DEMERARA DISTILLERS LIMITED

ANNUAL REPORT 2023

Table of Contents


Topco
JUICE DRINK


Savannah
Savannah
chocolate
milk


IVANOFF
MOLASSES DISTILLED
VODKA
GREEN APPLE


EL DORADO
AGED 18 YEARS
BOURBON & COGNAC
CASKS


DIAMOND
RESERVE
151
DEMERARA


Quenchers
CITRUS PUNCH

Company in Perspective

Demerara Distillers Limited (DDL) is one of the leading manufacturing companies in Guyana and an internationally recognised producer of award-winning rums. For three centuries, the core business of the company has been the production of Demerara Rum.

Exclusively owning and operating the only remaining distillery in Guyana, the Diamond Distillery at Plantation Diamond on the East Bank of Demerara, the company is renowned for producing the award-winning **El Dorado Rums** and is the largest supplier of bulk rums and alcohols from the Caribbean to brand owners in Europe and North America.

Over the years, the company has transformed its business from a commodity-oriented to brand-focused business with the growth of its own demerara rum brands **El Dorado, Diamond Reserve** as well as its own Vodka brand **Ivanoff Vodka**. The company has also diversified into the non-alcoholic beverage industry and is today the leading producer of non-alcoholic beverages in Guyana. The company is the bottler for **PEPSI, Seven-Up** and **Slice** and is the producer of its own range of carbonated soft drinks under its **SOCA** brand. Healthy and delicious fruit juices are produced by DDL, under its **TOPCO** brand. The fruit juice operations range from fresh juice delivered to homes and premier restaurants and hotels to conveniently packaged juices done in a state-of-the-art Tetra Pak packaging plant. The company also produces **Diamond Mineral Water, Quenchers Juice Drink** and has been producing top-of-the-line **Fruit Jams and Jellies**, and the well-known Fruit Mix under the **Three Counties** Brand. Quite recently, DDL entered the dairy market with the launch of its range of 1-Litre Ultra High Temperature (UHT) milks under the **Savannah** brand.

Today, the Company is made up of several subsidiaries, covering a range of key industries. DDL is a key player in the local distribution business through Distribution Services Limited (DSL), and the shipping industry through Demerara Shipping Company Limited (DSCL). DSL is one of the leading distributors in Guyana for some of the world's leading FCMG brands such as **Johnson and Johnson, Pepsico Foods, Energiser, Henkel**, and other consumer brands. DSCL is the agent for leading shipping brands such as **ECL/VERTRACO**. The Company contributes to the evolving industrial sector through Demerara Technical Services Limited (DTSL) which creates and provides technical and specialized services to this sector in Guyana. DDL also has subsidiaries in St Kitts, USA and in Europe, which focus on the distribution of its spirits in those regions.

The Company's sustained commitment to quality is demonstrated through its continuous certification through the **ISO International Quality Standard**.

Notice of Meeting

The **72ND ANNUAL GENERAL MEETING of Demerara Distillers Limited (Company)** will be held at the Parking Lot of the Guyana National Stadium, Providence, East Bank Demerara, on Friday, April 19, 2024, at 4:30 p.m.

AGENDA

1. To receive and consider the Company's Accounts and Reports of the Directors and Auditors for the year ended December 31, 2023
2. To consider and, if thought fit, approve a Final Dividend of $1.60 per share free of Company Taxes in respect of the year ended December 31, 2023
3. To elect Directors
4. To fix the Emoluments of Directors
5. To appoint Auditors and authorize the Directors to fix their remuneration.

BY ORDER OF THE BOARD

Allison Thorne
Director/Company Secretary
February 28, 2024

REGISTERED OFFICE
Block A, Plantation, Great Diamond,
East Bank Demerara

- Every member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not also be a member of the Company.

- A form for use at this Meeting must be received at the Registered Office of the Company stated above, not less than 24 (twenty-four) hours before the date of the Meeting.

REGISTER OF MEMBERS
The Company's Register of Members and Share Transfer Books will be closed from April 2, 2024 - April 15, 2024 – both days inclusive - for the purpose of preparing warrants of the Final Dividends for the year ended December 31, 2023.

N.B: tokens/gifts will be distributed only to Members present at the General Meeting and not at any time or place thereafter.

Corporate Information

AUDITORS

TSD Lal & Co.
77 Brickdam, Stabroek,
Georgetown, Guyana.

LEGAL ADVISORS

De Caires, Fitzpatrick & Karran
80 Cowan Street, Kingston,
Georgetown, Guyana.

REGISTERED OFFICE

Block A, Plantation Great Diamond,
East Bank Demerara, Guyana.
Email: ddlweb@demrum.com
Website: www.demeraradistillers.com

REGISTRAR & TRANSFER AGENT

Trust Company (Guyana) Limited
11 Lamaha Street, Queenstown,
Georgetown, Guyana.

BANKERS

Demerara Bank Limited
230 Camp & South Streets,
Georgetown, Guyana.

The Bank of Nova Scotia
104 Carmichael Street,
Georgetown, Guyana.

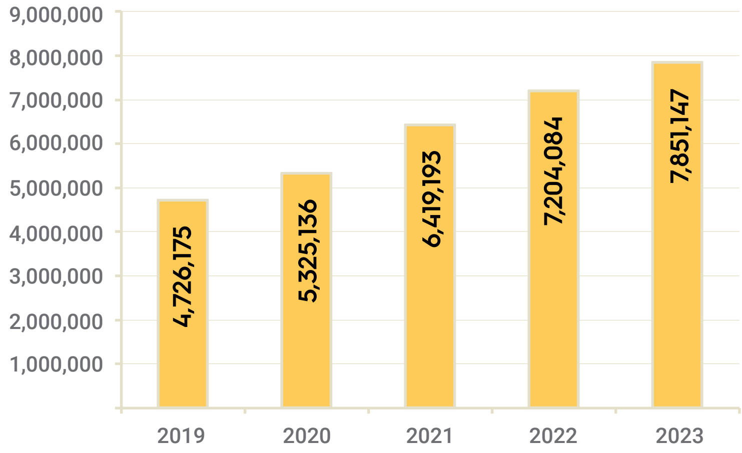
Republic Bank (Guyana) Limited
Water Street,
Georgetown, Guyana.

Guyana Bank for Trade & Industry
47-48 Water Street,
Georgetown, Guyana.

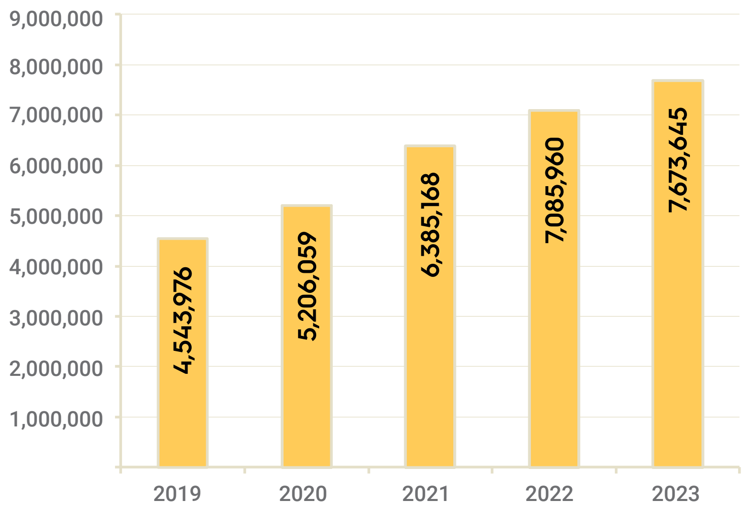
Bank of Baroda (Guyana) Inc.
Lot 30 Tract A, Mon Repos,
East Coast Demerara, Guyana.

Financial Highlights

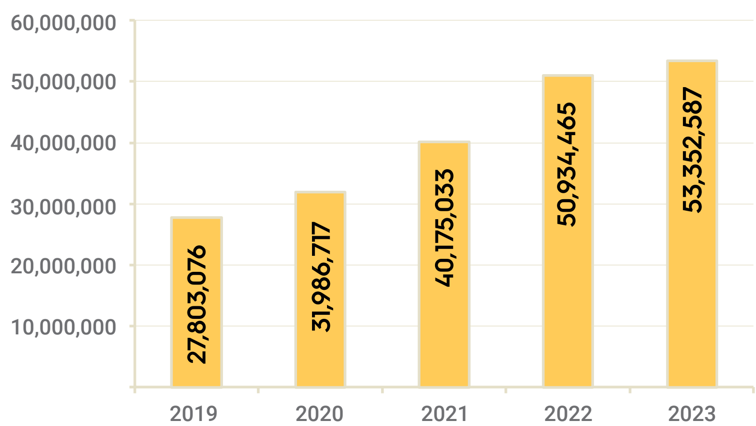
OPERATING PROFIT



PROFIT BEFORE TAX



SHAREHOLDERS EQUITY



Long Service Awards

35 YEARS

NABILA SHAW
Purchasing Clerk

BRIDGEMOHAN RAMDAS
Electrical Maintenance Supervisor

CHANDRAPAUL JAIRAM
Still Operator

PARMANAND SOOKLALL
Driver

DONALD MURRAY
Plant Manager

30 YEARS

SHAUNETT M. KINGSTON
Bottle Inspector

MUNESHWAR TAJESHWAR
Pre-Seller

ROHAN MANGRA
Chief Engineer

VEDWATTIE PERSAUD
Light Inspector

VIJAY PERSAUD
Porter

DELBERT SAGON
Inventory Coordinator

INDERDEO DEONARINE
Supernumerary Constable

BHEBEHECHEN NARINE
Porter

GOPAUL CHARAN
Bond Supervisor

25 YEARS

SEWDAT MIRANJIE
Raw Materials & Purchasing Supervisor

DEODAT SOOKNANAN
Machine Operator

AZIM GAFOOR
Electrician

KEDAR BHARAT
Regular Guard

INDAR KISSOON
Regular Guard

KEON GARNETT
Forklift Operator

20 YEARS

RAY RICHARDS
Operator

ROHAN SINGH
Engineer

SUROJ LOY
Supervisor

LEON VIVIEROS
Plant Superintendent

SHAUN KHEMRAJ
Store Manager

SANCHARIE DHARAMRAJ
Cleaner

BRYAN PRITTIPAUL
General Manager

15 YEARS

PARMANAND GANGARAM
Forklift Operator

DENZIL FUNG-KHEE
Chemist

HOWARD SHIVNANDAN
Forklift Operator

GAVIN C. JOHNSON
Porter

MOHAMED RAHEEM
Snr. Welder/Fitter

NATITIA ELLIOT-SAMUELS
Billing Clerk

ANDREW GITTENS
Plant Engineer

ROBINDRA HARRIRAM
Cooper

EWART GIBSON
Store Supervisor

ANABEL SAHAI-GHANIE
Clerk

BHOPAUL SEANANAN
Regular Guard

STEPHEN VASQUEZ
Sales Assistant

KAILAS RAMJIT
Machine Technician

DELYON BISHOP
Operator

NALINI JAMUNA
General Manager

ALLISON THORNE
Company Secretary/Director

JHARNA JOHN
Human Resources Manager

Board of Directors

KOMAL R. SAMAROO
CCH, AA, FCCA, ACG - President, Chairman of the Board

RUDOLPH COLINS
CCH, BSc. (Hons) - DPA Director

ALLISON THORNE
L.L.B. - Director, Company Secretary

SHARDA VEEREN-CHAND
BA. Marketing - Director

TIMOTHY JONAS S.C.
L.L.B. (Hons) - Director

SHARON SUE-HANG
BSc. (Chemistry) - EMBA, Director of Technical Services

LANCELOT TYRELL
- Director

EGBERT CARTER
MSC. (Civil Engineering) - Director

JOSEPH SINGH
Major General (Ret'd) - Director

HARRYRAM PARMESAR
FCCA - Director

Komal R. Samaroo
Chairman

Chairman's Report

I am pleased to present the annual report for financial year 2023. The Group experienced another successful, but challenging year. The pursuit of diversified growth over the years, helped in no small measure to circumvent some of the challenges that resulted from geo-political risks and tensions globally. In addition, the strong growth of the Guyana economy positively influenced the results for the year, resulting in yet another year of continued growth for the Group.

BACKGROUND

As a result of the disruptions caused by the COVID 19 pandemic and the Russian invasion of Ukraine, global inflation in 2022 averaged 8.7 percent. Central Banks around the world introduced measures, including increasing interest rates, to bring such inflation under control. These measures resulted in significant reduction of consumer spending power in 2023 which adversely affected the global spirits market. Businesses realigned their operations to this new reality by cancelling orders, or deferring shipments by postponing deliveries to the next year. Inflation in 2023 reduced gradually to end the year at an annual average of 6.8 percent. Spirits sales saw declines in most major markets in 2023, while all markets showed significant decline in volumes sold in the high-end premium segments of the market.

The Guyana economy, on the other hand, continued to record steady growth. In 2023, Guyana's real GDP was estimated to have grown by 33 percent, driven mainly by the oil and gas sector. In the non-oil sector, real GDP growth was estimated at 11.7 percent, driven mainly by the construction and service sectors. All other sub-sectors of the economy, including agriculture and manufacturing also recorded notable growth in 2023.

The Sugar Industry recorded 28 percent increase in production, exceeding sixty thousand tons in the year. The Rose Hall Sugar Estate was reopened late in the year, producing just over one thousand tons of sugar.

In Guyana, the 12-month inflation at the end of 2023 was estimated at 2 percent, compared to the 7.2 percent recorded in 2022.

RESULTS FOR THE YEAR

The Group turnover for the year was approximately $33.3 billion. This represents an increase of $1.9 billion or 6% over the comparative 2022 turnover of $31.4 billion.

International revenue in the year grew 3% over that of the previous year despite the challenges explained earlier. In addition, domestic revenue increased by 7% over that of the previous year. The diversification of the Group and the continued premiumization of its core brands contributed to this growth.

The Group's Profit Before Taxation for the year was $7.674 billion compared to $7.086 billion in 2022. This represents an increase of $588 million or just over 8% above the previous year.

Profit After Taxation for the year was $5.969 billion, an increase of 12 percent or $648 million over the previous year $5.321 billion.

The Earnings per share for the year 2023 was $7.75 compared to $6.91 in the previous year.

Shareholders' Equity at the end of the year was $53.353 billion, reflecting an increase of approximately 5% on the amount at the end of 2022 when it was $50.934 billion.

DIVIDENDS

An interim dividend of $0.40 per share was paid to shareholders in December 2023.

The Directors have recommended a final dividend of $1.60 per share which, if approved by shareholders at the upcoming Annual General Meeting, will result in total dividend of $2.00 per share. In the previous year, dividend payments totaled $1.75 per share.

The dividend paid and proposed for the year will if approved result in an appropriation of $1.54 billion or 26 percent from the profit of the Group for the year. In the preceding year, dividends paid required an appropriation of $1.3475 billion.

CAPITAL EXPENDITURE

In 2023, the Group recorded its highest level of Capital Expenditure in any year, as it focused on investments which will expand capacity and modernise its Operations, as well as allow for greater product and service diversity, and will ultimately grow and sustain revenue within the Group. Capital Expenditure in the year was over $8.4 billion, almost two-thirds of which was funded from funds generated by the Group, and the balance was funded by a loan from the IDB Invest.

Chairman's Report - cont'd

The largest investment being pursued has been the major expansion of the Group's Beverage Plant which is expected to cost around $10 billion, expended over three years (2022-2025) of implementation. When completed, the production capacity of this operation will almost be tripled, providing a wider range of products for both domestic and export markets.

During 2023, the following projects were completed –

(a) Expansion of the Storage Bond of the Liquor Bottling Plant at a total cost of $430M.
(b) Drainage Enhancement Project at a total cost of $225M.

The major projects in progress at the end of 2023 are as follows –

(a) Beverage Plant Expansion (as explained above)
(b) Distillery Service Equipment Replacement. This project is the final phase of the distillery production expansion project which when completed will realize full productive capacity of the plant, making possible an increase the installed capacity by 25%.
(c) The World Trade Centre project at the High Street, Kingston, Georgetown. This project when completed will offer over 25,000 square feet of modern office space, conferencing facilities and other support services.
(d) Moblissa Diary Project to provide fresh milk for the Topco Packaging Plant. When completed this project will contribute significantly to the reduction in the regional food import bill by producing five million liters of fresh cow's milk, utilizing the most modern agricultural practices.
(e) Upgrading the port facility of Demerara Shipping Co Ltd, Water & Schumaker Street, Georgetown. The upgrading of this facility will position the company to take advantage of the increased volumes of imports and exports of cargoes as a result of rapid growth in the local economy.
(f) New warehouse to increase the aging of rums to support the growth of the brands. This warehouse will provide space for an additional 28,000 barrels of rum for aging to support the growth of our brands.

