AGOSTINI'S

The Agostini's Times

2020 ANNUAL REPORT

ISSUE 01 • YEAR ENDED SEPTEMBER 30, 2020 Share Price TT$23.50

AGOSTINI'S REPORTS IMPROVED EARNINGS DESPITE COVID

HIGHLIGHTS

SALES increased 5% to $3.4 billion

PROFIT before tax increased by 10%

Earnings per share increased from $1.76 to $1.83

Operating cash flow improved by 24% from $221 million to $275 million

DIVIDEND increased from $0.79 to $0.80 per share

COMPANY OF THE YEAR:

In 2020, two companies in the Group stood out from the other companies and copped the Company of the Year titles.

For Sales Under $300m-
Desinco Limited

For Sales Over $300m-
SuperPharm Limited

In the category for sales of under $300 million, Desinco Limited, our Guyanese FMCG distribution company was the winner for the second time in three years. L to R: Frank DeAbreu, Chairman of Desinco congratulates Alicia DeAbreu Director, with Sunesh Maikoo- Director, looking on.

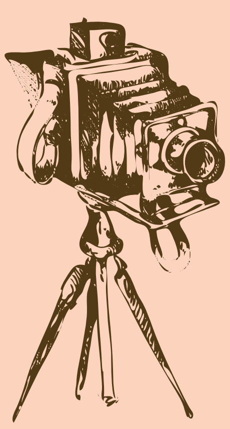
In the large category, for companies with sales over $300 million, SuperPharm Limited was the winner. L to R: Bridge-Heanne Knights- Operations Manager, Glenn Maharaj- Chief Executive Officer, Sharon Thomson- Corporate Pharmacist, Vandra Balroop - Human Resources Manager.

THE THEME

SPECIAL ISSUE

The concept of this year's annual report

A NEWSPAPER hosts all the most important information we need to keep updated on, whether its historic life changing events, current news or general interest. It is a place where you can get a snapshot of what is happening around you.



The layout celebrates all the big milestones of the Group's companies, the yearly financials, the team behind it all and every important detail you need to know about the pulse of our Company. Products from the various companies are used as adverts within the papers, and information on our CSR and Sustainability projects are provided as well.

We present the 2020 Annual Report: *"The Agostini's Times"*.

Executive Team discussing a legal agreement with counsel: left to right- Amalia Maharaj, Anthony Agostini, Christian Mouttet, Nadia James-Reyes Tineo.

The Agostini's Times

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All figures in this report are quoted in TT dollars. The exchange rate was US$ 1.00=TT$6.7793 as at 30 September 2020

NOTICE OF MEETING

Notice is hereby given that the Seventy-seventh Annual Meeting of Shareholders of Agostini's Limited, will be held virtually via a Zoom link on Monday January 25, 2021 at 10am for the following purposes:-

1. To consider and if thought fit, confirm the amendments to by-law no. 1 of the company set out below and effected by resolution of the Board of Directors on November 16, 2020 in accordance with section 66 of the companies act Ch. 81:01 of the laws of Trinidad and Tobago. (This will allow for the Annual Meeting of Shareholders to be held virtually).
2. To receive the Financial Statements for the year ended September 30, 2020 and reports of the Directors and Auditors thereon
3. To appoint the following Director appointed during the year, and who being eligible offers himself for re- election

   Mr Barry Davis
4. To re-elect the following Directors who retire by rotation, and who being eligible, offer themselves for re-election.
   - **i. Mr. Anthony Agostini**
   - **ii. Mr. Reyaz Ahamad**
   - **iii. Ms. Amalia Maharaj**
5. To appoint the Company's Auditors, and to authorise the Directors to fix their remuneration.
6. To transact any other ordinary business of the Company.

Information on how to connect to the meeting will be published in the daily newspapers in early January 2021.

By order of the board

Nadia James Reyes-Tineo

Nadia James Reyes-Tineo
Secretary
December 4, 2020

Documents available for inspection:
No Service Contracts have been entered into between the Company and any of the Directors.

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting their report for the year ended September 30, 2020

Financial Results	**$'000**
Income for the year before taxation	239,591
Less Taxation	(70,645)
Profit for the Year	168,946
Less: Attributable to Minority Interest	(42,759)
Net Income for the year after taxation	126,187
Dividends - Interim	17,276
Final	38,007
Profit Retained for the year	70,904

Dividend

Based on the Group's results, the Directors have approved a final dividend of $0.55, resulting in a total dividend of $0.80 for the year.

Directors

The following Director appointed during the year, Mr. Barry Davis, and who being eligible, offers himself for re election

The following Directors who retire by rotation, Mr. Anthony Agostini, Mr. Reyaz Ahamad, and Ms. Amalia Maharaj, who being eligible, offer themselves for re-election.

Auditors

The Auditor's, Ernst & Young, retire and being eligible, offer themselves for reappointment.

The directors are satisfied that the audited Financial Statements in this Report comply with applicable financial reporting standards, and present fairly in all material respects, the financial affairs of the Group.

By order of the board

Nadia James Reyes-Tineo

Nadia James Reyes-Tineo
Secretary
December 4, 2020

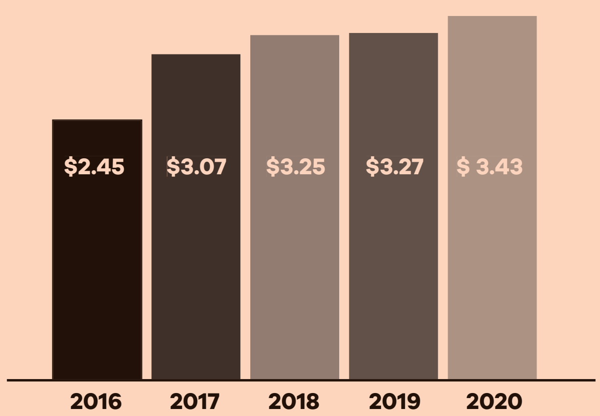
CHAIRMAN'S REPORT

By: Christian Mouttet

In a year that was not short of challenges, the most significant being the unprecedented crisis brought about by the Covid-19 pandemic, our Company showed its true strength and resilience underpinned by dedicated and committed people, a strong portfolio of brands and products, an improved financial performance, and support to our staff and community. In the midst of this crisis, we have been able to deliver on our two core objectives: sustainable long term growth and financial strength. We do not take this achievement for granted and recognize that in 2020 this has as much to do with the industries in which operate as it does with the quality of our people and the strength of our underlying businesses.

For our year ended September 30, 2020, sales increased by 5% from $3.27 billion to $3.43 billion and profit attributable to shareholders increased by 3% from $122 million to $126 million. As mentioned in my quarterly reports, our Company has adopted the new IFRS 16 standard on Leases in this financial year, which has resulted in a non-cash reduction in our after-tax profit. Without this adjustment, our profit would have improved 6% when compared to prior year.

TURNOVER TT$ BILLION



2020 HIGHLIGHTS

- Sales increased 5% to $3.4 billion
- Profit before tax increased by 10%
- Earnings per share increased from $1.76 to $1.83
- Operating cash flow improved by 24% from $221m to $275m
- Return on equity remained at 11%
- Dividend increased from $0.79 to $0.80 per share
- Acquisition of the assets of "Lightsource Limited" which have been integrated into Agostini Building Solutions

OPERATIONAL REVIEW

Our Group's operations are in three core segments: Pharmaceutical & Health Care, Fast Moving Consumer Goods, and Industrial and Construction.

Pharmaceutical & Health Care

Smith Robertson and its medical equipment subsidiary Curis Technologies both performed well in the year, exceeding their plan and prior year profit. In the case of Smith Robertson, this was partly due to increased demand for pharmaceuticals in the private trade as well as increased purchases of pharmaceuticals by the Ministry of Health, as a result of the Coronavirus. Conversely, we experienced a fall in sales of cosmetics and some personal care items as the lockdown and the need for social distancing significantly reduced social activity.

SuperPharm experienced a significant boost to sales during the second half of the financial year as customers across the country turned to us as their trusted partner during the Covid-19 crisis. By anticipating the demand that the virus would create for vitamins, OTC drugs, food, convenience items and health and sanitizing products, we were able to maintain a consistent supply chain and met most of our customer's needs. Additionally, from the very inception of the virus, we implemented the highest health and safety protocols at our stores to ensure that our customers could shop in a healthy and safe environment.

Fast Moving Consumer Goods (FMCG)

At Caribbean Distribution Partners, most of our companies performed well during 2020. Vemco and Hand Arnold in Trinidad and Tobago, Coreas Distribution in St. Vincent, Independence Agencies in Grenada and Desinco in Guyana all posted increased sales and profitability as demand for food and household products remained strong during the crisis. Exports from Vemco remained strong, growing by 14% and with recent investments at our condiments plant, we expect the sales of our manufactured products to continue to grow locally and regionally.

Hanschell Inniss in Barbados and Peter & Company in St Lucia had a difficult year and experienced reduced profitability, as their sales, with significant exposure to the tourism and hospitality industries, were negatively impacted by Covid-19. We expect that these markets will show some improvement in the new financial year.

Industrial and Construction

2020 was very challenging for both Agostini Building Solutions and Rosco Petroavance, with both companies experiencing lower sales and significantly lower profitability. The Coronavirus crisis had a significant impact on the already weak construction sector and our business, along with many others in this sector were deemed to be non-essential during the first lockdown, and closed for a period of 65 days.

As an energy service company, Rosco Petroavance was able to continue its operations uninterrupted during the crisis. However, with low LNG prices prevailing and the collapse in the price of oil in early 2020, initially triggered by a price war between Saudi Arabia and Russia, and later by the fall in demand due to the Coronavirus, there was a sharp curtailment in expenditure of any kind in the energy sector, as companies focused on cash preservation.

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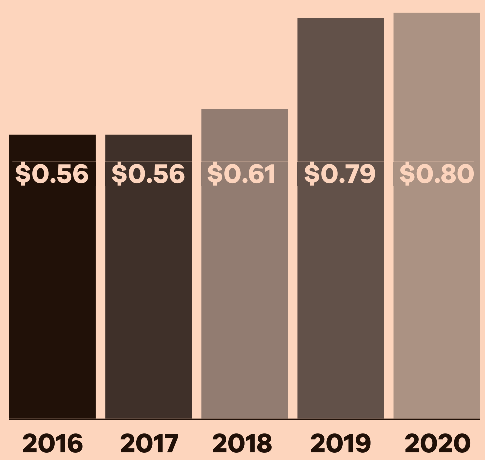
Christian Mouttet- Chairman

CHAIRMAN'S REPORT- continued from pg3

DIVIDEND

I am happy to advise that your board has approved a final dividend of 55 cents per share [$0.54 in 2019], bringing the total dividend for the year to 80 cents, one cent more than that paid in the prior year. This dividend will be paid on January 26, 2021 to shareholders on the register of members on January 4, 2021. The Company's register of members will be closed from January 5th to 8th 2021.

Dividends per share history



ANNUAL GENERAL MEETING

Our Annual Meeting of Shareholders will be held on Monday 25th January 2021 at 10.00am and due to the prudence of observing Covid-19 health protocols, this meeting will be held "virtually". Details will be provided via notices in the daily newspapers in January 2021.

OUTLOOK

If the year 2020 has taught us anything, it is to remind us that the world that we live in can be an unpredictable place. The cost that the Covid-19 pandemic has had, and continues to have, is immeasurable and in many cases irreparable. The pandemic and its devastating health and economic impact can truly be described as a "black swan" event, the very nature of which is the difficulty in predicting its type and timing. Trying to predict such events would not be the best use of management time and in any case, to quote Thomas Hobbes, "the best prophet is the best guesser." We do have a responsibility however, to be prepared, so that when these events do occur, as they inevitably will, we are positioned as best as we can to not only survive, but thrive, when conditions once again improve. For us this means maintaining a strong balance sheet with adequate cash reserves, and building an organization that is resilient, with the agility to respond to changes in consumer demand and economic conditions. The after effects of the Covid-19 crisis will no doubt bring many changes to the industries and economies in which we operate, and if I may quote from my 2019 Chairman's Statement, "in the year and years ahead, our success will be very much determined by our ability to manage and influence change in our industries, and not just reacting to it."

In the short term there remains much uncertainty in Trinidad and Tobago and the other economies in the region in which we operate. Having said that, as we look to the new financial year, we expect our businesses in pharmaceutical and health care, and the FMCG sectors to remain stable, but without the short-term spike in sales that we enjoyed during the beginning of the Covid-19 crisis. We expect to see some improvement in our construction and energy services businesses as energy prices stabilize and companies once again resume capital and maintenance expenditure, and construction activity improves. We also expect that construction incentives announced in the recent national budget will act as a catalyst for new construction projects. As a group, we remain optimistic in our ability to achieve growth and improve profitability over the medium to long term.

RECOGNITION

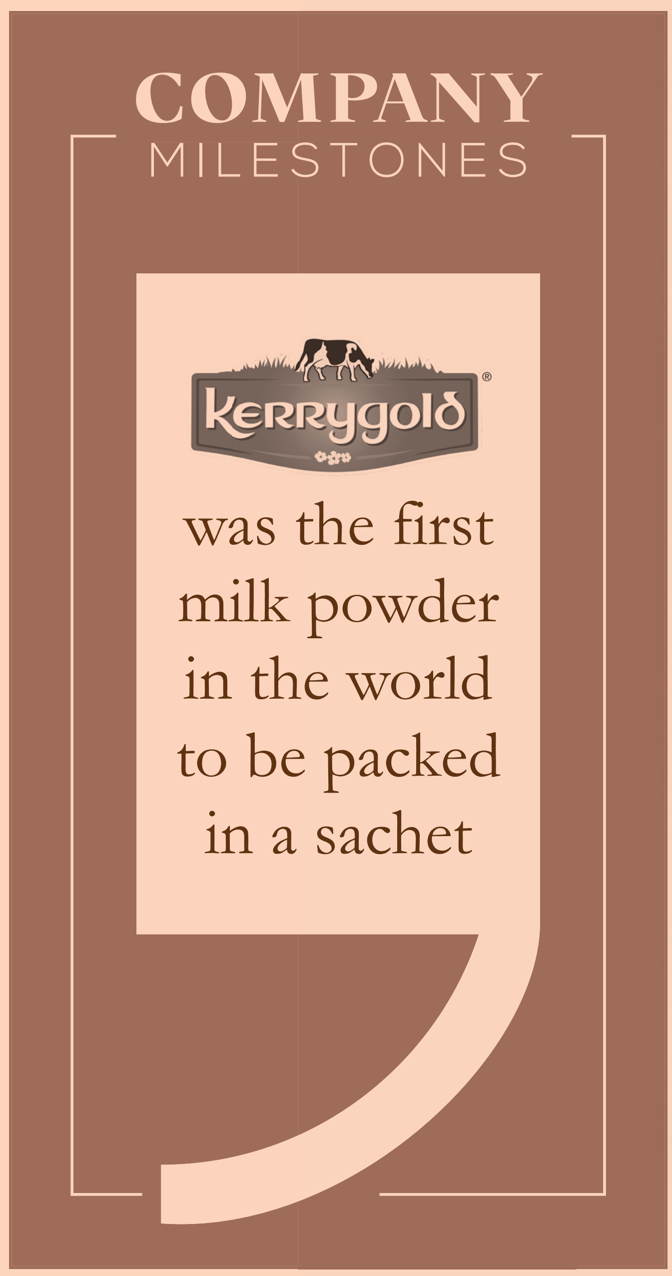
In a year like the one that recently ended, there are many who deserve our gratitude, starting firstly with the individuals in our Group. I would like to recognize and thank all at Smith Robertson for the tireless hours that were put in during the worst of the Covid-19 crisis, to ensure that the nation's pharmacies and health centers were supplied with the pharmaceuticals and health products that they required. At SuperPharm, considerable credit and thanks are due to our front-line staff who kept our doors open to serve our customers, at times under difficult circumstances, and to all of those in supply chain and admin who kept the supply channels open and the shelves stocked. Thanks must also be extended to the management and staff at our FMCG companies who kept our distribution centers and factories operating throughout the crisis in order to supply supermarkets and shops with much needed essential products.

Secondly, to our retail customers and consumers who, during a difficult year, placed their trust in us and remained loyal to our companies and brands. We recognize that we are fortunate to have engendered such loyalty and never take this for granted.

Thirdly, I would like to extend my personal thanks to the management and my fellow directors who together steered our group through the most difficult period in recent history. Your dedication, hard work and wise counsel were instrumental in successfully guiding our group over the last 12 months.

Fourthly, during the year we said farewell to our Finance Director Rajesh Rajkumarsingh who left the

CHAIRMAN'S REPORT- continued on pg6



CHAIRMAN'S REPORT- continued from pg5

Group at the end of March 2020. We thank him for his sterling contribution during his years with the Company and wish him every success in all of his future endeavours. We were happy to welcome Barry Davis as the Group's new Finance Director in April 2020. Barry is no stranger to our Group having served as a non-executive director at the Parent Company for twelve years up to January 2020.

Finally, I would like to recognize the Victor & Sally Mouttet Foundation, which we fund along with Prestige Holdings Limited and Victor E. Mouttet Limited. Apart from the excellent work that the Foundation continues to do with the I-Care Program, providing eye glasses to Primary School children at a nominal cost and the funding of the Dyslexia Association, this year, as a result of the economic crisis caused by the Coronavirus, the Foundation contributed food products to various NGO's and individuals in need to the value of $2.2 million. Additionally, the Foundation provided a further $1 million to purchase 400 computers, 300 of which were given to the children of group employees and 100 to four schools, through the Ministry of Education.

