	(2,784)

25 Finance costs

Lease interest (Note 20 (ii))	(1,444)	(1,195)
Unsecured borrowings	(748)	(414)
Other interest expense	(85)	(42)
	(2,277)	(1,651)

26 Finance income

Investment income (Note 11)	22,258	21,421
Bank and other interest income	1,217	--
	23,475	21,421

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

27 Taxation expense

	2023 $'000	2022 $'000
Current charge	63,612	62,205
Prior year under/(over) provision	47	(405)
Deferred tax (Note 12)	4,259	(3,041)
	67,918	58,759

The tax on the Group's profit before tax differs from that calculated at the statutory tax rate applicable to profits of the Group as follows:

	2023 $'000	2022 $'000
Profit before tax	219,900	203,996
Tax charge at statutory rate	65,970	61,199
Non-allowable expenses	9,375	4,348
Prior year under/(over) provision	47	(405)
Promotional allowance	(6,903)	(6,196)
Training allowance	(375)	(163)
Income not subject to tax	(196)	(24)
	67,918	58,759

28 Dividends paid per share

Final dividend prior year	51,455	53,513
First interim dividend	20,582	20,582
	72,037	74,095

Final dividend prior year	25¢	26¢
First interim dividend	10¢	10¢
	35¢	36¢

A final dividend in respect of 2023 of $0.28 cents per share (2022: $0.25 cents per share) amounting to $57,629,701 (2022: $51,455,090) is to be approved at the next Annual Meeting. If approved, the total dividend for the year will be $0.38 cents per share (2022: $0.35 cents per share).

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

29 Earnings per share

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

	2023 $'000	2022 $'000
Profit for the year, attributable to the owners of the Group ($'000)	151,982	145,237
Number of ordinary shares in issue ('000) (Note 18)	205,820	205,820
Basic and diluted earnings per share	74¢	71¢

30 Employee benefits

Wages, salaries and other benefits	171,808	169,446
Post-retirement benefit cost (Note 13 (i)(ii))	10,882	7,355
Post-employment medical benefit cost (Note 13(iii))	2,279	2,344
	184,969	179,145

31 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Cash and cash equivalents	160,630	108,542
Liquid investments	344,302	367,910
Lease liabilities	(27,674)	(27,947)
Borrowings	(60,000)	(50,000)
Net debt	417,258	398,505
Cash and liquid investments	504,932	476,452
Gross debt – fixed interest rates	(87,674)	(77,947)
Net debt	417,258	398,505

	Other assets		Liabilities from financing activities		
	Cash and bank $'000	Liquid investments $'000	Lease obligations $'000	Borrowings $'000	Total $'000
Net debt as at January 01, 2023	108,542	367,910	(27,947)	(50,000)	398,505
Cash flows	52,423	(22,711)	7,974	(10,000)	27,686
New leases	--	--	(8,351)	--	(8,351)
Foreign exchange adjustments	(335)	(897)	--	--	(1,232)
Other changes	--	--	650	--	650
Net debt as at December 31, 2023	160,630	344,302	(27,674)	(60,000)	417,258

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

31 Net debt reconciliation (continued)

	Other assets		Liabilities from financing activities		
	Cash and bank $'000	Liquid investments $'000	Lease obligations $'000	Bank overdraft $'000	Total $'000
Net debt as at January 01, 2022	144,063	481,564	(14,503)	--	611,124
Cash flows	(35,812)	(112,829)	6,016	(50,000)	(192,625)
New leases	--	--	(23,107)	--	(23,107)
Foreign exchange adjustments	291	(825)	--	--	(534)
Other changes	--	--	3,647	--	3,647
Net debt as at December 31, 2022	108,542	367,910	(27,947)	(50,000)	398,505

32 Financial instruments by category

	2023 $'000	2022 $'000
Financial assets		
At amortised cost		
Trade and other receivables, excluding prepayments and statutory liabilities	179,544	172,682
Investments	480,402	504,429
Cash and cash equivalents	160,630	108,542
At fair value		
Investments	101	101
	820,677	785,754
Financial liabilities		
At amortised cost		
Trade and other payables, excluding statutory liabilities	129,341	130,632
Lease liabilities	27,674	27,947
Borrowings	60,000	50,000
	217,015	208,579

