

T&L Sugars Limited

Annual Report and Financial Statements
at and for the period ended 24 September 2023

Company no. 07318607



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T&L Sugars Limited

Strategic Report

At and for the period ended 24 September 2023
(Amounts in thousands of Euros)

Principal activities

The principal activities of T&L Sugars Limited (“the Company” or “T&L Sugars”) during the period were the refining, marketing and distribution of sugar and related products.

The Company’s ultimate parent company is ASR Group International, Inc., a company domiciled in the United States of America (referred to as “ASR Group”).

Business review

The Directors use adjusted operating profit as a KPI for managing the business. Adjusted operating profit for the period was €68,644 (2022: €2,070 profit) and excludes unrealised gains and losses on financial products used for hedging the Company’s future purchase commitments. The improvement in financial performance was driven by a number of factors including the poor sugar beet harvest in the UK and Europe, timing of price changes on commercial agreements and benefits arising from the Company’s risk management strategy. The result for the period, including unrealised gains and losses on financial products used for hedging the Company’s future exposure, was a net profit of €92,999 (2022: €2,275 profit). No dividends were paid or proposed during the period. Both 2023 and 2022 were based on a 52 week period.

The Company manages its product mix, operating procedures, raw sugar supply, sales and marketing strategies and overhead expenses to enhance operating profits. The Company has the full support of ASR Group from a knowledge sharing and financial perspective. ASR Group is one of the largest refined sugar producers in the world. It has extensive experience managing some of the best-known sugar brands in the world, providing excellent customer service, and efficiently operating cane sugar refineries and raw sugar mills.

Business environment

The Company continued to trade in an uncertain business environment with elevated levels of inflation. Due to the timing and length of the Company’s commercial agreements, there is a delay in reflecting the impact of input cost inflation on the sales prices. The delay in capturing input cost changes within the Company’s selling prices demonstrates the importance of continuously monitoring these cost exposures in order to prudently manage the associated price risk, where possible. This includes using price risk management tools at any point in time to manage risk in the existing financial period, as well as for future periods.

The UK adopted its own international trade policy from 1 January 2021, including a new free trade agreement with the EU-27, as well as a new UK tariff policy and trade agreements with other countries around the world. As part of this change, the business has a wider choice over where to source raw cane sugar. This has enabled us to secure a larger proportion of our raw material supply from raw sugar suppliers who meet the highest ethical and environmental standards, a key business objective. Offsetting this positive impact, cane sugar refined in the UK does not meet the Rules of Origin criteria of the UK-EU free trade agreement. This has meant the business has lost market share in sales to the EU-27, as well as to Northern Ireland.

Key Performance Indicators (“KPI’s”)

The KPIs that best reflect the Company’s strategy are as follows:

	2023	2022
	€000	€000
Investment in property, plant and equipment	11,049	11,710
Net liquid assets ¹	96,413	77,523
Third party debt	10,000	10,000
Adjusted operating profit ²	68,644	2,070

¹ Defined as cash, trade receivables, inventories (excluding manufacturing supplies), trade payables and accrued expenses.

² Defined as profit/(loss) before tax adjusted for net finance expense and unrealised gains/losses of hedging instruments in relation to the Company’s future purchase commitments.

T&L Sugars Limited

Strategic Report

At and for the period ended 24 September 2023
(Amounts in thousands of Euros)

Principal risks and uncertainties*Commodity price risk*

Refined sugar selling prices in the UK and in the EU in general are not directly related to the cost of the Company's primary raw material - raw cane sugar. The spread between selling prices and the cost of raw sugar is a risk which must be closely managed. The Company generally uses sugar futures to manage this risk.

Foreign exchange risk

Raw cane sugar is generally purchased in USD currency, while sales are generally denominated in GBP and EUR currencies. The Company manages this risk through the use of currency derivatives.

Future developments

The Company performed strongly in 2023 in terms of growth and margin improvement. Whilst the macroeconomic environment continues to be uncertain, our business model is resilient leveraging our scale and expertise to achieve strong growth.

Section 172 Statement

This section describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its members as a whole.

The Directors seek to understand the respective interests of the Company's stakeholders so that these may be properly considered when making decisions. This is done through various methods, including: direct engagement by the Directors; receiving communication and updates from members of management who engage directly with stakeholders; and coverage in reports and presentations issued to the Directors.

Having regard to the likely consequences of any decision in the long term

The Company's strategy is to achieve a steady level of profitability by improving its product mix and increasing its operating efficiency whilst ensuring continued improvements in the sustainability of its products and supply chain. The Company also remains committed to achieving a competitive and non-discriminatory sugar policy through discussions with policy makers in both the UK and the EU.

The Company will continue to focus its investments in the UK to develop an innovative range of products to meet its customers' requirements whilst supporting its portfolio of highly recognisable brands through both organic growth and strategic acquisitions and partnerships.

ASR Group, as the ultimate owner of the Company, is committed to its customers in the UK and Europe, many of whom it also does business within North America and globally.

Having regard to the interests of the Company's employees

The Company operates within a comprehensive framework of employment and human resource policies, practices and regulations.

The Company strives to promote a work environment which is free from discrimination, promotes equal employment opportunities and prohibits discriminatory practices. Policies and procedures for recruitment, training and career development promote equality of opportunity regardless of gender, age, marital status, disability, sexual orientation, race, religion and ethnic or national origin. The aim is to encourage a culture in which all employees have the opportunity to develop as fully as possible in accordance with their individual abilities and the needs of the Company.

The Directors engage with employees through a variety of channels, including: People surveys; regular email communication around business performance and critical issues; Town Hall meetings which all employees are invited to attend; and reports and advice from various employee-focused committees.

Having regard to the need to foster the Company's business relationships with suppliers, customers and others

The continued volatility seen in raw sugar, energy, freight and other commodity markets during 2023 meant that regular, clear communication with suppliers and customers became even more important to ensure that the

T&L Sugars Limited

Strategic Report

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(Amounts in thousands of Euros)

Company could access the resources it needed in order to manufacture products and supply its customers at fair prices. The Directors engaged with customers directly during discussions and indirectly through briefings from the Sales team and attendance at regular operational meetings. Throughout the period the Directors were either directly involved in communication with key suppliers or were kept regularly updated by the relevant management team. The Directors seek to balance the benefits of maintaining strong relationships with key suppliers alongside the need for excellent levels of customer service.

Having regard to the impact of the Company's operations on the community and the environment

The Company is committed to being a good steward of the environment and the local community where it operates.

The Directors receive regular reports from relevant management teams around investments in and interactions with the local community. The Company continues to run the annual Lyle's Local Fund, one part of our wider community programme, which is a small grants fund underwritten by the Company and open to organisations in Newham, London.

Efficiency and Sustainability is one of the four strategic pillars which underpins the wider business strategy. Efficiency metrics are reported to the Directors on a regular basis and business decisions are made with consideration for the sustainability both of the Company's business and for the environment.

The Company continues to focus on improving its energy efficiency whilst reducing its carbon footprint and improving the sustainability of its business model. The Directors recognise the importance of integrating climate related risks and opportunities into their business decisions to help with the transition to a low carbon economy.