Except for the Dairy Project and Beverage Plant Expansion, which are expected to be completed in 2025, all the above projects are expected to be completed and fully operational before the end of 2024.

These projects are designed to advance the Group's diversification while continuing to build greater competitiveness in its traditional businesses. These investments will position the Group to expand its revenue base as it takes advantage of new opportunities in a rapidly changing and growing marketplace locally, regionally, and internationally.

FINANCING

In 2023 the Group signed a loan agreement with the private sector arm of the InterAmerican Development Bank Group for US$22m. to fund its expansion. During the year, a total of US$15m (equivalent to G$3.1 billion) was disbursed, and the remainder will be disbursed in 2024.

A total of $5.3 billion in Capital Expenditure incurred during the year was funded for the resources of the Group based on profits generated from its operations.

NEW PRODUCTS

The New Product Development team has been active during the year. Under the TOPCO Juice Brand, four new juice varieties were developed and packaged in the 1 litre size packs. These are-

(a) Guava Pineapple launched in June 2023
(b) Cranberry Pomegranate launched in June 2023
(c) Pineapple Orange launched in October 2023
(d) Pineapple Orange Ginger launched in 2023.

Under the Diamond Brand, a new flavoured rum – Diamond Reserve Guava Rum – was launched in October 2023.

A Special Blend under the Eldorado Rum Brand was released for the CPL 11th anniversary. In addition, the first in a series of High Ester Blend – LBI/DHE – was launched in August 2023, while the year's Christmas Limited Edition Rum Cream, the Eldorado Caramel Truffles Rum Cream, was launched in November 2023.

QUALITY SYSTEMS AND INTERNATIONAL CERTIFICATION

To support its marketing efforts, the Group maintained during the year its international certifications with the successful conclusion of the following audits –

1. ISO 9001:2015 – Quality Management audit of Alcohol Facilities – December 2023 and January 2024 (change to new registrar)
2. FSSC 22000 v5.1 audit of covering standards for ISO 22000, ISO/TS 22002-1 (Food Manufacturing), PAS 96 and FSSC additional requirements (GFSI recognized) at the Distillery and Bottling Operations – June 2023
3. American Institute of Bakery (AIB) Food Safety audit at the Beverage Operations – May 2023
4. PepsiCo International Global Audit conducted by the Pepsi Cola International at the Beverage Operations – May 2023.

Chairman's Report - cont'd

Sustainability and Corporate Ethics platforms are also used as a tool to monitor, plan, and improve performance for a sustainable future. These include the following:

1. Carbon Disclosure Programme (CDP)
2. International Compliance Information Exchange (ICIX)
3. Supplier Ethical Data Exchange (SEDEX)
4. Business Social Compliance Initiative (BSCI) – August 2023 (received an A score)

Additional Conformance

1. Successful Process Validation of TOPCO Juice process- Eurofin Testing

HUMAN RESOURCES

The year 2023 saw increased focus on retention, engagement, training and career advancement and staff welfare matters.

Due to the increased demand nationally for both skilled and unskilled employees, new policies have been implemented to better engage existing employees while new employees are more carefully inducted and onboarded in their new positions. A new position of Employee Onboarding and Engagement Manager was created to provide focus and leadership in this area.

Training sessions also continued to be a priority. There were fifty-one (51) formal training programmes conducted at DIMATECH, the in-house training centre of the company, with more than 1500 employees participating. Some examples of training sessions are Safety (including Fire Safety), Boiler Safety, Employee and Industrial Relations, Customer Service, Security, Food Handlers Training, Risk management, Instruments and Controls, etc.

A major initiative during the year was the engagement with the Guyana Online Academy of Learning (GOAL), which in a collaboration with George Brown College in Canada has facilitated PLC training to twenty-six employees of the Group in a certified course which commenced in September 2023

We continued our Cadetship programme and are happy to report that six (6) employees are currently at the University of Guyana on full time cadetships pursuing studies in Chemistry, Food Science and Engineering.

In addition, eleven (11) graduates at tertiary level joined the company as graduate trainees during the year; five of these graduates are returning DDL cadets. A considerable number of our staff are also pursuing studies in ACCA and other Master's level programmes, with financial support and active encouragement from the company; an additional twenty one employees benefitted from this programme for the year 2023. We have entered into an agreement with Dr Doobay-Gafoor Medical Research Centre to support the health care of our staff. Under this initiative, all employees will be afforded the opportunity to undergo an annual medical evaluation, on or close to their birthdays. This agreement was inked in December, 2023 and the program started early 2024.

FUTURE PROSPECTS

The National budget for 2024 projects funding of $662.2 billion in the Public Sector Investment Program, an increase of 57.9 percent over the previous year. The scale of this investment has the potential of transforming the infrastructure and competitiveness of the Guyanese economy.

In addition, with greater regional focus in the Caribbean, such as the Regional Food & Nutrition Security Strategy and other collaboration in areas such as logistics and transportation, Guyana will be in a strong position to expand its regional market. The Group's expansion and planned growth will most certainly put it in a strong position to take advantage of these new opportunities.

The Group is also continuing its international marketing drive to expand the distribution of its rum brands in unserved markets around the world.

ACKNOWLEDGEMENTS

I want to thank all staff members for their ongoing efforts, commitment, and dedication over the last year. The leadership team, each supported by their respective teams, rose to the occasion each time to confront and overcome the many challenges. Their efforts are reflected in the results presented in this report.

I thank the members of the Board of Directors for their continued guidance and advice. Their knowledge, experience and commitment have been an invaluable source of inspiration to the leadership team.

We are grateful to our customers whose loyalty, ongoing support and understanding in this year continue to motivate us to be innovative as we seek further growth which will bring mutual benefits.

We thank our suppliers and service providers for their support in the year as well.

I believe that with the completion of the several on-going projects in 2024 we can look forward for strong growth in future years.

Komal R. Samaroo
Chairman

Management Team

VASUDEO SINGH
Group Finance Director
Deputy Chief Executive Officer

SHAUN CALEB
Chief Production Officer

MONEETA SINGH-BIRD
Human Resources Director

Report of the Directors

The Board of Directors ("the Board") welcomes this opportunity to present its Report together with the Audited Financial Statements of Demerara Distillers Limited & Subsidiaries ("the Group") for the year ended December 31, 2023.

TURNOVER AND PROFITABILITY
The Board announces that the Group achieved:
Revenue of $33.27B in 2023 compared to $31.42B recorded in 2022, representing an increase of $1.85B.
Profit before tax of $7.67B in 2023 compared to $7.09B reported in 2022 representing an increase of $0.58B.

DIVIDENDS
An interim dividend of $0.40 per share ($0.308B) has been paid during the year and a final dividend of $1.60 per share ($1.232B) for the year ended December 31, 2023, is recommended.

If the recommended final dividend is approved at the upcoming General Meeting of Demerara Distillers Limited, this will result in a total dividend of $2.00 per share ($1.54B) payable for 2023.

BOARD OF DIRECTORS
As at December 31, 2023, the Board comprised:

(i) **six (6) Non-Executive Directors** namely: Rudolph Collins, Egbert Carter, Timothy Jonas, Harryram Parmesar, Lancelot Tyrell and Joseph Singh, all of whom were re-elected at the 71st General Meeting of the Company held on April 21, 2023; and

(ii) **four (4) Executive Directors**, including the Chairman, Komal Samaroo, as well as Sharda Veeren-Chand, Sharon Sue Hang and Allison Thorne.

Emoluments of Non-Executive Directors as at December 31, 2023

Rudolph Collins	$2,908,333
Egbert Carter	$2,908,333
Timothy Jonas	$2,908,333
Harryram Parmesar	$2,908,333
Lancelot Tyrell	$2,908,333
Joseph Singh	$2,908,333

In accordance with [1]Article 122 of the Company's Articles of Association, **Directors Messrs. Egbert Carter, Rudolph Collins, Timothy Jonas, Harryram Parmesar, Lancelot Tyrell and Joseph Singh** will retire by rotation at the close of the upcoming General Meeting of Demerara Distillers Limited and being eligible, offer themselves up for re-election.

1 Article 122 states "At the annual general meeting in every year all the directors, except a managing director or assistant managing director or an Executive Director in respect of whom a resolution of the Board has been passed as aforesaid, shall retire from office but shall act as directors throughout the meeting and shall be eligible for re-election."

Report of the Directors - cont'd

DIRECTORS' INTEREST – DEMERARA DISTILLERS LIMITED
The interests of Directors holding office, as at December 31, 2023, in the ordinary shares of Demerara Distillers Limited were as follows:

DIRECTORS	ORDINARY SHARES AT NO. PAR. VALUE			
	Beneficial Interest		**Associates' Interest**	
	2023	2022	**2023**	2022
Komal Samaroo	**931,646**	931,646	**1,137,141**	1,137,141
Egbert Carter	**Nil**	Nil	**Nil**	Nil
Rudolph Collins	**929**	929	**Nil**	Nil
Timothy Jonas	**109,634**	109,634	**Nil**	Nil
Harryram Parmesar	**234,463**	234,463	**Nil**	Nil
Lancelot Tyrell	**29,750**	29,750	**Nil**	Nil
Joseph Singh	**Nil**	Nil	**Nil**	Nil
Sharda Veeren-Chand	**1,500,000**	1,500,000	**Nil**	Nil
Sharon Sue Hang	**684,295**	684,295	**Nil**	Nil
Allison Thorne	**20,278**	20,278	**Nil**	Nil

The Associate's interest disclosed for Mr. Komal Samaroo is held beneficially.

CONTRACTS WITH DIRECTORS
During the financial year there were no:
- service contracts with any of the Directors of the Company
- significant contracts to which any of the Directors of the Company were party to or materially interested in either directly or indirectly.

BOARD COMMITTEES
The Board maintained the delegation of specific responsibilities to the following Board Committees:
1. Audit Committee
2. Technical Committee

AUDIT COMMITTEE
In 2023, the Audit Committee comprised the following Members:
- Mr. Harryram Parmesar Non-Executive Director Chairman
- Mr. Timothy Jonas, S.C. Non-Executive Director Member

During the year, the Audit Committee focused on strengthening internal controls within the Group to:
- improve the efficacy of financial and operational systems;
- monitor implemented corrective actions;
- encourage greater use of digital technology and process standardization aimed at maintaining cost efficiency; and
- uphold structured processes in an ever- evolving business environment;

In this context, the Audit Committee reviewed audit reports tabled for discussion and recommended:
- where appropriate, revisions to pre-existing standard operating procedures to ensure that the Group's internal control framework remained robust;
- follow-up actions for timely implementation by Management;
- development of a framework for appropriate management of emerging processes.

For the period, the Audit Committee also maintained focus on:
- oversight of the Group's risk management policies and practices;
- creating synergies to support the control environment of various Divisions, Subsidiaries and Associates of the Group; and
- reviewing the Group's purchase and procurement systems and practices, as the business of the Group continues to expand.

Report of the Directors - cont'd

TECHNICAL COMMITTEE

The Technical Committee was established by the Board to provide direction and oversight on capital improvement plans and projects, manufacturing practices and procedures as well as health, safety and environmental protection plans and practices in the Group.

In 2023, the Technical Committee comprised the following Members:

• Lancelot Tyrell	Non-Executive Director	Chairman
• Egbert Carter	Non-Executive Director	Member
• Sharon Sue Hang	Technical Director	Member
• Lennox Caleb	Chief Production Officer	Member
• Vasudeo Singh	Group Finance Director	Member
• Kenneth Ragnauth	Project Manager	Member

During the year, the Committee convened monthly meetings to review the progress of the following capital projects:

- Beverage Plant Expansion
- Rehabilitation of the CO2 Plant
- Bottling Plant Warehouse Expansion
- Distillery Boilers, Scrubbers and supporting infrastructure
- Distillery Water Treatment Plant
- Distillery Cooling Towers
- Distillery Fermenters

The Technical Committee also provided recommendations to the Board on internal and external technical training programs and safe maintenance practices and procedures.

GOVERNANCE

The Board renews its commitment to upholding the highest standards of corporate governance as reflected in its focus on transparency, ethical commercial best practices, effective internal controls as well as risk mitigation and purposive stakeholder engagements.

Thirteen (13) Board Meetings were convened in 2023, where Directors considered customary matters reserved exclusively for Board consideration, including but not limited to critical review of:

- corporate and operational practices and policies;
- financial and operational performance of the Group's business units;
- market and industry trends;
- reports on quality control, health, safety and environmental matters;
- capital investment projects;
- internal audits and controls;
- corporate acquisitions, disposals and diversification;
- interim and final financial statements;
- interim and final dividends.

In the wake of global economic uncertainty, rapid technological advancements and the escalating effects of climate change, in 2023, the Board also focused its deliberations on:

(i) reviewing the business strategies in turbulent markets;
(ii) maximizing digital transformation in the Group's operational and business processes;
(iii) improving talent management, retention and upskilling in the organisation;
(iv) incorporating practical environmental sustainability measures in the Group's Operations

Additionally, the Board made on-site assessments of the progress of significant capital investment projects undertaken by the Group during site visits to such projects.

Report of the Directors - cont'd

SUBSTANTIAL SHAREHOLDING

There is an outstanding query as to whether a public company's declaration of substantial shareholding refers to 5% shareholding as defined by clause 2 of the Securities Industry (Disclosure by Reporting Issuers) Regulation No. 8 of 2002[2] or to 10% shareholding as defined by section 125 of the Companies Act 1991[3]. For the avoidance of doubt, the following list applies the 5% criterion.

COMPANY	2023		2022	
	# of Shares	% Shareholding	# of Shares	% Shareholding
Trust Company (Guyana) Limited	**235,686,655**	**30.61**	235,542,445	30.59
Secure International Finance Co. Inc.	**142,582,506**	**18.52**	142,582,506	18.52
National Insurance Scheme	**61,655,000**	**8.00**	61,600,000	8.00

CHANGES IN AFFAIRS OF THE COMPANY

Apart from the changes detailed in this Report, there were no significant changes in the affairs of the Company during the year ended December 31, 2023

Issued Share Capital of Subsidiaries

Demerara Technical Services Ltd	10,000,000 shares at $1.00
Demerara Shipping Company Limited	5,000,000 shares at $1.00
Distribution Services Limited	10,000,000 shares at $1.00
Tropical Orchard Products Company Limited	13,300 shares at $1,000
Breitenstein Holdings BV	22,689 shares at no par value
Demerara Distillers (St. Kitts-Nevis) Limited	10,000 shares at EC$270
Demerara Distillers (TT) Limited	2 shares at no par value
Demerara Distillers (US) Inc.	90,000 shares at no par value
World Trade Center Georgetown Inc	10,000 shares at $100

AUDITORS

The Auditors, Messrs. TSD Lal & Co. have retired and being eligible, offer themselves for re-appointment. Accordingly, a motion for their re-appointment will be proposed for the approval of Shareholders at the upcoming General Meeting.

BY ORDER OF THE BOARD

Allison Thorne
Director/Company Secretary
March 4, 2024

2 Under clause 2 of the Securities Industry (Disclosure by Reporting Issuers) Regulation No. 8 of 2002 substantial shareholder is defined as a person entitled to exercise or control the exercise of five or more percent of the voting power at any general meeting of the issuer.
3 Under section 125 of the Companies Act 1991 substantial shareholder is defined as a person who holds by himself or his nominee, shares in the company which entitle him to exercise at least ten percent of the unrestricted voting rights at any general meeting of the company.

Corporate Social **Responsibility**

- Ateisha Frank
- Sharifa Lacon
- Zylinna Jacobis

- Daniel Melville
- Matthias Da Silva
- Ryan Hinds

At Demerara Distillers Limited (DDL), our dedication to nurturing the next generation of consumers and employees, who will shape the future of both our Company and our nation, remains unwavering. This commitment is evident in our continued emphasis on fostering youth development through education and sports initiatives.

THE DDL FOUNDATION

In 2023, the DDL Foundation grew both in numbers and in scope. Originally, the DDL Foundation was formed in 2010 with the initial objective of advancing the education of secondary school students by assisting with costs associated with going to school and providing mentorship. The scholarship targeted students who had excelled at the National Grade Six Examinations and were in the top 2 percentile, by covering the cost of books, uniform, transportation, examination, and meals.