Christian Mouttet
Chairman
November 26, 2020

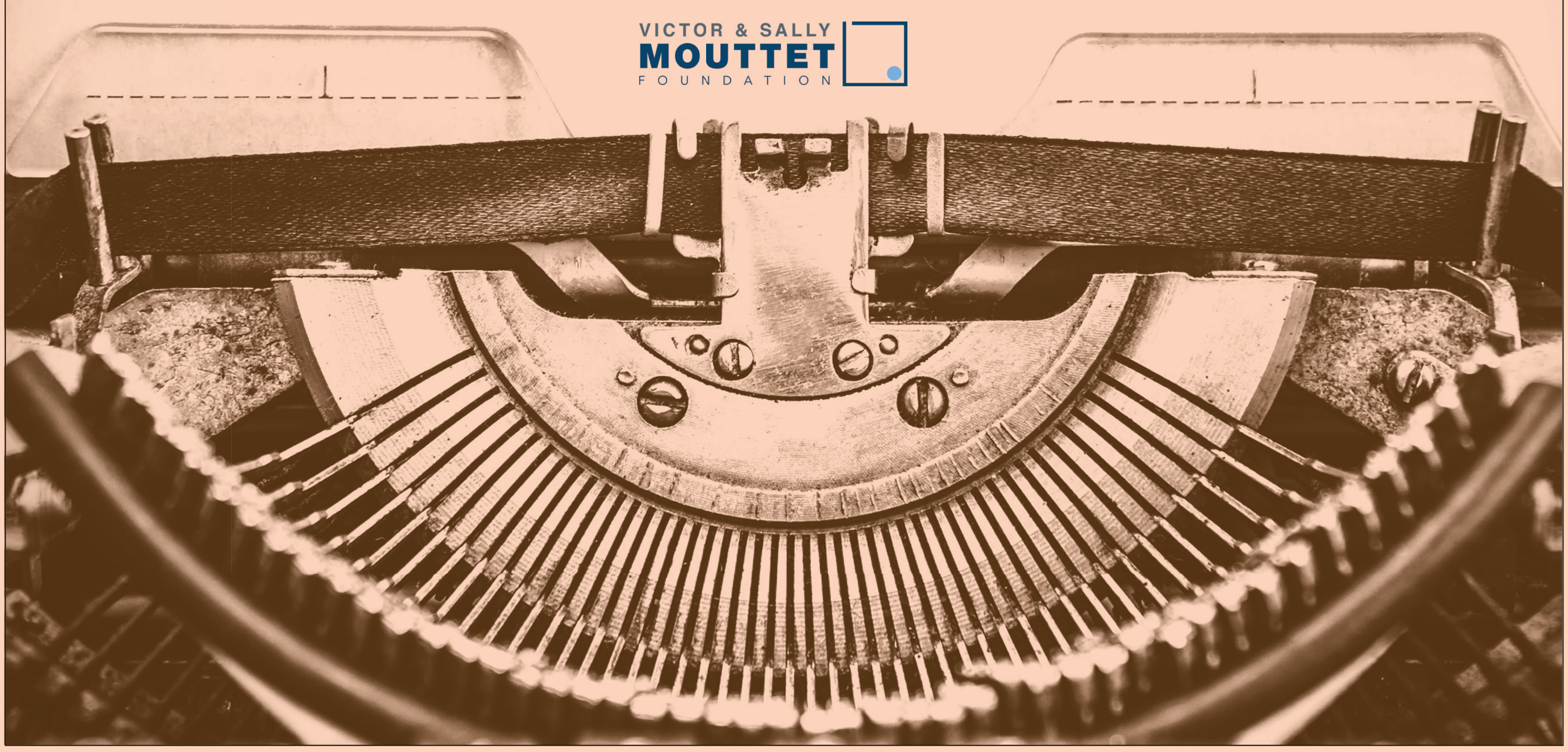
I-Care Programme Testimonials

October 1, 2019
WE received a call from one of the Optometrists we are working with in the Eye Care programme. She said that she had a visit from two parents who each had a kid that had received glasses from the program a month ago. The eyesight of the two kids were severely challenged and the difference in their behaviour, enthusiasm for going to school and the positive comments from their teachers, since they got the glasses has been almost miraculous. At which point the Optometrist noted that the two mothers and herself, began to cry.

February 20, 2020
GREETINGS ..It's with heartfelt thanks that I write this mail...my daughter received her glasses today and she was overjoyed ..in her words ...everything is so clear and beautiful.. So thank you very much GOD BLESS. - Jame, Happy Mom.

October 10, 2020
NOW we know how wonderful life can be. This young man from Tobago, Matthias is seriously disabled.....now he is a little bit more able. Thank you Victor and Sally Foundation and the super company that you began. -Vemco

VICTOR & SALLY MOUTTET FOUNDATION



COMPANY MILESTONES
ROSCO is 70 Years old
70 YEARS 1950-2020

MANAGEMENT DISCUSSION & ANALYSIS

By: Anthony Agostini

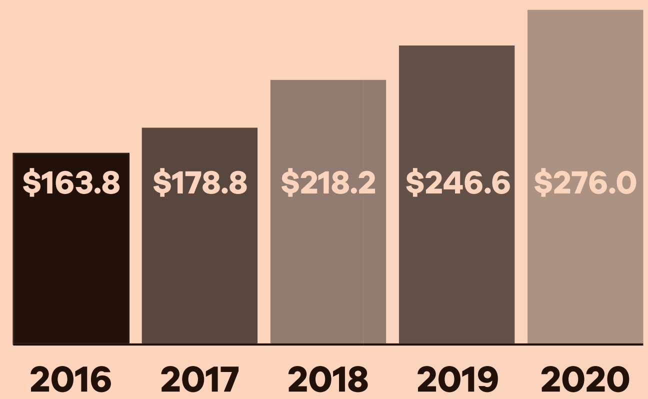
In a year in which there was so much displacement and no doubt anxiety due to the Covid-19 pandemic, a crisis not experienced before in our lifetime, the Group astutely and admirably met the challenges and managed the obstacles it faced, to post respectable results, with sales growing by 5% to $3.43 billion and profit attributable to shareholders up by 3% to $126 million.

Fortunately, all but one of our companies were considered essential and operated continuously throughout this Covid-19 crisis, the only exception being Agostini Building Solutions (construction) which had to curtail operations during the lockdown. While they remained in operation, some of our companies were significantly impacted by a reduction in key areas of their business, in particular Peter and Company in St Lucia, and Hanschell Inniss in Barbados.

During the respective lockdowns and the months following, all companies faced common as well as their own unique challenges, but have been able to maintain effective and efficient operations while ensuring the protection and safety of our staff and customers. This was carried out with a focus and determination that is positively represented by our financial performance during the year.

Every company within the Group also used the crisis as an opportunity to strategically review its operations, to confirm its purpose and objectives, and to identify opportunities to become more efficient and to grow. Although the road ahead in the short to medium term will continue to be difficult, with the pandemic on-going, we are confident that the Group is well positioned to continue our path of growth.

OPERATING PROFIT TT$ MILLION



FINANCIAL HIGHLIGHTS	2020 $'000	2019 $'000	INCREASE
Gross Sales	3,498,698	3,338,418	4.80%
Sales to Third Parties	3,425,476	3,272,135	4.69%
Operating Profit	275,971	246,578	11.92%
Profit before Tax	239,591	218,578	9.61%
Profit for the Year	168,946	162,903	3.71%
Profit attributable to Shareholders	126,187	122,018	3.42%
Stock Units In Issue ('000)	69,104	69,104	0.00%
Earnings per Share	$1.83	$1.76	3.42%
Total Dividends	54,592	43,535	25.40%
Total Assets	2,709,217	2,537,436	6.77%
Shareholder's Equity	1,172,053	1,142,447	2.59%

REVIEW OF OPERATIONS

Pharmaceutical & Health Care

Smith Robertson & SuperPharm

Our pharmaceutical and health care companies were deemed to be critically essential during the pandemic, due to the nature of their operations. Both companies showed resilience, as health care became everyone's primary focus and we saw improved business despite a reduction in business hours, and other measures taken to protect against the virus. Both companies enjoyed improved sales and profitability. SuperPharm was the Group's Company of the Year for companies with sales over $300 million.

Curis Technologies

Our GE Healthcare Distributor Curis, had a good year and strengthened its position in the medical equipment market and produced a much improved profit as a result.

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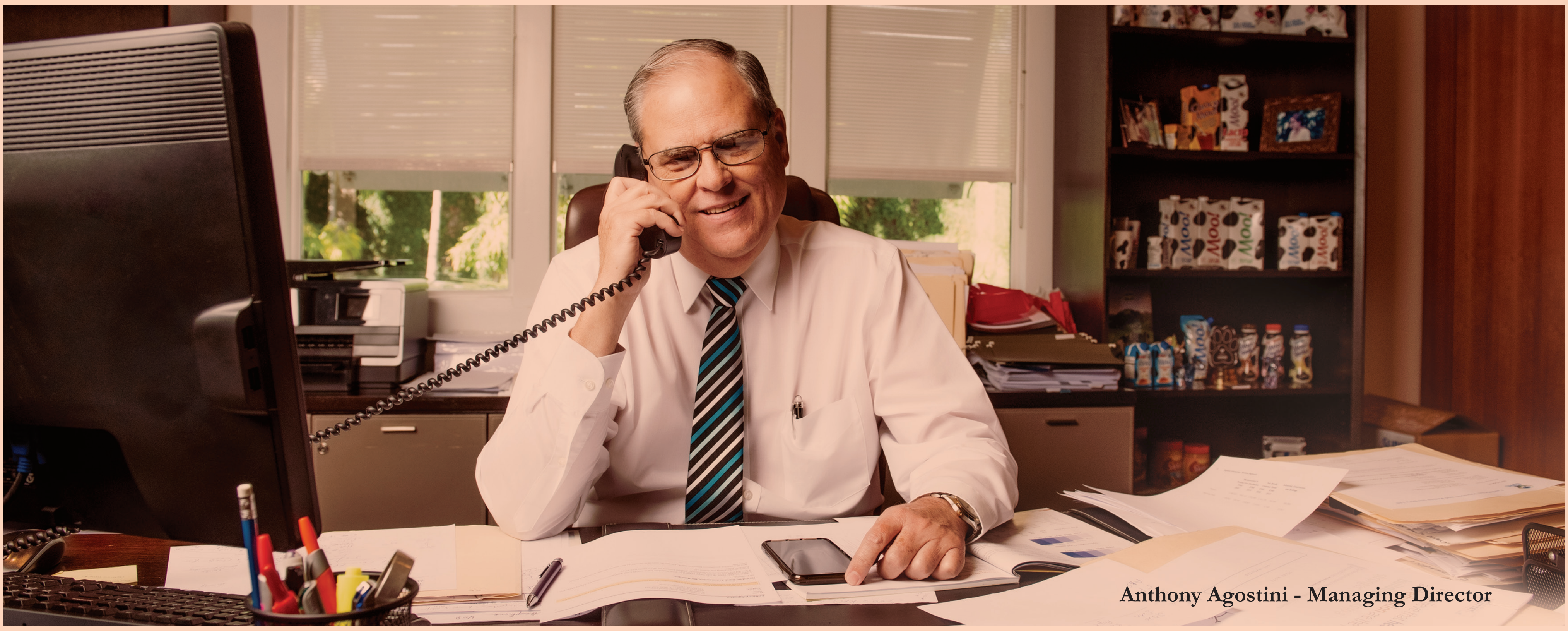

Anthony Agostini - Managing Director

MANAGEMENT DISCUSSION & ANALYSIS - continued from pg7

INFORMATION BY SEGMENT	Third Party Turnover 2020 $'000's	Third Party Turnover 2019 $'000's	Operating Profit 2020 $'000's	Operating Profit 2019 $'000's
• Pharmaceutical and Health Care	1,065,118	943,112	137,327	109,585
• Fast Moving Consumer Goods	2,218,361	2,142,134	124,865	113,072
• Industrial, Construction & Holdings	141,997	186,889	13,779	23,921
	3,425,476	3,272,135	275,971	246,578
	Group Assets Employed 2020 $'000's	**Group Assets Employed 2019 $'000's**	**Employees at Year End 2020**	**Employees at Year End 2019**
• Pharmaceutical and Health Care	800,599	632,736	701	664
• Fast Moving Consumer Goods	1,559,126	1,379,488	1,700	1,738
• Industrial, Construction & Holdings	349,492	525,212	183	180
	2,709,217	2,537,436	2,584	2,582

Fast Moving Consumer Goods

Vemco and Hand Arnold – Trinidad

Both companies had improved sales and profits in 2020 and benefitted from an increase in demand for essential food items. Vemco had the full year benefit of selling Upfield's range of margarines [Blue Band, Golden Ray, I Can't Believe its Not Butter and Flora], versus only having the brands in their portfolio for 2 months in 2019.

Peter & Company Limited – St Lucia

St. Lucia was severely affected economically in the second half of the financial year, due to severe lockdowns and limited, if any, tourism, the country's largest revenue earner. With the closing of restaurants and hotels and the banning of sale of alcoholic beverages for a couple months, Peter and Company's sales levels were badly affected, and we unfortunately had to furlough 35 employees initially for three months and then take the difficult decision to permanently release 10 individuals. Profits of the company ended at 25% of expectations as a result. As the new financial year begins, the situation is only marginally better, and with a difficult 2021 expected, skilful management will be required to keep the company profitable, until tourism activity can recover.

Independence Agencies Limited – Grenada

As with other Caribbean islands dependent on tourism, the closure of hotels and restaurants has had a negative effect on the country's income and its ability to support its citizens. However, the closure of St George's University was perhaps an equally debilitating blow to the country's economy, as it is a significant contributor to the economy. Though performance was lower than budgeted, the results were a slight improvement on the previous year.

Hanschell Inniss Limited – Barbados

Barbados' fallout from lack of tourism not only saw the drying up of income to the Government, but has also had the effect of driving the unemployment rate up to 40%. With the winter tourism season also looking like it will be severely less patronised, we expect consumer demand to take some time to recover. With a couple months of lockdown and the sale of alcoholic products being prohibited for several weeks, Hanschell Inniss' sales and profits were negatively affected. Expenses had to be cut and unfortunately we had to reduce our workforce by 16 persons. The net result was the company achieving half the of the prior year's profit and a quarter of its budgeted profit. Although it may take a couple years for the country's economy to rebound, we expect slightly improved results in the current year, resulting from the measures taken during fiscal 2020.

Coreas Distribution Limited – St Vincent and the Grenadines

St Vincent had minimal fall out from the pandemic, and only our retail outlet on Mustique suffered a large fall off in sales, as a result of much fewer "home owners" visiting the island. Overall Coreas Distribution had an excellent year and is well positioned to continue on this successful path. Following the end of the financial year, construction began on its new Distribution Centre in Diamond. When this facility is completed in September 2021, the company will be able to further improve its level of service to its customers as a result of its enlarged facilities with expanded dry and cold storage warehousing space.

Desinco Limited – Guyana

In a year with the long and protracted election results waiting to be declared and Covid restrictions widely in place, Desinco was still able to record excellent results with sales and profits well above prior years. The company continues to expand and grow, and has also recently expanded into the selling of Pharmaceuticals. Desinco was the Group's Company of the Year for companies with sales under $300 million. We expect to see further improved results in the medium term.

Industrial & Construction

Rosco Petroavance Limited

Although the energy sector was considered an essential service during the lockdown in Trinidad and Tobago, extremely low energy prices resulted in a major slow down in the sector that negatively impacted Rosco, reducing profitability to slightly over half of the previous year's. Despite the depressed performance in energy services, sales of Mobil Oil lubricants did show an improvement and we expect this business to continue on its growth path. Though activities in the sector are not expected to immediately return to the levels pre-pandemic, a number of initiatives being undertaken by the company should negate much of the fall-out.

Agostini Building Solutions

Sales of building products and construction activity were hardest hit as these were deemed to be non-essential which resulted in the closure of the company for 9 weeks. Construction projects were also slow to restart and the company's results were hard hit.

Agostini Guyana Inc/Agostini Properties Guyana Inc.

We began operations in Guyana in February 2020 and had to close shortly thereafter for 6 months due to Covid and the closure of construction projects. We expect to see a gradual recovery in the construction material supply business in 2021.

In Houston, Guyana we commenced construction of 12 warehouse/retail units and development of adjoining "lay down yards", in September 2020, all for third party rental. Completion of the lay down yards are expected by April and the warehouses by September 2021.

Foreign Exchange Availability

The foreign exchange situation in Trinidad & Tobago was again very problematic in 2020 and we were unable to source enough US dollars to meet our foreign purchases. We undertook a comprehensive "exercise", which resulted in the culling of about 30% of the line items in our FMCG businesses. This ensured that we were able to steer our US dollars towards our more strategic and faster moving and more profitable products. We also had to buy more alternative currencies than in previous years, mainly Euros, which when converted, would have had the effect of increasing our foreign exchange cost, by 5-7%.

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MANAGEMENT DISCUSSION & ANALYSIS - continued from pg8

ESG – ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Environmental

Just before the start of the 2020 fiscal year, we appointed a "Group Sustainability Director" in the person of Marc Mouttet. We have highlighted some areas of concentration in the review on page 12 of this report.

Social

We have done a tremendous amount of work through the Victor & Sally Mouttet Foundation in 2020, in addition to other charitable activities. For details you can refer to pages 10 and 11 of this report.

Enterprise Risk Management Committee

In 2019 the board had been discussing the formation of an Enterprise Risk Management Committee and the separating of the "risk" function from the Audit and Risk committee. In January at the board's strategic retreat, it was decided to formalise this new committee and four non executive members of the board were appointed at our February board meeting. Between the formation and setting up of priorities, the dawn of Covid 19 and ever increasing Cyber risk threats, we can see that this committee will have no shortage of significant matters to plan, review and generally assist the group in addressing.

OUTLOOK FOR 2021

As we saw in 2020, our Group is a leader in Pharmaceutical and FMCG distribution in Trinidad and Tobago and in several of the countries in which we operate. We expect to be able to continue to build on our leadership position, however we must be cautious in trying to project future results at this time, given the ongoing Covid 19 Pandemic.

Anthony Agostini
Managing Director
December 4, 2020

COMPANY MILESTONES

AGOSTINI'S
Records highest ever sales & profits

10 YEAR FINANCIAL REVIEW

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
					Revised		Revised		Revised	Revised
	$'000's	$'000's	$'000's	$'000's	$'000's	$'000's	$'000's	$'000's	$'000's	$'000's
Group Turnover	3,425,476	3,272,135	3,252,447	3,073,240	2,453,713	1,706,617	1,359,383	1,312,703	1,293,887	1,255,743
Profit Before Taxation	239,591	218,578	200,863	153,471	143,628	107,353	107,145	87,156	90,242	87,434
Profit for the Year	168,946	162,903	145,398	109,612	96,752	75,422	80,546	62,580	65,217	61,523
Net Profit Attributable to Agostini's Limited Shareholders	126,187	122,018	114,708	92,520	89,034	77,248	79,932	61,946	64,770	61,275
Dividend Amount	54,592	43,535	39,389	38,698	32,874	32,874	32,287	26,984	25,811	24,611
Times covered	2.31	2.80	2.91	2.39	2.71	2.35	2.48	2.30	2.51	2.49
Issued Stock Units ('000)	69,104	69,104	69,104	69,104	58,704	58,704	58,704	58,704	58,662	58,608
Shareholder's Equity	1,172,053	1,142,447	1,069,365	885,029	642,198	581,272	554,058	494,513	446,964	402,773
Dividend per Share	79¢	61¢	57¢	56¢	56¢	56¢	55¢	46¢	44¢	42¢
Earnings per Share	182.6¢	176.5¢	166.0¢	133.9¢	151.7¢	131.6¢	136.2¢	105.5¢	110.5¢	104.9¢
Net Assets	1,537,153	1,481,410	1,371,637	1,134,195	807,532	736,478	555,305	495,582	561,494	485,668

Notes:

1. The 2018 figures have been restated to take effect of adjustments relating to fair values of net assets acquired in the CDP business combination.
2. The 2015 figures have been restated to take effect of adjustments relating to fair values of net assets acquired in the purchase of Vemco and Vembev.
3. The 2012 and 2013 figures have been adjusted in accordance with IAS 19, Pension Benefits

CORPORATE SOCIAL RESPONSIBILITY

In 2020, the Covid-19 pandemic overshadowed all other issues to such an extent, that it became necessary to direct significant funds to assist those most affected by the loss of jobs and resulting loss of income.

