GROUP

Building a Brighter Future

Annual Report 2020

ALWAYS RESILIENT

Building a better future™

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MINDFULNESS

We are mindful of the safety of our employees, customers and all stakeholders.

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STRATEGIC FRAMEWORK

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Vision

Building a Brighter Future

Mission

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

Strategic Priorities

- Health & Safety
- Customer-Centricity
- Innovation
- Sustainability
- EBITDA Growth towards Investment Grade

Business Model

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

Values

- Safety
- Customers
- Excellence
- Leadership
- Integrity

CORPORATE INFORMATION

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Board of Directors of Trinidad Cement Limited
Mr. David G. Inglefield (Chairman)
Mr. José Luis Seijo González (Deputy Chairman)
Mr. Francisco Aguilera Mendoza
Ms. Louisa Page Rodriguez
Mr. Arun K. Goyal
Ms. Patricia Narayansingh
Mr. Charles Eugene Percy
Ms. Claudia Emmanuel

Company Secretary
Ms. Michelle Davidson

Managing Director
Mr. Francisco Aguilera Mendoza

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

Bankers (Local)
Republic Bank Limited
High Street, San Fernando,
Trinidad & Tobago, W.I.

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

Bankers (Foreign)
CITIBANK N.A.
111 Wall Street,
New York, NY 10043,
U.S.A.

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

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

Stock Exchanges on which the Company is listed:
Trinidad & Tobago Stock Exchange
10th Floor, Nicholas Tower,
63-65 Independence Square,
Port of Spain,
Trinidad & Tobago, W.I.

Attorneys-At-Law
Jason K. Mootoo
77 Abercromby Street,
Port of Spain,
Trinidad, W.I.

Girwar & Deonarine
Harris Court,
17-19 Court Street,
San Fernando,
Trinidad, W.I.

Johnson, Camacho & Singh
5th Floor, Newtown Centre,
30-36 Maraval Road,
Port of Spain,
Trinidad, W.I.

CORPORATE INFORMATION (CONTINUED)

5

M. Hamel Smith & Co.
Eleven Albion,
Corner Dere & Albion Streets,
Port of Spain,
Trinidad, W.I.

Angelique Bart
11-13 Victoria Avenue,
Port of Spain,
Trinidad, W.I.

Gitanjali Gopeesingh
1st Floor,
55 Edward Street,
Port of Spain,
Trinidad, W.I.

Pollonais, Blanc, De La Bastide & Jacelon
17-19 Pembroke Street,
Port of Spain,
Trinidad, W.I.

Ravi Heffes-Doon
77 Abercromby Street,
Port of Spain,
Trinidad, W.I.

Raphael Ajodhia
5 Longden Street,
Mahatma Gandhi Square,
Port of Spain,
Trinidad, W.I.

Derek Ali
12 Fitt Street,
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Trinidad, W.I.

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Port of Spain,
Trinidad, W.I.

Rolston F. Nelson
Chancery Courtyard,
13-15 St. Vincent Street,
Port of Spain,
Trinidad, W.I.

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SP São Paulo,
Edificio EZ Towers Torre A,
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São Paulo – SP
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Clarke, Gittens, Farmer
Parker House, Wildey Business Park,
Wildey Road,
St. Michael,
Barbados, W.I.

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

Kelsick, Wilkin & Ferdinand
P.O. Box 174,
Fred Kelsick Building,
Independence Square South,
Basseterre,
St. Kitts, W.I.

10-YEAR CONSOLIDATED FINANCIAL REVIEW

	UOM	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Group Third Party Revenue	TT$M	1,560.86	1,615.89	1,941.05	2,104.81	2,115.45	1,887.01	1,712.57	1,721.12	1,670.88	1,692.15
Group Operating Earnings (Loss)	TT$M	62.53	(0.76)	271.56	111.08	446.31	224.43	(51.61)	140.72	149.76	215.92
Group Earnings (Loss) before Taxation	TT$M	(162.05)	(351.74)	33.79	(102.47)	487.49	89.63	(174.74)	56.16	53.22	93.89
Group Earnings (Loss) Attributable to Shareholders	TT$M	(167.17)	(292.91)	58.20	(214.39)	405.11	36.86	(267.57)	(37.66)	(10.38)	(24.18)
Foreign Exchange Earnings	TT$M	271.90	279.60	352.00	309.90	298.40	245.70	219.20	229.60	252.50	235.30
EPS	TT$	(0.68)	(1.19)	0.24	(0.87)	1.19	0.10	(0.72)	(0.10)	(0.03)	(0.07)
Ordinary Dividend per Share	TT$	-	-	-	-	-	0.04	0.02	-	-	-
Issued Share Capital – Ordinary	TT$M	466.20	466.20	466.20	466.20	827.73	827.73	827.73	827.73	827.73	827.73
Shareholders' Equity	TT$M	781.99	485.72	561.53	276.98	963.29	997.58	736.35	669.35	647.07	567.95
Group Equity	TT$M	810.26	461.07	536.30	245.53	950.97	990.53	719.31	671.83	707.03	658.27
Total Assets	TT$M	3,506.48	3,452.76	3,399.14	3,010.00	3,033.08	2,931.10	2,674.86	2,527.01	2,614.33	2,324.24
Net Assets per Share	TT$	3.24	1.85	2.15	0.98	2.54	2.64	1.92	1.79	1.89	1.76
Return on Shareholders' Equity	%	(21.38)	(60.30)	10.36	(77.40)	42.05	3.69	(36.34)	(5.63)	(1.60)	(4.26)
Share Price (Dec 31)	TT$	1.79	1.49	2.20	2.50	3.99	4.40	3.75	2.73	2.00	2.50
No. of Shares Outstanding (Dec 31)	'000	249,765.00	249,765.00	249,765.00	249,765.00	374,647.70	374,647.70	374,647.70	374,647.70	374,647.70	374,647.70
Market Capitalisation (Dec 31)	TT$M	447.08	372.15	549.48	624.41	1,494.84	1,648.45	1,404.93	1,022.79	749.30	936.62
Total Long Term Debt	TT$M	1,678.40	2,046.12	1,951.80	1,848.90	1,166.06	968.50	913.11	941.59	910.13	641.23
Total Long Term Debt/Equity Ratio	%	207.14	443.78	363.94	753.03	122.62	97.78	126.94	140.15	128.73	97.41

OUR REGIONAL FOOTPRINT

Total Cement Exports: 393,009 MT (metric tonnes)

	Trinidad	Jamaica	Barbados	Guyana
Cement Capacity	0.9 Million MT	1.2 million MT	0.4 Million MT	-
Employees	369	222	153	20
Cement Plants	1	1	1	1 (Cement terminal)
Readymix Plants	2	-	-	1
Aggregates Plants	2	-	-	-

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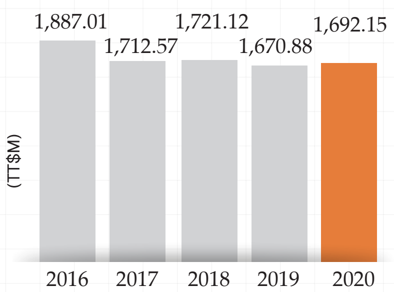
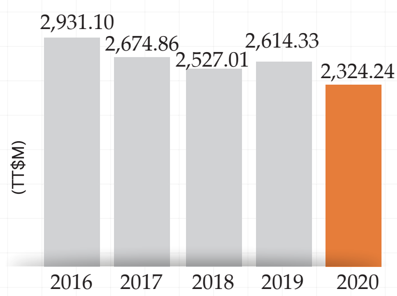
FINANCIAL HIGHLIGHTS

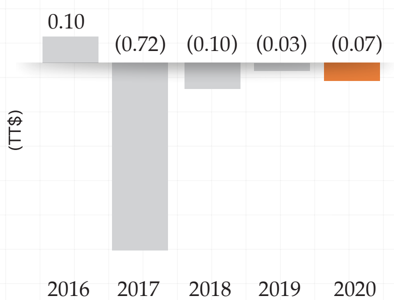
Group Third Party Revenue



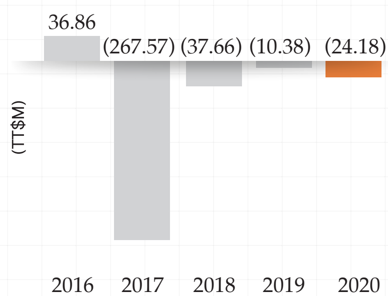
Total Assets



Earnings (Loss) Per Share



Group Earnings (Loss) Attributable to Shareholders



FINANCIAL HIGHLIGHTS (CONTINUED)

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GROUP FINANCIAL HIGHLIGHTS		2020	2019	% Change
Income Statement				
Group Third Party Revenue	TT$M	1,692.15	1,670.88	1.3%
Group Loss/Earnings Attributable to Shareholders	TT$M	(24.18)	(10.38)	132.9%
Foreign Exchange Earnings	TT$M	235.32	252.48	-6.8%
Balance Sheet				
Total Assets	TT$M	2,324.24	2,614.33	-11.1%
Shareholders' Equity	TT$M	567.95	647.07	-12.2%
Net Assets per Share	TT$	1.76	1.89	-6.9%
Total Long-term Debt	TT$M	641.23	910.13	-29.5%
Total Long-term Debt to Equity Ratio	%	97.41	128.73	-24.3%
Operational Highlights				
TCL Clinker Production	'000 Tonnes	565.3	616.9	-8.4%
CCCL Clinker Production	'000 Tonnes	731.5	642.9	13.8%
ACCL Clinker Production	'000 Tonnes	217.0	237.6	-8.7%
TPL Paper Sack Production	Millions	30.9	26.1	18.5%
TPM Sling/Bag Production	Thousands	68.2	518.7	-86.9%

DISTRIBUTION OF SHAREHOLDING 2020

CATEGORY	% DISTRIBUTION
Sierra Trading	**69.83%**
NIB	**11.92%**
Individuals	**10.69%**
Banks / Pension Funds / Credit Unions	**6.13%**
Other Foreign Investors	**0.72%**
Unit Trust	**0.29%**
Government Agencies	**0.25%**
Insurance Companies	**0.17%**

SHARE PERFORMANCE

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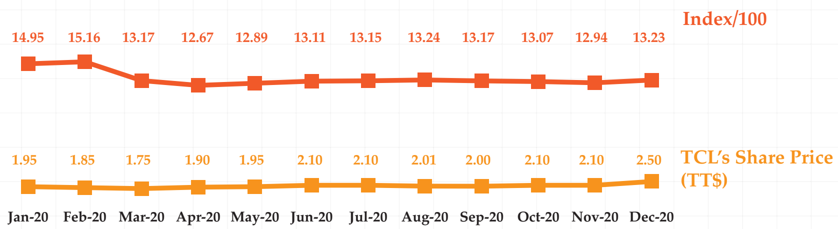
Trinidad and Tobago Stock Exchange www.stockex.co.tt

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
TCL's Share Price (TT$)	1.95	1.85	1.75	1.90	1.95	2.10
Index	1,495.18	1,516.20	1,317.14	1,266.66	1,289.18	1,310.59
Volume Traded	243,182	37,336	101,969	182,157	565,204	227,192

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	TOTAL
TCL's Share Price (TT$)	2.10	2.01	2.00	2.10	2.10	2.50	
Index	1,315.44	1,324.11	1,317.15	1,306.51	1,294.15	1,323.11	
Volume Traded	93,980	55,500	13,450	58,666	48,025	45,490	1,672,151

TRINIDAD & TOBAGO STOCK EXCHANGE

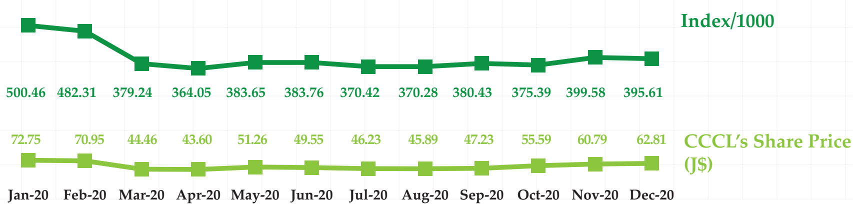


Jamaica Stock Exchange www.jamstockex.com

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
CCCL's Share Price (J$)	72.75	70.95	44.46	43.60	51.26	49.55
Index	500,463.33	482,310.09	379,242.11	364,045.96	383,649.98	383,755.80
Volume Traded	1,485,418	585,034	2,223,479	1,538,345	828,594	885,457

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	TOTAL
CCCL's Share Price (J$)	46.23	45.89	47.23	55.59	60.79	62.81	
Index	370,421.97	370,282.72	380,425.98	375,386.39	399,576.10	395,614.93	
Volume Traded	1,146,717	1,004,892	207,489	1,828,126	1,110,647	738,527	13,582,725

JAMAICA STOCK EXCHANGE



AWARENESS

We are aware of swiftly changing circumstances and are proactive and agile in realising and responding to opportunities.

TCL GROUP

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CHAIRMAN'S REPORT

David G. Inglefield
(Chairman)

Staying resilient through extraordinary times

As the world continues to struggle with the impact of the COVID-19 pandemic and its effect on all our lives and businesses, the CEMEX TCL Group has been maintaining a sharp focus on the health, safety and general well-being of its communities and stakeholders as well as the viability and competitiveness of the company's operations in the region. While 2020 will be remembered for its unprecedented turbulence, I would also want it to be regarded as the year in which our people at all levels across the Group distinguished themselves with a demonstration of personal sacrifice, resilience, agility, and dedication that has also been unparalleled in our history. I am incredibly proud to have led alongside a management team and workforce that continue to keep focused on sustaining our business, keenly aware of all our stakeholders - the people, regional industries, and economies that rely on our continuity.

CHAIRMAN'S REPORT (CONTINUED)

Like most businesses worldwide, the virus has also impacted us with its significant slowing of the construction and cement industry in most countries. Despite this, our proactive cost management, adaptability, and efficient operational execution combined with a strong customer-centric focus has kept us financially stable during the period under review. Critical to this outcome, has been our boards of directors' commitment to astute leadership and agility, whose positive interaction and collaboration with the financial sector, regional governments, and the construction and retail industries is without a doubt helping the Group to navigate this relentless global storm.

The support of our parent company, CEMEX, has again proven invaluable as it continues to provide the tools and expertise to enhance our operations and maintain the highest safety standards across all aspects of the business. We look forward to the continued exposure to the many industry innovations and opportunities for training that will maintain the TCL Group's leadership position in the regional cement industry.

Financial Performance

The Group's response to uncertainties and challenges of the COVID-19 pandemic, compounded by difficult regional economic conditions, has been notable, resulting in a net income of $15 million. Annual operating earnings before other expenses was $290 million, an increase of 30% compared to 2019. These results were generated from annual revenue of $1.7 billion, a 1% increase over 2019, primarily due to the strong demand for cement in Jamaica.

The annual financial expense of $122 million represented a 26% increase compared to 2019; this was mainly due to foreign currency losses incurred in 2020.

In 2020, the TCL Group generated $363 million in cash from operating activities, which resulted from efficient working capital management, and consistent with the Group's initiative to reduce debt, $248 million of long-term debt was repaid during the year.

Cessation of the Business of TCL Packaging Limited ("TPL")

Via Board resolution dated January 20, 2021, which unanimously authorised the execution of the Shareholder Resolution regarding the cessation of the business of TCL Packaging Limited ("TPL"), a subsidiary of TCL, TPL ceased to carry on business effective February 15, 2021.

Increase in Shareholding of Readymix (West Indies) Limited ("RML")

Via Offer dated June 15, 2020, Trinidad Cement Limited acquired an additional 27,112 shares, bringing its total shareholding to 11,793,140, representing approximately 98.28% of the share capital of RML.

CHAIRMAN'S REPORT (CONTINUED)

Strategic Priorities and Outlook

Our strategic priorities include Innovation, Health and Safety, EBITDA Growth, Stakeholder Value Creation (towards investment grade), Customer-Centricity, Competitiveness, and Sustainability.

We are pleased with the progress made regarding the Group's strategic goals and financial performance in the context of the pandemic and challenging economic conditions. We will continue to be relentless in building on the pillars of Health & Safety (H&S) and Customer-Centricity, delivering positive results in both areas. We will always embrace fresh ways of doing business, devising innovative approaches, and leveraging technology to engage our customers in this "new normal", helping them sustain their businesses.

We remain committed to our investment in the Group's long-term transformation programme designed to improve productivity, enhance sustainability, and hone competitiveness in our home as well as export markets. Exports remain vital to maintain economies of scale and our ability to preserve our status as a net foreign exchange earner. While we will remain vigilant monitoring the influence of COVID-19 on our people, markets, and business, the need to be resilient, agile, and responsive to changes in the environment remains constant. We are confident that our proven ability to rapidly pivot and adapt our operational posture will pilot the Group through the anticipated volatility in the short to medium term.

Board Changes

After five years of service as Managing Director of the TCL Group, Mr. José Luis Seijo González was promoted to a new position at CEMEX effective December 1, 2020, while Mr. Francisco Aguilera Mendoza, former Deputy Chairman, and a member of the Board of Directors, was appointed Managing Director. Mr. José Luis Seijo González was also appointed Deputy Chairman of TCL's Board of Directors with effect from the same date.

We thank Mr. Seijo González for his exemplary leadership and vision as Managing Director, especially at such a critical time in the company's history.

Mr. David G. Inglefield was reappointed Chairman of the Board of Directors effective October 19, 2020.

CHAIRMAN'S REPORT (CONTINUED)

Acknowledgements

These are extraordinary times, posing unique challenges to life and business. However, we will remain focused on our core values and commitment to be the most efficient and environmentally conscious producer of cement and concrete in the region. We can only continue to achieve this vision with the continued support of our dedicated employees, to whom we are profoundly grateful.

- The confidence of all our stakeholders, shareholders, and bankers. Thank you for your investments in our company.
- Fellow directors who help to create and live our vision through your prowess and astute leadership.
- Our 1,000 plus distributors across the region who believe in our brands and proudly represent us in the trade.
- The end-users - home builders, developers of housing solutions, architects, contractors, and masons who endorse our brands' freshness factor and continue to build with trust; and
- Our neighbours for their unwavering support.

It would be remiss of me not to acknowledge the selfless courage of the first responders and front-line workers for their bravery and commitment in all the countries in which we operate.

We have proven our ability to overcome volatile market challenges through our people's resilience and the strength of our regional footprint. We will continue to leverage CEMEX - our global operating platform, relevant innovations, and unmatched brand portfolio, believing in our ability to generate future earnings growth and value for our stakeholders.

David G. Inglefield

(Chairman)

BOARD OF DIRECTORS

Mr. David G. Inglefield (Chairman)

Mr. José Luis Seijo González (Deputy Chairman)

Mr. Francisco Aguilera Mendoza (Managing Director)

Ms. Patricia Narayansingh

Mr. Arun K. Goyal

Ms. Claudia Emmanuel

Ms. Louisa Page Rodriguez

Mr. Charles Eugene Percy

ABOUT OUR BOARD OF DIRECTORS

The Board of Directors is responsible for setting the strategic aims of the organisation, by reviewing and approving corporate strategy, major plans of action, annual budgets, and business policies. It has the statutory authority and obligation to act honestly and in good faith, with a view to the best interests of all shareholders and that of the Company's employees in general. Full details of the Board's responsibilities and duties can be downloaded from the website:

http://www.tclgroup.com/about-tcl-group/article/corporate-governance.

The Board comprises the following directors:

David G. Inglefield – Non-Executive Director and Chairman of the Board

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

He began in 1969 at Trinity Advertising Limited, where he became Managing Director in 1978. In 1981, he acquired and merged the business with Corbin Compton Caribbean and was appointed CEO in 1982. He resigned in 1993 and founded Inglefield, Ogilvy & Mather Caribbean Limited.

During this period, he taught the third-year advertising and communications course at UWI.

In October 2003, recognised as one of the Caribbean's leaders on Strategic Business and Brand Development, he brought his considerable knowledge and experience to the ANSA McAL Group as a Parent Board Director and member of the Group's Executive Committee. As Group Marketing Director, he played a decisive role in the acquisition of the Bryden's Business Group in Barbados and its successful integration into the Group's distribution business in Barbados. During the period 2005 to 2007, Mr. Inglefield served in various capacities within the ANSA McAL Group, including the Group's Distribution Sector Head.

In 2007, he was appointed President/CEO of ANSA McAL (Barbados) Limited, responsible for approximately $2 billion of assets under management.

Returning to T&T in 2011, he took up the position of Sector Head Executive Chairman of Guardian Media Limited and Chairman of the four operating companies in the ANSA McAL Group's Services and Retail Sectors.

Mr. Inglefield was Inducted into the AAATT Advertising Hall of Fame and retired from the ANSA McAL Group in June 2015. He is now an active business

ABOUT OUR BOARD OF DIRECTORS (CONTINUED)

consultant to major businesses in the state and private sectors, including the 'heavy' manufacturing and petrochemical industries. He also retains a consultancy role in the ANSA McAL Group.

José Luis Seijo González – Deputy Chairman and Non-Executive Director

Mr. José Luis Seijo González was appointed Deputy Chairman of the Board effective December 1, 2020. Mr. Seijo González joined the Group on May 4, 2015, as Chief Executive Officer and served as Managing Director of the Company from May 20, 2016 to November 30, 2020. He has had many years of experience in the cement industry, having worked in several critical cross-postings at CEMEX worldwide. Before taking up his appointment at TCL Group, the most recent posting was that of Head of Strategic and Financial Planning for Spain and the Mediterranean-Basin region.

Mr. Seijo González joined CEMEX in 1999 in cement production before moving to strategic and financial planning at the company's operations in Spain. His vast experience incorporates assignments in Mexico in corporate strategic planning, in Israel as Chief Financial Officer, in Bangladesh, and in Latvia as Chief Executive Officer. He currently serves as Country Director for CEMEX Panama and Costa Rica.

He holds a BSc in Mechanical Engineering with a master's degree in Finance from the University of Bath, United Kingdom.

Francisco Aguilera Mendoza – Managing Director

Mr. Francisco Aguilera Mendoza was appointed Managing Director of the TCL Group on December 1, 2020. He has served the TCL Group as a member of the Board of Directors since 2014. Before this appointment, Mr. Aguilera was the Vice President of Strategic Planning of the CEMEX South, Central America, and the Caribbean Region (SCA&C).

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

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

ABOUT OUR BOARD OF DIRECTORS (CONTINUED)

Patricia Narayansingh – Non-Executive Director

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

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

She currently sits on the Board of The Heroes Foundation and is an alternate director on the National Insurance Board. Additionally, she volunteers as a Financial Consultant and is a member of the Finance Council of the Roman Catholic Archdiocese of Port of Spain.

Arun K. Goyal – Non-Executive Director

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

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

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

Mr. Goyal is a past member of the Board of Directors of APCAC – Association of Cement Manufacturers of Central America, Caribbean, and Latin America; FICEM (Federación Interamericana del Cemento); South Trinidad Chamber of Industry and Commerce and Rotary Club of Pointe-a-Pierre. Mr. Goyal is a Fellow of the Association of Professional Engineers of Trinidad and Tobago and recipient of its “Career of Excellence” Award in 2009.