In 2013, having successfully implemented this format, the DDL Foundation widened the target group to include young people who might or might not have excelled at secondary school but wish to pursue technical and vocational education. Covering the two target groups, the foundation then welcomed six students to the programme: ***Zylinna Jacobis*** *– Queen's College,* ***Ateisha Frank*** *- Queen's College,* ***Matthias Da Silva*** *– Bishop's High School,* ***Daniel Melville*** *- Guyana Industrial Training Centre,* ***Sharifa Lacon*** *- Linden Technical Institute and* ***Ryan Hinds*** *- Essequibo Technical Institute.*

Corporate Social Responsibility - cont'd

Scholarship recipients of The DDL Foundation that recently Graduated from Secondary School.

2023 also saw six (6) awardees successfully completing their secondary education bringing the total number of graduates to forty (40), since the foundation was launched in 2010. The following are the students that graduated for the year:

- **Deevina Chan (Queen's College)**
  – 10 ones & 5 twos
- **Garnett Bristol (Bishop's High School)**
  – 7 ones , 4 twos & 2 threes
- **Nicholas Mohabir (Bishop's High School)**
  – 11 ones, 2 twos & 1 four
- **Somira Dainty (Queen's College)**
  – 2 ones, 3 twos, 4 threes, 1 four & 1 five
- **Anasie Fredericks (Anna Regina Secondary)**
  – 3 ones, 5 twos, 2 threes & 1 four
- **Natalia Squires (Queen's College)**
  – 6 ones, 7 twos, 2 threes & 1 four

Today, the DDL Foundation has a total of twenty-nine (29) students from across the country who benefit from scholarships.

The Foundation includes a Mentorship Programme which comprises mainly of volunteers from the DDL staff body. Each child is paired with a mentor who monitors the performance of the child and provides the necessary moral support and guidance during the period of their relationship with the Foundation.

SUPPORTING YOUTH THROUGH SPORTS

DDL, through its PEPSI brand, continues to support the Guyana Amateur Boxing Association and the PEPSI U-16 Mike Parris Boxing Programme. The programme has served as a nursery for upcoming boxers over the years. Through Pepsi's sponsorship youth boxers receive training and resources that prepare them for national, regional, and international championships.

Hockey
Pepsi Hikers Hockey Summer Camp
Pepsi continues to contribute towards grassroots youth development programmes. In 2023, Pepsi supported the Hikers Hockey Summer Camp. The camp focused on teaching the basics of hockey and included drill sessions. The coaching and educational programme was followed by a mini hockey tournament where medals and certificates were awarded to participants. By investing in this initiative, Pepsi not only supports the growth of young players but also contributes to fostering a vibrant and inclusive hockey community.

International Indoor Hockey Festival
DDL's Diamond Mineral Water brand partnered with the Guyana Hockey Association to execute the 19th staging of the Diamond Mineral Water International Indoor Hockey Festival. This year the local participating teams were joined by two foreign teams adding to the international flare of the festival. Demerara Distillers Limited, through the Diamond Mineral Water brand, has been the mainstay of the festival, and has been the title sponsor since the inception of the festival in 2004. The Diamond Mineral Water International Indoor Hockey Festival is the longest running indoor hockey tournament in Guyana and throughout the Caribbean. This year, a new age category has been added, the Masters Over-45 division, which will see stalwarts of the game in action. Diamond Mineral Water's partnership with the Guyana Hockey Board has had an incredible impact on the sport since it has provided players with the opportunities to compete and enhance their skills.

Cricket
For the first time, DDL, through its Pepsi brand collaborated with the Georgetown Cricket Association to host the Pepsi 50 overs first division competition. The organisers are hopeful that this will be an annual tournament that will be used to fuel the passion for cricket in Georgetown. Pepsi's sponsorship of these games has created a dynamic platform for emerging and seasoned talents to showcase their skills on a larger stage, fostering a competitive environment that pushes players to excel and reach their full potential.

Rose Hall Town Youth and Sports Club
The partnership between the Rose Hall Town Youth and Sports Club (RHTYSC) and DDL was renewed in 2023, under the Company's Pepsi brand. The relationship between

Corporate Social Responsibility - cont'd

RHTYSC and Pepsi started in 2004, with Pepsi as the official sponsor of the Under-19 and intermediate cricket teams. Over the years, the association between the two organisations has produced several Berbice Under-19 championships while numerous players have emerged to play for Berbice, Guyana and the West Indies.

Football

In 2023, for the fourth year, DDL through its Pepsi brand recommitted support to the Petra Organisation for the Boys and Girls Under-14 school's football tournament. The U14 boys' and girls' tournament saw 42 teams participating from regions 3, 4, 5, 6, 7 and 10. Pepsi's sponsorship of the Boys and Girls Football Tournament signals a strong commitment to fostering inclusive sports development. Pepsi is not only promoting equality but also recognizing and supporting the talent and potential within every young athlete.

Golf

DDL, through its Savannah Milk brand partnered with the Guyana Golf Association (GGA) to execute the first ever Guyana National Open Junior Golf Championship. The competition was open to all players ages 10-18 from secondary schools around Guyana. Winners from the competition will form the team representing Guyana at the Caribbean and USGA Juniors Competition. By supporting the National Golf Championship, Savannah Milk is contributing to the growth of golf nationally, and as an emerging sport in schools. The National Golf Championship also provides a platform for aspiring young athletes to showcase their skills and dedication.

Basketball

DDL, through its Pepsi brand, continued to support the Pepsi Sonics Basketball Club. As part of the sponsorship renewal, the team was presented with a stylish new uniform for the new year. The Pepsi collaboration with the Pepsi Sonics Basketball Club spans two decades, and the brand is excited to continue its partnership with the men's youth basketball team once again as they conquer new horizons. By supporting youth basketball, Pepsi not only promotes an active and healthy lifestyle but also provides valuable resources for young players to develop their skills and passion for the sport.

SPONSORSHIP

Demerara Distillers Limited, under its El Dorado brand, celebrated 11 years as the "official spirit" of the now Republic Bank Caribbean Premier League (CPL). The past 11 years have contributed significantly to the growth of both brands – El Dorado and the Caribbean Premier League – in the region and internationally. El Dorado has become synonymous with the spirit of cricket, and we pride ourselves on bringing to consumers the best that Guyana has to offer. Our partnership with CPL has been filled with excitement, and unforgettable memories. In celebration of its 11th anniversary with CPL, DDL released the special limited edition El Dorado Master Blender 11 Year Old Rum. This specially crafted rum celebrates the spirit of our collaboration with CPL - 11 years of shared passion, commitment, camaraderie, and extraordinary memories. Like the way CPL unites the Caribbean and the world through cricket, this rum brings together rich flavours creating an experience to be savoured with every sip.

El Dorado's partnership with CPL continues to reinforce what a strong Caribbean brand we are while simultaneously celebrates the single largest sporting event in Caribbean culture. The company looks forward to the next three years as the "Official Spirit" of the League.

DDL, through its TOPCO and Savannah Milk brands also partnered with the Caribbean Premier League in support of the Women's Caribbean Premier League (WCPL). This tournament seeks to provide women with an equal opportunity to display their talent, passion and commitment for a sport that unites the Caribbean. DDL supports the effort to showcase the best of regional women's cricket talent to the world and is delighted to see many of the players from last year's event receive life-changing contracts worldwide.

EDUCATION AND PROFESSIONAL DEVELOPMENT

Demerara Distillers Limited remains committed to its role as a forward-thinking and conscientious employer. Through our Education and Professional Development initiatives, we offered avenues for employees to enhance their skills, knowledge, and attitudes. In the past year, various efforts were undertaken in this regard, and a selection of them is outlined below.

TRAINING PROGRAMMES

In 2023, the Company continued to ensure training and development for its staff at local and foreign institutions. However, most of the training were provided at the company's training unit, the Diamond Institute of Management and Technology (DIMATECH), which facilitated one hundred and forty-one (141) sessions involving one thousand, eight hundred and seventy- eight (1878) employees. The sessions included training in First Aid, Manual Handling, Leadership, Boilers, Employee & Industrial Relations, Customer Service, Security, Food Handlers, Lock Out-Tag Out, Workplace Expectations, Fire Safety, and Programmable Logic Controllers (PLC). Also, there were virtual interactive training sessions conducted in-plant at departmental locations, and the central lab.

WORK ATTACHMENT & INTERNSHIP

During the period July - September 2023, DDL facilitated a limited Work Study Programme for thirty-eight (38) students from the University of Guyana, the Government Technical Institute, the Government Industrial Training Centre, and secondary schools across Guyana.

Corporate Social Responsibility - cont'd

These students were assigned to various departments in the Company, including the Auto Workshop, Beverage Plant, Distillery, Central Lab, Finance and Human Resources, Demerara Shipping Company Limited (DSCL) and Tropical Orchard Products Company (TOPCO) and were exposed to all activities within the working environment.

TOASTMASTERS CLUB

The Toastmasters' Club at Demerara Distillers Limited persists in providing opportunities for both management and non-management staff to enhance their management and leadership skills. Nineteen (19) staff, representing five (5) units within the organization, are actively involved in the Toastmasters' Club. The Toastmasters' sessions are conducted weekly and provides opportunities for networking with both local and overseas toastmasters' group as they develop varying leadership and management skills to further improve and learn how to think on their feet, respond to questions, combat fear, and build confidence in public speaking and communication.

CADETSHIP / SCHOLARSHIP PROGRAMMES

The Company's Cadetship/Scholarship programme provides opportunities for staff, with the requisite entry requirements, to attend the University of Guyana to seek academic progression in the areas of Chemistry, Food Science, Mechanical Engineering, Electrical Engineering, and Industrial Engineering. In 2023, two employees were selected to attend the University of Guyana to read for the Bachelor of Science Degree in Chemistry and Food Science, bringing the total number of staff in the programme to eleven (11). However, five (5) cadets completed their course of study in electrical engineering, food science and chemistry. These cadets graduated in September 2023 and have recommenced their contribution to the organization in the capacity as Management Trainees.

STUDY ASSISTANCE SCHEME

In addition to offering fully paid programmes to staff, DDL continues to provide partial support or study assistance for professional development at universities (both locally and overseas), and other professional institutions in Accounting, Health and Safety, Information Technology, Business Administration, Human Resources, Marketing, and other areas of study.

In 2023, twenty-one (21) of the sixty-one (61) active staff members on the DDL Study Assistance Scheme benefitted from additional payments to their programmes. These programmes represent just some of the many ways the Company gives back to the staff and in extension the society thus, underscores the Company's commitment to human resource development.

NEW AND CONTINUING BURSARY

As Customary the Company distributes bursary Awards to employees' children who were successful at the National Grade Six Assessment (N.G.S.A). The Bursary award is tenable for five (5) years. Twenty-eight (28) children of employees were awarded Bursary in 2023, with the total of one hundred and three (103) children of staff currently benefitting from DDL Bursary Scheme.

MANAGEMENT TRAINEE PROGRAMME

In 2023, seventeen (17) University of Guyana graduates participated in the Demerara Distillers Limited Management Trainee Programme. These graduates possessed qualifications in the disciplines of Marketing, Chemistry, Food Science, Health/Safety and Environment; and are currently involved in "on the job training". Their training ensure exposure to most areas of operations within the business to prepare them to function effectively in their future assignments.

PROFESSIONAL DEVELOPMENT

Over the course of the past year, selected staff were provided professional development training through Arthur Lok Jack Global School of Business - University of West Indies. In addition, DDL through the DIMATECH continued to provide training and development to staff under the 'Self Improvement Programme in the areas of Fundamentals in Mechanical Systems and Fundamentals in Electrical Systems. These training programmes prepare and allow staff the opportunity to acquire the Caribbean Vocational Qualification (CVQ) certification. DIMATECH also facilitated the recognition of previous experience gained by staff in selected occupational areas through the process of an assessment and evaluation to demonstrate competencies in skill, knowledge, and attitude.

COMMUNITY AND NATIONAL REPRESENTATION (CNR)

DDL continues to be involved in the development of social capacity, nationally and within the community through active representation, participation, and continual engagement with the Council for Technical and Vocational Education and Training-Guyana (CTVET-G), Government Technical Institutes (Tis), Practical Instructional Centres (PICs) and Technical and Vocational Training Centres (TVTCs) within the Regions.

SCHOOL BASED ASSESSMENTS (SBAS) - INTERVIEWS/ DISCUSSIONS

In 2023, DIMATECH was able to support the educational development of over fifty (50) fifth (5th) form students from various secondary schools within Region Four (4) and Three (3) by providing essential information for their School Based Assessments (SBAs). These interactions took the form of interviews, reviews of forms, and in-depth discussions.

Corporate Social

Pepsi Sonics Basketball Club. As part of the sponsorship renewal, the team was presented with a stylish new uniform for the new year.

Guyana Hockey Association to execute the 19th staging of the Diamond Mineral Water International Indoor Hockey Festival.

Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF DEMERARA DISTILLERS LIMITED AND SUBSIDIARIES ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Demerara Distillers Limited and Subsidiaries, which comprise the consolidated statement of financial position as at 31 December, 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 30 to 87.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Demerara Distillers Limited and Subsidiaries as at 31 December, 2023, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Financial Statements section of our report. We are independent of the Company and its Subsidiaries in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements as at and for the year ended 31 December 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation and impairment of property, plant and equipment. (Refer to note 10 in the consolidated financial statements) The financial statements detailed property, plant and equipment with a net book value of G$15.4B and G$22.7B in the Company and Group accounts respectively. Property, plant and equipment was considered a Key Audit Matter as significant management judgment was used to select depreciation rates for items of property, plant and equipment. In addition, an annual impairment review of property, plant and equipment was done which involved significant management judgment.	Our procedures in relation to management's valuation and impairment of property, plant and equipment included but were not limited to the following: • We reviewed depreciation rates for property, plant and equipment to ensure consistency with the accounting policies and industry rates; • We obtained and reviewed the written representation by management on their assessment of impairment; • We assessed the methodology used by management to carry out impairment review; • We physically inspected selected assets which were acquired during the current and prior years; • We verified the company's and group's policy for acquisitions and disposals of property, plant and equipment. We also verified samples of the material assets to supporting documents. • We tested internal controls governing the procurement, monitoring and disposal of property, plant and equipment.

Independent
Auditor's Report - cont'd

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation and impairment of investment properties. (Refer to note 11 in the consolidated financial statements) The financial statements detailed investment properties with a net book value of G$5.9B and G$135M in the Company and Group accounts respectively. Investment properties was considered a Key Audit Matter as significant management judgment was used to select depreciation rates for items of building and equipment. In addition, an annual impairment review of land and building and equipment was done which involved significant management judgment.	Our procedures in relation to management's valuation and impairment of investment properties included but were not limited to the following: • We reviewed depreciation rates for investment properties to ensure consistency with the accounting policies and industry rates; • We assessed the methodology used by management to carry out impairment review and also ensured written representation was obtained and reviewed; • We physically inspected a selection of investment properties and we verified the policy for acquisitions and disposals; and we also verified samples of the material assets to supporting documents. • We ensured that owner-occupied properties were correctly eliminated in the consolidated financial statements and presented and disclosed in accordance with IAS 40.
Valuation and impairment of investments. (Refer to note 12 in the consolidated financial statements) At 31 December 2023, investments in the Company amounted to G$8.8B, consisting of "Fair Value through Other Comprehensive Income", "Subsidiary companies" and "Associate companies". The Group's investments were stated at G$9.8B and consist of "Fair Value through Other Comprehensive Income" and "Associate companies". Investments was considered a Key Audit Matter because it was material to the financial statements. Also, there was significant measurement uncertainty involved in the valuation. As a result, the valuation of these instruments was significant to our audit.	Our procedures in relation to valuation and impairment of investments included but were not limited to the following: • We obtained understanding of the valuation methods used by the Company and Group and assessed whether they were consistent with prior years and our understanding of the client; • We reviewed the source data used by the Company in the valuation method and performed tests to ascertain its completeness and accuracy; • We reviewed the Company's and Group's policy on accounting for the various categories of investments and ensured compliance with relevant IFRS/IAS; • We reviewed audited financial statements of subsidiaries, associates and other investments to ensure going concern and no impairment of investment.

