

Expanding

Service Excellence through
Technology, People
and Innovation

**ANNUAL REPORT
2023**



PLIPDECO



Expanding

**Service Excellence through
Technology, People
and Innovation**

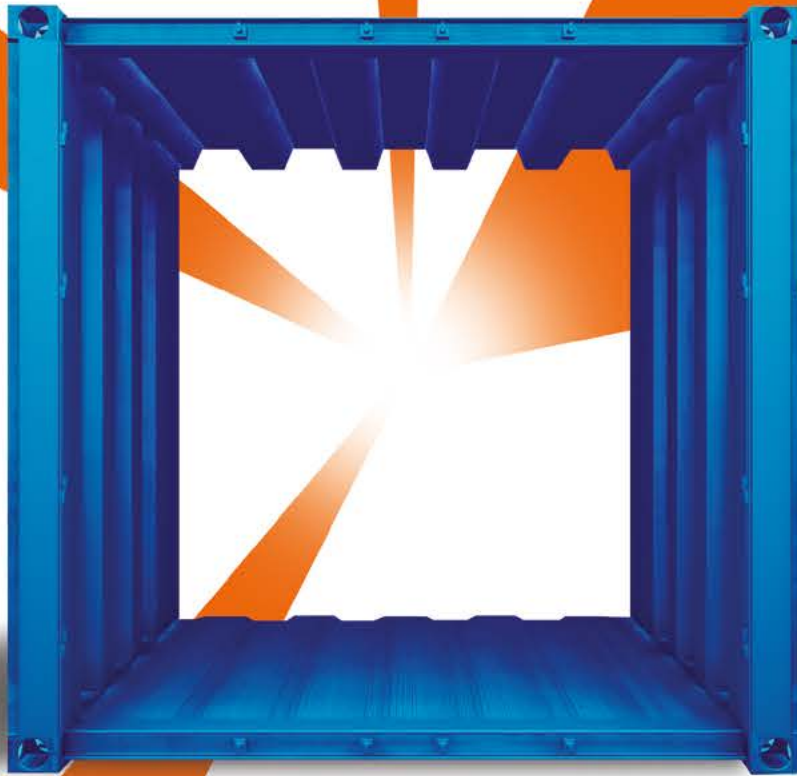


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Expanding

Service Excellence through
Technology, People
and Innovation

Mission, Vision & Values

Mission

To develop, market and operate port, logistics and industrial estate infrastructure for optimal economic growth.

Vision

To be a global leader in port and estate management by consistently providing superior, innovative service.

Values

Integrity

We will act with honesty, without compromising the truth and be personally accountable for the highest standards of behaviour.

Innovation

We will convert knowledge and ideas to new approaches that will revolutionise the way we work.

Equity

We are committed to acting with equity when dealing with our employees and other stakeholders, so that we continue to maintain the trust and confidence of those with whom we do business.

Service Excellence

We will provide our customers with service and professionalism that far surpasses their expectations.

Health, Safety and Environment

We are committed to ensuring that the working environment is safe and that all individuals take responsibility for achieving this.



Expanding Service Excellence through
Technology, People and Innovation

Corporate Information

DIRECTORS

Dr. Daniel Dookie (Chairman)

Mr. Richardo Garcia

Mr. Haydn Jones

Mr. Ricardo Lewis

Ms. Cindy Manson

Ms. Ayanna Miguel

Mr. St. Clair O'Neil

CORPORATE SECRETARY

Ms. Richelle Lyman

REGISTERED OFFICE

PLIPDECO House

Orinoco Drive

Point Lisas Industrial Estate

Point Lisas, Couva

Trinidad, West Indies

Telephone: (868) 636-2201/2202

Facsimile: (868) 636-4008

Website: www.plipdeco.com

BANKERS

Republic Bank Limited

Southern Main Road

Couva

Trinidad, West Indies

First Citizens Bank Limited

Orinoco Drive

Point Lisas Industrial Estate

Point Lisas, Couva

Trinidad, West Indies

AUDITORS

PricewaterhouseCoopers (PwC)

11-13 Victoria Avenue

Port of Spain

Trinidad, West Indies

REGISTRAR

Trinidad and Tobago

Central Depository Limited

10th Floor, Nicholas Towers

63-65 Independence Square

Port of Spain

Trinidad, West Indies

Notice of Annual Meeting

NOTICE IS HEREBY GIVEN that the **Fifty-Seventh (57th) Annual Meeting of Shareholders** of the Point Lisas Industrial Port Development Corporation Limited (“the Corporation”) will be held on **Thursday 11th July, 2024**, commencing at 2:00 p.m. at the Conference Centre, PLIPDECO House, Orinoco Drive, Point Lisas for the following purposes:

ORDINARY BUSINESS:

1. To receive and consider the Report of the Directors and the Group’s Audited Financial Statements for the financial year ended December 31st, 2023, together with the Report of the Auditors thereon and to note the final dividend.
2. To elect Directors.
3. To appoint Auditors of the Company and authorise the Directors to fix their remuneration and expenses for the ensuing year.

BY ORDER OF THE BOARD

Richelle Lyman

Richelle Lyman
Corporate Secretary
April 1st, 2024

Notes

1. No service contracts were entered into between the Company and any of its Directors.
2. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his or her stead. Such Proxy need not also be a member of the Company.
3. Attached is a Proxy Form which must be completed, signed and then deposited with the Secretary of the Company not less than 48 hours before the time fixed for holding the meeting.

Board of Directors

Dr. Daniel Dookie
Chairman



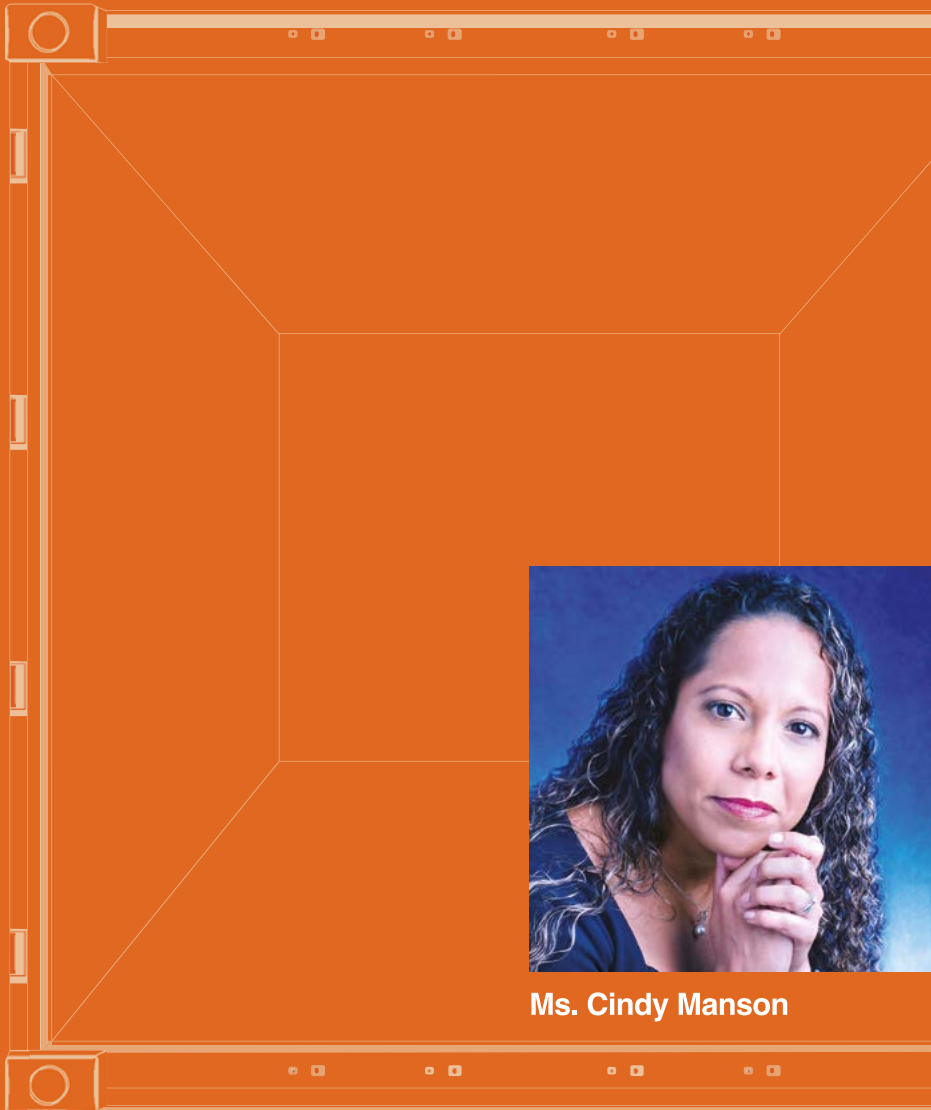
Mr. Richardo Garcia



Mr. Ricardo Lewis



Mr. Haydn Jones



Ms. Ayanna Miguel



Ms. Cindy Manson



Mr. St. Clair O'Neil

Principal Officers



Mr. Ernest Ashley Taylor
President

Dr. Averde Pantin
Vice President,
Technical Services



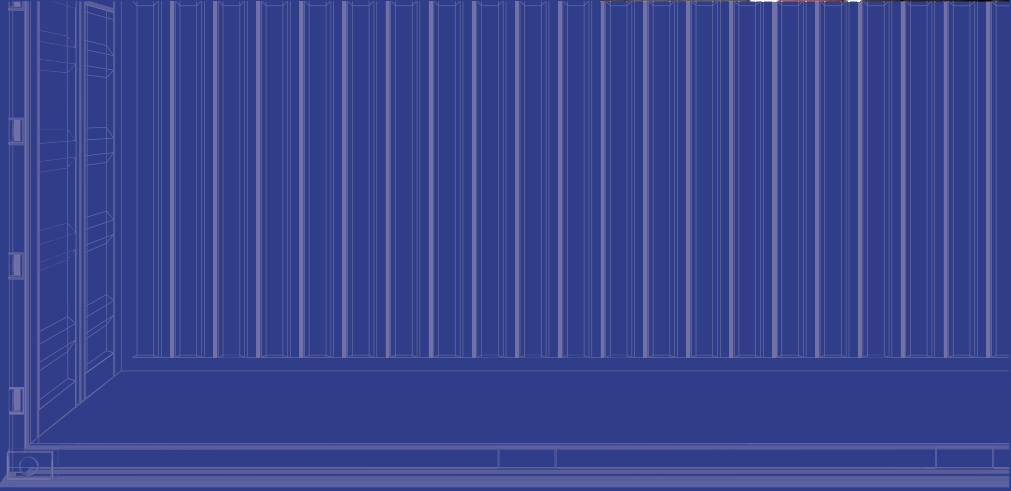
Mr. Curtis Dennie
Vice President,
Port Operations



Mr. Niegel Subiah
Vice President,
Business Services



Ms. Richelle Lyman
Corporate Secretary



Chairman's Report

Dr. Daniel Dookie
Chairman



VISION STATEMENT:
**‘To be a Global Leader in port and estate management
by consistently providing superior, innovative service’.**

ECONOMIC PERSPECTIVE

The year 2023 can be considered as the first full year where the economic and business environment, locally, regionally and internationally returned to full normalcy post the COVID-19 Pandemic. The headlines however, continued to be dominated by the Ukraine-Russia conflict and the economic uncertainty that it brought. The economic sanctions brought against Russia continued to impact the energy and food commodity markets given that Russia has been a major player for several decades in both sectors. In addition, World grain supplies from Ukraine were significantly disrupted due to the internal devastation caused by the War. The ongoing conflict also has broader implications for energy sector prices bringing with it considerable uncertainties and fluctuations. The preceding had a consequential effect on global economic activity and inflation.

Economic and trade stability were further stymied with the Israel-Hamas conflict which resulted in global shipping uncertainty which also created concerns for a wider global conflict. According to Fitch BMI, Global Economic Growth for each of the last three years, 2021, 2022 and 2023 was 5.8%, 1.9% and 2.4% respectively following on from economic decline in 2020 when COVID-19 initially struck. Additionally, the WTO’s Global Trade Outlook Report showed commensurate global trade growth for the same period was 9.6%, 3.0% and 0.8% respectively. GDP growth in the Caribbean closed at 3.7% in 2023 after

appreciable growth of 6.99% in 2022. Guyana which represents the fastest growing economy globally, grew by 29.5% in 2023 following on from a phenomenal growth rate of 62.4% in 2022. Trinidad and Tobago in comparison grew by 2.1% in 2023 after growth of 2.6% in 2022.

A number of headwinds shall impact global, regional and local economies during 2024 and will therefore impact growth in the various regions and countries. These headwinds include:

- Ukraine-Russia War
- Israel-Hamas War
- Disruption in shipping lanes
- US-China relations
- Debt challenges in emerging markets
- Elections in many major jurisdictions including the USA
- Rise in protectionism especially in developed markets
- Rising inflation rates

There is a general consensus therefore, that world economic growth for 2024 will remain subdued. The World Bank Global Economic Prospects Report, 2024 predicts global growth of 2.4%, Bloomberg predicts 2.6% while Fitch Solutions BMI projects 2.1%. The WTO estimates global trade growth to remain low in 2024 at 3.3%.

The overall slowdown in growth is underpinned by the continued slowdown in the USA and the Eurozone which are both expected to see growth rates of only 0.8%. China is expected to be at 4.7%, well above the global average of 2.1%,

Chairman's Report (continued)

while the Emerging Markets grouping will see growth of 3.9%.

Trinidad and Tobago is expected to see growth of 2.1% in 2024, while major regional trading partners in Guyana and Jamaica are projected to see contrasting growth rates. Like Trinidad and Tobago, Jamaica will experience low growth of 2.3% while Guyana is predicted to grow by a world leading 23.5%. Per Capita GDP of Guyana is expected to rise further to US\$29,327. In comparison, the Per Capita GDP of Trinidad and Tobago for 2024 is estimated to be US\$18,015.

FINANCIAL PERFORMANCE

For the year ended December 31st, 2023, the Corporation generated \$366.5m in revenue. This represented a minimal decrease of \$2.6m or 1% when compared with 2022. The decline was a result of a net decrease in revenue from container handling operations where there was a 9% increase in Containerised Cargo throughput while there was a 17% decline in General Cargo. In addition, Industrial Estate Revenue increased by 8% as a result of Rent Reviews, Lease Renewals and Commitment Fees implemented during the year.

Group Profit Before Tax (excluding Fair Value Gains) dropped to \$19.9m, a 30% reduction over 2022 when Group Profit Before Tax of \$28.6m was recorded. The decrease recorded was not only due to the reduction in revenue alluded to earlier, but an increase in costs associated with retroactive payments as a result of settlement of collective bargaining agreements as well as increases in costs aligned with planned repairs and maintenance of equipment and infrastructure.



It must be noted, that included in 2022's Profit Before Tax (PBT), is revenue derived from a one off public auction, which accounted for 24% of 2022 total PBT. Taking this into consideration, the real decline in PBT experienced in 2023 amounts to 8%.

The Corporation ended the year with Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) (excluding Fair Value Gains) of \$52.5m. This represented a decrease of 20.2% over 2022 when EBITDA was \$65.7m. Earnings per Share (EPS) for the year were \$1.33, an improvement over the \$1.10 EPS recorded for 2022.

SHIPPING AND LOGISTICS

While the sector attempted to return to some level of normalcy post COVID-19, new events emerged that contributed to further disruptions in the global supply chain. During the last quarter of 2023, the Panama Canal Authority commenced reductions in the number of daily

vessel passages due to the historically low water levels in the Canal. During normal periods, an average of 38 vessels transited the Canal daily and by the end of the year, this was reduced to 18 transits daily.

This resulted in the rerouting of vessels through alternative routes or vessels having to contend with lengthy transit delays. Lines in some instances changed routes to utilise US West Coast ports instead of East Coast ports. It must be noted that 40% of US containerised traffic passes through the Panama Canal representing approximately \$270bn in trade. Overall cargo through the Canal represents about 5% of global trade.

The impact of the preceding on commodity, food and energy prices and availability has been felt around the World as well as Latin America and the Caribbean. It is anticipated however, that from the second quarter 2024 onwards with the coming rainy season in Panama, there could be a gradual return to normalcy.

Further disruptions to the supply chain also occurred during the final quarter of 2024 due to attacks on vessels transiting the Red Sea through to the Suez Canal. This also resulted in lines having to divert ships through alternative routes such as via the Cape of Good Hope thereby significantly increasing the length of voyages. To put this into context, the Suez Canal accommodates over 23,000 vessels per year, as a result diversion of vessels has significantly increased operational costs which will ultimately be passed on to consumers.

The preceding conditions have resulted in the cost of freight to the region, though significantly reduced from the highs of 2021, still remaining higher than the five-year average.

During the year, approximately 89 major maritime construction projects broke ground around the globe at an estimated value of US\$61.6bn with over 80% of the top ten maritime projects for the year being located in Asia. Significant port developments for the Latin America and Caribbean region include the following:

- Puerto Antioquia in Colombia estimated to cost US\$650m and due to be completed in 2025
- Expansion of port storage lands at the Port of Kingston, Jamaica to reduce port congestion and the acquisition of 100 acres of state land as part of its logistics master plan development

The e-commerce sector and warehousing demand continued to see significant growth globally. Logistics real estate growth in 2023 was 6% with most markets experiencing an upward trajectory. Latin America saw a significant surge due to an increased demand in Mexico as a result of the emerging importance of nearshoring. This will take on added urgency for Latin America and the Caribbean as attempts are made to minimise the manufacturing and supply risks increasingly associated with the Far East, particularly China, shipping disruptions and growing political instability.

The issue of marine pollution and emissions has been increasingly taking centre stage in international shipping. IMO 2020 regulations previously required the sulphur content of ships' fuel to be reduced to 0.50% by 2020. Fast forwarding to current time, there is now a strong push for full decarbonisation. This initiative is once more being spearheaded by the IMO, where through its Marine Environmental Protection Committee there is renewed focus on decarbonisation in shipping. A recently held

Chairman's Report (continued)

meeting of key stakeholders, did not result in firm measures being put forward, but general commitment from member states was obtained on a revised Green House Gases (GHG) Strategy. It is further anticipated that firm measures on policy will be implemented by 2025. Consideration is also being given to a GHG Levy to incentivise lower emissions while at the same time using the levy collected to conduct more research on alternative fuel sources. Many lines are also currently conducting extensive research on low or zero carbon fuel options such as ammonia, methanol or hydrogen. Maersk Line and Hapag Lloyd have forged a shipping alliance that is due to commence in 2025 with both projecting net zero operations by 2040 and 2045 respectively.

The preceding presents both an opportunity and threat for emerging markets such as Trinidad and Tobago.

The Maritime Technology Cooperation Centre (MTCC) is an initiative funded by the European Union and implemented by the International Maritime Organisation (IMO). The global network of MTCCs is aimed at promoting technologies and operations to improve energy efficiency in the maritime sector to ultimately assist in navigating shipping into a low-carbon future and overall reduction of greenhouse gases and other emissions. Various MTCCs have been formed around the World with the MTCC-Caribbean being headquartered at the University of Trinidad and Tobago (UTT).

PLIPDECO partnered with the UTT in facilitating an emissions and carbon footprint study at the Port of Point Lisas under the MTCC initiative. A detailed data collection process which entailed



a comprehensive review of all aspects of the operations that resulted in the generation of greenhouse gases was initiated. Thus far, two years of data were modelled for the Port's operations and this covered vessel calls, electricity consumption, equipment utilisation, vehicle use and truck visits. The final report generated from the model will assist the Port in determining the areas where its carbon footprint can be reduced and therefore inform the associated initiatives.

THE ENERGY SECTOR AND INDUSTRIAL ESTATE

The international downstream energy sector from the perspective of ammonia and methanol sales is predicting a bit of a price rebound after some inconsistent prices over the last two years. In addition, production and demand growth for both commodities is expected to continue its upward trajectory.