The Group's Foundation, the Victor and Sally Mouttet Foundation, funded by Agostini's Limited, Victor E. Mouttet Limited and Prestige Holdings Limited, received a pledge of a special $1 million from Victor E. Mouttet Limited, to add to its funds and be used in assisting the needy during the pandemic, and this was added to an allocation of $1 million approved by the Foundation and a special $1M additional contribution from four of the Group's Trinidad based companies. We spent $1.8 million in an initial burst between April to June and the balance between July to November [$1.2m], so only the part spent before June 30 will be in the audited figures below.

While we were extremely disappointed that we were again unable to obtain Board of Inland Revenue approval for the Foundation prior to its year end on June 30, 2020, we have been following up with the BIR and are hopeful that this status will soon be made available to the Foundation.

In addition to the donations made far and wide through 67 different Non Governmental Organization in their "Food for the Poor" and "Hamper" drives, we again assisted The Dyslexia Association and funded our own I-Care initiative, where we provide eye glasses to primary school students at a nominal cost. We have now extended the programme to 102 Primary Schools from 45 in the prior year and have had over 1,000 pupils evaluated and provided more than 600 pairs of glasses, since the programme started. The closure of schools in March did however slow the process of expanding the number of schools in the programme and the number of kids seen in this year.

Just before the close of our financial year, we announced that we would be providing 400 laptops to school children, of which 300 were allocated to children of the employees of the foundations' donors and 100 distributed through the Ministry of Education's Adopt A School initiative.

Below is the Foundation's Statement of Financial Position and Profit & Loss for its year ended 30th June 2020, as audited by Ernst & Young.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE

Assets	**2020**	**2019**
Cash and cash equivalents	587,278	1,383,992
Total assets	587,278	1,383,992
Accumulated deficit and liabilities		
Accumulated fund		
Deficit	(1,920,621)	(748,179)
Current Liabilities		
Borrowings	2,395,287	2,104,655
Accounts Payable & Accruals	112,612	27,516
Total Liabilities	2,507,899	2,132,171
Total Accumulated deficit and liabilities	587,278	1,383,992

STATEMENT OF COMPREHENSIVE LOSS AT 30 JUNE

	2020	**2019**
Income		
Contributions from Group Companies	1,394,643	-
Expenses		
Food donations to 64 NGO's re Covid 19	1,069,378	-
Food hampers to laid off Prestige Holdings staff	621,523	-
Dyslexia Association	159,463	282,050
T&T Citizens Alliance against Crime	150,000	150,000
Flood Victims	-	70,000
T&T Cancer Society	-	25,000
Other donations	235,201	26,655
Eye Glasses Initiatives for Primary school students	277,744	173,392
Eye Care program Co-Ordinator fees	33,000	14,840
Admin expenses	15,658	5,597
Bank charges	934	645
Green fund levy	4,184	-
Total expenses	2,567,085	748,179
Loss transferred to the accumulated fund	**(1,172,442)**	**(748,179)**

COMPANY
MILESTONES

vemco

Increased Export Sales by 14%

CORPORATE SOCIAL RESPONSIBILITY continued from pg10

Each Group company in Trinidad continues to allocate 1% of its prior year's profit to charitable activities. 80% is forwarded to the Foundation and 20% retained by the individual companies for donations directly done by those companies.

Outside of Trinidad, our five companies also allocate 1% of their prior year's profit and use those funds for charitable donations in their respective countries.

Preparing food hampers for families affected by Covid

Items selected for food hampers

Swiss products for donation to needy families

The donations done by our individual Group companies which were above TT$10,000 each are highlighted below :-

	TT$
Barbados	
Various Donations to Charities	59,628
Grenada	
Various Donations to Charities	72,480
Guyana	
Various Charitable donations	29,280
St. Lucia	
National meals program/Front line workers	80,790
Donation of food, home & personal care items for staff who were on layoff	59,780
St. Vincent	
Medical assistance to three needy cases	32,190
Assistance given to Youth Football Training Facility	25,570
Renovations donations to two churches	25,000
Repairs to A&E department of Milto Cato Memorial Hospital	25,000
Other charitable donations	23,310
Trinidad & Tobago	
30 deeds of Covenant with NGO's / Charitable bodies	89,500
Various Covid relief donations	43,310
Medical assistance to a Cancer patient	25,000
Pharmacy school	20,000
United Way	23,392
John E. Sabga Foundation	12,500
T&T Police Youth Club Netball	11,137
Eshe's Learning Center- Youth Scholarships	10,000
Living Water Community	10,000
Other charitable donations to a number of different NGO's	149,164
Total donations made directly by the Group's subsidiary companies	**$ 394,003**

ADOPT A SCHOOL PROGRAMME

Pictured above at the handing over ceremony in mid November 2020, of the 100 Laptops donated by the Group's Victor & Sally Mouttet Foundation through the Ministry of Education's "Adopt a School Program", to four primary schools. L to R: Ms. Lenor Baptiste Simmons - Permanent Secretary, Anthony Agostini, Dr. Nyan Gadsby Dolly - Minister of Education, Ms. Lisa Morris Julian - Minister in the Ministry of Education, Mrs. Arleen Hinds-Sinanan - Principal of Matura Government Primary.

Earlier this year, the Ministry of Education asked Corporate T&T to assist the Ministry and the schools in the country, by "Adopting" one or more schools, and providing them with digital devices – Laptops, Tablets etc – so that the children could continue their learning remotely, during the period of school closures. At the time, the Ministry noted that over 63,000 school children were without a combination of ICT service or devices, and that posed a serious challenge to their ability to continue learning in the midst of the pandemic.

Our Group's Victor & Sally Mouttet Foundation decided to provide 100 Laptops with suitable laptop carry bags, to four schools.

We chose the four schools from the list provided by the Ministry of Education based on those who had the largest number of children without any digital devices.

The four schools chosen were the Boug Mulatresse RC Primary, Matura Government Primary, Arima Centenary Government Primary and the California Government Primary.

PRESTO MARKET LAUNCHES IN TRINCITY

In early December 2020, the first 'Presto Market' was opened in Trincity.

There was lots of excitement in the air as Jean-Luc Mouttet, who created the concept, cut the opening ribbon to what he describes as "a new shopping experience to T&T."

Having spent time in the UK, where he experienced the style of grocery shopping that would influence Presto Market, he sees quick and frequent shopping trips as the future of consumer-buying patterns.

"People are preferring smaller basket sizes with more frequent visits," he explained. "It spreads out their spending, assures fresh produce and cuts down their in-store time significantly."

And with COVID-19's visible effect on the local economy, Mouttet stressed their commitment to using and supporting local vendors, something that he considers especially critical at this time.

The Presto Market store will also remain open later than most convenience stores and supermarkets, to help accommodate professionals who work later hours and cannot find the time in the day to do their shopping.

After a great deal of market analysis and planning, Mouttet believes they have created the ideal product listing.

"Through the existence of our in-store bakery, we were able to expand our pre-existing Grab and Go sections to increase our variety of meals as well as introducing hot, ready-to-go meals and frozen pre-done meals," he added. "These changes will make people experience a much faster shopping trip, and make their lives easier."

With its motto of "Fresh, Easy, Quick", every visit to Presto Market is sure to be enjoyable, speedy and convenient.

The Presto Market offers a convenient range of fresh fruits, vegetables, meats, grocery necessities, along with an in-house bakery and a range of prepared meals.

VEMCO IS SUPPLIER OF THE YEAR!

Vemco Wins Supermarket Association's Premier Supplier of the year award for quality and reliability - December 13th, 2020.

Rachel Holder, Commercial Manager of VEMCO with a Supermarket Association trophy.

SUSTAINABILITY

In fiscal 2020, Agostini's Limited embarked on the journey to become a more sustainable business, to go beyond our Corporate Social Responsibility and lead as a business partner, an employer, a community member and an environmental steward in supporting our national and regional interests.

Our climate is changing at an alarming rate, and we are already feeling the impact. Climate change is a global danger that we can only curb with global action. Every nation needs to do its part. In 2015, the Paris Climate Agreement, which is the first truly global commitment to fight the climate crisis was established. All countries have signed on to a single, sweeping agreement that aims to keep global warming to 1.5°C, and hopefully, well below 2°C by 2050.

Trinidad and Tobago's pledge to the Paris Climate Agreement was ratified in 2018. This pledge includes the commitment to reduce Trinidad and Tobago's baseline Green House Gas emissions (GHG) by 15% by the year 2030. All Small Island Developing States (SIDS) in our region have made similar commitments to the Paris Climate Agreement.

MARC MOUTTET- Agostini Group Sustainability Director

Our climate is changing at an alarming rate, and we are already feeling the impacts.

The Agostini's Group of companies will support these national and regional climate commitments. We will also ensure our efforts contribute to achieving the United Nations' Sustainable Development Goals (SDGs), the global blueprint for a better and more sustainable future for us all. These SDGs inspire us to take bold and transformative steps to help shift the world onto a sustainable path.

GROUP SUSTAINABILITY STATEMENT

At Agostini's, we are committed to the creation of a sustainable future. The integration of environmental, social and economic goals to meet the needs of today without compromising the ability of future generations to meet their needs tomorrow. We aspire to be a leader in corporate sustainability - as a business partner, an employer, a community member, an environmental steward and as a value creator.

We are committed to reduce the environmental footprint of our operations, engage openly on sustainability issues and support the sustainable development of our region. This is the way we operate our businesses to best serve our customers, inspire corporate and community culture, care for the environment, and drive long-term prosperity. Sustainability is a journey, not a destination. At Agostini's, the journey has begun..."

Team member at Agostini Building Solutions segregating beverage containers for the purpose of recycling.

WASTE SEGREGATION PROGRAMME

OUR SUSTAINABILITY LOGO

Our logo incorporates the four P's of sustainability - 'People, Planet, Purpose and Prosperity'.

World Environment Day at Super Pharm -Glenn Maharaj (CEO) and team with their mugs/ reusable water bottles

These elements oriented in clockwise cycle represent 'connection/continuity/permanence' and the beneficial symbiosis of people and planet.

FOOTPRINT:
represents 'our people'- staff, customers, suppliers, communities, nation and denotes the social attributes of sustainability

LEAF:
represents 'land and earth/mother nature/green'

DROPLETS:
represent 'air and water/oceans and rivers/purity'

OUR TAGLINE:
"Preparing Today, For A Better Tomorrow" captures the essence of our undertaking. 'A Better Tomorrow' is our compass and our shared vision of the future; 'Preparing today' implies it is a journey and our journey has already begun.

OUR NAME:
AGOSTINI'S is established and embodies trust, strength and stability.

CORPORATE GOVERNANCE

BOARD REPORT

The Board of the Company had four quarterly board meetings, three special board meetings, a strategic review meeting and a meeting to review the individual Companies' Plans and Budgets for the year ahead.

The average number of attendees at board meetings were 10.9 out of 11.

BOARD COMMITTEE MANDATES & COMMITTEES

CORPORATE GOVERNANCE & NOMINATION COMMITTEE

Members

Gillian Warner Hudson (Chairman)
Christian Mouttet
Reyaz Ahamad

The Committee makes decisions and recommendations to the board based on the following mandate:-

- Monitors best practices for governance worldwide and review the Company's governance practices to ensure they continue to exemplify appropriately high standards of corporate governance.
- Recommends to the Board for consideration and adoption :
    - The membership and mandates of Board Committees
    - The size and composition of the Board
    - Suitable candidates for nomination as Non-Executive Directors
    - Appointments to the Boards of Subsidiary, Affiliate and Associate Companies
    - The communication process between the Board and Management
    - Approval of the appointments of Executives to the Boards of companies outside the Agostini's Limited Group
- Establishes and reviews policies and procedures with respect to transactions between the Company, its subsidiaries and affiliates and Related Parties, Executive Officers and Directors.
- Establishes and monitors an appropriate Code of Conduct for the Company, its Executives, Managers and Employees and considers and deals with all matters of an ethical nature involving Executives and Non-Executive Directors.
- Reviews annually the mandates and composition of board Committees.
- Reviews the performance of Directors annually
- Establishes and monitors an appropriate procedure governing the trading in the Company's securities by Directors and Officers.
- Addresses any matter of Corporate Governance as delegated by the Board from time to time.

This committee met three times during the year.

AUDIT COMMITTEE

Members

T. Nicholas Gomez (Chairman)
Lisa Mackenzie
Amalia Maharaj

This Committee is responsible for :-

Financial Reporting

To review and challenge where necessary, the actions and judgments of management, in relation to the Company's financial statements, operating and financial review, interim reports, preliminary announcements and related formal statements before submission to, and approval by, the Board, and before clearance by auditors. Particular attention is to be paid to:

- Critical accounting policies and practices, the consistency of their application and any changes in them.
- Decisions requiring a significant element of judgement.
- The extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed.
- The clarity of disclosures.
- Significant adjustments resulting from the audit.
- The going concern assumption.
- The Company's ability to make proposed dividend payments.
- Compliance with accounting standards.
- Compliance with stock exchange and other legal requirements.
- The review of the annual financial statements of the pension funds and tri-annual actuarial valuations.
- Other matters referred by the Board.

Internal Audit

- Monitors and reviews the effectiveness of the Company's Internal Audit function in the context of the Company's overall risk management system.
- Approves the appointment of the external provider and head of internal audit.
- Considers and approves the scope of the internal audit and ensures it has adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards. The Committee shall also ensure the function has adequate standing and is free from management or other restrictions.
- Reviews and assesses the annual internal audit plan.
- Reviews promptly all reports on the Company from the internal auditor.
- Reviews and monitors management's responsiveness to the findings and recommendations of the internal auditor.

continued on pg17

CORPORATE GOVERNANCE- continued from pg16

External Audit

- Oversees the Company's relations with the external auditor.
- Considers and makes recommendations on the appointment, reappointment and removal of the external auditor.
- Approves the terms of engagement and the remuneration to be paid to the external auditor in respect of audit services provided.
- Assesses the qualification, expertise and resources, effectiveness and independence of the external auditors annually.
- Assesses, at the end of the audit cycle the effectiveness of the audit process.

Internal Control

- Reviews the effectiveness of the Company's procedures for whistle blowing and for detecting fraud;
- Reviews management's reports of the effectiveness of the systems for internal financial control and financial reporting;
- Reviews the statement in the annual report and accounts on the company's internal controls and risk management framework;
- Monitors the integrity of the company's internal financial controls;
- Assesses the effectiveness of the systems established by management to identify, manage and monitor both financial and non financial risks,

The Audit Committee met four times during the year.

HUMAN RESOURCES, COMPENSATION AND STOCK OPTIONS COMMITTEE

This Committee is responsible for all matters relating to the compensation policies of the Group. It reviews, approves and recommends to the Board of Directors suitable Compensation Policies, the compensation structure and programmes, and Stock Option grants to Senior Management.

Members:

Reyaz Ahamad (Chairman)
Christian Mouttet
Gillian Warner Hudson

The Committee's primary responsibilities are as follows:-

- To review and approve (if previously delegated by the Board) or recommend to the Board of Directors, for adoption, as appropriate, all Human Resource and Compensation Policies of the Agostini's Limited Group.
- To review and recommend to the Board for approval, the compensation structure and incentive programmes for the Group Managing Director and other Executives. The Group Managing Director may also consult with the Committee regarding the compensation structure and programmes for Managers, whose compensation will be determined by the Group Managing Director, consistent with the guidelines set by the Committee.
- To propose, within the guidelines set out in the Company's compensation structure, for approval by the Board, annual Stock Option/ ESOP grants under the Company's Long Term Incentive Plan, and Annual Bonus and other Incentive Based awards to Executives and other qualifying employees.
- To review the compensation paid to Non-Executive Directors and recommend appropriate adjustments from time to time.
- To review and approve management succession plans for Executive Officers.
- To review with the Group Managing Director and to recommend to the Board, appointments of all officers at or above the level of CEO throughout the Agostini's Limited Group.
- To monitor the Executive Medical Examination Policy and process.
- To address any matters of Human Resources or Compensation as delegated by the Board from time to time and to report to the Board on same.

This Committee met once during the year.

ENTERPRISE RISK MANAGEMENT COMMITTEE (ERM COMMITTEE)

Members:

Lisa Mackenzie (Chairman)
T. Nicholas Gomez
Amalia Maharaj
Gregor Nassief

This Committee was established in fiscal 2020 with the overarching responsibility for managing risk in the Group. In this regard, it is responsible for, inter alia:

- Approval of the ERM policy and framework;
- Approval of the Company's risk appetite statements;
- Ensuring that appropriate resources are in place (including ERM templates, tools and people) for the effective execution of the ERM function and related processes across the Group;
- Ensuring that the risk management system is implemented by the Group Managing Director;
- Ensuring that ERM gets embedded in the strategic planning process and daily operations;
- Ensuring that the established requirements in the ERM Policy and Framework are being met through reliance on independent reviews by the internal audit team where appropriate
- Reviewing risk management reports submitted by the Group's subsidiaries and challenges management on the status and mitigation of the key risks; and
- Providing feedback to the Executive on improvements to the ERM process.
- Annually reviewing its terms of reference and its own effectiveness and recommend any necessary changes to the Board.

To achieve its mandate, the Committee is authorized to:

- Investigate any activity within its scope of responsibilities and terms of reference;
- Seek any information that it requires in fulfillment of its duties from any Director, officer, or employee of the group;
- Seek the Board's approval for any outside assistance that it may deem necessary to carry out its duties;
- Request from time to time from management, such reports as is reasonable, in order to properly discharge its responsibilities.

The Committee met three (3) times this year having been established during the first quarter. It will be meeting at least quarterly in the initial period of establishing an ERM Policy and Framework.

"The Company is in compliance with the Trinidad & Tobago Corporate Governance Code"

VEMCO'S FIRST SHIPMENT OF SWISS CONDIMENTS HEADS TO CUBA

After 4 years of tireless efforts by the export team of VEMCO and the great assistance given by ExporTT, the first order for four containers of Swiss condiments was recently received. In early December 2020 the first of these containers left for Cuba. The other 3 containers will follow, one every 6 weeks.

It is hoped that the people of Cuba will enjoy the taste of our Swiss products and VEMCO will receive many more orders in the coming months and years.