Independent
Auditor's Report - cont'd

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of Defined Benefit Asset/Liabilities. *(Refer to note 13 in the consolidated financial statements)* The Company and Group recognised a defined benefit asset and liability of G$8.5B and G$5.2M respectively. These were considered to be Key Audit Matters since the assumptions that underpin the valuation of the defined benefit pension assets and liabilities were important and also involve subjective judgments as the surplus/deficit balance was volatile and affects the Group's distributable reserves. Management has employed actuarial specialists in order to calculate this balance and uncertainty arises as a result of estimates made based on the Group's expectation about long-term trends and market conditions.	Our procedures in relation to actuarial valuation included but were not limited to the following: • We reviewed the actuarial report for the year ended December 31, 2023 and ensured information was presented and disclosed in accordance with IAS 19. • We obtained an understanding of the methodology and assumptions used by the actuary and assessed whether these were consistent with prior years and our understanding of the client; • We reviewed the source data used by the Company's actuary and performed tests to ascertain its completeness and accuracy; • We assessed the professional competence, including the qualifications, experience and reputation of the actuary.

Other information in the annual report

Management is responsible for the other information. The other information comprises all the information included in the Group's 2023 annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements based on the work we have performed, we conclude that if there is a material misstatement of this other information; we are required to report that fact. At the time of our report, the other information was not available.

Responsibilities of those Charged with Governance for the Consolidated Financial Statements

The Directors/Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Directors/Management is responsible for overseeing the Group's financial reporting process.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

Independent
Auditor's Report - cont'd

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Independent
Auditor's Report - cont'd

Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act 1991.

The engagement partner responsible for the audit resulting in this independent auditor's report is Rajiv Nandalal FCCA.

TSD LAL & CO
CHARTERED ACCOUNTANTS

February 15, 2024

77 Brickdam,
Stabroek, Georgetown
Guyana.

Consolidated Statement of
Profit or Loss & Other Comprehensive Income

For the year ended December 31, 2023

	NOTES	COMPANY		GROUP	
		2023	2022	**2023**	2022
		G$ 000	G$ 000	**G$ 000**	G$ 000
Turnover	5 (a)	**25,319,278**	24,984,904	**33,266,303**	31,415,239
Cost of sales		**(14,391,354)**	(15,091,247)	**(19,406,515)**	(18,531,730)
Gross profit		**10,927,924**	9,893,657	**13,859,788**	12,883,509
Other income	5 (b)	**373,170**	475,271	**397,536**	424,476
Investment properties income		**222,074**	323,050	**11,772**	9,927
Selling and distribution expenses		**(2,299,638)**	(2,274,670)	**(3,316,205)**	(3,194,930)
Administration expenses		**(2,285,261)**	(2,153,987)	**(3,290,993)**	(3,072,322)
Profit before interest and taxation		**6,938,269**	6,263,321	**7,661,898**	7,050,660
Finance cost		**(172,901)**	(111,932)	**(177,502)**	(118,124)
Share of profit of associate companies	12a(i)	**-**	-	**189,249**	153,424
Profit before taxation	6	**6,765,368**	6,151,389	**7,673,645**	7,085,960
Taxation	7	**(1,454,334)**	(1,374,175)	**(1,705,093)**	(1,765,186)
Profit for the year		**5,311,034**	4,777,214	**5,968,552**	5,320,774
Other Comprehensive Income:					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit pension plans	7	**(1,823,930)**	2,821,213	**(1,823,930)**	2,821,213
Fair value gain/(loss) on investments	18(b)	**(448,200)**	3,899,340	**(448,200)**	3,899,340
		(2,272,130)	6,720,553	**(2,272,130)**	6,720,553
Items that may be subsequently reclassified to profit or loss:					
Exchange difference on consolidation	18(c)	**-**	-	**69,201**	(88,396)
Other comprehensive income for the year		**(2,272,130)**	6,720,553	**(2,202,929)**	6,632,157
Total comprehensive income for the year		**3,038,904**	11,497,767	**3,765,623**	11,952,931
Basic earnings per share in dollars	9	**6.90**	6.20	**7.75**	6.91

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Changes in Equity

For the year ended December 31, 2023

	Note	COMPANY				
		Share capital	Capital reserves	Other reserve	Retained earnings	Total
		G$ 000	G$ 000	G$ 000	G$ 000	G$ 000
Balance at January 01, 2022		770,000	489,565	4,706,540	29,879,022	35,845,127
Changes in equity 2022						
Total comprehensive income for the year		-	-	3,899,340	7,598,427	11,497,767
Dividends	8	-	-	-	(1,193,500)	(1,193,500)
Balance at December 31, 2022		770,000	489,565	8,605,880	36,283,949	46,149,394
Changes in equity 2023						
Total comprehensive income for the year		-	-	(448,200)	3,487,104	3,038,904
Dividends	8	-	-	-	(1,347,501)	(1,347,501)
Balance at December 31, 2023		770,000	489,565	8,157,680	38,423,552	47,840,797

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Changes in Equity - cont'd

For the year ended December 31, 2023

		GROUP					
	Note	Share capital	Capital reserves	Other reserve	Exchange difference reserve	Retained earnings	Total
		G$ 000	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000
Balance at January 01, 2022		770,000	450,854	4,737,220	(135,438)	34,352,397	40,175,033
Changes in equity 2022							
Total comprehensive income for the year		-	-	3,899,340	(88,396)	8,141,988	11,952,932
Dividends	8	-	-	-	-	(1,193,500)	(1,193,500)
Balance at December 31, 2022		770,000	450,854	8,636,560	(223,834)	41,300,885	50,934,465
Changes in equity 2023							
Total comprehensive income for the year		-	-	(448,200)	69,201	4,144,622	3,765,623
Dividends	8	-	-	-	-	(1,347,501)	(1,347,501)
Balance at December 31, 2023		770,000	450,854	8,188,360	(154,633)	44,098,006	53,352,587

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Financial Position

For the year ended December 31, 2023

	NOTES	COMPANY		GROUP	
		2023	2022	**2023**	2022
ASSETS		**G$ 000**	G$ 000	**G$ 000**	G$ 000
Non current assets					
Property, plant and equipment	10	**15,365,643**	9,877,602	**22,735,072**	17,149,824
Investment properties	11	**5,869,652**	6,060,983	**134,955**	145,413
Investments	12	**8,801,154**	9,249,354	**9,788,175**	10,106,983
Retirement benefit asset	13	**8,459,340**	10,429,587	**8,459,340**	10,429,587
Total non-current assets		**38,495,789**	35,617,526	**41,117,542**	37,831,807
Current assets					
Inventories	14	**16,670,323**	13,379,766	**20,714,064**	17,489,047
Trade and other receivables	15	**3,828,994**	4,299,972	**2,777,718**	3,046,462
Prepayments		**740,278**	369,847	**850,310**	522,998
Taxes recoverable		**351,603**	351,603	**659,111**	627,511
Cash in hand and at bank		**436,166**	613,402	**927,704**	1,293,365
Total current assets		**22,027,364**	19,014,590	**25,928,907**	22,979,383
TOTAL ASSETS		**60,523,153**	54,632,116	**67,046,449**	60,811,190
EQUITY AND LIABILITIES					
Equity					
Issued capital	17	**770,000**	770,000	**770,000**	770,000
Capital reserves	18 (a)	**489,565**	489,565	**450,854**	450,854
Other reserve	18 (b)	**8,157,680**	8,605,880	**8,188,360**	8,636,560
Exchange difference reserve	18 (c)	**-**	-	**(154,633)**	(223,834)
Retained earnings		**38,423,552**	36,283,949	**44,098,006**	41,300,885
TOTAL EQUITY		**47,840,797**	46,149,394	**53,352,587**	50,934,465

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Financial Position - cont'd

For the year ended December 31, 2023

	NOTES	COMPANY		GROUP	
		2023	2022	**2023**	2022
Non-current liabilities		**G$ 000**	G$ 000	**G$ 000**	G$ 000
Loans due after one year	19	**2,689,929**	-	**2,689,929**	-
Deferred tax	7	**2,855,570**	3,319,949	**2,604,450**	3,162,632
Retirement benefit obligation	13	**5,233**	5,233	**5,233**	5,233
Total non-current liabilities		**5,550,732**	3,325,182	**5,299,612**	3,167,865
Current liabilities					
Trade and other payables	16	**3,315,612**	2,817,328	**4,049,952**	4,160,030
Taxes payable		**240,797**	365,989	**383,730**	572,322
Current portion of interest bearing borrowings	19	**448,322**	-	**448,322**	-
Bank overdraft (secured)	19	**3,126,893**	1,974,223	**3,512,246**	1,976,508
Total current liabilities		**7,131,624**	5,157,540	**8,394,250**	6,708,860
TOTAL LIABILITIES		**12,682,356**	8,482,722	**13,693,862**	9,876,725
TOTAL EQUITY AND LIABILITIES		**60,523,153**	54,632,116	**67,046,449**	60,811,190

The Board of Directors approved these financial statements for issue on February 15, 2024

.... Chairman .... Director

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Cash Flows

For the year ended December 31, 2023

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Operating activities				
Profit before taxation	**6,765,368**	6,151,389	**7,673,645**	7,085,960
Adjustments for:				
Depreciation on property, plant and equipment	**947,438**	826,759	**1,122,087**	954,086
Depreciation on investment properties	**222,911**	238,457	**10,458**	7,900
Loss on disposal of PPE	**5,990**	1,762	**-**	-
Remeasurement in defined benefit asset	**(461,660)**	(298,531)	**(461,660)**	(298,531)
Remeasurement in defined benefit liability	**-**	(504)	**-**	(504)
Increase in investment in associate companies	**-**	-	**(129,392)**	(110,293)
Exchange difference on consolidation	**-**	-	**69,201**	(88,396)
Interest received	**(1,008)**	(744)	**(1,008)**	(744)
Interest paid	**173,908**	112,676	**178,510**	118,868
Operating profit before working capital changes	**7,652,947**	7,031,264	**8,461,841**	7,668,346
Increase in inventories	**(3,290,557)**	(1,301,262)	**(3,225,017)**	(3,353,080)
Increase in receivables and prepayments	**(216,463)**	(650,757)	**(58,568)**	(583,360)
Increase / (decrease) in payables and accruals	**498,285**	(361,565)	**(110,078)**	484,304
(Increase) / decrease in due from subsidiaries	**317,009**	(1,151,388)	**-**	-
Cash generated from operations	**4,961,221**	3,566,292	**5,068,178**	4,216,210
Taxes paid/adjusted	**(1,435,927)**	(1,527,848)	**(1,875,490)**	(1,887,372)
Net cash provided by operating activities	**3,525,294**	2,038,444	**3,192,688**	2,328,838
Investing activities				
Interest received	**1,008**	744	**1,008**	744
Purchase of property, plant and equipment	**(6,441,470)**	(2,258,470)	**(6,707,335)**	(2,514,270)
Purchase investment properties	**(31,580)**	(123,293)	**-**	-
Proceeds on disposal of assets	**-**	4,175	**-**	-
Net cash used in investing activities	**(6,472,042)**	(2,376,844)	**(6,706,327)**	(2,513,526)

"The accompanying notes form an integral part of these financial statements"

Consolidated Statement of
Cash Flows - cont'd

For the year ended December 31, 2023

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Financing activities				
Loan drawdown	**3,138,251**	-	**3,138,251**	-
Interest paid	**(173,908)**	(112,676)	**(178,510)**	(118,867)
Dividends paid	**(1,347,501)**	(1,193,500)	**(1,347,501)**	(1,193,500)
Net cash provided by/(used in) financing activities	**1,616,842**	(1,306,176)	**1,612,240**	(1,312,367)
Net decrease in cash and cash equivalents	**(1,329,906)**	(1,644,576)	**(1,901,399)**	(1,497,055)
Cash and cash equivalents at beginning of year	**(1,360,821)**	283,755	**(683,143)**	813,912
Cash and cash equivalents at end of year	**(2,690,727)**	(1,360,821)	**(2,584,542)**	(683,143)
Comprising:				
Cash in hand and at bank	**436,166**	613,402	**927,704**	1,293,365
Bank overdraft (secured)	**(3,126,893)**	(1,974,223)	**(3,512,246)**	(1,976,508)
Cash and cash equivalents at end of year	**(2,690,727)**	(1,360,821)	**(2,584,542)**	(683,143)

"The accompanying notes form an integral part of these financial statements"

1 Incorporation and activities

Incorporation

The Company was incorporated on November 17, 1952 under the name Guyana Distilleries Limited. In 1983, the Company's name was changed to Demerara Distillers Limited.

Activities

The principal activities of the Company, its subsidiaries and associate companies are as follows:

(a) Manufacturing - the distilling, blending and sale of bulk spirits and alcoholic products, manufacturing and sale of non-alcoholic beverages, Co2 gas, fruit juices and milk.

(b) Trading - distributors of branded products.

(c) Services - shipping, property rental and provision of services, insurance, sales and logistics.

2 New and amended standards and interpretations

Amendments effective for the current year end

New and Amended Standards	Effective for annual periods beginning on or after
IFRS 17 Insurance contracts	1 January 2023
Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

None of the new and amended standards and interpretations had a significant effect on the financial statements of the Company and the Group.

Pronouncements effective in future periods available for early adoption

New and Amended Standards	Effective for annual periods beginning on or after
Amendments to IAS 1: Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants	1 January 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to IAS 12: International Tax Reform—Pillar Two Model Rules	1 January 2024
IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2: Climate-related Disclosures	1 January 2024

The Company and Group have not opted for early adoption.

2 New and amended standards and interpretations - cont'd

The standards and amendments that are expected to have an impact on the Company's and Group's accounting policies when adopted are explained below.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The Board proposed to defer the effective date to no earlier than 1 January 2024 (from 1 January 2023).

Amendments to IAS 1: Non-current Liabilities with Covenants

The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.

IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

3 Summary of significant accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments, and conform with International Financial Reporting Standards.

(b) Property, plant and equipment and depreciation

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the statement of financial position at cost.

Equipment, fixtures and vehicles are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged to write off the cost of assets, other than land and construction work in progress, over their estimated useful lives using the straight-line method as follows:

		2023/2022
Buildings	-	2.00%
Plant and Machinery	-	6.25%
Office Equipment	-	12.50%
Furniture, Fixtures & Fittings	-	10.00%
Sundry equipment	-	20.00%
Computer equipment	-	20.00%
Vehicles	-	25.00%

3 Summary of significant accounting policies - cont'd

(c) Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost method. Work-in-progress and finished goods cost comprise cost of production and attributable overheads appropriate to the location and condition. Net realisable value is the selling price in the normal course of business less costs of completion and selling expenses.

Bottles/Crates in circulation

These represent returnable bottles and crates and barrels.

Bottles and crates are amortised over a period of three years. Barrels are amortised over a period of eight years.

(d) Foreign Currencies

Transactions in currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the date of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currency are translated at the rates prevailing when the fair value was determined. Gains and losses arising on retranslation are included in the statement of profit or loss and other comprehensive income for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in the statement of changes in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Guyana dollars using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and recognised in the Group's exchange difference reserve. Such exchange differences are recognised in the profit or loss in the period in which the foreign operation is disposed of.

(e) Pension Funding

The Group participates in two defined benefit pension plans for its employees. The contributions are held in trustee administered funds, which are separate from the Company's resources. The plans cover all permanent employees.

The last actuarial valuation was done as at December 31, 2020 and was used as the basis for information presented in Note 13 in accordance with International Accounting Standards No. 19 – Employee Benefits (Revised).

The valuation was done using the Projected Unit Credit Method, as required by IAS 19 – Employee Benefits (Revised).

(f) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved through share ownership. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-Group transactions, income and expenses are eliminated in full on consolidation.

3 Summary of significant accounting policies – cont'd

(f) Consolidation – cont'd

Non-controlling interest in the net assets (excluding goodwill) of consolidated subsidiaries is identified separately from the Group's equity therein. Non-controlling interest consists of the amount of those interests at the date of the original business combination and non-controlling interest's share of changes in equity since the date of the combination.

Losses applicable to the non-controlling interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the non-controlling interest has a binding obligation and is able to make an additional investment to cover the losses.

The consolidated accounts incorporate the accounts as at December 31,2023 of the following:

Name of Company	Country of Registration	% Shareholding	Main Business
Tropical Orchard Products Company Limited	Guyana	100.00	Manufacturing
Distillers Gas Company	Guyana	100.00	Dormant
Distribution Services Limited	Guyana	100.00	Distribution
Demerara Distillers (TT) Limited	Trinidad	100.00	Dormant
Demerara Distillers (US) Inc.	USA	100.00	Distribution
Demerara Distillers (St. Kitts-Nevis) Limited	St. Kitts	100.00	Manufacturing & Distribution
Demerara Technical Services Limited	Guyana	100.00	Property Rental & Provision of services
Demerara Shipping Company Limited	Guyana	100.00	Shipping
Breitenstein Holdings BV. (i)	Netherlands	100.00	Distribution

(i) Breitenstein Holdings BV includes the accounts of:

Name of Company	Country of Registration	% Shareholding	Main Business
Demerara Distillers (Europe) BV	Netherlands	100	Distribution
Breitenstein Trading BV	Netherlands	100	Distribution

(ii) Associate Companies

The Company's associate companies are National Rums of Jamaica Limited and Diamond Fire and General Insurance Inc. The Company owns 33.33% of the share capital of National Rums of Jamaica Limited and 19.5% of the shares of Diamond Fire and General Insurance Inc. Although the company owns 19.5% of the equity shares of Diamond Fire and General Insurance Inc. and it has less than 20% of the voting power in shareholder meetings the company exercises significant influence by virtue of its directorship.