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

33 Related party transactions

The following transactions were carried out with related parties during the year:

	2023 $'000	2022 $'000
(i) *Sales of goods and services*		
- Sales of goods to other related parties	2,504	3,019
(ii) *Purchases of goods and services*		
- Purchases of services from other related parties:	13,958	13,577

The Group purchases of services relate to slotting fees, property maintenance fees, group life, medical and pension plans.

(iii) *Key management compensation*

	2023 $'000	2022 $'000
Short-term employee benefits	6,950	6,011
Post-employment benefits	552	691
	7,502	6,702

Key management compensation includes salaries, incentives, medical contributions, non-cash benefits and contributions to a savings plan and retirement benefit pension plan (Note 13).

(iv) *Receivable from CL Financial Limited*

	2023	2022
Receivable	984,559	984,559
Provision for impairment of receivable	(984,559)	(984,559)
	--	--

There were no movements in the provision related to CL Financial Limited receivable during the year.

During 2023 negotiations continued between management of the Group and the liquidator with respect to the settlement of the intergroup receivable. In July 2017, provisional liquidators were appointed to the parent Group and management submitted the claim to the liquidators requesting settlement of the intergroup receivable. As at year end and date of approval of these consolidated financial statements there were no indications that the provision for impairment related to the receivable should be revised.

Notes to the Consolidated Financial Statements (continued)

December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

33 Related party transactions (continued)

	2023 $'000	2022 $'000
(v) *Receivable from related parties*		
Associates	1,064	1,735
Provision for impairment of receivables	(45)	(45)
	1,019	1,690
Key management	--	11
	1,019	1,701
(vi) *Analysis of movements in related party impairment provisions:*		
Closing provision	45	45

None of the balances are secured.

	2023 $'000	2022 $'000
(vii) *Loans to related parties*		
Equity-accounted investees	5,739	6,021
Provision for impairment of receivables	(5,739)	(6,021)
	--	--
(viii) *Other charges due to related parties*		
Other related parties	30	--
Key management	2	1
	32	1

34 Capital commitments

At the year-end, capital commitments amounted to $21,920 thousand (2022: $14,262 thousand).

35 Contingencies

The Group was party to certain legal issues at the reporting date for which provisions have been made in these consolidated financial statements. Management is satisfied that provisions held at the year-end in respect of legal matters are reasonable, and such amounts are reported within 'Provisions' in 'Trade and Other Payables' (Note 21) on the consolidated statement of financial position. For other legal matters, Management have assessed these to be contingent liabilities.

The Property Tax Act was assented to on December 31, 2009. The Property Tax (Amendment) Act, 2018 has extended the waiver on the payment of the Property Tax to September 30, 2017. Based on this legal requirement the Group has a contingent liability, however based on the unavailability of key inputs, such as Notice of Assessments and the Annual Taxable Value calculations for each property, the Group is unable to quantify this liability and as such has not recorded a provision for property tax in these consolidated financial statements.

Notes to the Consolidated Financial Statements (continued)
December 31, 2023 (Expressed in Trinidad and Tobago Dollars)

35 **Contingencies (continued)**

The Board of Inland Revenue audited the Group's 2014 tax returns and assessed a tax liability of $3,219 thousand. The Group subsequently filed a Notice of Appeal with the Tax Appeal Board and on July 25, 2023, the Tax Appeal Board delivered its judgment in favour of the Group. The following are the contingent liabilities being held with Republic Bank Limited at year end:

		2023 $'000	2022 $'000
Type	**In Favor of**		
Customs Bonds	Comptroller of Customs and Excise	77,470	80,399
Cheque Guarantees	Comptroller of Customs and Excise	8,000	8,000
Total		85,470	88,399

36 **Events after the reporting date**

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

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