In line with the Group's commitment to reduce its carbon footprint, below are some of the initiatives that were instigated during the period:

- ARG Group Corporate Sustainability Department sourced, trained to, and issued Site Sustainability Tool Kits to owned assets, which were designed to provide technical equipment needed to identify items such as steam leaks, compressed air lead, insulation failures, and more.
- Corporate Research and Technology and a team of select subject matter experts worked through an extensive Front End Engineering Design (FEED) for Thames Refinery that would see a step change reduction in energy demand and carbon emissions.
- Appointment of a dedicated Sustainability Engineer to work on efficiency projects at the Thames location, to include projects such as conversion to LED lighting and other electric and heat reduction initiatives.
- Completed the conversion of all Plaistow site's electrical lighting to LED, with a reduction of c. 250,000 kWh per year.
- Purchased new site-wide air compressors which were commissioned in December 2023 in Plaistow, which should reduce the associated electrical load by 40% for the same volumetric output.
- Completed a feasibility assessment for the potential implementation of Fuel Cell technology at Plaistow.
- Commenced a two-phased, site-wide metering project at Plaistow for better visibility and control over water consumers, condensate recovery, Gas metering, electricity users, and steam demand.
- Completed a continuous improvement study at Plaistow focused on optimizing and eliminating based load demands during shutdown period where possible, delivered 44.4% reduction in energy usage during those periods.
- Further solidified site mid- and long-term energy strategies with a focus on ASR Group identified Net Zero objectives, though the publication of site-specific strategic roadmaps.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

The Company's brands are well-known and trusted by consumers and business partners alike. The reputation of our business and its brands has taken decades to build and protecting these by acting responsibly and fairly in all our interactions is a priority for the Directors and all employees. The Directors communicate the business's values through the implementation of Code of Ethics and Business Conduct policies, training sessions and regular communication via email, in person and through Town Hall meetings.

T&L Sugars Limited

Strategic Report

At and for the period ended 24 September 2023

(Amounts in thousands of Euros)

Having regard to the need to act fairly as between members of the Company

The Company has one shareholder, ASR Group Europe Ltd (“ASRGE”). There are, therefore, no competing interests and the Directors are targeted with achieving certain financial and non-financial metrics approved by ASRGE.

Approved by the Board on 17 June 2024 and signed on its behalf by:

Tarun Arora

Tarun Arora

Director

T&L Sugars Limited
Thames Refinery
Factory Road
London E16 2EW

T&L Sugars Limited**Directors' Report**

At and for the period ended 24 September 2023
(Amounts in thousands of Euros)

The Directors present the Directors' report and financial statements of the Company for the 52 week period ended 24 September 2023.

Directors

The Directors who held office during the period and up to the date of signing of the financial statements are listed below.

Mr. Armando Tabernilla
Mr. Andrew Jones
Mr. Gabriel Buenaventura
Mr. Tarun Arora
Mr. Gerald Mason

Price risk management

No futures market exists in the UK and EU to hedge price changes for preferential sugar. As such, the Company's purchases and sales are made at fixed and variable prices, sometimes one or more years ahead. This creates business risk in the case of non-delivery of the raw sugar required for sales. The Company is closely managing these risks and operates a supply forecasting system for raw sugar supplies.

Financial risk management and financial instruments

The Company's financial risk management objectives and policies are outlined in note 20.

Charitable donations

During the period, the Company made €147 (2022: €124) of charitable donations to good causes local to our factories, as well as causes that our employees supported.

Other disclosures

The Company's policies with regard to the employment of disabled persons and engagement with employees and suppliers are outlined within the Strategic Report along with comments around the likely future developments of the business. The Company is exempt from the Streamlined Energy and Carbon Reporting (SECR) regulations on the basis the ASRGE consolidated report, within which the Company is included, complies with the SECR reporting requirements. The business review and key performance indicators are included in the Strategic Report.

The Company incurs research costs in relation to product development. Research costs of €447 (2022: €491) were charged to the income statement in the period.

Qualifying third party indemnity provisions

The Company maintains Directors and Officers insurance as an indemnity provision. The current policy covers a period to 30 September 2024.

Disclosure of information to the auditor

The Directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

T&L Sugars Limited
Directors' Report
At and for the period ended 24 September 2023
(Amounts in thousands of Euros)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Grant Thornton UK LLP will therefore continue in office.

On behalf of the Board of Directors

Tarun Arora

Tarun Arora
Director

T&L Sugars Limited
Thames Refinery
Factory Road
London E16 2EW
17 June 2024

T&L Sugars Limited
Directors' Responsibilities statement

The Directors are responsible for preparing the Strategic Report and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors' have elected to prepare the financial statements in accordance with UK-adopted international accounting standards.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether UK-adopted international accounting have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Tarun Arora

Tarun Arora

Director

17 June 2024

Independent Auditor's Report to the Members of T&L Sugars Limited

Opinion

We have audited the financial statements of T&L Sugars Limited (the 'Company') for the period from 26 September 2022 to 24 September 2023, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 24 September 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

In our evaluation of the Directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as the crisis in Ukraine, the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the Directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

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Independent Auditor's Report to the Members of T&L Sugars Limited

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities statement set out on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Independent Auditor's Report to the Members of T&L Sugars Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

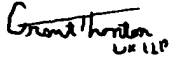
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how the Company is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the Company secretary. We corroborated our enquiries through our review of board minutes and correspondence received from regulatory bodies.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards in conformity with the requirements of the Companies Act 2006).
- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, environmental, and bribery and corruption practices.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - journal entries that increased revenues; and
 - potential management bias in manual journals, determining accounting estimates and any significant transactions outside of the normal conduct of business operations.
- Our audit procedures involved:
 - evaluation of the design effectiveness and assessing the design effectiveness of controls that management has in place to prevent and detect fraud;
 - journal entry testing, with a focus on material manual journals, including those with unusual account combinations and those that reclassified costs from the income statement to the balance sheet;
 - challenging assumptions and judgements made by management in its significant accounting estimates; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations through the following:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation; and
 - knowledge of the industry in which the client operates.

Independent Auditor's Report to the Members of T&L Sugars Limited

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Christopher Raab in black ink, with the text 'Grant Thornton UK LLP' written below it.

Christopher Raab, ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

17 June 2024

T&L Sugars Limited
Income Statement
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

	<i>Note</i>	2023 €000	2022 €000
Revenue	6	532,609	340,130
Expenses:			
Cost of sales ¹		(384,584)	(316,282)
Selling, general, and administrative expenses		(29,438)	(24,439)
Net finance expense	5	(1,488)	(97)
Profit/(loss) before tax		117,099	(688)
Taxation (charge)/credit	10	(24,100)	2,963
Net Profit		92,999	2,275

¹Prior year comparatives have been re-presented to include depreciation expense of €13,215 within cost of sales

The accompanying notes are an integral part of these financial statements

T&L Sugars Limited
Statement of Comprehensive Income
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

<i>Note</i>	2023	2022
	€000	€000
Net profit for the period	92,999	2,275
Other comprehensive income:		
<i>Items that are, or may be reclassified subsequently to profit or loss:</i>		
Fair value of cash flow hedges	(52)	(662)
Fair value of interest rate swaps	(80)	624
Tax charge <i>10</i>	(22)	(3)
Total of items taken directly to OCI	(154)	(41)
Total comprehensive income	92,845	2,234

The accompanying notes are an integral part of these financial statements

T&L Sugars Limited
Statement of Financial Position
As at 24 September 2023
(Amounts in thousands of Euros)