3 Summary of significant accounting policies – cont'd

(g) Taxation

Income tax expense represents the sum of the tax currently payable and the deferred tax.

Current tax
The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted in Guyana or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

The carrying amount of the deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable sufficient taxable profit will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority, and the Company and Group intends to settle its current tax assets and liabilities on a net basis.

(h) Revenue and expense recognition

The Group follows a 5-step process to determine whether to recognize revenue:
1 Identifying the contract with a customer
2 Identifying the performance obligations
3 Determining the transaction price
4 Allocating the transaction price to the performance obligations
5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

3 Summary of significant accounting policies – cont'd

(h) Revenue and expense recognition - cont'd

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business to third parties, net of discounts, and sales related taxes. The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Sales of goods are recognised when goods are delivered and control of the asset has been transferred. The Group considers whether there are other promises in contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. customer loyalty points). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Management's judgment is involved in estimating the allocation of transaction price to performance obligations and variable consideration. Management has determined that these estimates are not constrained based on its historical experience, business forecast and the current economic conditions and any uncertainty with respect to variable consideration will be resolved within a short time frame.

Disaggregation of revenue
The Group's revenue is derived from manufacturing, trading and services and is organised according to the location of its customers. An analysis of the Group's revenue segments is detailed in Note 20.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Expenses are recognized on an accrual basis.

(i) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured at cost less accumulated depreciation and any recognised impairment loss.

All of the Company's property interests held under leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the cost value model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives using the straight-line method as follows:

		2023/2022
Buildings	-	2.00%
Equipment	-	6.25%

3 Summary of significant accounting policies – cont'd

(j) Financial instruments

Financial assets and liabilities are recognized on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

The Group classifies its financial assets into the following measurement categories:
- those to be measured subsequently at fair value through other comprehensive income (FVTOCI) and
- those to be measured at amortised cost.

Trade and other receivables
Trade and other receivables are measured at amortised cost.

Impairment policy
The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group applies the IFRS 9 general approach for measuring expected credit losses for trade and other receivables in a way that reflects:
(a) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
(b) the time value of money
(c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

All of the Group's other receivables are considered to have low credit risk and the loss allowance is limited to 12 months expected losses. The identified impairment loss was therefore considered immaterial. Other receivables are considered to be low credit risk when they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term.

Loans, Trade and other payables
Loans, Trade and other payables are measured at amortised cost.

Deposit on empties represents advances from customers for the usage of returnable bottles and crates.

Investments

The Group's investments have been classified as follows:

Investments at FVTOCI

The Group subsequently measures all equity investments not held for trading at FVTOCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of these investments. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

3 Summary of significant accounting policies – cont'd

(j) Financial instruments – cont'd

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Investments in subsidiaries and associate companies are carried at cost in the Company's financial statements.

Investment in associate companies in the Group is stated using the equity method.

Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than investment or other purposes. These are readily convertible to a known amount of cash, with maturity dates of three (3) months or less.

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

(k) Capital reserves

This comprises the share premium account and revaluation surplus which arose from the revaluation of land and buildings. These reserves are not distributable.

(l) Other reserve

Fair value adjustments of investments at FVTOCI are credited to this account. This reserve is not distributable.

(m) Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(n) Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the Company and Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

De-recognition of Provisions

Provisions are de-recognized when it is no longer probable that an outflow of economic resources will be required to settle the obligation.

3 Summary of significant accounting policies – cont'd

(o) Dividends

Dividends that are proposed and declared are recorded as an appropriation of retained earnings in the statement of changes in equity in the period in which they have been approved. Dividends that are proposed and declared after the reporting date are disclosed as a note to the financial statements.

(p) Segment reporting

A business segment is a component of an entity that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is a Group of assets and operations engaged in providing similar products and service that are subject to risks and returns that are different from those of other business segments.

The Group analyses its operations by both business and geographic segments. The primary format is business reflecting manufacturing, trading and services, its secondary format is that of geographic segments reflecting the primary economic environment in which the Group has exposure.

(q) Leases

The Company leases some of its property to subsidiaries; these transactions were recorded in the subsidiaries' accounts as right of use assets and lease liabilities. These were initially measured on a present value basis. The lease payments are discounted using the lessee's incremental borrowing rates of 5% and 8%.

Rental contracts cover a fixed period of five years; however, the option exists for same to be renewed for an additional five years. Rental payments are fixed.

Lease payments are allocated between principal and finance cost by the subsidiaries and recorded as other income by the Parent. The finance cost is charged to profit or loss over the lease period. Depreciation is charged on a straight-line basis over the lease period.

All inter-company leases were eliminated upon consolidation.

(r) Earnings per share

Basic earnings per share attributable to ordinary equity holders of the Company's and Group's equity is calculated by dividing profit or loss attributable to ordinary equity holders of the Company's and Group's equity by the weighted number of ordinary shares outstanding during the period.

4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's and Group's accounting policies, which are described in note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4 Critical accounting judgments and key sources of estimation uncertainty - cont'd

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements:

i) Other financial assets

In determining the fair value of investments and other financial assets in the absence of a market, the directors estimate the likelihood of impairment by using discounted cash flows.

ii) Property, plant and equipment and investment properties

Management reviews the estimated useful lives of property, plant and equipment and investment properties at the end of each year to determine whether their useful lives should remain the same and the assets not impaired.

iii) Impairment of financial assets

Expected credit losses for financial assets are based on assumptions about risk of default and expected loss rates. Management uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv) Retirement benefit asset/obligation

The provisions for defined benefit asset/obligation are determined by the actuary based on data provided by management. The computation of the provisions by the actuary assumes that the data provided is not materially misstated.

5 a) Turnover

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Manufacturing	**23,398,599**	23,045,051	**24,278,341**	22,398,797
Trading	**1,919,844**	1,938,746	**6,943,346**	7,352,541
Services	**835**	1,107	**2,044,616**	1,663,901
	25,319,278	24,984,904	**33,266,303**	31,415,239

b) Other income

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Investment income (i)	**17,397**	176,583	**17,397**	100,113
Rent and Miscellaneous income	**355,763**	294,513	**380,129**	320,188
Sale of asset	**10**	4,175	**10**	4,175
	373,170	475,271	**397,536**	424,476

(i) This represents dividends received from FVTOCI investments (which are quoted) of G$10M (2022 - G$100.11M) and G$7.3M (2022 - G$76.47M) from subsidiaries and associated companies (which are not quoted).

6 Profit before taxation

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Profit before taxation	**6,765,368**	6,151,389	**7,673,645**	7,085,960
After charging:				
Property tax	**412,061**	404,846	**424,886**	416,146
Interest and other finance charges	**173,908**	112,676	**178,510**	118,868
Depreciation on property, plant and equipment	**947,438**	826,759	**1,122,087**	954,086
Depreciation on investment properties	**222,911**	238,457	**10,458**	7,900
Exchange difference	**71,306**	67,826	**71,306**	67,826
Directors' emoluments (a)	**17,450**	15,927	**17,450**	15,927
Staff costs:				
Salaries and wages	**2,966,841**	2,557,766	**3,898,370**	3,325,799
Other staff costs	**830,196**	741,224	**1,053,530**	962,601
Pension	**(224,284)**	(89,588)	**(140,291)**	(22,912)
Auditor's remuneration	**10,110**	10,010	**33,941**	32,055
Inventory provision	**182,969**	135,364	**228,494**	201,003
Provision for bad debts / expected credit loss	**-**	(349)	**-**	(1,233)
Inventory write off	**30,469**	3,875	**30,469**	3,875
And after crediting				
Dividends from Subsidiaries and associate companies	**-**	76,470	**-**	-
Interest	**1,008**	744	**1,008**	744

(a) At the end of the year there were six (2022 - six) non-executive Directors who received equal emoluments.

7 (a) Taxation

Reconciliation of tax expense and accounting profit	**COMPANY**		**GROUP**	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Accounting profit	**6,765,368**	6,151,389	**7,673,645**	7,085,960
Corporation tax at 25% / 40%	**1,691,342**	1,537,847	**1,952,230**	1,880,255
Add:				
Tax effect of expenses not deductible in determining taxable profits:				
Depreciation for accounting purposes	**347,259**	317,286	**396,992**	354,977
Property tax	**103,015**	101,212	**115,840**	112,511
Adjustment for dual tax rates	**23,456**	28,398	**23,456**	28,398
Others	**(109,553)**	(69,267)	**(22,667)**	(42,876)
	2,055,519	1,915,476	**2,465,851**	2,333,265
Deduct:				
Tax effect of depreciation and other allowances for tax purposes	**326,490**	265,414	**328,474**	267,557
Export allowance	**418,293**	305,668	**418,293**	305,668
Corporation tax charge	**1,310,736**	1,344,394	**1,719,084**	1,760,040
Deferred tax	**143,598**	29,781	**49,795**	5,146
Prior years' adjustment			**(63,786)**	
	1,454,334	1,374,175	**1,705,093**	1,765,186
Taxation - current	**1,310,736**	1,344,394	**1,659,227**	1,716,908
associate companies	**-**	-	**59,857**	43,131
	1,310,736	1,344,394	**1,719,084**	1,760,039
deferred	**143,598**	29,781	**(13,991)**	5,146
	1,454,334	1,374,175	**1,705,093**	1,765,185

The Group separately classifies its activities as non-commercial and commercial, with the applicable corporation tax rates being 25% and 40%, respectively (2022 :25% and 40%)

Components of deferred tax	**COMPANY**		**GROUP**	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Deferred tax liability	**2,855,570**	3,319,949	**2,604,450**	3,162,632
Property, plant and equipment	**742,043**	713,860	**490,923**	556,543
Defined benefit asset	**2,114,837**	2,607,399	**2,114,837**	2,607,399
Defined benefit liability	**(1,310)**	(1,310)	**(1,310)**	(1,310)
	2,855,570	3,319,949	**2,604,450**	3,162,632

7 Taxation - cont'd

Movement in temporary differences

COMPANY

	Property Plant and Equipment	Defined Benefit Asset	Defined Benefit Liability	Total
	G$ 000	G$ 000	G$ 000	G$ 000
At January 01, 2022	758,838	1,592,362	(1,436)	2,349,764
Movement during the year:				
Statement of P&L	(44,978)	74,633	126	29,781
Statement of OCI	-	940,404		940,404
At December 31, 2022	713,860	2,607,399	(1,310)	3,319,949
Movement during the year				
Statement of P&L	28,183	115,415	-	143,598
Statement of OCI	-	(607,977)	-	(607,977)
At December 31, 2023	742,043	2,114,837	(1,310)	2,855,570

GROUP

	Property Plant and Equipment	Defined Benefit Asset	Defined Benefit Liability	Total
	G$ 000	G$ 000	G$ 000	G$ 000
At January 01, 2022	626,156	1,592,362	(1,436)	2,217,082
Movement during the year				
Statement of P&L	(69,613)	74,633	126	5,146
Statement of OCI	-	940,404	-	940,404
At December 31, 2022	556,543	2,607,399	(1,310)	3,162,632
Movement during the year				
Statement of P&L	(65,620)	115,415	-	49,795
Statement of OCI	-	(607,977)	-	(607,977)
At December 31, 2023	490,923	2,114,837	(1,310)	2,604,450

7 Taxation - cont'd

Tax effect of IAS 19 actuarial valuation, exchange differences on translating foreign operations and Gain / (loss) arising on revaluation of FVTOCI financial assets:

COMPANY

	2023			2022		
	Before tax amount	**Tax (expense)**	**Net of tax amount**	Before tax amount	Tax (expense)	Net of tax amount
	G$000	**G$000**	**G$000**	G$000	G$000	G$000
Remeasurement of defined benefit pension plan	**(2,431,907)**	**607,977**	**(1,823,930)**	3,761,617	(940,404)	2,821,213
Gain arising on revaluation of FVTOCI financial assets	**(448,200)**	**-**	**(448,200)**	3,899,340	-	3,899,340
	(2,880,107)	**607,977**	**(2,272,130)**	7,660,957	(940,404)	6,720,553

GROUP

	2023			2022		
	Before tax amount	**Tax benefit**	**Net of tax amount**	Before tax amount	Tax (expense)	Net of tax amount
	G$000	**G$000**	**G$000**	G$000	G$000	G$000
Remeasurement of defined benefit pension plan	**(2,431,907)**	**607,977**	**(1,823,930)**	3,761,617	(940,404)	2,821,213
Exchange differences on translating foreign operations	**69,201**	**-**	**69,201**	(88,396)	-	(88,396)
Gain arising on revaluation of FVTOCI financial assets	**(448,200)**	**-**	**(448,200)**	3,899,340	-	3,899,340
	(2,810,906)	**607,977**	**(2,202,929)**	7,572,561	(940,404)	6,632,157

7 (b) Tax Assessments

A corporation tax assessment for the year of assessment 2010 was received by a subsidiary for which an appeal was made to the Board of Review. Management is confident that the assessment will be found to be erroneous.

8 Dividends

	COMPANY AND GROUP	
	2023 G$ 000	2022 G$ 000
Amount recognised as distributions to equity holders in the period:		
Interim dividend for the year ended December 31, 2023 - G$0.40 (G$0.40 - 2022)	**308,000**	308,000
Final dividend for the year ended December 31, 2022 - G$1.35 (G$1.15 - 2021)	**1,039,501**	885,500
	1,347,501	1,193,500

The Directors recommended a final dividend of G$1.60 per share (2022 - G$1.35).

9 Basic earnings per share

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Calculated as follows:-				
Profit attributable to equity holders of the parent	**5,311,034**	4,777,214	**5,968,552**	5,320,774
Ordinary shares issued and fully paid	**770,000,000**	770,000,000	**770,000,000**	770,000,000
Basic earnings per share in dollars	**6.90**	6.20	**7.75**	6.91

10 Property, plant and equipment

	COMPANY			
	Land and buildings	Equipment	Construction work-in - progress	Total
	G$ 000	G$ 000	G$ 000	G$ 000
Cost/valuation				
At January 01, 2022	4,256,129	15,632,209	756,841	20,645,179
Additions	122,260	591,245	1,623,820	2,337,325
Disposals	-	(62,844)	-	(62,844)
Transfers - investment properties/WIP	-	(5,895)	-	(5,895)
Transfers	-	(2,161,023)	(78,855)	(2,239,878)
At December 31, 2022	4,378,389	13,993,692	2,301,806	20,673,887
Additions	653,990	1,832,970	5,466,353	7,953,313
Disposals	-	(4,786)	-	(4,786)
Intergroup transfers	-	(4,317)	-	(4,317)
Transfers - investment properties/WIP	-	-	(1,511,844)	(1,511,844)
At December 31, 2023	5,032,379	15,817,559	6,256,315	27,106,253
Comprising:				
Valuation	6,662	68	-	6,730
Cost	5,025,717	15,817,491	6,256,315	27,099,523
	5,032,379	15,817,559	6,256,315	27,106,253
Accumulated depreciation				
At January 01, 2022	995,455	9,061,457	-	10,056,912
Charge for the year	67,173	759,586	-	826,759
Written back on disposals	-	(62,802)	-	(62,802)
Transfer to Investment Properties	-	(24,584)	-	(24,584)
At December 31, 2022	1,062,628	9,733,657	-	10,796,285
Charge for the year	74,673	872,765	-	947,438
Written back on disposals	-	(3,113)	-	(3,113)
At December 31, 2023	1,137,301	10,603,309	-	11,740,610
Net book values:				
At December 31, 2023	3,895,078	5,214,250	6,256,315	15,365,643
At December 31, 2022	3,315,761	4,260,035	2,301,806	9,877,602

10 Property, plant and equipment - cont'd

	GROUP			
	Land and buildings	Equipment	Construction work-in - progress	Total
	G$ 000	G$ 000	G$ 000	G$ 000
Cost/valuation				
At January 01, 2022	7,168,574	20,273,042	792,074	28,233,690
Additions	289,753	830,403	1,626,015	2,746,171
Disposals	-	(62,927)	-	(62,927)
Transfers	18,920	(136,608)	(114,088)	(231,776)
At December 31, 2022	7,477,247	20,903,910	2,304,001	30,685,158
Additions	1,243,874	1,708,467	5,466,353	8,418,694
Disposals	-	(4,786)	-	(4,786)
Transfers	-	(195,647)	(1,514,039)	(1,709,686)
At December 31, 2023	8,721,121	22,411,944	6,256,315	37,389,380
Comprising:				
Valuation	6,662	68	-	6,730
Cost	8,714,459	22,411,876	6,256,315	37,382,650
	8,721,121	22,411,944	6,256,315	37,389,380
Accumulated depreciation				
At January 01, 2022	1,915,644	10,728,405	-	12,644,049
Charge for the year	168,124	785,963	-	954,087
Written back on disposals	-	(62,802)	-	(62,802)
At December 31, 2022	2,083,768	11,451,566	-	13,535,334
Charge for the year	180,956	941,131	-	1,122,087
Written back on disposals	-	(3,113)	-	(3,113)
At December 31, 2023	2,264,724	12,389,584	-	14,654,308
Net book values:				
At December 31, 2023	6,456,397	10,022,360	6,256,315	22,735,072
At December 31, 2022	5,393,479	9,452,344	2,304,001	17,149,824

Certain freehold land and buildings were revalued on December 09, 1974 while others were revalued at December 31, 1977 based on professional advice. The surplus arising from the revaluations was credited to capital reserves. These were minor adjustments and as such, the cost method was adopted.