Global methanol production in 2023 was 91 million tonnes and is expected to see a consistent increase to reach 109 million tonnes in 2028. The major factors driving the market growth are the increasing use of methanol in construction, automotive and other applications in emerging



economies in Asia. The growing production of petrochemical products and the need to reduce global greenhouse emissions such as in shipping has also been driving the methanol market. In fact, the development of methanol as a marine fuel is seen as a major opportunity for development of the methanol market. Likewise, global ammonia production is estimated at 180 million tonnes in 2023 and is projected to see annual growth of 7.2% to reach 300 million tonnes by 2030. Agriculture and fertilizer usage accounts for over 65% of the ammonia usage with a further upward trend expected due to population growth, increased food production and farm yield challenges due to environmental factors.

Natural gas markets during the year continued to be affected by the Ukraine-Russia War. The sharp reduction in pipeline supply to Europe tightened global gas markets resulting in price instability and a drop in global demand. In fact, demand fell by a record 13% in Europe. There were also ripple effects in emerging markets and developed economies in Asia where demand fell for the first time ever. Major gas producing regions showed

some resilience, with output increasing in the Middle East by 3% and the United States by 4%.

The supply and pricing challenges, saw a push by major gas importing countries around the World to secure supplies, thus also boosting prospects for additional investments for liquefied natural gas export projects. The crisis has also laid the groundwork for a more rapid shift away from natural gas in Europe and the USA. With an implied weaker future for natural gas demand, the foundation is increasingly being laid for the development of renewable energy alternatives. World Energy Outlook 2023, projects continued natural gas demand growth between 2022 and 2030 albeit much lower than the 2.2% average annual growth rate seen between 2010 and 2021. Growth is expected to reach a peak by 2030, maintaining a long plateau before gradually declining.

At the end of 2023, the USA was the largest global producer with current annual production of 915 bcm (billion cubic metres). Trinidad and Tobago in comparison is the World's 25th largest producer with average annual production of 30 bcm.

Chairman's Report (continued)

The preceding status in the global energy markets has wider long-term implications for Trinidad and Tobago and its LNG, methanol, ammonia and urea production and exports.

Based on the Ministry of Energy and Energy Industries Consolidated Monthly Bulletin January-November 2023, the average daily production of natural gas for 2023 was 2.6 bcf (billion cubic feet) per day representing a 4% drop in comparison to 2022 when average daily production was 2.7 bcf per day.

Ammonia production for 2023 averaged 326,500 tonnes per month, representing a 12.4% decrease over 2022 when average monthly production was 372,889 tonnes. Urea production on the Industrial Estate also saw a reduction of 17.8% in 2023 where average monthly production was 27,599 tonnes compared with 33,594 tonnes in 2022. Methanol production in 2023 however increased by 5.2% to 477,270 tonnes per month compared with 453,683 tonnes per month in 2022.

During the year, three major plants on the Point Lisas Industrial Estate remained idle, Proman's MI Plant (Methanol), Methanex Titan Plant (Methanol) and Yara Plant (Ammonia).

Towards the end of the year, significant progress was made toward advancing the sale of the ArcelorMittal Steel Plant that was closed in 2016. Based on the progress made, it is anticipated that a final sale would be executed by the end of the second quarter 2024.



STRATEGIC OVERVIEW AND OUTLOOK

The financial year 2023 marked the final instalment of the Corporation's three-year Strategic Plan 2021 to 2023. The organisation continued to focus on key initiatives aimed at continued growth, profitability and efficiency. It is indeed fitting that the year ended with the Port achieving its highest containerised throughput in its history with 227,877 teus. This was largely due to a 55% increase in transshipment, following on from a 212% increase in 2022.

The focus on expanding the transshipment part of the market to be a regional hub has indeed been working but could only have been accomplished with a balanced approach across all areas of the operations to ensure the Port's ability to facilitate the increases.



Consistent with its strategic thrust aimed at service diversification around its key competencies, the expanded logistics services product was launched. Through collaboration with transportation and brokerage service providers, packaged services are now provided which also include warehousing and inventory management. Some noticeable growth is expected in this area during 2024.

As the economy transforms and the importance of logistics services becomes more mainstream, there has been a renewed interest in larger scale warehousing solutions. Consideration is therefore being given to restarting the warehousing project

that was temporarily shelved when there was a drop-off in economic performance less than a decade ago.

The Company's new three-year Strategic Plan 2024 to 2026 shall see the commencement of new and continuation of existing initiatives that were started during the previous planning horizon.

The organisation's flagship project, the Automated Gate System is currently in implementation phase and should now be completed no later than the fourth quarter 2024. This System will reposition the Port of Point Lisas

Chairman's Report (continued)

as one of the most technologically advanced ports in the region. Benefits will include reduced operational costs and shall see the processing times for trucks entering or leaving the Port being drastically reduced as there will no longer be the human element at the in or out gates as transactions shall be fully electronic.

Consistent with the thrust to become more technologically driven and to speed up transaction times, a decision was also taken to implement an Online Payment System for all forms of payments. The System being developed will facilitate payment reconciliation and will also support the transition to the Automated Gate System. Initial scoping was done during 2023 with system to be launched by the third quarter 2024.

In recognising the need to train equipment operators on a timely and sustainable basis, the company took a decision to procure an equipment simulator to provide simulated operational training for the main port equipment. The Simulator will also allow PLIPDECO to provide training services to external parties, thereby creating an additional revenue stream. A training partnership is also expected to be entered into with the Government. Commissioning is scheduled for second quarter 2024 after having completed the initial procurement process in 2023.

The Board and Management are acutely aware of the growing cybersecurity threats globally, regionally and locally. These threats have the potential to seriously disrupt the operations of the organisation through various avenues. Further assessments were conducted to determine the organisation's vulnerability to attacks based on



an understanding of existing, new and emerging threats. This has resulted in new protocols and protection mechanisms being implemented during the year and expected to continue into 2024.

The Corporation has always prided itself on maintaining a stable industrial relations climate. This has been accomplished by dealing expeditiously with staff related matters and very importantly, trying to remain current with collective agreements. During the year a new Collective Bargaining Agreement with the SWWTU for a new three-year period was signed.

The organisation remains optimistic that its plans for the acquisition of an additional 530-acres of land situated North of the existing Industrial Estate will come to fruition in the medium term. Obtaining the land is part of a 15-year growth plan for expansion of the Industrial Estate.

Since inception in 1966, PLIPDECO has never done a comprehensive review of its brand and how it is perceived in the market. To this end, a comprehensive brand review exercise was undertaken, the results and findings of which will help to inform how the organisation needs to



reposition itself in the market. Implementation of the findings and recommendations will span the period 2024 to 2025.

The Port is expected to make additional changes to its Tariff structure to ensure continued adjustments with operational needs and the Port's capital investment profile.

REGULATORY, COMPLIANCE AND GOVERNANCE

PLIPDECO remains justifiably proud of the fiscal management of the organisation. This has ensured operational stability while at the same time allowing the company to make the necessary investments in infrastructure, people, systems and technology. For the 10th consecutive year, PLIPDECO was assigned an A⁺ Rating by the Caribbean Information and Credit Rating Services Limited (CariCRIS). Additionally, in August the organisation's ISO9001:2015 Quality Management System was recertified for a further three-years.

On July 5th, 2023, the Corporation held its 56th Annual Meeting of Shareholders at PLIPDECO House, Point Lisas.

PAYMENT OF DIVIDENDS

In consideration of the Corporation's financial performance and to provide an acceptable return to Shareholders, the Board of Directors has recommended a Dividend Payment of 10 cents per share.

APPRECIATION TO STAKEHOLDERS

On behalf of the Board and Management, I would like to thank the Government, Shareholders, Unions, Employees, Customers and all Stakeholders for the ongoing support and trust placed in the leadership of PLIPDECO as we forge ahead with execution of its strategic vision.

Daniel Dookie

**Dr. Daniel Dookie
Chairman**

President's Report



Mr. Ernest Ashley Taylor
President

MISSION STATEMENT:

“To develop, market and operate port, logistics and industrial estate infrastructure for optimal economic growth.”

OPERATIONAL REVIEW

Cargo Performance – Containerised

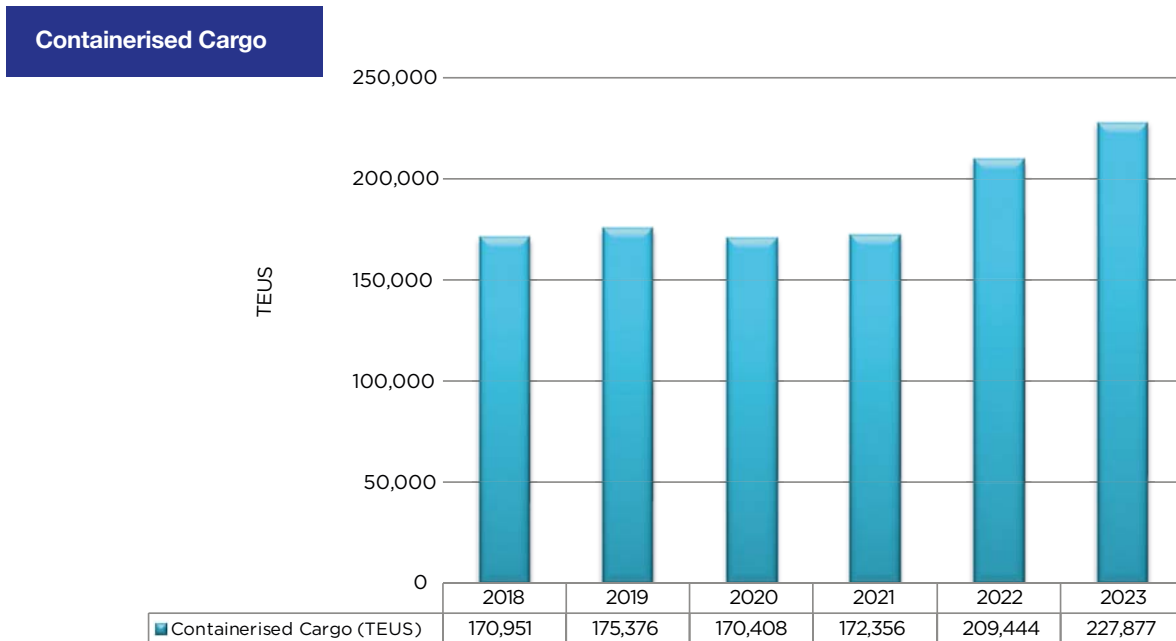
The containerised cargo throughput for 2023 reached a record level at 227,877 teus, surpassing the previous highest total of 221,836 teus in 2015. Overall, there was an 8.8% increase compared to 2022 where the throughput was 209,444 teus. This was achieved despite a 3.9% reduction in domestic cargo where imports and exports fell by 3% and 4% respectively in comparison to 2022. The record throughput was buoyed by the continued strong growth in transshipment which after growing by 212%, grew another 55.1% in 2023.

Notably, increases were recorded for Maersk (↑14.2%), CMA CGM (↑12.1%) and Zim (↑174%), while decreases were recorded for Seaboard (↓5.3%) and Hapag Lloyd (↓46.9%).

The top three shipping lines by volume were Maersk, Tropical and Seaboard, collectively accounting for 69% of overall throughput. Maersk maintained the top spot as the number one carrier.

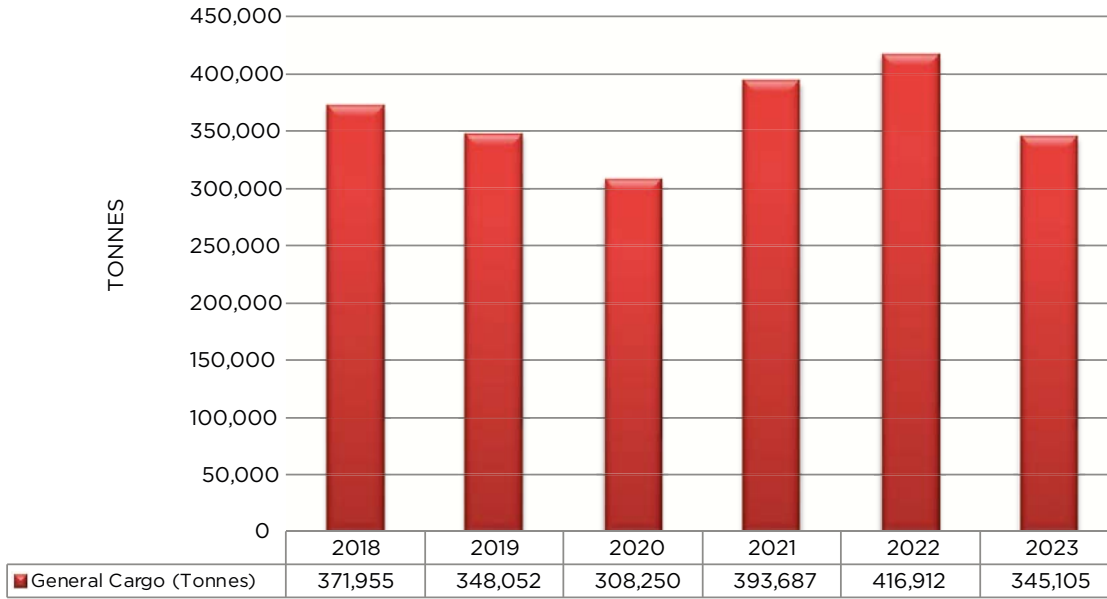
Cargo Performance – General Cargo

General Cargo throughput declined by 17.2% to end the year at 345,104 tonnes. The decline was due to reductions in two main categories



President's Report (continued)

General Cargo



— steel and palletised cargo of 47% and 38% respectively. There was no change in throughput of bulk cargo.

Containerised Vessel Productivity

There were noticeable improvements in Gross and Net Productivity in 2023 compared with 2022. Gross Productivity improved from 16 moves per hour to 19 moves per hour (↑18.7%) while Net Productivity improved from 24 moves per hour to 27 moves per hour (↑12.5%). This improvement was accomplished despite the record level throughput performance and can be partially attributed to the operational adjustments made during the latter part of 2022.

Engineering Maintenance

While there have been continuous increases in equipment availability from 2017 to 2021, this streak was broken in 2022 when availability dropped to 80% followed by a further decline in 2023 to 78%. The continued reduction can be attributed to three main factors; some pieces of equipment being out of service for extended periods, challenges in obtaining spares from overseas suppliers on a timely basis and increased operational demand on equipment due to growth in throughput.

The procurement process for three additional yard trucks was executed during 2023 with receipt and commissioning during the first quarter of 2024.



Warehousing and Logistics

There were appreciable increases in both the number of containers unstuffed and the number of deliveries made at the LCL Warehouse. The number of containers unstuffed grew 25% from 2,182 in 2022 to 2,735 in 2023, while deliveries grew by 19% from 22,299 in 2022 to 26,629 in 2023. These significant increases in containers unstuffed and deliveries were mainly due to the closure of the Medway Bond by Customs during the second quarter and the diversion of a considerable number of containers to PLIPDECO's LCL Warehouse. The LCL Warehouse began the year with 40% market share and ended the year with 52%.

The second quarter saw the launch of the expanded logistics services by adding transportation and cargo clearance offerings to complement warehousing and port services.

Container Examination Station

PLIPDECO operates the Container Examination Station (CES) through a contractual agreement with the Ministry of Finance and under the supervision of the Customs and Excise Division. For the year, 3,160 containers were examined at

the CES. This was equivalent to 13 containers daily and represented 8.6% of Full Container Load (FCL) containers delivered from the Port. In comparison, for the previous year (2022), 3,769 containers were examined at the CES, or 15 containers daily and representing 9.6% of FCL containers delivered from the Port.

Overall, 16.2% less containers were examined at the CES in 2023 when compared with 2022.

Harbour and Marine Management

The total number of vessels handled at the PLIPDECO Berths and Savonetta Piers increased from 953 vessels in 2022 to 981 vessels in 2023, representing a 3% increase.

When the numbers at the different berths are disaggregated however, the trending is different. At the Savonetta Piers, there was a decrease in vessel calls for the year from 471 to 451 representing a 4% reduction. This was the second consecutive year of decline in vessel calls. In contrast however, vessel calls at the PLIPDECO Berths increased from 482 to 530 representing a 10% increase.



President's Report (continued)

Industrial Estate Operations

The Point Lisas Industrial Estate continues to play a significant and pivotal role for the economy of Trinidad and Tobago. PLIPDECO, in fulfilling its mandate as landlord, ensures that the facility is maintained to world-class standards while ensuring that tenants abide by their operational and environmental covenants contained in their respective lease agreements. There are currently 151 leases in place, and for the year, two lease renewals were completed with four in progress and expected to be finalised in 2024.

The Service Charge is a charge applied to all tenants based on size of area occupied and covers maintenance and upkeep costs for roadways, verges, drainage, common areas and security. Following the Service Charge Audit that was completed in 2021, Management decided on implementation of new rates on a phased basis over three years commencing 2022. Following the second year of increases in 2023, the final increase will be implemented in 2024.

As previously mentioned, one of the key roles of PLIPDECO as landlord of the Industrial Estate is to ensure operational compliance by the tenants. To this end, the Estate Management Department, in conjunction with the HSE Department, completed 26 site audits during the year.

Considerable effort was expended over the last two years in identifying suitable tenants for the last remaining sizeable portion of land on the Industrial Estate. By the end of the year, there was confirmed interest by various parties which would result in the entire parcel being leased. It is anticipated that by 2024, tenants will be on board for the entire plot.

The agreement with the Government for the 530-acre parcel situated at Point Lisas North is still to be finalised.

Infrastructure

To ensure business continuity, safety in operations and to ensure stakeholder and employee convenience, several infrastructural projects and

repairs were undertaken and in various stages of execution. These projects include:

- Refurbishment to Port Canteen (Completed)
- Refurbishment to the public restroom at LCL Warehouse (Completed)
- Pigeon proofing of the roof at Tyre Warehouse (Completed)
- Refurbishment of the roof at Berth 3 Cargo Shed (Completed)
- Repairs and replacement of fenceline at PLIPDECO House (Completed)
- Construction of bund wall at the Engineering and Maintenance Facility (Completed)
- Road repairs on Industrial Estate (In Progress — Tender process executed)
- Repairs to RTG Bay (In Progress — Tender process executed)

People, Processes and Technology

During the year, the organisation was able to fully recommence training programmes that were either cancelled or not offered due to the onset of the COVID-19 Pandemic. For the period, 86 training programmes were undertaken representing a 43% increase over 2022 when 60 programmes were completed.

A critical component of the annual training programme is the training undertaken for equipment operators on the various pieces of Port equipment. In order to undertake the training on a timely, safe and effective basis, the decision was taken to purchase an equipment simulator that covered the major types of equipment being utilised. The procurement process was completed with the delivery of the Simulator, and commissioning is expected by the second quarter 2024.

An important companion to the organisation's training and development needs is its performance management and appraisal

system. Management determined that there were deficiencies in the System in that the process was overly manual, difficult to utilise and very subjective. An online rating platform that assessed persons based on specific behaviours was found to be the best solution. After a phased implementation process, with various iterations, the System was fully implemented with over 300 persons trained in its use.

Following negotiations with the respective Unions throughout most of 2023, the Collective Bargaining Agreements with the Seamen and Waterfront Workers Trade Union (SWWTU) were ultimately signed in December. Getting these agreements executed on a timely basis continues to be key determinants in the organisation maintaining a stable industrial relations climate and a motivated workforce.

The Navis Port Terminal Operating System was approaching end of support in 2022, and PLIPDECO needed to make a decision on whether to deploy the upgraded version that was in-house based or cloud-based. After a comprehensive review and taking into consideration factors such as cost, uptime reliability and cybersecurity, a decision was ultimately taken to upgrade to the Navis Cloud Version. After a detailed planning and execution process, the new version was ultimately rolled out in May. Thus far, uptime reliability has surpassed previous in-house versions.

Additional technology initiatives executed included the network upgrade project at both the Head Office and Port Administration as well as upgrade of the PBX System to a state-of-the-art VOIP Platform. Both Systems are expected to operate with a much higher level of operational reliability.

President's Report (continued)

Health, Safety, Security and Environment

With the challenges associated with COVID-19 in the rear-view mirror, 2023 was the first full year during which protection protocols could be relaxed. The organisation then refocused its efforts to other areas of health and safety. This included a more rigid approach to the following:

- Root cause analysis incident investigations and accident mapping
- Job hazard analysis
- Lessons learnt sessions following incidents
- Operational training from a safety perspective
- Timely closure of open issues

The year ended with a 42% reduction in the number of accidents reported.