	Note	2023 €000	2022 €000
Non-current assets:			
Property, plant and equipment	7	119,054	117,310
Intangible assets	8	7,335	7,335
Other financial assets	19	73,647	55,592
Other assets		12,639	9,215
Loans and borrowings	21	42,228	104,422
Total non-current assets		254,903	293,874
Current assets:			
Inventories	12	117,736	122,835
Trade and other receivables	13	88,554	64,207
Other financial assets	19	199,849	209,888
Income tax receivable	10	—	3,685
Cash and cash equivalents		6,514	2,332
Loans and borrowings	21	86,171	—
Total current assets		498,824	402,947
Total assets		753,727	696,821
Current liabilities:			
Trade and other payables	17	94,128	83,174
Loans and borrowings	15	55,963	9,247
Other financial liabilities	19	202,501	132,249
Lease liabilities current	9	168	765
Total current liabilities		352,760	225,435
Non-current liabilities:			
Loans and borrowings	15	10,000	177,620
Other financial liabilities	19	18,035	19,020
Deferred tax liabilities	10	5,508	—
Lease liabilities non current	9	134	301
Total non-current liabilities		33,677	196,941
Total liabilities		386,437	422,376
Equity:			
Share capital	14	—	—
Share premium		310,884	310,884
Reserves		(39)	115
Retained earnings		56,445	(36,554)
Total equity		367,290	274,445
Total liabilities and equity		753,727	696,821

These financial statements were approved by the Board of Directors on 17 June 2024 and were signed on its behalf by:

Tarun Arora

Tarun Arora

Director

The accompanying notes are an integral part of these financial statements

T&L Sugars Limited
Statement of Changes in Equity
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

	Share capital €000	Share premium account €000	Hedging reserve €000	Retained earnings €000	Total equity €000
Balance as at 26 September 2021	—	310,884	156	(38,829)	272,211
Comprehensive income:					
Net Profit	—	—	—	2,275	2,275
Fair value of cash flow hedges transferred to OCI	—	—	(662)	—	(662)
Fair value of interest rate swaps transferred to OCI	—	—	624	—	624
Tax on items taken directly to OCI	—	—	(3)	—	(3)
Total comprehensive income	—	—	(41)	2,275	2,234
Balance as at 25 September 2022	—	310,884	115	(36,554)	274,445
Comprehensive income:					
Net Profit	—	—	—	92,999	92,999
Fair value of cash flow hedges transferred to OCI	—	—	(52)	—	(52)
Fair value of interest rate swaps transferred to OCI	—	—	(80)	—	(80)
Tax on items taken directly to OCI	—	—	(22)	—	(22)
Total comprehensive income	—	—	(154)	92,999	92,845
Balance as at 24 September 2023	—	310,884	(39)	56,445	367,290

The accompanying notes are an integral part of these financial statements

T&L Sugars Limited
Statement of Cash Flow
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

	2023 €000	2022 €000
Cash from operations:		
Net Profit	92,999	2,275
Adjustments		
Depreciation	9,305	13,215
Net finance expense	1,488	97
Change in current tax and deferred tax balances	9,171	(2,963)
Change in derivatives	61,120	(99,558)
Decrease/(increase) in inventories	5,099	(53,614)
Increase in trade receivables and other assets	(25,353)	(4,164)
Increase in trade and other payables	9,636	19,314
Interest & finance cost paid	(5,996)	(1,645)
Effect of exchange rate fluctuations ¹	(12,453)	5,350
Cash generated from/(used in) operations	145,016	(121,693)
Cash from investing activities:		
Interest income received	3,403	1,703
Loans to related entities ¹	(28,167)	1,750
Investment in property, plant and equipment	(11,049)	(11,066)
Cash used in investing activities	(35,813)	(7,613)
Cash from financing activities:		
(Repayments)/proceeds of loans ¹	(104,257)	128,851
Repayments of lease liabilities	(764)	(878)
Cash from financing activities	(105,021)	127,973
Net increase/(decrease) in cash and cash equivalents	4,182	(1,332)
Cash and cash equivalents at beginning of period	2,332	3,664
Cash and cash equivalents at end of period	6,514	2,332

¹Prior year comparatives have been re-presented to include the effect of exchange rate impact of -€13,369 (repayment/proceeds of loans) and €8,019 (loans to related entities) within "effect of exchange rate fluctuations".

The accompanying notes are an integral part of these financial statements

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****1. Accounting policies**

T&L Sugars Limited ("the Company") is incorporated and domiciled in the UK. The Company's registered office and principal place of business is Thames Refinery, Factory Road, London, E16 2EW.

a) Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards. They were authorised for issue by the Company's Board of Directors.

The Company is exempt under Companies Act 2006 s400 from preparing consolidated group accounts. The Company and its subsidiaries are included in the consolidated accounts of its parent company, ASR Group Europe Limited, incorporated in the UK.

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

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future after forecasting cash flows and considering risks and uncertainties, including the impact of inflation and the ongoing war in Ukraine and Middle East. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

b) Functional and presentation currency

The financial statements are presented in Euros, which is the Company's functional currency. Transactions in foreign currencies are translated to the Company's functional currency at the monthly average of daily foreign exchange rates during each month. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rate at that date. Foreign exchange differences arising on translation are recognised in the income statement, except for differences arising on the translation of net investments in foreign operations and qualifying cash flow hedges, which are recognised in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates at the dates the fair value was determined.

c) Use of judgements and estimates

The preparation of the financial statements requires management to make judgements and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These judgements and estimates are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Management has not identified major sources of estimation uncertainty where a reasonably possible change in key assumptions could have a material effect on the carrying amounts of assets and liabilities in the next 12 months. Management has identified other sources of estimation uncertainty which are summarised below (impairment). These are not considered to be major sources of uncertainty as defined by IAS 1 'Presentation of Financial Statements'.

There are no judgements that management considers to be critical in the preparation of these financial statements.

d) Significant accounting policies***Deferred tax assets***

The assessment of the probability of future taxable income against which deferred tax assets can be utilised is based on the Company's latest approved budgets and forecasts, which are adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdiction in which the Company operates are also taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is recognised in full.

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****d) Significant accounting policies (continued)*****Impairment***

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future sales volumes and profit margins. These assumptions relate to future events and circumstances. The actual results may differ. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and to asset-specific risk factors.

Credit risk

IFRS 9 requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset (stage 2 or stage 3 level of assets). However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL (stage 1). Accordingly, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition.

IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account reasonable and supportable qualitative and quantitative forward-looking information. The Company has considered the uncertain macroeconomic environment such as the impact of the inflation and the war in Ukraine when performing its year end assessment of credit risk.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that a knowledgeable market participant would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. Management have concluded that some purchase contracts, which continue to be held until receipt of a non-financial item, fall under the 'own use exemption' afforded by IFRS 9. These contracts are not subject to a valuation and therefore do not form part of the financial assets or liabilities balance.

Financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are measured initially at fair value plus transaction costs, except for derivative financial instruments measured at fair value.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

All income and expenses relating to financial assets measured at fair value through profit and loss ("FVTPL") are recognised in the income statement.

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****d) Significant accounting policies (continued)**

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires. Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities designated at fair value through the income statement, that are carried subsequently at fair value with gains or losses recognised in the income statement. All interest-related charges are included within 'net finance income and expenses'.

Financial assets and financial liabilities are measured subsequently as described below.

Non-derivative financial instruments

For the purpose of subsequent measurement, financial assets are classified within the following categories upon initial recognition:

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less. For the purposes of the cash flow statement only, bank overdrafts are considered to be borrowings in nature.

Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method. The Company has assessed Trade receivables at lifetime ECL basis as stated in Impairment section below.

Trade payables

Non-current and current trade payables are initially recognised at fair value, including transaction costs, and subsequently measured at amortised cost.

Derivative financial instruments and hedging

Derivatives are financial assets or financial liabilities classified and recorded at FVTPL, except for those designated in a hedge relationship. Fair value changes on those financial instruments designated in a hedged relationship over the fair value changes of the items hedged are recorded at fair value through other comprehensive income ("FVTOCI").