L to R: Her Excellency Tania Diego Olite, Ambassador Extraordinary and Plenipotentiary of the Republic of Cuba, Mr Anthony Agostini, Managing Director of the Agostini's Group, Mr Christopher Alcazar, CEO/Director of Vemco, Senator the Honourable Mrs Paula Gopee-Scoon, Minister of Trade & Industry and Mr. Ashmeer Mohamed, Chairman of Export TT.

INNOVATION AT AGOSTINI'S

GERARD THOMAS- Innovation Team leader

While innovation has always been embedded in the culture of the Agostini Group of companies as a strategic imperative, "Innovation" has been formally adopted as one of the "Four Pillars" on which we would plan, execute and measure our performance and build our organization. The other three pillars are, "Financial Strength", "Customer Satisfaction" and "Employee Excellence".

At the start of 2020, in order to better execute on our innovation strategy and build a culture of innovation within our companies, the Group created an Innovation Lab and a new position of Head of Innovation and Business Development at the group corporate level. Gerard Thomas who has spent the last 16 years in innovation and entrepreneurship in the USA and the Caribbean, has been appointed to that position.

Covid-19 has expedited our need for innovative products and processes, and showed us that companies that cannot quickly adapt to a new world will be left behind. The good news for our customers and stakeholders is that the Agostini's Group has a rich history in Innovation; Innovation is in fact embedded in our DNA. We were the first company to introduce powdered milk in a sachet when it was previously only sold in tins. We were the first to put ketchup in a pouch in the Caribbean when everyone else used bottles. We were also the first to manufacture peanut butter, mayonnaise and mustard in the Caribbean and our Swiss brand of condiments is the leader in most markets in the region. These are just a few of our product-innovations, and alongside those, our companies have developed many business-model-innovations to help grow market share and become more efficient.

The role of our "Innovation Team" led by Gerard, is to unleash the creativity that lies within the innovative DNA of our people and to ignite transformation that will boost the "innovative culture" throughout our Group. Our new Agostini's "Innovation Lab" will empower our employees to propel the Group into the future to create new products, services and processes.

We are committed to inspiring a culture of innovation and we look forward to nurturing the creative ideas from our Employees, Suppliers and Customers towards keeping our Group on a successful growth path.

HAND ARNOLD

The 100th Year

By: Anthony Agostini

We are extremely proud that Hand Arnold in 2020, is one of Trinidad and Tobago's leading FMCG distribution companies.

As part of the Caribbean Distribution Partners Ltd joint venture between Agostini's Limited of Trinidad and Tobago and Goddard Enterprises Limited of Barbados, Hand Arnold has survived and thrived over the past 100 years, during which time they have brought to the households of Trinidad & Tobago, many of the world's leading brands of grocery, food and household products.

The financial success of this business has ensured it has become a well recognized name in the Trinidad and Tobago landscape.

As we celebrate this milestone, the Covid-19 pandemic continues to ravage the world and more recently has taken a firmer grip, right here in Trinidad and Tobago. This will no doubt be another challenge for Hand Arnold to surmount in the coming weeks and months.

The Company's strength however, has seen it through many hurdles over the past 100 years, and we have no doubt that they will survive this latest test, and through their resilience, forge ahead in the coming years, as an even stronger organization.

We acknowledge the thousands of employees, past and present, who have worked so hard and for so many long days, to ensure the Company's success.

We look forward to the future, who knows, another 100 years, with pride and enthusiasm.

HAND ARNOLD'S OFFICES in the mid 1990's...

...and today.

100 Years

SUBSIDIARY DIRECTORS LIST

SMITH ROBERTSON

ANTHONY AGOSTINI
Chairman

ROGER FARAH
CEO / Director

INDERA MAHARAJ
Director

MICHELE STAGG
Director

NICOLE RAMJOHN
Finance Director/ Secretary

CHRISTIAN MOUTTET
Non-Exec Director

PETER WELCH
Non-Exec Director

AGOSTINI BUILDING SOLUTIONS

ANTHONY AGOSTINI
Chairman

ANDREW PASHLEY
CEO / Director

DANIEL AGOSTINI
Director

JOSEPH LAZZARI
Director

ROGER RODRIGUEZ
Director

CHRISTOPHER BERNARD
Non-Exec Director

ROGER FARAH
Non-Exec Director

CURIS TECHNOLOGIES LIMITED

ROGER FARAH
Chairman

STEFAN CROUCH
CEO/Director

ANTHONY AGOSTINI
Non-Exec Director

NICOLE RAMJOHN
Non-Exec Director

SuperPharm

CHRISTIAN MOUTTET
Chairman

GLENN MAHARAJ
CEO/Director

JOHN ABOUD
Non-Exec Director

ANTHONY AGOSTINI
Non-Exec Director

LISA MACKENZIE
Non-Exec Director

JOSEPH RAHAEL
Non-Exec Director

NATALIE FULCHAN
CFO/Secretary

AGOSTINI GUYANA INC. AGOSTINI PROPERTIES GUYANA INC.

ANTHONY AGOSTINI
Chairman

BLAINE CHEE PING
CEO / Director

CHRISTIAN MOUTTET
Non Exec Director

ANDREW PASHLEY
Non-Exec Director

ROSCOPETROAVANCE LIMITED.

ANTHONY AGOSTINI
Chairman

WAYNE BERNARD
CEO/Director

JEAN PAUL ROSTANT
Director

CHRISTOPHER BERNARD
Non-Exec Director

ROGER RODRIGUEZ
Non-Exec Director

VANITA BALROOP
CFO/Secretary

Caribbean Distribution Partners Limited

CHRISTIAN MOUTTET
Chairman

ANTHONY AGOSTINI
Director

ANTHONY ALI
Director

BARRY DAVIS
Director

CHARLES HERBERT
Director

WILLIAM PUTNAM
Director

TRACEY SHUFFLER
CEO

NADIA JAMES REYES-TINEO
Corporate Secretary

CDP Trinidad Limited

CHRISTIAN MOUTTET
Chairman

ANTHONY AGOSTINI
Director

ANTHONY ALI
Director

FRANCOIS MOUTTET
Director

TRACEY SHUFFLER
Director

PETER WELCH
Director

vemco

CHRISTIAN MOUTTET
Chairman

CHRISTOPHER ALCAZAR
CEO / Director

DIRK MARIN
Director

FRANCOIS MOUTTET
Director

ANTHONY AGOSTINI
Non-Exec Director

ANTHONY ALI
Non-Exec Director

MARC MOUTTET
Non-Exec Director

TRACEY SHUFFLER
Non-Exec Director

PETER WELCH
Non-Exec Director

JENNY CHANDLER
CFO / Secretary

SUBSIDIARY DIRECTORS LIST

Coreas Distribution Limited

TRACEY SHUFFLER
Chairman

JIMMY FORDE
CEO / Director

ANTHONY AGOSTINI
Non-Exec Director

WILLIAM PUTNAM
Non-Exec Director

CARLOS JAMES
CFO

SHAREKA CLARKE
Corporate Secretary

Hanschell Inniss

TRACEY SHUFFLER
Chairman

VIDIA WOODS
CEO / Director

JOY-ANN CARTER
Director

ANTHONY AGOSTINI
Non-Exec Director

ANTHONY ALI
Non-Exec Director

NICOLE STOREY
CFO

SHAREKA CLARKE
Corporate Secretary

Hand Arnold

ANTHONY AGOSTINI
Chairman

SHARON GUNNESS BALKISSOON
CEO / Director

SHERRAND MALZAR
Finance Director/ Secretary

RAVI PERSAD
Director

ANTHONY ALI
Non-Exec Director

LISA MACKENZIE
Non-Exec Director

TRACEY SHUFFLER
Non-Exec Director

Peter & Company Distribution

TRACEY SHUFFLER
Chairman

MICHELLE KALLOO
CEO

CHELAN BOXHILL
Finance Director

ANTHONY AGOSTINI
Non-Exec Director

ANTHONY ALI
Non-Exec Director

SHAREKA CLARKE
Corporate Secretary

DeSinco Limited

FRANK DEABREU
Chairman

ALICIA DEABREU
Director

SUNESH MAIKOO
Director

ANTHONY AGOSTINI
Non-Exec Director

DEOMATTIE DEABREU
Non-Exec Director

CHRISTIAN MOUTTET
Non-Exec Director

TRACEY SHUFFLER
Non-Exec Director

DAVON KELLAWAN
CFO/ Secretary

IAL Independence Agencies Ltd.

TRACEY SHUFFLER
Chairman

JUAN BAILEY
CEO / Director

BRIAN SYLVESTER
Director

KELLY JOSEPH
Finance Director

ANTHONY AGOSTINI
Non-Exec Director

YOLANDE RADIX
Non-Exec Director

KEN SYLVESTER
Non-Exec Director

SHAREKA CLARKE
Corporate Secretary

COMPANY MILESTONES

Group has represented Roche for 60 Years

ROSCO PETROAVANCE LIMITED ATTAINED THE 70 YEAR MILESTONE IN 2020

Formerly known as English Drilling Equipment Company Limited (Edeco), the Company was founded by Mr. Elgen Scott. Mr. Scott realized the potential of forming a business around importation & distribution of oilfield equipment and associated supplies. Edeco was very successful and grew rapidly to become a leading supplier, representing many top quality manufacturers. Years later Edeco was sold and the company's name was changed to Rosco Sales Limited.

In 1995 Rosco Sales Limited was purchased by Agostini's Ltd [80%] together with Mr. Walter Bernard [20%] and Rosco became a subsidiary of Agostini's. Always looking to expand, Rosco acquired Petroavance Trinidad Limited in 2000. In 2009 both companies were merged, and the Company's name was changed to Rosco Petroavance Limited.

Over the years, Rosco Petroavance Ltd has been able to grow and diversify into other sectors, while maintaining their dedication to excellent customer service and support. To match the range of diverse product offerings they changed the operating structure of the business into divisions as they recognised that each product category required specialised personnel, equipment and management.

They currently operate seven divisions, managed by individuals with long experience in their fields. These divisions and associated brands are:

OIL WELL
[Harbison Fischer, National Oilwell Varco, Stren, Echometer]

RIG SPARES
[Oil States, Braden Paccar, Martin Sprocket]

VALVES
[Forum Energy, PBV, DSI, Balon, Quadrant, Mueller]

HYDRAULICS
[Effer Cranes, Eaton Hydraulics, OMFB, Spx Powerteam, Char Lynn, Jurop, Permco]

SAFETY
[3M, DBI/SALA, Protector, Mecanix, Dickies, Amot,Charlwyn, Roda Deco, Sofis].

LUBRICANTS
[EXXON MOBIL line of Lubricants for motor vehicles, commercial vehicles, industrial, manufacturing and the marine sector]

SERVICE
[Warranty on, and repairs to all brands sold]

All their products are sold through sole distributorship channels. Rosco Petroavance Ltd has the capacity and capability to continue to be a major player in the Oil & Gas, Petrochemical, Process, Construction and Marine Industries in which they presently operate.

With dedication to safety and quality, as shown by their recent re-certification from STOW and ISO, Rosco has become a company known for its excellent employees supporting quality products and providing outstanding service.

2020 Graduate Trainees

Graduates from the Group's Management Trainee Program: left to right- Jannike Rennie (Smith Robertson), Alicia Francis (Vemco) Ashley Samuell (Smith Robertson), Vernessa Adams (SuperPharm), Rachael Jones (Vemco) and Keon Bennett (SuperPharm).


8:00am
Christian E. Mouttet
Anthony J. Agostini
Barry A. Davis
Roger A. Farah
Francois N. Mouttet
Lisa M. Mackenzie
Reyaz W. Ahamad
E. Gillian Warner-Hudson
T. Nicolas Gomez
Amalia L. Maharaj
Gregor Nassief
Nadia James-Reyes Tineo
THE BOARD OF Directors
Stop Video
Mute
Chat
Share Screen
Breakout Rooms
More

THE BOARD OF *Directors*

FROM TOP: LEFT TO RIGHT

CHRISTIAN E. MOUTTET
Chairman of Agostini's Ltd.
Chairman/ CEO of Victor E. Mouttet Ltd.
Chairman of Prestige Holdings Ltd.
Director since 2010
Member of the Corporate Governance & Nomination and of the Human Resources & Compensation Committees

ANTHONY J. AGOSTINI
Managing Director of Agostini's Ltd.
Director of Caribbean Finance Company Ltd.
Chairman of the Victor & Sally Mouttet Foundation
Director since 1990

BARRY A. DAVIS
Finance Director of Agostini's Ltd.
Director of RBC Investment Management (Caribbean) Limited, RBC Merchant Bank (Caribbean) Limited, RBC Trust (Trinidad and Tobago) Ltd.
Director since 2007

ROGER A. FARAH
Non-Executive Director
CEO/Director of Smith Robertson & Company Ltd.
Director since 2010

FRANCOIS N. MOUTTET
Executive Director of Vemco
Director of CDP Trinidad Ltd.
Director since 2016

LISA M. MACKENZIE
Non-Executive Independent Director
Finance Director of Access & Security Solutions Ltd.
Director of Scotiabank Trinidad & Tobago Ltd. and Scotialife Trinidad & Tobago Ltd.
Director of the Victor & Sally Mouttet Foundation
Director since 2004
Chairman of the Enterprise Risk Management Committee
Member of the Audit Committee

REYAZ W. AHAMAD
Non-Executive Director
Chairman of Caribbean Finance Company Ltd.
Director of Southern Sales & Service Co. Ltd. and President of the Trinidad and Tobago Chamber of Industry and Commerce
Director since 1996
Chairman of Human Resources & Compensation Committee
Member of the Corporate Governance and Nomination Committee

E. GILLIAN WARNER-HUDSON
Non-Executive Independent Director
Management Consultant
Director since 2009
Chairman of the Corporate Governance & Nomination Committee
Member of the Human Resources & Compensation Committee

T. NICHOLAS GOMEZ
Non-Executive Independent Director
Executive Chairman of Gravitas Business Solutions Ltd.
Director of Republic Bank Ltd
Massy Transportation Group Limited, Massy Finance GFC Ltd, Massy Remittance Services (T&T) Ltd., Unilever Caribbean Ltd., G.A.Farrell & Associates Ltd., Laughlin & De Gannes Ltd./ Process Components Ltd. and The General Building and Loan Association
Director since 2019
Chairman of the Audit Committee
Member of the Enterprise Risk Management Committee

AMALIA L. MAHARAJ
Non-Executive Director
Partner of Pollonais, Blanc, De la Bastide & Jacelon
Director of InvesTT Ltd.
Chairperson of the Salaries Review Commission
Director since 2011
Member of the Audit and Enterprise Risk Management Committees

GREGOR NASSIEF
Non-Executive Independent Director
CEO of Cerca Technology
Director/Owner of Secret Bay (Dominica)
Executive Chairman of Fort Young Hotel (Dominica)
Director since 2012
Member of the Enterprise Risk Management Committee

NADIA JAMES-REYES TINEO
Company Secretary / Group Legal Counsel
Company Secretary since 2019

COMPANY MILESTONES

$2.96m in donations


SUPER COW Milk
Combines the
rich creamy taste
your family loves with the
natural goodness they need.
CREAMY AND DELICIOUS
EASY TO MIX
NATURALLY RICH IN NUTRIENTS
SUPER COW
FULL CREAM
MILK POWDER
NET WT: 650 g

DIRECTORS & SENIOR OFFICERS INTEREST

DIRECTORS AND SENIOR OFFICER'S INTEREST

	Shareholding as at 30/9/2020	Connected Party Holding
J. M. Aboud	0	1,189,994
A. J. Agostini	663,376	158,571
R. W. Ahamad	0	10.084,712
C. G. Bernard	95,847	
W. A. Bernard	19,000	
B. A. Davis	396	
R. A. Farah	10,000	
S. A. Gunness-Balkissoon	10,000	
T. Nicholas Gomez	0	
L. M. Mackenzie	36,800	15,324
A. Maharaj	0	
I. Maharaj Badrie	36,000	
C. E. Mouttet	0	39,925,538
F. N. Mouttet	0	39,925,538
A. B. Pashley	23,200	
N. R. Ramjohn	10,000	
R. A. Rodriguez	162,600	
M. Stagg	10,000	
E. G. Warner Hudson	0	

TEN LARGEST SHAREHOLDERS

Shareholder	Shareholding 30/9/2020	Connected Party
Victor E. Mouttet Limited	33,525,538	C. E. Mouttet & F. N. Mouttet
Universal Limited	6,054,937	R. W. Ahamad
National Insurance Board	5,951,940	
GNM Properties	4,800,000	C. E. Mouttet & F. N. Mouttet
Proteus Limited	4,029,775	R. W. Ahamad
Home Construction Limited	1,925,291	
Republic Bank Limited	1,646,834	
JMM Properties	1,600,000	C. E. Mouttet & F. N. Mouttet
Pelican Investments Limited	1,189,994	J. M. Aboud
First Caribbean Barbados	840,000	

COMPANY MILESTONES

Peardrax was founded in the 19th century. Now owned in Trinidad & Tobago.

CORPORATE INFORMATION

SECRETARY AND REGISTERED OFFICE	**Nadia James-Reyes Tineo** 18 Victoria Avenue Port of Spain
REGISTRARS	**The Trinidad & Tobago Central Depository Ltd.** 10th Floor, Nicholas Tower 63 Independence Square Port of Spain
ATTORNEYS-AT-LAW	**Pollonais, Blanc, De la Bastide & Jacelon** 17 Pembroke Street Port of Spain
AUDITORS	**Ernst & Young** 5&7 Sweet Briar Road St. Clair
BANKERS	**Scotiabank Trinidad & Tobago Limited** ScotiaCentre, Corner Park & Richmond Streets Port of Spain
	Republic Bank Limited 59 Independence Square, Port of Spain
	Citibank (Trinidad & Tobago) Limited 12 Queen's Park East Port of Spain
	First Citizens Bank Limited 9 Queen's Park East Port of Spain
	RBC Royal Bank (Trinidad & Tobago) Limited 19-21 Park Street Port of Spain

COMPANY MILESTONES

AGOSTINI'S

Celebrates 95 Years

Our Vision

Every business a benchmark... achieved through our focus on:

- building Financial Strength
- achieving Sustainable Growth; and
- being Trusted Leaders in Innovation

Our Mission

To maintain a sustainable portfolio of businesses by:

- being an employer of choice,
- delighting our customers; and
- being a responsible corporate citizen

Our Values

- People-centric - We value our people and recognise that people are at the heart of our business and at the heart of everything we do.
- Integrity - We act with honesty, openness and transparency.
- Trust - We offer products and services that people trust.
- Ownership - We encourage and engender empowered teams who take responsibility for successfully leading each subsidiary.
- Entrepreneurial Spirit - We foster a mindset that embraces critical questioning, innovation and continuous improvement.