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

ABOUT OUR BOARD OF DIRECTORS (CONTINUED)

Claudia Emmanuel – Non-Executive Director

Ms. Claudia Emmanuel was appointed as a Director of Trinidad Cement Limited on September 25, 2018. Ms. Emmanuel is a Financial Services Consultant specialising in Legal, Risk, Governance, and Compliance matters. She is a multi-disciplinary and multi-jurisdictional Lawyer, Risk Professional, and Director with a BA (Hons) in Economics who possesses two decades of solid corporate and commercial experience.

Ms. Emmanuel has held several positions, many of which required the highest standard of integrity, ethics, and accountability. Ms. Emmanuel was the Head of Enterprise Risk Management for Amicorp Bank and Trust Limited, wherein she established the risk function. Ms. Emmanuel is a former President/Co-founder of Emunite Fiscal Solutions Limited and Emunite Energy Solutions Limited. These companies focused on economic development via sustainable renewable energy projects. She has served as the CEO of Trinidad and Tobago Securities & Exchange Commission with executive responsibilities for the day-to-day management and for the regulation of the securities industry within Trinidad and Tobago.

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

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

Louisa Page Rodriguez – Non-Executive Director

Ms. Louisa Page Rodriguez was appointed to the Board effective September 8, 2017. She is a Managing Director of CEMEX located at the New York office.

Ms. Rodriguez has over 27 years of experience in international finance and capital markets. She joined CEMEX in 2006 in the Investor Relations Department, where she has been involved in more than $15 billion of equity and fixed income fundraising efforts. She represents the company in the international financial community. Prior to CEMEX, Ms. Rodriguez spent 15 years at Citibank, where she worked in capital markets origination, debt syndication, and securitisation financing for emerging market issuers. In her early career, she worked for KPMG in the Audit Department.

Ms. Rodriguez holds a BA in Economics from Trinity College (Hartford Ct.), a master’s degree in Business Administration from New York University, and a master’s degree from Columbia University School of International and Public Affairs. She is a Certified Public Accountant (lapsed).

ABOUT OUR BOARD OF DIRECTORS (CONTINUED)

Charles Eugene Percy – Non-Executive Director

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

Mr. Percy's distinguished career spans 38 years in the energy and financial services sectors with a wealth of experience and expertise in successfully leading and transforming organisations.

For 11 years, he has held several senior positions, including Managing Director and CEO of Methanex Trinidad Limited. Under his astute leadership, he successfully supervised the merger and rationalisation of the Titan Methanol and Atlas Methanol companies to form the new "Methanex Trinidad Ltd" organisation.

Mr. Percy has served as Vice President of Corporate Resources at BP Trinidad for four years, leading the HR, IT, and HSSE functions and held the leadership roles of Senior Manager Human Resources, and Engineering and Maintenance Manager at Yara Trinidad.

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

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

A recently retired professional, Mr. Percy continues to impart his wealth of knowledge as an active member of various boards, including the Point Lisas Industrial Port Development Company and Guardian Holdings Limited.

SELF CARE

We foster the talent and skills of our employees and ensure a healthy work/life balance.

TCL GROUP

ALWAYS RESILIENT

DIRECTORS' REPORT

The directors are pleased to submit their Report and the Audited Financial Statements for the year ended December 31, 2020.

Financial Results	**TT$'000**
Turnover	1,692,150
Net Earnings for the Year	15,219
Dividends Paid	Nil

Directors' Interest (Ordinary Shares of TCL)

Name	Position	Direct Holdings at 31-12-20	Indirect Holdings at 31-12-20
David G. Inglefield	Chairman	Nil	Nil
José Luis Seijo González	Director/Deputy Chairman	Nil	Nil
Francisco Aguilera Mendoza	Managing Director	Nil	Nil
Louisa Page Rodriguez	Director	Nil	Nil
Claudia Emmanuel	Director	Nil	Nil
Arun K. Goyal	Director	Nil	Nil
Charles E. Percy	Director	4,000	Nil
Patricia Narayansingh	Director	Nil	44,671,636

Senior Officers' Interest (Ordinary Shares of TCL)

Name	Position	Direct Holdings at 31-12-20	Indirect Holdings at 31-12-20
Guillermo Rojo de Diego	General Manager – TCL	Nil	Nil
Michelle Davidson	Group Manager Legal/ Company Secretary	Nil	Nil
Gewan Armoogam	Group Internal Control Manager	7,957	Nil
Maria Boodoo	Group Internal Audit Manager	Nil	Nil
Carlos Cordero Castro	General Manager – ACCL	Nil	Nil
Yago Castro Izaguirre	Managing Director – CCCL	Nil	Nil

DIRECTORS' REPORT (CONTINUED)

Name	Position	Direct Holdings at 31-12-20	Indirect Holdings at 31-12-20
Edgar Campos Piedra	Group Finance Manager	Nil	Nil
Bernardo Cioni Diaz	Group Strategic Planning Manager	Nil	Nil
Miguel Roberto Estrada Sanchez	Group Cement Operations & Technical Director	Nil	Nil
Juan Carlos Mendoza	Group Procurement Manager	Nil	Nil
Khalid Rahaman	Group Technology & Information Manager	6,425	Nil
Bonnie Alexis	Human Resource Manager / Group Coordinator	1,210	Nil

Dividends

No Dividends were paid to shareholders in the year ended December 31, 2020.

Substantial Interests

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

	Holdings at 31-12-20	% of Issued Share Capital at 31-12-20
Sierra Trading (CEMEX S.A. de C.V.)	261,623,911	69.83%
The National Insurance Board of T&T	44,671,636	11.92%

Service Contracts & Directors

There exists a Technical and Managerial Services Agreement dated April 23, 2015 (as restated) between TCL and CEMEX, S.A.B. de C.V. ("CEMEX"), pursuant to which CEMEX provides support to TCL by making available suitable, qualified, and experienced executives to fill key positions, and to provide training as well as technical assistance to support the Group's trading and shipping departments.

By Order of the Board

Michelle Davidson
Company Secretary

CORPORATE GOVERNANCE

TCL Group – Board Subcommittees

Governance Committee

The TCL Group recognises that a robust corporate governance system redounds to the overall benefit of the organisation by fostering better performance and facilitating a lower risk of malfeasance and a lower cost of capital. Based on the guiding principles of fairness, transparency, and accountability, the Company strives to maintain a high standard of corporate governance by establishing a comprehensive and efficient framework of policies, procedures, systems and the promotion of a responsible corporate culture throughout the Group. The TCL Group is committed to adhering to the principles and practices of good corporate governance, and the Governance Committee, a Subcommittee of the Board, establishes the foundations for compliance.

Members: Mr. José Luis Seijo González (Chairman)
Mr. Charles Eugene Percy
Mr. Arun K. Goyal
Mr. Francisco Aguilera Mendoza

Ms. Michelle Davidson (Recording Secretary)

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

Audit and Finance Committee

The Audit and Finance Committee is a Subcommittee of the Board charged with the responsibility for:

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

CORPORATE GOVERNANCE (CONTINUED)

8. Enhancing communication and understanding between TCL Group's management and the Board on financial matters.

Members: Mr. Arun K. Goyal (Chairman)
Ms. Claudia Emmanuel
Ms. Patricia Narayansingh
Ms. Louisa Page Rodriguez

Ms. Maria Boodoo (Recording Secretary)

Human Resource Committee

To ensure excellence in TCL Group's human capital and cultural initiatives, the Human Resource Committee's strategic direction and vision align with the Company's strategic plan. The Human Resource Committee administers the following categories of policies:

- Talent acquisition
- Organisation capacity building
- Performance management
- Executive development
- Organisational structure and design
- Employee wellness

A summary of the Terms of Reference of the Human Resource Committee follows:

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

Members: Ms. Patricia Narayansingh (Chairperson)
Ms. Claudia Emmanuel
Mr. Charles Eugene Percy
Mr. José Luis Seijo González

Ms. Bonnie Alexis (Recording Secretary)

GROUP EXECUTIVE COMMITTEE

Left-right:
Mr. Francisco Aguilera Mendoza
Mr. Guillermo Rojo de Diego
Mr. Yago Castro Izaguirre
Mr. Carlos Roberto Cordero Castro

Left-right:
Ms. Michelle Davidson
Ms. Bonnie Alexis
Mr. Gewan Armoogam

Left-right:
Mr. Edgar Campos Piedra
Mr. Miguel Roberto Estrada Sanchez
Mr. Juan Carlos Mendoza

Left-right:
Mr. Bernardo Cioni Diaz
Ms. Maria Boodoo
Mr. Khalid Rahaman

ABOUT OUR GROUP EXECUTIVE COMMITTEE

Mr. Francisco Aguilera Mendoza – Managing Director

(See profile on page 19)

Guillermo Rojo de Diego – General Manager, Trinidad Cement Limited (with oversight for Readymix (West Indies) Limited)

Mr. Guillermo Rojo de Diego was appointed General Manager of Trinidad Cement Limited effective February 6, 2019. He is a strong sales professional and an experienced Country Manager with over 21 years' experience in the building materials industry.

Prior to his role of General Manager, Mr. Rojo de Diego held the position of Country Manager at CEMEX, Guatemala for a period of 4 years. He developed his career by assuming increasing roles of responsibility in different areas, including commercial, strategic planning, and operations, before going into general management responsibilities in all main business lines in 5 countries in Europe, Africa, and Latin America.

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

Yago Castro Izaguirre – Managing Director, Caribbean Cement Company Limited

Mr. Yago Castro Izaguirre held the position of General Manager of Caribbean Cement Company Limited from August 1, 2019 until he was appointed Managing Director on December 1, 2020. Before, he held the position of General Manager of Arawak Cement Company Limited. He has extensive industrial and strategic experience, having worked for almost 16 years at CEMEX in Europe, Midwest, and Central America. Prior to that, he was the Planning, Procurement and Legal Director for CEMEX in Nicaragua, Guatemala, and El Salvador.

Mr. Castro Izaguirre obtained a BSc in Chemical Engineering from Universidad Complutense de Madrid and an Executive MBA from the IE Business School. He has a strong technical and operational background, coupled with financial and strategic management skills.

ABOUT OUR GROUP EXECUTIVE COMMITTEE (CONTINUED)

Carlos Roberto Cordero Castro - General Manager, Arawak Cement Company Limited (with oversight for TCL Guyana Inc.)

Mr. Carlos Roberto Cordero Castro was appointed General Manager of Arawak Cement Company Limited on August 1, 2019. Prior to this, he held positions at CEMEX in Costa Rica, Nicaragua, El Salvador, and Poland.

Mr. Cordero Castro obtained a degree in Mechanical Engineering from Universidad de Costa Rica, an MBA from Universidad Católica de Chile, and an Executive Management degree from Stanford-INSEAD-ITESM. He has a strong business and commercial background as well as strategic management skills.

He has extensive industrial, commercial, and strategic experience developed over 16 years in various key positions at CEMEX's operations in Europe and Central America. His previous post was that of Director of the Builders Segment in Costa Rica. Additionally, Mr. Cordero Castro has worked at consulting companies in South America and Central America and served on several boards and committees within the countries in which he has lived.

Michelle Davidson - Group Manager Legal/Company Secretary

Ms. Michelle Davidson was appointed Group Manager-Legal/Company Secretary of the TCL Group effective June 1, 2018. Prior to this, she held the position of Group Legal Counsel/Company Secretary of Arawak Cement Company Limited and TTLI Trading Limited.

Ms. Davidson is an Attorney-at-Law with experience in corporate, commercial and employment law. Prior to joining the TCL Group in 2016, Ms. Davidson practiced law at a regional corporate law firm in the Corporate and Commercial Litigation Department.

Ms. Davidson obtained a Legal Education Certificate (LEC) of Merit from the Hugh Wooding Law School, St. Augustine, Trinidad. She also holds a Bachelor of Laws (LL.B) (Hons) degree and a Master of Laws (LL.M) degree in Corporate Commercial Law from the University of the West Indies.

Bonnie Alexis - Human Resources Manager – Trinidad Cement Limited / Group Coordinator

Ms. Bonnie Alexis joined TCL on January 2, 2014 as the HR Business Partner and was promoted to Industrial Relations Manager in 2015. In August 2016, she was elevated to the position of Human Resource Manager/Group Coordinator.

While Ms. Alexis' human resource background is rooted in industrial relations, she has developed a broad knowledge base that has allowed her to successfully practice as a generalist, accredited to her 30 years of professional life. Before joining TCL, she served as an executive member of a prominent trade union in Trinidad and Tobago and has held the position of Industrial Relations Officer/Manager in state and private enterprises.

ABOUT OUR GROUP EXECUTIVE COMMITTEE (CONTINUED)

Ms. Alexis is a member of the Society for Human Resource Management (SHRM) and graduated from Cipriani College of Labour and Co-operative Studies (Trinidad & Tobago) and the National Labor College (USA). She also holds an advanced Diploma in Labour Laws and postgraduate certification in Change Management (PROSCI).

Additionally, Ms. Alexis is professionally trained in using different methodologies to conduct job evaluation exercises.

Gewan Armoogam – Group Internal Control Manager

Mr. Gewan Armoogam has been with the TCL Group for over 25 years and has worked in the Finance and Internal Audit functions. Mr. Armoogam was appointed as the Group Internal Control Manager effective November 1, 2017. Mr. Armoogam previously held the position of Group Internal Auditor and has a wealth of Internal Audit experience in the Cement, Premix and Packaging operations.

Mr. Armoogam is ACCA qualified and is also a member of the Institute of Internal Auditors. He holds certification as a Lead Auditor of the ISO 9001 Quality Management System and is currently pursuing an Executive MBA at the Arthur Lok Jack Graduate School of Business, Trinidad.

Edgar Campos Piedra - Group Finance Manager

Mr. Edgar Campos Piedra is a dynamic, proactive, and highly trained executive with over 17 years of experience in leading and transforming finance teams globally. He holds a BA in Business Management from the Institute of Technology, Costa Rica and an MBA in Strategic Business Management from the University of Cadiz, Spain. Mr. Campos Piedra is also a certified Public Accountant as he holds a Superior Degree in CPA from the Institute of Technology, Costa Rica.

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

Miguel Roberto Estrada Sanchez - Group Cement Operations and Technical Director

Mr. Miguel Roberto Estrada Sanchez was appointed as the Group Operations Manager on May 4, 2015. He has spent his entire professional life of 34 years in the cement industry, specifically in plant operations.

ABOUT OUR GROUP EXECUTIVE COMMITTEE (CONTINUED)

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

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

Juan Carlos Mendoza - Group Procurement Manager

Mr. Juan Carlos Mendoza was appointed as the TCL Group Procurement Manager on May 4, 2015. He has 37 years' experience in the mining and cement industries, with focus on procurement, negotiations, and inventories management. His previous position was Procurement Manager at CEMEX Miami, Florida.

Mr. Mendoza joined CEMEX on July 22, 1982. During his tenure, he was involved in Post-Merger Integration (PMI) in Australia and the USA, as well as Due Diligence (DD) in India and Gabon among other countries.

He has held several positions at CEMEX including Supply Planning Manager, Negotiations Manager at Mexam Trade (Texas), Procurement Manager (Texas), and Purchases and Materials/Stock Manager (Venezuela).

Mr. Mendoza's key areas of expertise include: Customs Law, Shipping Insurance, Material Coding and Classification as well as International Business.

Bernardo Cioni Diaz - Group Strategic Planning Manager

Mr. Bernardo Cioni Diaz was appointed Group Strategic Planning Manager with effect from November 1, 2017. He has over 14 years of experience in the cement industry, having worked in several key cross postings at CEMEX. His previous posting was that of Business Development Manager for Arizona, California, and Pacific Northwest for CEMEX USA Inc.

Mr. Cioni Diaz joined CEMEX on May 15, 2006 in strategic planning at the company's operations in the Caribbean. His vast experience incorporates assignments in Europe, the Middle East, Africa, and the USA.

He holds a BSc in Accounting with an Executive Master's degree in Corporate Finance from the IEB School of Finance in Madrid, Spain, and an Executive MBA from the London Business School.

ABOUT OUR GROUP EXECUTIVE COMMITTEE (CONTINUED)

Maria Boodoo – Group Internal Audit Manager

Ms. Maria Boodoo was appointed Group Internal Audit Manager effective November 1, 2017. Ms. Boodoo has over 14 years of progressive experience, of which 10 years were at a managerial level. She specialises in the field of internal and external auditing, forensic auditing, evaluation, and implementation of financial and operational controls, policy and procedure development, and compliance management. She is knowledgeable and experienced in financial reporting, and management, cash management, risk management, data analysis and forecasting, and strategic planning and analysis.

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

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

Khalid Rahaman – Group Technology & Information Manager

Mr. Khalid Rahaman has been with the TCL Group for over 21 years and has worked in various positions within the Information Technology Department. He was appointed Group Technology & Information Manager, effective April 1, 2013.

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

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

OTHER LINE MANAGERS

Rajeev Chadee

Business Manager – TCL Ponsa Manufacturing Limited

Mr. Rajeev Chadee joined the TCL Group on August 1, 1997. He currently serves as Business Manager – TCL Ponsa Manufacturing Limited. Prior to this, Mr. Chadee held several positions at Trinidad Cement Limited including Process Engineer – Cement Mill and Kilns, Packing Plant Supervisor, Production Superintendent, and Production Manager. Mr. Chadee also held the position of Business Manager at TCL Packaging Limited. He holds a BSc in Chemical and Process Engineering from the University of the West Indies and an MBA from the Australian Institute of Business.

Lorena Andrea Moreno Urquijo

Tax Manager – TCL Group

Ms. Lorena Andrea Moreno Urquijo is a public accountant who graduated from Universidad Nacional de Colombia. She combines a high level of knowledge and experience in taxation regulations for both local and multinational corporations. Her experience spans different economic sectors, especially those in the oil and gas and construction industries. Prior to her appointment at the TCL Group on February 25, 2018, she worked at Ernst & Young S.A.S. as a Tax Manager and at PricewaterhouseCoopers as a Tax Assistant.

Jaris Liburd

Business Manager – TTLI Trading Limited

Mr. Jaris Liburd joined the TCL Group on August 17, 2006 with more than 25 years of management experience in Facility Management and Customer Service, and over 10 years' experience in trading and logistics. He is also a Certified Hospitality Facility Executive (CHFE) with certification from the American Hotel & Lodging Educational Institute.

OTHER LINE MANAGERS (CONTINUED)

Rafael Orlando Martinez Vela

CAPEX Procurement Manager – TCL Group

Mr. Rafael Orlando Martinez Vela joined the TCL Group on August 1, 2017; he currently serves as CAPEX Procurement Manager – TCL Group. Before this, Mr. Martinez Vela held the positions of Senior Negotiator and CAPEX Procurement Coordinator at CEMEX SCA&C.

He holds a master's degree in Management and Evaluation of Investment Projects from Universidad Externado in Colombia.

Humberto Domingo Gutiérrez Prado

Group Treasury and Consolidation Manager

Mr. Humberto Domingo Gutiérrez Prado was appointed Group Treasury and Consolidation Manager on June 1, 2019. Before joining the TCL Group, Mr. Gutiérrez Prado served in the positions of Senior Audit Manager (KPMG Nicaragua), Financial Manager and Controller (Montelimar Corporation and Subsidiaries), Financial Advisor (CEMEX Nicaragua and CEMEX El Salvador), and most recently, as Financial Manager (CEMEX Nicaragua and CEMEX El Salvador).

Mr. Gutiérrez Prado earned his Bachelor of Public Accounting and Finance degree from Nicaragua's Polytechnic University (2008). He is a member of the Institute of Internal Auditors International (AIAI) and a member of the Association of Chartered Accountants of Nicaragua.

Norville Clarke

Group Enterprise Risk Manager

Mr. Norville Clarke joined the TCL Group on May 1, 2005. He currently serves as the Group Enterprise Risk Manager. Before this, Mr. Clarke held several positions including Commercial Development Coordinator, Strategic Advisor, and Export & Research Officer. He has a Master of Business Administration degree from the University of the West Indies and a Bachelor of Business Administration degree from the University of Technology.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION

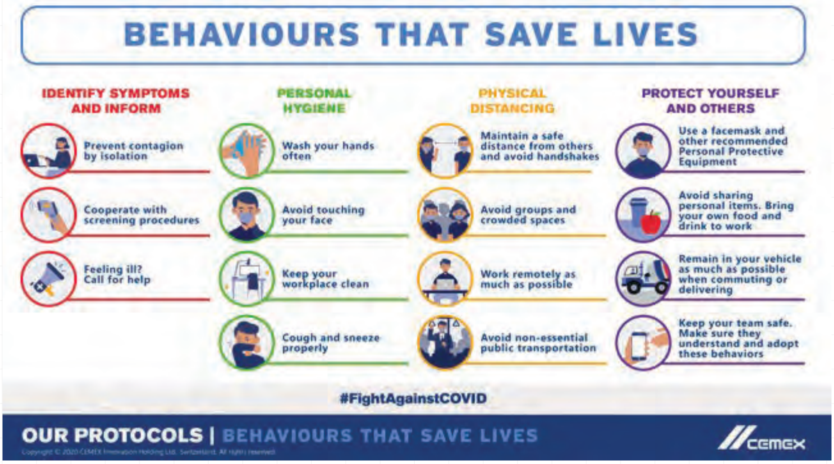
Francisco Aguilera Mendoza
Managing Director

2020 was an unprecedented and challenging year with the COVID-19 pandemic impacting every aspect of our lives and disrupting most of the world's economies. This pandemic tested our ability to adapt promptly and decisively to a phenomenon that none of us had ever experienced at this magnitude. At TCL, we are very proud of how we embraced this challenge, working hand in hand to protect our employees, ensure business continuity, achieve financial flexibility, and support our communities in managing this difficult situation.

1.0 Health, Safety and Environment (HSE)

The health and safety of our employees, customers, suppliers, and stakeholders remain our priority. Following the same principles and discipline developed in our safety management programmes, we implemented the 'Behaviours that Save Lives' initiative to address this pandemic's challenges.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION (CONTINUED)



To accomplish this effort, we focused on the critical behaviours which needed to change due to COVID-19 – Identify Symptoms & Inform, Personal Hygiene, Physical Distancing, and Protect Yourself & Others.

In addition, we defined and deployed over 52 protocols that addressed key aspects of our activities inside and outside of our facilities, and extended them to our families. These protocols are based on national and international guidelines and recommendations set by the leading experts on the subject, such as the World Health Organization. All guidelines strictly adhere to local, national, and industry regulations. We constantly update and enhance all our protocols to address new developments and to protect our workers, communities, and the public. All these protocols were embraced not only by our employees but contractors and other key stakeholders.

2020 was also a year with significant challenges and learnings on safety. We worked diligently all year to deploy an action plan to improve our facilities' conditions and the behaviours of our employees and contractors toward safety. We continued to raise awareness of safe industry practices by training our labour force, and by monitoring and evaluating results. All this aligned with our Zero4Life initiative.

Particular emphasis was also placed on traffic management, which was flagged as a significant hotspot at our cement plants. Through this project, we effectively separated pedestrians from vehicular traffic along busy roadways throughout the plants. This plan will continue until all areas are protected. As part of the CEMEX Global Supply Chain safety programme, the driving school and other workshops continued.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION (CONTINUED)

Despite the challenges experienced during the pandemic, TCL received the AMCHAM T&T Most Improved H&S award in the large manufacturing category.