All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at FVTPL.

Cash flow hedging instruments

Hedges of firm commitments and highly probable forecasted transactions, including forecasted intra-group transactions that are expected to affect the income statement are designated as cash flow hedges. To the extent that movements in the fair values (based on market valuation of these instruments) effectively offset the underlying risk being hedged they are recognised in the hedging reserve in equity until the period during which the hedged firm commitment or forecast transaction affects the income statement. At that point, the cumulative gain or loss is recognised in the income statement, offsetting the value of the hedged transaction.

The Company uses interest rate swaps and foreign currency forward contracts to hedge the interest rate risk associated with its floating rate borrowings and foreign currency risk in relation to highly probable forecasted sales and purchases, respectively.

Fair value hedges

Where a derivative financial instrument is designated as a fair value hedge, changes in the fair value of the underlying asset or liability attributable to the hedged risk are recognised as gains and losses on the derivative instrument in the income statement for the period in the relevant income/costs to which it relates. The Company uses foreign exchange forwards to hedge foreign currency risk associated with committed transactions.

T&L Sugars Limited

Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

d) Significant accounting policies (continued)

Commodity futures

The Company trades in commodity futures to economically hedge the price risk associated with its forecasted sales and purchases of sugar. These futures contracts are measured at fair value with any movement in fair value recorded in the income statement.

Purchase contracts

Some purchase contracts do not qualify for the own use exemption under IFRS 9. All such contracts are measured at FVTPL on the date of initial recognition and at the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost represents the fair value of the fixed assets when acquired.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Freehold Land	No depreciation
Freehold Buildings	15 - 30 years
Plant and machinery	3 - 15 years
Right of Use assets	2 - 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Intangible assets and goodwill

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses where applicable. The main categories of intangible assets are as follows:

Intangible assets - indefinite useful lives

Goodwill and trademarks are stated at cost less any accumulated impairment losses. Goodwill and trademarks are not amortised but tested annually for impairment at the reporting date. Impairment reviews are carried out to ensure that intangible assets with an indefinite life are not carried at above their recoverable amounts. In particular, the Company performs a discounted cash flow analysis at least annually to compare discounted estimated future operating cash flows to the net carrying value of each acquired intangible asset.

Intangible assets - finite useful lives

Proprietary technology assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the asset from the date they are available for use.

The estimated useful economic lives of these intangible assets are as follows:

Proprietary technology	10 years
------------------------	----------

Carbon emission allowances

The Company participates in the UK Emissions Trading Scheme (UK ETS). The carbon emissions allowances (CEAs) received by the Company are accounted for at nil cost. Any CEAs acquired through auctions or through purchases from secondary markets are accounted for at cost. CEAs equal to the carbon emissions generated by the Company during the reporting period are charged to the Income Statement. The excess CEAs held are included within 'Other Assets' in the statement of financial position.

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****d) Significant accounting policies (continued)*****IFRS 16 Leases***

In accordance with IFRS 16, the Company recognises a lease liability and corresponding right-of-use asset for all leases except for short-term leases and leases of low-value assets.

Lease liabilities are measured initially at the present value of lease payments yet to be paid, and have been adjusted for interest and lease payments. Lease liabilities are disclosed separately in the statement of financial position. The lease liability is measured at the present value of unpaid lease payments applying the Company's overall borrowing rate as applicable for leases.

Right-of-use assets are reported as non-current assets and are initially measured at an amount equal to the lease liability. Right-of-use assets are subsequently measured at cost less accumulated depreciation and any impairment losses, adjusted for any re-measurement of the lease liability. There is no change to overall cash flows.

Under IFRS 16, lease payments are split between payments of principal and interest, presented as financing cash flows. Depreciation of right-of-use assets is presented within depreciation and amortisation and interest cost is presented within finance expense.

The Company has applied the practical expedient that permits the exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application. The Company has also applied the practical expedient not to recognise short-term leases (with a term of less than twelve months) and low-value leases (where the value of lease on inception is less than €5,000 (five thousand Euros)). The lease payments associated with those leases are accounted for as expenses on a straight-line basis over the lease term. Lease incentives received are recognised in the income statement as an integral part of the total lease expense. Lease incentives are also recognised over the life of the lease on a straight-line basis.

IFRS 16 requires that right-of-use assets be presented separately from other assets or together with the same line item as that within which the corresponding underlying assets would be presented (e.g. property, plant and equipment). In the layout provided in note 9, the Company has elected to combine the right of use assets together with the same line item as that within which the corresponding underlying assets have been presented.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition as of the reporting date. In the case of manufactured inventories and work in progress, cost includes an appropriate share of labour and overheads based on normal operating capacity. Some raw sugar inventories are held at cost per the purchase contract plus the fair value of the derivative on the settlement date.

Impairment excluding inventories and deferred tax assets***Financial assets***

In relation to the impairment of financial assets, IFRS 9 requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on:

- Debt investments measured subsequently at amortised cost or at fair value through other comprehensive income,
- Trade receivables and contract assets.

For all financial assets not subject to FVTPL or FVTOCI, at each reporting date, loss allowance will be calculated at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition whether assessed on an individual or collective basis considering all reasonable and supportable information, including that which is forward-looking.

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****d) Significant accounting policies (continued)**

If at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance for that financial instrument shall be calculated at an amount equal to 12 month expected credit losses.

An impairment loss in respect of a financial asset recorded at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement. The Company has assessed Trade receivables at lifetime ECL basis and all other stage 1 financial assets at 12 months ECL basis.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from their continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (or group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Defined contribution pension obligation

A defined contribution plan is a post-employment benefit plan under which the Company pays annual contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Provisions

A provision is recognised in both the statement of financial position and the income statement when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Revenue recognition

Revenue comprises revenue from the sale of goods. Revenue is measured at the consideration received or receivable based on the stand-alone selling price of each performance obligation and represents amounts obtained through trading activities, net of value added tax. The Company applies the revenue recognition criteria set out below.

T&L Sugars Limited**Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)****d) Significant accounting policies (continued)*****Sale of goods***

Revenue is recognised when control of goods is transferred to the buyer. The Company also procures raw sugar for other group companies. The Company records these sales on a net basis as it is not primarily responsible for the quality of the raw sugar, does not bear the inventory risk and does not control the establishment of pricing. Revenue is recognised when the buyer has control of the goods and performance obligations are satisfied.

Interest income

Interest income and expenses are recorded on an accrual's basis using the effective interest method.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax is based on taxable profit. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that the taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, provided that they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax benefit or expense in the income statement, except where they relate to items that are recognised in the statement of comprehensive income or directly in equity, in which case the related deferred tax is also recognised in the statements of comprehensive income or equity, respectively.

Share capital

Share capital represents the nominal value of shares that have been issued. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Dividend distributions payable to equity shareholders are included in 'other liabilities' when the dividends have been approved in a general meeting prior to the reporting date.

T&L Sugars Limited

Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

d) Significant accounting policies (continued)***Adoption of new accounting standards*****New accounting policies**

There were no new accounting standards and amendments that were adopted during the period and had significant impact on the Company.

The Company is assessing the impact of the following standards, interpretations and amendments that are not yet effective.