AGOSTINI'S

WHO WE ARE

Vision, Mission, Values

INDEPENDENT AUDITORS REPORT

TO THE SHAREHOLDERS OF AGOSTINI'S LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Agostini's Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 30 September 2020, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 30 September 2020 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

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

continued to pg30

COMPANY MILESTONES

Group has 5 companies over 100 years old

INDEPENDENT AUDITOR'S REPORT continued from pg29

Key Audit Matter	How our audit addressed the key audit matter
Estimation uncertainty involved in impairment testing of goodwill and other intangible assets with indefinite lives Refer to related disclosures in notes 4 i) and 8 and accounting policy notes 2 (g) and 2 (u) to the consolidated financial statements. The Group's recorded positions on goodwill and certain indefinite life brands amount to $233 million as at 30 September 2020. As required by IAS 36: "Impairment of assets", goodwill and intangible assets with indefinite useful lives must be tested for impairment at least annually. These impairment assessments are very subjective as they require the use of projected financial information and assumptions. The purpose of the impairment review is to ensure that goodwill is not carried at an amount greater than its recoverable amount. The recoverable amount is compared with the carrying value of the asset to determine if the asset is impaired. In determining future cash-flow projections, the Group uses assumptions and estimates such as future market conditions, future economic growth, expected market share and gross margins. The outcome of the impairment testing is sensitive to these assumptions and estimates, such that changes in these assumptions/ estimates may result in different impairment test conclusions. Due to the range of assumptions/estimates and the dependence on future market developments used in the models and impairment assessments, this is a key audit matter.	Overall, our audit procedures focused on critically assessing and challenging the appropriateness and reasonableness of the key assumptions utilized by the Group including the determination of cash generating units, cash-flow projections to historical performance and the discount rates, considering also local economic conditions and other alternative relevant independent sources of information. We also evaluated whether the impairment test model used by the Group met the requirements of IAS 36. With the added estimation uncertainty brought on by the pandemic, we closely analysed Management's judgements used in its assessments, including longer-term assumptions, by applying sensitivity analyses to account for market volatility. The calculations were reassessed to factor in any negative impact from the pandemic on the discount rate and other performance factors, along with assessing the potential future impact on business. We involved our EY valuation specialists to assist with our audit of the impairment test methodology, including the cash flows, discount rate and long-term growth rates assumptions utilised in the impairment test. We also reviewed and assessed the appropriateness and completeness of the related disclosures in the notes to the consolidated financial statements, with reference to that prescribed by IFRSs.
Allowance for Expected Credit Losses (ECLs) Refer to relevant disclosures in notes 4 ii) and 12, and accounting policy notes 2 (j) and 2 (p) to the consolidated financial statements. Trade receivables (net of provision) amounted to $398 million as at 30 September 2020. IFRS 9 "Financial Instruments" requires the Group to use a forward-looking approach to record an allowance for ECLs for trade receivables. The determination of ECLs is a highly subjective area due to the level of judgment applied by management, involving various assumptions and factors, such as the estimate of the likelihood of default and the potential loss given default. Key areas of judgment include the need to apply overlays, the quantification of which can be highly subjective, to reflect current or future external factors that are not appropriately captured by the ECL model, including the effects of the pandemic and additional credit risk that could stem from the impact of the pandemic, on the ability of the Group's customers to meet their financial commitments. Given the combination of the inherent subjectivity in the valuation, and the material nature of the balance, we considered the measurement of **ECLs to be a key audit matter in our audit of the consolidated financial statements.**	We understood and critically assessed the methodology and assumptions used by the Group in its ECL models while evaluating its compliance with IFRS 9 requirements. We tested the completeness and accuracy of the inputs used within the models, including the risk or probability of the ECLs. We also assessed the reasonableness of Management's judgmental provisions and the resulting ECL overlays applied by Management considering the uncertainty brought on by the pandemic. For ECLs calculated on an individual basis, we tested the factors underlying the impairment identification and quantification including forecasts of the amount and timing of future cash flows. Finally, we focussed on the adequacy of the Group's financial statement disclosures as to whether they appropriately reflected the requirements of the IFRSs.

Other information included in the Group's 2020 Annual Report

Other information consists of the information included in the Group's 2020 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2020 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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.

INDEPENDENT AUDITORS REPORT continued from pg30

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- 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 the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partner in charge of the audit resulting in this independent auditor's report is Pria Narinesingh.

EY

Port of Spain
TRINIDAD:
November 26, 2020

COMPANY
MILESTONES

Group has 8 companies over 50 Years old

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER

	Notes	2020 $'000	2019 $'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	821,901	820,624
Investment properties	6	20,872	29,165
Right of use asset	7	159,300	-
Intangible assets	8	271,290	272,625
Retirement benefits asset	9	22,432	24,391
Deferred tax asset	15	18,234	793
Prepayments and advances		9,953	5,720
		1,323,982	1,153,318
Current assets			
Inventories	10	603,385	616,026
Construction contract work-in-progress	11	2,514	1,552
Asset held for sale	24	-	12,712
Taxation recoverable		3,673	3,216
Trade and other receivables	12	460,362	516,575
Cash at bank and in hand	22	315,301	234,037
		1,385,235	1,384,118
TOTAL ASSETS		2,709,217	2,537,436
EQUITY			
Capital and reserves			
Stated capital	13	364,716	364,716
Capital reserve		2,652	2,652
Revaluation reserve		140,360	141,228
Other reserves		6,209	610
Retained earnings		658,116	633,241
Equity attributable to equity holders of the parent		1,172,053	1,142,447
Non-controlling interests		365,100	338,963
		1,537,153	1,481,410
LIABILITIES			
Non-current liabilities			
Borrowings	14	258,854	314,079
Retirement benefits liability	9	2,680	2,656
Lease liability	7	204,111	-
Deferred tax liability	15	79,736	79,661
		545,381	396,396
Current liabilities			
Borrowings	14	127,794	127,607
Lease liability	7	12,248	-
Taxation payable		29,556	16,962
Trade and other payables	16	457,085	515,061
		626,683	659,630
TOTAL LIABILITIES		1,172,064	1,056,026
TOTAL EQUITY AND LIABILITIES		2,709,217	2,537,436

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

These consolidated financial statements were authorised for issue by the Board of Directors of Agostini's Limited on 26 November 2020, and signed on its behalf by:

__________________ : Director

__________________ : Director

CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED 30 SEPTEMBER

	Notes	2020 $'000	2019 $'000
Revenue from contracts with customers	30	3,425,476	3,272,135
Cost of sales		(2,564,017)	(2,460,041)
Gross profit		861,459	812,094
Other operating income	17	34,867	37,391
		896,326	849,485
Expenses			
Other operating		(295,529)	(261,841)
Administration		(209,736)	(218,670)
Marketing and distribution		(115,090)	(122,396)
		(620,355)	(602,907)
Operating profit		275,971	246,578
Finance costs - net	19	(36,380)	(25,978)
Profit before taxation and revaluation		239,591	220,600
Loss on revaluation of investment property	6	-	(2,022)
Profit before taxation		239,591	218,578
Taxation	20	(70,645)	(55,675)
Profit for the year		168,946	162,903
Attributable to:			
Equity holders of the parent		126,187	122,018
Non-controlling interests		42,759	40,885
		168,946	162,903
Earnings per share:			
Basic and diluted (expressed in $ per share)	21	$1.83	$ 1.76

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER

Notes		2020 $'000	2019 $'000
Profit for the year		168,946	162,903
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement (losses)/gains on retirement benefits	9	(3,093)	2,336
Income tax effect	15	868	(1,352)
		(2,225)	984
Revaluation of land and buildings	5	(868)	-
Net other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods		(3,093)	984
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		6,340	(638)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		6,340	(638)
Other comprehensive income for the year, net of tax		3,247	346
Total comprehensive income for the year, net of tax		172,193	163,249
Attributable to:			
Equity holders of the parent		128,595	121,769
Non-controlling interests		43,598	41,480
		172,193	163,249

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

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

		Attributable to equity holders of the parent							
Year ended 30 September 2020	**Notes**	**Stated capital $'000**	**Capital reserve $'000**	**Revaluation reserve $'000**	**Other reserves $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Opening balance at 1 October 2019"		364,716	2,652	141,228	610	633,241	1,142,447	338,963	1,481,410
Effect of adoption of IFRS 16	2 a) iii) a)	-	-	-	-	(40,788)	(40,788)	-	(40,788)
Balance as at 1 October 2019 (restated)		364,716	2,652	141,228	610	592,453	1,101,659	338,963	1,440,622
Other movements		-	-	-	98	(3,707)	(3,609)	(113)	(3,722)
Profit for the year		-	-	-	-	126,187	126,187	42,759	168,946
Other comprehensive income		-	-	(868)	5,501	(2,225)	2,408	839	3,247
Total comprehensive income		-	-	(868)	5,501	123,962	128,595	43,598	172,193
Dividends - 2020 (79¢ per share)	29	-	-	-	-	(54,592)	(54,592)	(17,348)	(71,940)
Balance at 30 September 2020		364,716	2,652	140,360	6,209	658,116	1,172,053	365,100	1,537,153

		Attributable to equity holders of the parent							
Year ended 30 September 2019	**Notes**	**Non- Stated capital $'000**	**Capital reserve $'000**	**Revaluation reserve $'000**	**Other reserves $'000**	**Retained earnings $'000**	**Total $'000**	**controlling interests $'000**	**Total equity $'000**
Opening balance at 1 October 2018		364,716	2,652	140,410	6,973	554,614	1,069,365	302,273	1,371,638
Effect of adoption of IFRS 9		-	-	-	-	(3,030)	(3,030)	-	(3,030)
Balance as at 1 October 2018 (restated)		364,716	2,652	140,410	6,973	551,584	1,066,335	302,273	1,368,608
Other movements		-	-	818	(5,725)	2,785	(2,122)	-	(2,122)
Profit for the year		-	-	-	-	122,018	122,018	40,885	162,903
Other comprehensive income		-	-	-	(638)	389	(249)	595	346
Total comprehensive income		-	-	-	(638)	122,407	121,769	41,480	163,249
Dividends - 2019 (63¢ per share)	29	-	-	-	-	(43,535)	(43,535)	(4,790)	(48,325)
Balance at 30 September 2019		364,716	2,652	141,228	610	633,241	1,142,447	338,963	1,481,410

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER

	Notes	2020 $'000	2019 $'000
Operating activities			
Profit before taxation		239,591	218,578
Adjustments for:			
Depreciation of property, plant and equipment	5	49,922	48,481
Amortisation and impairment of intangible assets	8	4,445	4,360
Depreciation on right of use assets	7	17,084	-
Gain on sale of property, plant and equipment	17	(1,198)	(1,159)
Fair value adjustment		1,600	-
Net retirement benefit expense		5,985	5,600
Loss on revaluation of investment property	6	-	2,022
Finance cost (net)	19	36,380	25,978
Operating profit before changes in working capital		353,809	303,860
Changes in working capital			
Decrease/(increase) in inventories		12,641	(21,834)
Increase in work-in-progress		(962)	(269)
Decrease in trade and other receivables		51,486	23,114
Decrease in trade and other payables		(57,942)	(474)
Net cash flows from operations		359,032	304,397
Pension contributions paid		(6,926)	(5,497)
Finance cost paid (net)		(36,380)	(25,978)
Taxation paid		(41,138)	(51,604)
Net cash flows from operating activities		274,588	221,318
Investing activities			
Purchase of property, plant and equipment	5	(61,334)	(101,991)
Proceeds from sale of property, plant and equipment		20,718	1,952
Investment in subsidiary		(6,083)	-
Acquisition of subsidiaries, net of cash acquired	32(b)	(5,491)	-
Prepayments and advances		-	(1,649)
Purchase of intangible and other assets	8	(3,321)	(2,179)
Net cash flows used in investing activities		(55,511)	(103,867)
Financing activities			
Acquisition of non-controlling interests		(1,900)	-
Payment of principal portion of lease liabilities	7	(13,853)	-
Dividends paid to ordinary shareholders	29	(54,592)	(43,535)
Dividends paid to non-controlling interests		(17,348)	(4,790)
Net repayments of borrowings		(45,503)	(36,271)
Net cash flows used in financing activities		(133,196)	(84,596)
Net increase in cash and cash equivalents during the year		85,881	32,855
Net foreign exchange differences		4,918	2,541
Cash and cash equivalents, at 1 October		162,443	127,047
Cash and cash equivalents, at 30 September	22	253,242	162,443

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. GENERAL INFORMATION

Agostini's Limited ("the Company" or "the Parent Company") is a limited liability company, incorporated and domiciled in the Republic of Trinidad and Tobago and the address of its registered office is 18 Victoria Avenue, Port of Spain. Agostini's Limited and its subsidiaries ("the Group") are principally engaged in trading and distribution (wholesale and retail), interior building contracting and manufacturing/packing of certain food products. The Group operates and has subsidiaries in Trinidad and Tobago, Barbados, St. Lucia, St. Vincent and the Grenadines, Grenada and Guyana. A listing of the Group's subsidiaries is presented in Note 25.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of preparation

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

i) Statement of compliance

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

ii) Principles of consolidation

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

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

iii) Changes in accounting policies and disclosures

a) New and amended standards

The Group applied IFRS 16 Leases for the first time. The nature and effect of the changes as a result of the adoption of this new accounting standard are described below.

Several other amendments and interpretations apply for the first time in 2020, but do not have an impact on the consolidated financial statements of the Group. These are described in more detail below. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 16 - 'Leases'

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determine whether an arrangement contains a lease, SIC 15 Operating Leases-incentives and SIC 27 Evaluating the Substance of Transactions involving the legal form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model. Lessor accounting is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore IFRS 16 does not have an impact for leases where the Group is a Lessor.

The Group adopted IFRS16 using the modified retrospective method of adoption with the date of initial application of 1 October 2019. Under this method, the standard is applied retrospectively with the cumulative effect recognised at the date of initial application. The lease liability is measured based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial application and the right of use asset is an amount equal to the carrying amount of the lease liability on the date of initial application. The Group chose to adopt the full modified retrospective method for SuperPharm Limited and Rosco Petroavance Limited whereby the lease liability is measured based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial application and the right of use asset is at its carrying amount as if the standard had been applied since the commencement date. Under the full modified retrospective approach, the comparative figures are not restated and the cumulative effect of initially applying the standard is recognised as an adjustment to the opening balance of retained earnings at the date of initial application.

Under adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases where the Group is the lessee except short-term leases and leases of low valued assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

The effect of adoption of IFRS 16 as at 1 October 2019 (increase/(decrease)) is, as follows:

	$'000
Assets	
Right of use assets	176,384
Net deferred tax asset	13,040
Total assets	**189,424**
Liabilities	
Lease liabilities	230,212
Total liabilities	**230,212**
Total adjustments on equity	
Retained earnings	(40,788)
Non-controlling interests	-
	(40,788)

Leases previously classified as a finance lease - Group as lessee

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance lease (i.e, the right of use assets and lease liabilities equal the lease assets and liabilities recognised under IAS 17). The requirements of IFRS 16 were applied to these leases from 1 October 2019.

Leases previously accounted for as operating leases - Group as lessee

The Group recognised right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low value assets. The right-of-use assets for all leases were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised.

Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determine the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1 October 2019:

Right of use assets of $176,383,853 were recognised and presented separately in the consolidated statement of financial position.

Additional lease liabilities of $230,212,347 were recognised and presented in the consolidated statement of financial position.

IFRIC 23 – 'Uncertainty over income tax treatment'

The IFRIC interpretation clarifies application of the recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over income tax treatments.

The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatment separately.
- The assumptions an entity makes about the examination of tax treatments by taxation authorities.
- How an entity determines taxable profit (tax loss), unused tax losses, unused tax credits and tax rates.
- How an entity considers changes in facts and circumstances.

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The Group has appropriately assessed uncertain tax positions in line with IFRIC 23.

IAS 19 - Employee Benefits Amendments - Plan Amendments, Curtailment of Settlement.

The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement using the actuarial assumptions used to remeasure the net defined liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement of using: the net defined benefit liability (asset) reflecting the benefits under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determine any past service cost or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. Any entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply prospectively to plan amendments, curtailments or settlements that occur on or after the date of first application. These amendments have no impact on the Group as no plan amendments, curtailments or settlements occurred during the annual period.

IFRS 3 Business Combinations - Amendments - Previously held interest in joint operation

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including measuring previously held interests in the assets and liabilities of the joint operation at fair value.

In doing so, the acquirer remeasures its entire previously held interest in the joint operation. An entity applies those amendments to business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 October 2019.

IFRS 11 Joint Arrangements - Amendments - Previously held interest in joint operation

A party that participates in, but does not have joint control of a joint operation, might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in IFRS 3. The amendments clarify that the previously held interest in that joint operation are not remeasured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 October 2019.

IAS 12 Income Taxes - Amendment - Income tax consequences of payments on financial instruments classified as equity

The amendments clarify that the income tax consequences on dividends are linked more directly to past transactions or events that generated distributable profits than to distributions of owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 October 2019. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period.

These amendments have no impact on the Group.

IAS 23 Borrowing Cost - Amendment - Borrowing cost eligible for capitalisation

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

b) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective at the reporting date are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 17, 'Insurance Contracts - Effective 1 January 2023

Amendments to Reference in the Conceptual Framework in IFRS Standards - Effective 1 January 2020

Amendments to IFRS 3 - Definition of Business - Effective 1 January 2020

Amendments to IAS 1 and IAS 8 - Definition of Material - Effective 1 January 2020

Amendments to IFRS 9, IAS 39, IFRS 7 - Interest Rate Benchmark Reform - Effective 1 January 2020

b) Consolidation

i) Subsidiaries

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

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

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

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

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

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

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

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

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

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

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

A listing of the Group's subsidiaries is set out in Note 25.

ii) Business combinations and goodwill

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

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

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

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

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

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

c) Segment reporting

An operating segment is a group of assets, liabilities and operations which are included in the measures that are used by the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Board of Directors, who are also responsible for making strategic decisions.

d) Foreign currency translation

i) Functional and presentation currency

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

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the consolidated statement of income.

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

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

iii) Foreign entities

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

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

e) Property, plant and equipment

Freehold properties (land and buildings) comprise mainly warehouses, retail outlets and offices occupied by the Group and are measured at fair value less subsequent accumulated depreciation for buildings and impairment losses recognised at the date of the revaluation. Management valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. Valuations are performed every five years by qualified independent professional valuators. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of income during the financial period in which they are incurred.

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

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

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the consolidated statement of income. When revalued assets are sold, the amounts included in the revaluation surplus account are transferred to retained earnings.

f) Investment properties

Investment properties principally comprising freehold land and buildings not occupied by the Group, are held for long-term rental yields and capital appreciation. Investment properties are measured at fair value, representing market conditions at the reporting date.