Some of these assets are held as securities for loans drawndown and overdraft. Refer to note 19.

11 Investment properties

	COMPANY		
	Land and buildings	Equipment	Total
	G$ 000	G$ 000	G$ 000
Cost			
At January 01, 2022	4,547,299	557,953	5,105,252
Additions/Transfers from property, plant and equipment	8,904	2,275,412	2,284,316
At December 31, 2022	4,556,203	2,833,365	7,389,568
Additions	30,889	691	31,580
At December 31, 2023	4,587,092	2,834,056	7,421,148
Accumulated depreciation			
At January 01, 2022	532,896	532,648	1,065,544
Charge for the year	74,647	163,810	238,457
Written back on Transfers / Disposals	-	24,584	24,584
At December 31, 2022	607,543	721,042	1,328,585
Charge for the year	75,171	147,740	222,911
At December 31, 2022	682,714	868,782	1,551,496
Net book values:			
At December 31, 2023	3,904,378	1,965,274	5,869,652
At December 31, 2022	3,948,660	2,112,323	6,060,983

The investment properties are rented mainly to subsidiary companies.

11 Investment properties - cont'd

	GROUP	
	Land and buildings	**Total**
	G$ 000	**G$ 000**
Cost		
At January 01 and December 31, 2022	357,844	357,844
At December 31, 2023	357,844	357,844
Accumulated depreciation		
At January 01, 2022	204,531	204,531
Charge for the year	7,900	7,900
At December 31, 2022	212,431	212,431
Charge for the year	10,458	10,458
At December 31, 2023	222,889	222,889
Net book values:		
At December 31, 2023	134,955	134,955
At December 31, 2022	145,413	145,413

The investment properties are rented to third parties. Demerara Distillers Limited has granted a guarantee to Breitenstein Trading BV for the investment properties amounting to G$169M (2022:G$169M).

12 Investments

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
FVTOCI	**8,237,400**	8,685,600	**8,232,400**	8,680,600
Others:				
Subsidiary companies	**104,555**	104,555	**-**	-
Associate companies (a)	**459,199**	459,199	**1,555,775**	1,426,383
	563,754	563,754	**1,555,775**	1,426,383
	8,801,154	9,249,354	**9,788,175**	10,106,983

	COMPANY		GROUP	
(a) Associate companies	**2023 G$ 000**	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
At January 01	**459,199**	459,199	**1,426,383**	1,316,090
Share of reserves of associate companies (i)	**-**	-	**129,392**	110,293
At December 31	**459,199**	459,199	**1,555,775**	1,426,383

	GROUP	
(i) Share of reserves of associate companies	**2023 G$ 000**	2022 G$ 000
Group's share of associate companies profits/reserves	**189,249**	153,424
Group's share of associate companies taxes	**(59,857)**	(43,131)
	129,392	110,293

12 Investments - cont'd

The financial statement of Diamond Fire and General Insurance Inc. in summary form at December 31 (the financial reporting date) and National Rums of Jamaica Limited in summary form at September 30 (the financial reporting date) are presented below:

	Diamond Fire & General Insurance Inc.		National Rums of Jamaica Ltd.	
Income statement	**2023 G$ 000**	Restated 2022 G$ 000	**2023 G$ 000**	Restated 2022 G$ 000
Revenue	**804,285**	798,881	**4,314,223**	3,829,497
Profit after taxation	**134,078**	160,599	**436,381**	180,618
Statement of Financial Position				
Total assets	**6,016,294**	5,829,481	**6,205,044**	4,580,520
Shareholders funds	**5,278,046**	5,262,210	**2,790,871**	2,354,491
Long term liabilities	**38,545**	30,767	**525,200**	740,582
Current liabilities	**699,703**	536,504	**2,888,973**	1,485,448
Total equity and liabilities	**6,016,294**	5,829,481	**6,205,044**	4,580,521

13 Defined benefit (asset)/liability - company and group

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at December 31, 2020 by Bacon Woodrow & De Souza. The present value of the defined benefit obligation and the related current service cost to comply with IAS 19 were measured by the actuaries as at December 31, 2023 using the Projected Unit Actuarial Method.

	PENSION PLAN 1	
Amounts recognised in the statement of financial position	**2023 G$ 000**	2022 G$ 000
Present value of obligations	**7,796,114**	6,625,367
Fair value of plan assets	**(16,255,454)**	(17,054,954)
Net defined benefit asset	**(8,459,340)**	(10,429,587)
Reconciliation of amounts recognised In the balance sheet		
Opening defined benefit asset	**(10,429,587)**	(6,369,439)
Net pension cost	**(183,424)**	(39,915)
Re-measurements recognised in other comprehensive income	**2,431,907**	(3,761,617)
Contributions paid	**(278,236)**	(258,616)
Closing defined benefit asset	**(8,459,340)**	(10,429,587)

13 Defined benefit (asset)/liability - company and group - cont'd

	PENSION PLAN 1	
Amounts recognised in the statement of profit or loss and other comprehensive income	**2023 G$ 000**	2022 G$ 000
Current service cost	**347,452**	287,292
Net interest on defined benefit asset	**(530,876)**	(327,207)
Net pension cost included in administrative expenses	**(183,424)**	(39,915)
Actual return on plan liability	**(927,871)**	4,554,105
Unfunded ex-gratia arrangement		
Defined benefit obligation	**5,233**	5,233
	5,233	5,233
Reconciliation of opening and closing retirement benefit obligation in the statement of financial position		
Opening defined benefit liability	**5,233**	5,737
Plus: net pension cost	**-**	(504)
Closing defined benefit liability	**5,233**	5,233
Interest on defined benefit obligation	**-**	(504)

13 Defined benefit (asset)/liability - company and group - cont'd

	PENSION PLAN 1				
	2023	2022	2021	2020	2019
	G$ 000	G$ 000	G$ 000	G$ 000	G$ 000
Experience history					
Defined benefit obligation	**7,796,114**	6,625,367	5,997,405	5,283,645	4,847,551
Fair value of plan assets	**(16,255,454)**	(17,054,954)	(12,366,844)	(8,982,410)	(7,727,462)
Surplus	**(8,459,340)**	(10,429,587)	(6,369,439)	(3,698,765)	(2,879,911)

	Unfunded Ex Gratia		
	2023	2022	2021
	G$ 000	G$ 000	G$ 000
Experience History			
Defined benefit obligation	**5,233**	5,233	5,737
Deficit	**5,233**	5,233	5,737
Experience adjustment on plan liabilities	**-**	-	(2,907)

	PENSION PLAN 1	
	2023	2022
	G$ 000	G$ 000
Summary of main assumptions	**%**	%
Discount rate	**5.0**	5.0
Salary increases	**5.0**	5.0
Pension increases	**2.0**	2.0

	2023	**2022**
	G$ 000	G$ 000
Retirement benefit obligations		
Unfunded exgratia	**5,233**	5,233
Retirement benefit asset		
Pension plan 1	**8,459,340**	10,429,587

14 Inventories

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Finished stocks (a)	**11,195,958**	8,863,121	**15,133,793**	12,626,145
Raw materials, containers & goods-in-transit	**4,653,717**	3,616,415	**4,750,595**	3,980,568
Spares	**1,003,617**	1,035,594	**1,058,070**	1,083,337
Provision for stock impairment (b)	**(182,969)**	(135,364)	**(228,394)**	(201,003)
	16,670,323	13,379,766	**20,714,064**	17,489,047
Cost of inventory recognised as expense during the period	**10,389,724**	9,824,585	**12,383,034**	11,159,596
Inventories expected to be recovered after more than twelve months	**7,873,924**	6,196,407	**7,873,924**	6,196,407
Raw material damaged written off	**66,484**	53,844	**114,345**	75,423

(a) Finished goods include maturing rums that are available for sale during various points of the ageing process.

(b) Provision for impairment

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Balance as at January 01	**(135,364)**	(507,910)	**(201,003)**	(535,719)
Net movement during the year	**(47,605)**	372,546	**(27,391)**	334,716
Balance as at December 31	**(182,969)**	(135,364)	**(228,394)**	(201,003)

The above provision was individually assessed.

15 Trade and other receivables

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Trade receivables	**2,025,372**	2,128,304	**2,577,854**	2,810,493
Provision for impairment (a)	**(68,661)**	(68,661)	**(71,604)**	(71,604)
	1,956,711	2,059,643	**2,506,250**	2,738,889
Other receivables	**191,948**	242,985	**271,468**	307,573
Due from subsidiary companies	**1,680,335**	1,997,344	**-**	-
	3,828,994	4,299,972	**2,777,718**	3,046,462

(a) Provision for impairment

	COMPANY		GROUP	
Balance as at January 01	**68,661**	68,661	**71,604**	72,837
Expected credit loss movement during the year	**-**	-	**-**	(1,232)
Balance as at December 31	**68,661**	68,661	**71,604**	71,604

The above provision for impairment consists of individually assessed provision of $13M (2022: $13M) and provision of $55M (2022: $55M) in accordance with IFRS 9.

16 Trade and other payables

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Trade payables	**1,759,730**	1,140,035	**2,332,165**	2,239,316
Accruals	**397,842**	754,054	**531,450**	968,909
Other payables	**1,158,040**	923,239	**1,186,337**	951,805
	3,315,612	2,817,328	**4,049,952**	4,160,030

17 Share capital

	COMPANY AND GROUP	
	2023	2022
Authorised Number of ordinary shares	**1,000,000,000**	1,000,000,000
	G$ 000	G$ 000
Issued and fully paid At January 01 and December 31 770,000,000 ordinary shares	**770,000**	770,000

All fully paid ordinary shares with no par value carry equal voting and dividend rights

18 (a) Capital reserves

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Share premium account	**489,565**	489,565	**450,854**	450,854

This reserve is not distributable.

(b) Other reserves

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Balance as at January 01	**8,605,880**	4,706,540	**8,636,560**	4,737,220
Fair value adjustment on FVTOCI	**(448,200)**	3,899,340	**(448,200)**	3,899,340
Balance as at December 31	**8,157,680**	8,605,880	**8,188,360**	8,636,560

This represents fair value adjustments of investments held and is not distributable.

There was no tax effect on gains or losses.

(c) Exchange difference reserve

	GROUP	
	2023 G$ 000	2022 G$ 000
At January 01	**(223,834)**	(135,438)
For the year	**69,201**	(88,396)
At December 31	**(154,633)**	(223,834)

This arose as a result of translating foreign subsidiaries financial statements to Guyana dollars. There was no tax effect on gains or losses.

19 Loans and bank overdraft

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Bank overdraft (secured)	**3,126,893**	1,974,223	**3,512,246**	1,976,508
Loans	**3,138,251**	-	**3,138,251**	-
	6,265,144	1,974,223	**6,650,497**	1,976,508

Overdrafts are repayable on demand and attract interest at 7.0% (2022: 8%)

The foregoing loans and overdraft for the company and group are secured by floating and fixed charges on the assets of the company valued at G$3.3B (2022: G$2.8B).

19 Loans and bank overdraft - cont'd

	COMPANY		GROUP	
Loans are repayable as follows:	**2023 G$ 000**	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
(i) Repayable - 2024-2030 rate of interest of 5.741% per annum	**3,138,251**	-	**3,138,251**	-
	3,138,251	-	**3,138,251**	-

Maturity profile of loan	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Repayments due in one year and included in current liabilities	**448,322**	-	**448,322**	-
Repayments due in the second year	**448,322**	-	**448,322**	-
Repayments due in the third year	**448,322**	-	**448,322**	-
Repayments due in the fourth and fifth year	**896,642**	-	**896,642**	-
Repayments due after five years	**896,643**	-	**896,643**	-
	2,689,929	-	**2,689,929**	-
	3,138,251	-	**3,138,251**	-

20 Segment reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the company and group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance.

For management purposes, the group is currently organised into three operating divisions - manufacturing, trading and services. These divisions are the basis on which the group reports its primary segment information.

Principal activities are as follows:

Manufacturing:
The distilling, blending and sale of bulk spirits and alcoholic products, manufacturing and sale of non-alcoholic beverages, Co2 gas and fruit juices.

Trading:
Distributors of branded products.

Services:
Shipping, contracting services, insurance, sales and logistics.

	2023				
INDUSTRY	**Manufacturing G$ 000**	**Trading G$ 000**	**Services G$ 000**	**Eliminations G$ 000**	**Total G$ 000**
Revenue					
External sales	24,278,342	6,943,346	2,044,615	-	33,266,303
Inter-segment sales	4,201,537	-	-	(4,201,537)	-
Total revenue	28,479,879	6,943,346	2,044,615	(4,201,537)	33,266,303
Results					
Segment result	6,682,102	414,888	387,406	-	7,484,396
Operating profit					7,484,396
Share of profit from associates					189,249
Profit before tax					7,673,645
Income tax					(1,705,093)
Profit for the year attributable to equity shareholders of the company					5,968,552
Other Information					
Capital additions net of transfers	6,493,207	16,032	868,895	(666,012)	6,712,122
Depreciation and amortisation	1,261,572	81,704	217,200	(427,932)	1,132,544
Statement of Financial Position					
Assets					
Segment assets	57,937,867	3,160,252	3,082,123	1,310,432	65,490,674
Interest in associates	-	-	-	-	1,555,775
Consolidated assets					67,046,449
Liabilities					
Segment liabilities	14,719,783	823,459	1,750,530	(3,599,910)	13,693,862
Consolidated liabilities					13,693,862

20 Segment reporting - cont'd

	2022				
INDUSTRY	**Manufacturing G$ 000**	**Trading G$ 000**	**Services G$ 000**	**Eliminations G$ 000**	**Total G$ 000**
Revenue					
External sales	22,398,796	7,352,541	1,663,901	-	31,415,238
Inter-segment sales	5,221,838	-	-	(5,221,838)	-
Total revenue	27,620,634	7,352,541	1,663,901	(5,221,838)	31,415,238
Results					
Segment result	5,965,576	589,544	453,886	(76,470)	6,932,536
Operating profit					6,932,536
Share of profit from associates					153,424
Profit before tax					7,085,960
Income tax					(1,765,186)
Profit for the year attributable to equity shareholders of the company					5,320,774
Other Information					
Capital additions net of transfers	3,185,271	69,444	337,139	(1,037,922)	2,553,932
Depreciation and amortisation	1,242,913	85,406	166,569	(556,166)	938,722
Statement of Financial Position					
Assets					
Segment assets	53,093,619	2,846,766	2,608,084	836,338	59,384,807
Interest in associates	-	-	-	-	1,426,383
Consolidated assets					60,811,190
Liabilities					
Segment liabilities	10,617,879	681,220	1,932,091	(3,354,465)	9,876,725
Consolidated liabilities					9,876,725

20 Segment reporting - cont'd

The Group's operations are located in Guyana, Europe, United States of America, St. Kitts, Jamaica and Trinidad. Its manufacturing operations are located in Guyana, St. Kitts and Jamaica. Its trading and services operations are located in Guyana, Europe, U.S.A, Canada and Trinidad. The geographical segment is defined by the location of the operation from which the sale is made and does not consider the location of the customer.