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1, IAS26, IAS34, IFRS7 and IFRS 8)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)

2. Auditor's remuneration

	2023	2022
	€000	€000
Audit of financial statements	259	251
Other non-audit services	52	—
Total auditor's remuneration	311	251

3. Employee headcount, cost and benefits

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2023	2022
	€000	€000
Employee cost and benefits:		
Wages and salaries	48,267	43,612
Social security costs	6,542	5,312
Pension	3,120	2,913
Total employees' cost and benefits	57,929	51,837

The average number of persons employed by the Company (including Directors) during the period, analysed by category was as follows:

	2023	2022
Average employee headcount:		
Operations	494	476
Sales, general and administration	178	175
Total average employee headcount	672	651

T&L Sugars Limited
Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

4. Directors' remuneration

	2023 €000	2022 €000
Salaries and bonuses	2,858	1,689
Salaries and bonuses	2,858	1,689

The total remuneration of the highest paid Director was €1,093 (2022: €658).

5. Net finance income/expense

	2023 €000	2022 €000
Interest income on cash deposits	5,821	2,239
Interest payable on borrowings	(7,216)	(2,271)
Bank charges	(93)	(65)
Net finance expense	(1,488)	(97)

6. Revenue

Revenue recognised is summarised as follows by business activity and geography:

	2023 €000	2022 €000
Business activity:		
Sale of goods	532,609	340,130
Total revenues	532,609	340,130
Revenues by geography:		
UK	504,667	317,390
Rest of Europe	9,593	7,067
Rest of the world	18,349	15,673
Total revenues	532,609	340,130

T&L Sugars Limited
Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

7. Property, plant and equipment

	Land and buildings €000	Plant and machinery €000	Assets under construction €000	Total €000
Cost:				
At 26 September 2021	48,643	152,425	19,113	220,181
Additions	80	7,021	4,609	11,710
Transfers	—	16,522	(16,522)	—
At 25 September 2022	48,723	175,968	7,200	231,891
Additions	—	5,799	5,250	11,049
Transfers	—	6,297	(6,297)	—
At 24 September 2023	48,723	188,064	6,153	242,940
Depreciation:				
At 26 September 2021	7,944	93,422	—	101,366
Charge for the period	1,271	11,944	—	13,215
At 25 September 2022	9,215	105,366	—	114,581
Transfer of provision	(60)	60	—	—
Charge for the period	1,320	7,985	—	9,305
At 24 September 2023	10,475	113,411	—	123,886
Net book value:				
Balance at 26 September 2021	40,699	59,003	19,113	118,815
Balance at 25 September 2022	39,508	70,602	7,200	117,310
Balance at 24 September 2023	38,248	74,653	6,153	119,054

8. Intangible assets

	Goodwill €000	Customer relationships €000	Proprietary technology €000	Trademark €000	Total €000
Cost or valuation	2,598	542	623	4,737	8,500
Amortisation	—	542	623	—	1,165
Net book value	2,598	—	—	4,737	7,335

Cost, amortisation and Net book value shown above are balances as at 26 September 2021, 25 September 2022 and 24 September 2023.

Research costs of €447 (2022: €491) were charged to the income statement in the period.

T&L Sugars Limited

Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

9. Right of use assets and lease liabilities

Right of use assets are included in note 7:

Right of use assets	Land and Buildings €000	Plant and machinery €000	Total €000
Cost or valuation:			
At 26 September 2021	1,779	1,136	2,915
Additions	—	644	644
At 25 September 2022	1,779	1,780	3,559
Additions	—	—	—
At 24 September 2023	1,779	1,780	3,559
Depreciation and impairment:			
At 26 September 2021	883	804	1,687
Depreciation for the year	421	451	872
At 25 September 2022	1,304	1,255	2,559
Depreciation for the year	409	313	722
At 24 September 2023	1,713	1,568	3,281
Net Book Value:			
Balance at 26 September 2021	896	332	1,228
Balance at 25 September 2022	475	525	1,000
Balance at 24 September 2023	66	212	278

Lease liabilities:

	Land and Buildings €000	Plant and machinery €000	Total €000
Total lease liabilities at 26 September 2021	953	347	1,300
Additions	—	644	644
Interest Expense	30	34	64
Repayments	(462)	(480)	(942)
Total lease liabilities at 25 September 2022	521	545	1,066
Additions	—	—	—
Interest Expense	16	20	36
Repayments	(462)	(338)	(800)
Total lease liabilities at 24 September 2023	75	227	302

Lease liabilities included in the statement of financial position:

	2023 €000	2022 €000
Current	168	765
Non-current	134	301
Total lease liabilities	302	1,066

T&L Sugars Limited

Notes to the Financial Statements
for the 52 Week Period ended 24 September 2023
(Amounts in thousands of Euros)

10. Income Taxation

Income tax included in the income statement for 2023 and 2022 is as follows:

	2023 €000	2022 €000
Current tax (charge)/credit	(18,614)	3,160
Deferred tax charge	(5,486)	(197)
Total tax (charge)/credit recognised in the period	(24,100)	2,963

	2023 €000	2022 €000
Tax recognised directly in equity:		
Deferred tax charge recognised in the period in equity	(22)	(3)

The effective tax rate on profits for the period is different to the standard rate of corporation tax in the UK of 21.96% (2022: 19%), after adjusting for the reconciling items shown below:

The differences are reconciled below:	2023 €000	2022 €000
Profit/(loss) before taxes	117,099	(688)
Income tax credit/(charge) using the UK corporation tax rate	(25,713)	92
Change in tax rates	(695)	—
Non-deductible expenses	(262)	24
Utilisation of unrecognised deferred tax assets	2,876	2,595
Other	(306)	252
Total tax (charge)/credit	(24,100)	2,963

The main UK corporation tax rate increased from 19% to 25% on 1 April 2023. The rate of 21.96% reflects the blended average of these two rates for the current financial year. The deferred tax asset on 24 September 2023 has been calculated based on the rates substantively enacted at the balance sheet date that will apply in the periods during which the constituent part of the asset are expected to be realised.

Deferred tax

Deferred tax assets and liabilities:

	Assets €000	Liabilities €000	Net deferred tax €000
Property, plant and equipment	—	(4,709)	(4,709)
Financial assets and liabilities	—	(5,980)	(5,980)
Tax value of loss carry forward	5,243	—	5,243
Other short term timing differences	—	(62)	(62)
Total deferred tax assets and liabilities	5,243	(10,751)	(5,508)

T&L Sugars Limited

Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

10. Income Taxation (continued)

Deferred tax movement during the period:

	2022 €000	Recognised in Income Statement €000	Recognised directly in OCI €000	2023 €000
Property, plant and equipment	39	(4,748)	—	(4,709)
Tax value of loss carry-forward	15,401	(10,158)	—	5,243
Financial assets and liabilities	(15,440)	9,420	(22)	(6,042)
Total	—	(5,486)	(22)	(5,508)

Deferred tax assets of €nil (2022: €1,037) relating to excess tax depreciation and €nil (2022: €1,687) relating to tax losses have not been recognised due to uncertainty regarding the timing of expected recovery of the assets.

11. Investment in subsidiaries

The Company has the following investments in subsidiaries:

	Country of Incorporation	Class of shares held	Ownership	
			2023	2022
ASR Germany GmbH & Co. KG.	Germany	Ordinary	100%	100%
ASR Germany Beteiligungs GmbH	Germany	Ordinary	100%	100%
T&L Sugars Death Benefits Scheme Trustees Ltd	UK	Ordinary	100%	100%

ASR Germany GmbH & Co. KG.'s and ASR Germany Beteiligungs GmbH's address is Prinzregentenstraße 78, 81675 München, Germany. On 30 September 2018, the Company's subsidiary ASR Germany GmbH & Co. KG ("ASRG") ceased all its production and operations. ASRG produced liquid sugar, invert syrups and fondants for the German market. T&L Sugars Death Benefits Scheme Trustees Ltd was established to provide trustee services for the T&L Sugars "death in service" benefit scheme. T&L Sugars Death Benefits Scheme Trustees Ltd registered office and principal place of business is 4th floor, 10 Bedford Street, London WC2E 9HE.

