Annual Report **2023**

Developing Opportunities to Create Sustainable Value

CONTENTS

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Creating Sustainable Value through

OUR COMMITMENT TO HEALTH & SAFETY

At the TCL Group, health and safety is our top priority and an integral aspect of our work processes. Our H&S fosters proactive risk management, leading to a safer environment for our people while optimising operational efficiency.

STRATEGIC FRAMEWORK

Vision:

Building a Brighter Future

Mission:

To create sustainable value by providing industry-leading construction products and solutions to satisfy the needs of our customers in the Caribbean.

Strategic Priorities:

Health & Safety
Customer Centricity
Innovation
Sustainability
EBITDA Growth

Business Model:

We leverage our Group's expertise and footprint to establish best practices and common processes, in order to operate with agility and effectiveness to ultimately create value for all of our stakeholders.

Values:

Ensuring Health & Safety
Focusing on Customers
Acting with Integrity
Working as One Cemex
Fostering Innovation
Embracing Diversity

CORPORATE INFORMATION

Board of Directors of Trinidad Cement Limited

Mr. David G. Inglefield (Chairman)
Mr. Jose Antonio Cabrera Guerra (Deputy Chairman)
Mr. Francisco Aguilera Mendoza (Managing Director)
Mr. Fernando Jose Reiter Landa
Mr. Arun K. Goyal
Ms. Patricia Narayansingh
Mr. Charles Eugene Percy
Ms. Claudia Emmanuel

Company Secretary

Mrs. Denise Michelle Roopnarinesingh

Managing Director

Mr. Francisco Aguilera Mendoza

Registered Office

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

Bankers (Local)

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

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

RBC Royal Bank (Trinidad & Tobago) Limited
Independence Square,
Port of Spain,
Trinidad & Tobago, W.I.

Citibank (Trinidad & Tobago) Limited
12 Queen's Park East,
Port of Spain,
Trinidad & Tobago, W.I.

Bankers (Foreign)

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

Auditors

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

Registrar & Transfer Agent

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

Stock Exchange on which the Company is listed:

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

Attorneys-at-Law

Port of Spain, Trinidad:

Jason K. Mootoo, S.C.
77 Abercromby Street

Johnson, Camacho & Singh
30-36 Maraval Road

M. Hamel Smith & Co.
Corner Dere & Albion Streets

Angelique Bart
11-13 Victoria Avenue

Gitanjali Gopeesingh
108 Duke Street

Pollonais, Blanc, De La Bastide &
Jacelon
17-19 Pembroke Street

Ravi Heffes-Doon
77 Abercromby Street

Raphael Ajodhia
5 Longden Street

Derek Ali
12 Fitt Street

M.G. Daly & Partners
115A Abercromby Street

Rolston F. Nelson, S.C.
13-15 St. Vincent Street

Deborah Peake, S.C.
Abercromby Court,
86 Abercromby Street,

San Fernando, Trinidad:

Girwar & Deonarine
17-19 Court Street

Regional and International:

Trench Rossi Watanabe
SP São Paulo,
Edificio EZ Towers Torre A,
Rua Arq. Olavo Redig de Campos,
105-310 andar,
São Paulo - SP,
04711-904,
Brazil

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

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

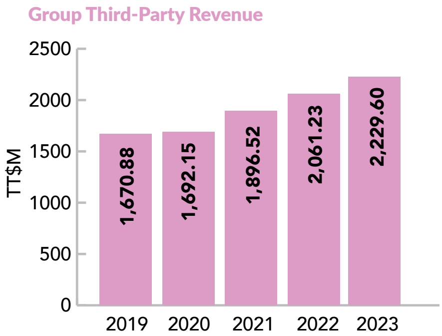
10-YEAR CONSOLIDATED FINANCIAL REVIEW

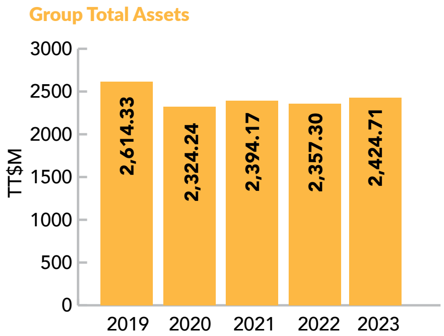
	UOM	2014	2015	2016	2017	2018
Group Third-Party Revenue	TT$M	2,104.81	2,115.45	1,887.01	1,712.57	1,721.12
Group Operating Earnings (Loss)	TT$M	111.08	446.31	224.43	(51.61)	140.72
Group (Loss) Earnings before Taxation	TT$M	(102.47)	487.49	89.63	(174.74)	56.16
Group (Loss) Earnings Attributable to Shareholders	TT$M	(214.39)	405.11	36.86	(267.57)	(37.66)
Foreign Exchange Earnings	TT$M	309.90	298.40	245.70	219.2 0	229.60
Group (Loss) Earnings per Share	TT$	(0.87)	1.19	0.10	(0.72)	(0.10)
Ordinary Dividend per Share	TT$	-	-	0.04	0.02	-
Issued Share Capital – Ordinary	TT$M	466.20	827.73	827.73	827.73	827.73
Controlling Interest Shareholders' Equity	TT$M	276.98	963.29	997.58	736.35	669.35
Total Shareholders' Equity	TT$M	245.53	950.97	990.53	719.31	671.83
Group Total Assets	TT$M	3,010.00	3,033.08	2,931.10	2,674.86	2,527.01
Group Net Assets per Share	TT$	0.98	2.54	2.64	1.92	1.79
Return on Shareholders' Equity	%	(77.40)	42.05	3.69	(36.34)	(5.63)
Share Price (Dec 31)	TT$	2.50	3.99	4.40	3.75	2.73
No. of Shares Outstanding (Dec 31)	'000	249,765.00	374,647.70	374,647.70	374,647.70	374,647.70
Market Capitalisation (Dec 31)	TT$M	624.41	1,494.84	1,648.45	1,404.93	1,022.79
Total Debt	TT$M	1,848.90	1,166.06	968.50	913.11	941.59
Total Debt/Equity Ratio	%	753.03	122.62	97.78	126.94	140.15

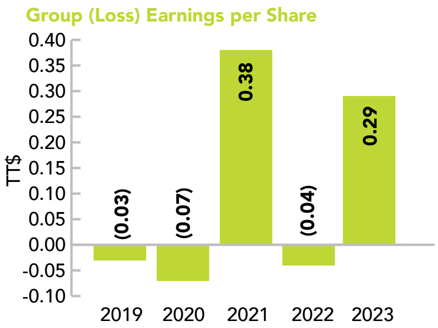
10-Year Consolidated Financial Review (continued)

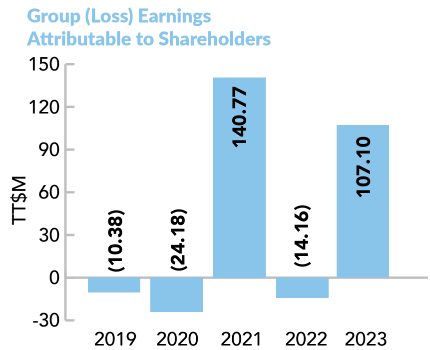
	UOM	2019	2020	2021	2022	2023
Group Third-Party Revenue	TT$M	1,670.88	1,692.15	1,896.52	2,061.23	2,229.60
Group Operating Earnings (Loss)	TT$M	149.76	215.92	333.60	212.78	295.21
Group (Loss) Earnings before Taxation	TT$M	53.22	93.89	243.68	169.82	247.22
Group (Loss) Earnings Attributable to Shareholders	TT$M	(10.38)	(24.18)	140.77	(14.16)	107.10
Foreign Exchange Earnings	TT$M	252.50	235.30	220.10	240.10	185.80
Group (Loss) Earnings per Share	TT$	(0.03)	(0.07)	0.38	(0.04)	0.29
Ordinary Dividend per Share	TT$	-	-	-	-	-
Issued Share Capital – Ordinary	TT$M	827.73	827.73	827.73	827.73	827.73
Controlling Interest Shareholders' Equity	TT$M	647.07	567.95	766.47	699.27	799.84
Total Shareholders' Equity	TT$M	707.03	658.27	892.19	875.09	1,002.55
Group Total Assets	TT$M	2,614.33	2,324.24	2,394.17	2,357.30	2,424.71
Group Net Assets per Share	TT$	1.89	1.76	2.38	2.34	2.68
Return on Shareholders' Equity	%	(1.60)	(4.26)	18.37	(2.03)	13.39
Share Price (Dec 31)	TT$	2.00	2.50	3.58	3.90	3.11
No. of Shares Outstanding (Dec 31)	'000	374,647.70	374,647.70	374,647.70	374,647.70	374,647.70
Market Capitalisation (Dec 31)	TT$M	749.30	936.62	1,341.24	1,461.13	1,165.15
Total Debt	TT$M	910.13	641.23	465.18	459.96	442.008
Total Debt/Equity Ratio	%	128.73	97.41	52.14	52.56	44.09

FINANCIAL HIGHLIGHTS

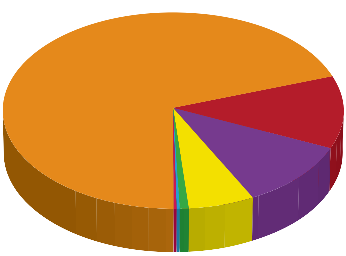








Distribution of Shareholding 2023



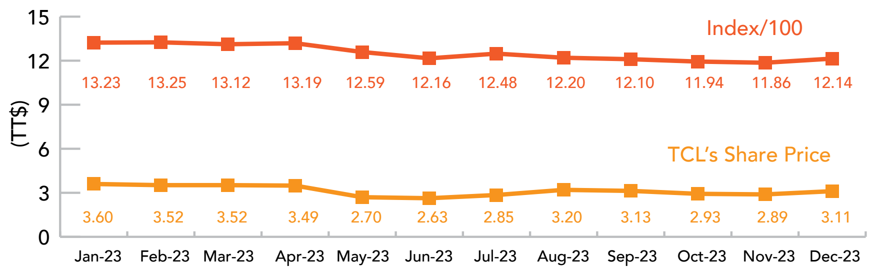
Category	% Distribution
Sierra Trading	69.83%
NIB	11.92%
Individuals	10.79%
Banks/Pension Funds/Credit Unions	6.28%
Unit Trust	0.29%
Other Foreign Investors	0.75%
Insurance Companies	0.14%
Total	100.00%

Group Financial Highlights

		2023	2022	% Change
Group Income Statement				
Third-Party Revenue	TT$M	2,229.60	2,061.23	8.2%
Earnings (Loss) Attributable to Shareholders	TT$M	107.10	(14.16)	> 100%
Foreign Exchange Earnings	TT$M	185.80	240.07	-22.6%
Group Statement of Financial Position				
Total Assets	TT$M	2,424.71	2,357.30	2.9%
Shareholders' Equity	TT$M	799.84	699.27	14.4%
Net Assets per Share	TT$	2.68	2.34	14.6%
Total Debt	TT$M	442.01	459.96	-3.9%
Total Debt-to-Equity Ratio	%	44.09	52.56	-16.1%
Operational Highlights				
TCL Clinker Production	'000 Tonnes	612.0	582.4	5.1%
CCCL Clinker Production	'000 Tonnes	711.0	797.8	-10.9%
ACCL Clinker Production	'000 Tonnes	6.4	168.3	-96.2%

SHARE PERFORMANCE

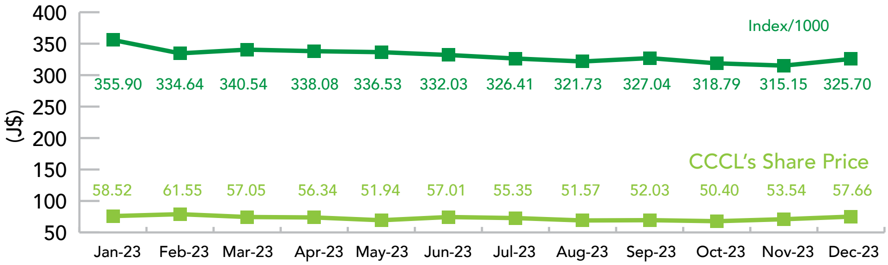
Trinidad and Tobago Stock Exchange



	Jan-23	Feb-23	Mar-23
TCL's Share Price (TT$)	3.60	3.52	3.52
Index	1,323.37	1,325.48	1,312.35
Volume Traded	330,845	70,412	111,960
	Apr-23	**May-23**	**Jun-23**
TCL's Share Price (TT$)	3.49	2.70	2.63
Index	1,318.96	1,258.82	1,216.36
Volume Traded	111,792	66,168	96,294
	Jul-23	**Aug-23**	**Sep-23**
TCL's Share Price (TT$)	2.85	3.20	3.13
Index	1,247.87	1,220.39	1,209.63
Volume Traded	171,622	74,713	3,900
	Oct-23	**Nov-23**	**Dec-23**
TCL's Share Price (TT$)	2.93	2.89	3.11
Index	1,194.04	1,185.60	1,214.05
Volume Traded	119,391	138,329	66,905

www.stockex.co.tt

Jamaica Stock Exchange



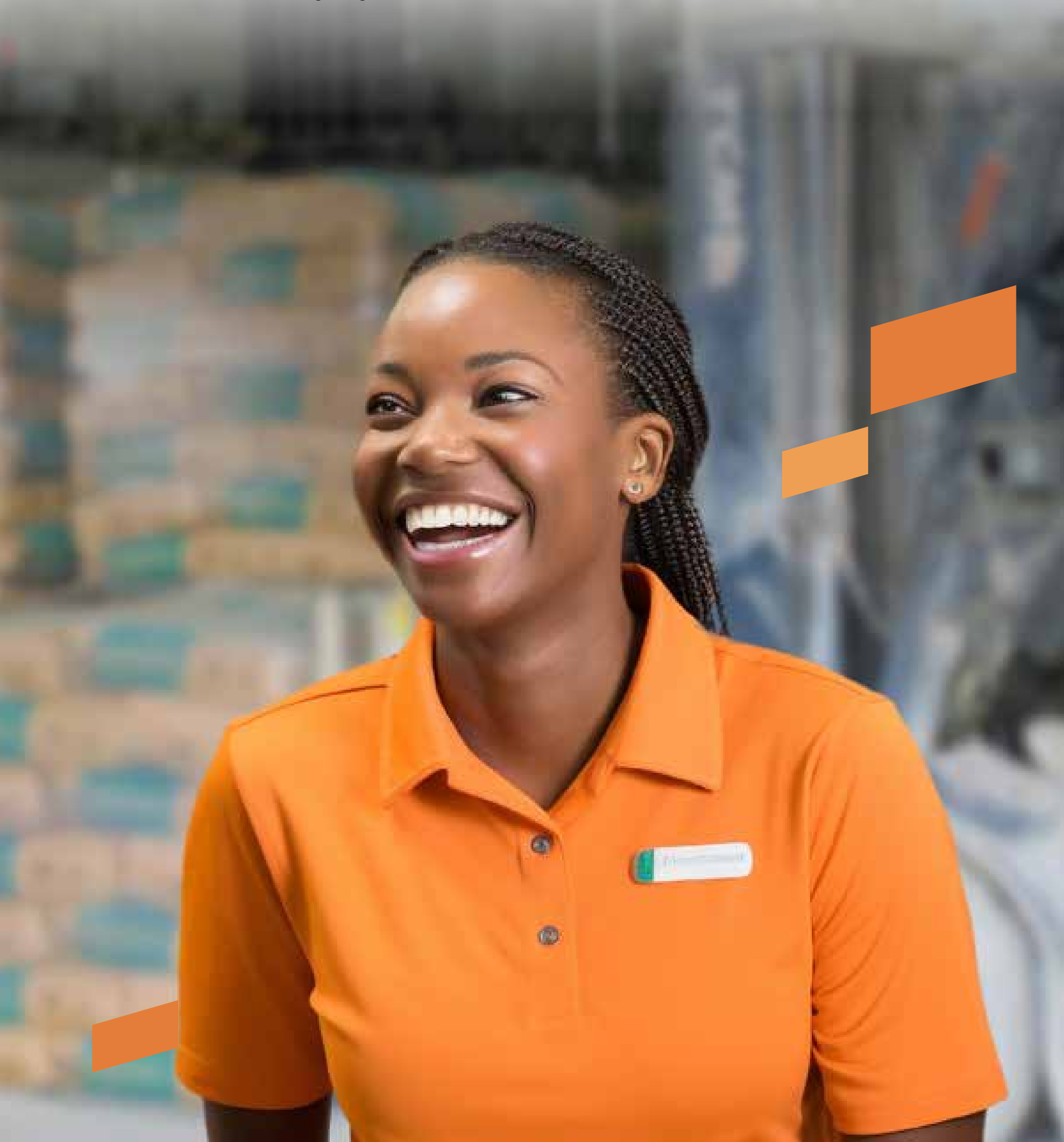
	Jan-23	Feb-23	Mar-23
CCCL's Share Price (J$)	58.52	61.55	57.05
Index	355,896.64	334,642.23	340,535.88
Volume Traded	114,818	699,390	665,001
	Apr-23	**May-23**	**Jun-23**
CCCL's Share Price (J$)	56.34	51.94	57.01
Index	338,081.79	336,533.91	332,034.93
Volume Traded	1,077,552	926,715	385,415
	Jul-23	**Aug-23**	**Sep-23**
CCCL's Share Price (J$)	55.35	51.57	52.03
Index	326,405.39	321,731.80	327,042.43
Volume Traded	295,168	2,073,544	1,420,301
	Oct-23	**Nov-23**	**Dec-23**
CCCL's Share Price (J$)	50.40	53.54	57.66
Index	318,787.60	315,147.63	325,699.79
Volume Traded	958,153	731,581	4,711,503

www.jamstockex.com

Creating Sustainable Value through

CUSTOMER CENTRICITY

Customer service is at the core of our operations. We leverage modern technology to personalise interactions, anticipate needs, and deliver seamless experiences across our markets. Our 24/7 support and data-driven insights increase customer satisfaction and loyalty.



CHAIRMAN'S REPORT

DAVID G. INGLEFIELD
Chairman - TCL Group

The year 2023 was commendable for the TCL Group's safety record and financial performance, as we continued our trajectory of improving economic value for the company, our shareholders, and the environment.

The safety and well-being of our people will always be our primary focus, and I am especially pleased by the remarkable accomplishment of ZERO lost time incidents across all our Caribbean operations. I extend my sincerest appreciation to our employees and contractors for their adherence to this core value, and the attainment of this significant goal. The company's relentless concentration on H&S training, development, and monitoring, has been key to this achievement.

During the year under review, we continued to work towards becoming a net-zero CO_2 company by the year 2050 in line with Cemex's "Future in Action" ambition. We are encouraged by the strides made in sustainability and carbon neutrality as supported by a further reduction of 24.6kgs (3pp net) in our CO_2 emissions. The Board believes that apart from a strong health and safety record, good governance, and social and environmental performance enhance shareholder value and investor confidence.

Despite an ongoing volatile and uncertain business landscape, in 2023 we managed to overcome these hurdles by tapping into our robust initiatives to recover profitability.

Financial Value

The Group remained focused on delivering value to its stakeholders and to generating healthy cash flows.

In 2023, the TCL Group recorded annual revenue of $2.2 billion, representing an increase of $168 million or 8% above 2022.

The Group's EBITDA before other expenses, other income and credits declined slightly from $522 million in 2022 to $514 million in 2023, a 1% decrease compared to the prior year. This result represents the positive effect of the new business model in Barbados and improved volumes in Guyana and Trinidad and Tobago, offset by the cost of major maintenance incurred in Jamaica.

Annual earnings before taxation were $247 million, an increase of 46% compared to 2022. This growth was mainly due to the impact of restructuring expenses reducing the prior year's result.

In 2023, the TCL Group generated $347 million in cash from operating activities, an increase of 124% compared to 2022. The 2022 result included a $226 million investment in working capital.

Changes in Credit Arrangements

On September 12, 2023, the company entered into revolving loan agreements with Citibank (Trinidad & Tobago) Limited and RBC Merchant Bank (Caribbean) Limited as individual lenders, each for a principal amount of TT$25 million (US$3.69 million) based on an exchange rate of TT$6.77 to US$1.00.

The proceeds from the loans granted under these agreements will be used for general corporate purposes.

The key terms of the Agreements are:

a. Term – 3 years

b. Interest Rate – the most recent Open Market Operation rate plus 275 basis points.

c. The Agreements are guaranteed by Cemex, S.A.B. de C.V.

Change of Company Secretary

Mrs. Denise Michelle Roopnarinesingh has replaced Ms. Michelle Davidson as Company Secretary with effect from August 7, 2023.

We thank Ms. Davidson for her valuable contribution and extend best wishes to her for all future undertakings.

Strategic Priorities and Outlook

We remain cautiously optimistic about the outlook for 2024.

The management will continue to exercise financial prudence and reduce operating costs to maximise shareholder value through our five strategic drivers - Health and Safety, Customer Centricity, Innovation, Sustainability and EBITDA Growth.

We will continue to seek opportunities to expand our business with our diversified range of innovative products, by leveraging on the expertise and support of Cemex and our strong track record. I would like to take this opportunity to note that TCL celebrates 70 years of cement manufacturing excellence in June of this year. We will continue to pursue value creation, business sustainability, and growth strategies at every segment of the Group.

In Jamaica, we intend to leverage Carib Cement's strict cost discipline and strong performance in preparation for the commissioning of its debottleneck project in 2025, which will reduce the company's carbon footprint, increase production capacity efficiency, and enable competitive exports in the wider Caribbean and beyond.

In Trinidad and Tobago, the Group remains optimistic despite the challenges posed by rising input costs and other external factors that could affect its operations. While we continue to deliver the most competitively priced cement in the region, we remain focused on the variables within our control, such as quality, customer service and innovation.

In Barbados, we are confident that the current operating model will allow us to maintain market share and achieve profitability. The Group is also exploring options to develop new businesses and diversify its portfolio.

In Guyana, we are fully committed to supporting the continued growth of this market, which has a high demand for cement and construction materials. We will continue to invest in TCL Guyana's growing distribution network and customer relationships.

At the Group level, we will continue to drive better financial performance through improved risk management, environmental sustainability, innovation, and value creation.

Appreciation

The Group remains confident, that the region, despite the various challenges and constraints, will continue to develop along the path to sustainability. TCL will also continue to be a responsible and reliable partner for its stakeholders.

On behalf of the Board, I wish to express my sincere appreciation to all our valued employees, shareholders, customers, and communities for your continued support, mutual trust, and confidence in the TCL Group.

Finally, I wish to extend my deepest gratitude to my fellow directors for their foresight, wise counsel, and leadership of the TCL Group.

Together, let us continue to create sustainable value.

David G. Inglefield
Chairman – TCL Group

BOARD OF DIRECTORS

Left-right:
Mr. David G. Inglefield (Chairman)
Mr. Francisco Aguilera Mendoza (Managing Director)
Mr. Fernando Jose Reiter Landa
Mr. Charles Eugene Percy

Left-right:
Mr. Arun K. Goyal
Ms. Patricia Narayansingh
Ms. Claudia Emmanuel
Mr. Jose Antonio Cabrera Guerra (Deputy Chairman)

David G. Inglefield

Chairman of the Board and Non-Executive Director

Mr. David G. Inglefield's business career has spanned over 50 years in Trinidad and Tobago, Suriname, Guyana, Barbados, and the USA.

Beginning in 1969 at Trinity Advertising Limited, he became Managing Director in 1978, and in 1981, acquired and merged the business with Corbin Compton Caribbean. He was appointed CEO in 1982 where he remained until he resigned in 1993 and founded his own agency.

Recognised as one of the leaders in the Caribbean on strategic business and brand development, in October 2003, he brought his considerable knowledge and experience to the ANSA McAL Group as a parent board director and member of the group's executive committee. As Group Marketing Director, he played a decisive role in the acquisition of the Bryden's Business Group in Barbados and its successful integration into the group's distribution business in the country.

During the period 2005 to 2015, Mr. Inglefield served in various capacities within the ANSA McAL Group, including the group's Distribution Sector Head. In 2007, he was appointed President/CEO of ANSA McAL (Barbados) Limited. Returning to T&T in 2011, he assumed the position of Sector Head Executive Chairman of Guardian Media Limited as well as Chairman of the four operating companies in the ANSA McAL Group's services and retail sectors.

Mr. Inglefield retired from the ANSA McAL Group in June 2015 and is now an active business consultant to major state and private companies, including the 'heavy' manufacturing and petrochemical sectors. He was appointed a Director of the Board of Trinidad Cement Limited (Cemex) and a member of the Board Audit and Governance Committees in 2016. Mr. Inglefield was appointed Chairman of the TCL Group in October 2019.

He also serves as a director on the boards of First Citizens Bank Limited, First Citizens Trustee Services Limited, First Citizens Investment Services Limited, First Citizens Bank (Barbados) Limited and First Citizens Group Financial Holdings Limited.

Jose Antonio Cabrera Guerra

Deputy Chairman and Executive Director

Mr. Jose Antonio Cabrera Guerra was appointed to the Board of Directors of Trinidad Cement Limited in July 2022. He has a keen interest in learning from diverse cultures and believes in innovation as a fundamental tool for an organisation to achieve long-term sustainable competitive advantage and solving customer needs while adding value to society.

Mr. Cabrera Guerra is a Senior Executive with several years' experience in the cement industry. He currently serves as General Director, Cemex, Dominican Republic, Puerto Rico, and Haiti. Since 2000, Mr. Cabrera has held various leadership positions across Cemex's worldwide operations including Strategic Planning Vice President – Asia, Middle East, and Africa from 2016-2018. He also served as Managing Director – Balearic Islands, Mallorca (2012-2015); Strategic Planning Director – Mediterranean Region, Madrid (2011- 2012); Cement Operations Manager – Tarragona (2006-2010); and Production Manager – Tenerife (2000-2005).

Mr. Cabrera Guerra obtained his Executive MBA from the IE Business School in Madrid. He holds a Master's degree in Occupational Risk Prevention – Industrial Safety Specialty from CEREM, Madrid and a Bachelor of Physical Sciences – Automation & Control of Industrial Processes from La Laguna University, Spain.

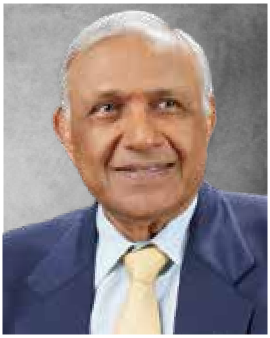
Francisco Aguilera Mendoza

Managing Director

Mr. Francisco Aguilera Mendoza has served the TCL Group as a member of the Board of Directors since 2014 and was appointed Managing Director of the TCL Group from December 1, 2020. Prior to his appointment as Managing Director, Mr. Aguilera was the Vice President of Strategic Planning of the Cemex South, Central America, and the Caribbean (SCA&C) region.

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

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



Arun K. Goyal

Non-Executive Director

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

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

Before being appointed General Manager in 1995, Mr. Goyal, a chemical engineer, served as Operations Manager, Senior Process Engineer, and Assistant Operations Manager at TCL, and as Process Engineer at Guyana Mining Enterprise Limited in Guyana and Industrial Gases Limited in Trinidad.

Mr. Goyal is a past member of the board of directors of the Association of Cement Manufacturers of Central America, Caribbean, and Latin America (APCAC), FICEM (Federación Interamericana del Cemento), the South Trinidad Chamber of Industry and Commerce, and the Rotary Club of Pointe-a-Pierre. He is a fellow of the Association of Professional Engineers of Trinidad and Tobago and recipient of its 'Career of Excellence' award in 2009.

Mr. Goyal also serves as Chairman of TCL Ponsa Manufacturing Limited, Arawak Cement Company Limited, and TCL Guyana Incorporated.