The Security Department remained at the forefront in ensuring safety and security on the Port and Industrial Estate. This was accomplished through a combination of the use of technology, collaboration with stakeholders on the Industrial Estate as well as the Trinidad and Tobago Police (TTPS) and specialised training programmes to build capacity. Overall, for the year, the Security Department deployed over 4,000 security patrols.

EXPECTATIONS FOR 2024

Engineering Maintenance

Major structural maintenance work will continue on the Gantry and Mobile Harbour Cranes as part of the ongoing asset integrity programme. Emphasis will be placed on the Gantry Cranes where major corrosion work will be done on the boom structures with work expected to be completed by early June. The ongoing equipment replacement and upgrade programme will include acquisition of additional equipment as follows:

- 2 x Reach Stackers
- 1 x Empty Container Handler
- 6 x Port Trucks
- 5 x Trailers

The acquisition process for a new Mobile Harbour Crane will also commence during the year with final acquisition expected in 2025.

Infrastructure

The most important infrastructural project to be undertaken on the Port since the construction of Berth 5 is the RTG Bay Rehabilitation Project. Having executed the tender process in 2023, the project will commence by the third quarter and run for approximately 20 months. Other infrastructural projects for 2024 are expected to include the following:

- Port Laydown Yard
- Paving of Estate Roads
- Paving of Port Roads
- Fender Replacement at Berth #5
- Roof Repairs to Port Administration Building
- Infrastructure for Automated Gate System
 - Electrical Works
 - Construction of ducting, platforms and buildings

People, Processes and Technology

The Company's plans for 2024 include a training plan that covers 110 programmes, representing a 28% increase over the previous year. This is testimony to the strong focus on employee development that is at the same time aligned with the strategic focus of the organisation.

Consistent with the training thrust, the Equipment Simulator is expected to be commissioned by



June. This will ultimately revolutionise the way training is done for the various types of equipment and will make the training process faster, safer and more customised.

A review that was conducted on the organisation's Pension Plan resulted in a decision being made to migrate from a Defined Benefit Pension Plan to a Defined Contribution Plan. Existing employees will have the option to transition to the new plan or remain with the old one while new employees shall be automatically enrolled in the Defined Contribution Plan. Final approval from the Board of Inland Revenue is expected to be obtained by the end of the second quarter.

The use of technology will be the key driver in achieving a mandate of unparalleled efficiency, lower operational costs and ease of process execution. The main project to be undertaken in support of this is the Automated Gate System that is now projected to be commissioned by the fourth quarter 2024. Once implemented, this will fundamentally change the gate process and considerably shorten processing and transaction times and reduce operational costs. The Online Payment System that is currently in development will not only support the new Gate System but will change the way all payments are made while at

the same time partially automating the payment reconciliation process.

Other technology related initiatives planned for the year include the following:

- Customer Relation Management System for managing interactions with customers and improving access to customer information across the organisation for better decision making
- Enterprise Asset Management System for managing the maintenance programme for equipment and infrastructure, inventory control and planning
- Upgrade to LCL Warehouse Management System to include dynamic cargo tracking, storage and reporting
- Vessel Side Optical Character Recognition System (OCR) that will automatically identify and record container status and numbers for containers being discharged from or loaded onto vessels
- Warehouse Scanner that will conduct non-intrusive X-ray scanning and inspection for cargo being stored at the LCL Warehouse
- Upgrade to the Weighbridge Management System using Optical Character Recognition Technology (OCR) that will via OCR automatically detect and record truck, trailer and container numbers and process accordingly

I wish to thank the Board, Management, Employees, the Unions, Shareholders and Stakeholders for the support given over the past year and look forward to continuing to deliver on PLIPDECO's mandate of performance excellence.

Ashley Taylor

Ashley Taylor
President

Directors' Report

Your Directors have pleasure in presenting their Report and the Audited Financial Statements for the financial year ended December 31st, 2023.

FINANCIAL HIGHLIGHTS (\$'000)

	GROUP	
	December 31, 2023	December 31, 2022
Turnover	366,467	363,864
Profit before Taxation (excluding Fair Value Gains)	19,941	28,575
Taxation	(10,266)	(10,199)
Profit after Taxation (excluding Fair Value Gains)	9,675	18,376
Dividend	(3,963)	(6,736)
Retained Earnings	2,518,101	2,469,176
Earnings per Share	\$1.33	\$1.10

Dividends

The Directors declared a final dividend of ten cents (10¢) per share for the financial year. The dividend will be paid on May 24th, 2024 to shareholders whose names appear on the Register of members of the Corporation at the Record Date of May 8th, 2024.

Directors

Dr. Daniel Dookie, Mr. Richardo Garcia, Mr. Haydn Jones, Mr. Ricardo Lewis, Ms. Cindy Manson, Ms. Ayanna Miguel and Mr. St. Clair O'Neil retire by rotation and being eligible offer themselves for re-election.

Auditors

The Auditors, PricewaterhouseCoopers, retire and being eligible offer themselves for re-appointment.

Directors', Senior Officers' and Connected Persons' Interests

Set out below are the Directors, Senior Officers and their connected persons with interests in the shares of Point Lisas Industrial Port Development Corporation Limited.

Directors and Senior Officers	Shareholdings	Connected Persons' Shareholdings
Dr. Daniel Dookie	Nil	Nil
Mr. Richardo Garcia	Nil	Nil
Mr. Haydn Jones	Nil	Nil
Mr. Ricardo Lewis	Nil	Nil
Ms. Cindy Manson	Nil	Nil
Ms. Ayanna Miguel	Nil	Nil
Mr. St. Clair O'Neil	Nil	Nil
Mr. Ernest Ashley Taylor	4,000	Nil
Dr. Averde Pantin	Nil	Nil
Mr. Curtis Dennie	Nil	Nil
Mr. Niegel Subiah	543	Nil
Ms. Richelle Lyman	Nil	Nil

HOLDERS OF THE TEN (10) LARGEST BLOCKS OF SHARES

Issued Share Capital: 39,625,684

Name	Balance	Percentage
THE MINISTER OF FINANCE	20,210,297	51.00%
MASA INVESTMENTS LIMITED	3,033,480	7.66%
CHAN RAMLAL LIMITED	2,644,896	6.67%
TATIL LIFE ASSURANCE LIMITED	1,125,076	2.84%
BOURSE NOMINEE ACCOUNT CO 0114	1,004,159	2.53%
ATLANTIC INVESTMENTS COMPANY LIMITED	1,000,000	2.52%
REPUBLIC BANK LIMITED	981,984	2.48%
MR. RIYAD KHAN	590,000	1.49%
OLYMPIC MANUFACTURING LIMITED	500,000	1.26%
GEORGE ABOUD & SONS LIMITED	483,974	1.22%

BY ORDER OF THE BOARD

Richelle Lyman

Richelle Lyman

Corporate Secretary

April 1st, 2024

Corporate Governance Report

We are pleased to present the Corporate Governance Report for the fiscal year 2023. At Point Lisas Industrial Port Development Corporation Limited (PLIPDECO), we are committed to maintaining the highest standards of corporate governance to safeguard the interests of our shareholders and stakeholders while fostering sustainable growth and value creation.

1. Board of Directors:

Our Board of Directors comprises highly qualified individuals with diverse backgrounds, and they are responsible for managing the affairs and setting the strategic direction of the Company. The Board of Directors is accountable for the overall performance of the organisation, corporate governance and risk oversight. More specifically, the Board is responsible for overseeing the following:

- i. Strategy: Ensuring that appropriate strategies are being pursued and executed effectively
- ii. Management: Ensuring that there is a competent Management Team to lead the organisation
- iii. Board Effectiveness: Ensuring that the Board's performance is effective and that it capitalises on the diverse skills, experience and competencies of the Directors
- iv. Audit: Ensuring that there are sufficient internal controls to ensure transparency and good governance in the organisation
- v. Risk and Compliance: Ensuring that the Company is prudently managing its risks across the organisation as well as fulfilling its compliance requirements

The Board meets every other month for ordinary meetings. Should matters arise between scheduled board meetings requiring its

attention, extraordinary meetings are scheduled. At meetings of the Board, Directors are advised of material changes affecting the Company as well as current developments and significant projects and events. The President, in his report to the Board, provides an overview of business performance as well as detailed financial information.

All members of the Board are non-executive directors with no business connections to the Company. In accordance with the Company's Articles of Association, the term of office for all Directors concludes at the end of the next Annual Meeting of Shareholders. To continue in office, Directors must be elected at the Annual Meeting of Shareholders.

To support the Board in the fulfilment of its mandate, committees have been established as follows:

- (i) Audit Committee**
Ms. Cindy Manson – Chairman
Mr. Ricardo Lewis
Ms. Ayanna Miguel
- (ii) Finance and Investment Committee**
Mr. Ricardo Lewis – Chairman
Ms. Cindy Manson
Mr. St. Clair O'Neil
- (iii) Human Resource Committee**
Mr. Haydn Jones – Chairman
Ms. Ayanna Miguel
Mr. Richardo Garcia
- (iv) Security Committee**
Mr. Richardo Garcia – Chairman
Ms. Ayanna Miguel
Mr. Ricardo Lewis

At the Committee level, members of the Executive form part of the quorum for the meeting and provide detailed information to the Directors on matters falling within the terms of reference of the Committee. At all Board Meetings following the convening of the Committee meetings, the Chairman of the Committee reports to the Board on the proceedings of the Committee.

2. Internal Controls and Risk Management:

We maintain robust internal control systems to ensure the integrity of our financial reporting and operations. Our risk management framework identifies, assesses and mitigates risks across all areas of the business, guided by our commitment to sound corporate governance principles.

3. Compliance and Ethics:

Compliance with laws, regulations and ethical standards is of utmost importance to us. We have implemented comprehensive compliance programmes and policies to uphold ethical conduct, integrity and transparency in all our business dealings.

4. Shareholder Rights and Engagement:

At PLIPDECO, we recognise the importance of shareholder rights and actively engage with our shareholders to understand their perspectives and concerns. We encourage shareholder participation in corporate governance matters and strive to maintain open and transparent communication channels. In addition to our Annual General Meeting, quarterly Stakeholder meetings are held.

At each Annual General Meeting, Shareholders either in person or by proxy, are allowed to voice their concerns and provide the Directors with feedback on the performance of the Company. All shareholders listed on the Register of Members on the Record Date established for the meeting are entitled to attend and vote on

matters constituting the business of the meeting. In addition, quarterly unaudited accounts are published in the newspapers as well as any material change affecting the Company. Pertinent information about the Company can be accessed from its website.

5. Audit Committee:

The Audit Committee plays a critical role in ensuring the integrity of our financial reporting and compliance processes. It oversees the work of our internal and external auditors, reviews financial statements and assesses the effectiveness of our internal controls. The Internal Audit Department, headed by the Chief Internal Auditor, is responsible for monitoring the effectiveness of the Company's internal control systems. The Company's Annual Audit Plan, which must be approved by the Audit Committee, guides the work of the Audit Team, and audit reports, inclusive of management comments, are submitted to the Audit Committee for discussion.

The External Auditor is appointed at each Annual Meeting of Shareholders. Audit fees are approved by the Board based on the recommendation of the Audit Committee.

6. Financial Performance and Disclosures:

Details of our financial performance, including key financial metrics, are provided in the accompanying Annual Report. Interim Financial Statements are published in keeping with the requirements of a listed entity. We adhere to accounting standards and regulations, providing transparent and accurate financial disclosures to our shareholders and stakeholders.

PLIPDECO remains committed to upholding the highest standards of corporate governance, transparency and accountability. We thank our shareholders, employees, customers and other stakeholders for their continued support for and trust in PLIPDECO.

CSR Initiatives

National Centre for Persons with Disabilities



Provision of an annual bursary to students attending the National Centre for Persons with Disabilities

Trinidad and Tobago Intellectual Property Office (TTIPO) Appropriate Technology Competition



The Corporation was pleased to sponsor the second prize at the Dinner and Awards Ceremony of the TTIPO, Office of the Attorney General and Ministry of Legal Affairs (AGLA) Appropriate Technology Competition in March 2023.

CSR Initiatives (continued)

Global Youth Leadership Summit



In March 2023, the Corporation was pleased to sponsor an awardee from Trinidad and Tobago to receive the “Global Youth Leadership Award for 2023” in Dubai.

A Butterfly Institute of Development and Excellence (ABIDE) – “Shades of a Woman – Health Fair”



In April 2023, the Corporation was pleased to be a part-sponsor of ABIDE “Shades of a Woman Health Fair”. PLIPDECO’s sponsorship enabled ABIDE to provide essential resources and services to attendees, including health screenings, workshops and access to expert speakers on a range of health topics. The event was accessible to a diverse range of women, empowering them to take control of their health and well-being.

Couva West Secondary School Career Fair



Representatives of PLIPDECO participated at the Couva West Secondary School Career Day in May 2023.

CSR Initiatives (continued)

Foundation for the Enhancement & Enrichment of Life (FEEL)



In May 2023, PLIPDECO was pleased to sponsor of a team at the Foundation for the Enhancement and Enrichment of Life (FEEL) 2nd Annual Charity Golf Tournament.

National Association of Athletics Administrations of Trinidad and Tobago



In May 2023, the Corporation was pleased to be a sponsor of the National Association of Athletics Administrations of T&T (NAAATT) National Open Championships.

Sponsorship of Secondary Schools Football League



In June 2023, PLIPDECO was pleased to contribute to the Secondary Schools Football League.

CSR Initiatives (continued)

Couva South Government Primary School



PLIPDECO continues to support our adopted school, Couva South Government Primary School.

PLIPDECO's Student Internship Programme



The Corporation recommenced its Annual Student Internship Programme in July 2023 for eligible children of employees. The six-week programme was open to students currently enrolled in CAPE or those pursuing education at recognised tertiary level institutions.

CSR Initiatives (continued)

Hauliers Appreciation



In September 2023, PLIPDECO recognised the efforts of the Association of Trinidad and Tobago Hauliers and by extension all hauliers throughout Trinidad and Tobago. To show our appreciation, the Corporation provided light refreshments to hauliers utilising the Port of Point Lisas.

Port Users Meeting and Customer Reception



On December 1st, 2023, PLIPDECO held its 4th Quarter Port Users Meeting and Customer Reception.

CSR Initiatives (continued)

Employee Staff Reception



To foster camaraderie and celebrate the 2023 Christmas season, the Corporation hosted a reception for staff on December 8th, 2023.



2023 **Financial** Statements





Point Lisas Industrial Port Development Corporation Limited

Statement of Management's Responsibilities

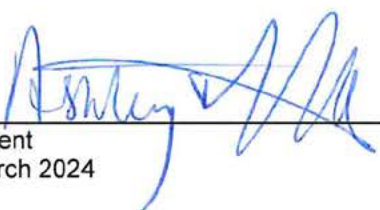
Management is responsible for the following:

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

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

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

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



President
26 March 2024



Vice-President - Business Services
26 March 2024

Independent auditor's report

To the Shareholders of Point Lisas Industrial Port Development Corporation Limited

Report on the audit of the parent and consolidated financial statements

Our opinion

In our opinion, the parent financial statements and the consolidated financial statements present fairly, in all material respects, the financial position of Point Lisas Industrial Port Development Corporation Limited (the Parent) and the consolidated financial position of the Parent and its subsidiary (together 'the Group') as at 31 December 2023, and their parent and consolidated financial performance and their parent and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

Point Lisas Industrial Port Development Corporation Limited's parent and consolidated financial statements comprise:

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

Basis for opinion

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

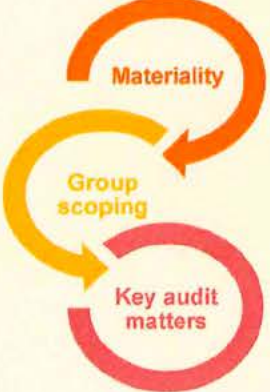
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview

	Overall materiality: TT\$23.4 million (Parent and Group), which represents approximately 0.8% of net assets.
	<ul style="list-style-type: none">• The consolidated group consists of the Parent and one fully owned subsidiary (Point Lisas Terminals Limited), both of which are registered in Trinidad and Tobago.• We performed a full scope audit of the Parent and determined that the subsidiary was financially inconsequential to the Group.
	<ul style="list-style-type: none">• Valuation of investment properties (Parent & Group)• Impairment assessment of non-financial assets – Berths and piers (Parent & Group)

Audit scope

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

How we tailored our group audit scope

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

A full scope audit was performed on the Parent as it was deemed individually financially significant. We determined that the subsidiary was inconsequential based on the limited transactional activity and limited balances and performed analytical procedures in respect thereof.

Our 2023 audit was planned and executed having regard to the fact that the operations of the Group were largely unchanged from the prior year. In light of this, the areas of audit focus continued to be the fair value movements on investment properties and the impairment assessment of the Parent & Group's non-financial assets due to a shortfall in the market capitalisation compared to the carrying amount of net assets in the parent and consolidated financial statements.

Our audit approach (continued)

Materiality

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

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

Overall materiality	TT\$23.4 million (Parent and Group)
How we determined it	Approximately 0.8% of net assets
Rationale for the materiality benchmark applied	We chose net assets as the benchmark because, in our view, it is the benchmark against which the performance of the Parent and Group is most commonly measured by users, and is a generally accepted benchmark. We chose 0.8% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT\$1,170,000, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

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

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of investment properties (Parent & Group)</p> <p><i>Refer to note 6 to the parent and consolidated financial statements for disclosures of related accounting policies and balances</i></p> <p>Investment properties, carried at fair value, amounted to TT\$2,287 million as at 31 December 2023 for the Parent and Group, which represented 69% of their total assets. Included in the parent and consolidated statement of profit or loss and other comprehensive income is TT\$43 million of fair value gains arising from the revaluation of these properties.</p> <p>The investment properties, principally comprising freehold and leasehold land, represent a significant portion of the asset base of the Parent and Group. Management uses an external valuation expert to value these assets annually at fair value using valuation models, which include unobservable inputs. The valuation is based upon the Income Approach for leased properties and the Market Approach for land.</p> <p>The most significant inputs into these valuation models are future rental cash inflows based on the actual location and quality of the properties and supported by the terms of any existing leases and market prices of land, which incorporate extension assumptions, and are then discounted to present value.</p> <p>The areas which required judgement relate to the lease extension clauses, which allow for renewal for an additional 30 years, and the discount rates applied to future cash flows.</p> <p>The critical data inputs into the calculation are data from the lease contracts, including land size, rental rates, currency of agreement and lease tenure.</p> <p>The existence of significant estimation uncertainty as it pertains to the lease renewal, coupled with the material value of the properties, resulted in this being an audit focus area.</p>	<p>The approach to addressing the matter involved the following procedures, amongst others:</p> <ul style="list-style-type: none"> • Updated our understanding of management's approach to performing the fair value assessment, including the process by which management's key assumptions and methodologies were developed and assessing their appropriateness. • Assessed the independence and competence of management's valuation expert. • Assessed the likelihood of the continued occupation and extension of the leases using available market data. • Evaluated the expert's assumptions focusing on the tenants' ability and intent to continue their operations at the leased properties, taking into account publicly available data impacting this assumption such as national gas reserves and the property's commercial attributes. Inspected, on a sample basis, historical trends of renewals of tenant leases. • Tested a sample of tenants to determine whether their rental payments were timely and whether there were any indicators that would make it unlikely that they would be able to continue with timely payments. • Evaluated management's discount rates by reference to local statutory policy and to the yield of a Government of Trinidad and Tobago bond for a similar tenor. • Tested, on a sample basis, the accuracy of the data inputs into the valuation model by verifying the size of property, rental rates, currency of agreement and rent expiry dates against signed contractual lease agreements and related addendums as applicable. • Tested the mathematical accuracy of the calculations used within the model. <p>Based on the procedures performed, the valuation of investment properties in the parent and consolidated financial statements was, in our view, not unreasonable.</p>

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of non-financial assets – Berths and piers (Parent & Group)</p> <p><i>Refer to notes 3 and 5 and to the parent and consolidated financial statements for disclosures of related accounting policies and balances.</i></p> <p>At the reporting date, the Parent and Group's market capitalisation was significantly less than the carrying amount of its net assets and as per the Parent and Group's accounting policy, this is an indicator of potential impairment. As such, an impairment assessment was performed by management.</p> <p>Management determined that the port and estate operations are integrally linked and comprise a single cash generating unit. As some of the assets are already carried at fair value, the main focus of management's impairment assessment was on those assets which are not carried at fair value. In assessing potential impairment, management performed procedures to determine the recoverable amount of certain of those assets. The applicable assets related primarily to TT\$212 million of berths and piers, included in property, plant and equipment on the parent and consolidated statement of financial position.</p> <p>Due to the specialised nature of the berths and piers, management engaged external independent valuers in 2023 who used the depreciated replacement cost (DRC) approach to determine fair value less cost of disposal for impairment purposes.</p> <p>The DRC approach involves estimation of the replacement cost new (RCN) defined as the current cost of a similar new asset having the nearest equivalent utility as the asset being appraised, as well as deductions for obsolescence.</p> <p>Significant assumptions utilised include:</p> <ul style="list-style-type: none"> ● Indirect costs including engineering, architect, and other professional fees; ● Construction finance; and ● Entrepreneurial profit. <p>As the recoverable amount derived from the valuation of the berths and piers was higher than the total carrying amount of the assets which are not carried at fair value, management ultimately determined that no impairment provision was required.</p> <p>Based on the magnitude and the high degree of estimation uncertainty in assessing the fair value less cost of disposal of the assets assessed for impairment, this was an area of focus for the audit.</p>	<p>Our approach to addressing the matter, with the assistance of our valuation expert, involved the following procedures, amongst others:</p> <ul style="list-style-type: none"> ● Evaluated the method used by management to perform the impairment assessment. This included updating our understanding of the process by which management's key assumptions and methodologies were developed and assessing their appropriateness. ● Assessed the independence and competence of management's internal experts involved in the process. ● Tested, on a sample basis, data used in the valuation and key assumptions such as indirect costs, berth specifications, the depreciation rates, the rates for finance cost and entrepreneurial profit to relevant source or industry data and supporting documents. ● Developed an independent expectation range of the DRC and compared it to management's recorded estimate. ● Tested the mathematical accuracy of the calculations used within the model. <p>Based on the procedures performed, the inputs and assumptions used in the impairment assessment of non-financial assets were, in our view, not unreasonable.</p>

Other information

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

Our opinion on the parent and 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 parent and 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 parent and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

In preparing the parent and consolidated financial statements, management is responsible for assessing the Parent and 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 Parent or Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the parent and 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 parent and consolidated financial statements.