12. Inventories

	2023 €000	2022 €000
Raw sugar and consumables	65,423	71,622
Work in progress	7,317	7,507
Finished goods	28,601	26,993
Manufacturing supplies	16,395	16,713
Total inventories	117,736	122,835

An inventory provision of €3,681 is included within the inventory value on the statement of financial position (2022: €3,641). The value of inventory charged to the income statement for the period was €319,168 (2022: €238,790). The balance of cost of sales shown in the Income statement relates to direct and indirect operational costs including payroll costs.

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13. Trade and other receivables

	2023	2022
	€000	€000
Trade receivables	58,861	40,522
Amounts due from related parties	5,461	6,509
Prepayments	11,678	3,646
VAT recoverable	5,284	4,408
Other	7,270	9,122
Total trade and other receivables	88,554	64,207

All trade and other receivables are expected to be recovered within 12 months. €10,000 of trade receivables have been securitised, as disclosed in note 15, under the accounts receivable securitization loan.

14. Share capital

There are 300 ordinary shares outstanding at the end of 2023 and 300 in 2022 with a value of €1.00 each. The holders of ordinary shares are entitled to one vote per share at meetings of the Company. No dividends were declared during 2023 or 2022. For a description of the nature and purpose of each reserve within equity please see page 23.

15. Loans and borrowings

	2023	2022
	€000	€000
Included in current liabilities:		
Other intercompany loans	55,963	9,247
Total current loans and borrowings	55,963	9,247
Included within non-current liabilities:		
Loan from parent company	—	34,657
Other intercompany loans	—	132,963
A/R securitization loan	10,000	10,000
Total non-current loans and borrowings	10,000	177,620

Reconciliation of movements in liabilities to cash flows arising from financing activities:

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Lease liabilities	Loans from related parties	A/R securitization loan
	€000	€000	€000
Balance as at 26 September 2021	1,300	34,646	10,000
Lease liabilities under IFRS 16	644	—	—
Proceeds of loans	(878)	142,221	—
Balance as at 25 September 2022	1,066	176,867	10,000
Lease liabilities and interest under IFRS 16	36	—	—
Repayment of loans	(800)	(120,904)	—
Balance as at 24 September 2023	302	55,963	10,000

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Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

15. Loans and borrowings (continued)

Interest accruals and receipts are shown in operational and investing incomes and hence not shown in the financing reconciliation. All repayments stated above are shown in Cash flow statement.

Credit facilities and arrangements

Loans from group companies

The Company has been provided with revolving credit facility of \$200,000 by a group company, expiring on 23 April 2025. As at 24 September 2023, the amount drawn down in respect of these facilities was \$nil (2022: \$129,890). The facility is provided at a rate of SOFR plus a spread in line with third party debt pricing and availability.

Multi-currency facility

The Company has access to a multicurrency bank facility of \$250,000 which matures on 24 April 2026. This facility is shared with ASR Group Inc. and some of its other subsidiaries. This facility is at a floating rate based on USD SOFR plus a spread.

Accounts receivable securitization

The accounts receivable securitization loan is provided based on the lender's first lien on the Company's accounts receivable. A maximum of €50,000 may be borrowed at a fluctuating interest rate per annum based on Euribor plus an agreed upon spread. As at 24 September 2023, the outstanding balance was €10,000 (2022: €10,000).

Carrying value of loans and borrowings

The fair value of loans and borrowings, except the Company's interest rate swaps as discussed in note 19 "Financial instruments", approximates the carrying amount.

16. Obligations under leases and hire purchase contracts

Leases

The total future value of minimum lease payments for short term leases and low value leases specified in note 1(d) IFRS 16 are as follows:

	2023	2022
	€000	€000
Within one year	474	323
In two to five years	469	300
Total non-cancellable operating lease rentals	943	623

The Company leases vehicles, plant and equipment under non-cancellable lease agreements. The amount of non-cancellable lease expense recognised during the period was €239 (2022: €228), within selling, general and administrative expenses.

T&L Sugars Limited

Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

17. Trade and other payables

	2023 €000	2022 €000
Trade payables	33,576	20,168
Amounts due to related parties	15,174	2,148
Accrued expenses	36,727	51,285
Provisions	1,702	1,702
Other payables	6,949	7,871
Total trade and other payables	94,128	83,174

All trade and other payables are expected to be paid within 12 months.

18. Capital commitments

The total amount contracted for but not provided in the financial statements was €6,374 (2022: €4,008).

19. Financial instruments

The classification of derivative financial instruments is as follows:

	2023		2022	
	Assets €000	Liabilities €000	Assets €000	Liabilities €000
Current derivative financial instruments:				
Forward foreign exchange contracts – cash flow hedges	111	(72)	104	(12)
Forward foreign exchange contracts not in hedge relationship	36,685	(15,397)	134,251	(79,225)
Forward foreign exchange contracts on priced contracts	1,559	(572)	847	(2,724)
Commodity derivatives	161,494	(186,460)	74,636	(50,288)
	199,849	(202,501)	209,888	(132,249)
Other non-current derivative financial instruments:				
Forward foreign exchange contracts – cash flow hedges	—	(1)	20	(242)
Forward foreign exchange contracts not in hedge relationship	8,035	(4,488)	36,313	(473)
Interest rate swaps – cash flow hedges	205	—	285	—
Commodity derivatives	65,407	(13,546)	18,974	(18,305)
	73,647	(18,035)	55,592	(19,020)
Total financial instruments	273,496	(220,536)	265,480	(151,269)

	Loans and receivables at amortised cost €000	Fair value through P&L €000	Derivatives in effective hedge relationships €000	Financial liabilities at amortised cost €000	Total carrying value €000
24 September 2023					
Trade and other receivables	88,554	—	—	—	88,554
Loans to intercompany	128,399	—	—	—	128,399
Cash and cash equivalents	6,514	—	—	—	6,514
Interest rate swap, net ⁽¹⁾	—	—	205	—	205
Forward foreign exchange contracts – cash flow hedges, net ⁽²⁾	—	—	39	—	39
Forward foreign exchange contracts – not in hedge relationship, net ⁽²⁾	—	24,834	—	—	24,834
Forward foreign exchange on – priced contracts, net ⁽²⁾	—	987	—	—	987
Commodity derivatives, net	—	26,895	—	—	26,895
Borrowings	—	—	—	(65,963)	(65,963)
Trade and other payables	—	—	—	(94,128)	(94,128)
Total	223,467	52,716	244	(160,091)	116,336

(1) The notional value of the interest rate swap is €10,000.

(2) The notional value of the forward contracts is €23,921.

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19. Financial instruments (continued)

25 September 2022	Loans and receivables at amortised cost €000	Fair value through P&L €000	Derivatives in effective hedge relationships €000	Financial liabilities at amortised cost €000	Total carrying value €000
Trade and other receivables	64,207	—	—	—	64,207
Loans to intercompany	104,422	—	—	—	104,422
Cash and cash equivalents	2,332	—	—	—	2,332
Interest rate swap, net ⁽¹⁾	—	—	285	—	285
Forward foreign exchange contracts – cash flow hedges, net ⁽²⁾	—	—	(130)	—	(130)
Forward foreign exchange contracts – not in hedge relationship, net ⁽²⁾	—	90,866	—	—	90,866
Forward foreign exchange on – priced contracts, net ⁽²⁾	—	(1,877)	—	—	(1,877)
Commodity derivatives, net	—	25,067	—	—	25,067
Commodity forward purchase contracts	—	—	—	—	—
Borrowings	—	—	—	(186,867)	(186,867)
Trade and other payables	—	—	—	(83,174)	(83,174)
Total	170,961	114,056	155	(270,041)	15,131

(1) The notional value of the interest rate swap is €10,000.