Unfortunately, we had a fatality at the end of the year at our Barbados facility, an incident which reminded us that safety is a continuous effort and has no memory. All of us at the TCL Group are committed to ensuring that an event like this never happens again.

COVID-19 and Our Actions

The TCL Group deployed a comprehensive plan to protect its employees, customers, and stakeholders, ensure business continuity, achieve financial flexibility, and support communities. Our company has been proactive in implementing measures to achieve this plan, including:

- Building inventories and sourcing of critical components
- Focusing on core activities across businesses units to safeguard cash flows
- Increasing customer engagement and delivering value in innovative ways while observing physical distancing
- Enhancing our communication with employees and all relevant stakeholders
- Setting up additional hand washing stations and hand sanitiser dispensers and increasing the frequency of cleaning and sanitisation of surfaces
- Providing respirators and sanitisation kits to employees
- Adjusting rules for entry to the plants, including temperature testing
- Activating remote work for those who can, to limit movement of people as required by the government
- Amending the planned CSR programme to channel resources to activities that will improve national and community COVID-19 mitigation initiatives

In addition to sanitisation programmes, N95 masks, temperature checks mandated by the Ministry of Health and replacement of the time and attendance system with facial recognition to avoid contact were among the measures implemented.

The situation is being monitored and tracked by local and regional rapid response teams supported by CEMEX's global resources. We take our responsibility seriously as an essential contributor to the Regional economy and, therefore, do all that is necessary to flatten the curve while keeping our operations going.

The TCL Group maintains its commitment to ensuring that the health and safety of its employees remains the top priority.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION (CONTINUED)

Environmental Management

Our goal is to meet both local and international standards for our products. All cement dispatched in 2020 adhered to JS and ASTM product specifications, and through our quality management system, which keeps abreast of industry and international best practices, we have successfully retained our ISO 9001:2015 plant certification. We are committed to producing quality products and services in a safe and environmentally friendly manner. To this end, we have an integrated management system that continued to be ISO 14001:2015 plant-certified and have successfully transitioned from SGS OHSAS 18001:2007 to ISO 45001:2018 plant certification in 2020.

Our in-house laboratory in Trinidad has also successfully demonstrated technical competence in conducting eight (8) standard test methods on cement by maintaining our ISO 17025:2017 plant certification. All our plant certifications are issued by SGS, our current certifying body, except for ISO 17025:2017, issued by ANAB, our accreditation body. Also, in Trinidad, we met our API Spec 10A certification.

In Barbados, we had several issues during 2020, which prevented us from reaching our target of 90% in the Quality Index, mainly due to maintenance challenges at the shale crusher and low inventories on the raw meal.

2.0 Financial Review and Analysis (figures quoted in TTD)

Early in 2020, the TCL Group adjusted its financial plans to prepare for different scenarios from the pandemic. A situation full of uncertainty required an effective action plan that included a strong focus on our production cost, restrictions on selling and administrative expenses, limitation on discretional costs, and re-balancing of our capital expenditure (CAPEX).

Despite the challenges present during the year, the Group reported favourable results for 2020. The Group's total revenue of $1.7 billion represented a 1% increase when compared to 2019. Operating earnings before other expenses, net increased by 30% to $290.3 million for the year.

Net earnings from continuing operations increased by 2% to $15.2 million.

Revenue

The total revenue of $1.7 billion recorded in 2020, when compared to 2019, reflected the impact of decreases in some markets, partially offsetting increases in others. Revenue in Trinidad and Tobago, Barbados and the Group's other export markets decreased by 7%, 2% and 3% respectively, whereas revenue in Jamaica increased by 6%. Favourable developments in the economy, an additional inflow of remittances, and confidence in real estate investments drove sales in Jamaica. Activities in the other markets were hampered by government-imposed restrictions and the economic fallout from the COVID-19 pandemic.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION (CONTINUED)

Revenues from ready-mix and aggregates business declined by 5%, and revenue from packaging business declined by 10%; this was offset by the growth in cement revenue of 2%.

Operating Results

The Group recorded "Operating earnings before other expenses, net" (primarily consisting of revenue and expenses directly related to its primary activities) of $290.3 million in 2020, representing an increase of $66.8 million or 30% compared to 2019. This result reflected strong operating results in Jamaica, offset by less favourable outcomes in Trinidad and Tobago, Barbados, and Guyana.

Overall, the year's operating earnings were $215.9 million, an increase of $66.2 million or 44% compared to 2019.

Net Finance Costs

The Group's annual net finance cost increased by 26% to $122.1 million. This increase was driven by foreign exchange losses and a decrease in financial income, which was partially offset by a decline in the interest expense.

Liquidity & Financial Position

Cash generated from operating activities in 2020 was $439.0 million, an increase of 48% from the 2019 amount of $296.3 million. A significant amount of this, $114.1 million, was used for capital investment and $248.4 million for a net reduction of borrowings.

Tremendous efforts were focused on debt reduction as the Group's long-term portion of debt decreased from $865.2 million in 2019 to $211.8 million in 2020, representing a reduction of $653.4 million, while its net debt decreased to $612.6 million from $883.2 million in 2019.

Summary Financial Performance

The Group recorded net earnings for the year of $15.2 million (2019: $15.3 million). The net earnings from continuing operations increased by 2% since the 2019 figure had included $0.4 million from discontinued operations.

Group revenue of $1.7 billion (2019: $1.7 billion) was maintained despite the continued contraction of construction activity in the region, restrictions due to the COVID-19 pandemic, and competition across the region.

3.0 Group Marketing

Customer-Centricity

TCL has continued measuring its customers' satisfaction levels by capturing their feedback in a Net Promoter Score (NPS) survey and by highlighting improvement areas. The Q4 2020 NPS increased by 18 points compared to Q3, and even ahead of the 2019 results. We streamlined the entire Quotation to Cash Commercial Processes and introduced standardised procedures across all business units in 2020. During this project, over 380 actions were implemented to resolve identified gaps. Furthermore, we started reporting customer-centricity key performance indicators such as Order Commitment and Broken Bag ratios, resulting in our operations executing a deep dive into areas below our target KPIs to determine the root cause and consequently action plans to improve our service level to customers. We hosted technology webinars for our sales team and broader staff on all our essential products – cement, concrete, admixtures and aggregates – facilitated by subject matter experts from within CEMEX. We also provided our clients with increased value offers and branding opportunities, including increased direct deliveries, TCL-branded tarpaulins and the launch of our Eco Cement brand in Trinidad and Tobago.

Market Environment

In Trinidad and Tobago, the TCL plant saw a decline in cement sales volume of 11% compared to 2019. The domestic cement demand has declined by 4% compared to 2019, mainly because of a two-month shutdown of the industry as a government measure to curb the spread of COVID-19. The market experienced growth in the post-shutdown months, where the industry performed better than in 2019 for a similar period. The increased demand was spurred on by government projects awarded in the middle of the year, as well as additional disposable income at the household level, given the reduction in travel and other activities. The government has implemented a tax of 50% on all imported extra-regional cement along with an annual quota of 75,000 metric tonnes. The imposition of this duty is currently before the Courts, awaiting a final determination. It is noteworthy that the company's export volume decreased by 2% when compared to 2019 because of curtailed sales during the first half of 2020 due to COVID-19.

In the aggregates sector, third-party sales increased in 2020 due to product and plant availability, ongoing highway road work activity, and continued focus on gaining inroads into the supply of aggregates to industrial customers. The company expects continued growth in these sectors in 2021 as demand increases for road paving and concrete projects. The company is also geared to target the distribution sector by introducing plastering sand and a half-and-half aggregate.

In Jamaica, total domestic cement demand improved by an estimated 9% compared with the previous year due to the construction industry's strength, particularly in the residential housing sector. This contributed to Jamaica's total domestic sales volume increasing by 14.8% in comparison to 2019. The increased volumes were accredited to the establishment of CCCL as the consumers' choice in the Jamaican market and complemented by the improved sales and logistics offering throughout the country. A strategic decision was taken to curtail export sales and to concentrate on product supplies to the domestic market.

In Barbados, overall cement demand decreased by 8% from 2019 to 2020. Despite the COVID-19 pandemic, we maintained our market participation as ACCL's domestic volume increased by 1%. Export-wise, ACCL's volume decreased by 30%, mostly affected by the COVID-19 situation.

In Guyana, the overall cement demand increased by 2% from 2019 to 2020. Despite this, TGI's domestic volume decreased by 2%, and the foreign competition saw an increase of 10%.

4.0 Group Operations

The implementation of the multi-year capital expenditure plan continued throughout 2020 despite the COVID-19 restrictions. During the year, the Group made a total investment of US$16.8 million in safety upgrades and plant efficiency improvement projects. The main areas of focus in Jamaica were:

- Storm drainage system
- Traffic management
- Dust mitigation
- Kiln fuel conversion
- Kiln process ducts
- Main baghouse
- Compressed air systems

Trinidad focused on kiln operational efficiencies, a new kiln burner, slurry ropeway stabilisation, and other safety CAPEX. In Barbados, we invested in fuel optimisation (power engines), raw meal reliability and efficiencies, structural improvements, and electrical works.

The Group is committed to focusing on the people's transformational development and plant through the investment programme in 2021. The objective is to develop a safe, modern, and efficient world-class cement operation delivering the highest quality product in the region.

MANAGING DIRECTOR'S REPORT & MANAGEMENT DISCUSSION (CONTINUED)

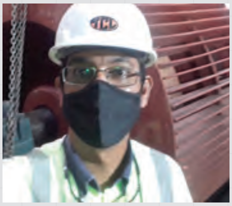
Jamaica Investments


New Packer


Main Bag House


Kiln Process Ducts

Trinidad Investments


VSK Rotor


Packer Floor


Mayo Ropeway

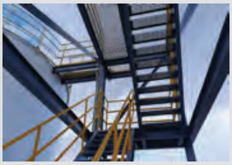
Barbados Investments


Power Station


New Separator Drive


Raw Mill Gearbox

Guyana Investments


Structural Works


Perimeter Fence

Concrete Operations

Our Health and Safety (H&S) upgrades continued focusing on pedestrian management, critical COVID-19 infrastructure, and housekeeping required to operate safely in a pandemic. The initiatives in concrete operations continue to push the Value Added Products such as Eco Evolution, which is self-compacting concrete. Additionally, the early trials using the waste kiln dust as an additive have been successful. Green initiatives continue to be on the front-burner in the sustainable operations of readymix concrete.

Trinidad and Tobago quarries, including the Melajo and the Bermudez quarries, continue to carry out sand and gravel extraction methods guided by CEMEX experts. Our goal remains the optimisation of our mining operations to achieve higher production and quality targets.

The aggregates "Pit-Run exploration" project is ongoing in a bid to estimate the reserves in virgin territory. A reforestation and rehabilitation project will be concurrently executed with this initiative, ensuring that the areas exploited are properly reclaimed and regenerated.

5.0 Group Developmental Activities

Sustainable Road Solutions

In Trinidad and Tobago, strategic steps taken to shift the paradigm to supply road-base materials are ongoing with continued lobbying of key government agencies focused on comparative technical testing compared to conventional sub-base material. There are continued efforts to derive opportunities for conversion of asphalt paving to concrete roads and to promote concrete road technologies and benefits. The target of capturing at least 5% of all public roads requiring construction or rehabilitation has not been achieved but remains a benchmark.

Toco highway sub-base – proving limestone aggregate can be used as a sub-base development in road paving

Housing

Housing continues to be a major socio-economic issue for the Caribbean. Most countries have indicated that affordable housing is an ongoing challenge, especially for people in the lower-income tier.

In Trinidad, discussions with the Housing Development Corporation (HDC) have been ongoing to fill the gaps in low-cost housing. The TCL Group has been providing support to assigned contractors through bundled packages for housing.

Phase One of the East Lake Housing Project units built on Readmix (West Indies) Limited's land at Guanapo continued with Home Solutions Limited and is almost 98% completed. It primarily aims to provide middle-income homes, a segment identified by the housing ministry to be in high demand. Construction of the development also utilised concrete in ancillary work such as pavements, sidewalks, car parks, and drainage. In 2020, the company received US$1.6M profit from sales, and we continue to benefit in 2021.

Phase One of the East Lake Housing Project

6.0 Human Capital

In 2020, the COVID-19 pandemic presented us with significant challenges and confirmed that we must continue to work together on creative solutions utilising the latest technological tools to strengthen collaboration and cooperation. The Group has remained committed to developing its human capital and ensuring our people remain highly skilled and passionate about their role in our team. We embarked on some of the significant training programmes including Health and Safety, Customer-Centricity, Finance, Microsoft Office, Spanish language, and Compliance. Furthermore, we began utilising our CEMEX University platform, which allows our employees to complete training virtually while maintaining physical distancing.

As always, our priority has been the health and safety of our employees. Since the onset of the pandemic, we implemented a remote work programme to reduce our employees' exposure to the virus. This remote work policy will continue until the situation improves.

Building on our existing flexibility measures, we were able to adapt to the new challenges posed by the pandemic related to remote work.

The Group also sought to preserve employees' mental well-being and employed creative ways that kept employees engaged. Employees participated in online sessions on stress management, coping with the psychological impact of COVID-19, parenting, and online schooling.

Amidst the pandemic, we found innovative ways for online teambuilding sessions. All were well received by our employees.

Looking forward there is still much uncertainty regarding COVID-19 and its impact, but we can overcome any challenge once we continue to pursue excellence and work as One TCL / CEMEX.

7.0 Communications

In 2020, we were challenged to swiftly adapt to a new normal in everything we did to ensure our survival as the COVID-19 pandemic continued to threaten life as we knew it. The way we communicated was no exception. This new normal demands that we stay safe. Leveraging the technology available to us and innovative ideas, we sustained relationships and engagements with our stakeholders as we transitioned to virtual meetings. While we were unable to execute several activities, frequent engagement with employees and stakeholders became critical in supporting and maintaining networks. To this end, our leadership facilitated monthly town meetings while our Employee Assistance Programme (EAP) provider facilitated information-sharing sessions, and our brand ambassador, Andrew Lewis, ensured that we maintained our fitness via virtual fitness sessions. Visible Felt Leadership (VFL) was done virtually by our management team, engaging a group of staff to promote safety and good practices. The commercial team also kept customers abreast of new developments and updates and provided valuable training sessions geared towards providing the tools to help our distributors sustain their businesses.

Traditional and digital media channels proved very beneficial in engaging with end-users and sharing our COVID-19 protocols and stories as we continued to inform, build awareness, receive feedback, encourage dialogue, and support each other. Internally, we experienced greater collaboration with our CEMEX regional and global counterparts, streamlining our communication efforts globally. We executed COVID-19 campaigns, engaged in training sessions, webinars, team activities, and regional and international town meetings, benefitting from our teams' additional communications channels and tools.

8.0 Changes to Executive Management

These were the changes implemented in the Group's executive structure and management team:

1. Francisco Aguilera Mendoza – Appointed Managing Director – TCL Group effective December 1, 2020
2. Yago Castro Izaguirre – Appointed Managing Director - CCCL effective December 1, 2020

9.0 Looking Ahead

As we look ahead, our employees' health and safety, profitable growth, sustainability, and avenues for competitiveness continue to be in our view despite the impact of COVID-19 on the construction industry. Our CEMEX backing, strong footprint, and operating platform across the region will help us capitalise on future growth in our markets.

Our responsiveness and agility coupled with CEMEX's support allowed us to take decisive actions to contain the virus and address its impact, making our operations always resilient during unmatched uncertainty. As we recover, we continue to adapt our plans and focus on what we can control to continue to achieve sustainability in our operations.

We remain relentlessly committed to our long-term transformation programme designed to improve productivity, raise competitiveness, and enhance sustainability across all our production and business units. We will continue to focus on our strategic priorities of Health & Safety, Customer-Centricity, Innovation, Sustainability, and EBITDA Growth (return to investment grade).

We will continue to prioritise our investments in innovation to launch new products throughout the region as there are significant opportunities for development in different parts of our business. We also remain committed to stringent cost management, solid operational execution, and a customer-centric focus. The main challenge for 2021 and the coming years is to recover the economic growth levels which were enjoyed before the pandemic. The creation of employment through local production should be a pivotal contributor to this goal. We remain confident in our ability to effectively manage our business regardless of the operating environment and expect to continue delivering long-term value for all our shareholders.

This pandemic is far from over, but we are prepared to continue embracing the challenge with the same drive and passion that TCL Group showed in 2020. We are encouraged by the initial stages of the vaccination programme, expecting that our countries will be able to contain the spread of this virus.

10.0 Acknowledgements

Our regional teams' resilience and agility and their daily execution of our plans must be recognised. Our employees' unwavering commitment and dedication in implementing decisive actions, on an ongoing basis, to deliver the strongest brands in the region despite significant economic unpredictability, impacts of the pandemic, and other challenges have not gone unnoticed.

Deepest thanks to our invaluable distributors and end-users for trusting and supporting our brands, making us number 1 across the Caribbean.

Sincere appreciation to our valued shareholders for their ongoing confidence and investments.

Thank you to our Chairman David G. Inglefield and fellow directors for your vision and astute leadership throughout this critical year.

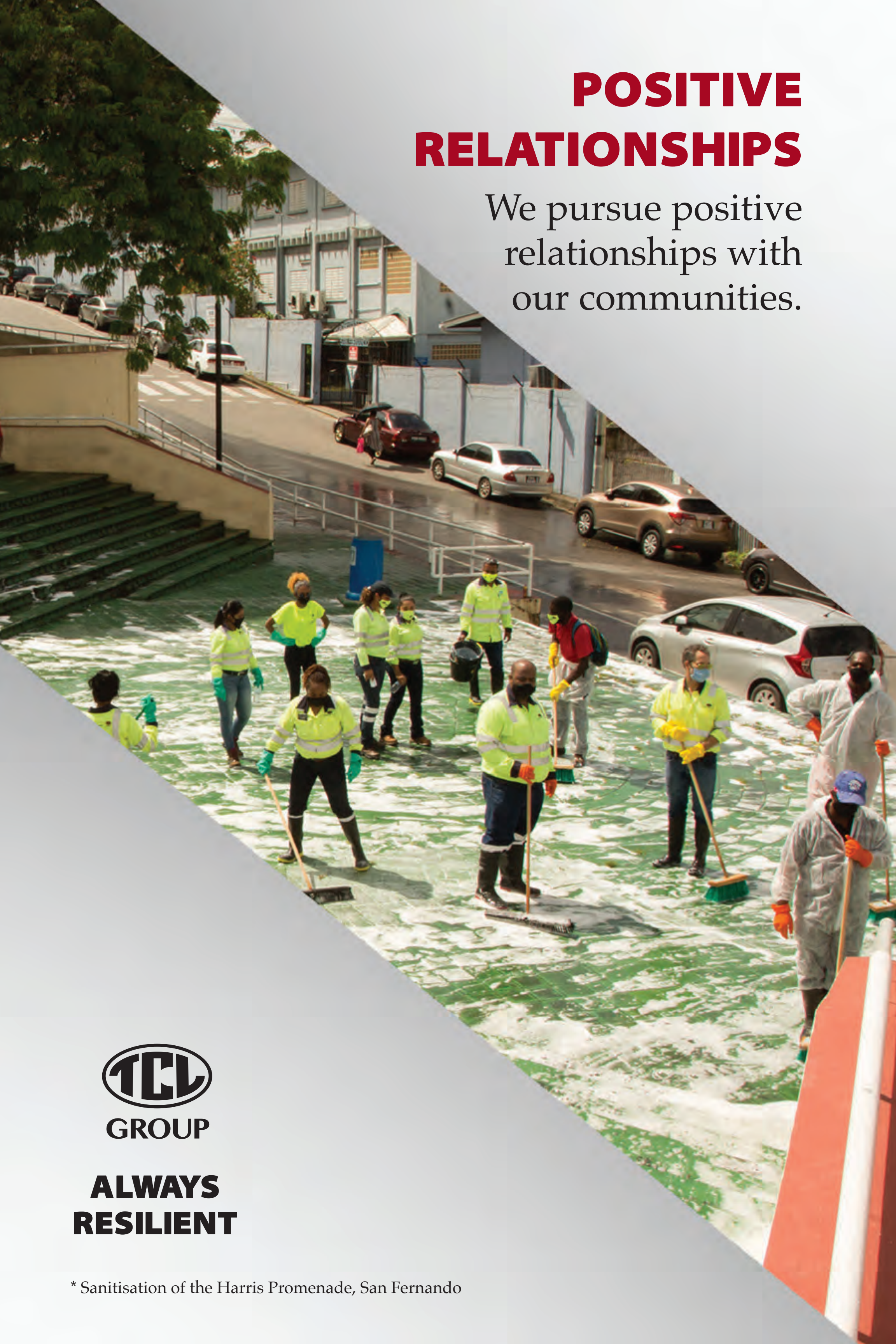
Heartfelt gratitude to José Luis Seijo González for his leadership and direction during the last five years, which allowed the TCL Group to build a solid foundation to continue building a success story into its future.

The combined excellence of all our stakeholders is responsible for our strength and success as together we build a stronger region. We look forward to expanding our legacy of long-term value creation for our shareholders while improving our communities' lives every day.

Francisco Aguilera Mendoza
Managing Director

POSITIVE RELATIONSHIPS

We pursue positive relationships with our communities.



TCL GROUP

ALWAYS RESILIENT

* Sanitisation of the Harris Promenade, San Fernando

SOCIAL IMPACT

51

Building On Our Purpose

While 2020 was a unique year, we continued to support and empower our communities, harnessing and developing their innate abilities and strengths. At the outset of COVID-19, we immediately centered our efforts on keeping our people safe by raising awareness, sharing our 52+ pandemic protocols, distributing care packages and sanitising public spaces using our cement mixers for dispensing cleaning agents. We are extremely proud of all these initiatives, particularly the latter, which brought our employees and frontline workers together in a massive display of concern for our national communities in Trinidad & Tobago and Jamaica.

As we forge resiliently ahead in 2021, we will continue to build on our purpose by preparing, protecting and uplifting our Caribbean people and economies.

Here are some highlights of our 2020 Social Impact activities…

Brian Lara Promenade, Port of Spain, was sanitised by employees with the assistance of national front line workers and concrete mixers.

SOCIAL IMPACT (CONTINUED)

The Mayo community joined CEMEX/TCL employees to sanitise the R.C. School in the area.

Donation of masks and hygiene products to the Trinidad and Tobago Police Service.

SOCIAL IMPACT (CONTINUED)

Sanitisation of Harris Promenade, San Fernando.

The Macaulay Government School was among many institutions that received sanitising supplies from our Safety Team.

SOCIAL IMPACT (CONTINUED)

The New Arima Primary School received sanitising products from RML's Safety Team.

Brazil R.C. School also received cleaning agents from the Safety Team.

SOCIAL IMPACT (CONTINUED)

Employees at Arawak Cement in Barbados were kept aware of COVID-19 safety protocols

Arawak Cement provided COVID-19 care packages for its staff.

SOCIAL IMPACT (CONTINUED)

The Carib Cement team including Klao Bell-Lewis, Jerome Cowans, Andre Nelson and Garen Williams with partner John Valentine of Jamaica Pre-Mix Ltd and the Honourable Oliva Grange, Minister of Culture, at a public sanitisation exercise held on National Labour Day in Kingston.