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent and 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 Parent and 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 parent and 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 Parent or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent and consolidated financial statements, including the disclosures, and whether the parent and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

PricewaterhouseCoopers

San Fernando
Trinidad, West Indies
27 March 2024

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Financial Position

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent As at 31 December			Group As at 31 December	
2022	2023	Notes	2023	2022
\$	\$		\$	\$
Assets				
<i>Non-current assets</i>				
760,923	755,853	Property, plant and equipment	5 755,853	760,923
2,243,705	2,286,680	Investment properties	6 2,286,680	2,243,705
15,824	16,399	Deferred income tax assets	8 c. 16,399	15,824
--	2,506	Right of use asset	2,506	--
320	320	Investment in subsidiary	1 a. --	--
897	--	Financial asset at amortised cost	7 --	897
1,771	1,470	Financial assets at fair value through other comprehensive income	7 b. 1,470	1,771
<u>3,023,440</u>	<u>3,063,228</u>		<u>3,062,908</u>	<u>3,023,120</u>
<i>Current assets</i>				
19,014	21,946	Inventory	9 21,946	19,014
58,970	59,106	Trade and other receivables	10 60,201	59,934
--	--	Taxation recoverable	739	739
162,951	148,078	Cash at bank and on hand	11 148,080	163,056
<u>240,935</u>	<u>229,130</u>		<u>230,966</u>	<u>242,743</u>
<u>3,264,375</u>	<u>3,292,358</u>	Total assets	<u>3,293,874</u>	<u>3,265,863</u>
Equity and liabilities				
<i>Equity attributable to owners of the parent</i>				
139,968	139,968	Stated capital	12 139,968	139,968
(32)	(32)	Treasury shares	14 (32)	(32)
277,408	275,238	Revaluation reserves	15 b. 275,238	277,408
833	532	Investment revaluation reserve	15 c. 532	833
<u>2,466,625</u>	<u>2,515,391</u>	Retained earnings	<u>2,518,101</u>	<u>2,469,176</u>
<u>2,884,802</u>	<u>2,931,097</u>		<u>2,933,807</u>	<u>2,887,353</u>
<i>Non-current liabilities</i>				
12,201	14,514	Retirement benefit obligation	18 a. 14,514	12,201
38,817	38,777	Casual employee retirement benefit	18 b. 38,777	38,817
84,375	2,722	Long and medium-term borrowings	16 2,722	84,375
--	962	Lease liabilities	962	--
104,436	103,437	Deferred income tax liabilities	8 c. 103,437	104,436
54,079	53,112	Deferred lease rental income	25 53,112	54,079
<u>293,908</u>	<u>213,524</u>		<u>213,524</u>	<u>293,908</u>

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Financial Position (continued)

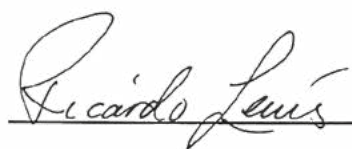
(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent As at 31 December			Group As at 31 December	
2022	2023		2023	2022
\$	\$	Notes	\$	\$
		<i>Current liabilities</i>		
--	5,807	Bank overdraft	11 6,846	--
13,294	82,924	Long and medium-term borrowings	16 82,924	13,294
4,607	4,626	Deferred lease rental income	25 4,626	4,607
63,910	49,816	Trade and other payables	20 47,563	62,839
--	1,671	Lease liabilities	1,671	--
3,854	2,893	Current income tax liabilities	2,913	3,862
<u>85,665</u>	<u>147,737</u>		<u>146,543</u>	<u>84,602</u>
<u>379,573</u>	<u>361,261</u>	Total liabilities	<u>360,067</u>	<u>378,510</u>
<u>3,264,375</u>	<u>3,292,358</u>	Total equity and liabilities	<u>3,293,874</u>	<u>3,265,863</u>

The notes on pages 56 to 119 are an integral part of these parent and consolidated financial statements.

On 26 March 2024, the Board of Directors of Point Lisas Industrial Port Development Corporation Limited authorised these parent and consolidated financial statements for issue.

 Director

 Director

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent Year ended 31 December			Group Year ended 31 December	
2022	2023		2023	2022
\$	\$	Notes	\$	\$
363,864	366,467	Revenue	366,467	363,864
(127,953)	(124,954)	Cost of providing services	(123,506)	(126,536)
235,911	241,513	Gross profit	242,961	237,328
25,125	42,975	Unrealised fair value gains on investment properties	42,975	25,125
(123,243)	(126,960)	Administrative expenses	(127,661)	(123,972)
(90,654)	(92,567)	Other operating expenses	(92,567)	(90,654)
9,418	2,366	Other income	2,366	9,418
56,557	67,327	Operating profit	68,074	57,245
(3,545)	(5,158)	Finance costs	(5,158)	(3,545)
53,012	62,169	Profit before taxation	62,916	53,700
(9,624)	(9,678)	Taxation charge	(10,266)	(10,199)
43,388	52,491	Profit for the year	52,650	43,501
Other comprehensive income				
Items that will not be reclassified to profit or loss				
(223)	(301)	Change in value of financial assets at fair value through other comprehensive income	(301)	(223)
1,493	2,003	Deferred tax on accelerated tax depreciation – property plant, and equipment revalued and site improvements	2,003	1,493
26,830	503	Gain on revaluation of land and buildings and own site improvements	503	26,830
(10,449)	(3,269)	Remeasurements of:		
(398)	1,604	Retirement benefit obligation/(asset)	(3,269)	(10,449)
		Casual employee retirement benefit	1,604	(398)
60,641	53,031	Total comprehensive income for the year	53,190	60,754
Earnings per share				
110¢	132¢	Basic earnings per share	133¢	110¢
110¢	132¢	Diluted earnings per share	133¢	110¢

The notes on pages 56 to 119 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Changes in Equity

(Expressed in Thousands of Trinidad and Tobago Dollars)

	Notes	Stated capital \$	Revaluation reserves \$	Investment revaluation reserves \$	Treasury shares \$	Retained earnings \$	Shareholders' equity \$
Parent							
Year ended 31 December 2023							
Balance as at 1 January 2023		139,968	277,408	833	(32)	2,466,625	2,884,802
Profit for the year		--	--	--	--	52,491	52,491
<u>Other comprehensive income</u>							
- Transfer of revaluation reserve to retained earnings	15	--	(4,676)	--	--	4,676	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(301)	--	--	(301)
- Gains on revaluation of land, buildings and and own site improvements		--	503	--	--	--	503
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(3,269)	(3,269)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	1,604	1,604
- Deferred tax on accelerated tax depreciation	8 c.	--	2,003	--	--	--	2,003
<u>Transactions with owners</u>							
- Dividends	12 b.	--	--	--	--	(6,736)	(6,736)
Balance as at 31 December 2023		<u>139,968</u>	<u>275,238</u>	<u>532</u>	<u>(32)</u>	<u>2,515,391</u>	<u>2,931,097</u>
Year ended 31 December 2022							
Balance as at 1 January 2022		139,968	252,566	1,056	(32)	2,436,547	2,830,105
<u>Comprehensive income</u>							
- Profit for the year		--	--	--	--	43,388	43,388
<u>Other comprehensive income</u>							
- Transfer of revaluation reserve to retained earnings	15	--	(3,481)	--	--	3,481	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(223)	--	--	(223)
- Gains on revaluation of land, buildings and and own site improvements		--	26,830	--	--	--	26,830
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(10,449)	(10,449)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	(398)	(398)
- Deferred tax on accelerated tax depreciation	8 c.	--	1,493	--	--	--	1,493
<u>Transactions with owners</u>							
- Dividends	12 b.	--	--	--	--	(5,944)	(5,944)
Balance as at 31 December 2022		<u>139,968</u>	<u>277,408</u>	<u>833</u>	<u>(32)</u>	<u>2,466,625</u>	<u>2,884,802</u>

The notes on pages 56 to 119 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Changes in Equity (continued)

(Expressed in Thousands of Trinidad and Tobago Dollars)

Group	Notes	Stated capital \$	Revaluation reserves \$	Investment revaluation reserves \$	Treasury shares \$	Retained earnings \$	Shareholders' equity \$
Year ended 31 December 2023							
Balance as at 1 January 2023		139,968	277,408	833	(32)	2,469,176	2,887,353
Profit for the year		--	--	--	--	52,650	52,650
<u>Other comprehensive income</u>							
- Transfer of revaluation reserve to retained earnings	15	--	(4,676)	--	--	4,676	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(301)	--	--	(301)
- Gains on revaluation of land, buildings and and own site improvements		--	503	--	--	--	503
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(3,269)	(3,269)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	1,604	1,604
- Deferred tax on accelerated tax depreciation	8 c.	--	2,003	--	--	--	2,003
<u>Transactions with owners</u>							
- Dividends	12 b.	--	--	--	--	(6,736)	(6,736)
Balance as at 31 December 2023		<u>139,968</u>	<u>275,238</u>	<u>532</u>	<u>(32)</u>	<u>2,518,101</u>	<u>2,933,807</u>
Year ended 31 December 2022							
Balance as at 1 January 2022		139,968	252,566	1,056	(32)	2,438,985	2,832,543
Profit for the year		--	--	--	--	43,501	43,501
<u>Other comprehensive income</u>							
- Transfer of revaluation reserve to retained earnings	15	--	(3,481)	--	--	3,481	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(223)	--	--	(223)
- Gains on revaluation of land, buildings and and own site improvements		--	26,830	--	--	--	26,830
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(10,449)	(10,449)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	(398)	(398)
- Deferred tax on accelerated tax depreciation	8 c.	--	1,493	--	--	--	1,493
<u>Transactions with owners</u>							
- Dividends	12 b.	--	--	--	--	(5,944)	(5,944)
Balance as at 31 December 2022		<u>139,968</u>	<u>277,408</u>	<u>833</u>	<u>(32)</u>	<u>2,469,176</u>	<u>2,887,353</u>

The notes on pages 56 to 119 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Cash Flows

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent Year ended 31 December			Group Year ended 31 December	
2022	2023		2023	2022
\$	\$	Notes	\$	\$
64,845	32,435	Cash generated from operating activities	31,868	65,180
(4,017)	(4,507)	Interest paid	(4,508)	(4,019)
60,828	27,928		27,360	61,161
(13,162)	(9,500)	Income tax paid	(10,074)	(13,743)
<u>47,666</u>	<u>18,428</u>	Net cash generated from operating activities	<u>17,286</u>	<u>47,418</u>
		Cash flows from investing activities		
(17,098)	(22,994)	Purchases of property, plant and equipment	(22,994)	(17,098)
--	163	Adjustment to property, plant and equipment	163	--
--	897	Proceeds from held to maturity assets	897	--
733	812	Interest received	812	733
<u>(16,365)</u>	<u>(21,122)</u>	Net cash used in investing activities	<u>(21,122)</u>	<u>(16,365)</u>
		Cash flows from financing activities		
(12,820)	(13,448)	Repayment of long and medium-term borrowings	(13,448)	(12,820)
--	1,557	Proceeds from long and medium term borrowings	1,557	--
(5,944)	(6,736)	Dividends paid	(6,736)	(5,944)
<u>(18,764)</u>	<u>(18,627)</u>	Net cash used in financing activities	<u>(18,627)</u>	<u>(18,764)</u>
12,537	(21,321)	Net (decrease)/(increase) in cash and cash equivalents	(22,463)	12,289
149,977	162,951	Cash and cash equivalents at beginning of year	163,056	150,330
437	641	Effects of exchange rate changes on cash and cash equivalents	641	437
<u>162,951</u>	<u>142,271</u>	Cash and cash equivalents at end of year	<u>141,234</u>	<u>163,056</u>

The notes on pages 56 to 119 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

1 Incorporation and principal activities

Point Lisas Industrial Port Development Corporation Limited (the Corporation) was incorporated on 16 September 1966 under the laws of the Republic of Trinidad and Tobago and has a primary listing on the Trinidad and Tobago Stock Exchange. Its registered office is located at PLIPDECO House, Orinoco Drive, Point Lisas Industrial Estate, Point Lisas, Couva, Trinidad, West Indies. The Corporation Sole (Government of the Republic of Trinidad and Tobago) is owner of 51% of the issued share capital.

Point Lisas Terminals Limited, a wholly owned subsidiary, was incorporated in the Republic of Trinidad and Tobago in 1981 and is solely involved in the supply of labour to the parent company for its cargo handling operations at the port.

Point Lisas Industrial Port Development Corporation Limited and its wholly owned subsidiary, Point Lisas Terminals Limited (together, the Group), are engaged in the following provision of services:

Leasing of industrial properties	Lease of land to tenants for 30 and 96 year or longer leases.
Industrial estate Management	Development and maintenance of onshore infrastructure, such as roads, lighting, drainage and including a Free Zone area, for the purpose of leasing.
Cargo handling	Provision of cargo handling services for import, export and transshipment vessels. The Port facilitates the receipt, storage and delivery of containerised, dry and liquid bulks, breakbulk and general cargo.
Marine	Coordination of all movement of vessels at the Port and neighbouring piers, inclusive of the berthing and unberthing operations as well as mooring and unmooring services.
Warehousing	Provision of less than container load warehousing services for both import and export trade and non-trade cargo. The less than container load warehousing service for export cargo facilitates intra-regional trade.
Security	Provision of security support to tenants on the Industrial Estate and Port users. Matters relating to the Port and Ship-to-Shore activities as it relates to the International Ship and Port Facility Security (ISPS) are handled by this unit.

a. Investment in subsidiary

The Group's subsidiary at 31 December 2023 consists of Point Lisas Terminals Limited which is 100% owned and is carried at a value of \$320 (320,002 shares of no par value) (2022: \$320 (320,002 shares of no par value)).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

2 Transactions with related parties

	2023 \$	2022 \$
Parent/Group		
Key management compensation - Post retirement benefits	<u>741</u>	<u>593</u>
Key management compensation - short term benefits	<u>3,921</u>	<u>3,739</u>
Parent		
Labour costs charged by Point Lisas Terminals Limited (See Note 1)	<u>97,991</u>	<u>95,831</u>
Balance due to Point Lisas Terminals Limited	<u>10,252</u>	<u>8,977</u>

a. Principles of consolidation

The consolidated financial statements include those of the parent company and its wholly owned subsidiary, Point Lisas Terminals Limited. All inter-company transactions, balances and unrealised gains/losses have been eliminated in the preparation of the Group's financial statements.

(i) Subsidiaries

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary consists of the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Acquisition-related costs are expensed as incurred.

In the parent company financial statements, the investment in the subsidiary is shown at cost less impairment.

(ii) Changes in ownership interests

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

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

2 Transactions with related parties (continued)

a. Principles of consolidation (continued)

(ii) Changes in ownership interests (continued)

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

3 Critical estimates, judgments and errors

The preparation of parent and consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgments is included in notes referred to below together with information about the basis of calculation for each affected line item in the parent and consolidated financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

a. Significant estimates and judgments

The areas involving significant estimates or judgments are:

- Estimation of fair values of land and buildings and investment properties – Notes 5 and 6
- Estimation of retirement benefit pension obligation/(asset) – Note 18 a.
- Estimation of casual employee retirement benefit – Note 18 b.
- Estimation of forward looking assumptions under IFRS 9 – Note 10.
- Estimates in the assessment of impairment of property, plant and equipment – Note 5.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Impairment assessment of non-financial assets of the Group

Estimates are required in determining the recoverable amount of assets to assess whether an impairment exists. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An asset is impaired when its carrying amount exceeds its recoverable amount. IAS 36 'Impairment of non-financial assets' describes some indicators that an impairment loss may have occurred. If any of those indicators are present, the Group will make a formal estimate of recoverable amount. At the statement of financial position date, the market capitalisation of the Group was significantly less than the net assets of the Group. As such, management determined that an impairment assessment was required to determine if the net assets of the Group were impaired.

See Note 5 e.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context. The Group has exposure to the following risks:

- a. Credit risk
 - (i) Risk management
 - (ii) Security
 - (iii) Credit quality
 - (iv) Exposure to credit risk
- b. Liquidity risk
- c. Market risk
 - (i) Foreign exchange risk
 - (ii) Interest rate risk
 - (iii) Price risk
- d. Capital risk management

This note contains information about the Group's exposure to each of the above risks and the objectives, policies and processes for managing and measuring the risk. Further quantitative disclosures are also included in the referred notes.

The Group's risk management is predominantly controlled policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

a. Credit risk

The Group is exposed to credit risk, which is the risk that its customers and counterparties may cause a financial loss by failing to discharge their contractual obligations. Credit risk arises from cash and cash equivalents, deposits with financial institutions as well as outstanding receivables. The credit quality of customers, their financial position, past experience and other factors are taken into consideration in assessing credit risk. There was no concentration of risk due to the number and diversity of operations of the customer base.

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

(i) Risk management

Cash and deposits are held with a number of reputable financial institutions, in amounts varying between \$8 and \$ 50,534 (2022: \$8 and \$77,335). The utilisation of credit limits is regularly monitored to manage the risk with trade receivables. Receivable balances are also monitored on an ongoing basis.

(ii) Security

There are no trade receivables for which the Group has obtained any form of guarantee, deeds of undertaking or letters of credit.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

a. Credit risk (continued)

(iii) Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

	2023	2022
	\$	\$
Cash at bank		
Parent		
Cash at bank	147,978	162,866
Group		
Cash at bank	146,939	162,969

The rest of the parent and consolidated statement of financial position item cash and cash equivalents comprises cash in hand.