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

If an investment property becomes owner -occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its carrying value for subsequent accounting purposes.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

g) Intangible assets

Goodwill

Goodwill represents the excess of the cost of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest of the acquiree. Goodwill on acquisition of associates is included in investments in associates and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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

Software

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

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

Other intangibles – Customer relationships, brands, rights and other trade names

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

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

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of income when the asset is derecognised.

h) Offsetting financial instruments

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

i) Inventories

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

j) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Cash and cash equivalents

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

Trade and other receivables

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

Impairment of financial assets

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

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

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

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

De-recognition of financial assets

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

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

k) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Loans and borrowings

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

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

Trade and other payables

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

De-recognition

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

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

l) Stated capital

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

m) Current and deferred income taxes

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

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

Deferred income tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and tax laws that have been enacted or substantially enacted by the consolidated statement of financial position date and are expected to apply when the related income tax asset is realised or the deferred income tax liability is settled.

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

n) Employee benefits

Pension

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

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation within "employee benefit expense" (Note 22):

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

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

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

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

Profit-sharing bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the equity holders of the parent shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

o) Provisions

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

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

p) Revenue from contracts with customers

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

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

i) Sales of products to third parties

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

Variable consideration

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

ii) Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

iii) Rental income

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

iv) Dividend income

Dividend income is recognised when the Group's right to receive the payment is established.

v) Other income

All other income is recognized on an accrual basis.

q) Dividend distribution

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

r) Leases

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

Group as a lessee

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

i) Right-of-use assets

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

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

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

ii) Lease liabilities

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

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

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

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

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

Group as a lessor

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

s) Borrowing costs

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

t) Fair value measurement

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

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

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

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

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

u) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

v) Current versus non-current distinction

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

w) Non-current assets held for sale and discontinued operations

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of income.

Additional disclosures are provided in Note 24. All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

x) Comparative balances

Changes in presentation were made to the comparative information of the previous year (2019) for administration and other operating expenses in the consolidated financial statements to allow consistent presentation with the current year. These changes had no effect on the operating result, profit after taxation, earnings per share, net cash flows or net asset of the Group for the previous year (2019).

3. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION

(a) Financial risk factors

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

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

i) Market risk

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

a) Currency risk

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

CURRENCY RISK Year ended 30 September 2020

	TTD $'000	USD $'000	ECD $'000	BDS $'000	Euro $'000	GUY $'000	CAD $'000	Total $'000
ASSETS								
Cash at bank	212,357	33,258	40,944	10,333	9,576	8,831	2	315,301
Trade and other receivables	324,383	32,918	57,375	29,779	137	15,770	-	460,362
Total financial assets	536,740	66,176	98,319	40,112	9,713	24,601	2	775,663
LIABILITIES								
Borrowings	268,593	55,765	43,035	19,255	-	-	-	386,648
Trade and other payables	190,810	162,778	34,149	55,304	11,634	2,410	-	457,085
Total financial liabilities	459,403	218,543	77,184	74,559	11,634	2,410	-	843,733
Net currency risk exposure	77,337	(152,367)	21,135	(34,447)	(1,921)	22,191	2	(68,070)
Reasonably possible change in foreign exchange rate		5%	5%	5%	5%	5%	5%	
Effect on profit before tax		(7,618)	1,057	(1,722)	(96)	1,110	-	(7,269)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

CURRENCY RISK Year ended 30 September 2019

	TTD $'000	USD $'000	ECD $'000	BDS $'000	Euro $'000	GUY $'000	CAD $'000	Total $'000
ASSETS								
Cash at bank	177,009	24,444	18,343	4,740	575	3,884	5,042	234,037
Trade and other receivables	366,465	39,914	60,184	43,087	493	6,432	-	516,575
Total financial assets	543,474	64,358	78,527	47,827	1,068	10,316	5,042	750,612
LIABILITIES								
Borrowings	313,354	62,743	46,018	19,571	-	-	-	441,686
Trade and other payables	243,738	215,599	17,098	35,374	833	2,419	-	515,061
Total financial liabilities	557,092	278,342	63,116	54,945	833	2,419	-	956,747
Net currency risk exposure	(13,618)	(213,984)	15,411	(7,118)	235	7,897	5,042	(206,135)
Reasonably possible change in foreign exchange rate		5%	5%	5%	5%	5%	5%	
Effect on profit before tax		(10,699)	771	(356)	12	395	252	(9,625)

b) Cash flow interest rate risk

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

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

The Group has calculated the impact on profit and loss of a change in interest rates of 100 basis points, based on the average variable borrowings for the financial year. Based on these calculations, the impact would be an increase or decrease of $668,267 (2019: $889,676).

ii) Credit risk

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

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

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

	Gross maximum exposure 2020 $'000	2019 $'000
Trade and other receivables – net (Note 12)	452,137	495,746
Cash at bank and in hand (Note 22)	315,301	234,037
Total	767,438	729,783

iii) Liquidity risk

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

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

LIQUIDITY RISK	Less than 1 year $'000	1 to 2 years $'000	2 to 5 years $'000	Greater than 5 years $'000	Total $'000
2020					
Bank overdraft / acceptances	62,059	-	-	-	62,059
Lease liabilities	12,248	13,543	40,910	149,658	216,359
Borrowings	97,468	114,720	146,826	58,721	417,785
Trade and other payables	366,491	-	-	-	366,491
	538,266	128,313	187,736	208,739	1,062,694
2019					
Bank overdraft / acceptances	71,594	-	-	-	71,594
Borrowings	104,754	70,320	149,856	160,041	484,971
Trade and other payables	378,048	-	-	-	378,048
	554,396	70,320	149,856	160,041	934,613

(b) Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio, which is calculated as total borrowings, both current and non-current, less cash divided by total capital (debt and equity), as presented below:

	2020 $'000	2019 $'000
Total borrowings (Note 14)	386,648	441,686
Less: cash at bank (Note 22)	(315,301)	(234,037)
Net debt	71,347	207,649
Total equity	1,537,153	1,481,410
Total capital	1,608,500	1,689,059
Gearing ratio	4%	12%

For 2020, the Group complied with all of the externally imposed capital requirements to which they are subject.

(c) Fair value estimation

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

The fair value of the long-term portion of the fixed rate financing as at 30 September 2020 is estimated to be $258.8 million (2019: $314.1 million) which is similar to its carrying value of $258.8 million (2019: $314.1 million). For all other financial assets and liabilities, the carrying value is considered a reasonable approximation of fair value.

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

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

4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

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

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

i) Impairment of goodwill and intangibles

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

ii) Expected credit losses of trade receivables

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

iii) Revenue from contracts with customers

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

Determining the timing of satisfaction of construction contracts

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

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

iv) Revaluation of freehold properties and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the consolidated statement of income. In addition, it measures freehold properties at revalued amounts with changes in fair value being recognised in equity. Management performed an external assessment of the valuation of the freehold properties and investment properties. The resultant changes were included in the revaluation reserves or profit and loss, as a gain in valuation respectively. Valuations are sensitive to the underlying assumptions utilized by management in the valuation methodology applied in determining fair value.

v) Taxes

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

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

vi) Pension benefits

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

vii) Leases

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

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

Estimating the incremental borrowing rate

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

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

Operating lease commitments - Group as lessor

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

Finance lease commitments- Group as lessor

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

5. PROPERTY, PLANT AND EQUIPMENT

Year ended 30 September 2020	Land, building and improvements $’000	Furniture and office equipment $’000	Motor vehicles $’000	Machinery and equipment $’000	Capital work in progress $’000	Total $’000
Opening net book amount	661,513	57,003	27,143	50,260	24,705	820,624
Additions	21,053	13,471	8,175	7,739	10,896	61,334
Disposals	(2,933)	(311)	(1,528)	(3,821)	190)	(8,783)
Transfers	21,745	-	-	-	(21,745)	-
Transfer from asset held for sale (Note 24)	12,712	-	-	-	-	12,712
Transfer to investment property (Note 6)	(16,685)	-	-	-	-	(16,685)
Revaluation loss	(868)	-	-	-	-	(868)
Foreign exchange translation	2,684	56	373	3	373	3,489
Depreciation charge	(17,291)	(13,999)	(10,277)	(8,355)	-	(49,922)
Closing net book amount	681,930	56,220	23,886	45,826	14,039	821,901
At 30 September 2020						
Cost or valuation	791,642	217,121	123,226	231,401	14,039	1,377,429
Accumulated depreciation	(109,712)	(160,901)	(99,340)	(185,575)	-	(555,528)
Net book amount	681,930	56,220	23,886	45,826	14,039	821,901
Year ended 30 September 2019						
Opening net book amount	642,856	56,118	28,816	54,957	2,377	785,124
Additions	42,729	15,138	8,086	5,710	30,328	101,991
Disposals	(11)	(51)	(553)	(1)	-	(616)
Transfers	7,227	615	197	102	(8,141)	-
Transfer to asset held for sale (Note 24)	(12,712)	-	-	-	-	(12,712)
Write-offs	-	(1,256)	-	(1,793)	146	(2,903)
Foreign exchange translation	(1,141)	(439)	(187)	(7)	(5)	(1,779)
Depreciation charge	(17,435)	(13,122)	(9,216)	(8,708)	-	(48,481)
Closing net book amount	661,513	57,003	27,143	50,260	24,705	820,624
At 30 September 2019						
Cost or valuation	753,934	203,905	116,206	227,480	24,705	1,326,230
Accumulated depreciation	(92,421)	(146,902)	(89,063)	(177,220)	-	(505,606)
Net book amount	661,513	57,003	27,143	50,260	24,705	820,624

An independent professional valuation was conducted on the Trincity property owned by SuperPharm Limited as at 30 September 2020 by Brent Augustus and Associates.

5 PROPERTY, PLANT AND EQUIPMENT *(continued)*

	2020 $'000	2019 $'000
Depreciation expense charge in expenses	36,170	40,084
Depreciation expense charge in cost of sales	13,752	8,397

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

	2020 $'000	2019 $'000
Cost	273,832	273,832
Accumulated depreciation	(32,740)	(30,928)
Net book amount	241,092	242,904

6. INVESTMENT PROPERTIES

	2020 $'000	2019 $'000
Beginning of year	29,165	31,187
Transfer from fixed assets (Note 5)	16,685	-
Disposal	(24,978)	-
Revaluation on investment property	-	(2,022)
End of year	20,872	29,165

Management valued the existing investment properties in September 2020 at $20,872,915 on the open market value basis.

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

	2020 $'000	2019 $'000
Rental income	408	300
Direct operating expenses	67	40

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

7. LEASES

Group as lessee

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

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

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

	Land and building	Plant and machinery	Total
As at 1 October 2019	175,710	674	176,384
Depreciation (Note 18)	(16,856)	(228)	(17,084)
As at 30 September 2020	158,854	446	159,300

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

	Land and building	Plant and machinery	Total
As at 1 October 2019	229,586	626	230,212
Accretion of interest	12,829	34	12,863
Payments	(26,468)	(248)	(26,716)
As at 30 September 2020	215,947	412	216,359

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

Current	12,248
Non-current	204,111
	216,359

The maturity analysis of lease liabilities is disclosed in Note3(a)(iii).

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

Group as lessor - Operating lease arrangements

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

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

	2020 $'000	2019 $'000
Within one year	324	141
After one year but no more than five years	168	585
After five years	-	-
	492	726

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

8. INTANGIBLE ASSETS

As at 30 September 2020	Goodwill $'000	Customer brands, rights & trade name $'000	Software $'000	Total $'000
Gross carrying amounts as at 1 October 2019	160,820	124,047	9,021	293,888
Retranslation adjustment	-	-	410	410
Additions	967	-	2,354	3,321
Disposals	-	-	(4,863)	(4,863)
Gross carrying amounts as at 30 September 2020	161,787	124,047	6,922	292,756
Accumulated impairment and amortisation as at 1 October 2019	(905)	(13,560)	(6,798)	(21,263)
Impairment	(558)	-	-	(558)
Amortisation	-	(3,301)	(586)	(3,887)
Disposal	-	-	4,242	4,242
Accumulated impairment and amortisation as at 30 September 2020	(1,463)	(16,861)	(3,142)	(21,466)
Net carrying amounts as at 30 September 2020	160,324	107,186	3,780	271,290
As at 30 September 2019				
Gross carrying amounts as at 1 October 2018	160,820	122,687	8,202	291,709
Additions	-	1,360	819	2,179
Gross carrying amounts as at 30 September 2019	160,820	124,047	9,021	293,888
Accumulated impairment and amortisation as at 1 October 2018	(563)	(10,336)	(6,004)	(16,903)
Impairment	(342)	-	-	(342)
Amortisation	-	(3,224)	(794)	(4,018)
Accumulated impairment and amortisation as at 30 September 2019	(905)	(13,560)	(6,798)	(21,263)
Net carrying amounts as at 30 September 2019	159,915	110,487	2,223	272,625

Goodwill

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

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

Cash-Generating Unit	Carrying amount of goodwill $'000	Discount rate	Growth rate extrapolation	Year of acquisition
CDP Trinidad Limited (Hand Arnold division)	48,147	8.28%	2.50%	2008
Agostini Building Solutions (Interchem)	2,738	-	-	2008
SuperPharm Limited	20,888	10.28%	2.90%	2010
Smith Robertson & Company Limited	11,845	11.18%	3.00%	2010
Peter and Company Limited	130	-	-	2015
Hanschell Inniss Limited	20,895	14.34%	3.00%	2015
Coreas Distribution Limited	19,471	12.04%	3.00%	2015
CDP Trinidad Limited (Vemco division)	25,496	8.60%	2.50%	2017
Desinco Limited	4,355	11.78%	3.50%	2018
Curis Technologies Limited	5,392	10.57%	3.00%	2018
Agostini Building Solutions (Lightsource)	967	10.57%	3.00%	2020
Total	160,324			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

8. INTANGIBLE ASSETS *(continued)*

Customer relationships, brands, rights and trade names

Subsequent to initial recognition, the customer relationships, brands, rights and trade names were assessed to determine whether their useful lives were finite or indefinite. Those with finite useful lives were assessed to have lives ranging from 10 to 20 years. Impairment tests were performed on the customer relationships, brands and trade names at year end and there were no impairment charges arising. In 2016, the Group acquired exclusive distribution rights for a drink brand at a cost of $3.1 million which is being amortised on a straight-line basis over a finite period of ten years.

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

Cash-Generating Unit	Carrying amount of goodwill $'000	Discount rate	Growth rate extrapolation period
Hanschell Inniss Limited	2,785	14.34%	3%
Hanschell Inniss Limited - Eve brand	1,360	14.34%	3%
Coreas Distribution Limited	2,201	12.04%	3%
Peter and Company Limited	1,341	-	-
CDP Trinidad Limited (Vemco division)	23,733	8.60%	3%
CDP Trinidad Limited (Hand Arnold division)	4,301	8.28%	3%
CDP Brand Holdings	71,465	8.28%	3%
Total	107,186		

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

	2020 $'000	2019 $'000
Total carrying value of customer relationships, brands, rights and trademarks as at 30 September	107,186	110,487

Key assumptions used in value in use calculations

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

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

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

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

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

Software

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

9. RETIREMENT BENEFITS

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

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

	2020 $'000	2019 $'000
Contribution expense - Trinidad and Tobago plans	4,787	4,321
Contribution expense - Overseas plans	1,198	1,279

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

9 RETIREMENT BENEFITS *(continued)*

	2020 $'000	2019 $'000
Retirement benefits asset:		
Trinidad and Tobago plans (See Note 9 (a))	15,373	17,988
Overseas plans (See Note 9 (b))	7,059	6,403
	22,432	24,391
Retirement benefits liability:		
Overseas plans (See Note 8 (b))	2,680	2,656

a) Trinidad and Tobago plans

Defined benefit pension plan

Changes in present value of defined benefit obligation	**2020 $'000**	**2019 $'000**
Defined benefit obligation at start of year	179,552	174,286
Interest cost	8,191	8,272
Current service cost – employer's portion	6,163	5,152
Employee additional voluntary contributions	5,827	4,548
Actuarial gain/(loss)	879	(1,932)
Transfer in	58	45
Benefits paid	(9,344)	(10,819)
Defined benefit obligation at end of year	191,326	179,552
Change in fair value of plan assets		
Plan assets at start of year	197,540	190,420
Administration expense	(365)	(373)
Expected return on plan assets	9,932	9,476
Actuarial loss	(2,776)	(305)
Employee additional voluntary contributions	5,827	4,548
Transfer in	58	45
Benefits paid	(9,344)	(10,819)
Company contributions	5,827	4,548
Plan assets at end of year	206,699	197,540
Amounts recognised in the consolidated statement of financial position		
Present value of pension obligations	(191,326)	(179,552)
Fair value of plan assets	206,699	197,540
Net benefit asset	15,373	17,988
Represented by:		
Retirement benefit asset	15,373	17,988
Retirement benefit liability	-	-
	15,373	17,988
Changes in present value of defined benefit obligation		
Amounts recognised in the consolidated statement of income		
Current service cost	6,163	5,152
Interest on obligation	8,191	8,272
Expected return on plan assets	(9,932)	(9,476)
Administration cost	365	373
Net pension expense recognised during the year	4,787	4,321

Defined benefit pension plan

Changes in present value of defined benefit obligation	**2020 $'000**	**2019 $'000**
Movements in the net asset recognised in the consolidated statement of financial position		
Net asset at 1 October	17,988	16,134
Net pension expense recognised in the consolidated statement of income	(4,787)	(4,321)
Actuarial (losses)/gains recognized in consolidated other comprehensive income	(3,655)	1,627
Employer contributions	5,827	4,548
Net asset at 30 September	15,373	17,988

The major categories of plan assets as a percentage of total plan assets are as follows:	**2020**	**2019**
Government securities	45%	37%
Local equities	29%	30%
Foreign assets	12%	19%
Short-term	14%	14%

Principal actuarial assumptions at the consolidated statement of financial position date	**2020**	**2019**
Discount rate	5%	5%
Future salary escalation	2% - 3%	3%
Expected return on plan assets	3%	3% - 4.5%

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

Assumptions	**Discount rate**		**Future salary**	
	1% increase $'000	**1% decrease $'000**	**1% increase $'000**	**1% decrease $'000**
2020 Impact on the defined benefit obligation	(10,857)	14,155	2,470	(2,613)
2019 Impact on the defined benefit obligation	(10,068)	13,043	3,113	(2,147)

	2020	**2019**
Group contributions for 2021 ($'000)	6,427	4,800
Average duration of DBO (years)	14	14
Weighted average DBO (years)	14	16

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

9 RETIREMENT BENEFITS *(continued)*

b) Overseas plans

Defined benefit pension plan

	2020 $'000	2019 $'000
Employee benefit asset		
Changes in present value of defined benefit obligation		
Defined benefit obligation at start of year	63,575	64,056
Foreign exchange translation	1,996	(1,677)
Interest cost	4,901	4,719
Current service cost – employer's portion	1,289	1,266
Employee additional voluntary contributions	458	493
Actuarial gains	(5,474)	(3,063)
Benefits paid	(4,083)	(2,219)
Defined benefit obligation at end of year	62,662	63,575
Change in fair value of plan assets		
Plan assets at start of year	67,322	67,574
Foreign exchange translation	2,159	(4,181)
Administration expense	(132)	(250)
Expected return on plan assets	215	4,956
Employee additional voluntary contributions	461	493
Company contributions	1,099	949
Benefits paid	(4,083)	(2,219)
Plan assets at end of year	67,041	67,322
Amounts recognised in the consolidated statement of financial position		
Present value of pension obligations	(62,662)	(63,575)
Fair value of plan assets	67,041	67,322
Net benefit asset	4,379	3,747
Represented by:		
Retirement benefit asset	7,059	6,403
Retirement benefit liability	(2,680)	(2,656)
	4,379	3,747
Amounts recognised in the consolidated statement of income		
Current service cost	1,289	1,266
Interest on obligation	4,901	4,719
Administration cost/unrecognised asset ceiling	132	250
Expected return on plan assets	(5,124)	(4,956)
Net pension expense recognised during the year	1,198	1,279
Movements in the net liability recognised in the consolidated statement of financial position		
Net asset/(liability) at 1 October	3,747	3,518
Foreign exchange	169	(150)
Net pension expense recognised in the consolidated statement of income	(1,198)	(1,279)
Actuarial gains recognized in consolidated other comprehensive income	562	709
Employer contributions	1,099	949
Net asset at 30 September	4,379	3,747
The major categories of plan assets as a percentage of total plan assets are as follows:		
Government securities	7%	4%
Local equities	47%	33%
Foreign assets	38%	45%
Short-term	8%	18%

Principal actuarial assumptions at the consolidated statement of financial position date

	2020	2019
Discount rate	8%	7.5% - 7.75%
Future salary escalation	7%	6.5% - 6.75%
Expected return on plan assets	8%	7.5% - 7.75%
Future pension increases (current retirees only)	4%	3.5% - 3.75%

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

Assumptions	Discount rate 1% increase $'000	Discount rate 1% decrease $'000	Future salary 0.5% increase $'000	Future salary 0.5% decrease $'000
2020				
Impact on the defined benefit obligation	(8,166)	6,705	1,703	(1,454)
2019				
Impact on the defined benefit obligation	(1,142)	6,584	2,484	(198)

	2020	2019
Weighted average DBO (years)	17	16

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

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

The Group is expected to contribute $2.3 million to its overseas defined benefit plans in 2021.