L-R Yago Castro, Managing Director at Caribbean Cement Company Limited, Julian Robinson, member of parliament, South East St Andrew, and other members of the community groups from the Bull Bay, Rockfort and Mountain View / Vineyard Town areas who received sewing machines, fabric and elastic to start mask making projects.

SOCIAL IMPACT (CONTINUED)

Jerome Cowans, Social Impact Coordinator at Carib Cement, presents a sink to a representative of the Rollington Town Primary School in Kingston.

Haimdat Soamnauth of Team TGI shares the "Behaviours That Saves Lives" protocol with his family.

TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS

TRINIDAD CEMENT LIMITED

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

Trinidad Cement Limited (TCL) was incorporated in Trinidad in 1951 and commenced production in 1954. Its primary activities are the manufacture and sale of Portland Pozzolan Cement, Ordinary Portland Cement, and Class G High Sulphate Resistant (HSR) Oilwell Cement. The distribution of its shareholding is detailed on page 9.

Company Secretary
Ms. Michelle Davidson

Principal Officers
1. Mr. Guillermo Rojo de Diego - General Manager
2. Mr. Rodney Cowan - Sales Industrial Segment & Supply Chain Manager
3. Ms. Lisel Cozier - Procurement Manager
4. Mrs. Sonia Gobin - Finance Manager
5. Ms. Janelle Collins - Communications and Social Impact Coordinator
6. Mrs. Gloria Jacobs - Projects & Operations Support Manager
7. Ms. Bonnie Alexis - Human Resource Manager/Group Coordinator
8. Mr. Ravi Bahall - Engineering Services Manager
9. Mrs. Reshma Gooljar-Singh - Sales Distributor Segment Manager
10. Mrs. Elena Dupres - Health & Safety Coordinator
11. Mr. David Neuhaus - Operations Manager

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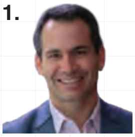
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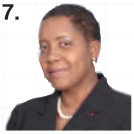
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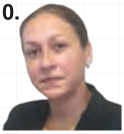
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TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

READYMIX (WEST INDIES) LIMITED

Registered Office
Tumpuna Road, Guanapo, Arima,
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Fax: (868) 643-3209
Website: www.readymix.co.tt

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

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

Distribution of Shareholding:

Trinidad Cement Limited	98.28%
Other Shareholders	1.72%

Company Secretary
Ms. Khelsy Maharaj

Principal Officers

1. Mr. Guillermo Rojo de Diego - General Manager, Trinidad Cement Limited (With oversight for RML)
2. Mr. Malcolm Sooknanan - Finance Manager
3. Mr. Afzal Ali - Marketing Manager
4. Ms. Cindy Siewbally - Human Resource Manager
5. Mr. Anthony Ferguson - Health, Safety, Security & Environment Coordinator
6. Ms. Avaleen Mooloo - Readymix Coordinator
7. Mr. Kurt Rock - Aggregates Coordinator

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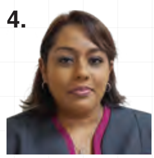
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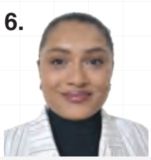
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TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

CARIBBEAN CEMENT COMPANY LIMITED
CARIB CEMENT

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

Website: www.caribcement.com

Caribbean Cement Company Limited (CCCL) was incorporated in Jamaica in 1947 and commenced production in 1952. Its primary activities are the manufacture and sale of Portland Pozzolan Cement and Ordinary Portland Cement. CCCL has one subsidiary, Rockfort Mineral Bath Complex Limited, a national heritage site and mineral spa.

Board of Directors

Mr. Parris A. Lyew-Ayee (Chairman)
Mr. Francisco Aguilera Mendoza
Mr. Yago Castro Izaguirre (Managing Director)
Mr. Luis Ali Moya
Mr. Hollis N. Hosein
Mr. Peter Moses
Mrs. Dania Jocelyn Heredia Ramirez

Company Secretary

Mrs. Melissa Ferguson

Distribution of Shareholding:

Grouping	% holdings
CEMEX	4.96%
TCL Group	74.09%
Individuals	8.00%
Pension Funds	4.45%
Financial Institutions	4.17%
Companies	3.88%
Government	0.42%
Churches, Clubs & Assoc.	0.03%

TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

Principal Officers

1. Mr. Yago Castro Izaguirre - Managing Director
2. Mr. Miguel Roberto Estrada Sanchez - Group Cement Operations and Technical Director
3. Mr. Roberto Villarreal - Commercial Director
4. Mr. Rohan Anderson - Process Manager
5. Mrs. Klao Bell-Lewis - Communications, Community Outreach & Media Strategy Manager
6. Mr. Adrian Spencer - Procurement Manager
7. Mr. Christopher Bryan - Capital Projects Manager
8. Mr. Jorge Camelo - Human Resource Manager
9. Mrs. Melissa Ferguson - Legal Counsel / Company Secretary
10. Mr. Jorge Herrera - Supply Chain Manager
11. Mr. Ricardo Lopez Quero - Finance Manager
12. Mr. Victor Aceituno Melgar - Strategic Planning Manager
13. Mr. Pablo Bahamon Palencia - Maintenance Manager
14. Ms. Marilyn Corte Rodriguez - Quality, Quarry & Environment Manager
15. Mr. Christopher Brown - Production Manager
16. Mr. Garen Williams - Distribution Sales Manager
17. Mr. Andre Nelson - Industrial and Builders Manager

TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

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

Arawak Cement Company Limited (ACCL) was incorporated in Barbados in 1981 and was wholly acquired by TCL in 1994. Its primary activities are the manufacture and sale of Portland Pozzolan Cement.

Board of Directors
Mr. Arun K. Goyal – Chairman
Mr. Francisco Aguilera Mendoza
Mr. Carlos Roberto Cordero Castro
Mr. Juan Carlos Mendoza
Mr. Edgar Campos Piedra

Company Secretary
Ms. Michelle Davidson

Principal Officers

1.	Mr. Carlos Roberto Cordero Castro	-	General Manager
2.	Mr. Nelson Blanco Bogantes	-	Operations Director
3.	Mr. Leonardo Rojas Rondon	-	Finance Manager
4.	Mrs. Sheryllyn Welch-Payne	-	Procurement Coordinator
5.	Mrs. Seema Juman	-	Health & Safety Coordinator
6.	Ms. Debbie Frost	-	Human Resources Business Partner

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TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

TCL PACKAGING LIMITED

Registered Office
Southern Main Road,
Claxton Bay,
Trinidad & Tobago, W.I.
Tel: (868) 225-8254
Fax: (868) 659-0950

TCL Packaging Limited (TPL) was incorporated in Trinidad in 1989 and commenced operations in 1991. The company ceased to carry on business effective February 15, 2021. Prior to the cessation of business, its primary activities were the manufacture and sale of papersacks.

Distribution of Shareholding:

TCL	80%	
Dipeco (Switzerland)	20%	

Board of Directors
Mr. Arun K. Goyal – Chairman
Mr. Francisco Aguilera Mendoza
Mr. Juan Carlos Mendoza
Mr. Guillermo Rojo de Diego
Mr. Edgar Campos Piedra
Mr. Carlos Martinez (Mondi Group – Parent Company of Dipeco Switzerland)

Company Secretary
Ms. Khelsy Maharaj

TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

TCL – PONSA
MANUFACTURING LIMITED

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

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

Board of Directors
Mr. Arun K. Goyal - Chairman
Mr. Juan Ponsa
(Industrias Ponsa - Spain)
Ms. Laura Ponsa
(Industrias Ponsa - Spain)
Mr. Edgar Campos Piedra
Mr. Guillermo Rojo de Diego
Mr. Juan Carlos Mendoza

Distribution of Shareholding:

TCL	65%
Industrias Ponsa S.A. (Spain)	35%

Company Secretary
Ms. Khelsy Maharaj

Principal Officers
1. Mr. Rajeev Chadee - Business Manager
2. Ms. Sursatee Heeralal - Marketing & Logistics Officer
3. Mr. Stephen Ramcharan - Technical Coordinator

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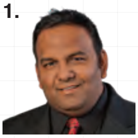
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TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

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

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

Board of Directors
Mr. Francisco Aguilera Mendoza
Mr. Carlos Roberto Cordero Castro
Mr. Pedro Emilio Herrera Gazzani

Company Secretary
Ms. Michelle Davidson

Principal Officer
Mr. Jaris Liburd - General Manager

TCL GROUP BUSINESS UNITS - PRINCIPAL OFFICERS (CONTINUED)

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

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

Board of Directors
Mr. Hollis N. Hosein (Chairman)
Mr. Francisco Aguilera Mendoza
Mr. Carlos Roberto Cordero Castro
Mr. Edgar Campos Piedra

Distribution of Shareholding:

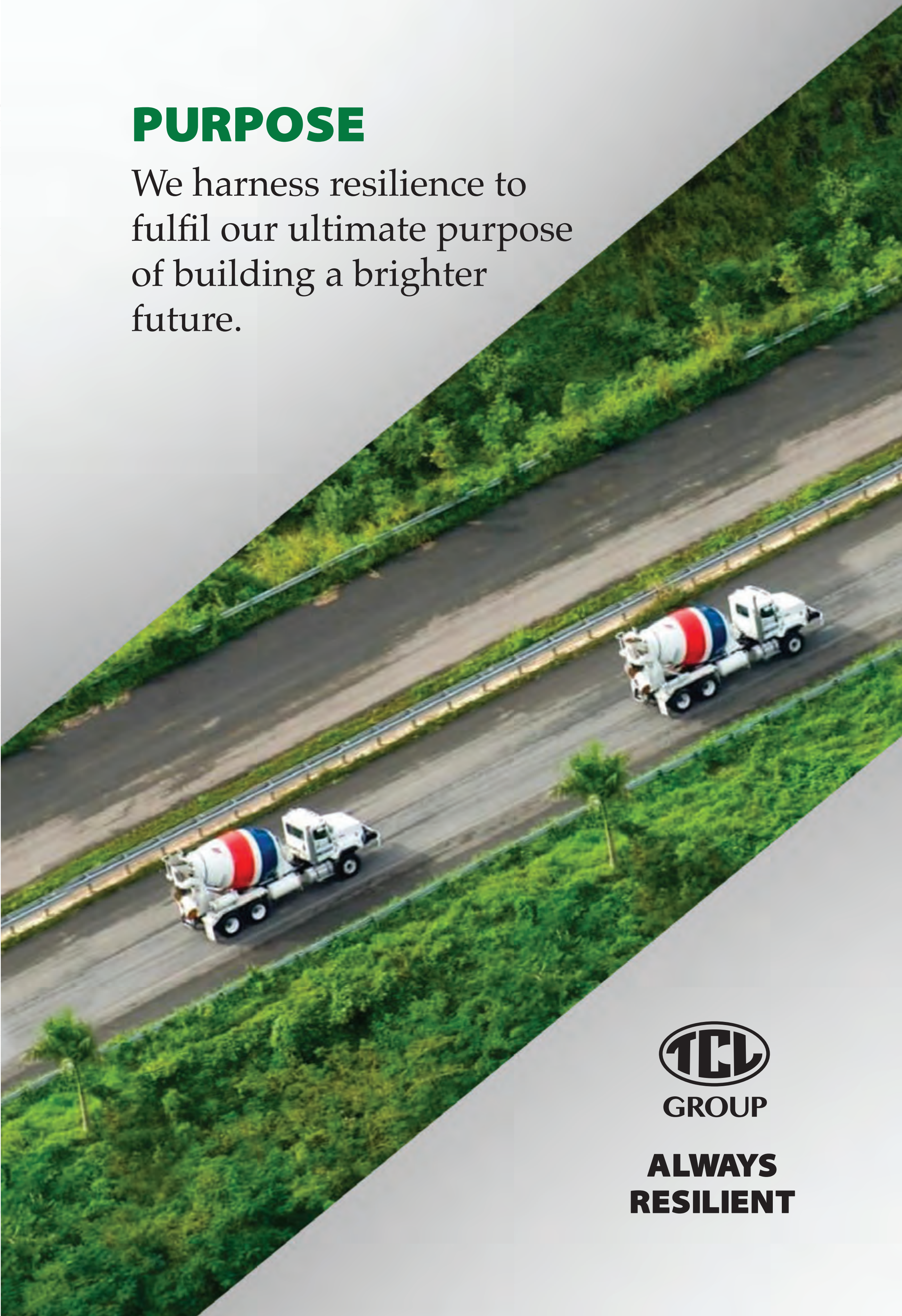
TCL (Nevis) Limited	80%
Trinidad Cement Limited	20%

Company Secretary
Ms. Michelle Davidson

Principal Officer
Mr. Carlos Roberto Cordero Castro - General Manager, Arawak Cement Company Limited (with oversight for TGI)

PURPOSE

We harness resilience to fulfil our ultimate purpose of building a brighter future.



GROUP

ALWAYS RESILIENT

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Trinidad Cement Limited

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Trinidad Cement Limited ("the Company") and its subsidiaries (collectively, "the Group") which comprise the consolidated statement of financial position as at December 31, 2020, the consolidated income statement, consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

Francisco Aguilera Mendoza
Managing Director
March 30, 2021

Edgar Campos Piedra
Group Finance Manager
March 30, 2021

KPMG
Savannah East
11 Queen's Park East
P.O. Box 1328
Port of Spain
Trinidad and Tobago, W.I.

Tel: (868) 612-KPMG
Email: kpmg@kpmg.co.tt
Web: https://home.kpmg/tt

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited

Opinion

We have audited the consolidated financial statements of Trinidad Cement Limited and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated income statement, statements comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters (continued)

Timing of Revenue recognition

Key audit matter	How our audit addressed the key audit matter
Refer to Note 2.17 and Note 3. The main activities of the Group are the manufacture and sale of cement, concrete and aggregate. The Group recognized revenue from the sale of cement, concrete and aggregates from a combination of domestic and foreign sales. Revenue is a key performance indicator for the Group. Revenue is recognised when the risks and rewards of the underlying products have been transferred to the customer. There is a risk of material misstatement of the consolidated financial statements occurring throughout the year, as transactions can be recorded to inflate reported sales.	Our audit procedures included: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition. • Testing a sample of revenue transactions occurring throughout the year and close to the year end. We inspected invoices and delivery notes to identify the date that risk and reward of ownership of the sold items was transferred to the customer to determine whether the sale was recorded in the appropriate period. • Inspecting a sample of credit notes issued after year end and assessing whether the underlying reason for the issue of the credit note required the reversal of a recorded sale. • Inspecting the underlying documentation supporting a targeted sample of manual journal entries entered in the revenue accounts in the general ledger, during the year and subsequent to the reporting date, to determine the rationale for these entries and that these have been recorded in the appropriate period. • Confirmation of revenue transactions with specific customers

Key Audit Matters (continued)

Measurement of expected credit losses on financial assets

Key audit matter	**How our audit addressed the key audit matter**
Refer to Note 2.6 and Note 10. The Group has significant concentration of credit risk with customers carrying balances both individually and in aggregate, accounting for 97% of gross trade receivables at the reporting date. The key area requiring greater management judgement includes the application of forward-looking information adjusted for COVID-19 related factors. IFRS 9 requires, judgements to be made about future economic scenarios and their impact on expected credit losses.	Our audit procedures included: • Testing automated controls over the ageing of trade receivables. Our testing of automated controls involved using our own Information Technology Audit Specialist to test the design, implementation and operating effectiveness of automated controls. • Testing the completeness and accuracy of the data used in the model to the underlying accounting records. • Using our Financial Risk Modelling Specialists to evaluate the methodology the macro-economic variables and scenarios, re-calculate the ECL model calculations, and agree the data inputs and. • Comparing the Group's definition of default, as outlined in the accounting policy against the definition that Group uses for credit risk management. • Evaluating and challenging the appropriateness of forward-looking information. including other economic parameters • Assessing whether disclosures in the consolidated financial statements are adequate.

Key Audit Matters (continued)

Tax and Legal contingencies

Key audit matter	How our audit addressed the key audit matter
Refer to Notes 2.11, 2.13 and Note 22. The Group is objecting to tax assessments which have been raised by the tax authority and which are considered to be significant. Compliance with tax regulations is a complex matter within the Group because uncertainties exist with respect to the interpretation of certain tax regulations. Therefore, judgement and assumptions are involved in the determination of any tax provisions recorded in respect of these tax contingencies. Resolution of tax proceedings may span multiple years, and may involve negotiation and therefore, making judgments of potential outcome is a complex issue for the Group. Management applies judgment in estimating the likelihood of the future outcome in each case and recognizes a provision where applicable. We focused on this area due to the inherent complexity and judgement in estimating the amount of the provision that may be required.	Our audit procedures included: • Challenging the Group's view of the likely outcome of the appeals by inspecting the latest correspondence between the Group and the various tax authorities and attorneys. We also obtained written responses from the Group's legal advisors containing their views on material exposures and any related litigation. • Meeting with the Group's tax officers and challenge the assumptions, judgements and probability assessments on significant cases as well as the technical grounds supporting their position based on applicable tax laws. We also involved our own Tax Specialists in assessing the Group's responses. • Assessing the adequacy of the tax provision in relation to significant uncertain tax positions by considering the success of appeals on matters that have been adjudicated by the Tax Appeal Board. We utilised our own Tax Specialist to establish an independent view of the likely outcome and compared this to the Group's position. • Assessing whether the Group's disclosures about legal and tax contingencies met the disclosure requirements of accounting standards.

Key Audit Matters (continued)

Valuation of employee benefits obligation

Key audit matter	How our audit addressed the key audit matter
Refer to Notes 2.12 and Note 17. The Group operates defined benefit pension plans and post-retirement medical benefit schemes. Significant assumptions are used in estimating the Group's obligation for these employee benefits. The estimation process poses a significant risk of material misstatement, as small variances in the assumptions can have a material financial impact on the Group's consolidated financial statements. The key assumptions involved in calculating the obligation are the discount, inflation, salary increase and future growth in medical rates. The Group appointed an external actuarial expert to guide the determination of the assumptions and compute the obligation. The use of significant assumptions increases the risk that the estimate can be materially misstated and required special audit consideration.	Our audit procedures included: • Evaluating the competency and objectivity of the appointed Actuary. • Determining that the actuarial valuation was performed using the projected unit credit method as required under International Accounting Standard 19, *Employee Benefits*. • Engaging our own Actuarial Specialist to assess the appropriateness of the method and assumptions used. • Testing the completeness and accuracy of the data used in the actuarial valuation to the underlying accounting records. • Checking that the accounting policy and disclosures were in accordance with the accounting standards.

Information Other Than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Group's 2020 Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Group's 2020 Annual Report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the Group's 2020 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Marissa Quashie.

KPMG

Chartered Accountants
Port of Spain
Trinidad and Tobago
March 30, 2021

CONSOLIDATED INCOME STATEMENT

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

	Notes	Years ended December 31, 2020 $	2019 $
Revenue	3	1,692,150	1,670,883
Cost of sales	5	(1,160,909)	(1,204,872)
Gross profit		**531,241**	**466,011**
Operating expenses	5	(241,895)	(243,397)
Impairment of trade accounts receivable	10	926	847
Operating earnings before other expenses, net		**290,272**	**223,461**
Other expenses, net	6	(74,354)	(73,702)
Operating earnings		**215,918**	**149,759**
Financial expense	7.1	(122,086)	(97,204)
Financial income and other items, net	7.2	62	666
Earnings before taxation		**93,894**	**53,221**
Taxation charge	18	(78,675)	(38,295)
Net earnings from continuing operations		**15,219**	**14,926**
Net earnings from discontinued operations	8	-	423
NET INCOME		**15,219**	**15,349**
Non-controlling interest	19.5	(39,398)	(25,730)
CONTROLLING INTEREST		**(24,179)**	**(10,381)**
Basic and diluted loss per share	20	**(0.0650)**	**(0.0300)**
Basic and diluted loss per share from continuing operations	20	**(0.0650)**	**(0.0300)**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Trinidad and Tobago Dollars)

	Notes	Years ended December 31, 2020 $	2019 $
NET INCOME		**15,219**	**15,349**
Items that will not be reclassified subsequently to the income statement			
Net actuarial (losses) gains from remeasurements of employee benefit plans	17	(57,518)	53,783
Taxation recognised directly in other comprehensive income	18.2	16,990	(16,459)
	19.4	(40,528)	37,324
Items that are or may be reclassified subsequently to the income statement			
Effects from derivative financial instruments designated as cash flow hedges	19.4	1,008	(697)
Currency translation results of foreign subsidiaries	19.4	(24,457)	(16,774)
		(23,449)	(17,471)
Total items of other comprehensive income, net	19.4	**(63,977)**	**19,853**
TOTAL COMPREHENSIVE (LOSS) INCOME		**(48,758)**	**35,202**
Non-controlling interest		(30,367)	(52,574)
CONTROLLING INTEREST		**(79,125)**	**(17,372)**
Out of which:			
COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS	8	-	423
COMPREHENSIVE LOSS FROM CONTINUING OPERATIONS		**(79,125)**	**(17,795)**

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands of Trinidad and Tobago Dollars)

		Years ended December 31,	
	Notes	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	88,305	87,453
Trade accounts receivable, net	10	56,832	87,940
Other accounts receivable	11	44,440	47,284
Taxation recoverable		4,451	5,871
Inventories, net	12	240,452	253,103
Total current assets		434,480	481,651
NON-CURRENT ASSETS			
Investments	13	1	1
Property, machinery and equipment, net	14	1,703,078	1,826,491
Deferred taxation assets	18.2	132,183	251,394
Employee benefits	17	54,424	54,793
Other accounts receivable	11	74	-
Total non-current assets		1,889,760	2,132,679
TOTAL ASSETS		2,324,240	2,614,330
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term debt	15.1	400,887	18,000
Other financial obligations	15.2	7,151	6,421
Trade payables		240,192	247,507
Taxation payable		29,093	4,526
Other current liabilities	16	308,316	256,386
Total current liabilities		985,639	532,840

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Thousands of Trinidad and Tobago Dollars)

	Notes	Years ended December 31, 2020 $	2019 $
NON-CURRENT LIABILITIES			
Long-term debt	15.1	211,756	865,182
Other financial obligations	15.2	21,431	20,524
Employee benefits	17	242,863	176,503
Deferred taxation liabilities	18.2	201,890	309,477
Other non-current liabilities	16	2,389	2,774
Total non-current liabilities		680,329	1,374,460
TOTAL LIABILITIES		1,665,968	1,907,300
SHAREHOLDERS' EQUITY			
Controlling interest:			
Stated capital	19.1	827,732	827,732
Unallocated ESOP shares	19.2	(20,019)	(20,019)
Other equity reserves	19.3	(305,320)	(291,938)
Retained earnings		89,733	141,678
Net loss		(24,179)	(10,381)
Total controlling interest		567,947	647,072
Non-controlling interest	19.5	90,325	59,958
TOTAL SHAREHOLDERS' EQUITY		658,272	707,030
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,324,240	2,614,330

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

These financial statements were approved by the Board of Directors on March 30, 2021 and signed on their behalf by:

______________________ Director ______________________ Director

CONSOLIDATED STATEMENT OF CASH FLOWS

(Thousands of Trinidad and Tobago Dollars)