Patricia Narayansingh

Non-Executive Director

Ms. Patricia Narayansingh, FCCA, ACIB, was appointed to the Board of Directors of Trinidad Cement Limited on May 24, 2019. She is passionate about utilising the extensive knowledge, skills, and hands-on experience gained during her career, which has spanned over 40 years in accounting, auditing, banking, and financial and administrative management to positively impact and uplift the level of corporate governance in T&T and to assist the next generation of leaders in their journey to self-improvement and self-fulfillment. She is committed to excellence and has established a reputation for her attention to detail, critical analysis, and outstanding work ethic.

Ms. Narayansingh has held positions ranging from Chief Financial Officer and Manager of Corporate Lending at Republic Bank Limited, Chief Internal Auditor and later, Chief Administrative Officer of the RBC Financial Caribbean Group. As chair and audit committee member on the boards of several companies within the RBC Financial Caribbean Group and Aon Energy Caribbean Limited, Ms. Narayansingh has an in-depth appreciation of organisational realities.

She currently sits on the boards of Infolink Services Limited and Scotialife T&T Limited. She is also a member of the Investment committee of the Finance Council of the Roman Catholic Archdiocese of Port of Spain.

Claudia Emmanuel

Non-Executive Director

Ms. Claudia Emmanuel was appointed a Director of Trinidad Cement Limited on September 25, 2018. Ms. Emmanuel is a financial services consultant specialising in legal, risk, governance, and compliance matters. She is a multi-disciplinary and multi-jurisdictional lawyer and risk professional, with a BA (Hons) in Economics, with two decades of solid corporate and commercial experience.

Ms. Emmanuel has held several positions, many of which required the highest standard of integrity, ethics, and accountability. Ms. Emmanuel was the Head of Enterprise Risk Management for Amicorp Bank and Trust Limited, wherein she established the risk function. Ms. Emmanuel is a former President/Co-founder of Emunite Fiscal Solutions Limited and Emunite Energy Solutions Limited.

These companies focused on economic development via sustainable renewable energy projects. She has served as the CEO of Trinidad and Tobago Securities & Exchange Commission with executive responsibilities for the day-to-day management and the regulation of the securities industry within Trinidad and Tobago.

Ms. Emmanuel was a Director and Head of Legal for State Street Global Advisors Limited (an asset management company), State Street Unit Trust Management Limited (a unit trust company), and Managed Pensions Funds Limited (an insurance company). Her remit spanned Europe, the Middle East, and Africa, where she advised these financial institutions and investors on all legal, risk management, and regulatory aspects of transactions and corporate activity within the financial markets.

Upon qualification as a lawyer, Ms. Emmanuel joined the law firm, Clifford Chance LLP, where she advised on various private equity and corporate projects.

Charles Eugene Percy

Non-Executive Director

Mr. Charles Eugene Percy was appointed to the Board of Directors of Trinidad Cement Limited on October 21, 2019.

Mr. Percy's distinguished career spans 40 years in the energy and financial services sectors with a wealth of experience and expertise in successfully leading and transforming organisations.

He has held several senior positions over an eleven-year period at Methanex Trinidad Limited including that of CEO. Under his astute leadership, he successfully supervised the merger and rationalisation of the Titan Methanol and Atlas Methanol companies to form the new 'Methanex Trinidad Limited' organisation. Mr. Percy has served as Vice President of Corporate Resources at BP Trinidad for four years, leading the HR, IT, and HSSE functions, and held the leadership roles of Senior Manager - Human Resource, and Engineering and Maintenance Manager at Yara Trinidad.

He has also been an active member in the financial services sector, where he had the distinction of leading a successful merger of two credit unions to form Venture Credit Union.

He holds a BSc in Electrical Engineering (Hons) from the University of the West Indies and an Executive Master of Business Administration from the University of the West Indies' Institute of Business.

A retired professional, Mr. Percy continues to impart his wealth of knowledge as an active member of various boards, including that of Guardian Holdings Limited and Venture Credit Union.

Fernando Jose Reiter Landa

Executive Director

Mr. Fernando Jose Reiter Landa was appointed to the Board of Directors of Trinidad Cement Limited on August 4, 2021.

Mr. Reiter Landa has over 20 years of experience in corporate finance. He has completed several key undertakings in the areas of debt refinancing and capital markets, treasury and cash management, and pension benefits and investments. He holds Bachelor of Arts degrees in Humanistic and Social Studies, and Economics from Universidad de Monterrey, as well as a Master of Business Administration from Columbia University.

He joined Cemex, S.A.B. de C.V. in 2002 and was appointed to the position of Corporate Finance Director in 2019. Prior to this, Mr. Reiter Landa held various other positions within Cemex, S.A.B. de C.V., including Treasurer of the United States Operations, Corporate Finance Manager, International Corporate Finance Manager, Corporate Financing Analyst and Corporate Treasury Analyst.

DIRECTORS' REPORT

The Directors have pleasure in submitting their Report and the Audited Financial Statements for the year ended December 31, 2023.

Financial Results	TT$'000
Turnover	2,229,602
Net Earnings for the Year	170,193
Dividends Paid	Nil

Directors' Interest (Ordinary Shares of TCL)			
Name	**Position**	**Direct Holdings at 31-12-2023**	**Indirect Holdings at 31-12-2023**
David G. Inglefield	Chairman	Nil	Nil
Jose Antonio Cabrera Guerra	Deputy Chairman/ Executive Director	Nil	Nil
Francisco Aguilera Mendoza	Managing Director	Nil	Nil
Fernando Jose Reiter Landa	Executive Director	Nil	Nil
Claudia Emmanuel	Director	Nil	Nil
Arun K. Goyal	Director	Nil	Nil
Charles E. Percy	Director	Nil	Nil
Patricia Narayansingh	Director	Nil	44,671,636

Senior Officers' Interest (Ordinary Shares of TCL)			
Name	**Position**	**Direct Holdings at 31-12-2023**	**Indirect Holdings at 31-12-2023**
Guillermo Rojo de Diego	General Manager – TCL (with oversight for Readymix (West Indies) Limited)	Nil	Nil
Denise Michelle Roopnarinesingh	Group Manager Legal/ Company Secretary	Nil	Nil
Gewan Armoogam	Group Internal Control Manager	7,957	Nil
Maria Boodoo	Group Internal Audit Manager	Nil	Nil
Roberto Adrian Villarreal Villarreal	General Manager – ACCL (with oversight for TCL Guyana Incorporated)	Nil	Nil
Jorge Alejandro Martinez Mora	Managing Director – CCCL	Nil	Nil
Edgar Campos Piedra	Group Finance Manager	Nil	Nil
Gustavo Alejandro Ruiz Silva	Group Strategic Planning Manager	Nil	Nil
Miguel Estrada Sanchez	Group Cement Operations & Technical Manager	Nil	Nil
Rafael Orlando Martinez Vela	Group Procurement Manager	Nil	Nil
Khalid Rahaman	Group Technology & Information Manager	6,425	Nil
Jorge Enrique Camelo	Group Human Resource Manager	Nil	Nil

Dividends

No dividends were paid to Shareholders in the year ended December 31, 2023.

Substantial Interests

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

	Holdings at 31-12-2023	% of Issued Share Capital at 31-12-2023
Sierra Trading (Cemex S.A. de C.V.)	261,623,911	69.83%
The National Insurance Board of T&T	44,671,636	11.92%

Service Contracts & Directors

The following Service Contracts exist:

1. A Technical and Managerial Services Agreement dated April 23, 2015 (as restated) between TCL and Cemex, S.A.B. de C.V. ("Cemex"), pursuant to which Cemex provides support to TCL by making available suitable, qualified, and experienced executives to fill key positions, and to provide training as well as technical assistance to support the Group's trading and shipping departments.
2. A Master Management and Business Support Services and License Agreement dated January 21, 2022, under which TCL and various subsidiaries of Cemex have established a general framework for the corporate services provided by Cemex to TCL and certain subsidiaries, as well as the payment of royalties for the use of intellectual property owned by and licensed by Cemex to TCL and certain subsidiaries.

BY ORDER OF THE BOARD

DENISE MICHELLE ROOPNARINESINGH

Company Secretary

Developing Opportunities through

INNOVATION

We strive to empower our stakeholders with data-driven decision making, and innovative products and solutions. Together, we can create inclusive, resilient communities that thrive on innovation and collective well-being.

CORPORATE GOVERNANCE

OVERVIEW

The TCL Group recognises that a robust corporate governance system contributes to the overall benefit of the organisation by fostering better performance and facilitating a reduced risk of malfeasance and a lower cost of capital. Based on the guiding principles of fairness, transparency, and accountability, the company strives to maintain a high standard of corporate governance by establishing a comprehensive and efficient framework of policies, procedures, systems, and the promotion of a responsible corporate culture throughout the Group.

The Board is cognisant of its oversight role for TCL's strategic planning, risk management, business continuity, compliance and reporting. As such, the Board has established Board Committees and delegated specific responsibilities to them as outlined in the sections below.

DIRECTOR ANALYSIS

Name of Director	Executive	Independent
David Inglefield (Chairman)		x
Francisco Aguilera Mendoza	x	
Charles Eugene Percy		x
Arun K. Goyal		x
Claudia Emmanuel		x
Fernando Jose Reiter Landa	x	
Jose Antonio Cabrera Guerra	x	
Patricia Narayansingh		x

GOVERNANCE COMMITTEE

The Governance Committee establishes the foundations for compliance and is concerned with the setting of the organisation's corporate governance standards, and the development of the corporate culture. The Governance Committee also advises the Board on corporate governance matters and is responsible for reviewing and recommending new Directors to the Board.

Members: Mr. Jose Antonio Cabrera Guerra (Chairman)
Mr. Charles Eugene Percy
Mr. Arun K. Goyal
Mr. Francisco Aguilera Mendoza
Mrs. Denise Michelle Roopnarinesingh (Recording Secretary)

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

AUDIT AND FINANCE COMMITTEE

The Audit and Finance Committee is an independent committee and an integral part of TCL's corporate governance framework. This committee operates pursuant to its approved Audit Charter and Audit Plan. Critically, the Audit and Finance Committee supports the Board by reviewing and assessing the quality and effectiveness of management practices and internal controls. This committee is charged, inter alia, with the responsibility for:

1. Appointment and ongoing assessment of the external auditors.
2. Reviewing and advising the Board on the integrity of financial statements.
3. Oversight of the establishment, implementation, and evaluation of the risk management function.
4. Ensuring that an effective system of internal controls is established and maintained.
5. Assessing compliance with applicable laws and regulations.
6. Monitoring and evaluating the internal audit function.
7. Enhancing the financial strength and shareholder value of the TCL Group by providing guidance and recommendations on issues that have a significant economic impact on the Group.
8. Enhancing communication and understanding between TCL Group's management and the Board on financial matters.

Members: Mr. Arun K. Goyal (Chairman)
Ms. Claudia Emmanuel
Ms. Patricia Narayansingh
Mr. Fernando Jose Reiter Landa
Ms. Maria Boodoo (Recording Secretary)

HUMAN RESOURCE COMMITTEE

To ensure excellence in TCL Group's human capital and cultural initiatives, the Human Resource Committee's strategic direction and vision align with the company's strategic plan. The Human Resource Committee provides oversight of key areas of people management, employee engagement, diversity, equity and inclusion. To that end, this committee administers inter alia, the following categories of policies:

- Talent acquisition
- Organisation capacity building
- Performance management
- Executive development
- Organisational structure and design
- Employee wellness
- Diversity, Equity and Inclusion
- ETHOS – Ethics and Compliance

A summary of the terms of reference of the Human Resource Committee follows:

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

Members: Ms. Patricia Narayansingh (Chairperson)
Ms. Claudia Emmanuel
Mr. Charles Eugene Percy
Mr. Jose Antonio Cabrera Guerra
Mr. Jorge Enrique Camelo (Recording Secretary)

Developing Opportunities for

A BRIGHTER FUTURE

Guided by optimism and equipped with a value-driven mindset, we construct a future filled with opportunity and progress. Through collaboration and forward-thinking, we create sustainable environments where communities thrive and aspirations become reality, illuminating the path to a brighter tomorrow.

GROUP EXECUTIVE COMMITTEE

1. **Francisco Aguilera Mendoza**
   Managing Director, TCL Group
2. **Guillermo Rojo de Diego**
   General Manager, Trinidad Cement Limited (with oversight for Readymix (West Indies) Limited)
3. **Jorge Alejandro Martinez Mora**
   Managing Director, Caribbean Cement Company Limited
4. **Roberto Adrian Villarreal Villarreal**
   General Manager, Arawak Cement Company Limited (with oversight for TCL Guyana Incorporated)
5. **Denise Michelle Roopnarinesingh**
   Group Manager Legal/ Company Secretary
6. **Jorge Enrique Camelo**
   Group Human Resource Manager
7. **Gewan Armoogam**
   Group Internal Control Manager
8. **Edgar Campos Piedra**
   Group Finance Manager
9. **Miguel Roberto Estrada Sanchez**
   Group Cement Operations and Technical Manager
10. **Rafael Orlando Martinez Vela**
    Group Procurement Manager
11. **Gustavo Alejandro Ruiz Silva**
    Group Strategic Planning Manager
12. **Maria Boodoo**
    Group Internal Audit Manager
13. **Khalid Rahaman**
    Group Technology & Information Manager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GROUP EXECUTIVE COMMITTEE

Francisco Aguilera Mendoza

Managing Director, TCL Group

(See profile on page 21)

Guillermo Rojo de Diego

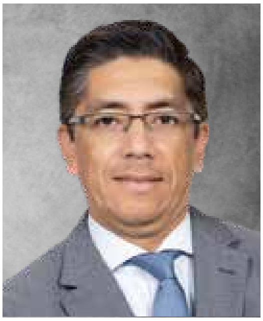
General Manager, Trinidad Cement Limited (with oversight for Readymix (West Indies) Limited)

Mr. Guillermo Rojo de Diego was appointed General Manager of Trinidad Cement Limited, effective February 6, 2019. He is a strong sales professional and an experienced Country Manager with over 24 years' experience in the building materials industry.

Prior to his role of General Manager, Mr. Rojo de Diego held the position of Country Manager at Cemex Guatemala for a period of 4 years. He developed his career by assuming increasing roles of responsibility in different areas, including commercial, strategic planning, and operations, before going into general management responsibilities in all primary business lines in five countries in Europe, Africa, and Latin America.

He holds a BSc in Geological Sciences, specialising in Mineral Resources, from Universidad Complutense de Madrid, Spain, and an MBA from INSEAD MBA (France).

Jorge Alejandro Martinez Mora



Managing Director, Caribbean Cement Company Limited

Mr. Jorge Alejandro Martinez Mora was appointed managing director of Caribbean Cement Company Limited on December 1, 2023.

He is a civil engineer, who earned his undergraduate degree from ITESO University Guadalajara, Mexico, and holds an executive master's degree in business administration (MBA) from Tecnológico de Monterrey.

Mr. Martinez has been working with Cemex México since December 2004. He joined the company as a sales representative and then took on responsibilities as a business unit manager in different locations for eight years. After that, he was appointed Ready Mix National commercial development director, then promoted to National Operations and Maintenance Ready Mix director.

He has also held the position of Regional Director for Mexico's Pacific Region in the Builders' segment and as Builders' Segment Regional Director for the Central Region based in Mexico City (the biggest market for Cemex México).

Having worked with Cemex for almost 20 years, Mr. Martinez has experience working in the field and in corporate positions. He has a strong background in both commercial and operational skills, rounded with general management.

Roberto Adrian Villarreal Villarreal

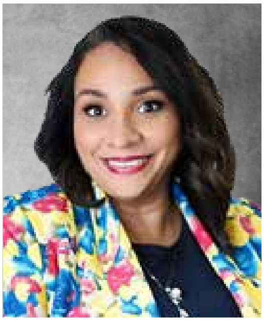
General Manager, Arawak Cement Company Limited (with oversight for TCL Guyana Incorporated)

Mr. Roberto Adrian Villarreal Villarreal was appointed General Manager of Arawak Cement Company Limited, effective August 1, 2022.

Mr. Villarreal is a service-oriented executive with over 16 years of service focused on delivering exceptional customer experiences to drive consistent revenue growth. He is a sales expert, organised decision-maker, and strategic planner with top-notch interpersonal and communication skills.

He has been domiciled within the Caribbean for approximately 10 years, having worked in the Dominican Republic, Jamaica, and Barbados. He is professionally diverse in the areas of cement distribution, ready-mix concrete, aggregates & lime production, and commercialisation.

Mr. Villarreal holds a BSc in Industrial & Systems Engineering and a Master in Innovation for Business Development, both from Instituto Tecnológico Estudios Superiores de Monterrey.



Denise Michelle Roopnarinesingh

Group Manager Legal/Company Secretary

Mrs. Denise Michelle Roopnarinesingh assumed the role of Group Legal Manager/Company Secretary for the TCL Group in July 2023.

Mrs. Roopnarinesingh is an accomplished attorney with over 23 years of experience. She is also a certified anti-money laundering specialist, and is highly skilled and adept at matters pertinent to Governance, Legal and Compliance Management, Advisory and Analysis, Financial Regulations Investigations, and Teamwork and Team building. Her goal is to position the legal function as a valued partner, leveraging standardised processes, skill building, teamwork and relationships to encourage a partnership culture when it comes to risk management and compliance.

Before joining the TCL Group, Mrs. Roopnarinesingh held middle management and senior roles in both the regulatory and private spheres of the banking and financial services sector (locally and regionally).

Mrs. Roopnarinesingh earned her Bachelor of Laws Degree and Legal Education Certificate in 1998 and 2000 respectively, and became a member of the Association of Certified Anti-Money Laundering Specialists (ACAMS), in December 2010.

Jorge Enrique Camelo

Group Human Resource Manager

Mr. Jorge Enrique Camelo assumed the role of Human Resource Manager for Jamaica & Bahamas in November 2017 and was elevated to the role of Group Human Resource Manager in March 2022.

Mr. Camelo is an accomplished executive and human resource professional with over 17 years of experience in a multinational environment. He has special expertise in planning and compensation, organisational design, and HR project implementation.

His goal is to transform teams and position human resources as a strategic area for the company by training and developing human talent, by innovating and by leveraging technology, process optimisation and standardisation.

Prior to joining the TCL Group, Mr. Camelo served in distinct roles at Cemex, including Regional South, Central America and Caribbean (SCA&C) Manager of Planning & Development and Compensation & Benefits from 2015 to 2017. He also served in leadership HR roles at Cemex Colombia and Coca-Cola FEMSA.

Mr. Camelo holds a Master of Business Administration from the Tecnológico de Monterrey and a Bachelor's degree in industrial engineering from Pontificia Universidad Javeriana.

Gewan Armoogam

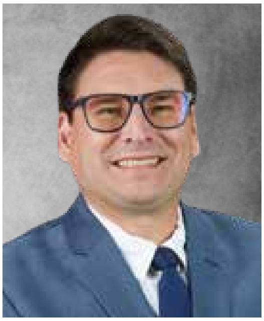
Group Internal Control Manager

Mr. Gewan Armoogam has been with the TCL Group for over 28 years and has worked in the finance and internal audit functions. He was appointed Group Internal Control Manager effective November 1, 2017. Prior to that, Mr. Armoogam held the position of Group Internal Auditor and has a wealth of internal audit experience in the cement, premix, and packaging operations.

Mr. Armoogam is ACCA qualified and is also a member of the Institute of Internal Auditors. He holds certification as a Lead Auditor of the ISO 9001 Quality Management System. Mr. Armoogam has considerable experience in process redesign and compliance.

Edgar Campos Piedra

Group Finance Manager



Mr. Edgar Campos Piedra is a dynamic, proactive, and highly trained executive with over 20 years of experience in leading and transforming finance teams globally.

He holds a BA in Business Management from the Institute of Technology, Costa Rica and an MBA in Strategic Business Management from the University of Cadiz, Spain. Mr. Campos Piedra is also a certified Public Accountant as he holds a Superior degree in CPA from the Institute of Technology, Costa Rica.

Prior to his appointment as Group Finance/Business Service Organisation (BSO) Manager at the TCL Group on October 15, 2019, Mr. Campos Piedra held several senior positions throughout Cemex's SCA&C operations including Accounting Advisor, Controller, Management Financial Services Advisor, Accounting Chief and BSO Manager.

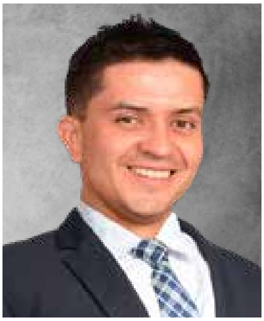
Miguel Roberto Estrada Sanchez

Group Cement Operations and Technical Manager

Mr. Miguel Roberto Estrada Sanchez was appointed Group Operations Manager on May 4, 2015. He has spent his entire professional life of 37 years in the cement industry, specifically in plant operations.

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

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



Rafael Orlando Martinez Vela

Group Procurement Manager

Mr. Rafael Orlando Martinez Vela was appointed TCL Group Procurement Manager on December 1, 2021.

Mr. Martinez Vela is an Industrial Engineer from Pontificia Universidad Javeriana and holds a master's degree in management and evaluation of investment projects from Universidad Externado de Colombia. He has 12 years' experience in procurement and supply chain in the manufacturing industry, focused on identifying cost-saving opportunities while ensuring the highest quality of products. This also includes local and international sourcing, materials and inventory management, strategic negotiations, and foreign trade logistics.

Prior to his appointment as the TCL Group Procurement Manager, he held distinct roles at Cemex since March 2012.

He previously served as the TCL Group Procurement CAPEX Manager from May 2019 to December 2021, CAPEX Procurement Coordinator of the SCA&C Region from August 2015 to April 2019, and as a Senior Negotiator at Cemex Colombia from June 2014 to July 2015 and Junior Negotiator from March 2012 to May 2014.

His aim is to drive cost reduction efforts, enhance process efficiency, and deliver stakeholder satisfaction by investing in talent development. He believes that setting clear and measurable goals is vital to the optimisation of supply chain performance, reducing costs, managing risks, and driving overall business success. Also, aligning procurement goals with business objectives, maximising value creation, enhancing supplier relationships, and meeting the ever-changing needs of the market.

Gustavo Alejandro Ruiz Silva

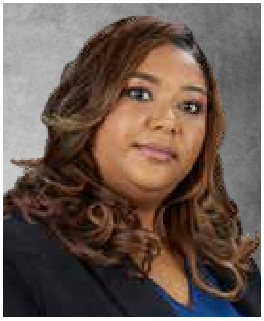
Group Strategic Planning Manager

Mr. Gustavo Alejandro Ruiz Silva joined Cemex in 2005, and has held several senior positions in strategic planning, enterprise risk management, business service organisation and controllership at Cemex United Kingdom, Central America, and Mexico. His experience also incorporates post-merger integrations and assignments at Cemex Europe.

Mr. Ruiz Silva was appointed Group Strategic Planning Manager at the TCL Group on September 1, 2021. Prior to this appointment, Mr. Ruiz Silva was Director of the Business Service Organisation for Cemex Central America.

Before joining Cemex, Mr. Ruiz Silva held the position of Internal Audit Manager for a Mexican private company for 2 years and held several senior positions within KPMG's audit practice in Mexico for 5 years.

Mr. Ruiz Silva holds an MBA with a major in Strategy from EGADE Business School, a BSc in Accounting from Autonomous University of Nuevo Leon, Mexico and an international certificate in Enterprise Risk Management from the Institute of Risk Management, England.



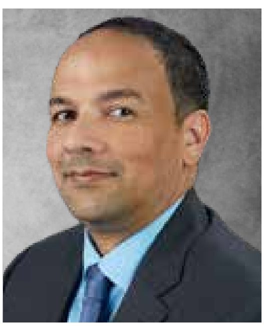
Maria Boodoo

Group Internal Audit Manager

Ms. Maria Boodoo was appointed Group Internal Audit Manager effective November 1, 2017. She has over 17 years of progressive experience, of which 14 years were at a managerial level. She specialises in the fields of internal and external auditing, forensic auditing, evaluation and implementation of financial and operational controls, policy and procedure development, and risk and compliance management. She is knowledgeable and experienced in financial reporting and management, cash management, risk management, data analysis and forecasting, and strategic planning and analysis.

Ms. Boodoo's competencies were established throughout her career in various sectors including oil and gas, manufacturing, financial and banking, educational and training institutions, mining and aggregates operations, telecommunications, and cement and concrete solutions, having worked with various state enterprises and private corporations.

Ms. Boodoo is a registered Fellow Member of the Association of Chartered Certified Accountants (FCCA), a Certified Forensic Auditor (CIFA) and holds a Bachelor's degree - specialising in Accounting, from the University of the West Indies. She is also a member of the Institute of Chartered Accountants of Trinidad and Tobago (ICATT).



Khalid Rahaman

Group Technology & Information Manager

Mr. Khalid Rahaman has been with the TCL Group for over 23 years and has worked in various positions within the information technology department. He was appointed Group Technology and Information Manager, effective April 1, 2013.

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

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

OTHER LINE MANAGERS

Ninoshka Paredes Chung

Tax Manager - TCL Group

Ms. Ninoshka Arlette Paredes Chung holds a finance degree from Universidad Santa Maria La Antigua (Panama) and a Master's degree in the Administration of Private Projects.

Prior to her appointment as Group Tax Manager at the TCL Group on March 15, 2023, she held a senior tax position at Cemex for more than twelve years, supporting SCA&C tax operations for several projects.

Ms. Paredes Chung's experience includes the implementation of new tax regulations and tax compliance in different countries, namely Panama, Belize, and Barbados, as well as previous tax support for the TCL Group.

Jaris Liburd

Business Manager - TTLI Trading Limited

Mr. Jaris Liburd joined the TCL Group on August 17, 2006, with more than 28 years of management experience in facility management and customer service, and over 13 years' experience in trading and logistics. He is also a Certified Hospitality Facility Executive (CHFE) with certification from the American Hotel & Lodging Educational Institute.

Humberto Domingo Gutiérrez Prado

Group Treasury and Consolidation Manager

Mr. Humberto Domingo Gutiérrez Prado was appointed Group Treasury and Consolidation Manager at the TCL Group from June 1, 2019.

Mr. Gutiérrez Prado is an accomplished finance professional with over 17 years' professional experience in the financial services and industrial manufacturing sector.

Before joining the TCL Group, Mr. Gutiérrez Prado served in the positions of Financial Manager and Financial Advisor at Cemex Nicaragua and Cemex El Salvador respectively, Corporate Financial Manager and Controller at Corporación Montelimar and its subsidiaries and as Audit Manager at KPMG Nicaragua.

Mr. Gutiérrez Prado holds a Public Accounting and Finance degree from Universidad Politécnica de Nicaragua (Nicaragua) and Master of Business Administration degree from EUDE European Business School (Spain), and is currently pursuing his master's in financial management. He is a member of the Institute of Internal Auditors International and a member of the Association of Chartered Accountants of Nicaragua.

Norville Clarke

Group Enterprise Risk Manager

Mr. Norville Clarke joined the TCL Group on May 1, 2005. He currently serves as Group Enterprise Risk Manager. Before this, Mr. Clarke held several positions including Commercial Development Coordinator, Strategic Advisor, and Export & Research Officer.

He has a Master of Business Administration degree from the University of the West Indies and a Bachelor of Business Administration degree from the University of Technology.