(iv) Exposure to credit risk

The following is a summary of the Group's maximum exposure to credit risk:

Parent	Fully performing \$	Past due \$	Impaired \$	Provision for impairment \$	Total \$
31 December 2023					
Cash at bank	147,978	--	--	--	147,978
Trade receivables	12,575	29,207	48,735	(48,735)	41,782
Other receivables (excluding prepayments)	3,253	--	527	(527)	3,253
	163,806	29,207	49,262	(49,262)	193,013

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

a. Credit risk (continued)

(iv) Exposure to credit risk (continued)

Parent (continued)

	Fully performing \$	Past due \$	Impaired \$	Provision for impairment \$	Total \$
31 December 2022					
Financial asset at amortised cost	897	--	--	--	897
Cash at bank	162,866	--	--	--	162,866
Trade receivables	10,617	34,257	36,721	(36,721)	44,874
Other receivables (excluding prepayments)	1,984	--	527	(527)	1,984
	<u>176,364</u>	<u>34,257</u>	<u>37,248</u>	<u>(37,248)</u>	<u>210,621</u>

The Company does not hold any collateral in relation to these assets.

Group

	Fully performing \$	Past due \$	Impaired \$	Provision for impairment \$	Total \$
31 December 2023					
Cash at bank	146,939	--	--	--	146,939
Trade receivables	12,575	29,207	48,735	(48,735)	41,782
Other receivables (excluding prepayments)	4,348	--	551	(551)	4,348
	<u>163,862</u>	<u>29,207</u>	<u>49,286</u>	<u>(49,286)</u>	<u>193,069</u>
31 December 2022					
Financial asset at amortised cost	897	--	--	--	897
Cash at bank	162,969	--	--	--	162,969
Trade receivables	10,617	34,257	36,721	(36,721)	44,874
Other receivables (excluding prepayments)	2,947	--	551	(551)	2,947
	<u>177,430</u>	<u>34,257</u>	<u>37,272</u>	<u>(37,272)</u>	<u>211,687</u>

The Group does not hold any collateral in relation to these assets.

The Group recognises provision for losses for assets subject to credit risk using the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

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

- o Trade receivables
- o Financial assets at amortised cost

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

a. Credit risk (continued)

(iv) Exposure to credit risk (continued)

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the lifetime loss allowance, the Group first considers whether any individual customer accounts require specific provisions. Loss rates are then assigned to these accounts based on various qualitative and quantitative factors. All other non-specific trade receivables are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 54 months before 30 June 2023 and the corresponding historical credit losses experienced within this period.

Historical loss rates for trade receivables are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has reviewed factors such as unemployment rate, gross domestic product and oil prices and determined that the impact was not significant.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Summary of ECL calculations

The movement in the provision for expected credit losses for trade receivables is as follows. This includes specific provisions of \$47,367 (2022: \$34,995).

	2023 \$	2022 \$
Opening loss allowance as at 1 January	36,721	28,366
Increase in loss allowance recognised in profit or loss during the year	<u>12,014</u>	<u>8,355</u>
Balance at end of year	<u>48,735</u>	<u>36,721</u>

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

Net changes to provisions for the year per above	<u>12,014</u>	<u>8,355</u>
--	---------------	--------------

Financial assets at amortised cost

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group's liquidity risk management process is measured and monitored by senior management personnel. This process includes:

- Monitoring cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which can be used to secure facilities.
- Maintaining committed lines of credit.
- Maintaining liquidity ratios.

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

Parent

	< 1 year \$	1-2 years \$	2-5 years \$	More than 5 years \$	Contractual cash flows \$	Carrying amount \$
31 December 2023						
Long and medium term borrowings	86,870	1,192	1,689	135	89,886	89,886
Bank overdraft	5,807	--	--	--	5,807	5,807
Lease liabilities	1,841	920	--	--	2,761	2,633
Deferred lease rental income	4,577	983	2,949	49,230	57,739	57,738
Trade payables	5,510	--	--	--	5,510	5,510
Due to subsidiary	10,252	--	--	--	10,252	10,252
Other payables (excluding statutory liabilities)	32,611	--	--	--	32,611	32,611
Total	147,468	3,095	4,638	49,365	204,566	204,437
31 December 2022						
Long and medium term borrowings	17,989	86,709	1,839	81	106,618	97,669
Deferred lease rental income	4,577	983	2,949	50,177	58,686	58,686
Trade payables	6,908	--	--	--	6,908	6,908
Due to subsidiary	8,977	--	--	--	8,977	8,977
Other payables (excluding statutory liabilities)	46,659	--	--	--	46,659	46,659
Total	85,110	87,692	4,788	50,258	227,848	218,899

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

b. Liquidity risk (continued)

Group

	< 1 year \$	1-2 years \$	2-5 years \$	More than 5 years \$	Contractual cash flows \$	Carrying amount \$
31 December 2023						
Long and medium term borrowings	86,870	1,192	1,689	135	89,886	89,886
Bank overdraft	6,846	--	--	--	6,846	6,846
Lease liabilities	1,841	920	--	--	2,761	2,633
Deferred lease rental income	4,577	983	2,949	49,230	57,739	57,738
Trade payables	5,510	--	--	--	5,510	5,510
Other payables (excluding statutory liabilities)	36,425	--	--	--	36,425	36,425
Total	142,069	3,095	4,638	49,365	199,167	199,038
31 December 2022						
Long and medium term borrowings	17,989	86,709	1,839	81	106,618	97,669
Deferred lease rental income	4,577	983	2,949	50,177	58,686	58,686
Trade payables	6,908	--	--	--	6,908	6,908
Other payables (excluding statutory liabilities)	50,436	--	--	--	50,436	50,436
Total	79,910	87,692	4,788	50,258	222,648	213,699

The fair values are based on cash flows discounted using the borrowing rates and the facilities drawn down at year end as disclosed in Note 16. There were no fixed rate loans as at 31 December 2023 and 2022.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

c. Market risk

Market risk is the risk that the fair value of future cash flows of the financial instrument will fluctuate because of changes in market prices. The Group takes on exposure to market risks from changes in foreign exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

(i) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group manages its foreign exchange risk by the following:

- Ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions.
- Holding US\$ balances.
- Invoicing only in US\$ or in TT\$ currency.

There were no changes in the policies and procedures for managing foreign currency risk compared with prior year. The impact on the parent and consolidated statement of profit or loss and other comprehensive income at 31 December 2023 if the US\$ strengthened/weakened against the TT\$ by an average rate of 5% is an increase/decrease in profits of \$4,438 (2022: \$4,367) respectively, mainly as a result of foreign exchange losses/gains on translation of US dollar denominated cash and cash equivalents and borrowings.

(ii) Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group is exposed to no fair value interest rate risk. The Group finances its operations through a mixture of retained profits and borrowings. There were no changes in the policies and procedures for managing interest rate risk compared with prior year.

At 31 December 2023 and 2022, there were no fixed rate interest borrowings for the Group. The sensitivity to interest rate fluctuations are disclosed in Note 16 d. The contractual cash flows and carrying amounts of these floating rate borrowings are also disclosed in Note 16 e.

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the parent and consolidated statement of financial position at fair value through other comprehensive income. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. There were no changes in the policies and procedures for managing price risk compared with prior year. The sensitivity impact of this is immaterial.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

d. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for 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.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the parent and consolidated statement of financial position) less cash and bank on hand. Total capital is calculated as 'shareholders' equity' as shown in the parent and consolidated statement of financial position plus net debt. Gearing is the measure of financial leverage, demonstrating the degree to which the Group's activities are funded by owner's funds versus creditor's funds.

The Group's policy is to keep the ratio at less than or equal to 50%.

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

The parent/Group has no gearing as at 31 December 2023 and 2022 as cash exceeded borrowings.

Parent	2023 \$	2022 \$
Net cash	56,624	65,282
Total equity	<u>(2,931,097)</u>	<u>(2,884,802)</u>
Total capital	<u>(2,874,473)</u>	<u>(2,819,520)</u>
Gearing ratio	<u>N/A</u>	<u>N/A</u>
Cash and cash equivalents	142,271	162,951
Borrowings – repayable within one year	(82,924)	(13,294)
Borrowings – repayable after one year	<u>(2,723)</u>	<u>(84,375)</u>
Net cash	<u>56,624</u>	<u>65,282</u>
Cash at bank on hand (Note 11)	148,078	162,951
Gross debt – variable interest rates	<u>(91,454)</u>	<u>(97,669)</u>
Net cash	<u>56,624</u>	<u>65,282</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

d. Capital risk management (continued)

	Other assets		Liabilities from financing activities	
	Cash/ bank overdraft \$	Borrowing due within 1 year \$	Borrowing due after 1 year \$	Total \$
Net cash as at 1 January 2022	149,977	(13,264)	(97,222)	39,491
Cash flows	12,537	--	12,820	25,357
Foreign exchange adjustments	437	(30)	27	434
Net cash as at 31 December 2022	162,951	(13,294)	(84,375)	65,282
Net cash as at 1 January 2023	162,951	(13,294)	(84,375)	65,282
Cash flows	(21,444)	52	12,257	(9,135)
Foreign exchange adjustments	764	26	(20)	770
Other Changes	--	(69,708)	69,415	(293)
Net cash as at 31 December 2023	142,271	(82,924)	(2,723)	56,624

Cash exceeds borrowings so there is no net debt and therefore no gearing.

	2023 \$	2022 \$
Group		
Net cash	55,587	65,387
Total equity	(2,933,807)	(2,887,353)
Total capital	(2,878,220)	(2,821,966)
Gearing ratio	N/A	N/A
Cash and cash equivalents	141,234	163,056
Borrowings – repayable within one year	(82,924)	(13,294)
Borrowings – repayable after one year	(2,723)	(84,375)
Net cash	55,587	65,387
Cash at bank and on hand (Note 11)	148,080	163,056
Gross debt – variable interest rates	(92,493)	(97,669)
Net cash	55,587	65,387

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

d. Capital risk management (continued)

	Other assets		Liabilities from financing activities		Total
	Cash/ bank overdraft	Borrowing due within 1 year	Borrowing due after 1 year		
	\$	\$	\$	\$	
Net cash as at 1 January 2022	150,330	(13,264)	(97,222)		39,844
Cash flows	12,289	--	12,820		25,109
Foreign exchange adjustments	437	(30)	27		434
Net cash as at 31 December 2022	163,056	(13,294)	(84,375)		65,387
Net cash as at 1 January 2023	163,056	(13,294)	(84,375)		65,387
Cash flows	(22,586)	52	12,257		(10,277)
Foreign exchange adjustments	764	26	(20)		770
Other Changes	--	(69,708)	69,415		(293)
Net cash as at 31 December 2023	141,234	(82,924)	(2,723)		55,587

Cash exceeds borrowings so there is no net debt and therefore no gearing.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- Maximum total liabilities/tangible net worth of less than 0.4:1;
- Debt service coverage ratio of >1.3:1.

The Parent and Group has complied with these covenants throughout the reporting period.

Parent

As at 31 December 2023, the maximum total liabilities/ tangible net worth ratio was 0.05 (0.05 as at 31 December 2022) and the debt service coverage ratio was 3.94 (3.63 as at 31 December 2021).

Group

As at 31 December 2023, the maximum total liabilities/ tangible net worth ratio was 0.05 (0.05 as at 31 December 2022) and the debt service coverage ratio was 3.98 (3.67 as at 31 December 2022).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

e. Financial instruments by category

Parent	2023	2022
	\$	\$
<i>Financial assets</i>		
The accounting policies for financial instruments have been applied to the line items below:		
Trade receivables (Note 10)	41,782	44,874
Other receivables (excluding prepayments)	3,253	1,984
Cash at bank	147,978	162,866
	<u>193,013</u>	<u>209,724</u>
Financial asset at amortised cost	--	897
Financial assets at fair value through other comprehensive income	1,470	1,771
	<u>194,483</u>	<u>212,392</u>

The Company has no assets at fair value through profit or loss.

Other financial liabilities

Liabilities as per parent statement of financial position

Trade payables (Note 20)	5,510	6,908
Other payables (excluding statutory liabilities) (Note 20)	32,611	46,659
Due to subsidiary (Note 20)	10,252	8,977
Lease liabilities	2,633	--
Bank overdraft	5,807	--
Long and medium term borrowings	85,646	97,669
	<u>142,459</u>	<u>160,213</u>

The Company has no liabilities at fair value through profit or loss.

Group

Financial assets

The accounting policies for financial instruments have been applied to the line items below:

Trade receivables	41,782	44,874
Other receivables (excluding prepayments)	4,348	2,947
Cash at bank	147,978	162,969
	<u>194,108</u>	<u>210,790</u>
Financial asset at amortised cost	--	897
Financial assets at fair value through other comprehensive income	1,470	1,771
	<u>195,578</u>	<u>213,458</u>

The Group has no assets at fair value through profit or loss.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

e. Financial instruments by category (continued)

Group (continued)	2023	2022
	\$	\$
<i>Other financial liabilities</i>		
Liabilities as per consolidated statement of financial position		
Trade payables	5,510	6,908
Other payables (excluding statutory liabilities)	36,425	50,436
Lease liabilities	2,633	--
Bank overdraft	6,846	--
Long and medium term borrowings	85,646	97,669
	<u>137,060</u>	<u>155,013</u>

The Group has no liabilities at fair value through profit or loss.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment – Parent/Group

The subsidiary has no property, plant and equipment.

	Land	Own Site improvements	Estate infrastructure	Berths and piers	Port equipment	Buildings	Equipment, furniture and fittings	Capital work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2023									
Opening net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
Additions	--	1,233	--	155	3,077	419	4,143	13,967	22,994
Transfers from capital work in progress	--	310	--	--	350	--	2,783	(3,443)	--
Disposals/adjustments	--	(13)	--	--	--	(79)	(217)	(386)	(695)
Depreciation	--	(4,282)	(811)	(6,512)	(8,790)	(1,925)	(5,049)	--	(27,369)
Closing net book amount	255,620	82,171	60,675	212,323	48,071	56,166	15,673	25,154	755,853
At 31 December 2023									
Cost/valuation	255,620	86,453	81,056	325,688	270,198	58,093	103,250	25,154	1,205,512
Accumulated depreciation	--	(4,282)	(20,381)	(113,365)	(222,127)	(1,927)	(87,577)	--	(449,659)
Net book amount	255,620	82,171	60,675	212,323	48,071	56,166	15,673	25,154	755,853
Year ended 31 December 2022									
Opening net book amount	255,620	65,113	59,764	225,207	62,468	47,148	13,964	12,581	741,865
Additions	--	400	2,055	--	565	--	3,986	10,092	17,098
Transfers from capital work in progress	--	46	467	495	3,689	--	690	(5,387)	--
Revaluation	--	25,575	--	--	--	12,753	--	--	38,328
Disposals/adjustments	--	--	--	(370)	--	--	(131)	(2,270)	(2,771)
Depreciation	--	(6,211)	(800)	(6,652)	(13,288)	(2,150)	(4,496)	--	(33,597)
Closing net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
At 31 December 2022									
Cost/valuation	255,620	84,923	81,057	325,533	266,771	57,751	97,351	15,016	1,184,022
Accumulated depreciation	--	--	(19,571)	(106,853)	(213,337)	--	(83,338)	--	(423,099)
Net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
At 1 January 2022									
Cost/valuation	255,620	77,726	78,535	325,407	262,517	51,455	92,909	12,581	1,156,750
Accumulated depreciation	--	(12,613)	(18,771)	(100,200)	(200,049)	(4,307)	(78,945)	--	(414,885)
Net book amount	255,620	65,113	59,764	225,207	62,468	47,148	13,964	12,581	741,865

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

a. Accounting policy

Land, own site improvements and buildings comprise mainly properties used in connection with the port operations and offices and are shown at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings and own site improvements (land is not depreciated). Independent valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is adjusted to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of land, own site improvements and buildings are recognised, net of tax, in other comprehensive income and accumulated in revaluation reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the parent and consolidated statement of profit or loss and other comprehensive income. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the parent and consolidated statement of profit or loss and other comprehensive income and depreciation based on the asset's original cost, net of tax, is reclassified from "revaluation reserve" to "retained earnings". See Note 15.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation on assets (except land) is calculated at varying rates to allocate cost or revalued amounts of each asset to their residual values over their estimated remaining useful lives. Depreciation is calculated as follows:

Own site improvements	-	5%	straight-line basis
Estate infrastructure	-	1%	straight-line basis
Berths and piers	-	2%	straight-line basis
Port equipment	-	6.67%	straight-line basis
Buildings	-	3.33%	straight-line basis
Equipment, furniture and fittings	-	10% - 33.3%	reducing balance basis

Equipment, furniture and fittings comprise motor vehicles, computer equipment and other assets.

Based on independent professional advice, buildings are being written off over their estimated remaining useful lives, on the straight-line basis, over a period not in excess of thirty years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. 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 within the parent and consolidated statement of profit or loss and other comprehensive income. When revalued assets are sold, it is Group policy to transfer any amounts included in revaluation reserves in respect of those assets to retained earnings.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

b. Significant fair value estimate

The land, buildings and own site improvements were last revalued on 31 December 2022 by independent professional qualified valuers, Raymond & Pierre Chartered Valuation Surveyors.

The following table analyses the non-financial assets carried at fair value plus or minus the cost of additions or disposals less subsequent depreciation. The different levels of fair value measurements have been defined in Note 26 c.:

	Quoted prices in active markets for identical assets (level 1) \$	Significant other observable inputs (level 2) \$	Significant unobservable inputs (level 3) \$
As at 31 December 2023			
Recurring fair value measurements			
- Land	--	--	255,620
- Own site improvements	--	--	82,171
- Buildings	--	--	56,166
	Quoted prices in active markets for identical assets (level 1) \$	Significant other observable inputs (level 2) \$	Significant unobservable inputs (level 3) \$
As at 31 December 2022			
Recurring fair value measurements			
- Land	--	--	255,620
- Own site improvements	--	--	84,923
- Buildings	--	--	57,751

There were no transfers between levels during the year.

The Group's management annually reviews the latest valuations performed by the independent valuator for financial reporting purposes. At each financial year end the finance department:

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

The property has been developed as an industrial estate with its own port facilities with emphasis on energy-based industries using locally available gas reserves. The existing use is the highest and best to which the property could be put. The size and layout of the property was taken into consideration in the valuation. Based on the valuation the buildings appeared to be modern, structurally sound and in fair to good decorative condition and assumed to be adequate and appropriate for a structure of its size, type and use.

Level 3 fair values of land has been derived using the Market Approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

Level 3 fair value of buildings and own site improvements have been derived using the Depreciated Replacement Cost Method. Under the Depreciated Replacement Cost Method, the gross replacement costs of the buildings were estimated and appropriate deductions were made for economic and functional obsolescence and environmental factors in order to arrive at a net or depreciated replacement cost. Gross replacement costs include the costs of infrastructural works and professional fees. The most significant input into this valuation approach is the construction price per square foot.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

b. Significant fair value estimate (continued)

	Land \$	Own site improvements \$	Buildings \$	Total \$
Opening balance 1 January 2023	255,620	84,923	57,751	398,294
Additions/transfers/ revaluation/adjustments	--	1,530	340	1,870
Amounts recognised in profit or loss				
- Depreciation	--	(4,282)	(1,925)	(6,207)
Closing balance 31 December 2023	<u>255,620</u>	<u>82,171</u>	<u>56,166</u>	<u>393,957</u>
	Land \$	Own site improvements \$	Buildings \$	Total \$
Opening balance 1 January 2022	255,620	65,113	47,148	367,881
Additions/transfers/ revaluation/adjustments	--	26,021	12,753	38,774
Amounts recognised in profit or loss				
- Depreciation	--	(6,211)	(2,150)	(8,361)
Closing balance 31 December 2022	<u>255,620</u>	<u>84,923</u>	<u>57,751</u>	<u>398,294</u>

c. Carrying amounts that would have been recognised if land, buildings and own-site improvements were stated at cost

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

	2023 \$	2022 \$
Cost	213,915	211,941
Accumulated depreciation	<u>(75,326)</u>	<u>(81,896)</u>
Net carrying amount	<u>138,589</u>	<u>130,045</u>

d. Assets pledged as security

Refer to Note 16 b. for information on property, plant and equipment pledged as security by the Group.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

e. Impairment assessment of non-financial assets of the Group

At the statement of financial position date, the market capitalisation of the Group was significantly less than the net assets of the Group. Given this indicator of impairment management performed an impairment assessment to determine if the net assets of the Group were impaired.