	Notes	Years ended December 31, 2020 $	2019 $
OPERATING ACTIVITIES			
Net income		**15,219**	**15,349**
Discontinued operations		**-**	**(423)**
Net income from continuing operations		**15,219**	**14,926**
Non-cash items:			
Depreciation and amortisation of assets	14	149,987	143,195
Financial expense, net		122,024	96,538
Pension plan and other post-retirement benefit	17	20,905	26,298
Other items, net		(384)	2,314
Taxation charge	18	78,675	38,295
Changes in working capital, excluding taxation		52,535	(25,292)
Cash generated from operating activities from continuing operations before financial expense, taxation and post-employment benefits paid		**438,961**	**296,274**
Financial expense paid		(40,607)	(66,422)
Taxation paid		(19,502)	(16,707)
Pension plan contributions and other post-retirement benefit paid		(15,668)	(15,814)
Net cash from operating activities from continuing operations		**363,184**	**197,331**
INVESTING ACTIVITIES			
Purchase of property, machinery and equipment	14	(114,095)	(139,742)
Proceeds from disposal of assets		496	-
Net cash used in investing activities		**(113,599)**	**(139,742)**
FINANCING ACTIVITIES			
Repayment of debt, net		(248,398)	(51,379)
Other financial obligations, net		1,637	4,289
Net cash used in financing activities		**(246,761)**	**(47,090)**
Increase in cash and cash equivalents from continuing operations		2,824	10,499
Cash conversion effect, net		(1,972)	(783)
Cash and cash equivalents at beginning of period		**87,453**	**77,737**
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**88,305**	**87,453**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(Thousands of Trinidad and Tobago Dollars)

	Notes	2020 $	2019 $
		Years ended December 31,	
Changes in working capital, excluding taxation:			
Trade accounts receivable, net		29,158	10,660
Other accounts receivable		(4,342)	12,455
Inventories, net		4,686	(23,921)
Trade payables		1,520	21,835
Other current and non-current liabilities		21,513	(46,321)
Changes in working capital, excluding taxation		52,535	(25,292)

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

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Thousands of Trinidad and Tobago Dollars)

	Stated capital $	Unallocated ESOP shares $	Reserves: Other equity reserves $	Retained earnings $	Total controlling interest $	Non-controlling interest $	Total share holders' equity $
Balance as of December 31, 2018	**827,732**	**(20,019)**	**(248,355)**	**109,987**	**669,345**	**2,483**	**671,828**
Net (loss) income for the year	-	-	-	(10,381)	(10,381)	25,730	15,349
Total other items of comprehensive income, net	-	-	(43,583)	36,592	(6,991)	26,844	19,853
Change in non-controlling interest	-	-	-	(4,901)	(4,901)	4,901	-
Balance as of December 31, 2019	**827,732**	**(20,019)**	**(291,938)**	**131,297**	**647,072**	**59,958**	**707,030**
Net (loss) income for the year	-	-	-	(24,179)	(24,179)	39,398	15,219
Total other items of comprehensive income, net	-	-	(13,382)	(41,564)	(54,946)	(9,031)	(63,977)
Balance as of December 31, 2020	827,732	(20,019)	(305,320)	65,554	567,947	90,325	658,272

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2020 and 2019
(Thousands of Trinidad and Tobago Dollars)

1) DESCRIPTION OF BUSINESS

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

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

The ordinary shares of the Company are publicly traded on the Trinidad and Tobago Stock Exchange ("TTSE") and Barbados Stock Exchange ("BSE"). At the date of approval of the consolidated financial statements, the Company was delisted from the Jamaica Stock Exchange ("JSE") and has embarked upon a process of delisting from the BSE. The ordinary shares of Caribbean Cement Company Limited ("CCCL") were publicly traded on the JSE. The shares of Readymix (West Indies) Limited ("RML") were delisted from the Trinidad and Tobago Stock Exchange on December 31, 2018 and de-registered as a reporting issuer on December 29, 2020.

The Company is a subsidiary of Sierra Trading. As a result, the Group's ultimate parent company is CEMEX, S.A.B. de C.V., a public stock corporation with variable capital organised under the laws of the United Mexican States, or Mexico, and its shares are publicly traded on the Mexican Stock Exchange ("MSE") as Ordinary Participation Certificates ("CPOs") under the symbol "CEMEX CPO". Each CPO represents two series "A" shares and one series "B" share of common stock of CEMEX, S.A.B. de C.V. In addition, the CEMEX, S.A.B. de C.V.'s shares are listed on the New York Stock Exchange ("NYSE") as American Depositary Shares ("ADSs") under the symbol "CX". Each ADS represents ten CPOs.

The Company's subsidiaries and their principal activities are detailed in note 26.

These consolidated financial statements were authorised for issue by Trinidad Cement Limited's Board of Directors on March 30, 2021.

2) SIGNIFICANT ACCOUNTING POLICIES

(2.1) BASIS OF PRESENTATION AND DISCLOSURE

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
(Thousands of Trinidad and Tobago Dollars)

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (continued)

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

(i) Presentation currency and definition of terms

During the reported periods, the presentation currency of the consolidated financial statements was the Trinidad and Tobago dollar ("TTD"). When reference is made to "$" it means Trinidad and Tobago dollars. The amounts in the consolidated financial statements and the accompanying notes are stated in thousands, except when references are made to earnings per share and/or prices per share. When reference is made to "USD" or "US$" it means dollars of the United States of America ("United States"). When reference is made to "€" or "euros", it means the currency in circulation in a significant number of European Union ("EU") countries. As of December 31, 2020 and 2019, translations of TTD into USD and dollars into TTD, were determined for the consolidated statement of financial position amounts using the closing exchange rate of $6.7993 and $6.7992, respectively, and for consolidated income statement and consolidated statement of comprehensive income amounts, using the average exchange rates of $6.7781 and $6.7674 TTD per USD for 2020 and 2019, respectively.

(ii) Newly issued and amended IFRS adopted in 2020

Amendments to IFRS 3, Business combinations

Amendments to IFRS 3, Business Combinations, became effective on January 1, 2020 and confirmed that a business must include inputs and a process, and clarified that the process must be substantive and that the inputs and process must together significantly contribute to creating outputs. The amendments narrowed the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs. The new standard added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

This is not applicable to the Group and thus had no impact.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
(Thousands of Trinidad and Tobago Dollars)

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (continued)

(ii) Newly issued and amended IFRS adopted in 2020 (continued)

Amendments to IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement

Amendments to IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement became effective on January 1, 2020 and modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the interbank offered rates ("IBOR") reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. They amend the requirements for hedge accounting to support the provision of useful financial information during the period of uncertainty caused by the phasing out of interest-rate benchmarks such as IBORs on hedge accounting.

The adoption of amendments to IFRS 7, IFRS 9 and IAS 39 did not result in any changes to the consolidated financial statements.

Amendments to IFRS 16 Leases

Amendments to IFRS 16 Leases became effective on June 1, 2020 and provide lessees with an exemption from assessing whether a COVID-19-related rent concession (a rent concession that reduces lease payments due on or before June 30, 2021) is a lease modification.

The adoption of amendments to IFRS 16 did not result in any changes to the consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors became effective on January 1, 2020 and clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

The adoption of amendments to IAS 1 and IAS 8 did not result in any changes to the consolidated financial statements.

(2.2) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include those of Trinidad Cement Limited and those of the entities over which the Company exercises control, by means of which the Company is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to affect those returns through

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
(Thousands of Trinidad and Tobago Dollars)

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.2) PRINCIPLES OF CONSOLIDATION (continued)

its power over the investee's relevant activities. Balances and operations between related parties are eliminated on consolidation.

Investments are accounted for using the equity method when Trinidad Cement Limited has significant influence which is generally presumed with a minimum equity interest of 20%. The equity method reflects in the consolidated financial statements, the investee's original cost and the Group's share of the investee's equity and earnings after acquisition. The consolidated financial statements of joint ventures, which relate to those arrangements in which the Group and other third-party investors have joint control and have rights to the net assets of the arrangements, are recognised under the equity method. During the reported periods, the Group did not have joint operations, referring to those cases in which the parties that have joint control of the arrangement have rights over specific assets and obligations for specific liabilities relating to the arrangements. The equity method is discontinued when the carrying amount of the investment, including any long-term interest in the investee or joint venture, is reduced to zero, unless the Group has incurred or guaranteed additional obligations of the investee or joint venture.

(2.3) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

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

(i) Allowance for expected credit losses on trade accounts receivable (note 10)

Allowances are determined upon origination of the trade accounts receivable based on a model that calculates the expected credit loss ("ECL") of the trade accounts receivable.

Under this ECL model, the Group segments its accounts receivable in a matrix by days past due and determines for each age bracket an average rate of ECL, considering actual credit loss experienced over the last 60 months, analysis of future delinquency and the economic environment that is applied to the balance of the trade accounts receivable.

The average ECL rate increases in each segment of days past due until the rate is 100% for balances aged in excess of the cut-off date. The cut-off dates of various entities range from 180 days to 360 days depending on the specific products sold and historical delinquency patterns observed. The use of assumptions make uncertainty inherent in such estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(ii) Taxation (note 18)

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

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

(iii) Net realisable value of inventories (note 12)

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made of the amounts the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events after the period end to the extent that such events confirm conditions existing at the end of the year.

Management has estimated that certain volumes of product classified as work in progress and finished goods will remain inaccessible for sale or production in the foreseeable future. This is due to the design of storage facilities and the nature of the products and of our operations. Provisions have been recorded to reduce the net realisable value of these volumes.

(iv) Property, machinery and equipment (note 14)

Management exercises judgement in determining whether costs incurred can generate significant future economic benefits to the Group to enable the value to be treated as a capital expense.

Further judgement is applied in the annual review of the useful lives of all categories of property, machinery and equipment and the resulting depreciation determined thereon.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(iv) Property, machinery and equipment (note 14) (continued)

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

(v) Rehabilitation provision (note 16)

The provisions for restoration and rehabilitation associated with environmental damage represent the best estimates of the future costs of remediation, which are recognised at their nominal values when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values.

These obligations include the costs of the future cleaning, reforestation and/or development of the affected areas and include the future costs of abandoning the site so that quarries are left in an acceptable condition at the end of their operation. The ultimate restoration and rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in discount rates.

Provisions for future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date. The provision at the reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

(vi) Other provisions (note 16)

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

(vii) Pensions and Post-employment benefits (note 17)

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY

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

The financial statements of foreign subsidiaries, as determined using their respective functional currency, are translated to Trinidad and Tobago dollars (TTD) at the closing exchange rate for statement of financial position accounts and at the closing exchange rates of each month within the period for income statement accounts. The functional currency is that in which each consolidated entity primarily generates and expends cash. The corresponding translation effect is included within "Other equity reserves" and is presented in the statement of comprehensive income for the period as part of the foreign currency translation adjustment (note 19.3) until the disposal of the net investment in the foreign subsidiary.

The most significant closing exchange rates and the approximate average exchange rates for statement of financial position accounts and income statement accounts as of December 31, 2020 and 2019, were as follows:

	2020		2019	
Currency	**Closing $**	**Average $**	**Closing $**	**Average $**
Jamaican Dollar (JMD)	0.0477	0.0475	0.0513	0.0505
United States Dollar (USD)	6.7993	6.7781	6.7992	6.7674
Guyanese Dollar (GYD)	0.0323	0.0322	0.0323	0.0322
Barbadian Dollar (BBD)	3.3532	3.3428	3.3532	3.3284

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.5) CASH AND CASH EQUIVALENTS (note 9)

The balance in this caption consists of available amounts of cash and cash equivalents, mainly represented by highly-liquid short-term investments, which are readily convertible into known amounts of cash, and which are not subject to significant risks of changes in their values, including overnight investments, which yield fixed returns and have maturities of less than three months from the investment date. These fixed-income investments are recorded at cost plus accrued interest. Accrued interest is included in the consolidated income statement as part of "Financial income and other items, net."

The amount of cash and cash equivalents in the consolidated statement of financial position includes restricted cash and investments, comprising of deposits in margin accounts that guarantee certain of the Group's obligations, to the extent that the restriction will be lifted in less than three months from the reporting date. When the restriction period is greater than three months, such restricted cash and investments are not considered cash equivalents and are included within short-term or long-term "Other accounts receivable", as appropriate. When contracts contain provisions for net settlement, these restricted amounts of cash and cash equivalents are offset against the liabilities that the Group has with its counterparties.

(2.6) FINANCIAL INSTRUMENTS

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

(i) Initial recognition

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

(ii) Classification and measurement of financial instruments

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (continued)

(ii) Classification and measurement of financial instruments (continued)

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

- Cash at bank and on hand (notes 2.5 and 9).
- Trade accounts receivable, net, other accounts receivable and accounts receivable from related parties (notes 10, 11 and 24). Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.
- Liabilities for trade payables, other account payables and accrued expenses and accounts payable to related parties (notes 16 and 24) are recorded initially at amounts representing the fair value of the consideration to be paid for goods or services received by the reporting date, whether or not billed.

Debt instruments and other financial obligations are classified as “Loans” and are measured at amortised cost (notes 15.1 and 15.2). Interest accrued on financial instruments is recognised within “Other current liabilities” against financial expense. During the reported periods, the Group did not have financial liabilities voluntarily recognised at fair value or associated with fair value hedge strategies with derivative financial instruments.

Derivative financial instruments are recognised as assets or liabilities in the consolidated statement of financial position at their estimated fair values, and the changes in such fair values are recognised in the consolidated income statement within “Financial income and other items, net” for the period in which they occur, except in the case of hedging instruments as described in note 15.4.

(iii) Derecognition

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (continued)

(iii) Derecognition (continued)

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

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

(iv) Offsetting

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

(v) Impairment of financial assets

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

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

Direct costs incurred in debt issuances or borrowings, as well as debt refinancing or non-substantial modifications to debt agreements that did not represent an extinguishment of debt by considering that the holders and the relevant economic terms of the new instrument are not substantially different to the replaced instrument, adjust the carrying amount of the related debt and are amortised as interest expense as part of the effective interest rate of each instrument over its maturity. These costs include commissions and professional fees. Costs incurred in the extinguishment of debt, as well as debt refinancing or modifications to debt agreements, when the new instrument is substantially different from the old instrument according to a qualitative and quantitative analysis, are recognised in the consolidated income statement as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (continued)

(vii) Hedging instruments (note 15.4)

A hedging relationship is established to the extent the entity considers, based on the analysis of the overall characteristics of the hedging and hedged items, that the hedge will be highly effective in the future and the hedge relationship at inception is aligned with the entity's reported risk management strategy (note 15.5). The accounting categories of hedging instruments are: a) cash flow hedge, b) fair value hedge of an asset or forecasted transaction, and c) hedge of a net investment in a subsidiary.

In cash flow hedges, the effective portion of changes in fair value of derivative instruments are recognised in the consolidated statements of changes in shareholders' equity within other equity reserves and are reclassified to earnings as the interest expense of the related debt is accrued, in the case of interest rate swaps, or when the underlying products are consumed in the case of contracts on the price of raw materials and commodities. In hedges of the net investment in foreign subsidiaries, changes in fair value are recognised in the consolidated statement of changes in shareholders' equity as part of the foreign currency translation result within other equity reserves (note 2.4), whose reversal to earnings would take place upon disposal of the foreign investment. During the reported periods, the Group did not have derivatives designated as fair value hedges. Derivative instruments are negotiated with institutions with significant financial capacity; therefore, the Group believes the risk of non-performance of the obligations agreed to by such counterparties to be minimal.

(viii) Embedded derivative financial instruments

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

(ix) Fair value measurements (note 15.3)

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

The fair values of assets and liabilities which are measured at amortised cost are presented in note 15.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (continued)

(ix) Fair value measurements (note 15.3) (continued)

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

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

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

(2.7) INVENTORIES (note 12)

Inventories are valued using the lower of cost or net realisable value. The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost is calculated using the weighted average method. The Group analyses its inventory balances to determine if, as a result of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.7) INVENTORIES (note 12)

internal events, such as physical damage, or external events, such as technological changes or market conditions, certain portions of such balances have become obsolete or impaired. When an impairment situation arises, the inventory balance is adjusted to its net realisable value, whereas, if an obsolescence situation occurs, the inventory obsolescence reserve is increased. In both cases, these adjustments are recognised against the results of the period. Net realisable value represents the estimated selling price less estimated costs of completion and cost to be incurred in marketing, selling and distribution.

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 14)

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

As of December 31, 2020, the average useful lives by category of property, machinery and equipment were as follows:

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

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

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

The useful lives and residual values of property, machinery and equipment are reviewed at each reporting date and adjusted if appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.9) BUSINESS COMBINATIONS, GOODWILL AND OTHER INTANGIBLE ASSETS

Business combinations are recognised using the acquisition method, by allocating the consideration transferred to assume control of the entity to all assets acquired and liabilities assumed, based on their estimated fair values as of the acquisition date. Intangible assets acquired are identified and recognised at fair value. Any unallocated portion of the purchase price represents goodwill, which is not amortised and is subject to periodic impairment tests (note 2.10). Goodwill may be adjusted for any correction to the preliminary assessment given to the assets acquired and/or liabilities assumed within the twelve-month period after purchase. Costs associated with the acquisition are expensed in the consolidated income statement as incurred.

The Group capitalises intangible assets acquired, as well as costs incurred in the development of intangible assets, when future economic benefits associated are identified and there is evidence of control over such benefits. Intangible assets are recognised at their acquisition or development cost, as applicable. Indefinite life intangible assets are not amortised since the period in which the benefits associated with such intangibles will terminate cannot be accurately established. Definite life intangible assets are amortised on straight-line basis as part of operating costs and expenses (note 5).

Start-up costs are recognised in the consolidated income statement as they are incurred. Costs associated with research and development activities (“R&D activities”), performed by the Group to create products and services, as well as to develop processes, equipment and methods to optimise operational efficiency and reduce costs are recognised in the operating results as incurred. Direct costs incurred in the development stage of computer software for internal use are capitalised and amortised through the operating results over the useful life of the software, which on average is approximately 5 years.

Costs incurred in exploration activities such as payments for rights to explore, topographical and geological studies, as well as trenching, among other items incurred to assess the technical and commercial feasibility of extracting a mineral resource, which are not significant to the Group, are capitalised when future economic benefits associated with such activities are identified. When extraction begins, these costs are amortised during the useful life of the quarry based on the estimated tons of material to be extracted. When future economic benefits are not achieved, any capitalised costs are subject to impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.10) IMPAIRMENT OF NON-FINANCIAL ASSETS (note 14)

Impairment of long-lived assets – Goodwill

Goodwill is tested for impairment when required due to significant adverse changes or at least once a year, during the last quarter of such a year. The Group determines the recoverable amount of cash-generating units ("CGUs") to which goodwill balances were allocated, which consists of the higher of such group of CGUs fair value less costs to sell and its value in use, the latter represented by the NPV of estimated future cash flows to be generated by such CGUs to which goodwill was allocated, which are generally determined over periods of 5 years. However, in specific circumstances, when the Group considers that actual results for a CGU do not fairly reflect historical performance and most external economic variables provide confidence that a reasonably determinable improvement in the mid-term is expected in their operating results, management uses cash flow projections over a period of up to 5 years, to the point in which future expected average performance resembles the historical average performance, to the extent the Group has detailed, explicit and reliable financial forecasts and is confident and can demonstrate its ability, based on past experience, to forecast cash flows accurately over that longer period. If the value in use of a group of CGUs to which goodwill has been allocated is lower than its corresponding carrying amount, the Group determines the fair value of such group of CGUs using methodologies generally accepted in the market to determine the value of entities, such as multiples of Operating EBITDA and by reference to other market transactions. An impairment loss is recognised within "Other expenses, net", if the recoverable amount is lower than the net book value of the group of CGUs to which goodwill has been allocated. Impairment charges recognised on goodwill are not reversed in subsequent periods.

However, such operating expenses are also reviewed considering external information sources in respect of inputs that behave according to international prices, such as oil and gas. The Group uses specific pre-tax discount rates for each group of CGUs to which goodwill is allocated, which are applied to discount pre-tax cash flows. The amounts of estimated undiscounted cash flows are significantly sensitive to the growth rate in perpetuity applied. Likewise, the amounts of discounted estimated future cash flows are significantly sensitive to the weighted average cost of capital (discount rate) applied. The higher the growth rate in perpetuity applied, the higher the amount of undiscounted future cash flows by group of CGUs obtained. Conversely, the higher the discount rate applied, the lower the amount of discounted estimated future cash flows by group of CGUs obtained.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.10) IMPAIRMENT OF NON-FINANCIAL ASSETS (note 14) (continued)

Property, machinery and equipment, intangible assets of definite life and other investments

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

The reportable segments reported by the Group (note 4), represent the Group's groups of CGUs considering: a) that the operating components that comprise the reported segment have similar economic characteristics; b) that the reported segments are used by the Group to organise and evaluate its activities in its internal information system; c) the homogeneous nature of the items produced and traded in each operative component, which are all used by the construction industry; d) the vertical integration in the value chain of the products comprising each component; e) the type of clients, which are substantially similar in all components; and f) the operative integration among components.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.11) PROVISIONS

The Group recognises provisions when it has a legal or constructive obligation resulting from past events, whose resolution would imply cash outflows, or the delivery of other resources owned by the Group. As of December 31, 2020 and 2019 some significant proceedings that gave rise to a portion of the carrying amount of the Group's other current and non-current liabilities and provisions are detailed in note 22.

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

(i) Restructuring

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

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

Provisions associated with environmental damage represent the estimated future cost of remediation, which are recognised at their nominal values when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values using the weighted average cost of capital. Reimbursements from insurance companies are recognised as assets only when their recovery is practically certain. In that case, such reimbursement assets are not offset against the provision for remediation costs.

(iii) Contingencies and commitments (notes 21 and 22)

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(i) Defined contribution pension plans

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

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

(iii) Termination benefits

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

(2.13) TAXATION (note 18)

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

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

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

Deferred taxation assets are reviewed at each reporting date and are reduced when it is not deemed probable that the related tax benefit will be realised, considering the aggregate amount of self-determined tax loss carryforwards that the Group believes will not be rejected by the tax authorities based on available evidence and the likelihood of recovering them prior to their expiration through an analysis of estimated future taxable income. If it is probable that the tax authorities would reject a self-determined deferred taxation asset, the Group would decrease such an asset. When it is considered that a deferred taxation asset will not be recovered before its expiration, the Group would not recognise such a deferred taxation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.13) TAXATION (note 18) (continued)

asset. Both situations would result in an additional tax expense for the period in which such a determination is made. In order to determine whether it is probable that deferred taxation assets will ultimately be recovered, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies, and future reversals of existing temporary differences. Likewise, the Group analyses its actual results versus the Group's estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred taxation asset and/or valuations may be affected, and necessary adjustments will be made based on relevant information in the Group's consolidated income statement for such a period.