GEOGRAPHICAL	REVENUE		PROFIT BEFORE TAX	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Guyana	**31,169,378**	28,914,870	**7,636,317**	6,912,943
Europe	**888,785**	1,127,850	**(45,369)**	55,071
North America	**1,086,153**	1,264,097	**52,126**	99,948
St. Kitts	**121,987**	108,422	**30,570**	17,998
	33,266,303	31,415,239	**7,673,644**	7,085,960

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment and intangible assets, analysed by the geographical area in which the assets are located.

	Carrying amount of segment assets		Additions to property, plant and equipment & intangible assets	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Guyana	**64,149,415**	58,003,065	**6,695,842**	2,502,529
Europe	**1,878,831**	1,911,826	**8,024**	2,846
North America	**659,768**	542,759	**38**	-
St. Kitts	**358,435**	353,540	**8,218**	9,020
	67,046,449	60,811,190	**6,712,122**	2,514,395

The following represents 5% or more of group revenue generated from a single geographical region of an external customer :

Revenue Generating Segment (s)	Revenue Generating Region		Revenue Generated	
	2023	2022	**2023 G$ 000**	2022 G$ 000
Guyana and United States	**North America**	North America	**3,865,828**	4,252,016
Guyana, Europe and Caribbean	**Europe**	Europe	**5,400,546**	1,810,301
Guyana and Caribbean	**Caribbean**	Caribbean	**1,619,289**	1,401,788
Guyana	**Guyana**	Guyana	**22,348,145**	23,856,281
Others			**32,494**	94,853
Total			**33,266,302**	31,415,239

21 Contingent liabilities

	COMPANY AND GROUP	
	2023 G$ 000	2022 G$ 000
Bonds in respect of duty on spirits warehoused and exportation of goods	**259,361**	256,361
Bonds in favour of the State of Guyana	**-**	5,000

22 Capital commitments

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Contracted for but not received	**3,902,191**	1,609,329	**3,902,191**	1,609,329

These comprise of acquisition of non current assets.

23 Related party transactions and other disclosures

(a) Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Listed below are transactions and balances with related parties.

(i) **Subsidiary companies**

	COMPANY	
	2023 G$ 000	2022 G$ 000
Sales	**2,800,937**	4,093,711
Commission paid	**9,435**	13,011
Purchases	**1,125,681**	966,759
Management fees received	**183,702**	161,350
Rent received	**222,074**	323,050
Dividends received	**-**	76,470
Human resource charges	**399,884**	399,884
Interest paid	**237**	71,109
Balances at end of year	**1,680,335**	1,997,344
Guarantee provided by the parent company on behalf of:		
Subsidiaries	**546,000**	346,500

Associate companies	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Balances at end of year	**459,199**	459,199	**1,555,775**	1,426,383
Insurance premiums paid	**108,863**	80,251	**-**	-

(ii) Short Term Loans

(iii) DDL loaned National Rums of Jamaica (NRJ) US$1.5M in 2020. At the reporting date US$0.167M remains unpaid.

23 Related party transactions and other disclosures - cont'd

(a) Related party transactions - cont'd

(iii) Key management personnel

Compensation

The company's key management personnel comprise its Directors, its Chief Executive Officer and Managers. The remuneration paid to key management personnel during the year was as follows:

	2023 G$ 000	2022 G$ 000
Short-term employee benefits	**359,612**	377,212
Post-employment benefits	**35,415**	35,235
Directors emoluments	**17,450**	15,927

No provision was made for balances receivable from related parties.

(b) Other disclosures

The following are transactions with companies that share directors of the company:

	COMPANY		GROUP	
	2023 G$ 000	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
Demerara Bank Limited				
Overdraft interest (7.0%)	**184,964**	93,756	**367,228**	93,814
Balance at end of the year:				
Cash	**214,991**	486,373	**324,677**	903,844
Overdraft	**3,126,893**	1,974,223	**3,344,905**	1,974,223
Trust Company (Guyana) Limited also provides registrar and pension management services for the company				
Pension management and registrar's service fees	**25,879**	27,433	**25,879**	27,433

24 Pending Litigations

There are several pending litigations against the company and group, the outcome of which cannot be determined at this date.

Judgment was given in favor of Demerara Distillers Limited, with reference to Guyana Revenue Authority's challenge against Demerara Distillers Limited for corporation tax assessment raised in 2017. The Guyana Revenue Authority has since appealed the decision. The parties are awaiting a hearing date from the court.

25 (a) Analysis of financial assets and liabilities by measurement basis

	COMPANY		
2023	**Financial assets and liabilities at fair value through OCI**	**Financial assets and liabilities at amortised cost**	**Total**
ASSETS	**G$000**	**G$000**	**G$000**
Investments	8,237,400	-	8,237,400
Trade receivables	-	1,956,711	1,956,711
Other receivables	-	1,872,283	1,872,283
Prepayments	-	740,278	740,278
Taxes recoverable	-	351,603	351,603
Cash on hand and at bank	-	436,166	436,166
Total assets	8,237,400	5,357,041	13,594,441
LIABILITIES			
Trade payables	-	1,759,730	1,759,730
Other payables and accruals	-	1,555,882	1,555,882
Bank overdraft (secured)	-	3,126,893	3,126,893
Taxation	-	240,797	240,797
Loans	-	3,138,251	3,138,251
Total liabilities	-	9,821,553	9,821,553

	COMPANY		
2022	**Financial assets and liabilities at fair value through OCI**	**Financial assets and liabilities at amortised cost**	**Total**
ASSETS	**G$000**	**G$000**	**G$000**
Investments	8,685,600	-	8,685,600
Trade receivables	-	2,059,643	2,059,643
Other receivables	-	2,240,329	2,240,329
Prepayments	-	369,847	369,847
Taxes recoverable	-	351,603	351,603
Cash on hand and at bank	-	613,402	613,402
Total assets	8,685,600	5,634,824	14,320,424
LIABILITIES			
Trade payables	-	1,140,035	1,140,035
Other payables and accruals	-	1,677,293	1,677,293
Bank overdraft (secured)	-	1,974,223	1,974,223
Taxation	-	365,989	365,989
Total liabilities	-	5,157,540	5,157,540

25 (a) Analysis of financial assets and liabilities by measurement basis - cont'd

	GROUP		
2023	**Financial assets and liabilities at fair value through OCI**	**Financial assets and liabilities at amortised cost**	**Total**
ASSETS	**G$000**	**G$000**	**G$000**
Investments	8,232,400	-	8,232,400
Trade receivables	-	2,506,250	2,506,250
Other receivables	-	271,468	271,468
Prepayments	-	850,310	850,310
Taxes recoverable	-	659,111	659,111
Cash on hand and at bank	-	927,704	927,704
Total assets	8,232,400	5,214,843	13,447,243
LIABILITIES			
Trade payables	-	2,332,165	2,332,165
Other payables and accruals	-	1,717,787	1,717,787
Bank overdraft (secured)	-	3,512,246	3,512,246
Loans	-	3,138,251	3,138,251
Taxation	-	383,730	383,730
Total liabilities	-	11,084,179	11,084,179

	GROUP		
2022	**Financial assets and liabilities at fair value through OCI**	**Financial assets and liabilities at amortised cost**	**Total**
ASSETS	**G$000**	**G$000**	**G$000**
Investments	8,680,600	-	8,680,600
Trade receivables	-	2,738,889	2,738,889
Other receivables	-	307,573	307,573
Prepayments	-	522,998	522,998
Taxes recoverable	-	627,511	627,511
Cash on hand and at bank	-	1,293,365	1,293,365
Total assets	8,680,600	5,490,336	14,170,936
LIABILITIES			
Trade payables	-	2,239,316	2,239,316
Other payables and accruals	-	1,920,714	1,920,714
Bank overdraft (secured)	-	1,976,508	1,976,508
Taxation	-	572,322	572,322
Total liabilities	-	6,708,860	6,708,860

26 Fair value estimation

Fair value measurement recognised in the statement of financial position

Level 1 - Fair value determination is with reference to quoted prices in active markets for identical assets and liabilities. Quotation from recognised stock exchange was used to value investments under this ranking.

Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The following table details the carrying cost of assets and liabilities and their fair values

COMPANY

	2023			2022		
		Carrying Value	**Fair Value**		Carrying Value	Fair Value
	IFRS 13 Level	**G$ 000**	**G$ 000**	IFRS 13 Level	G$ 000	G$ 000
Assets						
Property, plant and equipment	**2**	**15,365,643**	**15,365,643**	2	9,877,602	9,877,602
Investment properties	**2**	**5,869,652**	**5,869,652**	2	6,060,983	6,060,983
Trade and other receivables	**2**	**3,828,994**	**3,828,994**	2	4,299,972	4,299,972
Prepayments	**2**	**740,278**	**740,278**	2	369,847	369,847
Taxes recoverable	**2**	**351,603**	**351,603**	2	351,603	351,603
Cash on hand and at bank	**1**	**436,166**	**436,166**	1	613,402	613,402
		26,592,336	**26,592,336**		21,573,409	21,573,409
Liabilities						
Trade payables and other payables	**2**	**3,315,612**	**3,315,612**	2	2,817,328	2,817,328
Current portion of interest bearing debts	**2**	**448,322**	**448,322**		-	-
Loans due after one year	**2**	**2,689,929**	**2,689,929**		-	-
Taxation	**2**	**240,797**	**240,797**	2	365,989	365,989
Bank overdraft (secured)	**1**	**3,126,893**	**3,126,893**	1	1,974,223	1,974,223
		9,821,553	**9,821,553**		5,157,540	5,157,540

26 Fair value estimation - cont'd

	GROUP					
	2023			2022		
		Carrying Value	**Fair Value**		Carrying Value	Fair Value
	IFRS 13 Level	**G$ 000**	**G$ 000**	IFRS 13 Level	G$ 000	G$ 000
Assets						
Property, plant and equipment	**2**	**22,735,072**	**22,735,072**	2	17,149,824	17,149,824
Investment properties	**2**	**134,955**	**134,955**	2	145,413	145,413
Trade and other receivables	**2**	**2,777,718**	**2,777,718**	2	3,046,462	3,046,462
Prepayments	**2**	**850,310**	**850,310**	2	522,998	522,998
Taxes recoverable	**2**	**659,111**	**659,111**	2	627,511	627,511
Cash on hand and at bank	**1**	**927,704**	**927,704**	1	1,293,365	1,293,365
		28,084,870	**28,084,870**		22,785,573	22,785,573
Liabilities						
Trade payables and other payables	**2**	**4,049,952**	**4,049,952**	2	4,160,030	4,160,030
Current portion of interest bearing debts	**2**	**448,322**	**448,322**		-	-
Loans due after one year	**2**	**2,689,929**	**2,689,929**		-	-
Taxation	**2**	**383,730**	**383,730**	2	572,322	572,322
Bank overdraft (secured)	**1**	**3,512,246**	**3,512,246**	1	1,976,508	1,976,508
		11,084,179	**11,084,179**		6,708,860	6,708,860

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of assets and liabilities were determined as follows:

(a) Property, plant, equipment and investment properties fair values were measured primarily at cost less accumulated depreciation. Management's judgement was used to determine that fair value approximates the carrying value.

(b) For FVTOCI assets, the fair values were determined with reference to quoted market prices and level 2 fair value measurements.

(c) Trade receivables and other receivables are net of expected credit loss. The fair value of trade receivables and other receivables was based on expected realisation of outstanding balances taking into account the company's history with respect to delinquencies.

(d) Financial instruments where the carrying amounts were equal to fair value:- Due to their short term maturity, the carrying values of certain financial instruments approximate their fair values. These include cash and cash equivalents, trade and other payables, tax liability/recoverable, prepayments and bank overdraft. Long term loans are fixed by contract.

26 Fair value estimation - cont'd

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the value is observable.

	COMPANY	COMPANY
	2023 Level 2	2022 Level 2
	G$ 000	G$ 000
FVTOCI	**8,237,400**	8,685,600

	GROUP	GROUP
	2023 Level 2	2022 Level 2
	G$ 000	G$ 000
FVTOCI	**8,232,400**	8,680,600

27 Financial risk management

Objectives

The company's and group's management monitors and manages the financial risks relating to the operations of the company and group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The company and group seek to minimise the effects of these risks by the use of techniques that are governed by management's policies on foreign exchange risk, interest rate risk and credit risk which are approved by the board of directors.

The company's and group's management reports monthly to the board of directors on matters relating to risk and management of risk

(a) Market risk

The company's and group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The company uses interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest rate and foreign currency risk. There has been no change in the company and group's exposure to market risks or the manner in which it manages these risks.

(i) Foreign currency risk

The financial statements at December 31, include the following assets and liabilities denominated in foreign currencies stated in the Guyana Dollar equivalent

27 Financial risk management - cont'd

	COMPANY		GROUP	
Assets	**2023 G$ 000**	2022 G$ 000	**2023 G$ 000**	2022 G$ 000
US Dollar	**2,105,333**	2,599,479	**2,765,101**	3,142,237
GBP	**21,709**	-	**21,709**	-
Euro	**5,117,274**	4,745,416	**6,996,105**	6,657,242
Others	**161,498**	127,649	**519,933**	481,189
	7,405,814	7,472,544	**10,302,848**	10,280,668
Liabilities				
US Dollar	**4,458,747**	766,976	**4,468,043**	786,430
GBP	**16,843**	23,460	**16,843**	23,460
Euro	**5,198,934**	4,631,370	**5,447,589**	4,934,586
Others	**-**	41,262	**2,336**	45,506
	9,674,524	5,463,068	**9,934,811**	5,789,982
Net assets	**(2,268,710)**	2,009,476	**368,037**	4,490,686

Foreign currency sensitivity analysis

The following table details the company's and group's sensitivity to a 2.5% increase and decrease in the Guyana dollar against balances denominated in foreign currencies.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2.5% change in foreign currency rates. A positive number indicates an increase in profit where foreign currencies strengthen 2.5% against the G$. For a 2.5% weakening of the foreign currencies against G$ there would be an equal and opposite impact on the profit, and the balances below would be negative.

	COMPANY		GROUP	
	2023 G$000	2022 G$000	**2023 G$000**	2022 G$000
Profit/(loss)	**(56,718)**	50,237	**9,201**	112,267

27 Financial risk management - cont'd

(a) Market risk - cont'd

(ii) Interest sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate at the end of the reporting period.

The sensitivity analysis includes only outstanding balances at the end of the reporting period. A 50 basis point increase or decrease is used when reporting interest rate internally to key management personnel and represents management's assessment of the reasonable possible change in interest rates.

A positive number indicates an increase in profits where the interest rate appreciated by 50 basis points. For a decrease of 50 basis points in the interest rate, this would have an equal and opposite impact on profit and the balances below would be negative. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the impact on the company's and group's profit would have been:

		IMPACT ON PROFIT FOR THE YEAR			
	Increase/ Decrease in Basis Point	**COMPANY**		**GROUP**	
		2023 G$000	2022 G$000	**2023 G$000**	2022 G$000
Cash and cash equivalent					
Foreign currency	+/-50	**1,863**	2,606	**1,863**	4,510
Overdrafts					
Local currency	+/-50	**15,634**	9,871	**13,719**	9,871

Apart from the foregoing with respect to the other financial assets and liabilities, it was not possible to determine the expected impact of a reasonable possible change in interest rates on profit or equity as other factors such as credit risks, market risks, political and disaster risks can affect the value of assets and liabilities.

(iii) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.
The company and group are exposed to various risks that are associated with the effects of variations in interest rates. This impacts directly on its cash flows.

The company's and group's management continually monitors and manages these risks through the use of appropriate tools and implements relevant strategies to hedge against any adverse effects.