The most significant asset groups included on the statement of financial position are investment properties of \$2,284,420 and property, plant and equipment (PP&E) of \$755,853.

Investment properties are carried at fair value (Note 6).

Land, buildings and site improvements of \$393,957 (2022:\$398,294) within PP&E are also carried at fair value in accordance with the Group's accounting policies based on periodic independent valuations.

The focus of the impairment assessment was on the carrying amount of the remaining items in PP&E not carried at fair value. This relates primarily to berths and piers, port equipment and estate infrastructure. Management have determined that the port and estate operations comprise one cash generating unit. As the recoverable amount derived from the valuation of berths and piers was higher than the total amount of assets not carried at fair value, no impairment provision was required.

In determining the fair value less cost of disposal for impairment, management utilised valuation techniques to estimate the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions. In carrying out this review, management utilised the work performed by independent external valuers in 2023 to determine a fair value for certain assets.

Due to the specialised nature of the port's berths and piers, management engaged external independent valuers for the valuation in 2023 using the depreciated replacement cost (DRC) approach. Management considered this to be the most reliable method given relevant information, such as sales or rental transactions, is not readily available due to there being no public active market for specialised assets of this nature.

The DRC approach involves a number of complexities and judgments. The most significant are the estimation of the replacement cost new (RCN) defined as the current cost of a similar new asset having the nearest equivalent utility as the asset being appraised, as well as deductions for physical deterioration. The significant inputs and assumptions utilised include the following:

- Direct costs inclusive of materials, labour and equipment;
- Indirect costs including engineering, architect, and other professional fees;
- Construction finance;
- Entrepreneurial profit;
- Functional and economic obsolescence and;
- Estimation of physical deterioration.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

e. Impairment assessment of non-financial assets of the Group (continued)

The calculation of the fair value of the above assets are sensitive to the following assumptions used:

	2023	
	Increase in rate \$	Decrease in rate \$
Change in indirect cost – 5% (Decrease)/increase in fair value	(19,370)	19,370
Change in finance cost – 1% (Decrease)/increase in fair value	(8,910)	8,910
Change in entrepreneurial profit – 5% (Decrease)/increase in fair value	(25,394)	25,394
	2022	
	Increase in rate \$	Decrease in rate \$
Change in indirect cost – 5% (Decrease)/increase in fair value	(15,562)	15,562
Change in finance cost – 1% (Decrease)/increase in fair value	(7,158)	7,158
Change in entrepreneurial profit – 5% (Decrease)/increase in fair value	(20,401)	20,401

As the recoverable amount derived from the valuation of the port's berths and piers was higher than the carrying amount of the port and estate operations cash generating unit, management determined no impairment provision was required even with the sensitivity considerations noted above.

f. Capital commitments

The Group has \$7,096 (2022: \$8,342) in capital commitments as at 31 December 2023.

g. Depreciation charge

Depreciation expense has been included in 'other operating expenses' in the parent and consolidated statement of profit or loss and other comprehensive income.

h. Borrowing cost capitalised

Included within the additions during the year is borrowing cost of \$728 (2022: \$862). The capitalisation rate is the interest rate applicable to the specific borrowing for the rehabilitation of the berths, in this case 3% (2022: 3%).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
		As at 1 January		
2,165,990	2,190,435	30 year leases	2,190,435	2,165,990
52,590	53,270	96 years and longer leases	53,270	52,590
<u>2,218,580</u>	<u>2,243,705</u>		<u>2,243,705</u>	<u>2,218,580</u>
25,125	42,975	Unrealised fair value gains	42,975	25,125
<u>2,243,705</u>	<u>2,286,680</u>	As at 31 December	<u>2,286,680</u>	<u>2,243,705</u>

a. Accounting policy

Investment properties, principally comprising freehold and leasehold land, are held for long term rental yields and are not occupied by the Group. All investment properties are carried at fair value, representing open market value determined annually by independent external valuers. The fair value of investment properties reflects, among other things, rental income from current leases, assumptions about rental income from future leases in light of current market conditions and active market prices adjusted, if necessary, for differences in the nature and location of properties. Changes in fair value are recorded in the parent and consolidated statement of profit or loss and other comprehensive income.

b. Significant fair value estimate

The Group's investment properties were valued at 31 December 2023 by independent professional qualified valuers, Raymond & Pierre Chartered Valuation Surveyors, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued.

The Group's Finance department reviews the valuations performed by the independent valuers for financial reporting purposes. This department reports directly to the Vice President of Business Services. Discussions of valuations processes and results are held between the Vice President of Business Services, the Estate department, the Finance department and the independent valuers at least once every quarter, in line with the Group's quarterly reporting dates.

At each financial reporting date the Finance department:

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

The market value represents the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. For all investment properties, their current use equates to the highest and best use. The valuation is based on both the Income Method for leased properties and Market Approach for land.

Under the Income Approach Method, the estimated net rental income from a property by a year's purchase (multiplier) is calculated to arrive at a capital value for the property. The net income is derived from an estimated gross income less outgoings i.e. rates, insurance, repairs and management allowance. The present value is obtained by discounting at the risk free rates of 2.5%, 3.5% and 5%. The valuation for the 30 year leases also assumes that all tenants have renewal clauses in their current leases which will extend the lease for an additional 30 years. Under the Market Approach Method, the sales of comparable acreage of the properties are analysed to determine a value for the leased land under consideration.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties (continued)

b. Significant fair value estimate (continued)

The following table analyses the non-financial assets carried at fair value. The different levels of fair value measurements have been defined in Note 26 c.:

	Quoted prices in active markets for identical assets (level 1) \$	Significant other observable inputs (level 2) \$	Significant unobservable inputs (level 3) \$
As at 31 December 2023			
Recurring fair value measurements			
- Investment properties	--	--	2,286,680
As at 31 December 2022			
Recurring fair value measurements			
- Investment properties	--	--	2,243,705

There were no transfers between levels during the year. Level 3 fair values have been derived using the Income Approach Method for leased properties and Market Approach Method for land. Evidence of arm's length open market transactions of similar lands were analysed and the results applied to the subject lands after taking into consideration appropriate adjustments for location, size and other relevant factors. The most significant input into this valuation approach is future rental cash inflows based on the actual location and quality of the properties and supported by the terms of any existing leases and market prices of land.

The methods used in the valuation of land, building and own site improvement have been classified as level 3 as the inputs used in the methods are not readily available to the public and assumptions applied are based on the experience and judgment of the valuers prior to being reviewed and adopted by Management.

c. Other disclosures

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
The following amounts have been recognised in the parent and consolidated statement of profit or loss and other comprehensive income				
104,634	112,552	Lease rental income (Note 19)	112,252	104,634
<u>(1,416)</u>	<u>(1,524)</u>	Direct costs from investment properties	<u>(1,524)</u>	<u>(1,416)</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties (continued)

d. Sensitivity analysis

The calculation of the fair value of investment properties is sensitive to the assumptions used. The following table summarises how the fair value as at 31 December 2023 and 2022 would have changed as a result of a change in the discount rates used of 2.5%, 3.5% and 5%.

	2023	
	1% pa increase \$	1% pa decrease \$
(Decrease)/increase in fair value	(341,275)	473,110

	2022	
	1% pa increase \$	1% pa decrease \$
(Decrease)/increase in fair value	(340,780)	459,200

e. Notification of vesting or lease of state land

The Group was informed on 16 November 2021 by the Ministry of Agriculture, Lands and Fisheries of the vesting or lease by the State of a parcel of approximately 530 acres of State land subject to verification of title and encumbrances and management by the Group of unauthorised occupants and parties claiming an interest in the parcel. No progress was made on this matter in 2023.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

7 Financial assets (excluding cash and cash equivalents)

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
897	--	Financial asset at amortised cost	--	897
		Financial assets at fair value through		
1,771	1,470	other comprehensive income	1,470	1,771
44,874	41,782	Trade receivables (Note 10)	41,782	44,874
1,984	3,780	Other receivables (excluding prepayments)	4,875	2,947
<u>49,526</u>	<u>47,032</u>		<u>48,127</u>	<u>50,489</u>

The above has been classified as follows in the parent and consolidated statement of financial position:

		<i>Non-current assets</i>		
897	--	Financial asset at amortised cost	--	897
		Financial assets at fair value through		
1,771	1,470	other comprehensive income	1,470	1,771
		<i>Current assets</i>		
44,874	41,782	Trade receivables (Note 10)	41,782	44,874
1,984	3,780	Other receivables (excluding prepayments)	4,875	2,947
<u>49,526</u>	<u>47,032</u>		<u>48,127</u>	<u>50,489</u>

a. (i) Financial assets

Classification

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

- Those to be measured at Amortised Cost (AC), and
- Those to be measured subsequently at Fair Value Through Other Comprehensive Income (FVOCI).

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

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

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

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

7 Financial assets (excluding cash and cash equivalents) (continued)

a. (i) Financial assets (continued)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments at amortised cost

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income from these financial assets is included within 'investment income' using the effective interest rate method.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

Equity instruments

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

Impairment

Refer to Note 4 a.(iv).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

7 Financial assets (excluding cash and cash equivalents) (continued)

b. Financial assets at fair value through other comprehensive income

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
1,994	1,771	At beginning of year	1,771	1,994
(223)	(301)	Change in value transferred to equity	(301)	(223)
<u>1,771</u>	<u>1,470</u>	At end of year	<u>1,470</u>	<u>1,771</u>

Financial assets at FVOCI comprise solely of securities listed on the Trinidad and Tobago Stock Exchange and are denominated in Trinidad and Tobago dollars. The valuation method used is categorised as Level 1 as it utilises quoted prices in active markets. The different levels of fair value measurements have been defined in Note 26 c.

c. Other income

808	1,004	Interest income – tax exempt	1,004	808
<u>8,610</u>	<u>1,362</u>	Other income	<u>1,362</u>	<u>8,610</u>
<u>9,418</u>	<u>2,366</u>		<u>2,366</u>	<u>9,418</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation

a. Taxation charge

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
12,854	7,888	Corporation tax	7,888	12,854
(697)	649	Prior year under/(over) accrual for tax	649	(697)
--	--	Business levy - current year	588	575
(2,533)	1,142	Deferred income tax (Note 8 c.)	1,142	(2,533)
<u>9,624</u>	<u>9,679</u>		<u>10,267</u>	<u>10,199</u>

The tax charge differs from the theoretical amount that would arise using the basic tax rate of 30% (2022: 30%) as follows:

<u>53,012</u>	<u>62,169</u>	Profit before taxation	<u>62,516</u>	<u>53,700</u>
15,904	18,651	Tax calculated at applicable tax rate	18,755	16,110
(8,160)	(13,548)	Allowances/income not subject to tax	(12,870)	(8,160)
1,286	1,559	Expenses not deductible for tax	1,147	1,286
(697)	649	Prior year under/(over) accrual for tax	649	(697)
1,291	2,368	Other movements	1,998	1,085
--	--	Business levy	588	575
<u>9,624</u>	<u>9,679</u>		<u>10,267</u>	<u>10,199</u>

b. Accounting policy

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

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation (continued)

b. Accounting policy (continued)

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

c. Deferred taxation

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
85,788	88,612	At beginning of year	88,612	85,788
(1,493)	(2,003)	Accelerated tax depreciation – property plant, and equipment revalued and own site improvements	(2,003)	(1,493)
(4,478)	(1,401)	Tax on remeasurement of defined benefit obligation recognised in other comprehensive income (Note 18 a.)	(1,401)	(4,478)
(170)	687	Tax on remeasurement of casual employee retirement benefit recognised in other comprehensive income (Note 18 b.)	687	(170)
11,498	--	Tax on gains on revaluation of buildings and own site improvements	--	11,498
(2,533)	1,142	Credit for the year (Note 8 a.)	1,142	(2,533)
<u>88,612</u>	<u>87,037</u>	At end of year	<u>87,037</u>	<u>88,612</u>

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 30%. Fair value gains and losses are not taxable and deductible respectively under the applicable tax law in Trinidad and Tobago. The deferred income tax (asset)/liability in the parent and consolidated statement of financial position and the deferred income tax charge/(credit) in the parent and consolidated statement of profit or loss and other comprehensive income are attributable to the following:

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation (continued)

c. Deferred taxation (continued)

Parent/Group	Charge/(Credit)		Charge/(Credit)	
	2022	to	to	2023
	\$	OCI	SOCI	\$
		\$	\$	
Year ended 31 December 2023				
Deferred income tax liabilities				
Tax on gains on revaluation of buildings and own site improvements	11,498	--	--	11,498
Accelerated tax depreciation – property, plant and equipment carried at cost	69,418	--	1,004	70,422
Accelerated tax depreciation – property, plant and equipment revalued and own site improvements	23,520	(2,003)	--	21,517
	104,436	(2,003)	1,004	103,437
Deferred income tax assets				
Casual employee retirement benefit	(11,644)	687	(675)	(11,632)
Retirement benefit obligation	(3,661)	(1,401)	707	(4,355)
Change in general provision of trade receivables under IFRS 9	(519)	--	106	(413)
	(15,824)	(714)	138	(16,400)
Net deferred income tax liabilities	88,612	(2,717)	1,142	87,037
Parent/Group				
		Charge/(Credit)	Charge/(Credit)	
	2021	to	to	2022
	\$	OCI	SOCI	\$
		\$	\$	
Year ended 31 December 2022				
Deferred income tax liabilities				
Retirement benefit obligation	558	(4,478)	3,920	--
Tax on gains on revaluation of buildings and own site improvements	--	11,498	--	11,498
Accelerated tax depreciation – property, plant and equipment carried at cost	70,746	--	(1,328)	69,418
Accelerated tax depreciation – property, plant and equipment revalued and own site improvements	25,013	(1,493)	--	23,520
	96,317	5,527	2,592	104,436
Deferred income tax assets				
Casual employee retirement benefit	(10,391)	(170)	(1,083)	(11,644)
Retirement benefit obligation/(asset)	--	--	(3,661)	(3,661)
Change in general provision of trade receivables under IFRS 9	(138)	--	(381)	(519)
	(10,529)	(170)	(5,125)	(15,824)
Net deferred income tax liabilities	85,788	5,357	(2,533)	88,612

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

9 Inventory

The inventory balance comprises consumable maintenance spares and is shown net of provision for obsolete spares of \$1,829 (2022: \$1,829).

a. Accounting policy

Consumable spares are stated at cost, allowance having been made for slow moving and obsolete items. Cost is determined using the first-in, first-out (FIFO) method.

10 Trade and other receivables

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
81,595	91,044	Trade receivables	91,044	81,595
(36,721)	(48,735)	Less: provision for impairment	(48,735)	(36,721)
44,874	42,309	Trade receivables – net	42,309	44,874
8,160	10,215	Other receivables and prepayments	11,335	9,148
(527)	(527)	Less: provision for impairment	(551)	(551)
6,463	7,109	Value added tax	7,108	6,463
<u>58,970</u>	<u>59,106</u>		<u>60,201</u>	<u>59,934</u>

a. Accounting policy

Trade receivables are amounts due from customers for rental fees or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

Refer to Note 4 a.(iv) for the Group's accounting policy for the impairment of trade receivables. The creation and release of provision for impaired receivables have been included in 'administrative expenses' in the parent and consolidated statement of profit or loss and other comprehensive income. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the parent and consolidated statement of profit or loss and other comprehensive income.

Other receivables are amounts that generally arise from transactions outside the usual operating activities of the Group and prepayments are payments made in advance to suppliers.

b. Fair value of trade and other receivables

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

10 Trade and other receivables (continued)

c. Impairment and risk exposure

Parent/Group	Current \$	More than 30 days Past due \$	More than 60 days past due \$	More than 90 days past due \$	Total \$
31 December 2023					
Expected credit loss rate	0.76%	1.64%	4.02%	67.33%	
Gross carrying amount					
Trade receivables	12,575	5,098	1,346	72,025	91,044
Loss allowance	96	84	54	48,501	48,735
31 December 2022					
Expected credit loss rate	1.03%	2.08%	5.48%	58.74%	
Gross carrying amount					
Trade receivables	10,728	6,756	2,233	61,878	81,595
Loss allowance	111	140	122	36,348	36,721

Refer to Note 4 a. (iv) for the movements on the Group's provision for impairment of trade receivables.

Sensitivity analysis

The calculation of the ECL for trade receivables is sensitive to the assumptions used, specifically the forward looking rate. The following table summarises how the ECL as at 31 December 2023 and 31 December 2022 would have changed as a result of an increase in the forward looking rate used of 5% and 10%.

	2023	
	5% increase \$	10% increase \$
Increase in ECL	69	137
	2022	
	5% increase \$	10% increase \$
Increase in ECL	86	173

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

11 Cash and cash equivalents

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
95,440	79,937	Current bank and cash balances	79,938	95,545
67,511	68,141	Short-term bank deposits	68,142	67,511
--	(5,807)	Bank overdraft	(6,846)	--
<u>162,951</u>	<u>142,271</u>	Cash and cash equivalents	<u>141,234</u>	<u>163,056</u>

a. Accounting policy

For the purpose of presentation in the parent and consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, short-term, highly liquid bank deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the parent and consolidated statement of financial position.

b. Financial risk management

The effective interest rates on cash and short-term deposits were between 0.0% and 1.2% (2022: 0.075% and 1.20%) per annum.

The Group has unsecured overdraft facilities of \$20,000. Interest is charged at the average rate of 6.5% per annum (2022: 6.5% per annum).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

11 Cash and cash equivalents (continued)

c. Cash generated from operating activities

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
53,012	62,169	Profit before taxation	62,916	53,700
		Adjustments for:		
		Unrealised fair value gains on		
(25,125)	(42,975)	investment properties (Note 6)	(42,975)	(25,125)
33,597	27,369	Depreciation (Note 5)	27,369	33,597
		Loss on disposal of property, plant		
2,771	711	and equipment	710	2,771
2,883	3,608	Interest expense	3,608	2,883
(808)	(1,004)	Interest income	(1,004)	(808)
		Pension expense in retirement		
12,194	12,740	benefit obligation	12,740	12,194
		Company contributions paid in retirement		
(13,057)	(15,097)	benefit obligation	(15,097)	(13,057)
		Net benefit cost in casual employee		
4,396	4,919	retirement benefit	4,919	4,396
		Lumpsums paid in casual employee		
(786)	(2,668)	retirement benefit	(2,668)	(786)
<u>69,077</u>	<u>49,772</u>		<u>50,518</u>	<u>69,765</u>
		Change in operating assets and liabilities:		
		(Increase) in trade		
(17,553)	(136)	and other receivables	(267)	(17,401)
(1,582)	(2,932)	Increase in inventory	(2,932)	(1,582)
(171)	(175)	Decrease in deferred lease rental income	(175)	(171)
		(Decrease)/increase in trade and other		
15,074	(14,094)	payables	(15,276)	14,569
<u>64,845</u>	<u>32,435</u>	Cash generated from operating activities	<u>31,868</u>	<u>65,180</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

12 Stated capital

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
		Authorised:		
		An unlimited number of ordinary shares of no par value		
		An unlimited number of preference shares of no par value		
		Issued and fully paid:		
		39,625,684 ordinary shares		
		of no par value		
<u>139,968</u>	<u>139,968</u>		<u>139,968</u>	<u>139,968</u>

a. Accounting policy

Share capital

Ordinary shares have no par value and entitle the holder to participate in dividends, and to share in the proceeds of winding up the parent company in proportion to the number of the shares held. On show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll share is entitled to one vote.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's directors.

b. Dividends declared and payable

On 24 March 2023, the Board of Directors approved a final dividend of 17¢ per share, amounting to \$6,736 in respect of the year ended 31 December 2022. On 24 March 2022, the Board of Directors approved a final dividend of 15¢ per share, amounting to \$5,944 in respect of the year ended 31 December 2021.