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

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

For the years ended December 31, 2020 and 2019, the statutory tax rates in the Group's main operations were as follows:

Country	2020	2019
Trinidad and Tobago	30.00%	30.00%
Jamaica	25.00%	25.00%
Guyana	25.00%	25.00%
Barbados	2.50%- 5.50%	15.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.13) TAXATION (note 18) (continued)

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

(2.14) BORROWINGS AND BORROWING COSTS (note 15.1)

Short-term loans and long-term borrowings

Borrowings are stated initially at cost, being the fair value of consideration received net of transaction cost associated with the borrowings. After initial recognition, borrowings are measured at amortised cost using the effective interest method; any difference between proceeds and the redemption value is recognised in the consolidated income statement over the period of the borrowings.

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

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

(2.15) LEASES

As lessee

The Group initially applied IFRS 16 Leases from January 1, 2019 using the modified retrospective approach, under which the right-of-use assets were measured at an amount based on the lease liabilities.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.15) LEASES (continued)

As lessee (continued)

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Group has the right to direct use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

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

Lease payments included in the measurement of the lease liabilities comprise solely of fixed payments. The lease liabilities are measured at amortised cost using the effective interest of method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

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

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

The Group does not recognise the rental of the land for the quarries as those are not within the scope of IFRS 16.

Short-term leases and leases of low-value assets

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.16) SHAREHOLDERS' EQUITY

Stated capital

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

Unallocated ESOP shares (note 19.2)

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

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

Other equity reserves (note 19.3)

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.16) SHAREHOLDERS' EQUITY (continued)

Retained earnings (note 19.4)

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

Non-controlling interest (note 19.5)

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

(2.17) REVENUE RECOGNITION (note 3)

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

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

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

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

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

Cost of sales represents the production cost of inventories at the moment of sale. Cost of sales includes depreciation, amortisation and depletion of assets involved in production, expenses related to storage in production plants and freight expenses of raw material in plants and delivery expenses of the Group's ready-mix concrete business.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.18) COST OF SALES AND OPERATING EXPENSES (note 5) (continued)

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

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

(2.19) FINANCE INCOME AND EXPENSE

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

(2.20) RELATED PARTY

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

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

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

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

(2) has significant influence over the Group; or

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.20) RELATED PARTY (continued)

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

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

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

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

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

(2.21) NEWLY ISSUED IFRS NOT YET ADOPTED

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

Standard	Main topic	Effective date
Amendments to IAS 1, Presentation of Financial Statements	IAS 1 has been revised to (i) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability; (ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (iii) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The effective date was deferred by 1 year from January 1, 2022 to January 1, 2023.	January 1, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.21) NEWLY ISSUED IFRS NOT YET ADOPTED (continued)

Standard	Main topic	Effective date
Amendments to IAS 16, Property, Plant and Equipment	The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	January 1, 2022
Amendments to IAS 1, Presentation of Financial Statements	The amendments to the Standards provide guidance on the classification of liabilities as current or non-current and introduces narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.	January 1, 2022
Amendments to IAS 37, Provisions, Contingent Liabilities and Contingent Assets	The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.	January 1, 2022
Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards	The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.	January 1, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.21) NEWLY ISSUED IFRS NOT YET ADOPTED (continued)

Standard	Main topic	Effective date
Amendments to IFRS 3, Business Combinations	The amendments updated the reference to the Conceptual Framework. They also added to IFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The Board added this exception to avoid an unintended consequence of updating the reference. Without the exception, an entity would have recognised some liabilities on the acquisition of a business that it would not recognise in other circumstances. Immediately after the acquisition, the entity would have had to derecognise such liabilities and recognise a gain that did not depict an economic gain.	January 1, 2022
Amendments to IFRS 9, Financial Instruments	The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.	January 1, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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2) SIGNIFICANT ACCOUNTING POLICIES (continued)

(2.21) NEWLY ISSUED IFRS NOT YET ADOPTED (continued)

Standard	Main topic	Effective date
Amendments to IFRS 10, Consolidated Financial Statements and IAS 28 Investments in associates and joint ventures	The amendments clarify the recognition of gains or losses in the Parent's financial statements for the sale or contribution of assets between an investor and its associate or joint venture.	Available for adoption/ effective date deferred indefinitely
Amendments to IFRS 16, Leases	The changes in Covid-19-Related Rent Concessions (Amendment to IFRS 16) amend IFRS 16 to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification; require lessees that apply the exemption to account for COVID-19-related rent concessions as if they were not lease modifications; require lessees that apply the exemption to disclose that fact; and require lessees to apply the exemption retrospectively in accordance with IAS 8, but not require them to restate prior period figures.	January 1, 2023

3) REVENUE

The Group's revenue is mainly originated from the sale and distribution of cement, ready-mix concrete, aggregates, packaging and other construction materials. The Group grants credit for terms ranging from 3 to 60 days depending on the type and risk of each customer. For the years ended December 31, 2020 and 2019 revenue, after eliminations between related parties resulting from consolidation, is as follows:

	2020 $	2019 $
From the sale of goods associated with the Group's main activities	1,692,150	1,670,883

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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3) REVENUE (continued)

The Group sells its products primarily to distributors in the construction industry, with no specific geographic concentration within the countries in which the Group operates. As of and for the years ended December 31, 2020 and 2019, no single customer individually accounted for a significant amount of the reported amounts of sales or in the balances of trade accounts receivable. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

Information on revenue by reportable segment and primary geographical markets for the years 2020 and 2019 is presented in note 4.

4) FINANCIAL INFORMATION BY SEGMENT

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

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

The Group has identified the Group's Managing Director as its CODM. Based on the information presented to and reviewed by the CODM, the entire operations of the Group are considered as one operating segment.

Financial information related to the operating segment results for the year ended December 31, 2020, can be found in the consolidated income statement and related notes. There are no differences in the measurement of the reportable segment results and the Group's results.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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4) FINANCIAL INFORMATION BY SEGMENT (continued)

Selected information of the consolidated financial statements by reportable segment for the years 2020 and 2019 was as follows:

	Cement $	Concrete $	Packaging $	Adjustments $	Total $
2020					
Total revenue	1,841,584	69,411	86,574	-	1,997,569
Inter-segment revenue	220,540	3,373	81,506	-	305,419
Third party revenue	1,621,044	66,038	5,068	-	1,692,150
Depreciation	138,463	7,257	4,267	-	149,987
Earnings before tax	86,995	9,897	(2,998)	-	93,894
Segment assets	3,087,142	126,047	95,367	(984,316)	2,324,240
Segment liabilities	2,362,648	53,113	32,636	(782,429)	1,665,968
Capital expenditure	(109,561)	(4,273)	(261)	-	(114,095)
Operating cash flows	355,702	8,076	892	(1,486)	363,184
Investing cash flows	(109,065)	(4,273)	(261)	-	(113,599)
Financing cash flows	(246,761)	-	-	-	(246,761)
Net (decrease) increase in cash and cash equivalents	(124)	3,803	631	(1,486)	2,824
2019					
Total revenue	1,842,551	72,807	73,483	-	1,988,841
Inter-segment revenue	247,020	3,089	67,849	-	317,958
Third party revenue	1,595,531	69,718	5,634	-	1,670,883
Depreciation	136,177	7,958	2,326	(3,266)	143,195
Earnings before tax	67,079	(17,220)	880	2,482	53,221
Segment assets	3,104,293	111,722	97,603	(699,288)	2,614,330
Segment liabilities	2,403,080	53,026	29,502	(578,308)	1,907,300
Capital expenditure	134,979	3,468	1,295	-	139,742
Operating cash flows	188,290	5,904	(11,858)	14,995	197,331
Investing cash flows	(82,367)	(4,734)	(1,241)	(51,400)	(139,742)
Financing cash flows	(98,648)	(903)	(1,393)	53,854	(47,090)
Net (decrease) increase in cash and cash equivalents	7,275	267	(14,492)	17,449	10,499

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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4) FINANCIAL INFORMATION BY SEGMENT (continued)

Selected information of the consolidated financial statements by geographical segment for the years 2020 and 2019 was as follows:

	2020			2019		
	Revenue[1] $	Property, machinery and equipment $	Additions to fixed assets $	Revenue[1] $	Property, machinery and equipment $	Additions to fixed assets $
Trinidad and Tobago	328,287	412,744	19,271	353,051	393,548	41,052
Jamaica	940,799	1,075,099	41,006	884,127	1,250,742	57,509
Barbados	40,542	173,045	53,061	41,149	135,658	39,458
Others	382,522	42,190	757	392,556	46,543	1,723
Total	1,692,150	1,703,078	114,095	1,670,883	1,826,491	139,742

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

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

(i) Consolidated cost of sales and operating expenses during 2020 and 2019 by nature are as follows:

	2020 $	2019 $
Personnel remuneration and benefits	287,762	342,226
Fuel and electricity	313,121	332,766
Operating expenses	184,228	183,940
Raw materials and consumables	242,190	243,051
Equipment hire and haulage	120,655	101,768
Repairs and maintenance	75,279	50,168
Changes in finished goods and work in progress	29,582	51,155
Depreciation (note 5 (iv))	149,987	143,195
Total cost of sales and operating expenses	1,402,804	1,448,269

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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5) COST OF SALES, OPERATING EXPENSES, DEPRECIATION AND AMORTISATION (continued)

(ii) The total expenses included in the consolidated income statement are as follows:

	2020 $	2019 $
Cost of sales	1,160,909	1,204,872
Operating expenses	241,895	243,397
	1,402,804	1,448,269

(iii) Consolidated operating expenses during 2020 and 2019 by function are as follows:

	2020 $	2019 $
Administrative expenses	(135,270)	(144,393)
Selling expenses	(18,057)	(18,860)
Distribution and logistics expenses	(88,568)	(80,144)
	(241,895)	(243,397)

(iv) Depreciation and amortisation recognised during 2020 and 2019 are detailed as follows:

	2020 $	2019 $
Included in cost of sales	(133,889)	(137,205)
Included in administrative, selling, distribution and logistics expenses	(16,098)	(5,990)
	(149,987)	(143,195)

Consolidated income statement

Trinidad Cement Limited includes the line item titled "Operating earnings before other expenses, net" considering that it is a relevant operating measure for the Group's management. The line item "Other expenses, net" consists primarily of income and expenses not directly related to the Group's main activities, or which are of an unusual and/or non-recurring nature, including results on disposal of assets and restructuring costs, among others. Under IFRS, the inclusion of certain subtotals such as "Operating earnings before other expenses, net" and the display of the consolidated income statement vary significantly by industry and company according to specific needs.

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6) OTHER EXPENSES, NET

The detail of the line item "Other expenses, net" in 2020 and 2019 was as follows:

	2020 $	2019 $
Restructuring costs [1]	(74,738)	(64,105)
Past service cost of pension and post retirement employee benefits (note 17)	-	(4,431)
Fixed asset write-off	(111)	(4,617)
Gain (loss) from the sale of assets and others, net	495	(549)
	(74,354)	(73,702)

[1] In 2020 and 2019, restructuring costs mainly refer to severance payments and reversals of overstock and restructuring costs.

7) FINANCIAL EXPENSE, NET

(7.1) FINANCIAL EXPENSE

The details of financial expense in 2020 and 2019 were as follows:

	2020 $	2019 $
Interest expense	(57,566)	(63,534)
Unwinding of discount on lease liabilities (note 23)	(3,282)	(3,083)
Net interest on pension and other post-retirement obligations (note 17)	(7,794)	(8,699)
Foreign exchange results	(53,444)	(21,888)
	(122,086)	(97,204)

(7.2) FINANCIAL INCOME AND OTHER ITEMS, NET

The details of financial income and other items, net in 2020 and 2019 were as follows:

	2020 $	2019 $
Financial income	62	666
	62	666

8) DISCONTINUED OPERATIONS

Premix & Precast Concrete Incorporated was dissolved and balances of $423 were recorded as discontinued operations in 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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9) CASH AND CASH EQUIVALENTS

As of December 31, 2020 and 2019, consolidated cash and cash equivalents consisted of:

	2020 $	2019 $
Cash at bank and on hand	88,305	87,453
	88,305	87,453

10) TRADE ACCOUNTS RECEIVABLE, NET

As of December 31, 2020 and 2019, consolidated trade accounts receivable consisted of:

	2020 $	2019 $
Trade accounts receivable	79,651	115,303
Allowances for expected credit losses	(22,819)	(27,363)
	56,832	87,940

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

As of December 31, 2020 and 2019, the balances of trade accounts receivable and the allowance for ECL were as follows:

	2020			2019		
	Accounts receivable $	ECL allowance $	ECL average rate	Accounts receivable $	ECL allowance $	ECL average rate
Trinidad and Tobago	19,436	(6,983)	36%	26,517	(11,778)	44%
Jamaica	6,754	(13)	0%	26,183	(56)	0%
Barbados	46,824	(13,903)	30%	48,242	(14,181)	29%
Guyana	6,637	(1,920)	29%	14,361	(1,348)	9%
Total	79,651	(22,819)	29%	115,303	(27,363)	24%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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10) TRADE ACCOUNTS RECEIVABLE, NET (continued)

Changes in the allowance for ECL in 2020 and 2019, were as follows:

	2020 $	2019 $
Allowances for ECL at beginning of year	27,363	29,886
Charged to selling expenses	(926)	(847)
Deductions	(3,614)	(1,670)
Foreign currency translation effects	(4)	(6)
Allowances for ECL at end of year	22,819	27,363

11) OTHER ACCOUNTS RECEIVABLE

As of December 31, 2020 and 2019, consolidated other accounts receivable consisted of:

	2020 $	2019 $
Sundry receivables and prepayments	14,109	9,493
Loans to employees and others	3,634	5,918
Value added tax	17,027	24,668
Due from related companies	9,744	7,205
	44,514	47,284

Other accounts receivable is disclosed in the statement of consolidated financial position under the following captions:

	2020 $	2019 $
Current Assets	44,440	47,284
Non-Current Assets	74	-
	44,514	47,284

Other accounts receivable are deemed to have low credit risk.

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12) INVENTORIES, NET

As of December 31, 2020 and 2019, the consolidated balance of inventories was summarised as follows:

	2020 $	2019 $
Finished goods	28,760	39,129
Work-in-process	21,124	43,669
Raw materials	15,163	15,231
Materials and spare parts	166,921	145,430
Inventory in transit	8,484	9,644
	240,452	253,103

For the years ended December 31, 2020 and 2019, inventories are shown net of inventory impairment losses of $47.6 million and $3.9 million, respectively.

For the year ended December 31, 2020 and 2019, the Group included the changes in inventory provision for obsolescence as raw materials and consumables costs within "Cost of sales" (see note 5 (i)) and reversal of stockholding and inventory restructuring provision in "Other expenses, net" (see note 6).

During the year there were inventory write offs amounting to $86 (2019: $17,659) which is recorded in "other income, net" (see note 6).

The changes in the inventory provision for obsolescence for the year ended December 31, 2020 and 2019 are as follows:

	2020 $	2019 $
Inventory obsolescence provision at beginning of period	3,942	17,711
Expense charged to consolidated income statement	11,155	1,688
Write-offs of inventories during the period	(86)	(17,659)
Write-back of inventories during the period	32,509	2,387
Foreign currency translation effects	39	(185)
Inventory obsolescence provision at end of period	47,559	3,942

13) INVESTMENTS

As of December 31, 2020 and 2019, consolidated other investments and non-current accounts receivable were summarised as follows:

	2020 $	2019 $
Investments in strategic equity securities[1]	1	1
	1	1

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

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14) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of December 31, 2020 and 2019, consolidated property, machinery and equipment, net and the changes in such line item during 2020 and 2019, were as follows:

	Land and mineral reserves $	Buildings $	Machinery and equipment $	Construction in progress $	Total $
2020					
Cost at beginning of year	154,413	327,205	3,636,875	168,031	4,286,524
Accumulated depreciation	(32,280)	(225,682)	(2,159,704)	(42,367)	(2,460,033)
Net book value at beginning of year	122,133	101,523	1,477,171	125,664	1,826,491
Capital expenditures	-	3,243	11,818	99,034	114,095
Disposals	-	(125)	(352)	(7)	(484)
Reclassifications	(8,319)	8,023	74,567	(74,212)	59
Depreciation for the year	(1,600)	(13,310)	(135,077)	-	(149,987)
Foreign currency translation effects	(6,076)	1,486	(78,022)	(4,484)	(87,096)
Net book value at end of year	106,138	100,840	1,350,105	145,995	1,703,078
Cost at end of year	133,160	325,248	3,681,228	145,995	4,285,631
Accumulated depreciation	(27,022)	(224,408)	(2,331,123)	-	(2,582,553)
Net book value at end of year	106,138	100,840	1,350,105	145,995	1,703,078
2019					
Cost at beginning of year	146,240	354,537	3,106,116	226,581	3,833,474
Recognition of right-of-use assets on initial application of IFRS16 (note 23)[1]	9,208	5,487	7,961	-	22,656
Adjusted cost at beginning of year	155,448	360,024	3,114,077	226,581	3,856,130
Accumulated depreciation	(33,182)	(238,175)	(1,666,918)	(42,133)	(1,980,408)
Adjusted net book value at beginning of year	122,266	121,849	1,447,159	184,448	1,875,722
Capital expenditures	2,398	7,146	48,055	81,755	139,354
Stripping costs	388	-	-	-	388
Disposals	(304)	(259)	(1,780)	(1,740)	(4,083)
Reclassifications	(2,411)	(12,890)	157,555	(134,531)	7,723
Depreciation for the year	(206)	(12,903)	(130,086)	-	(143,195)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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14) PROPERTY, MACHINERY AND EQUIPMENT, NET (continued)

	Land and mineral reserves $	Buildings $	Machinery and equipment $	Construction in progress $	Total $
2019 (continued)					
Foreign currency translation effects	2	(1,420)	(43,732)	(4,268)	(49,418)
Net book value at end of year	122,133	101,523	1,477,171	125,664	1,826,491
Cost at end of year	154,413	327,205	3,636,875	168,031	4,286,524
Accumulated depreciation	(32,280)	(225,682)	(2,159,704)	(42,367)	(2,460,033)
Net book value at end of year	122,133	101,523	1,477,171	125,664	1,826,491

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

15) FINANCIAL INSTRUMENTS

(15.1) SHORT-TERM AND LONG-TERM DEBT

As of December 31, 2020 and 2019, the Group´s consolidated debt summarised by interest rates and currencies, was as follows:

	2020			2019		
TYPE	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
USD floating rate debt	125,137	65,141	190,278	-	431,670	431,670
TTD floating rate debt	275,750	-	275,750	18,000	275,750	293,750
JMD fixed rate debt	-	146,615	146,615	-	157,762	157,762
	400,887	211,756	612,643	18,000	865,182	883,182
Effective rate [1]						
USD floating rate debt	9.22%	4.95%		-	6.85%	
TTD floating rate debt	4.01%	-		4.13%	4.13%	
JMD fixed rate debt	-	7.45%		-	7.45%	

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15) FINANCIAL INSTRUMENTS (continued)

(15.1) SHORT-TERM AND LONG-TERM DEBT (continued)

	2020				2019			
CURRENCY	Short-term $	Long-term $	Total $	Effective rate [1]	Short-term $	Long-term $	Total $	Effective rate [1]
USD	125,137	65,141	190,278	7.76%	-	431,670	431,670	6.85%
TTD	275,750	-	275,750	4.01%	18,000	275,750	293,750	4.13%
JMD	-	146,615	146,615	7.45%	-	157,762	157,762	7.45%
	400,887	211,756	612,643		18,000	865,182	883,182	

[1] In 2020 and 2019, the effective rate represents the weighted-average interest rate of the related debt agreements.

	2020			2019		
FACILITY	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
Related party loans						
Revolving loan facilities	125,137	65,141	190,278	-	431,670	431,670
Bank loans						
Term loans	159,500	-	159,500	18,000	318,011	336,011
Revolving loan facilities	116,250	146,615	262,865	-	115,501	115,501
	275,750	146,615	422,365	18,000	433,512	451,512
	400,887	211,756	612,643	18,000	865,182	883,182

Changes in consolidated debt for the years ended December 31, 2020 and 2019 were as follows:

	2020 $	2019 $
Debt at beginning of year	883,182	941,593
Debt repayments	(18,000)	(18,000)
Net change in revolving facilities	(241,375)	(37,519)
Capitalised interest	10,977	4,140
Foreign currency translation and accretion effects	(22,141)	(7,032)
Debt at end of year	612,643	883,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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15) FINANCIAL INSTRUMENTS (continued)

(15.1) SHORT-TERM AND LONG-TERM DEBT (continued)

The maturities of consolidated long-term debt as of December 31, 2020 and 2019, were as follows:

	2020 $	2019 $
2021	-	275,750
2022	-	-
2023	146,615	277,403
2024	-	-
2025 and thereafter	65,141	312,029
	211,756	865,182

(i) Related party loans ($190.3 million) (2019: $431.7 million)

On May 28, 2018 and April 25, 2020 the Group negotiated revolving facilities with a related company with the following key terms:

	Maximum available	Interest rate	Maturity date
Fixed rate loan A	US$ 50,000	7.25%	May 27, 2025
Floating rate loan B	US$ 52,000	LIBOR 3M + 4.20% (effective rate 4.95%)	May 27, 2025
Floating rate loan C	US$ 80,000	LIBOR 6M + 8.96% (effective rate 9.22%)	April 25, 2021

(ii) Bank loans ($422.4 million) (2019: $451.5 million)

Trinidad and Tobago bank loans ($275.8 million) (2019: $293.8 million)
On July 24, 2018 the Group negotiated three (3) 3-year loan facilities with the banks in Trinidad and Tobago. The terms of these loans are disclosed below:

	Maximum available	Interest rate	Maturity date
Term loan D	TTD110,000	OMO[1] 3m +305bps[2] (effective rate 4.01%)	July 26, 2021
Term loan E	TTD90,000	OMO 3m +305bps (effective rate 4.01%)	July 26, 2021
Revolving loan F	TTD120,000	OMO 3m +305bps (effective rate 4.01%)	July 26, 2021

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15) FINANCIAL INSTRUMENTS (continued)

(15.1) SHORT-TERM AND LONG-TERM DEBT (continued)

(ii) Bank loans ($422.4 million) (2019: $451.5 million) (continued)

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

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

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

Coverage ratio >= 1.25
Leverage ratio <= 4.25

Jamaican bank loans ($146.6 million) (2019: $157.8 million)

	Maximum available	Interest rate	Maturity date
Term loan	JMD3,076,000	7.45%	November 30, 2023

The loans from the local bank in Jamaica have financial covenants which mainly include: a) the ratio of debt to Operating EBITDA (the "Leverage ratio"); and b) the ratio of Operating EBITDA to interest expense (the "Coverage ratio"). These financial ratios are calculated according to the formulas established in the debt agreement using the amounts under IFRS. The Group must comply with a Coverage Ratio and a Leverage Ratio for each quarter as follows:

Coverage ratio >= 1.20
Leverage ratio <= 4.00

At December 31, 2020 and 2019 the Group was compliant with all terms and covenants of the loan agreements.