(2) The notional value of the forward contracts is €70,002.

Analysis of fair value by valuation method

Level 1 fair value is determined using observable inputs that reflect unadjusted quoted market prices for identical assets and liabilities.

Level 2 fair value is determined using significant inputs that may be either observable inputs or unobservable inputs that are corroborated by market data.

Level 3 fair value is determined using significant inputs that are unobservable and reflect management's assumptions about market data. The Company does not have any level 3 investments.

There were no movements between the levels during the period.

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19. Financial instruments (continued)

Derivative financial instruments are segregated by valuation level as follows:

24 September 2023	Level 1 €000	Level 2 €000	Total €000
Derivative financial assets:			
Forward foreign exchange contracts - cash flow hedges	—	111	111
Forward foreign exchange contracts not in hedge relationship	—	44,720	44,720
Forward foreign exchange contracts on priced contracts	—	1,559	1,559
Commodity derivatives	226,901	—	226,901
Interest rate swaps - cash flow hedge	205	—	205
Derivative financial assets at fair value	227,106	46,390	273,496
Derivative financial liabilities:			
Forward foreign exchange contracts - cash flow hedges	—	(72)	(72)
Forward foreign exchange contracts not in hedge relationship	—	(19,886)	(19,886)
Forward foreign exchange contracts on priced contracts	—	(572)	(572)
Commodity derivatives	(200,006)	—	(200,006)
Derivative financial liabilities at fair value	(200,006)	(20,530)	(220,536)

25 September 2022	Level 1 €000	Level 2 €000	Total €000
Derivative financial assets:			
Forward foreign exchange contracts - cash flow hedges	—	124	124
Forward foreign exchange contracts not in hedge relationship	—	170,564	170,564
Forward foreign exchange contracts on priced contracts	—	847	847
Commodity derivatives	93,660	—	93,660
Interest rate swaps - cash flow hedge	285	—	285
Derivative financial assets at fair value	93,945	171,535	265,480
Derivative financial liabilities:			
Forward foreign exchange contracts - cash flow hedges	—	(254)	(254)
Forward foreign exchange contracts on priced contracts	—	(79,698)	(79,698)
Foreign exchange on priced contracts	—	(2,724)	(2,724)
Commodity derivatives	(68,593)	—	(68,593)
Derivative financial liabilities at fair value	(68,593)	(82,676)	(151,269)

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19. Financial instruments (continued)**Netting**

The Company has ISDA Master Agreements in place with two counterparties that permit the netting of balances. The net positions in respect of these counterparties at 24 September 2023 and 25 September 2022 were as follows:

24 September 2023	Gross €000	Gross €000	Net €000
Assets	43,862	(19,957)	23,905
Liabilities	(19,957)	19,957	—
Total	23,905	—	23,905

25 September 2022	Gross €000	Gross €000	Net €000
Assets	150,084	(80,082)	70,002
Liabilities	(80,082)	80,082	—
Total	70,002	—	70,002

Cash flow hedge

The Company uses forward foreign exchange contracts, swaps, options and interest rate swaps to hedge cash flow risk associated with highly probable forecast transactions, firm commitments and monetary items denominated in foreign currencies. The economic relationship of each hedge is assessed based on the critical terms of the hedging instrument (amount, currency, maturity date) compared to the hedged item. Consistent with Company's risk management policy, the hedge ratio can be up to 100% of the hedged item. Sources of hedge ineffectiveness include changes in the timing of payment or receipt of foreign currencies and changes in the amount paid or received.

The cash flows associated with foreign currency forwards are expected to impact the income statement within the next 24 months and the cash flows associated with the interest rate swap are expected to impact the income statement between the statement of financial position date and 29 September 2024.

20. Management of financial risk

The key financial risks faced by the Company are credit risk, liquidity risk, and market risk, which include interest rate, foreign exchange, and certain commodity price risks. The Board regularly reviews these risks.

The majority of the Company's financing, interest rate and foreign exchange risks are managed through the treasury function. The Board approves policies and procedures setting out permissible funding and hedging instruments and a system of authorities for the approval of transactions and exposures within the limits approved by the Board.

Commodity market price risks are managed through ASRGE's Global Sugars Group division.

The derivative financial instruments approved by the Board of the Company to manage financial risks include interest rate swaps, forward foreign exchange contracts, commodity forward contracts and commodity futures.

Credit risk and impairment

Counterparty credit risk arises from the placing of deposits and entering into derivative financial instrument contracts with banks and financial institutions as well as credit exposures inherent within the Company's outstanding receivables. The Company manages credit risk in relation to these deposits and derivatives by entering into financial instrument contracts only with highly credit worthy counterparties which are reviewed and approved by the Board.

T&L Sugars Limited

Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

20. Management of financial risk (continued)

The Company runs a credit control department to manage credit risk by assessing the financial strength of new customers using credit agencies and extends credit accordingly. The credit extended to customers is evaluated on a regular basis. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on customers and recent trends in the economy.

	2023 €000	2022 €000
Trade receivables	58,861	40,522
Cash and cash equivalents	6,514	2,332
Amounts due from related parties	133,860	110,931
Forward foreign exchange contracts - cash flow hedges	111	124
Forward foreign exchange contracts not in hedge relationship	44,719	170,564
Forward foreign exchange contracts on priced contracts	1,559	847
Interest rate swaps – cash flow hedge	205	285
Commodity derivatives	226,902	93,660
Total exposure to credit risk	472,731	419,265

The ageing of trade receivables (net of allowances) at the reporting date is as follows:

	2023 €000	2022 €000
Current	52,026	38,016
Past due 0-28 days	6,126	2,325
More than 28 days	709	181
Total trade receivables	58,861	40,522

The movement in the allowance for expected credit losses against trade receivables during the period was as follows:

	2023 €000	2022 €000
Balance at the beginning of period	263	248
Allowance for expected credit losses movement	(21)	15
Balance at the end of period	242	263

Liquidity risk management

The Company manages its exposure to liquidity risk and ensures maximum flexibility in meeting changing business needs by maintaining access to a wide range of funding sources, including borrowings from affiliated companies and bank borrowings. The Company ensures that it has sufficient undrawn committed bank facilities to provide liquidity to cover its funding requirements for the foreseeable future.

Compliance with agreed covenants with financial institutions is monitored by ASR Group Inc. on behalf of the Company. It is ASR Group's policy to manage its financial position so as to operate within restrictions agreed to in its loan covenants. In both the current and comparative reporting period, ASR Group complied with its financial covenants at all measurement points.

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20. Management of financial risk (continued)

The following tables set out the remaining contractual maturities of the Company's financial liabilities by type.