SOCIO-ECONOMIC VALUE

US$96M
In foreign currency earnings 2021-2023

651
Direct and indirect jobs, 98% local employees

2%
Use of alternative fuels instead of fossil fuels

TT$378M
Capital investments CAPEX 2021-2023

>1000
Local suppliers across the region

Business diversification (cement, readymix, trading)

TT$1.7B
In taxes and contributions 2021-2023

2.5M MT
Capacity to supply local industry and CARICOM future growth

New technology (admixtures, special products)

TT$13M
Investment in corporate social responsibility projects 2021-2023

The TCL Group's Regional Footprint in 2023				
	Jamaica	**Trinidad and Tobago**	**Barbados**	**Guyana**
Capacity	1.2 million	0.9 million	0.4 million	-
Employees	229	332	71	19
Cement Plants	1	1	1	1 (Cement Terminal)
Readymix Plants	-	3 (1 inactive)	1 inactive	1 inactive
Aggregates Plants	-	3	-	-
Land Distribution Centres	4	3	1	1
Marine Terminal	1	1	1	1

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION

FRANCISCO AGUILERA MENDOZA
Managing Director - TCL Group

2023 was a remarkable year for the TCL Group as we pursued our strategic goals and added value for our stakeholders. We were faced with challenges such as higher costs and lower demand in certain markets, but improved our operations and safety, expanded our product range, and executed relevant portfolio choices that improved our financial situation.

We also made great progress in our sustainability goals, lowering our carbon emissions, and supporting the social growth of the communities in which we operate.

The TCL Group is honoured to be a leading provider of building material solutions in the Caribbean region, with the vision of building a better future for all.

1.0 HEALTH & SAFETY

The TCL Group is committed to the safety, health, and wellbeing of all our employees, contractors, suppliers, and communities. We strive every day to ensure that anyone who interacts with us returns home safely to their family. Health and Safety is our company's top strategic priority and core value.

Our "Zero4life" vision symbolises the company's goal for an injury free workplace where we do our best to achieve ZERO recordable injuries, job related illnesses and preventable vehicular incidents. Our four fundamental principles for achieving ZERO are "Accountability, Behaviour, Communication and Dedication", for which our leaders set the standard and lead by example in collaboration with our employees.

During 2023, our dedication to Health and Safety was demonstrated by an outstanding H&S performance as there were Zero employee lost time incidents across all our Caribbean operations. Our Arawak cement plant in Barbados marked 3 years LTI free, while TCL Guyana celebrated 5 years without a single LTI. Our Group's outstanding performance is normally recognised by Cemex at the Global Health and Safety Awards.

To make our operations safer and more efficient, we developed initiatives such as the deployment of Lockout/Tagout upgrades, the development of an App to track attendance at safety forums and trainings, installation of Vehicle Safety features, and the implementation of Road Transportation Safety initiatives. Greater emphasis was placed on looking out for each other through our 'Take 5 Together' programme, which encourages employees and contractors to intervene if a colleague is observed in a potentially risky situation. As a natural extension of this, we will be launching a 'Take 5 Together' App in 2024 for use by employees and contractors. Our leadership team continues to prove our commitment to safety through our Visible and Felt Leadership programme, and recently launched a related training course on the Cemex University platform.

We continue to invest in safety projects and adequate training, ensuring employees are well-equipped to safely perform tasks. Highlighted below are some of the initiatives we have implemented to further improve the safety culture within the TCL Group:

Health & Safety Forum for T&T leaders

'Near Miss Hazard Alert' Reporting

Improved Signage and Site Maps

Safety Drills and Equipment Safety Checks

2.0 CUSTOMER CENTRICITY

At the TCL Group, our customers are at the centre of everything we do. We believe that helping our customers to succeed and providing superior experience are competitive advantages and powerful differentiators. Throughout 2023, we remained fully committed to fostering this customer-centric culture across the company.

During the year, we celebrated a significant milestone with the launch of our TCL Group Customer Service Centre. This pivotal move empowered our customers across the region with multiple channels for seamless interactions. They can now effortlessly place orders, make payments, track deliveries, and even address concerns through the Service Center Email, WhatsApp, and telephone channels. By streamlining these processes, our Commercial teams were able to focus more efforts on innovative propositions that create substantial value for both our customers and the organisation. As a result, three of these initiatives were finalists in Cemex's Regional Superior Customer Experience Awards.

In the Distributors' segment, we proudly launched eight new Construrama stores in Trinidad and Tobago, and opened the VIP/Construrama warehouse, a special facility at our Claxton Bay Plant, which offers expedited pick-up services. Non-Construrama clients can also access these services for a nominal fee.

The Construrama programme is a Cemex global value offer for the distribution segment that allows distributors the opportunity to grow their businesses and benefit from our Global expertise, experience, and competitive advantages.

Our commitment to our industrial clients focused on a wide range of services, from the design of concrete roads to the provision of rental services for finishing and placement tools. Along these lines, in Jamaica we are supporting the government with a programme to implement a concrete road solution for certain areas that are affected by constant loading, and rainfall events.

In supporting our customers, we continue to develop our YouTube channel by consistently adding valuable content, spanning diverse subject matters from Health & Safety guidelines to construction industry best practices and environmental impact insights.

We also relaunched our 'Customer Journey Experience' programme to enable our executives to experience firsthand the key touchpoints for our customers, to 'live in their shoes', and the ability to offer immediate actions to improve our service. We conducted 29 visits involving 40 participants - a testament of our dedication to the continuous improvement of our customer experience. This programme was put on hold during the pandemic, and we are now excited to resume this initiative.

On the digital front, our commercial teams continued championing the shift toward paperless processes at all our business units. Through their support, exceptional results were achieved, and by year-end, over 99% of our invoices and 93% of cement delivery tickets were paperless — a remarkable stride in efficiency and sustainability.

We are also very proud to have participated for the first time in the "Cemex Building Awards", a global competition that brings together the most relevant projects built by our customers around the world. A development project from Jamaica had the opportunity to participate in this prestigious event that was celebrated in Mexico City.

Quarterly NPS surveys allowed us to directly capture customer feedback on the aspects they value most, ensuring our service remains aligned with their needs and expectations. During 2023, we saw mixed results where certain operations like Guyana increased its score from 74 to 80 (+6) points compared to 2022. In the case of Trinidad and Tobago, our score declined from 80 to 64 (-16), mainly attributable to an increase in the number of broken bags arriving at our distributors' outlets. Based on this feedback, we have appointed a taskforce dedicated to addressing this challenge. Noteworthy is that Trinidad and Tobago realised a significant improvement in the 4th quarter, reaching an NPS of 79 which helped to increase the overall average for the year.

Small changes in the NPS 2023 compared to 2022 were experienced at the rest of our operations.

T&T: Customer VIP Loading Point

JAM: Customer Journey Experience at Dynamet

Jamaica at the prestigious Cemex Building Awards: Harmony Beach Park recognised among Top 8 projects from UAE, Montenegro, Egypt, France, Colombia, Bosnia, and Poland among others!

T&T Construrama Launch: Ramlagan's Hardware and DN Hardware

MARKET ENVIRONMENT

In Trinidad and Tobago, we saw growth of +5.6% in cement volumes over 2022 as the construction segment settled into the post-pandemic phase and also benefitted from a drier rainy season in the last quarter of 2023. Trinidad Cement Limited experienced an increase of +6.3% in domestic sales volumes over 2022 and recaptured 100% of market share. Larger infrastructural projects contributed significantly to the overall growth with a 14% increase, while the residential/ small construction segment showed a marginal increase – less than 2%, as demonstrated in our bag/sack sales. In early 2024, the government of Trinidad and Tobago advised on the temporary suspension of the Quota and Registration System for Cement, specifically, removal of the 150,000 metric tonne (MT) quota on imported volumes. Imported cement will, in the interim, continue to be subject to a twenty (20) percent Common External Tariff (CET) rate of duty.

Trinidad and Tobago's cement export volume fell by almost 11% when compared to 2022 due to supply chain constraints and an increase in the local market demand. This drop in cement exports was almost fully compensated by our clinker exports to Barbados that started last year after Arawak Cement's change in its operating model. Despite this, and as recognised during the recent Cemex Day investors' event, the TCL Group remains an Export Powerhouse because of exports of 545,000 MT of cement over the past two years to the Caribbean region. We will continue to fully serve our local markets, whilst pursuing opportunities for growth in the export segment through improvement in plant efficiencies and supply chain expansion.

In the concrete division, sales volumes at Readymix (West Indies) Limited (RML) increased by 43% in 2023 compared to the previous year, driven primarily by the development of our East Lake Housing project, and participation in other relevant infrastructural projects. In the aggregates division, third-party sales were negatively impacted earlier in the year due to product and plant limitations and availability. However, there was a significant recovery in the second semester of 2023 due to diligent focus on mining and product availability, which translated to an overall increase of 33% of our volumes in 2023 compared to 2022. We will continue to focus on the supply of aggregates to all available markets. It is anticipated that for 2024, we will continue to grow in all sectors, as demand is expected to increase for road paving and concrete projects. RML continues to be devoted to providing affordable, high-quality concrete solutions and innovative technologies while remaining customer focused.

In Jamaica, the total domestic cement demand remained strong with a slight decrease of approximately -0.5% in 2023 compared with the previous year, due to a reduction in consumption of the self-construction segment of around -5.2%. This contributed to Caribbean Cement Company Limited's (CCCL's) total domestic sales volume decreasing by -1.9% in comparison to 2022. Specifically, our cement volumes in bags dropped about -4.3% while our bulk sales increased by +9.6%. This reflects a dynamic experience in most of our markets, where the increase in formal business was unable to offset the decline in the self-construction segment.

In Barbados, the overall market declined by -14.3% of which Arawak Cement Company Limited (ACCL) experienced a decline of -8.8% in domestic cement volumes vs 2022. Despite this, we were able to capture an increased share of sales of 3.9%.

The overall cement demand in Guyana increased by 15% in 2023 compared to 2022. At this pace, we are estimating that Guyana's domestic cement market could surpass the Trinidad and Tobago market during 2024.

For us, TCL Guyana Incorporated's (TGI's) domestic sales volumes increased in 2023 by approximately 20.2% because of the redistribution of markets.

3.0 SUSTAINABILITY

FUTURE IN ACTION – COMMITTED TO NET-ZERO CO_2

We continue to be fully aligned to Cemex's 'Future in Action' programme, which focuses on the achievement of sustainable excellence through climate action, circularity, and natural resource management. Our primary aim is to become a net-zero CO_2 company by 2050 through the implementation of specific strategies based on 6 fundamental pillars: Sustainable Products & Solutions, Decarbonising our Operations, Circular Economy, Water, Biodiversity & Other Emissions, Innovation & Partnerships, and Promoting a Green Economy.

In executing our CO_2 roadmap in 2023, we further reduced our carbon emissions by 24.6 Kgs from 2022 (3pp net), proving our firm commitment to net-zero emissions. This was primarily driven through a reduction of 0.8pp in our clinker factor, and 1.5pp in plant heat consumption. We will continue to implement strategies aligned to Cemex's target to reach around 430kg CO_2 per mt cementitious products, an approximate 47pp reduction in CO_2 emissions by 2030. In Trinidad and Tobago, and Jamaica, we have already begun to reap dividends through this strategy, having realised a reduction in our carbon footprint through our Vertua portfolio and the introduction of Type HE (High Early) cements in Jamaica.

Notably, we are moving full speed ahead with the execution of our US$40M capacity expansion project at Caribbean Cement Company Limited with a key component to increase our capacity by up to 30% while targeting optimisation of our heat consumption in the cement manufacturing process. This project will therefore strengthen our position to supply the local market, allow us to start an export programme and minimise the company's carbon footprint in Jamaica.

In addition, we have continued exploring different and new sources of alternative fuels. In Trinidad and Tobago, we continue to advance in our plans with the Trinidad and Tobago Solid Waste Management Company Limited (SWMCOL) to utilise the misplaced resources of local landfills, diverting waste into energy conversion in TCL's kilns. We have also expanded our role in providing an urban solution for various waste types, such as the coprocessing of waste from the Kingston Harbour Clean Up project in collaboration with Clean Harbours Jamaica Ltd., and the use of clay brick waste from our industrial customers in Trinidad and Tobago. We have also set ambitious targets across the Group to become "Zero Waste Plants" as we recognise the value of leading by example and the benefits of enhancing circularity that can mitigate our 'own waste' impact. In Barbados, we are now extending our producer responsibility by exploring the opportunity of Concrete Demolition and Excavation Waste (CDEW) management at one of our quarries. In this way, we can close the gap on the impact of concrete waste and potentially, in the future, valorise this waste through circularity. We continue to undertake other initiatives across the entire cluster such as beach cleanups, which in the case of Jamaica, the waste is being disposed of in our cement kiln.

In 2023, the TCL Group remained focused on addressing dust emissions. With this goal in mind, a US$7M will be invested in dust abatement for Jamaica and Trinidad and Tobago from 2024. Commitments like these represent our intention to not only create a global impact by reducing carbon emissions, but also to target our localised impacts at the country level across the Group. Biodiversity conservation also grew across the cluster with TCL strengthening the partnership with the BIOSCAN project to explore and preserve species of biological interest in the Mayo quarry. Trinidad and Tobago's contribution to high non-freshwater consumption across TCL and the region using the Mayo ponds for rainwater capture was a highly remarkable achievement. In Jamaica, the Bull Bay Community Garden was launched in collaboration with several stakeholders: the Forestry Department, the National Environment & Planning Agency, the Bull Bay community, and Infant School, to raise awareness on endemic and endangered species in the country and the space will continue to raise awareness throughout 2024.

The TCL Group and the National Gas Company (NGC) in Trinidad and Tobago have been working collaboratively in support of climate action targets, by cooperating on programmes and initiatives in areas related to carbon capture and storage (CCS), while also examining the impact of energy efficiency and CCS on the use of fossil fuels. We are also now leveraging Cemex's global expertise with NGC's local knowledge and network to develop a sustainable solution for the disposal of waste in Trinidad and Tobago, solving a long-lasting environmental issue.

These achievements, in their own distinct rights, represent our dedication to sustainable excellence and how we have empowered our teams to make a difference.

T&T Circularity: Use of Plastics in Concrete

4.0 INNOVATION

During 2023, greater emphasis was placed on Innovation, a strategic priority for us at the TCL Group, where we put our knowledge and resources to work in the pursuit of breakthrough innovations designed to achieve our overall goals.

Across the TCL Cluster we introduced several new initiatives to strengthen our innovation culture. This included the "HEART" principle, our Innovation roadmap used to guide the strategic innovation focus in 2023. HEART spoke to the passion that we bring as a Caribbean region, in all that we do. We need to be passionate about process developments, introducing new and emerging technologies and finding disruptive, innovative solutions to achieve our goal of carbon neutrality.

Several focus groups were conducted across our cluster to understand our employees' viewpoints with respect to innovation and the innovation process. Using the feedback from these sessions we were able to create a comprehensive Exposure and Communication campaign. During 2023, we held two innovation bootcamp sessions in Trinidad and Tobago and Jamaica, where 45 of our employees were trained in innovation tools and concepts. This two-day immersive training allowed our employees to learn about agile and design thinking methodologies.

In 2023, we also launched our TCLG's 'Smart Innovation Champions' Trophy, an internal competition among our cluster to motivate and reward employees for their contributions to the innovation pillar.

During 2024, we anticipate that innovation will continue to be a major component of our Group and plan to embark on key initiatives to further enhance a culture of innovation and the recognition of disruptive ideas.




Innovation Bootcamp Training


Recognition of Ideators & T&T Winner of Cluster's Smart Innovation Champion's Trophy

Recognition of Innovation Ambassadors

Mandatory Innovation Training in our Onboarding of New Hires

5.0 EBITDA GROWTH

FINANCIAL REVIEW AND ANALYSIS

Despite the challenges during the year, the Group reported solid operating results for 2023. The Group's total revenue of $2.2 billion represented an 8% increase when compared to 2022. Adjusted EBITDA reached $514 million, a 1% decrease compared to the prior year, but a solid recovery from earlier in the year. Approximately 85% of this EBITDA performance is attributed to the Jamaican operation that continues to deliver a strong performance.

The Group recorded annual net income of $170.1 million versus $57.8 million in the preceding year. This increase in net income mainly represents the effect of restructuring expenses of $125.7 million recorded in 2022.

REVENUE

Total revenue of $2.2 billion was recorded in 2023, an 8% increase when compared to 2022, mainly resulting from increased sales volumes in Guyana and Trinidad and Tobago and price increases implemented to contain inflationary costs.

OPERATING RESULTS

The Group recorded “Operating earnings before other expenses and other income and credits” of $384.4 million in 2023, representing a decrease of $2 million or 1% compared to 2022. This was mainly attributed to major maintenance performed in the Jamaica operation during the first quarter of 2023 offset by an increase in revenues across all the businesses.

NET FINANCE COSTS

The Group’s annual net finance costs increased by 12% to $48.0 million. This was because of the increased interest rates on the floating rate debt and the interest effect of lower pension plan assets. These increases offset the reduction of interest costs due to the reduction of overall debt balances.

LIQUIDITY & FINANCIAL POSITION

Cash generated from operating activities in 2023 was $461.8 million, an increase of 72% compared to 2022. A significant amount of this, specifically $126.3 million was used for capital investment, $18.3 million for dividends and $32.9 million related to a net reduction of borrowings.

The Group has commenced negotiations of related party loan facilities expiring in 2024 and is confident that these will be successfully completed.

Overall, 2023 was a strong fiscal year for the TCL Group. These solid financial results are a testament to a well-executed strategy designed to face the economic challenges and post pandemic uncertainty, and most importantly, the dedication and commitment of our people.

GROUP OPERATIONS

During 2023, the TCL Group made a total CAPEX investment of US$18.7 million in safety, sustainability, and plant efficiency improvement projects across all its operations.

In Jamaica, a total of fifty-four projects were approved in the 2023 portfolio of Caribbean Cement Company. The programme was designed to bring additional value in areas of health and safety, plant efficiency and sustainability which includes quality and environment with emphasis on CO_2 reductions, raw material substitution and dust mitigation. The most noteworthy projects executed in Jamaica during the period were the electrolyser unit, UTIS, kiln debottleneck procurement phase, Phase 2 of the new administration building, upgrade of cement mill 5's main gearbox, reparation of cement mill 4's shell, modernisation of laboratory equipment, acquisition of new self-discharge bulk tankers with special safety features to protect road users, and the continuation of building resilience in the IT and security infrastructure.

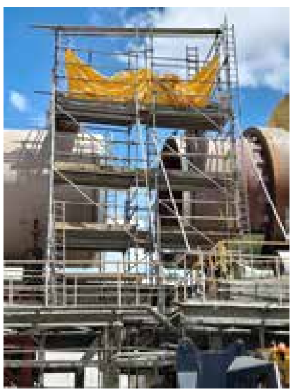
In Trinidad and Tobago, we focused on plant upgrades, our decarbonisation efforts, and safety. We completed the Kiln Shell replacement and finalised the refurbishment of the underwater pillars of the jetty and the slurry lines from Mayo to Claxton Bay, improving their integrity. Aligned with Cemex's Future in Action goals, we finalised the engineering of our CO_2 projects: calcinated clays, dewatering project, and the Kiln 4 RDF, aimed at reducing the clinker factor and energy consumption. During 2024, in the cement mill area, we are aiming to complete the micronisation and additives project. This project is focused on the reduction of our clinker requirements, while increasing cement production. We are also refurbishing our cement mill with focus on the separator, our roller press and recirculation bucket elevator. Through these projects, we expect to reduce our clinker consumption by 5pp and boost our grinding capacity. In the kilns and related to alternative fuels, we expect to finalise the three-month trial using waste oil and implement the shedder plastic injection as RDF. These two initiatives will allow us to reduce gas consumption and dependence.

In Barbados, we invested in our cement mill upgrades and jetty crane operations to improve reliability and efficiency of our plant.

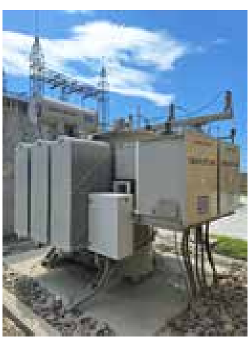
In Guyana, we invested in information technology infrastructure and mobile equipment upgrades with the procurement of two additional forklifts.

T&T: Slurry Line Upgrade

T&T: Micronisation



T&T (L-R): Traffic Management, Kiln 3 Shell Replacement, Jetty Pier Upgrade



JAM: Transformer and UTI's

JAM: Administration Building

JAM: Breaker for new Transformer

JAM: New Iron Ore Hopper

JAM: New Lab Equipment

QUALITY

We remain focused on customer centricity as a main priority and core value. As a result, our efforts are aimed at providing a superior customer product and service, ensuring that we comply with both local and international standards. We continue to leverage Cemex's research and development to ensure that we deliver superior building products and solutions that perform at the highest standards.

In Jamaica we continue to develop our lower carbon footprint brand through the sale of our newest product, High-Early Strength ("HE") Low Carbon Industrial Cement, which was launched in 2022 in alignment with our 'Future in Action' strategy. In addition, all cement dispatched during 2023 met the Jamaica Standards (JS) and American Society for Testing and Materials (ASTM) product specifications, and our in-house laboratory also successfully demonstrated technical competence by conducting nine (9) standard test methods on cement and by keeping our ISO/IEC 17025:2017 plant accreditation. We continue to be the only accredited laboratory in the Caribbean regarding cement testing.

In Trinidad and Tobago, all cement dispatched complied with the Trinidad and Tobago's Bureau of Standards (TTBS) and the ASTM product specifications, and our quality management system, which is certified to ISO 9001:2015.

In Barbados, we operate under ASTM C1157 Type GU standards.

CONCRETE AND AGGREGATES OPERATIONS

At Readymix (West Indies) Limited (RML), the operational focus remained on increasing plant efficiencies and quality. In 2023, we continued our efforts to optimise the cost structure, and to remain competitive without compromising the operations reliability.

At our quarries, RML continues to conduct sand and gravel extraction methods as guided by Cemex experts. There was a shift in mining and haulage contractors, and this combined with the pit-run exploration project contributed greatly to further establishing the aggregates division. Reforestation and rehabilitation efforts continue, ensuring that the areas exploited are properly regenerated.

SUSTAINABLE ROAD SOLUTIONS

In Trinidad and Tobago, key engagement with government agencies and large contractors on concrete roads continues in public private partnerships (PPP) for 2024. In 2023, 13 private sector road construction projects were completed resulting in a converted cement volume of 330MT. Public sector dialogue and advocacy proved to be successful with four confirmed public projects awarded and will be executed in 2024. The first one commenced in Q1 on the Churchill Roosevelt Highway Upgrade project. In 2024, the targeted sales of cement for road construction of 200MT/year remains with the focus shifting to public sector projects.

In Jamaica, we continue to advocate for the use of concrete road construction. In 2023, we again partnered with the government to construct another fourteen kilometres of cement stabilised marl base for construction of the Montego Bay Perimeter Road. Additionally, we have partnered with Paradisiac, which will begin coloured concrete road construction including stamped concrete driveways. We were also successful in partnering with Stanley Consultants Jamaica to use concrete for highway roads at Rosselle in the parish of St. Thomas. This project has been completed and is now open to the public. The National Works Agency successfully implemented rigid pavement in key areas along 2 class B roadways which have been severely affected by flood damage in the past. Another significant milestone is the partnership with the Ministry of Local Government, through the Kingston and St Andrew Municipal Corporation to construct its first concrete road in the Bull Bay area in Kingston.

Concrete roads in Trinidad (above) and Jamaica (right).

HOUSING

Housing remains a major socio-economic issue for the Caribbean. Most countries have demonstrated that affordable housing is an ongoing challenge, particularly for those in the lower income bracket. In Trinidad and Tobago, discussions with the Trinidad and Tobago Housing Development Corporation (HDC) have been ongoing to fill the gaps in low-cost housing. Both TCL and RML have been providing support to assigned contractors through bundled packages for housing. Phase Two of the East Lake Housing project began in September of 2023 and is expected to be completed in 2024.

HUMAN CAPITAL

The TCL Group remains committed to providing a diverse, inclusive, and stimulating workplace for our team, enabling over three hundred collaborators to achieve their maximum potential.

We have maintained open communication with our employees, actively seeking direct feedback on our work environment and their levels of engagement. Since 2019, we have been monitoring the eNPS, a valuable metric assessing the effectiveness of our various employee programmes tailored to enhance the workforce experience based on our employees' main concerns.

In 2023, our employees assessed our initiatives and interactions and awarded us an eNPS of 34, showcasing a noteworthy advancement of +10 points compared to 2022 and a cumulative improvement of +26 since its inception in 2021. Moving forward, we are dedicated to further improving the engagement with our collaborators. At the TCL Group, we firmly believe that fostering a highly engaged workforce is crucial to ensuring the company's safety and achieving superior performance.

To enhance the employee experience, the Group continues to implement systems and platforms aimed at better alignment with the parent company, fostering improved communication, and encouraging collaboration. In 2023, we continued to strengthen the use of platforms such as SAP, SUCCESS FACTORS – Performance Appraisal Tool, and SPARK in elevating the services offered to our employees and maintained our seamless integration into the 'One Cemex' model.

In response to the dynamic world of work, we have crafted policies and initiatives to align with the evolving work landscape, and we persist in operating under adjusted frameworks. Through the prioritisation of the needs of our stakeholders, we are dedicated to navigating the realm of work-life balance.

In alignment with Cemex, the TCL Group recognises diversity, equity, and inclusion as one of the fundamental pillars supporting our mission to contribute to a better future through our endeavours. We are delighted to have maintained our gold-level recognition from Cemex for our Diversity, Equity, and Inclusion (DEI) action programme. This achievement serves as a genuine acknowledgment of our dedicated efforts and tangible outcomes in fostering a more inclusive and diverse environment.

Diversity, Equity, and Inclusion

ETHOS

The TCL Group has aligned its Ethics Standards with those of Cemex to strengthen our commitment to conducting business in compliance with all applicable laws, rules, and regulations, and in accordance with the highest ethical standards. This commitment applies to everyone: employees, contractors, customers, and their relatives, etc. We are also committed to regularly revising our code to align with global standards. Our scope includes ensuring a Safe and Respectable Workplace, Fair Dealings with Our Stakeholders, Compliant Operations, Responsible Decision Making, and Proper Information Management. We provide several reporting channels, including Ethos line Web, Ethos line Phone, and direct email to global or local committee members, HR, Legal, or to ethos@cemex.com.

We reinforce our standards by implementing mandatory Ethics training for all employees through our Cemex University Platform, as well as in-person sessions for our Operative staff. It is important to us that our employees are knowledgeable about our Ethics standards and have the necessary tools to report breaches, either anonymously or in person, based on their preference.

We remind our employees to adhere to our code and policies, report misconducts and suspicions and inspire others to act with integrity.

TRAINING AND DEVELOPMENT

In continued collaboration with prestigious local universities, our Cemex Campus programme remains a primary objective, underscoring our firm belief in educating the upcoming generation of talented individuals about our operations. We have successfully completed three (3) seasons of this programme and look forward to more sessions and to expanding our scope and reach. At the Cemex TCL Group, we believe it is crucial to provide students with the essential skills required not only for the workplace but also to meet the expectations of a multinational company.

We will persist in providing a diverse range of training and development opportunities for our employees, utilising both in-person and virtual platforms. By leveraging the Cemex University and DEGREED learning environments, our employees can engage in various training modules. This approach ensures that our workforce has easy access to a broad spectrum of resources, enabling them to grasp Cemex's priorities, protocols, policies, and specialised training relevant to their respective areas.

Some of the many training programmes offered in 2023 included: Health & Safety, Environmental Management, Leadership Skills, Business Ethics & Human Rights, Operations Academy, Supply Chain Academy, Diversity & Inclusion: Affinity Bias, Microsoft Excel for Office Levels 1-3, First-Aid, Business Language – Latin American Spanish, Wellness Talks, Culture and Values, Anti-trust, and Compliance.

COMMUNICATIONS

We continuously strive to maintain innovative, effective, and responsible ways of communicating with our internal and external stakeholders. We believe that open dialogue, collaborative, honest and respectful communication, are key to driving innovative solutions, improvements, and to achieving positive results. We continue to leverage our digital technologies and committed human resources to improve communication with our various publics, and to ensure that alignment is maintained across our strategic areas. Our communication systems are efficient and innovative and complement the fast-paced, high performance, engaged culture that defines the Cemex TCL Group.