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15) FINANCIAL INSTRUMENTS (continued)

(15.2) OTHER FINANCIAL OBLIGATIONS

As of December 31, 2020 and 2019, other financial obligations in the consolidated statement of financial position are detailed as follows:

	2020			2019		
	Short-term $	Long-term $	Total $	Short-term $	Long-term $	Total $
IFRS 16 lease liabilities (note 23)	7,151	21,431	28,582	6,421	20,524	26,945

Changes in consolidated IFRS 16 lease liabilities for the years ended December 31, 2020 and 2019 were as follows:

	2020 $	2019 $
Balance at beginning of year	26,945	-
Initial application of IFRS16 (note 23)	-	22,656
New leases	8,573	10,982
Unwinding of discount on lease liabilities (note 7)	3,282	3,083
Payment	(10,439)	(9,776)
Foreign currency translation and accretion effects	221	-
Balance at end of year	28,582	26,945

(15.3) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities

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

The estimated fair value of the Group´s long-term debt is level 2 and is either based on estimated market prices for such or similar instruments, considering interest rates currently available for the Group to negotiate debt with the same maturities, or determined by discounting future cash flows using market-based interest rates currently available to the Group. As of December 31, 2020 and 2019, the carrying amounts of fixed interest rate debt and their respective fair values were the same because institutions indicative rates quoted remained unchanged - these are fixed rate.

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15) FINANCIAL INSTRUMENTS (continued)

(15.3) FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Financial assets and liabilities (continued)

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

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

Fair Value Hierarchy

As of December 31, 2020 and 2019, liabilities carried at fair value in the consolidated statements of financial position are included in the following fair value hierarchy categories:

	2020				2019			
	Level 1 $	Level 2 $	Level 3 $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Assets measured at fair value								
Derivative financial instruments (note 15.4)	-	412	-	412	-	-	-	-
Liabilities measured at air value								
Derivative financial instruments (note 15.4)	-	-	-	-	-	697	-	697

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15) FINANCIAL INSTRUMENTS (continued)

(15.4) DERIVATIVE FINANCIAL INSTRUMENTS

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

As of December 31, 2020 and 2019, the notional amounts and fair values of the Group's derivative instruments were as follows:

	2020		2019	
	Notional amount $	Fair value $	Notional amount $	Fair value $
Fuel price hedging	412	412	(697)	(697)

Up to December 31, 2020, the Group maintained a forward contract negotiated with CEMEX S.A. de C.V. to hedge the price of diesel fuel with the objective of changing the risk profile and fixing the price of fuel. At December 31, 2020, the aggregate notional amount of the contract is $412 (US$61) [2019: $697 (US$103)], with an estimated aggregate fair value of $412 (US$61) [2019: $697 (US$103)]. The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in fair value were recognised initially in other comprehensive income and were recycled to the income statement as the related diesel volumes are consumed. Fair value gains of a hedge contract recognised in other comprehensive income in 2019 amounting to $697 (US103) were recycled through the income statement in 2020.

(15.5) RISK MANAGEMENT

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

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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

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

As of December 31, 2020 and 2019, these strategies are sometimes complemented with the use of derivative financial instruments as mentioned in note 15.4, such as the commodity forward contracts on fuels negotiated to fix the price of these underlying commodities.

The main risk categories are mentioned below:

(i) Credit risk

Credit risk is the risk of financial loss faced by the Group if a customer or counterparty to a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As of December 31, 2020 and 2019, the maximum exposure to credit risk is represented by the balance of financial assets on the consolidated statement of financial position. Management has developed policies for the authorisation of credit to customers. Exposure to credit risk is monitored constantly according to the payment behaviour of debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behaviour regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Group's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Group's management has established a policy of low risk tolerance which analyses the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery. The review includes external ratings, when references are available, and in some cases bank references. Thresholds of purchase limits are established for each client, which represent the maximum purchase amounts that require different levels of approval. Customers that do not meet the levels of solvency requirements imposed by the Group can only carry

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(i) Credit risk (continued)

out transactions by paying cash in advance. In response to the COVID-19 pandemic, the Group has updated the forward looking analysis in its ECL model with the applicable macroeconomics projections. As of December 31, 2020, considering the Group's best estimate of potential expected losses based on the ECL model developed by the Group (note 10), the allowance for doubtful accounts was $22,819 (2019: $27,363).

On December 31, 2020 and 2019 the Group had 6 and 10 customers respectively that owed the Group more than $2 million each and which accounted for 28% and 41% respectively of all trade accounts receivable.

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

The aged receivable balances are regularly monitored. Allowances are determined upon origination of the trade accounts receivable and are based on a model that calculates the ECL of the trade accounts receivable and are recognised over their term. The Group estimates ECL on trade accounts receivable using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. The following table provides information about the ECL for trade accounts receivable as at December 31, 2020 and 2019.

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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(i) Credit risk (continued)

	2020			2019		
	Accounts receivable $	ECL allowance $	ECL average rate	Accounts receivable $	ECL allowance $	ECL average rate
0-30	53,904	(580)	1%	77,701	(1,607)	2%
31-60	2,111	(39)	2%	4,390	(344)	8%
61-90	352	(22)	6%	608	(92)	15%
91-120	35	-	0%	2,218	(72)	3%
121-150	664	(1)	0%	758	(27)	4%
151-180	-	-	0%	1,005	(9)	1%
181-210	10	-	0%	576	(13)	2%
211-240	1	(1)	100%	356	(8)	2%
241-270	2	(1)	50%	334	(8)	2%
271-300	106	(90)	85%	733	(18)	2%
301-330	13	(13)	100%	131	(3)	2%
331-360	50	(50)	100%	79	(2)	3%
Specific and over 360	22,403	(22,022)	98%	26,414	(25,160)	95%
	79,651	(22,819)	29%	115,303	(27,363)	24%

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

Credit risks from other financial assets have been assessed as being very low. Loans to employees can be recovered from employee benefits not yet paid.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, which only affects the Group's results if the fixed-rate long-term debt is measured at fair value. All of the Group's fixed-rate long-term debt is carried at amortised cost and therefore is not subject to interest rate risk. The Group's accounting exposure to the risk of changes in market interest

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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(ii) Interest rate risk (continued)

rates relates primarily to its long-term debt obligations with floating interest rates, which, if such rates were to increase, may adversely affect its financing cost and the results for the period.

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

As of December 31, 2020 and 2019, approximately 76% and 82% was denominated in floating rates, if interest rates at that date had been 0.5% higher, with all other variables held constant, the Group's net loss (income) for 2020 and 2019 would have increased/reduced by $1,631 and $2,539, respectively, as a result of higher interest expense on variable-rate denominated debt.

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. Due to its geographic diversification, the Group's revenues and costs are generated and settled in various countries and in different currencies. For the year ended December 31, 2020, approximately 25% of the Group's net sales, before eliminations resulting from consolidation, were generated in Trinidad and Tobago, 53% in Jamaica, 16% in Barbados and 6% in Guyana.

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

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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(iii) Foreign currency risk (continued)

	2020			2019		
	Increase/ decrease in US/Euro rate	Effect on profit before tax $	Effect on equity $	Increase/ decrease in US/Euro rate	Effect on profit before tax $	Effect on equity $
USD	+1%	(2,279)	(1,595)	+1%	(4,480)	(3,136)
	-1%	2,279	1,595	-1%	4,480	3,136
Euros	+1%	(4)	(3)	+1%	(16)	(11)
	-1%	4	3	-1%	16	11

As of December 31, 2020, approximately 31% (2019: 49%) of the Group's financial debt was USD-denominated, 45% (2019: 33%) was TTD-denominated and 24% (2019: 18%) was JMD-denominated. The denomination of financial debt is closely related to the amount of revenues generated in such currencies; therefore, the Group considers that the foreign currency risk related to these amounts of debt is low. Nonetheless, the Group cannot guarantee that it will generate sufficient revenues in USD, TTD and JMD from its operations to service these obligations. As of December 31, 2020 and 2019, the Group had not implemented any derivative financing hedging strategy to address this foreign currency risk. Nonetheless, the Group may enter into derivative financing hedging strategies in the future if either of its debt portfolio currency mix, interest rate mix, market conditions and/or expectations changes.

As of December 31, 2020 and 2019, the Group's consolidated net monetary assets (liabilities) by currency were as follows:

2020	Trinidad and Tobago $	Jamaica $	Barbados $	Guyana $	Total $
Monetary assets	55,342	38,009	72,824	11,452	177,627
Monetary liabilities	(493,456)	(392,485)	(27,266)	(11,543)	(924,750)
	(438,114)	(354,476)	45,558	(91)	(747,123)
Out of which:					
USD	(140,874)	(134,076)	56,800	(9,732)	(227,882)
TTD	(297,076)	-	-	-	(297,076)
Euros	(164)	-	(247)	(4)	(415)
JMD	-	(220,400)	-	-	(220,400)
Other currencies	-	-	(10,995)	9,645	(1,350)
	(438,114)	(354,476)	45,558	(91)	(747,123)

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As of December 31, 2020 and 2019
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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(iii) Foreign currency risk (continued)

2019	Trinidad and Tobago $	Jamaica $	Barbados $	Guyana $	Total $
Monetary assets	61,723	56,940	76,172	22,494	217,329
Monetary liabilities	(533,933)	(623,101)	(41,787)	(16,040)	(1,214,861)
	(472,210)	(566,161)	34,385	6,454	(997,532)
Out of which:					
USD	(155,761)	(321,811)	30,612	(1,044)	(448,004)
TTD	(314,099)	-	-	-	(314,099)
Euros	(1,638)	-	-	-	(1,638)
JMD	-	(244,350)	-	-	(244,350)
Other currencies	(712)	-	3,773	7,498	10,559
	(472,210)	(566,161)	34,385	6,454	(997,532)

(iv) Equity risk

The primary objective of the Group's equity risk management is to ensure that it maintains a healthy financial position in order to support its business activities and maximise shareholder value. Management monitors operating cash flows, return on capital and working capital.

(v) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business activities and maximise shareholder value. As at the reporting date, there were no externally imposed capital ratio requirements.

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

(vi) Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds available to meet its obligations. In addition to cash flows provided by its operating activities, in order to meet the Group's overall liquidity needs for operations, servicing debt and funding capital expenditures, the Group relies on cost-cutting and operating improvements to optimise capacity utilisation and maximise profitability, as well as borrowing under credit facilities, proceeds of debt and equity offerings, and proceeds from asset sales. The Group is exposed to risks from changes in foreign currency

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As of December 31, 2020 and 2019
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15) FINANCIAL INSTRUMENTS (continued)

(15.5) RISK MANAGEMENT (continued)

(vi) Liquidity risk (continued)

exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which it operates, any one of which may materially affect the Group's results and reduce cash from operations. The maturities of the Group's contractual obligations are included in notes 15.1 and 23.

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

	On demand $	1 year $	2 to 5 years $	> 5 years $	Total $
2020					
Borrowings	-	425,275	244,097	-	669,372
Interest and finance charges	-	2,080	-	-	2,080
Trade payables	-	240,192	-	-	240,192
Due to group companies	-	41,254	-	-	41,254
	-	708,801	244,097	-	952,898
2019					
Borrowings	-	71,589	677,276	341,919	1,090,784
Interest and finance charges	-	2,377	-	-	2,377
Trade payables	-	247,507	-	-	247,507
Due to group companies	-	41,458	-	-	41,458
	-	362,931	677,276	341,919	1,382,126

16) OTHER CURRENT AND NON-CURRENT LIABILITIES

As of December 31, 2020 and 2019, consolidated other current liabilities were as follows:

	2020 $	2019 $
Provisions[1]	154,767	139,153
Due to group companies	41,254	41,458
Sales and withholding tax payable	17,715	14,270
Interest payable	2,080	2,377
Advances from customers	17,247	17,378
Other accounts payable and accrued expenses	75,253	41,750
	308,316	256,386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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16) OTHER CURRENT AND NON-CURRENT LIABILITIES (continued)

[1] Current provisions primarily consist of accrued employee benefits, insurance payments, accruals for legal assessments and others. These amounts are revolving in nature and are expected to be settled and replaced by similar amounts within the next 12 months

Movement in consolidated provisions during 2020 and 2019 was as follows:

	2020 $	2019 $
Balance at beginning of year	139,152	92,471
Additions or increases in estimates	61,735	67,612
Reversals of unused amounts during the year	(1,461)	(1,067)
Amounts utilised during the year	(42,741)	(19,682)
Foreign currency translation	(1,918)	(182)
Balance at end of year	154,767	139,152

As of December 31, 2020 and 2019, consolidated other non-current liabilities were as follows:

	2020 $	2019 $
Rehabilitation provision	2,389	2,774

Movement in consolidated rehabilitation provision during 2020 and 2019 was as follows:

	2020 $	2019 $
Balance as of January 1	2,814	2,429
Additions or increases in estimates	(265)	426
Unwinding of discount on rehabilitation provision	384	40
Foreign currency translation	(197)	(81)
Balance as of December 31	2,736	2,814

Rehabilitation provision is disclosed in the statement of consolidated financial position under the following captions:

	2020 $	2019 $
Other current liabilities	347	40
Other non-current liabilities	2,389	2,774
	2,736	2,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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17) PENSIONS AND POST-EMPLOYMENT BENEFITS

Defined contribution pension plans

The Group participates in a defined contribution pension plan which is managed by an independent party. This plan is mandatory for all categories of permanent employees of CCCL and its subsidiaries. Contributions are 10% of pensionable salary for both employee and employer. The amount of annual pension at any date shall be that pension which can be secured by the accumulated contribution plus interest to that date. The Group's contributions in the year amounted to $2,451 (2019: $2,518).

Defined benefit pension plans

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

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

The Parent Company's employees and employees of TPL and RML are members of the Trinidad Cement Limited Employees' Pension Fund Plan (the Plan). This is a defined benefit pension plan which provides pensions related to employees' length of service and basic earnings at retirement. The Plan's financial funding position is assessed by means of triennial actuarial valuations carried out by an independent professional actuary. The Actuarial Valuation report (the Report) as at December 31, 2018 revealed that the TCL section was in surplus by $9,554 and the RML section by $3,728 but the TPL section was in deficit by $7,292. The next triennial actuarial valuation is due as at December 31, 2021.

The report recommended service contribution rates for TCL, RML and TPL as a percentage of salaries of 10%, 15.7% and 19.3% respectively.

Projected benefit obligations were computed by qualified actuaries using the projected unit credit method to determine the present value of defined benefit obligations for the years ended December 31, 2020 and 2019.

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

Actuarial results related to pension and other post-retirement benefits are recognised in earnings and/or in OCI for the period in which they are generated, as appropriate. For the years ended December 31, 2020 and 2019, the effects of pension plans and other post-employment benefits are summarised as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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17) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

	Pensions		Other benefits		Total	
	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Net period cost (income):						
Recorded in operating costs and expenses						
Service cost	15,824	17,874	3,891	3,993	19,715	21,867
Past service cost	-	3,038	-	1,393	-	4,431
	15,824	20,912	3,891	5,386	19,715	26,298
Recorded in other financial expenses						
Net interest cost	(2,175)	(394)	9,969	9,093	7,794	8,699
Recorded in other comprehensive income						
Return on plan assets	25,060	(37,699)	-	-	25,060	(37,699)
Actuarial (gains) losses for the period	(33,109)	(22,130)	65,567	6,046	32,458	(16,084)
	(8,049)	(59,829)	65,567	6,046	57,518	(53,783)
	5,600	(39,311)	79,427	20,525	85,027	(18,786)

For the years 2020 and 2019, actuarial (gains) losses for the period were generated by the following main factors as follows:

	Pensions		Other benefits		Total	
	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Actuarial (gains) losses due to experience	(18,045)	(32,421)	73,341	4,702	55,296	(27,719)
Actuarial (gains) losses due to demographic assumptions	-	10,291	-	3,651	-	13,942
Actuarial (gains) losses due financial assumptions	(15,064)	-	(7,774)	(2,307)	(22,838)	(2,307)
	(33,109)	(22,130)	65,567	6,046	32,458	(16,084)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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17) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

As of December 31, 2020 and 2019, the reconciliation of the actuarial benefit obligation and pension plan assets, is presented as follows:

	Pensions		Other benefits		Total	
	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Change in benefit obligation:						
Projected benefit obligation at beginning of the period	(940,591)	(950,152)	(170,627)	(160,952)	(1,111,218)	(1,111,104)
Service cost	(15,566)	(20,426)	(3,891)	(2,600)	(19,457)	(23,026)
Interest cost	(52,333)	(51,743)	(9,969)	(9,093)	(62,302)	(60,836)
Actuarial (gains) losses	33,109	24,831	(65,567)	(6,046)	(32,458)	18,785
Employee contributions	(4,277)	(4,954)	-	(4,277)	(4,954)	
Benefits paid	51,440	62,068	8,784	6,487	60,224	68,555
Foreign currency translation	(330)	(215)	3,030	1,577	2,700	1,362
Projected benefit obligation at end of the period	(928,548)	(940,591)	(238,240)	(170,627)	(1,166,788)	(1,111,218)
Change in plan assets:						
Fair value of plan assets at beginning of the period	989,508	952,026		-	989,508	952,026
Administrative costs	(257)	(1,721)	-	-	(257)	(1,721)
Return on plan assets	29,447	93,528	-	-	29,447	93,528
Actuarial (gains) losses	-	(2,719)	-	-	-	(2,719)
Employee contributions	3,917	4,538	-	-	3,917	4,538
Employer contributions	6,884	9,327	-	-	6,884	9,327
Benefits paid	(51,440)	(62,068)	-	-	(51,440)	(62,068)
Foreign currency translation	290	(3,403)	-	-	290	(3,403)
Fair value of plan assets at end of the period	978,349	989,508	-	-	978,349	989,508
Net projected asset (liability) in the consolidated statement of financial position	49,801	48,917	(238,240)	(170,627)	(188,439)	(121,710)

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17) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

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

	2020 $	2019 $
Non-current assets	54,424	54,793
Non-current liabilities	(242,863)	(176,503)
	(188,439)	(121,710)

As of December 31, 2020 and 2019, the major categories of plan assets of the fair value of the total plan assets are as follows:

	2020				2019			
	Level 1 $	Level 2 $	Level 3 $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Cash	56,164	-	-	56,164	75,791	-	-	75,791
Equities	447,263	-	-	447,263	448,334	-	-	448,334
Bonds	-	472,782	-	472,782	-	462,358	-	462,358
Mortgages	-	-	2,140	2,140	-	-	3,025	3,025
Total plan assets	503,427	472,782	2,140	978,349	524,125	462,358	3,025	989,508

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

	2020			2019		
	Trinidad and Tobago %	Jamaica %	Barbados %	Trinidad and Tobago %	Jamaica %	Barbados %
Discount rates	5.50	7.50	7.75	5.50	7.50	7.75
Rate of return on plan assets	3.20	-	7.75	10.40	-	7.75
Rate of salary increases	4.50	-	6.75	5.00	-	6.75
Future medical premium increases	5.00	6.00	-	5.00	6.00	-
	Years	Years	Years	Years	Years	Years
Post retirement mortality for retirees at age 60: Male	21.70	-	-	21.70	-	-
Post retirement mortality for retirees at age 60: Female	26.00	-	-	26.00	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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17) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

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

The Group expects to contribute $13.9 million to its pension and other post-retirement benefits in 2021.

As of December 31, 2020 and 2019, the aggregate projected benefit obligation ("PBO") for pension plans and other post-employment benefits and the plan assets by country were as follows:

	2020			2019		
	PBO $	Assets $	(Deficit) Surplus $	PBO $	Assets $	(Deficit) Surplus $
Trinidad and Tobago	(1,085,697)	932,516	(153,181)	(1,029,302)	942,584	(86,718)
Jamaica	(42,046)	-	(42,046)	(43,041)	-	(43,041)
Barbados	(39,045)	45,833	6,788	(38,875)	46,924	8,049
	(1,166,788)	978,349	(188,439)	(1,111,218)	989,508	(121,710)

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

For the year ended December 31, 2020, the Group performed sensitivity analyses on the most significant assumptions that affect the PBO, considering reasonable independent changes of plus or minus 50 basis points in each of these assumptions. The increases (decreases) that would have resulted in the PBO of pensions and other post-employment benefits as of December 31, 2020 are shown below:

	Pensions		Other benefits		Total	
Assumptions:	+50 bps $	-50 bps $	+50 bps $	-50 bps $	+50 bps $	-50 bps $
Discount rate sensitivity	(56,324)	62,760	(16,831)	19,475	(73,155)	82,235
Salary increase rate sensitivity	16,772	(15,642)	-	-	16,772	(15,642)
Future medical premium increases sensitivity	-	-	19,479	(16,944)	19,479	(16,944)

Assumptions:	Pensions +1 year	Other benefits +1 year	Total +1 year
Life expectancy of pensioners	13,153	9,223	22,376

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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18) TAXATION

(18.1) TAXATION EXPENSE FOR THE PERIOD

The amounts of taxation expense in the consolidated income statement for 2020 and 2019 are summarised as follows:

	2020 $	2019 $
Current taxation expense	(45,209)	(16,603)
Deferred taxation expense	(33,466)	(21,692)
	(78,675)	(38,295)

(18.2) DEFERRED TAXATION

As of December 31, 2020 and 2019, the main temporary differences that generated the consolidated deferred taxation assets and liabilities are presented below:

	2020 $	2019 $
Deferred tax assets:		
Tax loss carryforwards and other tax credits	44,084	236,183
Trade payables and other liabilities	7,424	15,211
Other post-retirement benefits	80,675	-
Total deferred tax assets, net	132,183	251,394
Deferred tax liabilities:		
Property, machinery and equipment	(187,424)	(182,224)
Other post-retirement benefits	-	(113,045)
Others	(14,466)	(14,208)
Total deferred tax liabilities, net	(201,890)	(309,477)
Net deferred tax liabilities	(69,707)	(58,083)

Net deferred tax assets (liabilities) by reportable segment for the years ended December 31, 2020 and 2019 were as follows:

	2020 $	2019 $
Trinidad and Tobago	12,491	8,636
Jamaica	(81,503)	(65,943)
Guyana	(695)	(776)
	(69,707)	(58,083)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
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18) TAXATION (continued)

(18.2) DEFERRED TAXATION (continued)

The movements in consolidated deferred taxation during 2020 and 2019 were as follows:

	2020 $	2019 $
Balance as of January 1	(58,083)	(21,333)
Deferred taxation charged to the income statement	(33,466)	(21,692)
Deferred taxation (charged) credited to other comprehensive income	16,990	(16,459)
Foreign currency translation	4,852	1,401
Balance as of December 31	(69,707)	(58,083)

Deferred taxation relative to items of other comprehensive income during 2020 and 2019 were as follows:

	2020 $	2019 $
Tax effects relative to actuarial (gains) and losses	16,990	(16,459)
	16,990	(16,459)

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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18) TAXATION (continued)

(18.2) DEFERRED TAXATION (continued)

As of December 31, 2020 and 2019, consolidated tax loss and tax credits carryforwards expire as follows:

	2020			2019		
	Total $	Unrecog-nised $	Recog-nised $	Total $	Unrecog-nised $	Recog-nised $
2021	38,037	38,037	-	37,800	37,799	-
2022	69,959	69,959	-	69,522	69,522	-
2023	21,442	21,442	-	21,309	21,309	-
2024	123,372	123,372	-	122,603	122,603	-
2025 and thereafter	960,412	817,732	142,680	1,013,916	774,786	239,131
	1,213,222	1,070,542	142,680	1,265,150	1,026,019	239,131

(18.3) RECONCILIATION OF EFFECTIVE TAXATION RATE

	2020 $	2019 $
Earnings before taxation	93,894	53,221
Taxation charge	(78,675)	(38,295)
Effective consolidated income tax rate[1]	(84%)	(72%)

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

Differences between the financial reporting and the corresponding tax basis of assets and liabilities and the different tax rates and laws applicable to the Group, among other factors, give rise to permanent differences between the statutory tax rate applicable in Trinidad and Tobago, and the effective tax rate presented in the consolidated income statement, which in 2020 and 2019 were as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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18) TAXATION (continued)

(18.3) RECONCILIATION OF EFFECTIVE TAXATION RATE (continued)

	2020		2019	
	%	$	%	$
Trinidad and Tobago statutory tax rate	30.0%	28,168	30.0%	15,966
Net expenses non-deductible for tax purposes	54.0%	50,731	23.2%	45,858
Adjustments due to accounting consolidation	12.0%	11,309	5.7%	11,309
Other accounting consolidation effects for TCL	(22.2%)	(20,805)	(11.3%)	(22,411)
Business and green fund levies	5.4%	5,062	2.5%	4,925
Differences in the income tax rates in the countries where the Group operates	1.2%	1,101	0.7%	1,483
Tax credit effect	(10.0%)	(9,429)	(2.1%)	(4,186)
Others	13.4%	12,538	(7.4%)	(14,649)
Effective consolidated tax rate	83.8%	78,675	41.3%	38,295

(18.4) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS

Uncertain tax positions

As at December 31, 2020, a deferred taxation asset of $333.5 million (2019: $307.8 million) in relation to tax losses available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilisation within a reasonable time.