Undiscounted contractual maturities

24 September 2023	Total €000	1 year or less €000	1 to 2 years €000	2 to 5 years €000
Non-derivative financial liabilities:				
Other intercompany loans	(55,963)	(55,963)	—	—
Trade payables	(33,576)	(33,576)	—	—
Amounts due to related parties	(15,174)	(15,174)	—	—
Accrued expenses	(36,727)	(36,727)	—	—
A/R securitization loan	(10,000)	—	(10,000)	—
Other payables	(6,949)	(6,949)	—	—
Lease liabilities	(302)	(168)	(134)	—
	(158,691)	(148,557)	(10,134)	—
Derivative financial liabilities:				
Commodity futures	(200,006)	(186,460)	(1,832)	(11,714)
Forward foreign exchange contracts:				
- Outflow	(80,082)	(79,367)	(680)	(35)
- Inflow	150,084	113,751	28,867	7,466
	(130,004)	(152,076)	26,355	(4,283)
Total financial liabilities	(288,695)	(300,633)	16,221	(4,283)

25 September 2022	Total €000	1 year or less €000	1 to 2 years €000	2 to 5 years €000
Non-derivative financial liabilities:				
Loan from parent company	(34,657)	—	—	(34,657)
Other intercompany loans	(142,210)	(9,247)	—	(132,963)
Trade payables	(20,168)	(20,168)	—	—
Amounts due to related parties	(2,148)	(2,148)	—	—
Accrued expenses	(51,285)	(51,285)	—	—
A/R securitization loan	(10,000)	—	(10,000)	—
Other payables	(7,871)	(7,871)	—	—
Lease liabilities	(1,066)	(765)	(168)	(133)
	(269,405)	(91,484)	(10,168)	(167,753)
Derivative financial liabilities:				
Commodity futures	(68,593)	(50,288)	(14,287)	(4,018)
Forward foreign exchange contracts:				
- Outflow	(80,082)	(79,367)	(680)	(35)
- Inflow	150,084	113,751	28,867	7,466
	1,409	(15,904)	13,900	3,413
Total financial liabilities	(267,996)	(107,388)	3,732	(164,340)

T&L Sugars Limited**Notes to the Financial Statements
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(Amounts in thousands of Euros)****20. Management of financial risk (continued)****Market risk****Foreign exchange risk**

The Company operates in a multi-currency environment and is exposed to foreign exchange risks arising from commercial transactions (transaction exposure). The foreign currency exposure primarily arises from USD, GBP and NOK denominated trade receivables and trade payables, foreign currency forward contracts, commodity futures, and commodity purchase contracts.

Transaction exposure

The Company's policy is to manage transactional currency exposures against the functional currency once the transaction is committed or highly probable, mainly through the use of forward foreign exchange contracts.

The amounts deferred in equity from derivative financial instruments designated as cash flow hedges are released to the income statement and offset against the movement in underlying transactions only when the forecast transactions affect the income statement.

Sensitivity analysis

A 5% strengthening of USD and GBP against the Euro at the end of 2023 would have resulted in a credit to the cash flow hedge reserve of approximately €385 (2022: €196) and a gain of €22,046 in the income statement (2022: €28,791 gain). The income statement impact would be offset by equal and opposite gains on the underlying transactions. A 5% weakening in the respective currencies against the Euro would have had an equal but opposite effect to the amounts, on the basis that all other variables remain constant.

Interest rate risk management

The Company is exposed to interest rate risk arising principally from changes in USD interest rates. This risk is managed by fixing portions of debt using interest rate derivatives to achieve a target level of fixed/floating rate net debt, which aims to optimise net finance expense and reduce volatility in reported earnings. At 24 September 2023, the percentage of interest-bearing debt with a fixed rate yield was 6% and the percentage of interest-bearing debt with a variable yield was 94%.

The Company considers a 100 basis point change in interest rates a reasonably possible change except where rates are less than 100 basis points. In these instances, it is assumed that the interest rates increase by 100 basis points and decrease to zero for the purpose of performing the sensitivity analysis. The impact is calculated with reference to the gross debt and cash held as at 24 September 2023 assuming that other variables remain unchanged.

If interest rates increase by 100 basis points, the Company's 2023 income before tax would have increased by approximately €490 (2022: €917 decrease). The impact on the cash flow hedge reserve relating to interest rate swaps would be a debit of approximately €89 (2022: €195 credit).

Price risk management

The Company participates in the sugar market and is exposed to movements in the prices of commodities in those domestic and international markets where the Company buys and sells sugar. Commodity futures and forwards are used where available to manage the costs of raw materials for priced contracts. In most cases, these contracts mature within one year and are traded either on recognised exchanges or over the counter. Changes in the fair value of the commodity futures and forwards are taken directly to the income statement.

If the price of sugar was to increase by 10% it would have resulted in a fair value gain of approximately €60,061 (2022: €48,428). A decrease of 10% would result in an approximately equal but opposite impact to the income statement.

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Notes to the Financial Statements for the 52 Week Period ended 24 September 2023 (Amounts in thousands of Euros)

20. Management of financial risk (continued)

Capital risk management

The capital structure of the Company includes share capital, share premium and other reserves as presented in the Statement of Financial Position. The key purpose of the Company's capital risk management process is to ensure the capital structure supports the ongoing operations of the business such that the Company continues as a going concern. To achieve this, the Company adopts a flexible capital structure to ensure a low and ultimately sustainable cost of capital. This ensures the Company can continue to make careful risk appraised investments to support the long term viability of the business. The Company's capital structure is continually monitored and adapted to align with a fast changing macro-economic and business environment. Refer to note 15 for further details on loans and borrowings.

21. Related party disclosures

The Company has related party relationships with its subsidiaries, parent company and other group companies and with its Directors, who are considered to be key management personnel. No related party transactions with close family members of the Company's key management personnel existed in the current or comparative period.

The following table shows the value of transactions with group companies during the period. All transactions were made on an arm's length basis.

Other related party transactions At and for the period ended 24 September 2023	Sales to € 000	Purchases from € 000	Service income € 000	Service expenses € 000
Other group companies	3,610	(33,174)	10,947	(5,592)

Other related party transactions At and for the period ended 24 September 2023	Interest income € 000	Interest expense € 000	Other income € 000	Other expense € 000
Other group companies	5,706	(6,711)	106	—

Other related party transactions At and for the period ended 25 September 2022	Sales to € 000	Purchases from € 000	Service income € 000	Service expenses € 000
Other group companies	2,793	(37,561)	9,125	(5,537)

Other related party transactions At and for the period ended 25 September 2022	Interest income € 000	Interest expense € 000	Other income € 000	Other expense € 000
Other group companies	(2,239)	1,947	42	—

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21. Related party disclosures (continued)

Related party balances at and for the period ended 24 September 2023	Receivables outstanding € 000	Payables outstanding € 000	Loan receivable € 000	Loan payable € 000
Parent	—	—	—	—
Other group companies	5,461	(15,174)	128,399	(55,963)
Total	5,461	(15,174)	128,399	(55,963)

Related party balances at and for the period ended 25 September 2022	Receivables outstanding € 000	Payables outstanding € 000	Loan receivable € 000	Loan payable € 000
Parent	—	(525)	—	(34,657)
Other group companies	6,567	(3,893)	104,422	(142,210)
Total	6,567	(4,418)	104,422	(176,867)

22. Parent and ultimate parent

The Company is a subsidiary of ASR Group Europe Limited, whose registered office is 10 Bedford Street, Fourth Floor, London, United Kingdom, WC2E 9HE, and is incorporated and domiciled in the UK, and its parent company is ASR Group International, Inc. ("ASR Group Inc.") incorporated in the United States of America.

Relationship between entity and parents

The results of the Company are consolidated by ASR Group Inc. and ASRGE. The consolidated financial statements of ASR Group Inc. are not available to the public. The consolidated financial statements of ASRGE are available to the public and can be obtained from Companies House, UK.