As an innovation-driven organisation that is part of a wider global network, communication remains crucial in enabling us to advance and expand our capabilities.

6.0 EXECUTIVE MANAGEMENT APPOINTMENTS

Denise Michelle Roopnarinesingh was appointed Group Manager Legal effective July 17, 2023, and Company Secretary effective August 7, 2023.

Jorge Alejandro Martinez Mora was appointed Managing Director of CCCL effective December 1, 2023.

7.0 LOOKING AHEAD

During 2024, our company will remain resilient and focused on our key strategic priorities of Health and Safety, Customer Centricity, Innovation, Sustainability, and EBITDA Growth. We are determined to continue enhancing our innovation and sustainability pillars, which are vital for our journey to carbon neutrality.

Our strong performance in 2023 gives us a solid base for our ongoing growth this year. However, we are carefully optimistic about the outlook for 2024, considering the persistent global economic uncertainty and its potential impact on our region.

In 2024, we aim to continue preparing for further growth in the region, with a mindful commitment to our carbon neutrality agenda. We anticipate that our capacity expansion at Caribbean Cement will be nearly finished by the end of this year, which will enable us to expand our capacity to serve the regional markets from Jamaica as well. At the same time, we are prepared to tackle the challenges of rising costs and market dynamics in the region.

We plan to keep our strong share of the market, supported by excellent customer service, and the ongoing development of value propositions for our customers.

We will continue to invest in our most valuable asset, our employees, by developing their skills and competencies through our comprehensive training and development programmes. Moreover, we will reinforce our commitment to our communities by building partnerships, raising awareness, and creating a sustainable future for our region.

Our management teams keep track of developments in the region, progress in new technologies and emerging trends, and are ready to seize growth opportunities in our markets. In 2024, we are pleased to announce that our parent company, Cemex has achieved investment grade, a key strategic priority for our company's growth. Therefore, we are confident that we can overcome any upcoming challenges with resiliency and determination, so that we can continue to Build a Better Future.

8.0 ACKNOWLEDGEMENTS

We must acknowledge our people, who have been responsible for our business continuity despite the challenging times. We deeply appreciate their efforts in enhancing our products and contributing to a better organisation.

We appreciate our customers and end-users who continue to support our brand and give us the opportunity to create value for our region.

Special recognition to our communities for providing us with the platform to share our plans and enabling us to demonstrate our commitment to achieving a sustainable future.

Thank you to our shareholders for embracing our vision, and for your continued confidence and patience as we navigate these challenging times.

To our chairman, David G. Inglefield, and fellow directors - special thanks for your outstanding leadership, direction, and vision.

Our stakeholders are the key to our success, allowing us to create value through innovative solutions, as together we build a stronger, sustainable region.

On behalf of our management team, and employees, we thank you all for your continued confidence in the Cemex TCL Group.

Francisco Aguilera Mendoza
Managing Director, TCL Group

SOCIAL IMPACT: ADDING VALUE TO COMMUNITIES

At the Cemex TCL Group, our goal is to add value to the communities in which we operate, and we do this with a core focus on People, the Economy, Structures and Cities.

In 2023, we continued making a positive difference through several collaborative and innovative initiatives aligned to our parent company, Cemex's Social Impact Strategy.

We are always striving to empower people with tools and resources that contribute to their development and social and economic mobility; strengthen local economies through projects and collaborations that promote entrepreneurship, skill and employability training, and sustainability.

As a key player in the construction materials industry, we leverage our expertise and materials to improve infrastructure and social spaces in our communities, which positively impacts society and uplifts the lives of residents. Our goal is to build more resilient communities that can withstand the challenges of today and in the future, including the major threat of Climate Change.

Here are highlights from some of our 2023 social impact initiatives:

TRINIDAD AND TOBAGO

Coastal clean-up at Mayaro Beach

In June, TCL partnered with two local NGOs - Flying Tree Environmental and International Coastal Clean Up Trinidad and Tobago (ICCTT) to remove debris from one of the country's most expansive and popular beaches. More than one hundred of our employees and their family members turned up, volunteering their time to make a positive environmental impact in the Mayaro community. This exercise was geared toward tackling climate change and promoting sustainability through collaborative and individual efforts and actions. It resulted in the removal of over eight hundred (800) pounds of waste from the coastline, which helped to alleviate flooding, beautify the area, and protect marine life in the Mayaro community, where fishing and tourism are major economic drivers.

Scholarships for students of the University of Trinidad and Tobago (UTT)

As a prominent university, the UTT is a strategic partner to TCL, and in 2023, we were pleased to provide support in the form of scholarships and grants in the areas of Engineering, Manufacturing, and Entrepreneurship to several students faced with financial constraints. This investment represents our commitment to young people and their skill development, and to helping shape the future of our industry by supporting key programmes aligned to our operations.

Refurbishment of the Mayo Basketball Court and Gordon Square Park

The Mayo community is home to our limestone quarry, and therefore one of our key operating communities. Over the years, TCL has continued to invest in the development of Mayo and its residents as part of our commitment to giving back to our communities. One of our main projects at Mayo in 2023 was the refurbishment of the Mayo Basketball Court and Gordon Square Play Park. This location is an important communal area for residents to socialise and stay healthy, and by upgrading these facilities, we continued to provide a productive and healthy space for residents. In particular for young people, providing them with opportunities to develop their skills in sport. This project was executed in collaboration with community members and our team of employee volunteers.

Support to schools in our areas of operation

TCL recognises the importance of education to the progress of society and remains committed to investing in learning institutions and young people within our communities. In 2023, the company stepped up its support to schools across Trinidad and Tobago, including Mayo, Claxton Bay, and Arima. Donations were given for school events, extracurricular activities, and learning tools for students in need. We also facilitated educational campaigns focused on hygiene, climate action, and road safety targeting vulnerable road users, especially children.

Two significant projects which targeted our schools and young students were our annual 'Back to School' Drive and S.E.A. Scholarship Programme – 'Build Your Future' Award. Twenty-five (25) students beneffited from the latter, having received financial support for their secondary education based on academic achievement, financial need, and extracurricular activities.

Our 'Back-to-School' drive reached over one hundred and fifty (150) students across our communities, who were all happy to receive school bags, books, and stationery in support of their educational needs. With these investments in education, TCL hopes to lay the foundation for a brighter future for all.

JAMAICA

National Tree Planting Day

Right: Sustainability Leader at Caribbean Cement Company Limited, Shannen Suckra Baker (second left), plants a Jamaican Mahogany seedling at the official commissioning of the Bull Bay Community Garden in St. Thomas on National Tree Planting Day celebrated on October 6. Others participating (from left) are Contractor, Chief Executive Officer of Exclusive Maintenance Services, Wray Mullings; Acting Quality Coordinator, Ricard Hemmings; Professional in Development for Environment and Sustainability, Jordan De Sousa; Sustainability Engineer, Jason White and Quality Coordinator, Shaquina Francis.

Left: Strategic Planning Manager at Caribbean Cement Company, Juan Nurinda, plants one of four hundred and fifty (450) trees at the company's reforestation project in the Gypsum Quarry at 10 Miles, Bull Bay on December 2. The reforestation project falls under the company's Future in Action programme and relates to the biodiversity pillar dedicated to positively impacting nature by preserving, restoring, and enhancing it at every step of the value chain. Future in Action is geared at reducing the company's carbon footprint.

Concrete Pavement

Then Managing Director of Caribbean Cement Company Limited, Yago Castro (left), and Prime Minister, the Most Hon. Andrew Holness (right), participates in the symbolic unveiling of signage following a ceremony to commission a concrete pavement in the Prime Minister's St. Andrew West Central constituency on July 13.

Book Vouchers

Then Managing Director of Caribbean Cement Company Limited, Yago Castro (right), shares in a photo opportunity with Executive Director of the MultiCare Youth Foundation, Alicia Glasgow Gentles (left), and students, following a ceremony to hand over one hundred and seventeen (117) book vouchers each valued at J$20,000 to students residing in our fence line communities. The event took place at Caribbean Cement's Sports Club on August 17 where a cheque valued at J$1million was also presented to the MultiCare Youth Foundation to assist with a social intervention programme for underserved youth.

Beach Clean-Up

Caribbean Cement Company Limited's former Managing Director, Yago Castro (left), and Managing Director of RUBiS Energy Jamaica Limited, Michel Malatino, recover garbage from a beach clean-up exercise at the Palisadoes Beach strip in East Kingston on June 10. Some of the recovered material will be co-processed in the company's kiln to provide energy in the cement-making process.

TCL GROUP BUSINESS UNITS - MANAGEMENT TEAMS

Trinidad Cement Limited

TRINIDAD CEMENT LIMITED

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

Trinidad Cement Limited (TCL) was incorporated in Trinidad in 1951 and began production in 1954. Its primary activities are the manufacture and sale of TCL ECO cement, TCL Premium Plus cement, and Class G High Sulphate Resistant (HSR) oilwell cement. The distribution of its shareholding is detailed on page 8.

Company Secretary
Mrs. Denise Michelle Roopnarinesingh

Management Team

1. Mr. Guillermo Rojo de Diego - General Manager (with oversight for RML and TPM)
2. Mr. Rodney Cowan - Sales Industrial Segment & Government Relations Manager
3. Ms. Lisel Cozier - Procurement Manager
4. Ms. Janelle Collins - Communications and Social Impact Coordinator, TCLG
5. Mrs. Gloria Jacobs - Projects & Operations Support Manager
6. Mr. Ravi Bahall - Engineering Services Manager
7. Mrs. Reshma Gooljar-Singh - Sales Distributor Segment Manager
8. Mr. David Neuhaus - Operations Manager
9. Ms. Khelley Green - Human Resources Leader, TT
10. Mrs. Elena Dupres - Health and Safety Coordinator

TCL Group Business Units - Management Teams

Readymix (West Indies) Limited

READYMIX (WEST INDIES) LIMITED

Registered Office
c/o Trinidad Cement Limited
Southern Main Road, Claxton Bay
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Website: www.readymix.co.tt

Readymix (West Indies) Limited (RML) was incorporated in Trinidad and Tobago in 1961. Its primary activities are the manufacture and sale of pre-mixed concrete, the winning and sale of sand and gravel (aggregates) and participation in other ventures that promote the utilisation of concrete and aggregates. In 1995, Trinidad Cement Limited (TCL) acquired majority ownership of the company.

Board of Directors
Mr. Michael Glenn Hamel-Smith (Chairman)
Mr. Francisco Aguilera Mendoza
Mr. Anton Gopaulsingh
Mr. Guillermo Rojo de Diego

Distribution of Shareholding:

Trinidad Cement Limited	**98.34%**
Other Shareholders	**1.66%**

Company Secretary
Ms. Vahni Kaara Seunath

Management Team
1. Mr. Guillermo Rojo de Diego - General Manager, Trinidad Cement Limited (with oversight for RML)
2. Mr. Afzal Ali - Commercial Manager
3. Mr. Kurt Rocke - Aggregates Coordinator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Caribbean Cement Company Limited

CARIBBEAN CEMENT COMPANY LIMITED
CARIB CEMENT

Registered Office
Rockfort,
Kingston,
Jamaica, W.I.
Tel: (876) 928-6231-5
Fax: (876) 928-7381
Website: www.caribcement.com

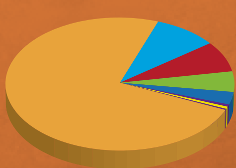
Caribbean Cement Company Limited (CCCL) was incorporated in Jamaica in 1947 and commenced production in 1952. Its primary activities are the manufacture and sale of Carib Plus Vertua (ECO brand) and High-Early (HE) Strength Cement. CCCL has one subsidiary, Rockfort Mineral Bath Complex Limited, a national heritage site and mineral spa.

Board of Directors
Mr. Parris A. Lyew-Ayee (Chairman)
Mr. Francisco Aguilera Mendoza
Mr. Jorge Alejandro Martinez Mora (Managing Director)
Mr. Luis Ali Moya
Mr. Hollis N. Hosein
Mr. Peter Moses
Ms. Alejandra Hernandez Blanco

Company Secretary
Mr. Craig Neil

Distribution of Shareholding:

Grouping	% holdings
TCL Group	74.09%
Financial Institutions	8.98%
Individuals	7.74%
Cemex	4.96%
Pension Funds	3.03%
Companies	0.57%
Government	0.39%
Churches, Clubs & Assoc.	0.24%
Total	100.00%



Management Team

1. Mr. Jorge Alejandro Martinez Mora - Managing Director
2. Mr. Miguel Roberto Estrada Sanchez - Group Cement Operations and Technical Manager
3. Mr. Rogelio Barahona - Sales and Commercial Manager
4. Mr. Rohan Anderson - Process Manager
5. Mr. Christopher Brown - Production Manager
6. Mr. Christopher Bryan - Capital Projects Manager
7. Mr. Craig Neil - Legal Counsel and Company Secretary

8. Mr. Angel Rivera - Supply Chain Manager
9. Mr. Anthony Jones - Head of Finance
10. Mr. Juan José Ñurinda Vásquez - Strategic Planning Manager
11. Mr. Pablo Bahamon Palencia - Maintenance Manager
12. Mr. Eduardo Guillen Torres - Quality and Quarry Manager
13. Mr. Randy Nuñez Fuentes - Procurement Manager
14. Mr. Garen Williams - Distribution Sales Manager

TCL Group Business Units - Management Teams

15.	Mr. Andre Nelson	- Industrial and Building Solutions Manager
16.	Mr. Chad Bryan	- Communications and Social Impact Coordinator
17.	Mr. Andre Haynes	- Health and Safety Coordinator
18.	Mr. Mark Webster	- Security Coordinator
19.	Mr. Norville Clarke	- Enterprise Risk Manager (TCLG)
20.	Mr. Jorge Enrique Camelo	- Group Human Resource Manager (TCLG)

Arawak Cement Company Limited

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

Arawak Cement Company Limited (ACCL) was incorporated in Barbados in 1981 and acquired by TCL in 1994. Its primary activities are the grinding of clinker and the production of cement (with effect from March 15, 2023).

Board of Directors
Mr. Arun K. Goyal – Chairman
Mr. Francisco Aguilera Mendoza
Mr. Roberto Adrian Villarreal Villarreal
Mr. Gustavo Alejandro Ruiz Silva
Mr. Edgar Campos Piedra

Company Secretary
Ms. Alysha Shepherd

Management Team
1. Mr. Roberto Adrian Villarreal Villareal - General Manager (with oversight for TGI)
2. Ms. Kristal-Anne Ally Clarke - Production Superintendent
3. Mr. Leonardo Rojas Rondon - Planning Manager
4. Mrs. Magda Argueta King - Procurement Advisor
5. Ms. Peta Lee Blackman - Human Resources Business Partner
6. Mr. Noel Hernandez - Maintenance Manager
7. Mr. Humberto Gutierrez Prado - Treasury & Consolidation Manager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TCL Ponsa Manufacturing Limited

TCL – PONSA
MANUFACTURING LIMITED

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

TCL Ponsa Manufacturing Limited (TPM) was incorporated in Trinidad in 1995. Its primary activities are the manufacture and sale of single-use slings. It is also involved in the sale of jumbo bags, reusable slings, safety harnesses and polypropylene sacks, as well as webbing for use in the furniture industry. The company is fully owned by Trinidad Cement Limited.

Board of Directors
Mr. Arun K. Goyal - Chairman
Mr. Edgar Campos Piedra
Mr. Guillermo Rojo de Diego
Mr. Gustavo Alejandro Ruiz Silva

Company Secretary
Ms. Vahni K. Seunath

Mr. Stephen Ramcharan - Technical Coordinator

TTLI Trading Limited

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

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

Board of Directors
Mr. Francisco Aguilera Mendoza
Mr. Roberto Adrian Villarreal Villarreal
Mr. Pedro Emilio Herrera Gazzani

Company Secretary
Ms. Alysha Shepherd

Mr. Jaris Liburd - Business Manager

TCL Guyana Incorporated

TCL GUYANA INC.

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

TCL Guyana Incorporated (TGI) was incorporated in the Republic of Guyana on March 17, 2004. Its primary activity is the packaging of bulk cement for sale on the Guyanese market (cement terminal facility).

Board of Directors
Mr. Arun K. Goyal (Chairman)
Mr. Francisco Aguilera Mendoza
Mr. Roberto Adrian Villarreal Villarreal
Mr. Edgar Campos Piedra

Distribution of Shareholding:

TCL (Nevis) Limited	**80%**
Trinidad Cement Limited	**20%**

Company Secretary
Mrs. Denise Michelle Roopnarinesingh

Mr. Roberto Adrian Villarreal Villarreal - General Manager, Arawak Cement Company Limited (with oversight for TGI)

Creating Value through

SUSTAINABLE OPERATIONS

Our corporate sustainability integrates socio-economic and environmental considerations into our business operations. It encompasses responsibility, resilience and innovation for lasting impact, and fills the needs of the present generation while keeping in mind the needs of future generations.

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Trinidad Cement Limited

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Trinidad Cement Limited ("the Company") and its subsidiaries (collectively, "the Group") which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated income statement, consolidated statements of comprehensive income, changes in shareholders' 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 consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

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

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

Francisco Aguilera Mendoza
Managing Director
March 28, 2024

Edgar Campos Piedra
Group Finance Manager
March 28, 2024

KPMG Chartered Accountants
Savannah East
11 Queen's Park East
Port-of-Spain
Trinidad and Tobago, W.I
Tel +1 868 612 5764
Web www.kpmg.com/tt

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited

Report on the Audit of the Financial Statements Opinion

Opinion

We have audited the consolidated financial statements of Trinidad Cement Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the statements of consolidated income statement, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and of its consolidated financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

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.

Valuation of employee benefits obligation

Key audit matter	How our audit addressed the key audit matter
Refer to Notes 2.3 (ii) 2.12 and 17. The Group operates defined benefit pension plans and post-retirement medical benefit schemes. Significant assumptions are used in estimating the Group's obligation for these employee benefits. The estimation process poses a significant risk of misstatement, as small changes to the assumptions can have a material impact on the consolidated financial statements. The key assumption in calculating the obligation is the discount rate. The Group appointed an external actuarial expert to guide the determination of the assumptions and compute the obligation. The quality of disclosure was also considered to be a key area of audit focus. The notes to the consolidated financial statements regarding the Group's application of the accounting standard, and disclosures around sensitivity of assumptions, are critical to explaining the key judgements made by management.	Our audit procedures over the valuation of the employee benefits obligation included, but were not limited to: • The testing of the design and implementation of the Group's controls applicable to the basis of arriving at the estimate of the retirement benefit obligation. • Assessing the reasonableness of the data used in the estimate by selecting a sample of the underlying data and agreeing the items back to the underlying source records. Engaging our own actuarial specialists to independently evaluate the method and assumptions used to develop the estimate of the pensions and post-employment benefit obligation which included but were not limited to the following: • Determining that the actuarial valuation was performed using the projected unit credit method in accordance with the relevant accounting standard. • Evaluating the method and assumptions used to develop the estimate which included but were not limited to the discount rate, salary increases, pension increases, medical premium inflation and claim costs.

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
	• Evaluating the analysis of the movements in the retirement benefit obligation during the year, including consideration of whether the movements were in line with our expectations based on our knowledge of the Group and the industry in which it operates. • Determining whether the Group's accounting policy and disclosures were in accordance with the relevant accounting standards. No material exceptions were noted as part of our testing.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's 2023 Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Group's 2023 Annual Report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the Group's 2023 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

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

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 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 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.

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

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

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

The engagement partner on the audit resulting in this independent auditors' report is Dushyant Sookram.

KPMG

Chartered Accountants

Port of Spain
Trinidad and Tobago
March 28, 2024

CONSOLIDATED INCOME STATEMENT

(Thousands of Trinidad and Tobago dollars, except earnings per share)

		Years ended December 31	
	Notes	**2023**	**2022**
		$	**$**
Revenue	**3**	2,229,602	2,061,227
Cost of sales	**5**	(1,512,591)	(1,379,886)
Gross profit		**717,011**	**681,341**
Administrative expenses	**5**	(162,630)	(128,024)
Selling expenses	**5**	(20,882)	(15,943)
Distribution and logistics expenses	**5**	(149,148)	(151,014)
Operating earnings before other expenses and other income and credits		384,351	386,360
Other expenses	**6.1**	(104,365)	(189,600)
Other income and credits	**6.2**	15,221	16,017
Operating earnings		295,207	212,777
Financial expense	**7.1**	(54,773)	(44,238)
Financial income	**7.2**	6,785	1,278
Earnings before taxation		**247,219**	**169,817**
Taxation charge	**18**	(77,026)	(112,012)
NET INCOME		**170,193**	**57,805**
Non-controlling interest	**19.5**	(63,098)	(71,969)
CONTROLLING INTEREST		**107,095**	**(14,164)**
Basic and diluted earnings (loss) per share	**20**	**0.2880**	**(0.0381)**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Trinidad and Tobago dollars)

	Notes	Years ended December 31, 2023 $	2022 $
NET INCOME		**170,193**	**57,805**
Items that will not be reclassified subsequently to the income statement			
Change in fair value of equity investments at fair value through other comprehensive income	**12**	(1)	-
Net actuarial gains (losses) from remeasurements of employee benefit plans	**17**	17,055	(84,235)
Taxation recognised directly in other comprehensive income	**18.2**	(4,577)	20,896
	19.4	**12,477**	**(63,339)**
Items that are or may be reclassified subsequently to the income statement			
Effects from derivative financial instruments designated as cash flow hedges	**19.4**	(4,155)	(2,281)
Currency translation results of foreign subsidiaries	**19.4**	(22,162)	11,889
		(26,317)	**9,608**
Total items of other comprehensive loss, net	**19.4**	**(13,840)**	**(53,731)**
TOTAL COMPREHENSIVE INCOME		**156,353**	**4,074**
Non-controlling interest		58,877	72,266
Controlling interest		97,476	(68,192)
TOTAL COMPREHENSIVE INCOME		**156,353**	**4,074**

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands of Trinidad and Tobago dollars)

	Notes	Years ended December 31, 2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**8**	236,172	87,004
Trade accounts receivable, net	**9**	54,119	49,248
Other accounts receivable	**10**	63,875	73,998
Taxation recoverable		16,442	2,201
Inventories, net	**11**	378,468	417,358
Total current assets		**749,076**	**629,809**
NON-CURRENT ASSETS			
Investments	**12**	-	1
Property, machinery and equipment, net	**13**	1,556,352	1,591,163
Deferred taxation assets	**18.2**	94,175	102,479
Employee benefits	**17**	25,103	33,847
Total non-current assets		**1,675,630**	**1,727,490**
TOTAL ASSETS		**2,424,706**	**2,357,299**
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term debt	**14.1**	145,450	-
Other financial obligations	**14.2**	8,334	7,501
Trade payables		287,050	278,518
Taxation payable		22,046	33,205
Provisions	**16**	31,692	57,991
Other current liabilities	**15**	255,820	261,412
Total current liabilities		**750,392**	**638,627**
NON-CURRENT LIABILITIES			
Long-term debt	**14.1**	268,586	437,130
Other financial obligations	**14.2**	19,638	15,325
Employee benefits	**17**	169,741	180,390
Deferred taxation liabilities	**18.2**	210,108	204,925
Provisions	**16**	3,693	5,809
Total non-current liabilities		**671,766**	**843,579**
TOTAL LIABILITIES		**1,422,158**	**1,482,206**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Thousands of Trinidad and Tobago dollars)

	Notes	Years ended December 31, 2023 $	2022 $
SHAREHOLDERS' EQUITY			
Controlling interest:			
Stated capital	**19.1**	827,732	827,732
Unallocated ESOP shares	**19.2**	(20,019)	(20,019)
Other equity reserves	**19.3**	(334,318)	(313,888)
Retained earnings		326,442	205,444
Total controlling interest		**799,837**	**699,269**
Non-controlling interest	**19.5**	202,711	175,824
TOTAL SHAREHOLDERS' EQUITY		**1,002,548**	**875,093**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,424,706**	**2,357,299**

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

These financial statements were approved by the Board of Directors on March 28, 2024 and signed on their behalf by:

Director

Director

CONSOLIDATED STATEMENT OF CASH FLOWS

(Thousands of Trinidad and Tobago dollars)

	Notes	Years ended December 31, 2023 $	2022 $
OPERATING ACTIVITIES			
Net income		**170,193**	**57,805**
Non-cash items:			
Depreciation and amortisation of property, machinery and equipment	**13**	129,973	135,492
Financial expense, net		47,988	42,960
Pension plan and other post-retirement benefit	**17**	17,012	12,832
Loss from the disposal of assets and others, net	**6.1**	1,890	-
Write- off of property, plant and equipment		19,409	57,015
Restructuring provision	**6.1**	-	77,324
Taxation charge	**18**	77,026	112,012
Changes in working capital, excluding taxation (see below)		(1,684)	(226,397)
Cash generated from operating activities before financial expense, taxation and post-employment benefits paid		**461,807**	**269,043**
Financial expense paid		(20,987)	(29,188)
Financial income		6,785	1,278
Taxation paid		(87,776)	(71,086)
Pension plan contributions and other post-retirement benefit paid		(12,738)	(15,256)
Net cash flows from operating activities from operations		**347,091**	**154,791**
INVESTING ACTIVITIES			
Purchase of property, machinery and equipment		(126,391)	(112,562)
Net cash flows used in investing activities		**(126,391)**	**(112,562)**
FINANCING ACTIVITIES			
Proceeds from debt	**14.3**	94,606	148,656
Repayment of debt	**14.3**	(127,561)	(158,074)
Other financial obligations	**14.3**	(9,074)	(6,911)
Dividends		(18,333)	(14,671)
Acquisition of non-controlling interests	**19.5**	(10,565)	-
Net cash flows used in financing activities		**(70,927)**	**(31,000)**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(Thousands of Trinidad and Tobago dollars)

	Notes	Years ended December 31, 2023 $	2022 $
Increase in cash and cash equivalents from operations		**149,773**	**11,229**
Cash conversion effect, net		(605)	120
Cash and cash equivalents at beginning of period		87,004	75,655
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**236,172**	**87,004**
Changes in working capital, excluding taxation:			
Trade accounts receivable, net		(5,176)	685
Other accounts receivable		15,310	(31,279)
Inventories, net		33,724	(135,555)
Trade payables		11,673	(66,475)
Other current liabilities		(57,215)	6,227
Changes in working capital, excluding taxation		(1,684)	(226,397)

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

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Thousands of Trinidad and Tobago dollars)

			Reserves				
	Stated capital	**Unallocated ESOP shares**	**Other equity reserves**	**Retained earnings**	**Total controlling interest**	**Non-controlling interest**	**Total shareholders' equity**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Balance as of December 31, 2021	**827,732**	**(20,019)**	**(325,227)**	**283,984**	**766,470**	**125,721**	**892,191**
Net (loss) income for the year	-	-	-	(14,164)	(14,164)	71,969	57,805
Total items of other comprehensive income, net	-	-	11,339	(65,367)	(54,028)	297	(53,731)
Dividends	-	-	-	-	-	(14,671)	(14,671)
Acquisition of non-controlling interest without change of control	-	-	-	991	991	(7,492)	(6,501)
Balance as of December 31, 2022	**827,732**	**(20,019)**	**(313,888)**	**205,444**	**699,269**	**175,824**	**875,093**
Net income for the year	-	-	-	107,095	107,095	63,098	170,193
Total items of other comprehensive income, net	-	-	(20,430)	10,811	(9,619)	(4,221)	(13,840)
Dividends	-	-	-	-	-	(18,333)	(18,333)
Acquisition of non-controlling interest without change of control	-	-	-	3,092	3,092	(13,657)	(10,565)
Balance as of December 31, 2023	**827,732**	**(20,019)**	**(334,318)**	**326,442**	**799,837**	**202,711**	**1,002,548**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(1) DESCRIPTION OF BUSINESS

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

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

The ordinary shares of the Company are publicly traded on the Trinidad and Tobago Stock Exchange ("TTSE") and the ordinary shares of Caribbean Cement Company Limited ("CCCL") are publicly traded on the Jamaica Stock Exchange. The Company is a subsidiary of Sierra Trading. As a result, the Group's ultimate parent company is CEMEX S.A.B. de C.V., a public stock corporation with variable capital organised under the laws of the United Mexican States, or Mexico, and its shares are publicly traded on the Mexican Stock Exchange. The Company's subsidiaries and their principal activities are detailed in note 26.