13 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share is calculated by dividing the profit for the period attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue during the year plus allocated shares held by the ESOP Trustee.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

13 Earnings per share (continued)

	PARENT	
	2023 \$	2022 \$
Profit for the year	52,491	43,388
Weighted average number of shares (excluding treasury shares) 39,395,684 (2022: 39,395,684)		
Basic earnings per share	132¢	110¢
Weighted average number of shares (including allocated shares) 39,619,684 (2022: 39,619,684)		
Diluted earnings per share	132¢	110¢
	GROUP	
	2023 \$	2022 \$
Profit for the year	52,650	43,501
Weighted average number of shares (excluding treasury shares) 39,395,684 (2022: 39,395,684)		
Basic earnings per share	133¢	110¢
Weighted average number of shares (including allocated shares) 39,619,684 (2022: 39,619,684)		
Diluted earnings per share	133¢	110¢

14 Employee share ownership plan (ESOP) – Parent/Group

	No of shares	2023 \$	2022 \$
Fair value of shares held – unallocated	6,000	34	34
Fair value of shares held – allocated	224,000	829	829
	<u>230,000</u>	<u>863</u>	<u>863</u>
Cost of unallocated ESOP shares		<u>32</u>	<u>32</u>

a. Accounting policy

The parent company operates an Employee Share Ownership Plan (ESOP) to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the parent company based on a set formula. Employees may acquire additional company shares to be held in trust by the Trustees but the costs of such purchases are for the employee's account. All permanent employees of the parent company and its subsidiary (Note 1) are eligible to participate in the Plan that is directed by a Management Committee comprising management of the Company and representatives of the general membership. Independent Trustees are engaged to hold in trust all shares in the Plan as well as to carry out the necessary administrative functions. Shares acquired by the ESOP are funded by the parent company contributions and cash advances by the parent company to the ESOP. The cost of the shares so acquired and which remain unallocated to employees have been recognised in Shareholders' Equity under 'Treasury Shares'.

The fair value of allocated shares are measured using the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the year-end. A liability is recorded for this amount.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Employee share ownership plan (ESOP) – Parent/Group (continued)

a. Accounting policy (continued)

The Company has determined it has control over the Plan as:

- the Company has power over the relevant activities of the employee share trust;
- the Company has exposure, or rights, to variable returns from its involvement with the employee share trust; and
- the Company has the ability to use its power over the employee share trust to affect the amount of the Company's returns.

The consolidation of the plan was immaterial to these parent and consolidated financial statements.

15 Revaluation reserves

a. Nature and purpose of revaluation reserves

The revaluation reserves include the following amounts:

Revaluation surplus – property, plant and equipment:

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of property, plant and equipment.

Financial assets at fair value through other comprehensive income:

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 7 b. These changes are accumulated within the investment revaluation reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
253,622	278,241	At beginning of year	278,241	253,622
26,830	--	Gains on revaluation of land, buildings and and own site improvements	--	26,830
(223)	(301)	Fair value loss of financial assets at fair value through other comprehensive income (Note 7 b.)	(301)	(223)
1,493	2,506	Deferred tax on accelerated tax depreciation – property, plant and equipment revalued and site improvements	2,506	1,493
(3,481)	(4,676)	Transfer/adjustment to retained earnings	(4,676)	(3,481)
<u>278,241</u>	<u>275,770</u>	At end of year	<u>275,770</u>	<u>278,241</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

15 Revaluation reserves (continued)

b. Property, plant and equipment

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
252,566	277,408	At beginning of year	277,408	252,566
26,830	--	Gains on revaluation of land, buildings and and own site improvements	--	26,830
1,493	2,506	Deferred tax on accelerated tax depreciation – property, plant and equipment revalued and site improvements	2,506	1,493
(3,481)	(4,676)	Transfer/adjustment to retained earnings	(4,676)	(3,481)
<u>277,408</u>	<u>275,238</u>	At end of year	<u>275,238</u>	<u>277,408</u>

c. Financial assets at fair value through other comprehensive income

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
1,056	833	At beginning of year	833	1,056
(223)	(301)	Fair value gain of financial assets at fair value through other comprehensive income (Note 7 b.)	(301)	(223)
<u>833</u>	<u>532</u>	At end of year	<u>532</u>	<u>833</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

16 Long and medium-term borrowings

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
96,677	83,518	First Citizens Bank Limited	83,518	96,677
403	214	Ansa Merchant Bank Limited	214	403
589	1,914	Massy Finance GFC Ltd.	1,914	589
<u>97,669</u>	<u>85,646</u>		<u>85,646</u>	<u>97,669</u>

The above has been classified as follows in the parent and consolidated statement of financial position:

84,375	2,722	<i>Non-current liabilities</i>		
		Long and medium-term borrowings	2,722	84,375
13,294	82,924	<i>Current liabilities</i>		
		Long and medium-term borrowings	82,924	13,294
<u>97,669</u>	<u>85,646</u>		<u>85,646</u>	<u>97,669</u>

a. Accounting policy

Recognition and measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the parent and consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

b. Loan agreements

(i) *First Citizens Bank Limited*

Facility (i) was for TT\$5,000 which was fully repaid.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

16 Long and medium-term borrowings (continued)

b. Loan agreements (continued)

(i) First Citizens Bank Limited (continued)

Facility (ii) is for US\$12,390 of which US\$10,372 was drawn down to settle existing loans. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years by 19 semi-annual principal payments of US\$346 and a final bullet payment of US\$3,668. The interest rate is Libor plus 2.6743% per annum, to be reset semi-annually subject to a floor rate of 3% per annum. The current effective interest rate per annum is 8.34% (2022:7.86%). The schedule of repayment on the drawn balance is reflected in Note 16 e. The balance as at 31 December 2023 was TT\$26,959.

Facility (iii) is for TT\$117,743 which was fully drawn as at 31 December 2016 for infrastructural work to the Port. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years with a one year moratorium on principal. The repayment terms consist of semi-annual principal payments of TT\$3,925 and a final bullet payment of TT\$51,022. The interest rate is Prime less 4.5% per annum to be reset annually. The current effective interest rate per annum is 3% (2022 3%). The schedule of repayment on the drawn balance is reflected in Note 16 e. The balance as at 31 December 2023 was TT\$54,946.

Facility (iv) is for TT\$15,000 to be drawn in either Trinidad & Tobago Dollars or equivalent United States Dollars. This facility is to assist with working capital requirements. Interest payments to be serviced monthly; principal to be repaid within ninety (90) days of each drawdown. The interest rate for amounts drawn in Trinidad & Tobago Dollars is Prime less 1.0% per annum subject to a floor rate of 6% per annum. The current effective rate is 6.5% (2021: 6.5%) per annum. There was no drawdown of this facility at year end.

Facility (v) is for US\$800 which was fully drawn as at 31 October 2016. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years. The repayment terms consist of semi-annual principal payments of US\$40. The interest rate is Libor plus 2.6743% per annum, to be reset semi-annually subject to a floor rate of 3% per annum. The current effective interest rate per annum is 8.56% (2022: 7.36%). The balance as at 31 December 2023 was TT\$1,612.

Security on Facility (iv) is a Debenture Charge stamped to cover the aggregate amount of \$20,000 over the fixed and floating assets of the Corporation.

Security on Facilities (ii) and (iii) is a Debenture Charge over the fixed and floating assets of the Corporation and a collateral chattel mortgage over the equipment financed.

Assignment of all risk insurance.

Each letter of credit to be fully secured by cash held in an account at First Citizens Bank, the aggregate value of the letters not to exceed US\$10,000.

(ii) Ansa Merchant Bank Limited

On 1 October 2017 and 30 November 2017, the Corporation established hire purchase facilities with Ansa Merchant Bank Limited to purchase 3 new vehicles. The repayment terms consist of monthly principal and interest payments of TT\$12. The balance as at 31 December 2023 was TT\$403. The interest rate range from 7.5% to 9.84% (2022: 7.5% to 9.84%).

(iii) Massy Finance GFC Ltd.

On 24 June 2022, the Corporation established hire purchase facilities with Massy Finance GFC Ltd. to purchase 3 new vehicles. The repayment terms consist of monthly principal and interest payments of TT\$9. The balance as at 31 December 2023 was TT\$1,915. The interest rate range from 5.75% to 5.86%.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

16 Long and medium-term borrowings (continued)

c. Fair value

The fair values are not materially different to their carrying amounts since the interest payable on these borrowings are at floating rates (i.e. current market rates).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2023 \$	2022 \$
US dollar	28,571	33,884
TT dollar	57,075	63,785
	<u>85,646</u>	<u>97,669</u>

d. Sensitivity analysis - variable rate instruments

	Increase/(decrease) in PRIME %	(Decrease)/increase effect on profit \$
2023	+20	(36)
	-15	27
2022	+20	419
	-15	(314)
	Increase/(decrease) in LIBOR %	(Decrease)/increase effect on profit \$
2023	+20	419
	-15	(314)
2022	+20	466
	-15	(349)

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

16 Long and medium-term borrowings (continued)

e. Contractual cash flows of floating rate borrowings

Group	< 1 year \$	1-2 years \$	2-5 years \$	More than 5 years \$	Contractual cash flows \$	Carrying amount \$
31 December 2023						
Long and Medium						
Term borrowings	86,870	1,192	1,689	135	89,886	85,646
Bank overdraft	6,846	--	--	--	6,846	6,846
Total Borrowings	93,716	1,192	1,689	135	96,732	92,492
	< 1 year \$	1-2 years \$	2-5 years \$	More than 5 years \$	Contractual cash flows \$	Carrying amount \$
31 December 2022						
Total Borrowings	17,989	86,709	1,839	81	106,618	97,669

f. Compliance with loan covenants

The Group has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 reporting periods. Refer to Note 4 d. for details.

17 Staff costs

PARENT			GROUP	
2022 \$	2023 \$		2023 \$	2022 \$
196,402	193,578	Wages, salaries and benefits	192,509	195,386
12,194	12,740	Retirement benefit obligation/(asset) expense (Note 18 a.)	12,740	12,194
4,396	4,919	Casual employee retirement benefit expense (Note 18 b.)	4,919	4,396
<u>212,992</u>	<u>211,237</u>		<u>210,168</u>	<u>211,976</u>

a. Accounting policy

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within trade and other payables in the parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

17 Staff costs (continued)

a. Accounting policy (continued)

Other long-term employee benefit obligations

The Group also has liabilities for annual leave. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to current wage and salary levels and leave days outstanding.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits

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

Bonus plans

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

Employee share ownership plan

The Group accounts for profit sharing entitlements which are settled in the shares of the parent company through an Employee Share Ownership Plan (ESOP) as an expense determined at market value. The cost of the unallocated shares of the parent company is recognised as a separate component within equity.

Post retirement benefits

Pension obligations (Note 18 a. (i)).

Casual employee retirement benefit (Note 18 b.(i)).

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits

a. Retirement benefit obligation

The Group operates a defined benefit pension plan for its eligible employees regulated by the Insurance Act Chapter 84:01 of Trinidad and Tobago. The plan is a final salary pension plan which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The plan is operated in accordance with a Trust Deed between the parent company and First Citizens Trustee Services Limited dated 19 July 1985. Fund managers appointed by the trustees of the plan administer the funds of the plan. The pension plan is generally funded by payments from employees and the parent company, taking account of the recommendations of independent qualified actuaries. The Plan was closed to new entrants from 1 May 2021 but the rule amendment to formally give effect to this has not yet been approved and registered.

A defined contribution plan is currently in the process of being established. The rules of this plan has been submitted to the Board of Inland Revenue (BIR) for review and approval. This was not yet provided. Deductions from employees have not commenced. All new eligible members will be joining the defined contribution plan.

There were no plan amendments, curtailments and settlements during the year.

	2023 \$	2022 \$
<i>Net liability in the parent and consolidated statement of financial position (parent/group)</i>		
Present value of defined benefit obligation	298,282	277,102
Fair value of assets	(283,768)	(264,901)
Net defined benefit liability	<u>14,514</u>	<u>12,201</u>
<i>Reconciliation of opening and closing parent and consolidated statement of financial position entries (parent/group)</i>		
Opening defined benefit liability	12,201	(1,863)
Pension expense	12,740	12,194
Re-measurements recognised in other comprehensive income	4,670	14,927
Company contributions paid	(15,097)	(13,057)
Closing defined benefit liability	<u>14,514</u>	<u>12,201</u>

(i) Accounting policy

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, dependent on factors such as age, years of service and compensation.

The liability or asset recognised in the parent and consolidated statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

a. Retirement benefit obligation/(asset) (continued)

(i) Accounting policy (continued)

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method, and a full valuation is done every three years. The last full valuation was done for the year ended 31 December 2022 on 17 August 2023. Roll forward valuations, which are less detailed than full valuations are performed annually.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of long-term government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the parent and consolidated statement of changes in equity and in the parent and consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

(ii) Movement in present value of defined benefit obligation

	2023 \$	2022 \$
Defined benefit obligation at start of year	277,102	257,999
Current service cost	11,491	11,709
Interest cost	16,735	15,610
Members' contributions	3,328	3,219
Experience adjustments	756	(917)
Benefits paid	(11,130)	(10,518)
Defined benefit obligation at end of year	<u>298,282</u>	<u>277,102</u>

The defined benefit obligation is allocated between the Plan's members as follows:

	2023	2022
Active members	67%	68%
Deferred members	3%	3%
Pensioners	30%	29%
The weighted average duration of the defined benefit obligation at year end	13.9yrs	14.2yrs

98% (2022: 97%) of the active member benefits are vested.

26% (2022: 27%) of the active member defined benefit obligation is conditional on future salary increases.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

a. Retirement benefit obligation (continued)

(iii) Movement in fair value of plan assets

	2023 \$	2022 \$
Plan assets at start of year	264,901	259,862
Interest income	16,092	15,744
Return on plan assets, excluding interest income	(3,914)	(15,844)
Company contributions	15,097	13,057
Members' contributions	3,328	3,219
Benefits paid	(11,130)	(10,518)
Expense allowance	(606)	(619)
	<u>283,768</u>	<u>264,901</u>
Fair value of plan assets at end of year	<u>283,768</u>	<u>264,901</u>
<i>Actual return on plan assets</i>	<u>12,178</u>	<u>(100)</u>
<i>Asset allocation</i>		
Locally listed equities	44,014	49,236
Overseas equities	29,765	23,673
Government bonds	122,884	105,507
Corporate bonds	70,908	61,330
Cash and cash equivalents	12,691	21,600
Other (immediate annuity policies)	3,506	3,555
	<u>283,768</u>	<u>264,901</u>
Fair value of plan assets at end of year	<u>283,768</u>	<u>264,901</u>

The asset values as at 31 December 2023 were provided by the Plan's Investment Manager (First Citizens Trustee Services Limited). Overseas equities have quoted prices in active markets. Local equities also have quoted prices but the market is illiquid. The Investment Manager calculates the fair value of the Government bonds and corporate bonds by discounting expected future proceeds using a constructed yield curve. The value of the Plan's annuity policies with a local financial institution was estimated using the same assumptions used to calculate the defined benefit obligation. The value of these policies is not quoted and is reliant on the local financial institution's financial strength.

The majority of the Plan's Government bonds were issued by the Government of Trinidad and Tobago, which also guarantees many of the corporate bonds held by the Plan.

The Plan's assets are invested in accordance with a strategy agreed between the Plan's Trustee and Management Committee. This strategy is largely dictated by statutory constraints (at least 70% of the assets must be invested in Trinidad and Tobago and no more than 50% in equities) and the availability of suitable investments. There are no asset-liability matching strategies used by the Plan other than the decision to purchase immediate annuity policies to secure some pensions in payment and in deferment.

(iv) Funding

The Group meets the balance of the cost of funding of the defined benefit pension plan and the Group must pay contributions at least equal to those paid by members, which are fixed. The funding requirements are based on regular (at least every 3 years) actuarial valuations of the plan and the assumptions used to determine the funding required may differ from those set out above. The Group expects to pay \$13,500 to the pension plan during 2024.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

a. Retirement benefit obligation (continued)

(v) Expense recognised in the parent and consolidated statement of profit or loss and other comprehensive income

	2023 \$	2022 \$
Current service cost	11,491	11,709
Net interest on net defined benefit liability	643	(134)
Administration expense allowance	606	619
	<u>12,740</u>	<u>12,194</u>

(vi) Remeasurements recognised in other comprehensive income

Experience gains	4,670	14,927
Deferred income tax (Note 8 c.)	(1,401)	(4,478)
	<u>3,269</u>	<u>10,449</u>

(vii) Significant accounting estimate

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of obligations.

The parent company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the parent company considers the interest rates of long term Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

	2023 Per annum	2022 Per annum
<i>Summary of principal assumptions</i>		
Discount rate	6.00%	6.00%
Underlying salary and wage inflation	4.00%	4.00%
Promotional/merit increases	1.00%	1.00%
Average individual salary increases	5.00%	5.00%
Future pension increases	0.00%	0.00%

These assumptions affect the deferred tax asset calculated on the pension benefit liability. The most recent completed actuarial valuation was as at 31 December 2023.

Assumptions regarding future mortality are based on published mortality tables. The life expectancies underlying the value of the defined benefit obligation as at year end are as follows:

	2023	2022
<i>Life expectancy at age 60 for current pensioner in years</i>		
Male	21.9	21.9
Female	26.2	26.1
<i>Life expectancy at age 60 for current members age 40 in years</i>		
Male	22.8	22.7
Female	27.1	27.1

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

a. Retirement benefit obligation (continued)

(vii) Significant accounting estimate (continued)

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions used. The following table summarises how the defined benefit obligation as at 31 December 2023 and 2022 would have changed as a result of a change in the assumptions used.

	Impact on defined benefit obligation					
	Change in Assumptions		Increase in assumptions		Decrease in assumptions	
	2023	2022	2023	2022	2023	2022
Discount rate	1%pa	1%pa	-11.8%	-12.0%	+14.7%	+15.0%
Future salary increases	1%pa	1%pa	+4.8%	+5.1%	-4.3%	-4.6%
Life expectancy	1 year	1 year	+1.3%	+1.3%	-1.3%	-1.3%

These sensitivities were computed by re-calculating the defined benefit obligations using the revised assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the prior year.

b. Casual employee retirement benefit

The Group implemented a retirement benefit for casual employees in 2013 in accordance with its collective agreement. The benefit is for eligible employees who met several criteria as agreed with the bargaining body and the benefit is managed in house and financed by the Group. Lump sums will be paid as they fall due.

	2023 \$	2022 \$
<i>Net liability in the parent and consolidated statement of financial position (parent/group)</i>		
Present value of casual employee retirement benefit obligation	38,777	38,817
<i>Reconciliation of opening and closing statement of financial position entries (parent/group)</i>		
Opening net retirement benefit liability	38,817	34,639
Net benefit cost	4,919	4,396
Re-measurements recognised in other comprehensive income	(2,291)	568
Lump sums paid	(2,668)	(786)
Closing casual employee retirement benefit liability	38,777	38,817

(i) Accounting policy

The liability recognised in the parent and consolidated statement of financial position in respect of casual employee retirement benefit is the present value of the obligation at the financial position date, together with adjustments for unrecognised actuarial gains or losses.

The casual employee retirement benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

b. Casual employee retirement benefit (continued)

(i) Accounting policy (continued)

The present value of the casual employee retirement benefit obligation is determined by discounting the estimated future cash outflows using interest rates of long-term government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related benefit obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

(ii) Funding

The Group pays the termination lump sums as they fall due. The Group expects to pay lump sums of \$2,206 in 2024 (\$2,833 in 2023).

(iii) Movement in present value of casual employee retirement benefit obligation

	2023 \$	2022 \$
Obligation at start of year	38,817	34,639
Current service cost	2,592	2,274
Interest cost	2,327	2,122
Experience adjustments	(2,291)	568
Benefits paid	(2,668)	(786)
Obligation at end of year	<u>38,777</u>	<u>38,817</u>

The casual employee retirement benefit obligation is allocated between the members as follows:

	2023	2022
Casual employees	85%	85%
Former casual employees made permanent	12%	12%
Outstanding benefits	3%	3%
The weighted average duration of the retirement benefit obligation at year end	13.1yrs	13.1yrs

16% (2022: 16%) of the benefits are vested.