10. INVENTORIES

	2020 $'000	2019 $'000
Finished goods and goods for resale	463,964	456,467
Raw materials	61,215	33,694
	525,179	490,161
Provision for obsolescence	(15,510)	(10,394)
	509,669	479,767
Goods in transit	93,613	135,608
Work-in-progress	103	651
	603,385	616,026
The cost of inventories recognised as an expense and included in cost of sales amounted to	2,577	2,438

11. CONSTRUCTION CONTRACT WORK-IN-PROGRESS

	2020 $'000	2019 $'000
Contract costs incurred in the year	15,908	49,956
Contract expenses recognised in the year	(13,394)	(48,404)
	2,514	1,552
Contract costs incurred and recognised profits (less losses) to date	7,904	9,972

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

12. TRADE AND OTHER RECEIVABLES

	2020 $'000	2019 $'000
Trade receivables	428,185	442,470
Less: Provision for expected credit losses	(38,737)	(34,685)
Trade receivables - net	389,448	407,785
Prepayments	23,484	20,755
Other receivables	27,246	54,179
Receivables from GEL group (Note 26)	5,860	5,856
Receivables from VEML group (Note 26)	6,099	7,171
	452,137	495,746
Amounts due from customers for construction contracts	8,768	21,059
Less: Provision for expected credit losses for construction contracts	(543)	(230)
	8,225	20,829
	460,362	516,575
As at 30 September 2020, trade receivables and amounts due from construction customers that were impaired and fully provided for:	39,280	34,915

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

	2020 $'000	2019 $'000
Balance at 1 October	34,915	29,270
Impact of IFRS 9 adoption -	-	3,030
Balance at 1 October	34,915	32,300
Charge for the year	7,444	7,254
Write backs/ collections	(3,079)	(4,639)
	39,280	34,915

As at 30 September 2020 and 2019, the ageing analysis of trade receivables is as follows:

	Neither past due nor impaired $'000	30-90 dys $'000	Past due but not impaired over 90 dys $'000	Past due but not impaired Total $'000
2020	263,906	85,170	40,372	389,448
2019	269,667	112,915	25,203	407,785

13. STATED AND CAPITAL RESERVES

	2020 $'000	2019 $'000
Authorised		
An unlimited number of ordinary shares of no par value		
Issued and fully paid 69,103,779 (2019: 69,103,779) ordinary shares of no par value	364,716	364,716

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

Revaluation reserve arises from the revaluation of freehold properties.

14. BORROWINGS

	2020 $'000	2019 $'000
Current		
i) Bankers' acceptances (Note 22)	42,198	53,238
ii) Bank overdraft (Note 22)	19,861	18,356
iii) Bank borrowings	65,735	56,013
	127,794	127,607
Non-current		
iv) Bank borrowings	258,854	314,079
Total borrowings	386,648	441,686

i) Bankers' acceptances are unsecured with a maturity period of 1–3 months. Interest rates on these borrowings are 1.72% - 5% per annum (2019: 2.9% - 5% per annum).

ii) The Bank overdraft is secured by a debenture over the fixed and floating assets of the Group stamped to cover $50,000,000 with Scotiabank Trinidad and Tobago Limited ranking pari passu with Republic Bank Limited. Certain subsidiaries' bank borrowings and bank overdrafts are secured by guarantees stamped to cover $50,800,000. The bank overdrafts incur interest at the rate of 3.7% - 7% per annum (2019: 3.7% - 7.25% per annum).

iii) & iv) Bank borrowings include the following loans:

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

This loan of $170,000,000 is secured by a first mortgage debenture over the fixed and floating assets of the Group, stamped to cover $275,000,000. The principal amount of the loan was $170,000,000 repayable via 28 quarterly equal principal payments of $4,250,000 plus interest beginning January 2015. A bullet payment of the remaining balance of $51,000,000 will be due at maturity or subject to refinancing for a further 3 years at the bank's option. It has a fixed interest rate of 4.2% per annum.

- A loan of $60,000,000 which is secured by a second debenture over the fixed and floating assets of Agostini's Limited ranking pari passu with Republic Bank Limited and a specific first demand legal mortgage over additional real estate assets. This loan is repayable in monthly instalments of $658,615 which began on 31 October 2016 over a period of 10 years with a fixed interest rate of 5.75% per annum.
- In December 2015, Agostini's Limited secured a $38,000,000 non-revolving loan with Scotiabank Trinidad and Tobago Limited. This loan is repayable via sixty (60) equal quarterly principal payments of $633,333 plus interest beginning in March 2016 at a rate of 5% per annum and is secured by first demand on property located at #3 Chootoo Road, Aranguez.
- In November 2016, Caribbean Distribution Partners Limited secured a $43,000,000 non-revolving loan with Scotiabank Trinidad and Tobago Limited. This loan is repayable via thirty-two (32) equal quarterly principal payments of $1,075,000. A bullet payment of the remaining balance of $12,900,000 is due on the date of maturity. Interest on this facility was 6.25% per annum and it is secured by the fixed and floating assets of the borrower.
- A subsidiary's loan with Republic Bank Limited obtained in July 2014 which bears an interest rate of 5% per annum, payable in equal monthly instalments of $485,410 inclusive of interest commencing 2 July 2014. This loan is secured by the fixed assets of CDP Trinidad Limited (Vemco division) stamped to cover $85,000,000.
- A subsidiary's loan with Republic Bank Limited secured by a first mortgage over properties at Lot 9A and Lot 9B Diamond Vale Industrial Estate, Diego Martin stamped to cover $13,464,000. The loan commenced on 1 August 2014 and bears an interest of 4.85% per annum with monthly instalments of $117,941 inclusive of interest.
- A loan of $19,500,000 to refinance existing CIBC First Caribbean International Bank obtained from The Bank of Nova Scotia (Barbados) at an interest of 5.25% per annum. This facility is repayable in 59 equal monthly principal payments of $162,406 per month.
- In December 2017, Caribbean Distribution Partners Limited (CDPL) acquired a $35,670,000 non-revolving term loan from Scotiabank Trinidad and Tobago Limited. This loan is repayable in twenty-four (24) equal quarterly principal instalments of $990,833. The bullet payment of the balance of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

loan of $11,890,000 shall be payable on the day which is the sixth anniversary from the date of advance or subject to refinance for a further three (3) years at the Bank's sole option. It has a fixed interest rate of 4.69% per annum and is secured by registered debenture over the fixed and floating assets of the Borrower and a deed of properties executed by the Bank, CDPL and Republic Bank Limited.

- A subsidiary's loan of $79,000,000 with a first charge over the fixed and floating assets of Peter and Company Limited secured at a rate of 5.2% per annum. The loan is repayable in 59 equal consecutive monthly principal payments of $167,320 each plus interest. The balance of the facility will be paid on or before 21 December 2021.
- In May 2019, Agostini's Limited secured a $15,000,000 non-revolving loan with Republic Bank Limited to assist with the construction and installation of a cold storage facility. The loan is repayable via 120 equal monthly instalments of $164,654 inclusive of interest of 5.75% commencing 15 June 2019.

Maturity of non-current borrowings:

	2020 $'000	2019 $'000
Between 1 and 2 years	84,185	66,747
Between 2 and 5 years	107,982	137,953
Over 5 years	66,687	109,379
	258,854	314,079

15. DEFERRED INCOME TAX

The movement on the deferred tax account is as follows:

	Accumulated tax depreciation $'000	Fair value gains $'000	Retirement benefit obligation $'000	Tax losses $'000	Intangible assets $'000	Total $'000
As at 1 October 2019	38,574	25,179	9,259	(1,280)	7,136	78,868
Charge to consolidated statement of income (Note 20)	1,736	-	(160)	307	(2,630)	(747)
Credit to consolidated OCI	-	-	868	-	-	868
On adoption of IFRS 16	(16,770)	-	-	-	-	(16,770)
Other movements	-	264	(2,601)	(5,041)	6,661	(717)
As at 30 September 2020	23,540	25,443	7,366	(6,014)	11,167	61,502
As at 1 October 2018	36,204	25,636	8,006	(1,415)	9,392	77,823
Charge to consolidated statement of income (Note 20)	2,258	(487)	(385)	128	(2,205)	(691)
Credit to consolidated OCI	-	-	1,352	-	-	1,352
Other movements	112	30	286	7	(51)	384
As at 30 September 2019	38,574	25,179	9,259	(1,280)	7,136	78,868

	2020 $'000	2019 $'000
Deferred tax liability	79,736	79,661
Deferred tax asset	(18,234)	(793)
	61,502	78,868

Tax losses of Hanschell Inniss Limited which are available for set off against future taxable income for corporation tax purposes are as follows:

Income	Amount brought forward $'000	Amount utilised $'000	Amount carried forward $'000	Expiry date
2015	185	(185)	-	2022
2016	1,250	(1,250)	-	2023
	1,435	(1,435)	-	

These losses are as computed by the Company in its corporation tax returns and have as yet neither been confirmed nor disputed by the Commissioner of Inland Revenue.

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

Income	Amount brought forward $'000	Amount utilised $'000	Amount carried forward $'000	Expiry date
2012	2,543	-	2,543	2021
2013	762	-	762	2022
2015	3,388	-	3,388	2024
	6,693	-	6,693	

16. TRADE AND OTHER PAYABLES

	2020 $'000	2019 $'000
Trade payables	326,572	368,538
Accrued expenses	55,773	64,630
Amounts due to contractors	-	245
Other payables	34,821	35,083
Payables to GEL Group (Note 26)	39,919	46,555
Payables to VEML Group (Note 26)	-	10
	457,085	515,061

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60 day terms.
- Other payables are non-interest bearing and have an average term of six months.
- For terms and conditions with related parties, refer to Note 26.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

17. OTHER OPERATING INCOME

	2020 $'000	2019 $'000
Foreign exchange gains	4,659	7,372
Rental income	2,311	1,186
Commissions	16,372	17,436
Gain on sale of property, plant and equipment	1,198	1,159
Miscellaneous income	10,327	10,238
	34,867	37,391

18. EXPENSES BY NATURE

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

Depreciation and amortisation (Notes 5 and 8)	53,809	52,499
Depreciation on right of use assets (Note 7)	17,084	-
Impairment (Note 8)	558	342
Employee benefit expense (Note 23)	312,169	330,105
Changes in inventories of finished goods and work in progress	1,787,326	1,613,919
Raw materials and consumables	745,826	795,116
Transportation	25,742	25,700
Advertising costs	32,630	37,460
Net creation of provision for expected credit losses	7,444	6,023
Insurance	10,626	11,994
Repairs and Maintenance – vehicles	7,551	9,448
Repairs and Maintenance – property	21,321	21,143
Legal and professional fees	8,395	10,400
Green fund levy	7,558	7,171
Directors fees	4,749	1,857
Operating lease payments	3,677	14,445
Other expenses	137,907	125,326
Total cost of goods sold, other operating, administration, and marketing and distribution expenses	3,184,372	3,062,948

19. FINANCE COSTS - NET

Interest income	(1,092)	(1,614)
Interest on lease liability (Note 7)	12,863	-
Interest expense - bank borrowings and acceptances	24,609	27,592
	36,380	25,978

20. TAXATION

Current tax	69,177	49,703
Deferred tax (Note 15)	(747)	(691)
Business levy	1,080	6,446
Prior years under provision	1,135	217
	70,645	55,675

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

Profit before taxation	239,591	218,578
Taxes at aggregate statutory tax rates of all jurisdictions:	73,878	72,809
Differences resulting from:		
Expenses not deductible for tax purposes	1,080	3,296
Change in tax rate	-	2,802
Income not subject to tax	(4,253)	(6,389)
Movement in deferred tax assets not recognized	(2,032)	(22,737)
Prior years under provision	(1,135)	217
Business levy	1,080	6,446
Other permanent differences	(243)	(769)
	70,645	55,675
Tax losses available for set off against future profits	6,693	13,809

21. EARNINGS PER SHARE

Basic and diluted

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

	2020	2019
Profit attributable to shareholders of the Parent ($'000)	126,187	122,018
Weighted average number of ordinary shares in issue ('000)	69,104	69,104
Basic and diluted earnings per share ($ per share)	$1.83	$1.76

22. CASH AND CASH EQUIVALENTS

	2020 $'000	2019 $'000
Cash at bank and in hand	315,301	234,037
Bank overdraft (Note 14)	(19,861)	(18,356)
Bankers' acceptances (Note 14)	(42,198)	(53,238)
	253,242	162,443

23. EMPLOYEE BENEFIT EXPENSE

Wages and salaries	262,421	279,802
National insurance	18,722	19,958
Other benefits	17,673	22,429
Pension costs	9,220	5,600
Termination costs	4,133	2,316
	312,169	330,105

24. ASSET HELD FOR SALE

Transfer from property, plant and equipment (Note 5)	-	12,712

In August 2018, the administrative building of a subsidiary (Vemco – a Division of CDP Trinidad Limited) relocated to Aranguez from Diego Martin. This was for logistical reasons as it was closer in proximity to the Distribution Centre which was already located in Aranguez. As a result, the building that previously housed the administrative staff was no longer needed for the business. It was listed for sale in March 2019 and has met the criteria of non-current assets held for sale as stated in accounting policy Note 2 w). The Group has since decided to use the building for expanision of the existing manufacturing plant and has transferred the property to Property Plant and Equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

25. SUBSIDIARIES

Subsidiaries	Principal activities	Country of incorporation	2020 Percentage of equity held	2019 Percentage of equity held
Smith Robertson & Company Limited	Wholesale distribution of pharmaceutical and personal care items	Trinidad & Tobago	100%	100%
SuperPharm Limited	Sale of pharmaceutical and convenience items	Trinidad & Tobago	100%	100%
Rosco Petroavance Limited	Marketing of equipment and services to petroleum related companies	Trinidad & Tobago	95%	92%
Ponderosa Pine Consultancy Limited	Rental of properties	Trinidad & Tobago	100%	100%
Caribbean Distribution Partners Limited	Holding company	Trinidad & Tobago	50%	50%
CDP Trinidad Limited	Wholesale distribution of food, beverage and grocery products	Trinidad & Tobago	50%	50%
Peter and Company Limited	Wholesale distribution of food, beverage and grocery products	St. Lucia	50%	50%
Coreas Distribution Limited	Wholesale distribution of food, beverage and grocery products	St. Vincent	50%	50%
Independence Agencies Limited	Wholesale distribution of food, beverage and grocery products	Grenada	27.50%	27.50%
Hanschell Inniss Limited	Wholesale distribution of food, beverage and grocery products	Barbados	50%	50%
Facey's Limited	Wholesale distribution of food, beverage and grocery products	Barbados	50%	50%
Desinco Limited	Wholesale distribution of food, beverage and grocery products	Guyana	25.50%	25.50%
Curis Technologies Limited	Sale and service of medical equipment	Trinidad & Tobago	100%	100%
CDP Brands Holdings Limited IBC	Holding of Peardrax brand	St. Lucia	50%	50%

CDP Trinidad Limited consisted of three (3) divisions involved in the fast-moving consumer goods and food manufacturing segment. As at 31 July 2019, CDP Trinidad Limited ceased operations in one of its divisions with the assets of that division either disposed or allocated between the two other divisions.