These consolidated financial statements were authorised for issue by Trinidad Cement Limited's Board of Directors on March 28, 2024.

(2) MATERIAL ACCOUNTING POLICIES

(2.1) BASIS OF PRESENTATION AND DISCLOSURE

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to discharge its liabilities including the mandatory repayment terms of the banking facilities as disclosed in note 14.1.

The Group has recognised a net profit after tax of $170,193 for the year ended December 31, 2023 and, as at that date, current assets exceeded current liabilities by $77,310. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements are prepared on the historical cost basis except for the inclusion of the net defined benefit asset (obligation) which is recognised at the fair value of plan assets, adjusted by remeasurement through other comprehensive income ("OCI"), less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation, limited as explained in note 2.12 and note 17. Derivative financial instruments are recorded at fair value as explained in note 2.6.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (CONTINUED)

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. 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 over 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.

(ii) Non-controlling interests

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

(iii) Presentation currency and definition of terms

During the reported periods, the presentation currency of the consolidated financial statements was the Trinidad and Tobago dollar (TTD). When reference is made to "$" it means Trinidad and Tobago dollars. The amounts in the consolidated financial statements and the accompanying notes are stated in thousands, except when references are made to earnings per share and/or prices per share. When reference is made to "USD" or "US$" it means dollars of the United States of America ("United States"). When reference is made to "€" or "euros", it means the currency in circulation in a significant number of European Union ("EU") countries. As of December 31, 2023 and 2022, translations of TTD into USD and USD into TTD, were determined for the consolidated statement of financial position amounts using the closing exchange rates of $6.7674 and $6.7828 respectively, and for the consolidated income statement and consolidated statement of comprehensive income amounts, using the average exchange rates of $6.7708 and $6.7696 per dollar for 2023 and 2022 respectively.

(iv) Newly issued and amended IFRS adopted in 2023

Disclosure of Accounting Policies (Amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2, Making Materiality Judgements)

The amendments to IAS 1 and IFRS Practice Statement 2, Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (CONTINUED)

(iv) Newly issued and amended IFRS adopted in 2023 (continued)

Disclosure of Accounting Policies (Amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2, Making Materiality Judgements) (continued)

entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

Definition of Accounting Estimates (Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". Accounting policies may require items in financial statements to be measured in a way that involves measurement uncertainty, that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

The adoption of these amendments to IAS 8 did not result in any changes to the consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12, Income Taxes)

The amendments clarify how companies account for deferred taxes on certain transactions, such as leases and decommissioning obligations, with a focus on reducing diversity in practice.

The amendments narrow the scope of the initial recognition exemption so companies will need to recognize a deferred tax asset and a deferred tax liability arising from transactions that give rise to equal and offsetting temporary differences.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (CONTINUED)

(iv) Newly issued and amended IFRS adopted in 2023 (continued)

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12, Income Taxes) (continued)

The adoption of these amendments to IAS 12 resulted in a reclassification between deferred tax assets and liabilities related to leases with no impact in the income statement for the period dated consolidated financial statements.

(2.2) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include those of Trinidad Cement Limited and those of the entities over which the Company exercises control, by means of which the Company is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee's relevant activities. Balances and operations between related parties are eliminated on consolidation.

Investments are accounted for using the equity method when Trinidad Cement Limited has significant influence which is generally presumed with a minimum equity interest of 20%. The equity method reflects in the consolidated financial statements, the investee's original cost and the Group's share of the investee's equity and earnings after acquisition.

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

(2.3) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as at the date of the consolidated financial statements; as well as the reported amounts of revenues and expenses during the period. These assumptions are reviewed on an ongoing basis using available information. Actual results could differ from these estimates. The items subject to significant estimates and assumptions by management include:

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.3) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS (CONTINUED)

(i) Property, machinery and equipment (note 13)

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

(ii) Pensions and post-employment benefits (note 17)

The costs of defined benefit pension plans, and other post-retirement benefits are determined using actuarial valuations. The actuarial valuation involves making judgements and assumptions in determining discount rates, mortality, terminations, expected rates of return on assets, future salary increases, and future pension increases. Due to the long-term nature of these plans, such assumptions are subject to significant uncertainty. All assumptions are reviewed at each reporting date. The most significant assumptions used in the determination of the benefit obligation are specified in note 17.

(2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the dates of their execution. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the reporting date, and the resulting foreign exchange fluctuations are recognised in earnings, except for exchange fluctuations arising from: 1) foreign currency indebtedness associated with the acquisition of foreign entities; and 2) fluctuations associated with related parties' balances denominated in foreign currency, whose settlement is neither planned nor likely to occur in the foreseeable future and as a result, such balances are of a permanent investment nature. These fluctuations are recorded against "Other equity reserves", as part of the foreign currency translation adjustment (note 19.3) until the disposal of the foreign net investment, at which time, the accumulated amount is recycled through the income statement on disposal.

The financial statements of foreign subsidiaries, as determined using their respective functional currencies, are translated to Trinidad and Tobago dollars (TTD) at the closing exchange rate for statement of financial position accounts and at the closing exchange rates of each month within the period for income statement accounts. The

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY (CONTINUED)

functional currency is that in which each consolidated entity primarily generates and expends cash. The corresponding translation effect is included within "Other equity reserves" and is presented in the statement of comprehensive income for the period as part of the foreign currency translation adjustment (note 19.3) until the disposal of the net investment in the foreign subsidiary.

The most significant closing exchange rates and the approximate average exchange rates for statement of financial position accounts and income statement accounts as of December 31, 2023, and 2022, were as follows:

	2023		2022	
Currency	**Closing**	**Average**	**Closing**	**Average**
Jamaican Dollar (JMD)	0.0437	0.0438	0.0446	0.0440
United States Dollar (USD)	6.7674	6.7708	6.7828	6.7696
Guyanese Dollar (GYD)	0.0322	0.0322	0.0322	0.0322
Barbadian Dollar (BBD)	3.3375	3.3392	3.3451	3.3386

The financial statements of foreign subsidiaries are translated from their functional currencies into TTD using implied exchange rates with reference to the U.S. dollar. The implied rate represents the ratio of the selling rates for U.S. dollars published by the respective central banks as at the last business day of the month.

(2.5) CASH AND CASH EQUIVALENTS (note 8)

The balance in this caption consists of available amounts of cash at bank, cash on hand and short-term deposit held with a related party, mainly represented by highly liquid short-term investments, which are readily convertible into known amounts of cash, and which are not subject to significant risks of changes in their values, including overnight investments, which yield fixed returns and have maturities of less than three months from the investment date. These fixed-income investments are recorded at cost plus accrued interest. Accrued interest is included in the consolidated income statement as part of "Financial income." These balances are used by the Group in the management of its short-term commitments.

(2.6) FINANCIAL INSTRUMENTS

Financial instruments carried on the consolidated statement of financial position include cash and cash equivalents, trade accounts receivable, other accounts receivable, investments, short-term and long-term debt, other financial obligations, trade payables and other current liabilities.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.6) FINANCIAL INSTRUMENTS (CONTINUED)

(i) Initial recognition

Trade accounts receivable and long-term debt issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and measurement of financial instruments

The financial assets are classified under three principal classification categories for financial assets: measured at amortised cost, measured at fair value through other comprehensive income (FVOCI) and measured at fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The classification of amortised cost financial assets and liabilities comprises the following captions:

- Cash and cash equivalents (notes 2.5 and 8).
- Trade accounts receivable, net, other accounts receivable and due from related companies (notes 9, 10, and 24). Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.
- Liabilities for trade payables, other account payables and accrued expenses and due to related companies (notes 15 and 24) are recorded initially at amounts representing the fair value of the consideration to be paid for goods or services received by the reporting date, whether or not billed.

Short-term and long-term debt and other financial obligations are measured at amortised cost (notes 14.1 and 14.2). Interest accrued on financial instruments is recognised within "Other current liabilities" against financial expenses. During the reported periods, the Group did not have financial liabilities voluntarily recognised at fair value or associated with fair value hedge strategies with derivative financial instruments.

Derivative financial instruments are recognised as assets or liabilities in the consolidated statement of financial position at their estimated fair values, and the changes in such fair values are recognised in the consolidated income statement within "Financial expenses" for the period in which they occur, except in the case of hedging instruments as described in note 14.5.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.6) FINANCIAL INSTRUMENTS (CONTINUED)

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or when they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the consolidated income statement.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Impairment of financial assets

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

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.6) FINANCIAL INSTRUMENTS (CONTINUED)

(vi) Costs incurred in the issuance of debt or borrowings

Long-term and short-term debts are recognised net of direct costs incurred on new loans, issuance and non-substantial modifications to existing debt agreements. These costs include commissions and professional fees. Costs incurred in the extinguishment of debt, as well as debt refinancing or modifications to debt agreements, when the new instrument is substantially different from the old instrument according to a qualitative and quantitative analysis, are recognised in the consolidated income statement as incurred.

(vii) Hedging instruments (note 14.5)

A hedging relationship is established to the extent the entity considers, based on the analysis of the overall characteristics of the hedging and hedged items, that the hedge will be highly effective in the future and the hedge relationship at inception is aligned with the entity's reported risk management strategy (note 14.6). The accounting categories of hedging instruments are:

a) Cash flow hedge

b) Fair value hedge of an asset or forecasted transaction

c) Hedge of a net investment in a subsidiary.

In cash flow hedges, the effective portion of changes in fair value of derivative instruments are recognised in the consolidated statements of changes in shareholders' equity within other equity reserves and are reclassified to earnings as the interest expense of the related debt is accrued, in the case of interest rate swaps, or when the underlying products are consumed in the case of contracts on the price of raw materials and commodities. During the reported periods, the Group did not have derivatives designated as fair value hedges. Derivative instruments are negotiated with institutions with significant financial capacity; therefore, the Group believes the risk of non-performance of the obligations agreed to by such counterparties to be minimal.

(viii) Embedded derivative financial instruments

The Group reviews its contracts to identify the existence of embedded derivatives. Identified embedded derivatives are analysed to determine if they need to be separated from the host contract and recognised in the consolidated statement of financial position as assets or liabilities, applying the same valuation rules used for other derivative instruments. During the reported periods, the Group did not identify the existence of embedded derivatives.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.6) FINANCIAL INSTRUMENTS (CONTINUED)

(ix) Fair value measurements (note 14.4)

Employee benefits are measured at the fair value of plan assets, adjusted by remeasurement through OCI, less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation (note 17).

Under IFRS, fair value represents an "Exit Price" which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, considering the counterparty's credit risk in the valuation. The concept of Exit Price is premised on the existence of a market and market participants for the specific asset or liability. When there are no market and/or market participants willing to make a market, IFRS establishes a fair value hierarchy that gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs represent quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date. A quoted price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available.
- Level 2 are inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly, and are used mainly to determine the fair value of securities, investments or loans that are not actively traded. Level 2 inputs included equity prices, certain interest rates and yield curves, implied volatility and credit spreads, among others, as well as inputs extrapolated from other observable inputs. In the absence of Level 1 inputs, the Group determined fair values by iteration of the applicable Level 2 inputs, the number of securities and/or the other relevant terms of the contract, as applicable.
- Level 3 are inputs that are unobservable inputs for the asset or liability. The Group used unobservable inputs to determine fair values, to the extent there are no Level 1 or Level 2 inputs in valuation models such as Black-Scholes, binomial, discounted cash flows or multiples of Operative EBITDA, including risk assumptions consistent with what market participants would use to arrive at fair value.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.7) INVENTORIES (note 11)

Inventories are valued using the lower of cost or net realisable value. The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost is calculated using the weighted average method. The Group analyses its inventory balances to determine if, as a result of internal events, such as physical damage, or external events, such as technological changes or market conditions, certain portions of such balances have become obsolete or impaired. When an impairment situation arises, the inventory balance is adjusted to its net realisable value, whereas, if an obsolescence situation occurs, the inventory obsolescence reserve is increased. In both cases, these adjustments are recognised against the results of the period. Net realisable value represents the estimated selling price less estimated costs of completion and cost to be incurred in marketing, selling and distribution. Inventories in transit are classes of inventory for which the company bears the inventory risk but has not been physically received as at the reporting date. These goods are valued at suppliers' invoice cost plus freight and insurance, as applicable.

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13)

Property, machinery and equipment are recognised at their acquisition or construction costs, as applicable, less accumulated depreciation and accumulated impairment losses. Depreciation of property, machinery and equipment is recognised as part of cost of sales and operating expenses (note 5) and is calculated using the straight-line method over the estimated useful lives of the assets, except for mineral reserves, which are depleted using the units-of-production method.

As of December 31, 2023, the average useful lives by category of property, machinery and equipment were as follows:

	Years
Improvements to land and mineral reserves	30
Buildings	20 - 50
Machinery and equipment	3 - 33

All waste removal costs or stripping costs incurred in the operative phase of a surface mine in order to access the mineral reserves are recognised as part of the carrying amount of the related quarries. The capitalised amounts are further amortised over the expected useful life using the straight-line method.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13) (CONTINUED)

Costs incurred in respect of operating property, machinery and equipment that result in future economic benefits, such as an extension in their useful lives, an increase in their production capacity or in safety, as well as those costs incurred to mitigate or prevent environmental damage, are capitalised as part of the carrying amount of the related assets. The capitalised costs are depreciated over the remaining useful lives of such property, machinery and equipment. Periodic maintenance on property, machinery and equipment is expensed as incurred. Advances to suppliers of property, machinery and equipment are presented as part of other accounts receivable, net.

The useful lives and residual values of property, machinery and equipment are reviewed annually and adjusted if appropriate.

Impairment of non-financial assets

These assets are tested for impairment upon the occurrence of factors such as the occurrence of a significant adverse event, changes in the Group's operating environment or in technology, as well as expectations of lower operating results, to determine whether their carrying amounts may not be recovered. An impairment loss is recorded in the consolidated income statement for the period within "Other income (expenses), net," for the excess of the asset's carrying amount over its recoverable amount, corresponding to the higher of the fair value less costs to sell the asset, and the asset's value in use, the latter represented by the net present value (NPV) of estimated cash flows related to the use and eventual disposal of the asset. The main assumptions utilised to develop estimates of NPV are a discount rate that reflects the risk of the cash flows associated with the assets and the estimations of generation of future income. Those assumptions are evaluated for reasonableness by comparing such discount rates to available market information and by comparing to third-party expectations of industry growth, such as governmental agencies or industry chambers.

The reportable segments reported by the Group (note 4), represent the Group's groups of CGUs considering:

a) that the operating components that comprise the reported segment have similar economic characteristics;

b) that the reported segments are used by the Group to organise and evaluate its activities in its internal information system;

c) the homogeneous nature of the items produced and traded in each operative component, which are all used by the construction industry;

d) the vertical integration in the value chain of the products comprising each component;

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13) (CONTINUED)

Impairment of non-financial assets (continued)

e) the type of clients, which are substantially similar in all components; and

f) the operative integration among components.

Impairment tests are significantly sensitive to the estimation of future prices of the Group's products, the development of operating expenses, local and international economic trends in the construction industry, the long-term growth expectations in the different markets, as well as the discount rates and the growth rates in perpetuity applied. For purposes of estimating future prices, the Group uses, to the extent available, historical data plus the expected increase or decrease according to information issued by trusted external sources, such as national construction or cement producer chambers and/or in governmental economic expectations. Operating expenses are normally measured as a constant proportion of revenues, following experience.

(2.9) PROVISIONS

The Group recognises provisions when it has a legal or constructive obligation resulting from past events, whose resolution would imply cash outflows, or the delivery of other resources owned by the Group. As of December 31, 2023 and 2022, some significant proceedings that gave rise to a portion of the carrying amount of the Group's other current and non-current liabilities and provisions are detailed in note 22.

Considering guidance under IFRS, the Group recognises provisions for levies imposed by governments when the obligating event or the activity that triggers the payment of the levy has occurred, as defined in the legislation.

(i) Restructuring

The Group recognises provisions for restructuring when the restructuring's detailed plans have been properly finalised and authorised by management and have been communicated to the stakeholders involved and/or affected by the restructuring prior to the consolidated statement of financial position's date. These provisions may include costs not associated with the Group's ongoing activities.

(ii) Costs related to remediation of the environment (note 16)

Provisions associated with environmental damage represent the estimated future cost of remediation, which are recognised at their nominal value when the time schedule for the disbursement is not clear, or when the economic

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.9) PROVISIONS (CONTINUED)

(ii) Costs related to remediation of the environment (note 16) (continued)

effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values using the weighted average cost of capital. Reimbursements from insurance companies are recognised as assets only when their recovery is practically certain. In that case, such reimbursement assets are not offset against the provision for remediation costs.

(iii) Commitments and contingencies (notes 21 and 22)

Obligations or losses related to contingencies are recognised as liabilities in the consolidated statement of financial position only when present obligations exist resulting from past events that are expected to result in an outflow of resources and the amount can be measured reliably. Otherwise, a qualitative disclosure is included in the notes to the consolidated financial statements. The effects of long-term commitments established with third parties, such as supply contracts with suppliers or customers, are recognised in the consolidated financial statements on an incurred or accrued basis, after taking into consideration the substance of the agreements. Relevant commitments are disclosed in the notes to the consolidated financial statements. The Group does not recognise contingent revenues, income or assets, unless their realisation is virtually certain.

(iv) Legal provisions (note 16)

The Group recognises provisions for legal settlements and litigation expenses when it is probable that threatened or commenced litigation will have an adverse economic effect on the Group.

(2.10) TAXATION (note 18)

The effects reflected in the consolidated income statement for the taxation charge include the amounts of current and deferred taxation, determined according to the income tax law applicable to each subsidiary.

Current taxation includes the expected taxation payable or recoverable on the taxable income or loss for the year and any adjustment to the taxation payable or recoverable in respect of previous years. The amount of current taxation payable or recoverable 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.

Consolidated deferred taxation represents the addition of the amounts determined in each subsidiary by applying the enacted statutory taxation rate to the total

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.10) TAXATION (note 18) (CONTINUED)

temporary differences resulting from comparing the book and taxable values of assets and liabilities, considering taxation assets such as loss carryforwards and other recoverable taxes, to the extent that it is probable that future taxable profits will be available against which they can be utilised. The measurement of deferred taxation at the reporting period reflects the tax consequences that follow the way in which the Group expects to recover or settle the carrying amount of its assets and liabilities. Deferred taxation for the period represents the difference between balances of deferred taxation at the beginning and the end of the period. Deferred taxation assets and liabilities relating to different tax jurisdictions are not offset. According to IFRS, all items charged or credited directly in the consolidated statement of changes in shareholders' equity or as part of other comprehensive income or loss for the period are recognised net of their current and deferred taxation effects. The effect of a change in enacted statutory tax rates is recognised in the period in which the change is officially enacted.

Deferred taxation assets are reviewed at each reporting date and are reduced when it is not deemed probable that the related tax benefit will be realised, considering the aggregate amount of self-determined tax loss carryforwards that the Group believes will not be rejected by the tax authorities based on available evidence and the likelihood of recovering them prior to their expiration through an analysis of estimated future taxable income. If it is probable that the tax authorities would reject a self-determined deferred taxation asset, the Group would decrease such an asset. When it is considered that a deferred taxation asset will not be recovered before its expiration, the Group would not recognise such a deferred taxation asset. Both situations would result in additional tax expenses for the period in which such a determination is made. In order to determine whether it is probable that deferred taxation assets will ultimately be recovered, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies and future reversals of existing temporary differences. Likewise, the Group analyses its actual results versus the Group's estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred taxation asset and/or valuations may be affected, and necessary adjustments will be made based on relevant information in the Group's consolidated income statement for such a period.

The tax effects from an uncertain tax position are recognised when it is probable that the position will be sustained based on its technical merits and assuming

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.10) TAXATION (note 18) (CONTINUED)

that the tax authorities will examine each position and have full knowledge of all relevant information, and they are measured using a cumulative probability model. Each position has been considered on its own, regardless of its relation to any other broader tax settlement. The high probability threshold represents a positive assertion by management that the Group is entitled to the economic benefits of a tax position. If a tax position is considered not probable of being sustained, no benefits of the position are recognised. Interest and penalties related to unrecognised tax benefits are recorded as part of the taxation in the consolidated income statement.

The effective taxation rate is determined by dividing the line item "Taxation charge" by the line item "Earnings before taxation". This effective taxation rate is further reconciled to the Group's statutory tax rate applicable in Trinidad and Tobago (note 18.3). A significant effect in the Group's effective taxation rate and consequently in the reconciliation of the Group's effective tax rate, relates to the difference between the statutory tax rate in Trinidad and Tobago of 30% against the applicable taxation rates of each country where the Group operates.

For the years ended December 31, 2023 and 2022, the statutory tax rates in the Group's main operations were as follows:

Country	2023	2022
Trinidad and Tobago	30.00%	30.00%
Jamaica	25.00%	25.00%
Guyana	25.00%	25.00%
Barbados	2.50% - 5.50%	2.50% - 5.50%

The Group's current and deferred taxation amounts included in the consolidated income statement for the period are highly variable, and are subject, among other factors, to taxable income determined in each jurisdiction in which the Group operates. Such amounts of taxable income depend on factors such as sales volumes and prices, costs and expenses, exchange rates fluctuations and interest on debt, among others, as well as to the estimated tax assets at the end of the period due to the expected future generation of taxable gains in each jurisdiction.

(2.11) BORROWINGS AND BORROWING COSTS (note 14.1)

Short-term debt and long-term debt

Borrowings are stated initially at cost, being the fair value of consideration received net of transaction costs associated with the borrowings. After initial recognition, borrowings are measured at amortised cost using the effective interest method;

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.11) BORROWINGS AND BORROWING COSTS (note 14.1) (CONTINUED)

any difference between proceeds and the redemption value is recognised in the consolidated income statement over the period of the borrowings.

Borrowings are classified as current when the Group expects to settle the liability in its normal operating cycle, it holds the liability primarily for the purpose of trading, the liability is due to be settled within 12 months after the date of the consolidated statement of financial position, or it does not have an unconditional right to defer settlement of the liability for at least 12 months after the date of the consolidated statement of financial position, otherwise, it is classified as long-term.

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

(2.12) PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS (note 17)

(i) Defined contribution pension plans

The costs of defined contribution pension plans are recognised in the operating results as they are incurred. Liabilities arising from such plans are settled through cash transfers to the employees' retirement accounts, without generating future obligations.

(ii) Defined benefit pension plans and other post-employment benefits

The costs associated with employees' benefits for: a) defined benefit pension plans; and b) other post-employment benefits, basically consisting of health care benefits, life insurance and seniority premiums granted by the Group are recognised as services are rendered, based on actuarial estimations of the benefits' present value with the advice of external actuaries. For certain pension plans, the Group has created irrevocable trust funds to cover future benefit payments ("plan assets"). The net defined benefit asset (obligation) is recognised at the fair value of plan assets, adjusted by remeasurement through OCI, less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation at the reporting date. The actuarial assumptions and accounting policy consider: a) the use of nominal rates; b) a single rate is used for the determination of the expected return on plan assets and the discount of the benefits obligation to present value; c) net interest is recognised on the net defined benefit liability (liability minus plan assets); and d) all actuarial gains and losses for the period, related to differences between the projected and real

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.12) PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS (note 17) (CONTINUED)

(ii) Defined benefit pension plans and other post-employment benefits (continued)

actuarial assumptions at the end of the period, as well as the difference between the expected and real return on plan assets, are recognised as part of "Total items of other comprehensive income, net" within the consolidated statement of comprehensive income.

The service cost, corresponding to the increase in the obligation for additional benefits earned by employees during the period, is recognised within the consolidated income statement. The net interest cost, resulting from the increase in obligations for changes in the net present value and the change during the period in the estimated fair value of plan assets, is recognised within "Financial expenses".

The effects from modifications to the pension plans that affect the cost of past services are recognised within the consolidated income statement over the period in which such modifications become effective to the employees or without delay if changes are effective immediately. Likewise, the effects from curtailments and/or settlements of obligations occurring during the period, associated with events that significantly reduce the cost of future services and/or reduce significantly the population subject to pension benefits, respectively, are recognised within "Other income (expenses), net".

(iii) Termination benefits

Termination benefits, not associated with a restructuring event, which mainly represent severance payments by law, are recognised in the operating results for the period in which they are incurred.

(2.13) LEASES

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

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.13) LEASES (CONTINUED)

- The Group has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Group has the right to direct use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using an interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liabilities comprise solely fixed payments. The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured 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, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated income statement if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The Group does not recognise the rental of the land for the quarries as those are not within the scope of IFRS 16. The Group recognises the lease payments associated with these leases as an expense on the accrual basis.

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, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.14) SHAREHOLDERS' EQUITY (note 19)

Stated capital (note 19.1)

This item represents the value of issued and fully paid ordinary shares of no par value.

Unallocated ESOP shares (note 19.2)

The Company operates an Employee Share Ownership Plan ("ESOP") to give effect to a contractual obligation to pay profit-sharing bonuses to employees via shares of the Company based on a set formula.

Shares acquired by the ESOP are funded by the Company's contributions. The cost of the shares so acquired, and which remain unallocated to employees have been recognised in the consolidated statement of changes in shareholders' equity under "Unallocated ESOP shares".

Other equity reserves (note 19.3)

The cumulative effects of items and transactions that are temporarily or permanently recognised directly to the consolidated statement of changes in shareholders' equity, and includes the comprehensive income, which reflects certain changes in shareholders' equity that do not result from transactions and distributions to owners are recorded as other equity reserves. The most significant items within "Other equity reserves" during the reported periods are as follows:

Items of "Other equity reserves" included within other comprehensive income:

- Currency translation effects from the translation of foreign subsidiaries, net of: a) exchange results from foreign currency debt directly related to the acquisition of foreign subsidiaries; and b) exchange results from foreign currency related parties' balances that are of a non-current investment class (note 2.4);
- The effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in the consolidated statement of shareholders' equity (note 2.6); and
- Current and deferred income taxation during the period arising from items whose effects are directly recognised in the consolidated statement of changes in shareholders' equity.

Items of "Other equity reserves" not included in other comprehensive income:

- Effects related to controlling shareholders' equity for changes or transactions affecting non-controlling interest shareholders in the Group's consolidated subsidiaries; and

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.14) SHAREHOLDERS' EQUITY (note 19) (CONTINUED)

Items of "Other equity reserves" not included in other comprehensive income: (continued)

- ESOP transactions.

Retained earnings (note 19.4)

Retained earnings represent the cumulative net results of prior years, net of: a) dividends declared; b) capitalisation of retained earnings; c) items of other comprehensive income that will not be reclassified subsequently to the consolidated income statement; and d) cumulative effects from adoption of new IFRS.

Non-controlling interest (note 19.5)

This caption includes the share of non-controlling shareholders in the results and equity of consolidated subsidiaries.

(2.15) REVENUE RECOGNITION (note 3)

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

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

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

Progress payments and advances received from customers do not reflect the work performed and are recognised as "Other current liabilities".

(2.16) COST OF SALES AND OPERATING EXPENSES (note 5)

Cost of sales represents the production cost of inventories at the moment of sale. Such cost of sales includes depreciation, amortisation and depletion of assets involved in production, expenses related to storage in production plants and freight

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.16) COST OF SALES AND OPERATING EXPENSES (note 5) (CONTINUED)

expenses of raw material in plants and delivery expenses of the Group's ready-mix concrete business.