27 Financial risk management - cont'd

(a) Market risk - cont'd

(iii) Interest rate risk - cont'd

		COMPANY			
		Maturing 2023			
Assets	**Interest rate Range %**	**Within 1 year G$000**	**2 to 5 years G$000**	**Non-interest bearing G$000**	**Total G$000**
Investments	-	-	-	8,237,400	8,237,400
Trade and other receivables	-	-	-	3,828,994	3,828,994
Prepayments	-	-	-	740,278	740,278
Taxes recoverable	-	-	-	351,603	351,603
Cash at bank	0.03% - 1.5%	436,166	-	-	436,166
		436,166	-	13,158,275	13,594,441
Liabilities					
Trade payable and accruals		-	-	3,315,612	3,315,612
Loans	5.741%	448,322	2,689,929		3,138,251
Bank overdraft (secured)	7%	3,126,893	-	-	3,126,893
Taxation	-	-	-	240,797	240,797
		3,575,215	2,689,929	3,556,409	9,821,553
Interest sensitivity gap		(3,139,049)	(2,689,929)		

27 Financial risk management - cont'd

(a) Market risk - cont'd

(iii) Interest rate risk - cont'd

		COMPANY			
		Maturing 2022			
Assets	**Interest rate Range %**	**Within 1 year G$000**	**2 to 5 years G$000**	**Non-interest bearing G$000**	**Total G$000**
Investments	-	-	-	8,685,600	8,685,600
Trade and other receivables	-	-	-	4,299,972	4,299,972
Prepayments	-	-	-	369,847	369,847
Taxes recoverable	-	-	-	351,603	351,603
Cash at bank	0.03% - 1.5%	613,402	-	-	613,402
		613,402	-	13,707,022	14,320,424
Liabilities					
Trade payable and accruals	-	-	-	2,817,328	2,817,328
Bank overdraft (secured)	8%	1,974,223	-	-	1,974,223
Taxation	-	-	-	365,989	365,989
		1,974,223	-	3,183,317	5,157,540
Interest sensitivity gap		(1,360,821)	-		

27 Financial risk management - cont'd

(a) Market risk - cont'd

(iii) Interest rate risk - cont'd

		GROUP			
		Maturing 2023			
	Interest rate Range	Within 1 year	2 to 5 years	Non-interest bearing	Total
Assets	%	G$000	G$000	G$000	G$000
Investments	-	-	-	9,788,175	9,788,175
Trade and other receivables	-	-	-	2,777,718	2,777,718
Prepayments	-	-	-	850,310	850,310
Taxes recoverable	-	-	-	659,111	659,111
Cash on hand and at bank	0.03% - 1.5%	927,704	-	-	927,704
		927,704	-	14,075,314	15,003,018
Liabilities					
Trade payable and accruals	-	-	-	4,049,952	4,049,952
Loans	5.741%	448,322	2,689,929		3,138,251
Bank overdraft (secured)	7%	3,512,246	-	-	3,512,246
Taxation	-	-	-	383,730	383,730
		3,960,568	2,689,929	4,433,682	11,084,179
Interest sensitivity gap		(3,032,864)	(2,689,929)		

27 Financial risk management - cont'd

(a) Market risk - cont'd

(iii) Interest rate risk - cont'd

		GROUP			
		Maturing 2022			
	Interest rate Range	Within 1 year	2 to 5 years	Non-interest bearing	Total
Assets	%	G$000	G$000	G$000	G$000
Investments	-	-	-	10,106,983	10,106,983
Trade and other receivables	-	-	-	3,046,462	3,046,462
Prepayments	-	-	-	522,998	522,998
Taxes recoverable	-	-	-	627,511	627,511
Cash on hand and at bank	0.03% - 1.5%	1,293,365	-	-	1,293,365
		1,293,365	-	14,303,954	15,597,319
Liabilities					
Trade payable and accruals	-	-	-	4,160,030	4,160,030
Bank overdraft (secured)	8%	1,976,508	-	-	1,976,508
Taxation	-	-	-	572,322	572,322
		1,976,508	-	4,732,352	6,708,860
Interest sensitivity gap		(683,143)	-		

27 Financial risk management - cont'd

(a) Market risk - cont'd

(iv) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Management continually identifies, underwrites and diversifies risk in order to minimize the total cost of carrying such risk.

The below shows the sensitivity analysis of a 5% increase / decrease in FVTOCI traded on the local and regional stock exchange.

	COMPANY AND GROUP	
	2023 G$000	2022 G$000
Net impact	**408,983**	431,393

(b) Credit risk

The table below shows the company's maximum exposure to credit risk

	COMPANY		GROUP	
	Maximum Exposure		Maximum Exposure	
	2023 G$000	2022 G$000	**2023 G$000**	2022 G$000
Cash on hand and at bank	**436,166**	613,402	**927,704**	1,293,365
Investments				
FVTOCI	**8,237,400**	8,685,600	**8,232,400**	8,680,600
Trade and other receivables	**3,828,994**	4,299,972	**2,777,718**	3,046,462
Taxes recoverable	**351,603**	351,603	**659,111**	627,511
Total Credit risk exposure	**12,854,163**	13,950,577	**12,596,933**	13,647,938

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the company and group.

The company and group faces credit risk in respect of its cash and cash equivalents, investments and receivables. However, this risk is controlled by close monitoring of these assets by the company and group. The maximum credit risk faced by the company and group is the balance reflected in the financial statements.

Cash and cash equivalents are held by commercial banks. These banks have been assessed by the Directors as being credit worthy, with very strong capacity to meet their obligations as they fall due. The related risk is therefore considered very low.

Investments reflected in the company's and group's financial statement are assets for which the likelihood of default are considered minimal by the Directors.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable on a regular basis.

27 Financial risk management - cont'd

(b) Credit risk - cont'd

Trade and other receivables	COMPANY 2023 G$000	COMPANY 2022 G$000	GROUP 2023 G$000	GROUP 2022 G$000
Trade receivables	**1,956,711**	2,059,643	**2,506,250**	2,738,889
Other receivables	**191,948**	242,985	**271,468**	307,573
Taxes Recoverable	**351,603**	351,603	**659,111**	627,511
Due from subsidiaries	**1,680,335**	1,997,344	**-**	-
	4,180,597	4,651,575	**3,436,829**	3,673,973

The above balances are classified as follows:

	COMPANY 2023 G$000	COMPANY 2022 G$000	GROUP 2023 G$000	GROUP 2022 G$000
Current	**3,818,088**	3,982,851	**2,415,096**	2,463,017
Past due but not impaired	**431,170**	737,385	**1,093,338**	1,282,561
Provision for impairment	**(68,661)**	(68,661)	**(71,605)**	(71,605)
	4,180,597	4,651,575	**3,436,829**	3,673,973

Ageing of past due but not impaired	COMPANY 2023 G$000	COMPANY 2022 G$000	GROUP 2023 G$000	GROUP 2022 G$000
01-30 days	**3,184**	12,521	**121,667**	188,324
31-60 days	**98,598**	167,566	**267,760**	267,600
61-90 days	**10,311**	71,669	**73,274**	77,386
91-120 days	**3,818**	129,630	**19,033**	132,058
over 120 days	**315,259**	355,999	**611,604**	617,192
Total	**431,170**	737,385	**1,093,338**	1,282,560

While the foregoing is past due they are still considered to be collectible in full.

Provision for impairment	**68,661**	68,661	**71,604**	71,604

27 Financial risk management - cont'd

(b) Credit risk - cont'd

The table below shows the credit limit and balance of five major counterparties at the balance sheet date.

			COMPANY			
			2023		2022	
Details	**Location**		**Credit Limit**	**Carrying Amount**	Credit Limit	Carrying Amount
	2023	2022	**G$ 000**	**G$ 000**	G$ 000	G$ 000
Counterparty # 1	**U.K.**	U.K.	**1,030,000**	**841,961**	1,030,000	1,028,999
Counterparty # 2	**Guyana**	Guyana	**11,955**	**10,402**	11,955	10,798
Counterparty # 3	**Canada**	Canada	**280,000**	**277,694**	190,000	(17,063)
Counterparty # 4	**Canada**	Canada	**100,000**	**90,148**	150,000	146,040
Counterparty # 5	**Guyana**	Canada	**5,715**	**5,713**	78,500	31,316
			1,427,670	**1,225,918**	1,460,455	1,200,090

			GROUP			
			2023		2022	
Details	**Location**		**Credit Limit**	**Carrying Amount**	Credit Limit	Carrying Amount
	2023	2022	**G$ 000**	**G$ 000**	G$ 000	G$ 000
Counterparty # 1	**U.K.**	U.K.	**1,030,000**	**841,961**	1,030,000	1,028,999
Counterparty # 2	**Guyana**	Guyana	**11,955**	**10,402**	11,955	10,798
Counterparty # 3	**Canada**	Canada	**280,000**	**277,694**	190,000	(17,063)
Counterparty # 4	**Canada**	Canada	**100,000**	**90,148**	150,000	146,040
Counterparty # 5	**Guyana**	Canada	**5,715**	**5,713**	78,500	31,316
			1,427,670	**1,225,918**	1,460,455	1,200,090

There were two customers who represented more than 5% of the total balance of trade receivables (2022:2). The average age of total receivables was 30 days (2022: 32 days).

The foregoing best represent the maximum exposure to credit risk at the end of the reporting period without taking account of any collateral held or other credit enhancement (for which none exists).

27 Financial risk management - cont'd

(c) Liquidity risk

Liquidity risk is the risk that the company and group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The company and group manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

The table below shows the contractual undiscounted cash flows arising on financial liabilities.

	COMPANY			
	Maturing 2023			
	Within 1 year	2 to 5 years	Over 5 years	Total
	G$000	G$000	G$000	G$000
Trade payables and other payables	(3,315,612)	-	-	(3,315,612)
Taxes Payable	(240,797)	-		(240,797)
Loans	(448,322)	(1,793,286)	(896,643)	(3,138,251)
Bank overdraft (secured)	(3,126,893)	-	-	(3,126,893)
	(7,131,624)	(1,793,286)	(896,643)	(9,821,553)

	COMPANY			
	Maturing 2022			
	Within 1 year	2 to 5 years	Over 5 years	Total
	G$000	G$000	G$000	G$000
Trade payables and other payables	(2,817,328)	-	-	(2,817,328)
Taxes Payable	(365,988)	-	-	(365,988)
Bank overdraft (secured)	(1,974,223)	-	-	(1,974,223)
	(5,157,539)	-	-	(5,157,539)

27 Financial risk management - cont'd

(c) Liquidity risk - cont'd

	GROUP			
	Maturing 2023			
	Within 1 year	2 to 5 years	Over 5 years	Total
	G$000	G$000	G$000	G$000
Trade payables and other payables	(4,049,952)	-	-	(4,049,952)
Taxes Payable	(383,730)	-		(383,730)
Loans	(448,322)	(1,793,286)	(896,643)	(3,138,251)
Bank overdraft (secured)	(3,512,246)	-	-	(3,512,246)
	(8,394,250)	(1,793,286)	(896,643)	(11,084,179)

	GROUP			
	Maturing 2022			
	Within 1 year	2 to 5 years	Over 5 years	Total
	G$000	G$000	G$000	G$000
Trade payables and other payables	(4,160,030)	-	-	(4,160,030)
Taxes Payable	(572,322)	-		(572,322)
Bank overdraft (secured)	(1,976,508)	-	-	(1,976,508)
	(6,708,860)	-	-	(6,708,860)

28 Capital risk management

The company and group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The overall strategy remains unchanged from 2022.

The capital structure of the company and group consists of cash equivalents , debts and equity attributable to equity holders, comprising issued capital, reserves and retained earnings.

Gearing ratio

The company's and group's management reviews the capital structure on an on-going basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The company and group have not set a target gearing ratio .

The gearing ratio at the year end was as follows:

	COMPANY		GROUP	
	2023 G$000	2022 G$000	**2023 G$000**	2022 G$000
Debt (i)	**6,265,144**	1,974,223	**6,650,497**	1,976,508
Cash and cash equivalents	**(436,166)**	(613,402)	**(927,704)**	(1,293,365)
Net debt	**5,828,978**	1,360,821	**5,722,793**	683,143
Equity (ii)	**47,840,797**	46,149,394	**53,352,587**	50,934,465
Net debt to equity ratio	**0.12:1**	0.03:1	**0.11:1**	0.01:1

(i) Debt is defined as long- and short-term borrowings as detailed in note 19.
(ii) Equity includes all capital and reserves of the company and group.

29 Approval of financial statements

The financial statements were approved for issue by the Directors on February 15, 2024

Ten Year Review

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Turnover	**33,266,303**	31,415,239	27,646,995	24,686,097	22,402,602	21,861,762	19,569,018	18,109,126	18,020,518	18,112,393
Operating Profit	**7,851,147**	7,204,084	6,419,193	5,325,136	4,726,175	4,590,450	3,913,861	3,392,082	3,378,633	1,811,508
Interest Paid/Received	**177,502**	118,124	34,025	119,077	182,200	228,642	362,548	471,971	581,359	675,645
Profit Before Tax	**7,673,645**	7,085,960	6,385,168	5,206,059	4,543,976	4,361,807	3,551,313	2,920,111	2,797,273	1,135,863
Taxation	**1,705,093**	1,765,186	1,596,503	1,313,459	1,059,310	1,083,208	951,269	728,683	901,418	721,579
Profit after Tax	**5,968,552**	5,320,774	4,788,665	3,892,600	3,484,665	3,278,599	2,600,044	2,191,428	1,895,856	414,284
Gross Assets Employed	**67,046,449**	60,811,190	47,044,095	37,797,945	35,003,982	31,231,964	28,495,874	27,033,095	27,953,739	28,386,324
Capital Employed	**58,652,199**	54,102,330	42,397,853	33,718,568	29,325,855	26,329,600	23,548,168	21,869,744	21,484,490	21,114,315
Shareholder's Equity	**53,352,587**	50,934,465	40,175,033	31,986,717	27,803,076	24,359,457	20,913,489	18,515,611	16,954,198	15,783,466
Operating profit as % of sales	**23.60%**	22.93%	23.22%	21.57%	21.10%	21.00%	20.00%	18.73%	18.75%	10.00%
Operating profit as % of Capital Employed	**13.39%**	13.32%	15.14%	15.79%	16.12%	17.43%	16.62%	15.51%	15.73%	8.58%
Return on Gross assets	**11.71%**	11.85%	13.65%	14.09%	13.50%	14.70%	13.73%	12.55%	12.09%	6.38%
Return on Shareholders' Funds	**14.38%**	13.91%	15.89%	16.28%	16.34%	17.91%	16.98%	15.77%	16.50%	7.20%
Basic Earnings per share in Dollars	**7.75**	6.91	6.22	5.06	4.53	4.26	3.38	2.85	2.46	0.54
Equity per share	**69.29**	66.15	52.18	41.54	36.11	31.64	27.16	24.05	22.02	20.50
Dividend Cover	**4.38**	4.46	4.61	4.21	4.11	5.01	5.04	4.59	4.10	0.91

Procedure for Transfer of Shares

From time to time, Management has been approached by Shareholders concerning the procedure for effecting the Transfer of Shares. For the future benefit of Shareholders, we take this opportunity to remind members of the procedure as stated hereunder.

> *Trust Company (Guyana) Limited is the Registrar and Transfer Agent of Demerara Distillers Limited.*
>
> *A Shareholder who wishes to transfer his/her shares should take with him/her to the Trust Company (Guyana) Limited, the relevant share certificate (s), and officials there will assist in having the Transfer instrument completed as well as the Certificates of non-alienship in respect of both the Transferor / Transferee.*
>
> *Stamp duty and the cost of the stamp for the new share certificate are payable and the Registrar will advise the Shareholders on this at the time of execution of the Transfer.*
>
> *Without a Share Certificate, it would not be possible to execute a Transfer of Shares. Where a Shareholder has not his/her share certificate, it would be necessary, after conferring with the Registrar, to have the loss advertised in the Press at the Shareholder's expense and the Shareholder will also be required to sign a form of indemnity and pay stamp duty.*
>
> *Where the legal personal representatives of deceased Shareholders seek to have such shares transferred, they should, in addition to the relevant share certificate, take along with them the original of Letters of Administration/Probate of the Court with the Will attached (where applicable), for presentation to the Registrar.*

If at any time you change your address or wish to revoke instructions given to the company or its Registrar, you should inform us promptly.

Under the provisions of the Company's Articles of Association, replacement of Dividend Warrants, lost or mislaid from any cause whatsoever, will be for the account of the Shareholder reporting the cause. The Company's Registrar will apprise you of the charges payable at the time of the report.

Notes

Form of Proxy

DEMERARA DISTILLERS LIMITED • ANNUAL GENERAL MEETING

I, ____

of ____

A MEMBER OF Demerara Distillers Limited hereby appoint

____

OR IN HIS/HER ABSENCE ______________________________

To act as my proxy at the Annual General Meeting on April 19, 2024 and at every adjournment thereof.

As witness my hand this ____________ day of ______________________ 2024

Signed ____

____

Unless otherwise instructed the proxy will vote as he/she thinks fit.

The date of the AGM is as per Notice published in the Press and as it appears in the Annual Report & Accounts, relevant to the particular year under review.

DEMERARA DISTILLERS LIMITED

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