39% (2022: 39%) of the retirement obligation is conditional on future salary increases.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

b. Casual employee retirement benefit (continued)

(iv) Expense recognised in the parent and consolidated statement of profit or loss and other comprehensive income

	2023 \$	2022 \$
Current service cost	2,592	2,274
Net interest on net retirement benefit liability	2,327	2,122
Casual employee retirement benefit expense (Note 17)	<u>4,919</u>	<u>4,396</u>

(v) Re-measurements recognised in other comprehensive income

Experience gains	(2,291)	568
Deferred income tax (Note 8 c.)	687	(170)
Total amount recognised in other comprehensive income	<u>(1,604)</u>	<u>398</u>

(vi) Significant accounting estimate

The present value of the retirement benefit depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for the benefit include the discount rate. Any changes in these assumptions will impact the carrying amount of obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Group considers the interest rates of long term Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related benefit liability.

Other key assumptions for casual employee retirement benefit are based in part on current market conditions.

	2023 Per annum	2022 Per annum
<i>Summary of principal assumptions</i>		
Discount rate	6.00%	6.00%
Average individual pay increases	4.00%	4.00%

There is limited experience data on casual employees hence management has used the same assumptions as that of the pension plan.

These assumptions affect the deferred tax asset calculated on the casual employee retirement benefit liability.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

b. Casual employee retirement benefit (continued)

(vi) Significant accounting estimate (continued)

Sensitivity analysis

The calculation of the casual employee retirement benefit obligation is sensitive to the assumptions used. The following table summarises how the retirement benefit obligation as at 31 December 2023 and 2022 would have changed as a result of a change in the assumptions used.

	Impact on casual employee retirement benefit obligation					
	Change in Assumptions		Increase in assumptions		Decrease in assumptions	
	2023	2022	2023	2022	2023	2022
Discount rate	1%pa	1%pa	-11.3%	-11.3%	+13.5%	+13.5%
Future salary increases	1%pa	1%pa	+11.5%	+11.6%	+9.7%	-9.9%

These sensitivities were computed by re-calculating the casual employee retirement benefit obligation using the revised assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the prior year.

19 Revenue

a. Accounting policy

Revenue recognition

Revenue represents the amounts earned for lease rents, port and warehousing services and management fees.

Revenue from port and warehousing services and management fees is recognised in accordance with IFRS 15 and is recognised in the accounting period in which the services are rendered. Revenue is governed by an established tariff. The tariff details all services offered by the Group - Port and Warehouse. Revenue from providing services, for marine, mooring and unmooring, container handling, and storage rent etc. are recognised in the accounting period in which the services are rendered.

Revenue earned as rental income is recognised on an accrual basis in accordance with the terms of the individual lease agreements with tenants in accordance with IFRS 16. Lease premiums are deferred and recognised as revenue over the term of the lease. Leases between the parent company and tenants on the Industrial Estate are usually of two types, 30 year leases and 96 years and longer leases. The premiums received on 96 year leases are accounted for on a deferral basis. They are taken into income in equal annual amounts over the lives of the leases. Commitment fees received on all leases are taken into income upon receipt.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

19 Revenue (continued)

b. Disaggregation of revenue from contracts with customers

The Group derives revenue at a point in time from Cargo Handling Operations and Support departments.

	Port and related activities \$	Support activities \$	Total \$
Year ended 31 December 2023			
Revenue	252,260	1,655	253,915
Year ended 31 December 2022			
Revenue	257,355	1,875	259,230

The revenue reported to the chief operating decision makers is measured in a manner consistent with that in the parent and consolidated statement of profit or loss and other comprehensive income.

c. Revenue from lease income

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (Note 24 and 25). The respective leased assets are included in the balance sheet based on their nature.

Revenue from estate was \$112,552 (2022: \$104,634).

d. Liabilities related to contracts with customers

The Group has no liabilities related to contracts with customers.

20 Trade and other payables

PARENT			GROUP	
2022 \$	2023 \$		2023 \$	2022 \$
6,908	5,510	Trade payables	5,510	6,908
1,366	1,443	Statutory liabilities	5,628	5,495
46,659	32,611	Other payables and accruals	36,425	50,436
54,933	39,564		47,563	62,839
8,977	10,252	Due to subsidiary	--	--
63,910	49,816		47,563	62,839

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

20 Trade and other payables (continued)

a. Accounting policy

Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

b. Fair value of trade payables

Due to the short term nature of the current payables, their carrying amount is assumed to be the same as their fair value.

21 Segment information

a. Accounting policy

Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the President and the management team, which is the team responsible for allocating resources and assessing performance of the operating segments and is also responsible for making strategic decisions. The Group's executive management team, consisting of the President, the Vice Presidents of Business Services, Port and Technical, examine the Group's performance from an operations perspective and has identified two reportable segments of its business.

- (i) Port operations – This covers services supplied for the import, export and transshipment of containers and general cargo. The fees for these services include handling charges, storage rents, stuffing/unstuffing and other miscellaneous services. These are all based on an established tariff.
- (ii) Estate operations – This covers operations involved in the development, maintenance and supply of onshore infrastructure which are leased to tenants at contracted rates as charged for occupancy, wayleaves and common service charges.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Segment information (continued)

a. Accounting policy (continued)

These are the reportable segments of the Group as they form the basis used by the President and management team, as the chief operating decision makers, for assessing performance and allocating resources.

These reported segments are closely integrated as the viability of one segment depends on the continued operations of the other. As such, the operation comprises one cash generating unit, which is taxed as one unit and for which other expenses do not relate entirely to one segment.

b. Segment operations

Parent

	Port and related activities \$	Estate \$	Support activities \$	Total \$
Year ended 31 December 2023				
Revenue	252,260	112,552	1,655	366,467
Gross profit	127,306	112,552	1,655	241,513
Unrealised fair value gains on investment properties	--	42,975	--	42,975
Depreciation	(22,602)	(1,524)	(5,750)	(29,876)
Repairs and maintenance	(34,244)	(1,676)	(5,040)	(40,960)
Other expenses – net	(59,759)	(16,916)	(69,650)	(146,325)
Finance costs	(3,774)	--	(1,384)	(5,158)
Profit before taxation				62,169
Year ended 31 December 2022				
Revenue	257,355	104,634	1,875	363,864
Gross profit	129,402	104,634	1,875	235,911
Unrealised fair value gains on investment properties	--	25,125	--	25,125
Depreciation	(29,816)	(1,416)	(2,365)	(33,597)
Repairs and maintenance	(33,573)	(569)	(3,059)	(37,201)
Other expenses – net	(57,935)	(11,847)	(63,899)	(133,681)
Finance costs	(2,903)	--	(642)	(3,545)
Profit before taxation				53,012

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Segment information (continued)

b. Segment operations (continued)

Group	Port and related activities \$	Estate \$	Support activities \$	Total \$
Year ended 31 December 2023				
Revenue	252,260	112,552	1,655	366,467
Gross profit	128,754	112,552	1,655	242,961
Unrealised fair value gains on investment properties	--	42,975	--	42,975
Depreciation	(22,602)	(1,524)	(5,750)	(29,876)
Repairs and maintenance	(34,244)	(1,676)	(5,040)	(40,960)
Other expenses – net	(60,461)	(16,916)	(69,650)	(147,027)
Finance costs	(3,774)	--	(1,384)	(5,158)
Profit before taxation				62,915
Year ended 31 December 2022				
Revenue	257,355	104,634	1,875	363,864
Gross profit	130,818	104,634	1,876	237,328
Unrealised fair value gains on investment properties	--	25,125	--	25,125
Depreciation	(29,816)	(1,416)	(2,365)	(33,597)
Repairs and maintenance	(33,573)	(569)	(3,059)	(37,201)
Other expenses – net	(58,664)	(11,847)	(63,899)	(134,410)
Finance costs	(2,903)	--	(642)	(3,545)
Profit before taxation				53,700

The revenue reported to the chief operating decision makers is measured in a manner consistent with that in the parent and consolidated statement of profit or loss and other comprehensive income.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Segment information (continued)

c. Segment assets

	Port and Related activities \$	Estate \$	Support activities \$	Total \$
Total segment assets				
Parent				
31 December 2023	545,995	2,551,864	12,961	3,110,820
31 December 2022	564,040	2,458,433	49,112	3,071,585
Group				
31 December 2023	545,675	2,551,864	14,057	3,111,596
31 December 2022	563,720	2,458,433	50,075	3,072,228

Total assets are measured in a manner consistent with that of the parent and consolidated financial statements. These assets are allocated based on the operations of the segment. Reportable segments' assets are reconciled to total assets as follows:

PARENT			GROUP	
31 December			31 December	
2022	2023		2023	2022
\$	\$		\$	\$
3,071,585	3,110,820	Total segment assets	3,111,596	3,072,228
162,951	148,078	Cash and bank on hand	148,080	163,056
15,824	16,399	Deferred income tax	16,399	15,824
14,015	17,061	Other assets	17,799	14,755
<u>3,264,375</u>	<u>3,292,358</u>	Total assets as per statement of financial position	<u>3,293,874</u>	<u>3,265,863</u>

Total segment assets include additions to property, plant and equipment as follows:

	Port and Related activities \$	Estate \$	Support activities \$	Total \$
Parent/Group				
31 December 2023	13,887	520	8,517	22,924
31 December 2022	9,753	2,330	5,015	17,098

d. Segment liabilities

Total liabilities are centrally managed and are not allocated by segments.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

22 Expenses by nature

PARENT			GROUP	
2022	2023		2023	2022
\$	\$		\$	\$
212,992	211,237	Staff costs (Note 17)	210,168	211,976
33,597	27,369	Depreciation (Note 5)	27,369	33,597
--	2,506	Amortisation of Leases	2,506	--
37,201	40,961	Repairs and maintenance	40,961	37,201
15,604	16,093	Utilities	16,093	15,604
13,395	12,371	Office expenses	12,690	13,718
8,355	12,013	Bad debts/impairment	12,013	8,355
6,612	6,575	Other	6,575	6,612
4,251	5,638	Insurance	5,638	4,251
2,017	3,790	Legal and professional fees	3,790	2,017
3,296	460	Vehicle and transport	460	3,296
2,129	2,824	Communication	2,827	2,134
829	829	Directors' remuneration	829	829
1,572	1,815	Marketing	1,815	1,572
		Total cost of providing services, administrative expenses and other operating expenses		
<u>341,850</u>	<u>344,481</u>		<u>343,734</u>	<u>341,162</u>

Audit fees for the year ended 31 December 2023 totalled \$833 (2022: \$1,171). Other fees paid to the auditor (and related network firms) for non-assurance services totalled \$59 (2022: \$335).

23 Contingent liabilities

a. Customs bonds	<u>3,950</u>	<u>3,950</u>
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The Group has approved bond facilities with First Citizens Bank Limited of \$3,000, Scotiabank Trinidad and Tobago Limited of \$3,200 and with Republic Bank Limited of \$2,000. These approved bonds remain unchanged from 2022.

b. The Corporation is a party to various legal actions. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions will not result in any significant additional liabilities. Provisions have been made in these parent and consolidated financial statements, where applicable.

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

24 Leases

This Note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 6(c).

The lease liability was not material to be presented in the parent and consolidated statement of financial position.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

24 Leases (continued)

a. Accounting policy

The Group leases vehicles and printers. Where applicable, rental contracts are typically made for fixed periods of 3 years for vehicles and a month by month basis for printers.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

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

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Corporation, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

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

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

24 Leases (continued)

a. Accounting policy (continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group revalues its land and buildings that are presented within property, plant and equipment. There are no right-of-use buildings held by the Group.

Extension and termination options

Extension and termination options are included in the vehicles lease across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

25 Deferred lease rental income - Parent/Group

			2023 \$	2022 \$
Current portion			4,626	4,607
Non-current portion			<u>53,112</u>	<u>54,079</u>
			<u>57,738</u>	<u>58,686</u>
	PARENT		2023	2022
	2022		\$	\$
	\$			
	4,694	4,523		
	<u>54,936</u>	<u>54,163</u>		
	59,630	58,686		
	<u>103,690</u>	<u>111,604</u>		
	163,320	170,290		
	<u>(104,634)</u>	<u>(112,552)</u>		
	<u>58,686</u>	<u>57,738</u>		
			GROUP	2022
			2023	\$
			\$	\$
		At beginning of year:		
		30 year leases and unearned revenue	4,523	4,694
		96 years and longer leases	<u>54,163</u>	<u>54,936</u>
		Amounts received during the year	58,686	59,630
			<u>111,604</u>	<u>103,690</u>
		Income brought into account (Note 21b.)	170,290	163,320
			<u>(112,552)</u>	<u>(104,634)</u>
		At end of year	<u>57,738</u>	<u>58,686</u>
		Summarised as follows:		
		30 year leases and unearned revenue	4,349	4,523
		96 years and longer leases	<u>53,389</u>	<u>54,163</u>
		Less: non-current portion	57,738	58,686
			<u>(53,112)</u>	<u>(54,079)</u>
		Current portion	<u>4,626</u>	<u>4,607</u>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

25 Deferred lease rental income (continued)

	2023	2022
	\$	\$
Within 1 year	4,577	4,607
Between 1 and 2 years	983	983
Between 2 and 3 years	983	983
Between 3 and 4 years	983	983
Between 4 and 5 years	983	983
Later than 5 years	49,229	50,147
	<u>57,738</u>	<u>58,686</u>

a. *Accounting policy*

Refer to Note 19 a.

26 Material accounting policies

This Note provides a list of the material accounting policies adopted in the preparation of these parent and consolidated financial statements to the extent they have not already been disclosed in the other Notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Point Lisas Industrial Port Development Corporation Limited and its subsidiary, Point Lisas Terminals Limited.

a. *Basis of preparation*

(i) *Compliance with IFRS*

The parent and consolidated financial statements of Point Lisas Industrial Port Development Corporation Limited have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature.

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

(ii) *Historical cost convention*

The parent and consolidated financial statements have been prepared on a historical cost basis, except for the following:

- the revaluation of land, buildings and own site improvements – measured at fair value,
- investment properties – measured at fair value,
- financial assets at fair value through other comprehensive income – measured at fair value, and
- defined benefit pension plans – plan assets measured at fair value.

(iii) *New and amended standards adopted by the Group*

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2023

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a single transactions – Amendments to IAS 12
- OECD Pillar Two Rules

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

26 Material accounting policies (continued)

a. Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted by the Group

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

Title	Key Requirements
<p>Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants – Amendments to IAS 1 Effective 1 January 2024</p>	<p>Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:</p> <ul style="list-style-type: none"> •the carrying amount of the liability •information about the covenants, and •facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. <p>The amendments also clarify what IAS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.</p>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

26 Material accounting policies (continued)

a. Basis of preparation (continued)

(iv) *New standards and interpretations not yet adopted by the Group (continued)*

Title	Key Requirements
<p>Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Effective 1 January 2024</p>	<p>In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.</p>
<p>Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 Effective 1 January 2024</p>	<p>The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following:</p> <p>The terms and conditions of SFAs. 1. The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented. 2. The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers. 3. The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements. 4. Non-cash changes in the carrying amounts of financial liabilities in(b). 5. Access to SFA facilities and concentration of liquidity risk with finance providers. The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.</p>

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

26 Material accounting policies (continued)

b. Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings are presented in the parent and consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the parent and consolidated statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

c. Fair value hierarchy

Judgments and estimates are made in determining the fair values for items recognised and measured at fair value in the parent and consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2 - The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 - One or more of the significant inputs is not based on observable market data. This is the case for unlisted equity securities.

d. Property, plant and equipment (Note 5 a.)

e. Investment properties (Note 6 a.)

f. Financial assets (Note 7 a.)

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

26 Material accounting policies (continued)

- g. *Current and deferred income tax (Note 8 b.)*
- h. *Inventory (Note 9 a.)*
- i. *Trade receivables (Note 10 a.)*
- j. *Cash and cash equivalents (Note 11 a.)*
- k. *Impairment of non- financial assets*

Assets 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 separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

- l. *Stated capital (Note 12 a.)*
- m. *Borrowings (Note 16 a.)*
- n. *Employee benefits*
 - Termination benefits (Note 17 a.)
 - Bonus plans (Note 17 a.)
 - Employee share ownership plan (Note 17 a. and 14 a.)
 - Retirement benefit obligation/(asset) (Note 18 a. (i))
 - Casual employee retirement benefit (Note 18 b. (i))
- o. *Revenue recognition (Note 19 a.)*
- p. *Trade payables (Note 20 a.)*
- q. *Provisions (Note 20 a.)*
- r. *Segment reporting (Note 21 a.)*
- s. *Leases (Note 24 a.)*
- t. *Rounding of amounts*

All amounts disclosed in the parent and consolidated financial statements and notes have been rounded to the nearest thousand currency units unless otherwise stated.

27 Subsequent events

Subsequent to the period end, there were no events requiring adjustments or disclosures.

Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, Ch. 81:01
(Section 144)

1. Name of Company:

POINT LISAS INDUSTRIAL PORT
DEVELOPMENT CORPORATION
LIMITED

Company No. P70(C)

2. Particulars of Meeting:

Fifty-Seventh (57th) Annual Meeting of the Shareholders of the Company to be held on Thursday 11th July, 2024, at the Conference Centre, PLIPDECO House, Orinoco Drive, Point Lisas.

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.

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, Ch. 81:01.

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

No statement has been received from the Auditors of the Company pursuant to Section 171(1) of The Companies Act, Ch. 81:01.

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, Ch. 81:01.

Date	Name and Title	Signature
April 1 st , 2024	Ms. Richelle Lyman Corporate Secretary	

Proxy Form

**REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CH. 81:01
(Section 143 (1))**

Name of Company:

POINT LISAS INDUSTRIAL PORT
DEVELOPMENT CORPORATION LIMITED

Company No. P70(C)

Particulars of Meeting:

Fifty-Seventh (57th) Annual Meeting of the Shareholders to be held on Thursday 11th July, 2024, at 2:00 p.m. at the Conference Centre, PLIPDECO House, Orinoco Drive, Point Lisas.

I/We

of

shareholder(s) of the above named Company hereby appoint the Chairman of the Meeting, or failing him of

.....
to be my/our proxy to attend and act on my/our behalf at the above Meeting, and at any adjournment or adjournments thereof, to the same extent and with the same power as if I/we were personally present at the said Meeting or such adjournment or adjournments thereof and, without limiting the generality of the authorisation and power hereby conferred, to vote for me/us on my/our behalf as indicated below on the Resolutions to be proposed at the above Meeting and at any adjournment or adjournments thereof.

Dated this _____ day of _____ 2024

Signature(s) of Shareholder(s)

Proxy Form (continued)

Please indicate with an “X” in the spaces below how you wish your Proxy to vote on the Resolutions referred to. If no such indication is given, the Proxy will exercise his discretion as to how he votes or whether he abstains from voting.

NO.	ORDINARY BUSINESS RESOLUTIONS	FOR	AGAINST
1.	To receive and consider the Report of the Directors and the Audited Financial Statements of the Company for the financial year ended December 31 st , 2023, together with the Report of the Auditors thereon.		
2.	To elect Directors and for such purpose pass the following resolutions: (i) Be it resolved that the Directors to be elected be elected en bloc. (ii) Be it resolved that Dr. Daniel Dookie, Mr. Richardo Garcia, Mr. Hadyn Jones, Ms. Cindy Manson, Mr. St. Clair O’Neil, Mr. Ricardo Lewis and Ms. Ayanna Miguel be elected Directors of Point Lisas Industrial Port Development Corporation Limited.		
3.	Be it resolved that PricewaterhouseCoopers be appointed Auditors of the Company for the period ending at the conclusion of the next Annual Meeting and that the Directors be authorised to fix their remuneration and expenses for the ensuing year.		

Signature(s) of Shareholder(s)

NOTES:

1. A Shareholder may appoint a proxy of his/her own choice. If such an appointment is made, delete the words “the Chairman of the Meeting” and insert the name and address of the person appointed proxy in the space provided.
2. If the appointer is a corporation, this Proxy Form must be under Common Seal or under the hand of an officer or attorney duly authorised in that behalf.
3. A Shareholder who is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or governing body to represent it at this Annual Meeting.
4. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated on the Proxy Form.

5. If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.
6. To be valid, the Proxy Form must be completed and emailed to rlyman@plipdeco.com not less than forty-eight (48) hours before the time fixed for holding the Annual Meeting or adjourned Meeting.

RETURN TO:

Richelle Lyman
The Corporate Secretary
Point Lisas Industrial Port Development Corporation Limited
PLIPDECO House, Orinoco Drive
Point Lisas Industrial Estate
Couva