Administrative expenses represent the expenses associated with personnel, services and equipment, including depreciation and amortisation, related to managerial activities and back office for the Group's management.

Selling expenses represent the expenses associated with personnel, services and equipment, including depreciation and amortisation, involved specifically in sales activities.

Distribution and logistics expenses refer to expenses of storage at points of sales, including depreciation and amortisation, as well as freight expenses of finished products between plants and points of sale and freight expenses between points of sales and the customers' facilities.

(2.17) FINANCE INCOME AND EXPENSE (note 7)

Finance income comprises interest income on savings from bank accounts. Interest income is recognised as it accrues, using the effective interest method. Finance expense comprises interest charges on short-term and long-term debt, unwinding of discount on other financial liabilities, unwinding of discount on lease liabilities and unwinding of discount on rehabilitation provision. Interest is recognised and accrued using the effective interest method.

(2.18) RELATED PARTY (note 24)

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24, Related Party Disclosures as the "reporting entity", in this case, the Group).

A related party transaction is a transfer of resources, services or obligations between related parties, independent of whether the amount is charged.

(i) A person or a close member of that person's family is related to the Group if that person:

(1) has control or joint control over the Group;

(2) has significant influence over the Group; or

(3) is a member of the key management personnel of the Group or of a parent of the Group.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.18) RELATED PARTY (note 24) (CONTINUED)

(ii) An entity is related to the Group if any of the following conditions applies:

(1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an entity of which the other entity is a member).

(3) Both entities are joint ventures of the same third-party.

(4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(6) The entity is controlled, or jointly controlled, by a person identified in (i).

(7) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(8) The entity, or any member of a group of which it is a part, provides key management services to the Group or to the parent of the Group.

(2.19) NEWLY ISSUED IFRS NOT YET ADOPTED

IFRS issued as of the date of issuance of these financial statements which have not yet been adopted are described as follows. The Group is currently reviewing the possible impact of these new standards.

Amendments to IAS 1 Presentation of Financial Statements *(January 1, 2024)*
IAS 1 has been revised to (i) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the “right” to defer settlement by at least twelve months and make explicit that only rights in place “at the end of the reporting period” should affect the classification of a liability; (ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (iii) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

(2) MATERIAL ACCOUNTING POLICIES (CONTINUED)

(2.19) NEWLY ISSUED IFRS NOT YET ADOPTED (CONTINUED)

Amendments to IFRS 7 Financial Instruments: Disclosures IAS 7 Statement of Cash Flows *(January 1, 2024)*
Supplier Finance Arrangements: The amendment supplements existing disclosure requirements by requiring a company to disclose specific information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the company's liabilities and cash flows and on the company's exposure to liquidity risk.

Amendments to IFRS 10 Consolidated Financial Statements *(The effective date of this amendment has been deferred indefinitely until further notice*)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture

Amendments to IFRS 16 Leases *(January 1, 2024)*
Lease Liability in a Sale and Leaseback: The narrow-scope amendment requires a seller-lessee in a sale and leaseback transaction to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of a gain or loss relating to the right of use retained by the seller-lessee. The new requirement does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease..

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates *(January 1, 2025)*
Lack of Exchangeability: The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(3) REVENUE

The Group's revenue is mainly originated from the sale and distribution of cement, ready-mix concrete, aggregates, packaging and other construction materials. The Group grants credit for terms ranging from 2 to 60 days depending on the type and risk of each customer. For the years ended December 31, 2023 and 2022, revenue, after eliminations between related parties resulting from consolidation, is as follows:

	2023 $	2022 $
From the sale of goods associated with the Group's main activities	2,229,602	2,061,227

The Group sells its products primarily to distributors in the construction industry, with no specific geographic concentration within the countries in which the Group operates. As of and for the years ended December 31, 2023 and 2022, no single customer individually accounted for 10% or more of the reported amounts of sales or in the balances of trade accounts receivable. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

Information on revenue by reportable segment and primary geographical markets for the years 2023 and 2022 is presented in note 4.

(4) FINANCIAL INFORMATION BY SEGMENT

Reportable segments represent the components of the Group that engage in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's top management to make decisions about resources to be allocated to the segments and assess their performance, and for which discrete financial information is available. The Group operates geographically and by lines of business on a country basis. For the reported periods, the Group's main lines of business are 1) cement, 2) concrete, and 3) packaging and the Group's geographical segments are as follows: 1) Trinidad and Tobago, 2) Jamaica, 3) Barbados and 4) Guyana. The accounting policies applied to determine the financial information by reportable segment are consistent with those described in note 2.

Each reportable segment's operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM"), to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group has identified the Group's Managing Director as its CODM.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(4) FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

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

Selected information of the consolidated financial statements by reportable segment for the years 2023 and 2022 was as follows:

	Cement $	Concrete $	Packaging $	Adjustments $	Total $
2023					
Total revenue	2,319,037	44,246	16,306	-	2,379,589
Inter-segment revenue	(133,781)	(1,366)	(14,840)	-	(149,987)
Third-party revenue	2,185,256	42,880	1,466	-	2,229,602
Interest revenue	15,198	527	332	(10,385)	5,672
Interest expense	40,742	303	27	(10,385)	30,687
Depreciation	121,925	7,886	162	-	129,973
Impairment losses and write-off of property, machinery and equipment (note13)	19,409	-	-	-	19,409
Taxation charge	76,968	75	(17)	-	77,026
Earnings before taxation	246,579	(499)	1,139	-	247,219
Segment assets	3,409,715	129,977	42,090	(1,157,076)	2,424,706
Segment liabilities	2,310,873	54,207	4,051	(946,973)	1,422,158
Capital expenditure	(135,140)	(5,296)	-	-	(140,436)
Operating cash flows	336,1653	9,706	1,220	-	347,091
Investing cash flows	(121,095)	(5,296)	-	-	(126,391)
Financing cash flows	(70,305)	(622)	-	-	(70,927)
Net increase in cash and cash equivalents	144,765	3,788	1,220	-	149,773

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(4) FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

	Cement $	Concrete $	Packaging $	Adjustments $	Total $
2022					
Total revenue	2,220,832	54,495	28,292	-	2,303,619
Inter-segment revenue	(206,950)	(3,841)	(31,601)	-	(242,392)
Third-party revenue	2,013,882	50,654	(3,309)	-	2,061,227
Interest revenue	11,211	447	114	(10,494)	1,278
Interest expense	63,081	44	1,607	(39,344)	25,388
Depreciation	126,597	8,462	433	-	135,492
Write-off of property machinery and equipment	57,015	-	-	-	57,015
Taxation charge	110,400	1,588	24	-	112,012
Earnings before taxation	159,312	3,560	6,945	-	169,817
Segment assets	3,372,241	125,003	97,559	(1,237,504)	2,357,299
Segment liabilities	2,460,136	46,718	7,933	(1,032,581)	1,482,206
Capital expenditure	(112,609)	(2,684)	-	-	(115,293)
Operating cash flows	157,361	141	(3,989)	-	153,513
Investing cash flows	(110,656)	(1,906)	-	-	(112,562)
Financing cash flows	(29,339)	(383)	-	-	(29,722)
Net increase (decrease) in cash and cash equivalents	17,366	(2,148)	(3,989)	-	11,229

Selected information of the consolidated financial statements by geographical segment for the years 2023 and 2022 was as follows:

	2023			2022		
	Revenue[1] $	Property, machinery and equipment $	Additions to fixed assets $	Revenue[1] $	Property, machinery and equipment $	Additions to fixed assets $
Trinidad and Tobago	500,093	400,463	51,313	476,848	399,645	43,981
Jamaica	1,165,780	992,913	81,079	1,099,524	999,993	55,372
Barbados	63,552	126,830	3,656	53,302	153,190	11,793
Guyana	220,950	36,146	4,388	171,986	38,335	4,147
Others	279,227	-	-	259,567	-	-
Total	2,229,602	1,556,352	140,436	2,061,227	1,591,163	115,293

[1] The revenue information above represents third-party revenue based on the location of the customers' operations. Other countries include Guyana and the OECS islands.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(5) COST OF SALES, OPERATING EXPENSES, DEPRECIATION AND AMORTISATION

	2023 $	2022 $
(i) Consolidated cost of sales and operating expenses during 2023 and 2022 by nature are as follows:		
Personnel remuneration and benefits	316,762	301,675
Fuel and electricity	377,581	331,617
Miscellaneous operating and production expenses	182,863	182,634
Raw materials and consumables	491,730	440,553
Equipment hire and haulage	184,133	179,244
Repairs and maintenance	86,450	86,608
Changes in finished goods and work in progress	76,088	17,901
Impairment of trade accounts receivable	(329)	(857)
Depreciation (note 5 (iii))	129,973	135,492
Total cost to sales and operating expenses	1,845,251	1,674,867
(ii) The total expenses included in the consolidated income statement are as follows:		
Cost of sales	1,512,591	1,379,886
Administrative expenses	162,630	128,024
Selling expenses	20,882	15,943
Distribution and logistics expenses	149,148	151,014
	1,845,251	1,674,867
(iii) Depreciation and amortisation recognised during 2023 and 2022 are detailed as follows:		
Included in cost of sales	(109,683)	(119,712)
Included in administrative, selling, distribution and logistics expenses	(20,290)	(15,780)
	(129,973)	(135,492)

Consolidated income statement

Trinidad Cement Limited includes the line item titled "Operating earnings before other income (expenses), net" considering that it is a relevant operating measure for the Group's management. The line item "Other income (expenses), net" consists primarily

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(5) COST OF SALES, OPERATING EXPENSES, DEPRECIATION AND AMORTISATION (CONTINUED)

(iii) Depreciation and amortisation recognised during 2023 and 2022 are detailed as follows: (continued)

Consolidated income statement (continued)

of income and expenses not directly related to the Group's main activities, or which are of an unusual and/or non-recurring nature, including results on disposal of assets and restructuring costs, among others. Under IFRS, the inclusion of certain subtotals such as "Operating earnings before other income (expenses), net" and the display of the consolidated income statement vary significantly by industry and company according to specific needs.

(6) OTHER EXPENSES AND OTHER INCOME AND CREDITS

(6.1) OTHER EXPENSES

The detail of the line item "Other expenses" in 2023 and 2022 was as follows:

	2023 $	2022 $
Restructuring costs	(46,539)	(96,175)
Related company royalties and management fees (note 24)	(36,527)	(36,410)
Impairment losses and write-off of property plant and equipment (note13)	(19,409)	(57,015)
Loss from the disposal of assets and others, net	(1,890)	-
	(104,365)	(189,600)

Restructuring costs

In 2023 and 2022, restructuring costs mainly refer to termination payments, legal expenses and inventory write-downs and other provisions.

Restructuring of operations in Barbados

During 2022, the Group committed to a plan to restructure the cement manufacturing operation of a subsidiary in Barbados due to the persistently rising costs and increased competition in ACCL's primary markets. The restructuring occurred during 2023. Following communication of the plan the Group recognised expenses totalling $125,689 regarding the restructuring comprising the following.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(6) OTHER EXPENSES AND OTHER INCOME AND CREDITS (CONTINUED)

(6.1) OTHER EXPENSES (CONTINUED)

Restructuring of operations in Barbados (continued)

	2023 $	2022 $
The following expenses were included in restructuring costs:		
Expected employee termination payments	-	(29,166)
Inventory write-downs	-	(48,158)
	-	(77,324)
The following expenses were included in		
Past service cost of pension and post retirement employee benefits (note 17)	-	3,864
The following expenses were included in fixed assets write-off:		
Fixed asset write-off	-	(52,229)
	-	(125,689)

(6.2) OTHER INCOME AND CREDITS

The detail of the line item "Other income and credits" in 2023 and 2022 was as follows:

	2023 $	2022 $
Other miscellaneous income	13,227	8,034
Past service cost of pension and post retirement employee benefits (note 17)	-	3,864
Related party services	1,994	-
Dividends received	-	4,119
	15,221	16,017

Other miscellaneous income

In 2023 and 2022, the miscellaneous income mainly refer to sale of overstocked inventories, proceeds of insurance claims and other miscellaneous income.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(7) FINANCIAL (EXPENSE) AND INCOME

(7.1) FINANCIAL EXPENSE

The details of financial expense in 2023 and 2022 were as follows:

	2023 $	2022 $
Interest expense	(30,687)	(25,388)
Unwinding of discount on lease liabilities (note 23)	(1,995)	(2,532)
Unwinding of discount on rehabilitation provision (note 16)	(970)	(1,261)
Net interest on pension and other post-retirement obligations (note 17)	(11,725)	(4,741)
Foreign exchange results	(9,396)	(10,316)
	(54,773)	(44,238)

(7.2) FINANCIAL INCOME

The details of financial income, net in 2023 and 2022 were as follows:

	2023 $	2022 $
Interest revenue	5,672	1,278
Dividends received	1,113	-
	6,785	1,278

(8) CASH AND CASH EQUIVALENTS

As of December 31, 2023 and 2022, consolidated cash and cash equivalents consisted of:

	2023 $	2022 $
Cash at bank and on hand	236,172	87,004
	236,172	87,004

This amount includes a demand deposit of $153 million (US$23 million) with CEMEX Innovation Holding Limited, a subsidiary of the ultimate parent, which generates interest at a rate equal to the Western Asset Institutional Liquid Reserves Fund rate plus 30 basis points on a daily basis of a year of 360 days. This is a highly liquid investment which can be withdrawn at any time.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(9) TRADE ACCOUNTS RECEIVABLE, NET

As of December 31, 2023 and 2022, consolidated trade accounts receivable, net consisted of:

	2023 $	2022 $
Trade accounts receivable	70,159	65,646
Allowances for expected credit losses	(16,040)	(16,398)
	54,119	49,248

Under the Expected Credit Loss ("ECL") model, the Group segments its accounts receivable in a matrix by country, type of client or homogeneous credit risk and days past due and determines for each segment an average rate of ECL, considering actual credit loss experience over the last 60 months and analyses of future delinquency, that is applied to the balance of the accounts receivable and on origination of the trade accounts receivable. The average ECL rate increases in each segment of days past due until the rate is 100% for the segment of 360 days or more past due. Balances outstanding for 360 days and over and specifically observed non-performing accounts are deemed to be credit impaired.

As of December 31, 2023 and 2022, the balances of trade accounts receivable and the allowance for ECL were as follows:

	2023			2022		
	Accounts receivable $	ECL allowance $	ECL average rate	Accounts receivable $	ECL allowance $	ECL average rate
Trinidad and Tobago	16,838	(1,284)	8%	16,373	(1,525)	9%
Jamaica	14,891	-	0%	11,645	(1)	0%
Barbados	25,669	(13,685)	53%	33,464	(13,650)	41%
Guyana	12,761	(1,071)	8%	4,164	(1,222)	29%
Total	70,159	(16,040)	23%	65,646	(16,398)	25%

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(9) TRADE ACCOUNTS RECEIVABLE, NET (CONTINUED)

Changes in the allowance for ECL in 2023 and 2022, were as follows:

	2023 $	2022 $
Allowances for ECL at beginning of year	16,398	20,939
Charged to selling expenses	(329)	(857)
Accounts receivable written-off during the year	(32)	(4,018)
Foreign currency translation effects	3	334
Allowances for ECL at end of year	16,040	16,398

(10) OTHER ACCOUNTS RECEIVABLE

As of December 31, 2023 and 2022, consolidated other accounts receivable consisted of:

	2023 $	2022 $
Sundry receivables and prepayments	39,349	31,097
Loans to employees and others	2,327	2,553
Value added tax	13,464	31,177
Due from related companies	8,735	9,171
	63,875	73,998

(11) INVENTORIES, NET

As of December 31, 2023 and 2022, the consolidated balance of inventories was summarised as follows:

	2023 $	2022 $
Finished goods	59,344	46,289
Work-in-process	36,415	68,191
Raw materials	26,556	16,464
Materials and spare parts	214,821	243,129
Inventory in transit	41,332	43,285
	378,468	417,358

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(11) INVENTORIES, NET (CONTINUED)

Raw materials include raw materials of cement. Materials and spare parts include spares and consumables.

For the years ended December 31, 2023 and 2022, inventories are shown net of inventory impairment losses of $13.5 million and $86.6 million, respectively.

For the years ended December 31, 2023 and 2022, the Group included the changes in inventory provision for obsolescence as raw materials and consumables costs within "Cost of sales" (see note 5 (i)) and reversal of stockholding and inventory restructuring provision in "Other income (expenses), net" (see note 6)

During the year, inventories of $752,933 (2022: $661,708) were recognised as an expense and included in cost of sales.

During the year there was inventory write-offs amounting to $43,550 (2022: $47,382)

The change in the inventory provision for obsolescence for the year ended December 31, 2023 and 2022 are as follows:

	2023 $	2022 $
Inventory obsolescence provision at beginning of period	86,618	42,480
Expense charged to consolidated income statement	12,083	53,894
Write-offs of inventories during the period	(84,768)	(3,723)
Write-back of inventories during the period	-	(6,165)
Foreign currency translation effects	(471)	132
Inventory obsolescence provision at end of period	13,462	86,618

(12) INVESTMENTS

As of December 31, 2023 and 2022, consolidated other investments and non-current accounts receivable were summarised as follows:

	2023 $	2022 $
Investments in strategic equity securities[1]	-	1
	-	1

[1] This is a strategic investment in a property development company. The Group holds a 10% minority shareholding and does not exercise control.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(13) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of December 31, 2023 and 2022, consolidated property, machinery and equipment, net and the changes in such line item during 2023 and 2022, were as follows:

	Land and mineral reserves $	Buildings $	Machinery and equipment $	Construction in progress $	Total $
2023					
Cost at beginning of year	145,465	338,460	3,598,222	229,581	4,311,728
Accumulated depreciation	(34,816)	(232,362)	(2,453,387)	-	(2,720,565)
Net book value at beginning of year	110,649	106,098	1,144,835	229,581	1,591,163
Capital expenditures	-	9,660	5,019	125,757	140,436
Disposals	(1,226)	(1,361)	(2,007)	-	(4,594)
Reclassifications	967	(716)	83,878	(84,129)	-
Depreciation for the year	(3,462)	(15,927)	(110,584)	-	(129,973)
Impairment losses on property, machinery and equipment	-	-	(17,265)	(2,144)	(19,409)
Foreign currency translation effects	(999)	(1,037)	(15,631)	(3,604)	(21,271)
Net book value at end of year	105,929	96,717	1,088,245	265,461	1,556,352
Cost at end of year	143,421	330,963	3,363,843	265,461	4,103,688
Accumulated depreciation	(37,492)	(234,246)	(2,275,598)	-	(2,547,336)
Net book value at end of year	105,929	96,717	1,088,245	265,461	1,556,352

Construction in progress

Work in progress includes costs incurred on property, machinery and equipment under construction before they are completed and converted into working condition. The cost of individual assets are transferred from work in progress when the assets are ready for use.

Impairment losses on property, machinery and equipment

In 2023, the Group performed a valuation of the property, machinery and equipment to ascertain the fair value less cost to sell. Consequently, the Group impaired $18.9 million. The impairment losses was recorded in other income (expenses), net (note 6). The valuation consisted of applying certain generally accepted and internationally used valuation methodologies, adapted to the characteristics of the subject asset, as well as to the information available. The analysis was carried out applying generally accepted valuation

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(13) PROPERTY, MACHINERY AND EQUIPMENT, NET (CONTINUED)

Impairment losses on property, machinery and equipment (continued)

procedures. The valuation includes the Cost Approach for the plant and Market Approach for the land. The Cost Approach and the Market Approach are categorised within level 2 of the fair value hierarchy and resulted in a total fair value less cost of disposal of $249,291.

	Land and mineral reserves $	Buildings $	Machinery and equipment $	Construction in progress $	Total $
2022					
Cost at beginning of year	128,427	326,392	3,541,481	243,240	4,239,540
Accumulated depreciation	(26,228)	(219,355)	(2,347,352)	-	(2,592,935)
Net book value at beginning of year	102,199	107,037	1,194,129	243,240	1,646,605
Capital expenditures	778	785	2,183	111,547	115,293
Reclassifications	10,836	21,246	92,419	(119,704)	4,797
Depreciation for the year	(3,856)	(17,044)	(114,592)	-	(135,492)
Write-off of propert plant and equipment	-	(6,594)	(42,520)	(7,901)	(57,015)
Foreign currency translation effects	692	668	13,216	2,399	16,975
Net book value at end of year	110,649	106,098	1,144,835	229,581	1,591,163
Cost at end of year	145,465	338,460	3,598,222	229,581	4,311,728
Accumulated depreciation	(34,816)	(232,362)	(2,453,387)	-	(2,720,565)
Net book value at end of year	110,649	106,098	1,144,835	229,581	1,591,163

[1] Right of use assets recorded in property, machinery and equipment are disclosed in note 23

Write-off of property, machinery and equipment

In 2022, the Group wrote off assets earmarked for abandonment pursuant to its communicated restructuring plan with a carrying value of $52,229 (note 6) and also wrote off other discontinued or discarded assets with a carrying value of $4,786.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS

(14.1) SHORT-TERM AND LONG-TERM DEBT

As of December 31, 2023 and 2022, the Group´s consolidated debt summarised by interest rates and currencies, were as follows:

	2023			2022		
	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
TYPE						
USD floating rate debt	131,450	-	131,450	-	169,691	169,691
TTD floating rate debt	14,000	268,586	282,586	-	267,439	267,439
	145,450	268,586	414,036	-	437,130	437,130
Effective rate [1]						
USD floating rate debt	10.30%	-		-	9.85%	
TTD floating rate debt	3.67%	3.82%		-	3.40%	

[1] In 2023 and 2022, the effective rate represents the weighted-average interest rate of the related debt agreements.

	2023			2022		
	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
FACILITY						
Related party loans						
Revolving loan facilities	131,450	-	131,450	-	169,691	169,691
Bank loans						
Term loans	-	268,586	268,586	-	267,439	267,439
	14,000	268,586	282,586	-	267,439	267,439
	145,450	268,586	414,036	-	437,130	437,130

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.1) SHORT-TERM AND LONG-TERM DEBT (CONTINUED)

Changes in consolidated debt for the years ended December 31, 2023 and 2022 were as follows:

	2023 $	2022 $
Debt at beginning of year	437,130	438,760
Proceeds from debt	94,606	146,256
Debt repayments	(127,561)	(155,674)
Proceeds transferred directly to third parties	-	6,501
Capitalised interest	9,386	-
Amortisation of loan fees	1,146	-
Foreign currency translation and accretion effects	(671)	1,287
Debt at end of year	414,036	437,130

The maturities of consolidated debt as of December 31, 2023 and 2022, were as follows:

	2023	2022
2024	145,450	142,560
2025	135,000	162,131
2026	133,586	132,439
	414,036	437,130

(i) Related party loans ($131.5 million)

On May 28, 2018 and April 25, 2021 the Group negotiated revolving facilities with a subsidiary of the ultimate parent. On June 30, 2023 the parties agreed that with effect from that date, the applicable benchmark rate for the calculation of interest under the loan agreement shall be the Secured Overnight Financing Rate (SOFR), therefore the principal shall bear interest at the following rates.

	Maximum available	Interest rate	Maturity date
Floating rate loan A	US$ 52,000	SOFR 3M + 4.46% (effective rate 10.90%)	May 27, 2025
Floating rate loan B	US$ 50,000	SOFR 6M + 5.12% (effective rate 10.30%)	April 25, 2024

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.1) SHORT-TERM AND LONG-TERM DEBT (CONTINUED)

(ii) Bank loans ($282.6 million)

Trinidad and Tobago bank loans ($282.6 million)

On December 2, 2022 the Group negotiated three (3) 4-year loan facilities with the banks in Trinidad and Tobago. The terms of these loans are disclosed below:

	Maximum available	**Interest rate**	**Maturity date**
Term loan C	$135,000	OMO[1] 3m +290bps[2] (effective rate 3.82%)	December 2, 2026
Term loan D	$67,500	OMO 3m +290bps (effective rate 3.82%)	December 2, 2026
Term loan E	$67,500	OMO 3m +290bps (effective rate 3.82%)	December 2, 2026

On September 12, 2023, Trinidad Cement Limited and its subsidiaries ("the TCL Group") negotiated 2 revolving facilities with the banks in Trinidad and Tobago. The maximum maturity of any drawdown is six months.

	Maximum available	**Interest rate**	**Maturity date**
Revolving loan F	$TTD25,000	OMO 3m +290bps (effective rate 3.67%)	September 11, 2026
Revolving loan G	$TTD25,000	OMO 3m +290bps (effective rate 3. 67%)	September 11, 2026

[1] The abbreviation "OMO" refers to the Government of Trinidad and Tobago securities open market operation trading rate.

[2] The abbreviation "bps" means basis points. One hundred basis points equal 1%.

The loans from the Trinidad and Tobago banks all have similar restrictions and financial covenants which mainly include: a) the consolidated ratio of debt to Operating EBITDA (the "Leverage ratio"); and b) the consolidated ratio of Operating EBITDA to interest expense (the "Coverage ratio"). These financial ratios are calculated according to the formulas established in the debt contracts using the consolidated amounts under IFRS. The Group must comply with the following ratios for each quarter:

Interest coverage ratio	> = 3.00
Consolidated net debt to consolidated EBITDA	< = 3.75

At December 31, 2023 and 2022 the Group was compliant with all terms and covenants of loan agreements.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.2) OTHER FINANCIAL OBLIGATIONS

As of December 31, 2023 and 2022, other financial obligations in the consolidated statement of financial position are detailed as follows:

	2023			2022		
	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
IFRS 16 lease liabilities (note 23)	8,334	19,638	27,972	7,501	15,325	22,826

Changes in consolidated IFRS 16 lease liabilities for the years ended December 31, 2023 and 2022 were as follows:

	2023 $	2022 $
Balance at beginning of year	22,826	26,416
New leases	14,045	2,731
Unwinding of discount on lease liabilities (note 7)	1,995	2,532
Payment	(10,437)	(9,443)
Cancellations and remeasurements	(347)	501
Foreign currency translation and accretion effects	(110)	89
Balance at end of year	27,972	22,826

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.3) RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2023			2022		
	Short-term and long-term debt $	Other financial obligations $	Total $	Short-term and long-term debt $	Other financial obligations $	Total $
Balance at beginning of year	437,130	22,826	459,956	438,760	26,416	465,176
New long-term debt	94,606	-	94,606	148,656	-	148,656
Debt/Other financial liabilities repayments	(127,561)	(9,074)	(136,635)	(158,074)	(6,911)	(164,985)
Total changes from financing cash flows	(32,955)	(9,074)	(42,029)	(9,418)	(6,911)	(16,329)
New leases & non-cashflow increases in debt	-	14,045	14,045	6,501	2,731	9,232
Capitalised interest and unwinding of discount on lease liabilities (note 7)	9,386	1,995	11,381	-	-	-
Payment of lease liabilities (included in the net cash flows provided by financing activities)	-	(1,363)	(1,363)	-	-	-
Amortisation of loan fees	1,146	-	1,146	-	-	-
Cancellations and remeasurements	-	(347)	(347)	-	501	501
Foreign currency translation and accretion effects	(671)	(110)	(781)	1,287	89	1,376
Balance at end of year	414,036	27,972	442,008	437,130	22,826	459,956

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.4) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities

The carrying amounts of cash and cash equivalents, trade accounts receivable, other accounts receivable, taxation recoverable, trade payables, and other current liabilities, taxation payable as well as short-term debt and other financial obligations, approximate their corresponding estimated fair values due to the short-term maturity and revolving nature of these financial assets and liabilities.