In Trinidad and Tobago, the TCL Group has tax losses of $826.7 million (2019: $738.2 million) available for set off against future taxable profits. These losses do not expire. Tax returns are subject to audit by the Board of Island Revenue (BIR) within six years of being filed with the BIR.

In Barbados, $399.5 million of tax losses (2019: $410.4 million) are available for set off against future taxable profits. These tax losses expire over a 6-year period ending in 2027.

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

Significant tax proceedings

The Group's significant tax proceedings are detailed in note 22.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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19) SHAREHOLDERS' EQUITY

(19.1) STATED CAPITAL

As of December 31, 2020 and 2019, the breakdown of stated capital was as follows:

Authorised

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

	2020	2019
	$	$
Issued and fully paid		
374,647,704 ordinary shares of no par value	827,732	827,732

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

(19.2) UNALLOCATED ESOP SHARES

	Thousands of shares	
	2020	2019
Employee share ownership plan		
Number of shares held - unallocated	2,845	2,845
Number of shares held - allocated	3,447	3,447
	6,292	6,292
	$	$
Cost of unallocated ESOP shares	20,019	20,019
Fair value of shares held - unallocated	7,113	5,690
Fair value of shares held - allocated	8,618	6,894
	15,731	12,584
Charge to the consolidated income statement for provision of shares allocated to employee	-	(550)

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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19) SHAREHOLDERS' EQUITY (continued)

(19.3) OTHER EQUITY RESERVES

As of December 31, 2020 and 2019 other equity reserves are summarised as follows:

	2020 $	2019 $
At beginning of period	(291,938)	(248,355)
Other comprehensive loss		
Currency translation (note 19.3 (i))	(14,129)	(43,068)
Change in fair value of cash flow hedge (note 19.3 (ii))	747	(515)
	(13,382)	(43,583)
	(305,320)	(291,938)

(i) Foreign currency translation account

This reserve records exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries.

(ii) Hedging reserve

This account records the effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in shareholders' equity.

Up to December 31, 2020, the Group maintained a forward contract negotiated with CEMEX S.A. de C.V. to hedge the price of diesel fuel with the objective of changing the risk profile and fixing the price of fuel. On December 31, 2019, the aggregate notional amount of the contract is $412 (US$61) [2019: $697 (US$103)], with an estimated aggregate fair value of $412 (US$61) [2019: $697 (US$103)]. The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in fair value were recognised initially in other comprehensive income and were recycled to the income statement as the related diesel volumes are consumed. Gains or losses in fair value of this contract recognised in other comprehensive income for 2019, amounted to a loss of $697 (US$103). In 2020, the losses were recycled through the income statement.

(19.4) RESERVES - OCI MOVEMENTS

	Hedging Reserve $	Foreign Currency Translation Account $	Retained Earnings $	Total $
2020				
Currency translation	-	(24,457)	-	(24,457)
Change in fair value of cash flow hedge	1,008	-	-	1,008
Remeasurement gains on pension plans and other post-retirement benefits	-	-	(40,528)	(40,528)
	1,008	(24,457)	(40,528)	(63,977)

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19) SHAREHOLDERS' EQUITY (continued)

(19.4) RESERVES - OCI MOVEMENTS (continued)

2019	Hedging Reserve $	Foreign Currency Translation Account $	Retained Earnings $	Total $
Currency translation	-	(16,774)	-	(16,774)
Change in fair value of cash flow hedge	(697)	-	-	(697)
Remeasurement gains on pension plans and other post-retirement benefits	-	-	37,324	37,324
	(697)	(16,774)	37,324	19,853

(19.5) NON-CONTROLLING INTEREST

Material Partly Owned Subsidiaries - (Non-controlling Interests)

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity held by non-controlling interests:

Name	Country of Incorporation and Operation	2020	2019
Caribbean Cement Company Limited (Group)	Jamaica	26%	26%
Readymix (West Indies) Limited	Trinidad and Tobago	1.72%	1.95%
TCL Packaging Limited	Trinidad and Tobago	20%	20%
TCL Ponsa Manufacturing Limited	Trinidad and Tobago	35%	35%

	2020 $	2019 $
Accumulated balances of material non-controlling interests		
Caribbean Cement Company Limited (Group)	73,720	43,127
Readymix (West Indies) Limited	1,339	1,059
TCL Packaging Limited	8,587	9,892
TCL Ponsa Manufacturing Limited	6,679	5,880
	90,325	59,958

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19) SHAREHOLDERS' EQUITY (continued)

(19.5) NON-CONTROLLING INTEREST (continued)

	2020 $	2019 $
Net income (loss) allocated to material non-controlling interests		
Caribbean Cement Company Limited (Group)	39,222	25,441
Readymix (West Indies) Limited	253	(421)
TCL Packaging Limited	(876)	(516)
TCL Ponsa Manufacturing Limited	799	1,226
	39,398	25,730

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised income statement for 2020:

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Revenue	953,854	82,397	59,222	27,352
Cost of sales	(521,092)	(61,435)	(56,488)	(21,124)
Operating expenses	(113,372)	(7,488)	(3,326)	(2,644)
Other expenses, net	(23,434)	(3,503)	(4,395)	(1,300)
Financial expenses, net	(86,096)	(75)	(293)	(1)
Earnings before taxation	209,860	9,896	(5,280)	2,283
Taxation charge	(58,514)	775	197	-
Net earnings from continuing operations	151,346	10,671	(5,083)	2,283
Total comprehensive income (loss)	118,120	10,671	(5,083)	2,283
Non-controlling interest	30,593	280	(1,305)	799

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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19) SHAREHOLDERS' EQUITY (continued)

(19.5) NON-CONTROLLING INTEREST (continued)

Summarised income statement for 2019

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Revenue	692,649	52,905	37,075	19,363
Cost of sales	(394,200)	(48,456)	(36,027)	(11,477)
Operating expenses	(93,123)	(8,596)	(1,258)	(1,733)
Other expenses, net	(13,605)	(12,748)	(1,338)	(3,659)
Financial expenses, net	(72,679)	(317)	723	(5)
Earnings before taxation	119,042	(17,212)	(825)	2,489
Taxation charge	(36,736)	(464)	265	-
Net earnings (loss) from continuing operations	82,306	(17,676)	(560)	2,489
Total comprehensive income (loss)	88,840	8,171	1,365	-
Non-controlling interest	49,262	(776)	2,862	1,226

Summarised statement of financial position as at December 31, 2020:

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Inventories, cash and bank balances and other current assets	157,000	36,696	47,437	19,679
Property, machinery and equipment and other non-current assets	1,093,181	89,352	25,773	2,478
Trade and other payables and other current liabilities	(263,163)	(51,497)	(10,536)	(3,073)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(360,340)	(16,321)	(19,741)	-
Total equity	626,678	58,230	42,933	19,084

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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19) SHAREHOLDERS' EQUITY (continued)

(19.5) NON-CONTROLLING INTEREST (continued)

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Attributable to:				
Equity holders of parent	552,958	56,891	34,346	12,405
Non-controlling interests	73,720	1,339	8,587	6,679
	626,678	58,230	42,933	19,084

Summarised statement of financial position as at December 31, 2019:

	Caribbean Cement Company Limited (Group) $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $
Inventories, cash and bank balances and other current assets	175,589	24,503	48,895	17,630
Property, machinery and equipment and other non-current assets	1,374,639	87,219	28,397	2,681
Trade and other payables and other current liabilities	(221,820)	(51,975)	(11,075)	(3,510)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(741,797)	(13,716)	(16,754)	-
Total equity	586,611	46,031	49,463	16,801
Attributable to:				
Equity holders of parent	543,484	44,972	39,571	10,921
Non-controlling interests	43,127	1,059	9,892	5,880
	586,611	46,031	49,463	16,801

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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19) SHAREHOLDERS' EQUITY (continued)

(19.5) NON-CONTROLLING INTEREST (continued)

Summarised cash flow information for the year ended December 31, 2020:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited
	$	$	$	$
Operating	331,919	8,076	(816)	1,708
Investing	(37,020)	(4,273)	(206)	(55)
Financing	(297,283)	-	-	-
	(2,384)	3,803	(1,022)	1,653

Summarised cash flow information for the year ended December 31, 2019:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited	TCL Packaging Limited	TCL Ponsa Manufacturing Limited
	$	$	$	$
Operating	211,470	(4,010)	(15,267)	(544)
Investing	(75,131)	4,025	(785)	(29)
Financing	(132,125)	1,434	75	-
	4,214	1,449	(15,977)	(573)

20) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income attributable to ordinary equity holders of the Company (the numerator) by the weighted-average number of shares outstanding (the denominator) during the period. The balance of the TCL Employee Share Ownership Plan (the Plan) relating to the cost of unallocated shares held by the ESOP is presented as a separate component in equity. The weighted average number of unallocated shares held by the ESOP during the year is deducted in computing the weighted average number of ordinary shares in issue. The Group has no dilutive potential ordinary shares in issue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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20) EARNINGS PER SHARE (continued)

The amounts considered for calculations of earnings per share in 2020 and 2019 were as follows:

	2020	2019
Denominator (thousands of shares)		
Weighted-average number of shares outstanding	374,648	374,648
Weighted average number of unallocated shares held by the Plan	(2,845)	(2,845)
Weighted-average number of shares	371,803	371,803
Numerator	**$**	**$**
Net earnings from continuing operations	15,219	14,926
Less: non-controlling interest net income	(39,398)	(25,730)
Controlling interest net loss from continuing operations	(24,179)	(10,804)
Controlling interest net loss from continuing operations – for basic earnings per share calculations	(24,179)	(10,804)
Controlling interest net loss from continuing operations – for diluted earnings per share calculations	(24,179)	(10,804)
Net income from discontinued operations	-	423
Basic and diluted earnings per share		
Controlling interest basic earnings per share	(0.0650)	(0.0300)
Controlling interest basic earnings per share from continuing operations	(0.0650)	(0.0300)
Controlling interest basic earnings per share from discontinued operations	-	-

21) COMMITMENTS

(21.1) GUARANTEES AND PLEDGED ASSETS

On November 29, 2018, Readymix (West Indies) Limited ("RML"), in its capacity as land owner, and East Lake Development Company Limited, as the borrower, executed a loan agreement for $80 million with Republic Bank Limited for the financing of the East Lake Land Development Project. RML has guaranteed up to $21.765 million, collateralised by the land, to secure the repayment of principal and interest and other monies due and payable under the loan agreement.

On April 26, 2017, Trinidad Cement Limited repaid the Amended and Restated Credit Agreement loan ("5-yr syndicated loan") with the proceeds of a revolving loan from a related party, therefore, the Group's assets which were pledged as security are expected to be released once the discharge instruments are lodged at the relevant Government Agency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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21) COMMITMENTS (continued)

(21.2) OTHER COMMITMENTS

The Group has contractual capital commitments of $12.7 million as at December 31, 2020 and $15.1 million as at December 31, 2019.

22) LEGAL PROCEEDINGS

(22.1) CONTINGENCIES FROM LEGAL PROCEEDINGS

The Group is involved in various legal proceedings, which have not required the recognition of accruals, considering that the probability of loss is less than probable or remote. In certain cases, a negative resolution may represent a decrease in future revenues, an increase in operating costs or a loss. Nonetheless, until all stages in the procedures are exhausted in each proceeding, the Group cannot assure the achievement of a final favourable resolution. There are contingent liabilities which have not been recognised amounting to $14.1 million (2019:$83.9 million) for various claims, assessments, bank guarantees and bonds against the Group. Included therein, are primarily industrial relations matters which are currently occupying the attention of the industrial court, pending legal actions and other claims in which the Group is involved. Based on the information provided by the Group's attorneys at law, owing to the uncertainty of the outcome of these possible liabilities, no provision has been made in these consolidated financial statements in respect of these matters.

The Board of Inland Revenue (the "BIR") had disallowed expenditure claimed by the Parent Company in respect of the following fiscal years:

Fiscal Year	Disallowed Expenditure	Additional Tax Assessed
2007	102.1 million	-
2008	284.4 million	-
2009	235.2 million	-
2010	247.4 million	12.9 million
2011	129.3 million	30.8 million

This has been objected to as the Parent Company is of the view that its claim is well supported in law and will defend its position in the resolution process. The BIR has confirmed their assessment in respect of the tax years 2007, 2008 and 2009. The Parent Company has appealed a decision of the Board of Inland Revenue to disallow expenditure claimed by TCL (viz. wear and tear allowances, interest expense, management charges and other deductions) for tax exemptions under the Corporation Tax Act, in respect of those fiscal years. On July 30, 2020, the Tax Appeal Board ruled in favour of TCL, finding that the Respondent's decision to disallow the Appellant's tax deductions for the income years 2007, 2008 and 2009 was wrong. The Court's comprehensive reasoning was identical to the Appellant's arguments and it was unanimous, however, the Board of Island

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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22) LEGAL PROCEEDINGS (continued)

(22.1) CONTINGENCIES FROM LEGAL PROCEEDINGS (continued)

Revenue (BIR) decided to appeal the Tax Appeal Board's decision. No provision has been made in these consolidated financial statements in respect of this matter as the possible liability is not considered probable. Subject to future resolution of this matter, there may be a reduction in the accumulated tax losses of the Parent Company and future tax liabilities in respect of these years.

The subsidiary in Guyana ("the subsidiary") was given a commitment by the Government of Guyana in 2006 to have the corporate tax rate for non-commercial companies of 30 percent made applicable to its operations. Subsequent action by the Guyana Revenue Authority (the GRA) held that the corporate tax rate for commercial companies of 40 percent was applicable. The subsidiary computes its corporation tax liability on the basis of the original commitment received while it contests through court action failure to honour the original commitment. The next hearing date to be confirmed. As at December 31, 2020 no new date has been given but the Arbitrators posed further questions to the parties. No timeline was fixed for the submission. The responses to the further questions were submitted by external counsel on January 20, 2021. No provision has been made in these consolidated financial statements for the higher tax rate as the possible liability is not considered probable.

23) LEASES

The Group leases real estate (property, warehouse and factory facilities) and machinery and equipment (mobile equipment and motor vehicles). Real estate leases have a term of 3 to 20 years and machinery equipment leases have a term of 3 to 5 years. Some leases provide for periodic renegotiation of payments to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements. As described in note 2.1 the Group adopted IFRS 16 Leases effective January 1, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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23) LEASES (continued)

The following balances were included in property, machinery and equipment (note 14):

	2020			2019		
	Buildings $	Machinery and equipment $	Total $	Buildings $	Machinery and equipment $	Total $
Cost at end of year	20,060	12,273	32,333	-	-	-
Accumulated depreciation	(2,831)	(3,606)	(6,437)	-	-	-
Net book value at beginning of year	17,229	8,667	25,896	-	-	-
Recognition of right of use assets on initial application of IFRS 16	-	-	-	14,695	7,961	22,656
Additions to right-of-use assets included in Capital Expenditures	1,271	7,302	8,573	5,364	5,618	10,982
Depreciation	(3,209)	(4,885)	(8,094)	(2,880)	(4,435)	(7,315)
Reclassification	(885)	1,679	794	50	(477)	(427)
Net book value at end of year	14,406	12,763	27,169	17,229	8,667	25,896
Cost at end of year	20,325	18,936	39,261	20,060	12,273	32,333
Accumulated depreciation	(5,919)	(6,173)	(12,092)	(2,831)	(3,606)	(6,437)
Net book value at end of year	14,406	12,763	27,169	17,229	8,667	25,896

The following balances were included in the consolidated statement of cash flows:

	2020 $	2019 $
Depreciation	8,094	7,315
Interest expense on lease liabilities	3,282	3,083
Additions to right-of-use assets	(8,573)	(10,982)
Interest paid	(3,282)	(3,083)
New loans	8,573	10,982
Repayment of loans	(7,157)	(6,693)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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23) LEASES (continued)

The following balances were included in the consolidated income statement:

	2020 $	2019 $
Lease expense of low value assets	386	201
Lease expense of short-term leases	17,480	361

The table below summarises the maturity profile of the Group's lease liabilities at December 31. The balance includes future interest over the remaining term to maturity and therefore would differ from the carrying amounts shown in the consolidated statement of financial position.

	2020				2019			
	1 year $	2 to 5 years $	> 5 years $	Total $	1 year $	2 to 5 years $	> 5 years $	Total $
Lease liabilities	7,151	10,690	10,741	28,582	6,421	14,243	6,281	26,945
Interest	2,330	5,312	2,086	9,728	2,834	6,547	3,110	12,491
Total lease payments	9,481	16,002	12,827	38,310	9,255	20,790	9,391	39,436

24) RELATED PARTIES

All significant balances and transactions between the entities that constitute the Group have been eliminated in the preparation of the consolidated financial statements. These balances with related parties resulted primarily from: (i) the sale and purchase of goods between group entities; (ii) the invoicing of administrative services and other services rendered between group entities; and (iii) loans between related parties. When market prices and/or market conditions are not readily available, the Group conducts transfer pricing studies in the countries in which it operates to ensure compliance with regulations applicable to transactions between related parties.

The Group has entered into related party transactions with CEMEX S.A.B. de C.V. ("CEMEX"). The following table provides the total amount of transactions and balances at year end that have been entered into with the CEMEX Group for the relevant financial year:

	2020 $	2019 $
Sales for the year	45,362	54,057
Purchases for the year	94,994	144,068
Management fee expenses	30,142	30,647
Due from related companies	9,672	7,205
Due to related companies	41,254	41,458
Long-term debt (note 15.1)	190,277	431,670
Interest charges	24,004	33,951

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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24) RELATED PARTIES (continued)

Outstanding trade receivables and trade payable balances are unsecured and interest free and no provision has been established at year end for these balances.

The Group has entered into related party transactions with East Lake Development Company Limited. The following table provides the total amount of transactions and balances for the years ended December 31, 2020 and 2019 that have been entered into with the East Lake Development Company Limited for the relevant financial year:

	2020 $	2019 $
Sales to East Lake Development Company Limited	3,242	6,682
Surplus from the disposal of land to the East Lake Development Company	10,702	2,510
Trade accounts receivable	1,092	1,392
Key management compensation of the Group		
Short-term employment benefits	10,015	12,847
Pension plan and post-retirement benefits	358	396
Directors' fees	703	507

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

25) SUBSEQUENT EVENTS

On January 20, 2021 the Board of Directors of the Company considered and unanimously authorised execution of a Shareholder Resolution in respect of cessation of the business of TCL Packaging Limited ("TPL"). Pursuant to the resolution TPL ceased to carry on business effective February 15, 2021.

The Group is currently reviewing the wind-up and liquidation process and is unable to estimate the incremental costs relating to the wind-up of TCL Packaging Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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26) MAIN SUBSIDIARIES

The Group's subsidiaries are as follows:

Subsidiary	Principal activities	% Interest 2020	2019
Readymix (West Indies) Limited	Concrete batching	98.28	98.05
TCL Packaging Limited	Packaging production	80.00	80.00
TCL Ponsa Manufacturing Limited	Packaging production	65.00	65.00
TCL Leasing Limited	Leasing	100.00	100.00
RML Property Development Limited	Property development	100.00	100.00
Caribbean Cement Company Limited	Cement production	74.10	74.10
Rockfort Mineral Bath Complex Limited	Spa facility	74.10	74.10
Arawak Cement Company Limited	Cement production	100.00	100.00
TCL Trading Limited	Cement distribution	100.00	100.00
TCL (Nevis) Limited	Holding company	100.00	100.00
TCL Guyana Inc.	Cement distribution	100.00	100.00
Arawak Concrete Solutions Limited	Concrete batching	100.00	100.00
TTLI Trading Limited	Cement distribution	100.00	100.00
TGI Concrete Solutions Inc.	Concrete batching	100.00	100.00

[1] TCL (Grenada) Limited was incorporated in December 2019

27) IMPACT OF COVID-19

On March 11, 2020, the World Health Organisation declared a global pandemic related with the Coronavirus SARS-CoV-2 which produces the disease known as COVID-19. The spread of COVID-19 around the world in the first half of 2020 has caused significant volatility in the Caribbean as well as the global community. A lot of uncertainty remains and so it is difficult to determine the precise impact on the Group. Based on the results reported in these financial statements, the Group had no significant negative impact due to COVID-19 and the resulting disruptions, but due to the uncertainties that exist it is difficult to determine the future impact. The Group has however prepared an assessment of its revised operating and cash flow forecasts for calendar year 2021 using various scenarios, including a conservative analysis, and has concluded that it has sufficient equity and liquidity to meet obligations as they become due, under these scenarios. Nevertheless, additional measures have been taken such as the suspension of all capital investments not associated with the management of the pandemic and the suspension of all activities not focused on the administration of basic operations.

In light of the heightened concerns and in accordance with the directives of regional governments, the Group has activated measures to minimise the potential exposure to employees, contractors and customers, whilst ensuring that any disruption to the business is kept at a minimum. The Group adopted 52 new protocols designed to reinforce safe behaviours and prevent the spread of COVID-19. We believe these protocols have contributed to the absence so far of COVID-19 transmission at any of our facilities. Some other measures such as work from home protocols for administrative

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of December 31, 2020 and 2019
(Thousands of Trinidad and Tobago Dollars)

(27) IMPACT OF COVID-19 (continued)

personnel have been also implemented, we also have supplied all our facilities and staff with hand sanitisers, face masks, and face shields (where necessary), and are required to comply with the social/physical distancing rules mandated by the respective governments. The Group ensures that the plants and depots remain compliant with government/public health restrictions and mitigating measures.

Management continues to review the effect of developments arising from the pandemic on the risks faced by the Group. Management believes the group is in a sufficiently strong position to deal with the possible significant economic downturn. However, management is aware that a long duration of the pandemic and the associated containment measures could have a material adverse effect on the group, its customers, employees, and suppliers.

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