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

1)	CDP Trinidad Limited	(100%)
2)	CDP Brands Holding Limited	(100%)
3)	Hanschell Inniss Limited	(100%)
4)	Peter and Company Limited	(100%)
5)	Coreas Distribution Limited	(100%)
6)	Independence Agencies Limited	(55.12%)
7)	Facey's Limited	(100%)
8)	Desinco Limited	(51%)

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

26. RELATED PARTY TRANSACTIONS

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

	2020 $'000	2019 $'000
i) Amounts due by related parties:		
Victor E. Mouttet Limited Group (Note 12)	6,099	7,171
Goddard Enterprises Limited Group (Note 12)	5,860	5,856
	11,959	13,027
ii) Amounts due to related parties:		
Victor E. Mouttet Limited Group (Note 16)	-	10
Goddard Enterprises Limited Group (Note 16)	39,919	46,555
	39,919	46,565
iii) Transactions with related parties:		
Sales and services to related companies	89,035	80,686
Purchases and services from related companies	16,381	20,123
iv) Compensation of key management personnel:		
Salaries and other short-term employee benefits	42,365	47,035

v) Related party transactions:

Note 25 provides the information about the Group's structure including the details of the subsidiaries and the holding company.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year- end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 September 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

27. MATERIAL PARTLY OWNED SUBSIDIARY

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

Proportion of equity interest held by non-controlling interest:

Company name	Country of Incorporation and Operation	% Interest 2020	% Interest 2019
Caribbean Distribution Partners Limited Group	Republic of Trinidad and Tobago	50	50

	2020 $'000	2019 $'000
Accumulated balances of material non- controlling interest:		
Caribbean Distribution Partners Limited Group	325,638	302,481
Profit allocated to material non-controlling interest:		
Caribbean Distribution Partners Limited Group	38,198	36,785

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

	Caribbean Distribution Partners Limited Group	
Summarised consolidated statement of income:	**2020 $'000**	**2019 $'000**
Revenue	2,224,082	2,147,267
Cost of sales	(1,713,146)	(1,644,082)
Administrative expenses	(140,382)	(176,195)
Other expenses - net	(259,961)	(219,381)
Finance cost	(18,047)	(14,576)
Share of profit in associate	-	-
Profit before tax	106,818	93,033
Taxation	(26,220)	(16,260)
Profit after tax	80,598	76,773
Total other comprehensive income	87,974	72,737
Attributable to non-controlling interest	38,198	36,785
Dividends paid to non-controlling interests	14,684	2,740
Summarised consolidated statement of financial position:		
Non-current assets	631,608	621,871
Current assets	949,992	842,121
Non-current liabilities	190,008	229,630
Current liabilities	512,414	416,590
Total equity attributable to:		
Equity holders of parent	553,547	515,299
Non-controlling interests	325,638	302,481
Summarised consolidated cash flow information		
Operating	142,484	97,744
Investing	(8,948)	(43,693)
Financing	(54,716)	(33,116)
Net increase in cash and cash equivalents	78,820	20,935

28. CONTINGENCIES

		2020 $'000	2019 $'000
(i)	Customs bonds	1,643	21,003
(ii)	Bank guarantees	12,500	15,051
(iii)	Letters of credit	750	77,387
(iv)	Performance bonds	4,286	10,196

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

29. DIVIDENDS

The dividends paid and declared in 2020 and 2019 were $54,591,985($0.79 per share) and $43,535,381 ($0.63 per share) respectively.

Subsequent to year end on 23 November 2020, the Group proposed and approved a final dividend for 2020 of $38,007,078 ($0.55 per share). This 2020 final dividend will be charged against retained earnings in 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

30. REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Disaggregated revenue information

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

	For the year ended 30 September 2020			
Segments	**Pharmaceutical & health care distribution $'000**	**Fast moving consumer goods $'000**	**Industrial, construction and holdings $'000**	**Total $'000**
Type of goods or service				
Sale of beverages	-	237,951	-	237,951
Sale of consumer goods	316,529	1,980,410	-	2,296,939
Sale of pharmaceutical & health care products	733,044	-	-	733,044
Sale of medical equipment	15,545	-	-	15,545
Sale of industrial products & Mobil lubricants	-	-	114,548	114,548
Construction services	-	-	27,449	27,449
Total revenue from contracts with customers	**1,065,118**	**2,218,361**	**141,997**	**3,425,476**

	For the year ended 30 September 2019			
Type of goods or service				
Sale of beverages	-	317,856	-	317,856
Sale of consumer goods	270,073	1,824,278	-	2,094,351
Sale of pharmaceutical & health care products	650,820	-	-	650,820
Sale of medical equipment	22,219	-	-	22,219
Sale of industrial products & Mobil lubricants	-	-	134,961	134,961
Construction services	-	-	51,928	51,928
Total revenue from contracts with customers	943,112	2,142,134	186,889	3,272,135

b) Timing of revenue recognition	**30 September 2020 $'000**	**30 September 2019 $'000**
Goods transferred at a point in time	3,398,027	3,206,581
Services transferred over time	27,449	65,554
Total revenue from contracts with customers	**3,425,476**	**3,272,135**

c) Performance obligations

Sale of products

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

Rendering of services

Performance obligations for rendering of services are generally satisfied over time. In some cases, installation services are provided to customers who purchase manufactured products or equipment purchased for resale.

This performance obligation is separate from that for the supply of the relevant item and is satisfied over-time. Payment terms vary depending on the contract terms. In the case of short-term contracts, payment is generally due within 30 days of the completion of the installation. In the case of long-term contracts, payment is due according to a schedule of specific milestones.

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

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

31. SEGMENT INFORMATION

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

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

Business segments	Pharmaceutical & health care distribution		Fast moving consumer goods		Industrial, construction and holdings		Total	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Revenue								
Revenue from contracts with customers	1,065,118	943,112	2,218,361	2,142,134	141,997	186,889	3,425,476	3,272,135
Inter segment sales	60,288	56,107	5,775	5,133	7,159	5,043	73,222	66,283
Total revenue	1,125,406	999,219	2,224,136	2,147,267	149,156	191,932	3,498,698	3,338,418
Results								
Operating profit	137,327	109,585	124,865	113,072	13,779	23,921	275,971	246,578
Loss on revaluation of investment property	-	-	-	-	-	(2,022)	-	(2,022)
Finance costs - net	(15,821)	(7,325)	(15,562)	(14,576)	(4,997)	(4,077)	(36,380)	(25,978)
Profit before taxation	121,506	102,260	109,303	98,496	8,782	17,822	239,591	218,578
Taxation	(37,846)	(30,239)	(28,424)	(18,464)	(4,375)	(6,972)	(70,645)	(55,675)
Profit for the year	83,660	72,021	80,879	80,032	4,407	10,850	168,946	162,903
Non-controlling interests							(42,759)	(40,885)
Net profit attributable to equity holders of the parent							126,187	122,018
Consolidated total assets								
Segment assets	800,599	632,736	1,559,126	1,379,488	349,492	525,212	2,709,217	2,537,436
Consolidated total liabilities								
Segment liabilities	356,470	251,970	581,879	559,297	233,715	244,759	1,172,064	1,056,026
Other information								
Capital expenditure	7,471	13,075	40,657	44,484	13,206	44,432	61,334	101,991
Depreciation and amortization	14,506	15,134	33,182	32,771	6,121	4,594	53,809	52,499

No revenue from transactions with a single external customer or counterparty amounted to 5% or more of the Group's total revenue in 2020 or 2019.

Geographical information	Trinidad & Tobago		Barbados		Other countries		Total	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Third party revenue	2,215,947	2,064,409	383,901	398,310	825,628	809,416	3,425,476	3,272,135
Non-current assets	1,071,528	955,106	51,456	28,254	150,379	139,054	1,273,363	1,122,414

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020- continued

32. BUSINESS COMBINATIONS

a) Lightsource Limited

The assets of Lightsource Limited were acquired on 16 January 2020 for $7.1 million by the Group. The consideration for the purchase of assets was settled by way of 80% payment on signing of the purchase agreement (TT$4.6 million and US$162 thousand). Contingent consideration of the remaining 20% will be paid based on attainment of gross profit targets in the first two years subsequent to the date of acquisition. The consideration was estimated to be TT$6.8 million based on probability weighted scenario approach and discounting of the contingent consideration.

Lightsource Limited provided lighting consultancy services and lighting products to the design community; Architects, Interior Designers, Engineers, Project Managers and Property Owners. Its lighting solutions (supported by the Lithonia, Hubbell, Acquity and Sylvania brands) are appropriate for most interior and exterior commercial applications, comply with international quality and energy criterion and flex to accommodate a wide spectrum of project budgets.

Although the business name was purchased, the operations of Lightsource Limited were integrated within Agostini Building Solutions, a division of Agostini's Limited.

The acquisition of Lightsource Limited was accounted as a business combination using the acquisition method of accounting in accordance with IFRS 3 "Business Combination." The net identifiable net assets were re-measured at the acquisition date and recorded by the Group in conjunction with goodwill arising from the business combination.

The assessment of fair values of Lightsource was as follows:

	Final fair value $'000
Property, plant and equipment	212
Total non-current assets	212
Inventories	5,302
Trade and other receivables	1,969
Cash and cash equivalents	161
Total current assets	7,432
Total identifiable assets acquired	7,644
Trade and other payables	1,769
Taxation payable	6
Total identifiable liabilities assumed	1,775
Net identifiable assets acquired	**5,869**

b) The fair value of the inventory amounts to $5.3 million None of the inventory has been impaired. Goodwill as at the acquisition date was determined at the end of the measurement period as follows:

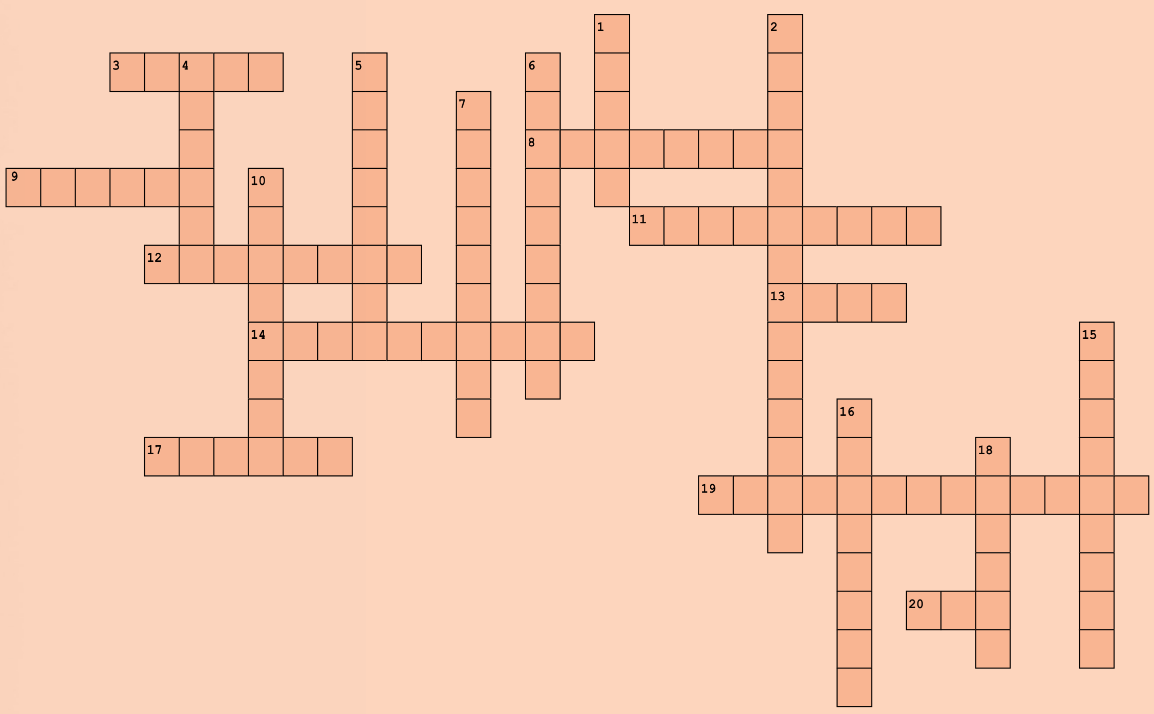
	$'000
Cash consideration	5,652
Contingent consideration	1,184
Fair value of net identifiable assets acquired	(5,869)
Goodwill	**967**

The net cash outflow on the acquisition was as follows:

	$'000
Cash paid	(5,652)
Cash and cash equivalents acquired	161
Net cash outflow on acquisition	(5,491)

There is contingent consideration of $1.2 million in respect of the acquisition.

AGOSTINI'S CROSSWORD



CLUES

Across

3. Better Because It's...
8. Pure vegetable oil
9. Your Pet our Passion
11. Flour
12. Sparkling Pear Drink
13. Disinfectant Spray
14. Celebrating 100 Years
17. Convenient food
19. "They're Gr-r-reat"
20. Fresh Cows Milk

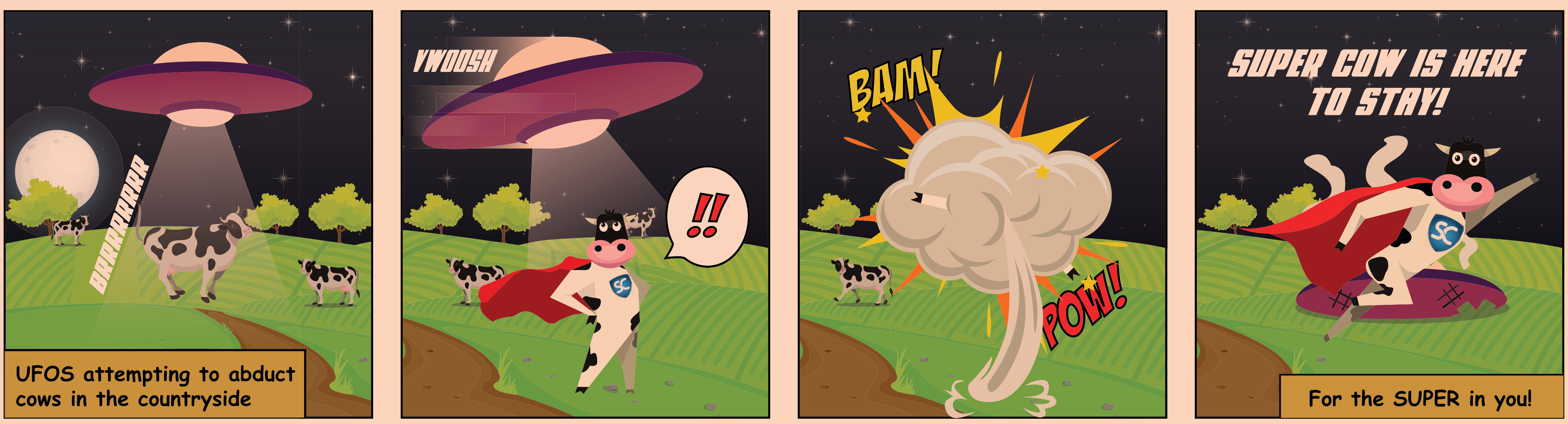
Down

1. Increased export sales by 14%
2. A pharmaceutical company
4. Eyeglass project
5. Spread every slice!
6. First Milk Powder in the world to be packed in a sachet
7. Parent company
10. Chocolate
15. Antiseptic Cool Mint
16. Life is a Sport!
18. Cleaning solution

ANSWERS

Across:
2. Blue Band
4. Richport
7. Swiss
11. Smith Robertson
13. Frosted Flakes
14. Five Roses
16. Moo
17. Purina
19. Kerrygold
20. Clorox

Down:
1. Listerine
3. Agostini
5. Hersheys
6. Gatorade
8. Hand Arnold
9. Peardrax
10. Beep
12. Presto
15. Vemco
18. I-Care



Proxy Circular

Republic of Trinidad & Tobago
The Companies Act,
1995 (Section 144)

NAME OF COMPANY:
Agostini's Limited Company No. A-5907 (A)

PARTICULARS OF MEETING:
Seventy-seventh Annual Shareholders Meeting of Agostini's Limited, will be held virtually on Monday January 25, 2021 at 10am

____________________ of ____________________
Name (CAPITAL LETTERS) *Address (CAPITAL LETTERS)*

I/We, being a shareholder (s) of Agostini's Limited, hereby appoint Mr. Christian Mouttet or failing him, Mr. Anthony Agostini, Directors of the Company or

____________________ of ____________________
Name (CAPITAL LETTERS) *Address (CAPITAL LETTERS)*

as my/our proxy to vote for me/us on my/our behalf on the Resolutions to be proposed at the meeting and at any adjournment thereof in the same manner, to the same extent and with the same powers as if the undersigned were present or such adjournment or adjournments thereof.

Signed this __________ day of __________ 2020 / 2021 ____________________
Signature of Shareholder(s)

Please indicate with a tick in the appropriated box below how you wish your proxy to vote on the Resolutions referred to.
If no such indication is given, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.

RESOLUTIONS	FOR	AGAINST
1. To consider and if thought fit, confirm the amendments to by-law no. 1 of the company set out below and effected by resolution of the Board of Directors on November 16, 2020 in accordance with section 66 of the companies act Ch. 81:01 of the laws of Trinidad and Tobago.		
2. To receive the Financial Statements for the year ended September 30, 2020 and reports of the Directors and Auditors thereon.		
3. To appoint the following Director appointed during the year, and who being eligible offers himself for re-election. Mr Barry Davis		
4. To re-elect the following Directors who retire by rotation, and who being eligible, offer themselves for re-election.		
i. Mr. Anthony Agostini		
ii. Mr. Reyaz Ahamad		
iii. Ms. Amalia Maharaj		
5. To appoint the Company's Auditors, and to authorise the Directors to fix their remuneration.		
6. To transact any other ordinary business of the Company.		

NOTES:
1) If it is desired to appoint a proxy other than the named Directors, the necessary deletions must be made and initialed and the name inserted in the space provided.
2) In the case of joint holders, the signature of any holder is sufficient but the names of all joint holders should be stated.
3) If the appointer is a Corporation, this form must be under its Common Seal or under the name of an officer of the Corporation duly authorised in this behalf.
4) To be valid, the proxy form must be completed signed and deposited with the Secretary, Agostini's Limited, #18 Victoria Avenue, Port-of-Spain at least 48 hours before the time appointed for holding the meeting or adjioned meeting

Proxy Circular

Republic of Trinidad & Tobago
The Companies Act, 1995 (Section 144)

1. NAME OF COMPANY: Agostini's Limited Company No. A-5907 (A)

2. PARTICULARS OF MEETING:
Seventy-seventh Annual Shareholders Meeting of Agostini's Limited, will be held virtually via a zoom link on Monday January 25, 2021 at 10am.

3. SOLICITATION:
It is intended to vote the Proxy hereby solicited by the Management of the Company (unless the Shareholder directs otherwise) in favour of all resolutions specified in the Proxy Form sent to the Shareholders with this Circular and in the absence of a specific direction, in the discretion of the Proxy Holder in respect of any other resolution.

4. ANY DIRECTOR'S STATEMENT SUBMITTED PURSUANT TO SECTION 76 (2):
No statement has been received from any Director pursuant to Section 76 (2) of the Companies Act, 1995.

5. ANY AUDITOR'S STATEMENT SUBMITTED PURSUANT TO SECTION 171 (I):
No statement has been received from the Auditors of the Company pursuant to Section 171 (I) of the Companies Act, 1995.

6. ANY SHAREHOLDER'S PROPOSAL SUBMITTED PURSUANT TO SECTIONS 116 (a) AND 117 (2):
No proposal has been received from any Shareholder pursuant to Sections 116 (a) and 117 (2) of the Companies Act 1995.

DATE	NAME AND TITLE	SIGNATURE
December 4, 2020	Nadia James-Reyes Tineo Corporate *Secretary* Agostini's Limited	Nadia James-Reyes Tineo