The estimated fair value of the Group´s long-term debt is level 2 and is either based on estimated market prices for such or similar instruments, considering interest rates currently available for the Group to negotiate debt with the same maturities, or determined by discounting future cash flows using market-based interest rates currently available to the Group. As of December 31, 2023 and 2022, the carrying amounts of fixed interest rate debt and their respective fair values were the same because institutions indicative rates quoted remained unchanged.

The fair value hierarchy determined by the Group for its derivative financial instruments are level 2. There is no direct measure for the risk of the Group or its counterparties in connection with the derivative instruments. Therefore, the risk factors applied for the Group's liabilities originated by the valuation of such derivatives were extrapolated from publicly available risk discounts for other public debt instruments of the Group and its counterparties.

The estimated fair value of derivative instruments fluctuates over time and is determined by measuring the effect of future relevant economic variables according to the yield curves shown in the market as of the reporting date. These values should be analysed in relation to the fair values of the underlying transactions and as part of the Group's overall exposure attributable to fluctuations in interest rates and foreign exchange rates. The notional amounts of derivative instruments do not represent amounts of cash exchanged by the parties, and consequently, there is no direct measure of the Group's exposure to the use of these derivatives. The amounts exchanged are determined on the basis of the notional amounts and other terms included in the derivative instruments.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.4) FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

As of December 31, 2023 and 2022, liabilities or assets carried at fair value in the consolidated statements of financial position are included in the following fair value hierarchy categories:

	2023				2022			
	Level 1 $	Level 2 $	Level 3 $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Assets measured at fair value								
Derivative financial instruments (note 14.5)	-	4,122	-	4,122	-	-	-	-

(14.5) DERIVATIVE FINANCIAL INSTRUMENTS

During the reported periods, in compliance with the guidelines established by its Risk Management Committee, the restrictions set forth by its debt agreements and its hedging strategy, the Group held derivative instruments, with the objectives of changing the risk profile and fixing the price of fuels.

As of December 31, 2023 and 2022, the notional amounts and fair values of the Group's derivative instruments were as follows:

	2023		2022	
	Notional amount $	Fair value $	Notional amount $	Fair value $
Fuel price hedging	4,122	4,122	-	-

At December 31, 2023, the aggregate notional amount of the contract is $4.122 million (US$0.609 million) [2022: nil (US$nil)], with an estimated aggregate fair value of $4.122 million (US$0.609 million) [2022: $nil (US$nil)]. The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in its fair value were recognised initially in other comprehensive income and were recycled to the income statement as the related diesel volumes are consumed.

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT

Enterprise risks may arise from any of the following situations: i) the potential change in the value of assets owned or reasonably anticipated to be owned, ii) the potential change in value of liabilities incurred or reasonably anticipated to be incurred, iii) the potential change in value of services provided, purchase or reasonably anticipated to be provided or purchased in the ordinary course of business, iv) the potential change in the value of assets, services, inputs, products or commodities owned, produced, manufactured, processed, merchandised, leased or sold or reasonably anticipated to be owned, produced, manufactured, processed, merchandised, leased or sold in the ordinary course of business, or v) any potential change in the value arising from interest rate or foreign exchange rate exposures arising from current or anticipated assets or liabilities.

In the ordinary course of business, the Group is exposed to commodities risk, including the exposure from inputs such as fuel, coal, petcoke, gypsum and other industrial materials which are commonly used by the Group in the production process, and expose the Group to variations in prices of the underlying commodities. To manage this and other risks, such as credit risk, interest rate risk, foreign exchange risk and liquidity risk, considering the guidelines set forth by the Board of Directors, which represent the Group's risk management framework and that are supervised by several Committees, the Group's management establishes specific policies that determine strategies oriented to obtain natural hedges to the extent possible, such as avoiding customer concentration on a determined market or aligning the currencies portfolio in which the Group incurred its debt, with those in which the Group generates its cash flows.

As of December 31, 2023 and 2022, these strategies are sometimes complemented with the use of derivative financial instruments as mentioned in note 14.5, such as the commodity forward contracts on fuels negotiated to fix the price of these underlying commodities.

The main risk categories are mentioned below:

(i) Credit risk

Credit risk is the risk of financial loss faced by the Group if a customer or counterparty to a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As of December 31, 2023 and 2022, the maximum exposure to credit risk is represented by the balance of financial assets on the consolidated statement of financial position. Management has developed policies for the authorisation of credit to customers. Exposure

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

to credit risk is monitored constantly according to the payment behaviour of debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behaviour regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Group's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Group's management has established a policy of low risk tolerance which analyses the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery. The review includes external ratings, when references are available, and in some cases bank references. Thresholds of purchase limits are established for each client, which represent the maximum purchase amounts that require different levels of approval. Customers that do not meet the levels of solvency requirements imposed by the Group can only carry out transactions by paying cash in advance. In response to the COVID-19 pandemic, the Group has updated the forward looking analysis in its ECL model with the applicable macroeconomics projections. As of December 31, 2023, considering the Group's best estimate of potential expected losses based on the ECL model developed by the Group (note 9), the allowance for doubtful accounts was $16,040 (2022: $16,398).

On December 31, 2023 and 2022 the Group had 5 and 8 customers respectively that owed the Group more than $2 million each and which accounted for 30% and 43% respectively of all trade accounts receivable.

The Group sells its products primarily to distributors and retailers in the construction industry. The Group manages its concentration risk by frequent and diligent reviews of its largest customers' operations to ensure that it remains economically viable and will be able to settle liabilities in a timely manner.

The aged receivable balances are regularly monitored. Allowances are determined upon origination of the trade accounts receivable and are based on a model that calculates the ECL of the trade accounts receivable and are recognised over their term. The Group estimates ECL on trade accounts receivable using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. The following table provides information about the ECL for trade accounts receivable as at December 31, 2023 and 2022.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

	2023			2022		
	Accounts receivable $	ECL allowance $	ECL average rate	Accounts receivable $	ECL allowance $	ECL average rate
0-30	51,606	(500)	1%	49,171	(603)	1%
31-60	2,876	(67)	2%	227	(28)	12%
61-90	298	(163)	55%	441	(107)	24%
91-180	141	(72)	51%	148	(50)	34%
181-270	-	-	0%	110	(61)	55%
271-360	-	-	0%	7	(7)	100%
Specific and over 360	15,238	(15,238)	100%	15,542	(15,542)	100%
	70,159	(16,040)	23%	65,646	(16,398)	25%

Credit risks from balances with banks and financial institutions which are reputable in the local markets, are managed in accordance with policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

Credit risks from other financial assets mainly comprising loans to employees, value added tax refundable and due from related companies (subsidiaries of the ultimate parent) have been assessed as being very low. Loans to employees can be recovered from employee benefits not yet paid. Value added taxes are repayable by the taxation authorities. The credit risks of balances due from government departments designated as taxation authorities are assessed to be low. Due from related parties are unsecured and no provision has been established at year end for these balances. Related parties comprise CEMEX S.A.B. de C.V. and its subsidiaries. The settlement of related party transactions is managed by the treasury department of the CEMEX group based on clearly defined policies. These balances are due within 30 days of year end. Based on the effective administration of these policies we have assessed the credit risk of balances due from related companies to be low.

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Cash and cash equivalents

The Group held cash and cash equivalents of $236,172 (2022: $87,004). The cash and cash equivalents are held with banks and financial institutions counterparties, which are rated BBB- to AA+ based on domestic and international ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

The Group uses a similar approach for the assessment of expected credit losses for cash and cash equivalents to those used for debt securities.

No impairment is recorded as at December 31, 2023.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, which only affects the Group's results if the fixed-rate long-term debt is measured at fair value. All of the Group's fixed-rate long-term debt is carried at amortised cost and therefore is not subject to interest rate risk. The Group's accounting exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates, which, if such rates were to increase, may adversely affect its financing cost and the results for the period.

Nonetheless, it is not economically efficient to concentrate on fixed rates at a high point when the interest rates market expects a downward trend. That is, there is an opportunity cost for continuing to pay a determined fixed interest rate when the market rates have decreased and the entity may obtain improved interest rate conditions in a new loan or debt issuance. The Group manages its interest rate risk by balancing its exposure to fixed and variable rates while attempting to reduce its interest costs. In addition, when the interest rate of a debt instrument has turned relatively high as compared to current market rates, the Group intends to renegotiate the conditions or repurchase the debt, to the extent the net present value of the expected future benefits from the interest rate reduction would exceed the cost and commissions that would have to be paid in such renegotiation or repurchase of debt.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(ii) Interest rate risk (continued)

As of December 31, 2023 and 2022, approximately 100% and 100% was denominated in floating rates, if interest rates at that date had been 0.5% higher, with all other variables held constant, the Group's net income for 2023 would have increased/reduced by $2,070 (2022: $2,186), respectively, as a result of higher interest expense on variable-rate denominated debt.

	2023							
	Effect on net income before tax		**Effect on equity**		**Effect on net income before tax**		**Effect on equity**	
	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%
Amount $	(2,070)	2,070	(1,449)	1,449	(2,186)	2,186	(1,530)	1,530

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. Due to its geographic diversification, the Group's revenues and costs are generated and settled in various countries and in different currencies. For the year ended December 31, 2023, approximately $28% (2022: $25%) of the Group's net sales, after eliminations resulting from consolidation, were generated in Trinidad and Tobago, $54% (2022: $55%) in Jamaica, $8% (2022: $12%) in Barbados and $10% (2022: $8%) in Guyana.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant, on earnings before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity:

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(iii) Foreign currency risk (continued)

	2023			2022		
	Increase/ decrease in US/Euro rate	Effect on earnings before taxation $	Effect on equity $	Increase/ decrease in US/Euro rate	Effect on earnings before taxation $	Effect on equity $
Dollars	+1%	21	15	+1%	(1,875)	(1,313)
	-1%	(21)	(15)	-1%	1,875	1,313
Euros	+1%	(2)	(1)	+1%	(32)	(22)
	-1%	2	1	-1%	32	22

As of December 31, 2023, approximately 32% (2022: 39%) of the Group's financial debt was USD denominated, 68% (2022: 61%) was TTD denominated and 0% (2022: 0%) was JMD denominated. The denomination of financial debt is closely related to the amount of revenues generated in such currencies; therefore, the Group considers that the foreign currency risk related to these amounts of debt is low. Nonetheless, the Group cannot guarantee that it will generate sufficient revenues in USD, TTD and JMD from its operations to service these obligations. As of December 31, 2023 and 2022, the Group had not implemented any derivative financing hedging strategy to address this foreign currency risk. Nonetheless, the Group may enter into derivative financing hedging strategies in the future if either of its debt portfolio currency mix, interest rate mix, market conditions and/or expectations changes.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(iii) Foreign currency risk (continued)

As of December 31, 2023 and 2022, the Group's consolidated net monetary assets (liabilities) by currency were as follows:

	Trinidad and Tobago $	Jamaica $	Barbados $	Guyana $	Total $
2023					
Monetary assets	61,073	191,003	44,231	21,154	317,461
Monetary liabilities	(555,537)	(170,244)	(9,683)	(29,375)	(764,839)
	(494,464)	20,759	34,548	(8,221)	(447,378)
Out of which:					
USD	(134,681)	126,976	36,052	(26,296)	2,051
TTD	(359,783)	-	-	-	(359,783)
Euros	-	-	(246)	-	(246)
JMD	-	(106,217)	-	23	(106,194)
Other currencies	-	-	(1,258)	18,052	16,794
	(494,464)	20,759	34,548	(8,221)	(447,378)
2022					
Monetary assets	65,747	40,747	37,909	17,418	161,821
Monetary liabilities	(530,307)	(199,381)	(20,645)	(32,138)	(782,471)
	(464,560)	(158,634)	17,264	(14,720)	(620,650)
Out of which:					
USD	(126,500)	(58,736)	18,553	(20,813)	(187,496)
TTD	(336,460)	-	-	-	(336,460)
Euros	(856)	(2,312)	-	-	(3,168)
JMD	-	(97,586)	-	-	(97,586)
Other currencies	(744)	-	(1,289)	6,093	4,060
	(464,560)	(158,634)	17,264	(14,720)	(620,650)

(iv) Capital management

Capital is comprised of equity and long term debt and the company's objective to capital management is to reduce its gearing. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business activities and

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(iv) Capital management (continued)

maximise shareholder value. As at the reporting date, there were no externally imposed capital ratio requirements.

The Group manages its capital structure and makes adjustments, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

(v) Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds available to meet its obligations. In addition to cash flows provided by its operating activities, in order to meet the Group's overall liquidity needs for operations, servicing debt and funding capital expenditures, the Group relies on cost-cutting and operating improvements to optimise capacity utilisation and maximise profitability, as well as borrowing under credit facilities, proceeds of debt and equity offerings, and proceeds from asset sales. The Group is exposed to risks from changes in foreign currency exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which it operates, any one of which may materially affect the Group's results and reduce cash from operations. The maturities of the Group's contractual obligations are included in notes 14.1 and 23.

The Group has reverse factoring arrangements with local banks with regard to supplier invoices. These reverse factoring arrangements enable the Group's suppliers to discount their receivables from the Company with the banks. From the Group's perspective, these arrangements do not change the payment terms or amounts of the discounted supplier invoices. This arrangement is offered to suppliers who may voluntarily enrol in the programme. The reverse factoring arrangements give rise to liquidity risk because the Group has concentrated $24,724 (2022: $14,510) of its trade payables liabilities with local banks rather than with a diverse group of suppliers. The Group may also obtain other sources of funding from these financial institutions providing the reverse factoring arrangement. If the Group were to encounter any difficulty in meeting its obligations, such a concentration would increase the risk that the entity might have to pay a significant amount, at one time, to one counterparty. Management has assessed that the Group is not reliant on extended payment terms and the Group's suppliers.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(14) FINANCIAL INSTRUMENTS (CONTINUED)

(14.6) RISK MANAGEMENT (CONTINUED)

(v) Liquidity risk (continued)

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

	On demand $	1 year $	2 to 5 years $	>5 years $	Total $
2023					
Borrowings	-	148,367	292,510	-	440,877
Interest and finance charges	-	805	-	-	805
Trade payables	-	287,050	-	-	287,050
Due to group companies	-	34,939	-	-	34,939
Sales and withholding tax payable	-	9,610	-	-	9,610
Interest payable	-	18,972	-	-	18,972
Advances from customers	-	191,494	-	-	191,494
Other financial obligations	-	10,659	15,981	8,170	34,810
	-	701,896	308,491	8,170	1,018,557

	On demand $	1 year $	2 to 5 years $	>5 years $	Total $
2022					
Borrowings	-	16,917	462,201	-	479,118
Interest and finance charges	-	740	-	-	740
Trade payables	-	278,518	-	-	278,518
Due to group companies	-	43,257	-	-	43,257
Sales and withholding tax payable	-	20,964	-	-	20,964
Interest payable	-	25,944	-	-	25,944
Advances from customers	-	170,507	-	-	170,507
Other financial obligations	158	8,472	15,087	4,926	28,643
	158	565,319	477,288	4,926	1,047,691

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(15) OTHER CURRENT AND NON-CURRENT LIABILITIES

As of December 31, 2023 and 2022, consolidated other current liabilities were as follows:

	2023	2022
	$	$
Due to group companies	34,939	55,241
Sales and withholding tax payable	9,610	17,860
Interest payable	805	1,847
Advances from customers	18,972	17,801
Other accounts payable and accrued expenses	191,494	116,246
	255,820	208,995

The Group performs its contract obligations within each operating cycle and therefore advances from customers are included in revenue during the following financial period as goods and services are provided to customers.

(16) PROVISIONS

As of December 31, 2023 and 2022, consolidated provisions were as follows:

	2023	2022
	$	$
Rehabilitation provision	5,227	6,118
Legal provisions	23,719	24,079
Restructuring provision (note 6)	-	29,166
Royalties provision	6,439	4,437
	35,385	63,800
Non current provisions	3,693	5,809
Current provisions	31,692	57,991
	35,385	63,800

Movement in consolidated provision during 2023 and 2022 was as follows:

	2023	2022
Balance at beginning of year	63,800	30,591
Additions or increases in estimates	2,002	31,537
Decreases in estimates	(1,039)	1,147
Payments	(30,213)	(998)
Unwinding of discount on rehabilitation provision	970	1,261
Foreign currency translation	(135)	262
Balance at end of year	35,385	63,800

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(16) PROVISIONS (CONTINUED)

	2023 $	2022 $
Rehabilitation provision is disclosed in the statement of consolidated financial position under the following captions:		
Other current liabilities	1,534	309
Other non-current liabilities	3,693	5,809
	5,227	6,118

Legal provision

The legal provision comprises amounts for various pending and settled claims and assessments.

Royalties provision

In the regulatory environment of Trinidad and Tobago, the Group has continued to experience protracted processing times for the issuance of mining licences. At the time of issuing these financial statements, a mining licence has not been issued by the Government in response to the Company's application. Management assesses that the possibility of disruption to its operations resulting from this scenario to be remote. The royalties provision relates to the probable amount with respect to obligations to the Government for mining activities.

Restoration provision

The Group is required to restore the quarries in Trinidad and Tobago and Jamaica by law.

For the purpose of calculating the provision, it is estimated that the quarrying operations in Trinidad and Tobago will come to an end in 2041.

The expected completion time of rehabilitation in Jamaica is based on the planned activity for each of the quarries, which ranges between two to nine years.

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS

Defined contribution pension plans

The Group participates in a defined contribution pension plan which is managed by an independent party. This plan is mandatory for all categories of permanent employees of CCCL and its subsidiaries. Contributions are 10% of pensionable salary for both employee and employer. The amount of annual pension at any date shall be that pension which can be secured by the accumulated contribution plus interest to that date. The Group's contributions in the year amounted to $2,451 (2022: $2,877).

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

Defined benefit pension plans

The plans expose the Group to currency, interest rate, market risks and actuarial risks such as longevity.

The Trinidad Cement Limited Employees' Pension Fund Plan, a defined benefit plan, is sectionalised for funding purposes into two segments to provide retirement pensions to the retirees of Trinidad Cement Limited ("TCL") and Readymix (West Indies) Limited ("RML"). Another pension plan, resident in Barbados, covers the employees of Arawak Cement Company Limited and Premix ("ACCL") and Precast Concrete Incorporated.

The restructuring of the Arawak Cement Company Limited's ("the Company") operations took place in March 2023. The actuaries recorded an experience gain arising from 52 vested terminations. The financial impact of these terminations was $2.04 million and was treated as a negative past service cost and was reflected in other income (note 6) in 2022 as shown in the following tables.

The Parent Company's employees and employees of RML are members of the Trinidad Cement Limited Employees' Pension Fund Plan (the Plan). This is a defined benefit pension plan which provides pensions related to employees' length of service and basic earnings at retirement. The Plan's financial funding position is assessed by means of triennial actuarial valuations carried out by an independent professional actuary. The Actuarial Valuation report (the Report) as at December 31, 2021 revealed that the TCL section was in surplus by $9,757 and the RML section by $9,191. The next triennial actuarial valuation is due as at December 31, 2024.

The 2021 report recommended service contribution rates for TCL and RML as a percentage of salaries of 10%.

Projected benefit obligations were computed by qualified actuaries using the projected unit credit method to determine the present value of defined benefit obligations for the years ended December 31, 2023 and 2022.

The Group offers post-retirement medical benefits to retirees of TCL and the CCCL group whereby the Group pays premiums for medical health insurance policies for retired employees and their spouses.

Actuarial results related to pension and other post-retirement benefits are recognised in earnings and/or in OCI for the period in which they are generated, as appropriate. For the years ended December 31, 2023 and 2022, the effects of pension plans and other post-employment benefits are summarised as follows:

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

	Pensions		Other benefits		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**	**$**	**$**
Net period cost (income):						
Recorded in operating costs and expenses						
Service cost and admin fees	11,945	11,248	5,067	5,448	17,012	16,696
Past service cost	-	(817)	-	(3,047)	-	(3,864)
	11,945	10,431	5,067	2,401	17,012	12,832
Recorded in other financial expenses						
Net interest cost	(1,847)	(7,928)	13,572	12,669	11,725	4,741
Recorded in other comprehensive income						
Return on recognised plan assets	(3,623)	123,397	-	-	(3,623)	123,397
Actuarial (gains) losses for the period	7,336	(17,456)	(20,768)	(21,706)	(13,432)	(39,162)
	3,713	105,941	(20,768)	(21,706)	(17,055)	84,235
	13,811	108,444	(2,129)	(6,636)	11,682	101,808

For the years 2023 and 2022, actuarial (gains) losses for the period were generated by the following main factors as follows:

	Pensions		Other benefits		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**	**$**	**$**
Actuarial (gains) losses due to experience	7,336	(9,625)	(32,445)	5,955	(25,109)	(3,670)
Actuarial (gains) losses due to demographic assumptions	-	-	-	-	-	-
Actuarial (gains) losses due financial assumptions	-	(7,831)	11,677	(27,661)	11,677	(35,492)
	7,336	(17,456)	(20,768)	(21,706)	(13,432)	(39,162)

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

As of December 31, 2023 and 2022, the reconciliation of the actuarial benefit obligation and pension plan assets, are presented as follows:

	Pensions		Other benefits		Total	
	2023	2022	2023	2022	2023	2022
	$	$	$	$	$	$
Change in benefit obligation:						
Projected benefit obligation at beginning of the period	(881,607)	(920,029)	(180,390)	(195,146)	(1,061,997)	(1,115,175)
Service cost	(11,675)	(10,324)	(5,067)	(2,401)	(16,742)	(12,725)
Interest cost	(52,627)	(55,215)	(13,572)	(12,669)	(66,199)	(67,884)
Actuarial (gains) losses	(7,336)	17,456	20,768	21,706	13,432	39,162
Employee contributions	(3,550)	(3,783)			(3,550)	(3,783)
Benefits paid	52,139	90,191	7,667	8,879	59,806	99,070
Foreign currency translation	-	97	853	(759)	853	(662)
Projected benefit obligation at end of the period	(904,656)	(881,607)	(169,741)	(180,390)	(1,074,397)	(1,061,997)
Change in plan assets:						
Fair value of plan assets at beginning of the period	939,832	1,059,219	-	-	939,832	1,059,219
Administrative costs	(270)	(107)	-	-	(270)	(107)
Interest income	54,474	63,143	-	-	54,474	63,143
Return on plan assets	2,911	(104,836)	-	-	2,911	(104,836)
Employee contributions	3,550	3,783	-	-	3,550	3,783
Employer contributions	5,071	6,377	-	-	5,071	6,377
Benefits paid	(52,139)	(90,191)	-	-	(52,139)	(90,191)
Foreign currency translation	(47)	2,444	-	-	(47)	2,444
Fair value of plan assets at end of the period	953,382	939,832	-	-	953,382	939,832

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

	Pensions		Other benefits		Total	
	2023	2022	2023	2022	2023	2022
	$	$	$	$	$	$
Funded status at end of year	48,786	58,225	(169,741)	(180,390)	(120,955)	(122,165)
Effect of Asset Ceiling	(23,683)	(24,378)	-	-	(23,683)	(24,378)
Net projected asset (liability) in the consolidated statement of financial position	25,103	33,847	(169,741)	(180,390)	(144,638)	(146,543)

The comparative was updated to present the changes in the asset ceiling for one of the components of the group.

Employee benefits are disclosed in the consolidated statement of financial position under the following captions:

	2023	2022
	$	$
Non-current assets	25,103	33,847
Non-current liabilities	(169,741)	(180,390)
	(144,638)	(146,543)

As of December 31, 2023 and 2022, the major categories of plan assets of the fair value of the total plan assets are, as follows:

	2023				2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	$	$	$	$	$	$	$	$
Cash	21,886	-	-	21,886	45,613	-	-	45,613
Equities	478,606	-	-	478,606	457,859	-	-	457,859
Bonds	-	451,502	-	451,502	-	434,354	-	434,354
Mortgages	-	-	1,388	1,388	-	-	2,006	2,006
Total plan assets	500,492	451,502	1,388	953,382	503,472	434,354	2,006	939,832

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

The most significant assumptions used in the determination of the benefit obligation were as follows:

	2023			2022		
	Trinidad and Tobago %	Jamaica %	Barbados %	Trinidad and Tobago %	Jamaica %	Barbados %
Discount rates	6.00	11.00	8.30	6.00	13.00	8.30
Rate of return on plan assets	6.50	-	8.30	6.00	-	8.30
Rate of salary increases	4.50	-	4.80	4.50	-	4.80
Future medical premium increases	5.00	9.00	-	5.00	11.00	-
	Years	Years	Years	Years	Years	Years
Post retirement mortality for retirees at age 60: Male	21.90	-	-	21.90	-	-
Post retirement mortality for retirees at age 60: Female	26.10	-	-	26.10	-	-

In Jamaica post-employment mortality for active members and mortality for pensioners is based on the 1994 Group Annuity Mortality Tables (GAM 94 table) (U.S. mortality tables) with no age setback. In Barbados post-employment mortality for active members and mortality for pensioners is based on 1994 Uninsured Pensioner Generational Tables with Projection Scale AA.

The Group expects to contribute $12.4 million to its pension and other post-retirement benefits in 2024.

As of December 31, 2023 and 2022, the aggregate projected benefit obligation ("PBO") for pension plans and other post-employment benefits and the plan assets by country were as follows:

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(17) PENSIONS AND POST-EMPLOYMENT BENEFITS (CONTINUED)

	2023			2022		
	PBO	**Assets**	**(Deficit) surplus**	**PBO**	**Assets**	**(Deficit) surplus**
Trinidad and Tobago	(1,010,943)	898,337	(112,606)	(989,847)	881,204	(108,643)
Jamaica	(35,766)	-	(35,766)	(41,362)	-	(41,362)
Barbados	(27,628)	55,045	27,417	(30,788)	58,628	27,840
	(1,074,337)	953,382	(120,955)	(1,061,997)	939,832	(122,165)

Sensitivity analysis of pension and other post-employment benefits during the reported periods

For the year ended December 31, 2023, the Group performed sensitivity analyses on the most significant assumptions that affect the PBO, considering reasonable independent changes of plus or minus 50 basis points in each of these assumptions. The increase (decrease) that would have resulted in the PBO of pensions and other post-employment benefits as of December 31, 2023 are shown below:

	Pensions		Other benefits		Total	
	+100 bps $	**-100 bps $**	**+100 bps $**	**-100 bps $**	**+100 bps $**	**-100 bps $**
Assumptions:						
Discount rate sensitivity	(48,848)	54,140	(11,742)	13,491	(60,590)	67,631
Salary increase rate sensitivity	12,297	(11,626)			12,297	(11,626)
Future medical premium increases sensitivity	-	-	13,535	(11,951)	13,535	(11,951)

	Pensions +1 year	**Other benefits +1 year**	**Total +1 year**
Assumptions:			
Life expectancy of pensioners	14,140	6,508	20,648

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION

(18.1) TAXATION EXPENSE FOR THE PERIOD

The amounts of taxation expense in the consolidated income statement for 2023 and 2022 are summarised as follows:

	2023 $	2022 $
Current taxation expense	(66,015)	(75,895)
Deferred taxation expense	(11,011)	(36,117)
	(77,026)	(112,012)

(18.2) DEFERRED TAXATION

As of December 31, 2023 and 2022, the main temporary differences that generated the consolidated deferred taxation assets and liabilities are presented below:

	2023 $	2022 $
Deferred taxation assets:		
Tax loss carryforwards and other tax credits	8,005	18,795
Trade payables and other liabilities	40,825	14,537
Other post-retirement benefits	45,345	69,147
Total deferred taxation assets, net	94,175	102,479
Deferred taxation liabilities:		
Property, machinery and equipment	(196,344)	(191,713)
Others	(13,764)	(13,212)
Total deferred taxation liabilities, net	(210,108)	(204,925)
Net deferred taxation liabilities	(115,933)	(102,446)

Net deferred tax assets (liabilities) by reportable segment for the years ended December 31, 2023 and 2022 were as follows:

	2023 $	2022 $
Trinidad and Tobago	788	65
Jamaica	(116,721)	(102,511)
	(115,933)	(102,446)

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION (CONTINUED)

(18.2) DEFERRED TAXATION (CONTINUED)

Movement in consolidated deferred taxation during 2023 and 2022 were as follows:

	2023 $	2022 $
Balance as of January 1	(102,446)	(84,557)
Deferred taxation credited (charged) to the income statement	(11,011)	(36,117)
Deferred taxation (charged) credited to other comprehensive income	(4,577)	20,896
Foreign currency translation	2,101	(2,668)
Balance as of December 31	(115,933)	(102,446)

Deferred taxation relative to items of other comprehensive income during 2023 and 2022 were as follows:

	2023 $	2022 $
Taxation effects relative to actuarial (gains) and losses	(4,577)	20,896
	(4,577)	20,896

Changes in deferred taxation recognised in the consolidated income statement during 2023 and 2022 were as follows:

	2023 $	2022 $
Tax loss carryforwards and other tax credits	7,123	(10,948)
Trade payables and other liabilities	(2,243)	574
Other post-retirement benefits	(923)	1,243
Property, machinery and equipment	7,817	(8,856)
Others	(763)	(18,130)
Total movements in deferred tax assets and liabilities recognised in the consolidated income statement	11,011	(36,117)

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION (CONTINUED)

(18.2) DEFERRED TAXATION (CONTINUED)

For the recognition of deferred taxation assets, the Group analyses the aggregate amount of self-determined tax loss carryforwards included in its income tax returns in each country where the Group believes, based on available evidence, that the tax authorities would not reject such tax loss carryforwards; and the likelihood of the recoverability of such tax loss carryforwards prior to their expiration through an analysis of estimated future taxable income. If the Group believes that it is probable that the tax authorities would reject a self-determined deferred taxation asset, it would decrease such asset. Likewise, if the Group believes that it would not be able to use a tax loss carryforward before its expiration or any other tax asset, the Group would not recognise such asset. Both situations would result in additional income tax expense for the period in which such determination is made. With the objective to determine whether it is probable that deferred taxation assets will ultimately be realised, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies and future reversals of existing temporary differences. In addition, every reporting period, the Group analyses its actual results versus its estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred taxation asset may be affected, and necessary adjustments will be made based on relevant information. Any adjustments recorded will affect the Group's consolidated income statement in such a period.

As of December 31, 2023 and 2022, consolidated tax loss and tax credits carryforwards expire as follows:

	2023			2022		
	Total	**Unrecognised**	**Recognised**	**Total**	**Unrecognised**	**Recognised**
	$	**$**	**$**	**$**	**$**	**$**
2024	122,800	122,800	-	123,079	123,079	-
2025	100,866	100,866	-	101,096	101,096	-
2026	47,039	47,039	-	47,146	47,146	-
2027	8,863	8,863	-	8,883	8,883	-
2028	26,500	26,500	-	26,560	26,560	-
2029	51,683	51,683	-	51,801	51,801	-
2030 and thereafter	803,533	776,574	26,959	815,893	801,980	13,913
	1,161,284	1,134,325	26,959	1,174,458	1,160,545	13,913

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION (CONTINUED)

(18.2) DEFERRED TAXATION (CONTINUED)

As at December 31, 2023, a deferred taxation asset of $334 million (2022: $355.1 million) in relation to tax losses available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilization within a reasonable time.

In Trinidad and Tobago, the Group has tax losses of $722 million (2022: $712.4 million) available for set off against future taxable profits. These losses do not expire. Tax returns are subject to audit by the Board of Island Revenue ("BIR") within six years of being filed with the BIR.

In Guyana, $28.9 million of tax losses (2022: $19.3 million) are available for set off against future taxable profits. These losses do not expire.

In Barbados, $406.4 million of tax losses (2022: $379.91 million) are available for set off against future taxable profits. These tax losses expire over a 6-year period ending in 2031.

In Jamaica, $3 thousand of tax losses are available for set off against future taxable profits. Theses tax losses do not expire.

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

(18.3) RECONCILIATION OF EFFECTIVE TAXATION RATE

	2023	2022
	$	$
Earnings before taxation	247,219	169,817
Taxation charge	(77,026)	(112,012)
Effective consolidated income tax rate[1]	(31%)	(66%)

[1]The average effective tax rate equals the net amount of income tax revenue or expense divided by income or loss before income taxes, as these line items are reported in the consolidated income statement.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION (CONTINUED)

(18.3) RECONCILIATION OF EFFECTIVE TAXATION RATE (CONTINUED)

Differences between the financial reporting and the corresponding tax basis of assets and liabilities and the different tax rates and laws applicable to the Group, among other factors, give rise to permanent differences between the statutory tax rate applicable in Trinidad and Tobago, and the effective tax rate presented in the consolidated income statement, which in 2023 and 2022 were as follows:

	2023		2022	
	%	$	%	$
Tax using the Company's domestic tax rate	30%	73,951	30%	50,945
Effect of tax rates in foreign jurisdictions	(6%)	(15,964)	(11%)	(18,192)
Tax effect of non-deductible expenses	12%	29,220	3%	5,442
Tax effect of non-taxable income	(5%)	(11,536)	(11%)	(19,097)
Revenue tax business and green fund levies	-	389	4%	6,289
Withholding tax on management fee income	2%	4,081	(1%)	(1,039)
Derecognition (recognition) of deferred tax asset in relation to tax losses	1%	1,867	53%	89,535
Employment tax credit effect	(3%)	(6,979)	(4%)	(6,753)
Changes in estimate related to prior year	1%	2,670	3%	4,914
Effective consolidated tax rate	31%	77,026	66%	112,012

(18.4) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS

Uncertain tax positions

Significant tax proceedings

The Group's significant tax proceedings are detailed in note 21.1.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(18) TAXATION (CONTINUED)

(18.4) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS (CONTINUED)

Trinidad and Tobago Free Zones Act

The Group has been pursuing negotiations with one of its stakeholders regarding the renegotiation of its contract under the Trinidad and Tobago Free Zones Act. This stakeholder has indicated that they are unable to renegotiate under the existing legislation. Management, with the confirmation of independent legal advice, assesses the possibility of disruption to its operations pending the implementation of legislative changes to be remote.

(19) SHAREHOLDERS' EQUITY

(19.1) STATED CAPITAL

As of December 31, 2023 and 2022, the breakdown of stated capital was as follows:

Authorised

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

	2023 $	2022 $
Issued and fully paid		
374,647,704 ordinary shares of no par value	827,732	827,732

All ordinary shares rank equally with regard to the Company's assets. Holders of these shares are entitled to one vote per share at general meetings of the Company.

(19.2) UNALLOCATED ESOP SHARES

	Thousands of shares	
	2023	2022
Employee share ownership plan		
Number of shares held - unallocated	2,845	2,845
Number of shares held - allocated	3,447	3,447
	6,292	6,292
	$	$
Cost of unallocated ESOP shares	20,019	20,019

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.2) UNALLOCATED ESOP SHARES (CONTINUED)

	2023 $	2022 $
Fair value of shares held - unallocated	8,848	11,096
Fair value of shares held - allocated	10,720	13,443
	19,568	24,539
Charge to the consolidated income statement for provision of shares allocated to employees	-	-

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

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

(19.3) OTHER EQUITY RESERVES

As of December 31, 2023 and 2022 other equity reserves are summarised as follows:

	2023 $	2022 $
At beginning of period	(313,888)	(325,227)
Other comprehensive loss		
Currency translation	(17,351)	13,029
Change in fair value of cash flow hedge	(3,079)	(1,690)
	(20,430)	11,339
	(334,318)	(313,888)

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.3) OTHER EQUITY RESERVES (CONTINUED)

(i) Foreign currency translation account

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

(ii) Hedging reserve

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

Up to December 31, 2023, the Group maintained a forward contract negotiated with CEMEX S.A.B. de C.V. to hedge the price of diesel fuel with the objective of changing the risk profile and fixing the price of fuel.

(19.4) RESERVES - OCI MOVEMENTS

	Hedging Reserve $	Foreign Currency Translation Account $	Retained Earnings $	Total $
2023				
Currency translation	-	(22,162)	-	(22,162)
Change in fair value of cash flow hedge	(4,155)	-	-	(4,155)
Remeasurement gains on pension plans and other post-retirement benefits	-	-	12,478	12,478
Change in fair value of equity investments at fair value through other comprehensive income	-	-	(1)	(1)
	(4,155)	(22,162)	12,477	(13,840)

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.4) RESERVES - OCI MOVEMENTS (CONTINUED)

	Hedging Reserve $	Foreign Currency Translation Account $	Retained Earnings $	Total $
2022				
Currency translation	-	11,889	-	11,889
Change in fair value of cash flow hedge	(2,281)	-	-	(2,281)
Remeasurement gains on pension plans and other post-retirement benefits	-	-	(63,339)	(63,539)
	(2,281)	11,889	(63,339)	(53,731)

(19.5) NON-CONTROLLING INTEREST

Material Partly Owned Subsidiaries - (Non-controlling Interests)

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

Proportion of equity held by non-controlling interests:

Name	Country of Incorporation and Operation	2023	2022
Caribbean Cement Company Limited (Group)	Jamaica	25.91%	25.91%
Readymix (West Indies) Limited	Trinidad and Tobago	1.67%	1.67%
TCL Packaging Limited	Trinidad and Tobago	0%	20%
TCL Ponsa Manufacturing Limited	Trinidad and Tobago	0%	0%

	2023 $	2022 $
Accumulated balances of material non-controlling interests		
Caribbean Cement Company Limited (Group)	202,062	161,053
Readymix (West Indies) Limited	649	1,134
TCL Packaging Limited	-	13,637
	202,711	175,824

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.5) NON-CONTROLLING INTEREST (CONTINUED)

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

During 2023 the Group continued its voluntary winding up of TCL Packaging Limited and liquidated the shareholding of the non-controlling interest.

	2023 $	2022 $
Carrying amount of non-controlling interest acquired	13,657	7,492
Consideration paid to non-controlling interest	(10,565)	(6,501)
Increase in equity attributable to owners of the company	3,092	991

The increase in equity attributable to owners of the company comprised an increase in retained earnings of $3,092 (2022: $991). These transactions with owners were recognised on the statement of changes in equity and not in the consolidated income statement nor in the consolidated statement of comprehensive income.

	2023 $	2022 $
Net income (loss) allocated to material non-controlling interests		
Caribbean Cement Company Limited (Group)	63,075	65,448
Readymix (West Indies) Limited	(13)	16
TCL Packaging Limited	36	6,064
TCL Ponsa Manufacturing Limited	-	441
	63,098	71,969

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

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.5) NON-CONTROLLING INTEREST (CONTINUED)

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Summarised income statement for 2023:				
Revenue	1,214,276	78,794	-	16,306
Cost of sales	(719,019)	(69,847)	-	(12,121)
Operating expenses	(126,346)	(9,170)	(169)	(2,123)
Other expenses, net	(44,757)	(2,149)	1	(1,052)
Financial expenses, net	(7,224)	1,873	327	(30)
Earnings before taxation	316,930	(499)	159	980
Taxation charge	(73,333)	(75)	17	-
Net earnings from continuing operations	243,597	(574)	176	980
Total comprehensive income (loss)	158,336	(1,047)	(52,587)	1,002
Non-controlling interest	41,009	(485)	-	-
Summarised income statement for 2022:				
Revenue	1,136,810	64,466	-	28,292
Cost of sales	(636,943)	(51,464)	-	(23,308)
Operating expenses	(119,936)	(11,505)	2,937	(2,141)
Other expenses, net	(36,118)	618	27,164	(1,485)
Financial expenses, net	(9,549)	1,445	243	(62)
Earnings before taxation	334,264	3,560	30,344	1,296
Taxation charge	(81,713)	(1,588)	(24)	-
Net earnings from continuing operations	252,551	1,972	30,320	1,296
Total comprehensive income (loss)	255,015	(4,905)	29,289	1,295
Non-controlling interest	66,049	(82)	5,858	441

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.5) NON-CONTROLLING INTEREST (CONTINUED)

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $
Summarised statement of financial position as at December 31, 2023:			
Inventories, cash and bank balances and other current assets	424,520	60,856	209
Property, machinery and equipment and other non-current assets	1,013,055	69,121	15,472
Trade and other payables and other current liabilities	(234,360)	(52,594)	(84)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(180,575)	(10,576)	1
Total equity	1,022,640	66,807	15,598
Attributable to:			
Equity holders of parent	820,578	66,158	15,598
Non-controlling interests	202,062	649	-
	1,022,640	66,807	15,598
Summarised statement of financial position as at December 31, 2022:			
Inventories, cash and bank balances and other current assets	316,601	51,989	71,690
Property, machinery and equipment and other non-current assets	1,019,946	73,015	-
Trade and other payables and other current liabilities	(272,210)	(43,897)	(3,505)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(198,188)	(13,253)	-
Total equity	866,149	67,854	68,185
Attributable to:			
Equity holders of parent	705,096	66,720	54,548
Non-controlling interests	161,053	1,134	13,637
	866,149	67,854	68,185

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(19) SHAREHOLDERS' EQUITY (CONTINUED)

(19.5) NON-CONTROLLING INTEREST (CONTINUED)

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Summarised cash flow information for the year ended December 31, 2023:				
Operating	328,851	9,706	(6)	1,226
Investing	(76,575)	(5,296)	-	-
Financing	(101,765)	(622)	-	-
	150,511	3,788	(6)	1,226
Summarised cash flow information for the year ended December 31, 2022:				
Operating	185,422	141	(126)	(3,863)
Investing	(57,391)	(1,906)	-	-
Financing	(112,664)	(383)	-	-
	15,367	(2,148)	(126)	(3,863)

During 2023, Caribbean Cement Company Limited paid dividends to non-controlling interest of $18,333 (2022: $14,671).

(20) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income attributable to ordinary equity holders of the Company (the numerator) by the weighted-average number of shares outstanding (the denominator) during the period. The balance of the TCL Employee Share Ownership Plan (ESOP) relating to the cost of unallocated shares held by the ESOP is presented as a separate component in equity. The weighted average number of unallocated shares held by the ESOP during the year is deducted in computing the weighted average number of ordinary shares in issue. The Group has no dilutive potential ordinary shares in issue.

(20) EARNINGS PER SHARE (CONTINUED)

The amounts considered for calculations of earnings per share in 2023 and 2022 were as follows:

	2023	2022
Denominator (thousands of shares)		
Weighted- number of shares outstanding	374,648	374,648
Weighted average number of unallocated shares held by the ESOP	(2,845)	(2,845)
Weighted-average number of shares	371,803	371,803
Numerator		
Net earnings from continuing operations	170,193	57,805
Less: non-controlling interest net income	(63,098)	(71,969)
Controlling interest net loss from continuing operations	107,095	(14,164)
Controlling interest net loss from continuing operations – for basic earnings per share calculations	107,095	(14,164)
Controlling interest net loss from continuing operations – for diluted earnings per share calculations	107,095	(14,164)
Net income from discontinued operations	-	-
Basic and diluted earnings per share		
Controlling interest basic earnings per share	0.2880	(0.0381)
Controlling interest basic earnings per share from continuing operations	0.2880	(0.0381)

(21) COMMITMENTS

(21.1) GUARANTEES AND PLEDGED ASSETS

On April 26, 2017, Trinidad Cement Limited repaid the Amended and Restated Credit Agreement loan ("5-yr syndicated loan") with the proceeds of a revolving loan from a subsidiary of the ultimate parent. Therefore, the Group's assets which were pledged as security are expected to be released once the discharge instruments are lodged at the relevant government agency.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(21) COMMITMENTS (CONTINUED)

(21.2) OTHER COMMITMENTS

The Group has contractual capital commitments of $29.1 million as at December 31, 2023 and $28.5 million as at December 31, 2022.

The Group has the following contractual obligation to purchase fuel as at December 31, 2023:

	2023	**2022**
2023	-	91,904
2024	85,826	-
2025	89,259	-
	175,085	91,904

(22) LEGAL PROCEEDINGS

(22.1) CONTINGENCIES FROM LEGAL PROCEEDINGS

The Group is involved in various legal proceedings, which have not required the recognition of accruals, considering that the probability of loss is less than probable or remote. In certain cases, a negative resolution may represent a decrease in future revenues, an increase in operating costs or a loss. Nonetheless, until all stages in the procedures are exhausted in each proceeding, the Group cannot assure the achievement of a final favourable resolution. There are contingent liabilities which have not been recognised amounting to $23.1 million (2022:$16.4 million) for various claims, assessments, bank guarantees and bonds against the Group. Included therein, are primarily industrial relations matters which are currently occupying the attention of the industrial court, pending legal actions and other claims in which the Group is involved. Based on the information provided by the Group's attorneys at law, owing to the uncertainty of the outcome of these possible liabilities, no provision has been made in these consolidated financial statements in respect of these matters.

Trinidad and Tobago Free Zones Act

The Group has been pursuing negotiations with one of its stakeholders regarding the renegotiation of its contract under the Trinidad and Tobago Free Zones Act. This stakeholder has indicated that they are unable to renegotiate under the existing legislation. Management, with the confirmation of independent legal advice, assesses the possibility of disruption to its operations pending the implementation of legislative changes to be remote.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(22) LEGAL PROCEEDINGS (CONTINUED)

(22.1) CONTINGENCIES FROM LEGAL PROCEEDINGS (CONTINUED)

Trinidad and Tobago Taxation

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

Fiscal Year	Disallowed Expenditure $	Additional Tax Assessed $
2010	247.4 M	12.9 M
2011	129.3 M	30.8 M

The two matters of the Parent Company were heard together on March 24, 2021 and it was indicated that the respondent informed that they were not amenable to resolving the matters amicably and requested that that the Court give directions to further both matters. It was ordered for both matters that Statement of Agreed Facts be filed on or before May 14, 2021. An adjourned date was set after the filing of the Statement of agreed facts to confirm whether affidavit evidence is required. The matter was adjourned to November 11, 2021, at which point the trial date of March 21, 2022 was reserved with March 22nd and 23rd. The Company's witness statements have been finalised and were sent to the Court on January 28, 2022. On March 22nd, the proceedings began with the Respondent's application for an adjournment and vacating of the trial dates. The reasons provided were: (i) that the Respondent had only recently retained senior counsel who needed more time to prepare and (ii) the unavailability of 2 of their 3 witnesses (one due to injury and the other was under quarantine order). TCL opposed the application. After some deliberation the Court agreed with the Appellant and the trial proceeded with the Appellant's opening statement and cross examination of the Appellant's witnesses. Subsequent to the cross examination of the above witnesses, the trial was adjourned to May 2, 2022 at 10 am for the cross examination of the Respondent's remaining witnesses. May 19, 2022 was also reserved in the event another day was required to continue cross examination. Hearing scheduled for May 19th, was deferred without notice. July 8th was set as new date to continue the cross-examination. On July 8th, The Court gave Tuesday 12 July 2022 to continue with the cross-examination of the BIR's final witness. On July 12th, The BIR's final witness was cross-examined and the following dates were agreed for the filing of written submissions.

(22) LEGAL PROCEEDINGS (CONTINUED)

(22.1) CONTINGENCIES FROM LEGAL PROCEEDINGS (CONTINUED)

a. The Appellant to file submissions on or before 23 August 2022

b. The respondent to file its response on or before 4 October 2022

c. The appellant to file a reply if any on or before 25 October 2022

The Court was adjourned for review of submissions on 3 November 2022 at 11 a.m. The two matters were heard together. The Court granted our application to file our submissions to 30 August and the Appellant's submissions were filed on that date. Ms. Broomes advised the Court that the Respondent was electing not to file written submissions. The Court adjourned the matter for decision to 7 February 2023 at 11:30am. On February 6th, 2023, the matter was postponed and no new date was set.

Guyana Taxation

The subsidiary in Guyana (the subsidiary) was given a commitment by the Government of Guyana in 2006 to have the corporate tax rate for non-commercial companies of 30 percent made applicable to its operations. Subsequent action by the Guyana Revenue Authority (the GRA) held that the corporate tax rate for commercial companies of 40 percent was applicable. The subsidiary computes its corporation tax liability on the basis of the original commitment received while it contests through court action failure to honour the original commitment. The next hearing date is still to be confirmed. As at December 31, 2020 no new date has been given but the Arbitrators posed further questions to the parties. No timeline was fixed for the submission. The responses to the further questions were submitted by external counsel on January 20, 2021. A response dated January 21, 2021, was submitted by TCL Guyana Inc. (TGI) to the arbitrators. The matter was heard on April 11, 2022. Counsel for both parties indicated that the facts are not in dispute and cross examination is not necessary. As such, the witness statements were deemed the prima facie evidence of the parties. The arbitrators ordered written submissions by both parties on or before May 24, 2022, and, if necessary, submissions in reply on or before the June 06, 2022. (Attorneys have sought an extension of time for the filing of written submissions and the reply). The submission was sent to the panel of arbitrators on February 16th, 2023 and we now await a date for decision. There is no deadline or date fixed for the decision. No provision has been made in these consolidated financial statements for the higher tax rate as the possible liability is not considered probable.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(23) LEASES

The Group leases real estate (property, warehouse and factory facilities) and machinery and equipment (mobile equipment and motor vehicles). Real estate leases have a term of 3 to 20 years and machinery equipment leases have a term of 3 to 5 years. Some leases provide for periodic renegotiation of payments to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The following balances were included in property, machinery and equipment (note 13):

	2023			2022		
	Buildings $	**Machinery and Equipment $**	**Total $**	**Buildings $**	**Machinery and Equipment $**	**Total $**
Cost at beginning of year	22,411	18,830	41,241	21,862	17,887	39,749
Accumulated depreciation	(8,755)	(7,935)	(16,690)	(6,237)	(7,804)	(14,041)
Net book value at beginning of year	13,656	10,895	24,551	15,625	10,083	25,708
Additions to right-of-use assets included in Capital Expenditures	9,320	4,725	14,045	549	2,182	2,731
Depreciation	(1,793)	(1,551)	(3,344)	(2,518)	(1,370)	(3,888)
Remeasurements and cancellations	(747)	529	(218)	-	-	-
Net book value at end of year	20,436	14,598	35,034	13,656	10,895	24,551
Cost at end of year	32,071	24,084	56,155	22,411	18,830	41,241
Accumulated depreciation	(11,635)	(9,486)	(21,121)	(8,755)	(7,935)	(16,690)
Net book value at end of year	20,436	14,598	35,034	13,656	10,895	24,551

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(23) LEASES (CONTINUED)

	2023 $	2022 $
The following balances were included in the consolidated statement of cashflows		
Depreciation	3,344	3,888
Interest expense on lease liabilities	1,995	2,532
Interest paid	(1,995)	(2,532)
Other financial obligations	(9,074)	(6,911)
The following balances were included in the consolidated income statement		
Lease expense of short-term leases	22,498	17,875

The table below summarises the maturity profile of the Group's lease liabilities at December 31, 2023 and 2022. The balance includes future interest over the remaining term to maturity and therefore would differ from the carrying amounts shown in the consolidated statement of financial position.

	2023				2022			
	1 year $	2 to 5 years $	>5 years $	Total $	1 year $	2 to 5 years $	>5 years $	Total $
Lease liabilities	8,334	12,777	6,861	27,972	8,564	12,566	6,759	27,889
Interest	2,325	3,204	1,309	6,838	2,368	4,810	1,259	8,437
Total lease payments	10,659	15,981	8,170	34,810	10,932	17,376	8,018	36,326

(24) RELATED PARTIES

All significant balances and transactions between the entities that constitute the Group have been eliminated in the preparation of the consolidated financial statements. These balances with related parties resulted primarily from: (i) the sale and purchase of goods between group entities; (ii) the invoicing of administrative services and other services rendered between group entities; and (iii) loans between related parties.

When market prices and/or market conditions are not readily available, the Group conducts transfer pricing studies in the countries in which it operates to ensure compliance with regulations applicable to transactions between related parties.

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(24) RELATED PARTIES (CONTINUED)

The Group has entered into related party transactions with CEMEX S.A.B. de C.V. ("CEMEX"). The following table provides the total amount of transactions and balances at year end that have been entered into with the CEMEX Group for the relevant financial year: :

	2023 $	2022 $
Sales for the year	80,555	49,438
Related party services (note 6.2)	1,994	-
Purchases for the year	281,988	298,595
Royalties and management fee expenses (note 6.1)	36,527	36,410
Due from related companies (note 10)	8,735	9,171
Due to related companies (note 15)	34,939	55,241
Short-term debt (note 14.1)	131,563	-
Long-term debt (note 14.1)	-	169,691
Interest charges	18,623	12,881

Outstanding trade receivables and trade payable balances are unsecured and interest free and no provision has been established at year end for these balances. Balances are settled in cash or set-off based on guidance of the Group's treasury department.

CEMEX S.A.B. de C.V. ("CEMEX") has provided a guarantee to lenders regarding TTD borrowings.

	2023 $	2022 $
Key management compensation of the Group		
Short-term employment benefits	37,657	29,224
Termination benefits	2,766	-
Pension plan and post-retirement benefits	868	477
Directors' fees	863	680

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

As of December 31, 2023 (Thousands of Trinidad and Tobago dollars)

(25) GOODWILL

	2023 $	2022 $
Cost	269,147	269,147
Accumulated impairment	(269,147)	(269,147)
Net book amount	-	-

Goodwill was acquired through business combinations with Caribbean Cement Company Limited and subsidiaries of Readymix (West Indies) Limited.

(26) MAIN SUBSIDIARIES

The Group's subsidiaries are as follows:

Subsidiary	Principal activities	% Interest 2023	% Interest 2022
Readymix (West Indies) Limited	Concrete batching	98.33	98.33
TCL Packaging Limited	Packaging production	100.00	80.00
TCL Ponsa Manufacturing Limited	Packaging production	100.00	100.00
TCL Leasing Limited	Leasing	100.00	100.00
RML Property Development Limited	Property development	100.00	100.00
Caribbean Cement Company Limited	Cement production	74.09	74.09
Rockfort Mineral Bath Complex Limited	Spa facility	74.09	74.09
Arawak Cement Company Limited	Cement production	100.00	100.00
TCL Trading Limited (non-trading)	Cement distribution	100.00	100.00
TCL (Nevis) Limited	Holding company	100.00	100.00
TCL Guyana Inc.	Cement distribution	100.00	100.00
Arawak Concrete Solutions Limited (non-trading)	Concrete batching	100.00	100.00
TTLI Trading Limited	Cement distribution	100.00	100.00
TGI Concrete Solutions Inc. (non-trading)	Concrete batching	100.00	100.00
TCL (Grenada) Limited (non-trading)	Cement distribution	100.00	100.00

(27) IMPACT OF MAJOR INTERNATIONAL CONFLICTS

Conflict between Israel and Hamas was rekindled on October 7, 2023. The economic effects of the Israel-Hamas War are still evolving, entities with operations, suppliers, or customers in Israel, Palestinian-occupied territories, and the larger Middle Eastern region could potentially be directly impacted as the conflict continues. Additionally, many entities may be indirectly impacted by the war, especially in the global energy, petrochemical, and capital markets, among other sectors.

On February 24, 2022 the geopolitical situation in Eastern Europe intensified with the invasion of Ukraine by Russia. The war continues to evolve as global sanctions were imposed, immediately impacting entities that have counterparty relationships in Russia and certain neighbouring countries.

The Group has concluded that given the composition of our consolidated statement of financial position, its exposure to the negative impacts of these risks is not significant to its profitability and going concern. However, through its risk management function, the Group continuously assesses the impact of such risks and has an established series of early warning indicators through various risk metrics to ensure that liquidity and capital positions are in place to sufficiently support the operations of the Group. There were no material changes in valuations or impairment positions as at December 31, 2023.

(28) SUBSEQUENT EVENTS

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