



ED&F MAN HOLDINGS LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022





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Our Business at a Glance

Established in 1783, ED&F Man is one of the world's leading providers of agricultural commodities and logistics. We employ 5,000 people in 58 countries and have an annual revenue of \$7.4 billion (year ended 30 September 2022) and 200 years' experience of world trade.

We source, store, process, ship and distribute a range of products including sugar, coffee, molasses, animal feed, and fish oils.

Our global infrastructure, operational expertise and execution capability ensures timely delivery of products that meet the stringent safety and quality standards of our customers all over the world.

We market commodities to clients such as coffee roasters, food processors, drinks distillers and cattle farmers, supplying household names and best-loved brands.

Our strategy is to nurture long-standing relationships and through supply management expertise add value at every link in the chain. Through this we have established a long and successful presence in our markets and a strong loyal customer base including some of the world's biggest food and drink suppliers.

In March 2022, ED&F Man Holdings Limited ("ED&F Man") completed a debt restructuring. As part of this process, ED&F Man Commodities Limited and its subsidiaries (the "Commodities Group") - the profitable core commodities trading business of the Group - was successfully ring-fenced from the Group's legacy businesses. The legacy debt was restructured by extending its tenure up to 2028, separating it from the Commodities Group business.

In August 2022, a definitive agreement was signed between ED&F Man Holdings Limited and Marex Group PLC to acquire the Brokerage business. The sale completed in various stages from 30 September 2022 through 30 November 2022 with the sale of the US Brokerage business. Brokerage is classified as a disposal group held for sale and presented separately in the consolidated financial statements. Sales proceeds of \$234.0 million were received post year end. The funds were used to pay down the claim for the Metals incident and the Group's other liabilities.

During the year ended 30 September 2022, the businesses of the Commodities Group delivered strong performance – their best-ever – despite the liquidity constraints in the first six months before the restructuring. Broader global market uncertainty, including the tragic war in Ukraine, have had substantial and unprecedented impacts on global supply chains, creating significant market volatility but the Commodities Group has been well positioned to adapt to these headwinds over the course of the year.

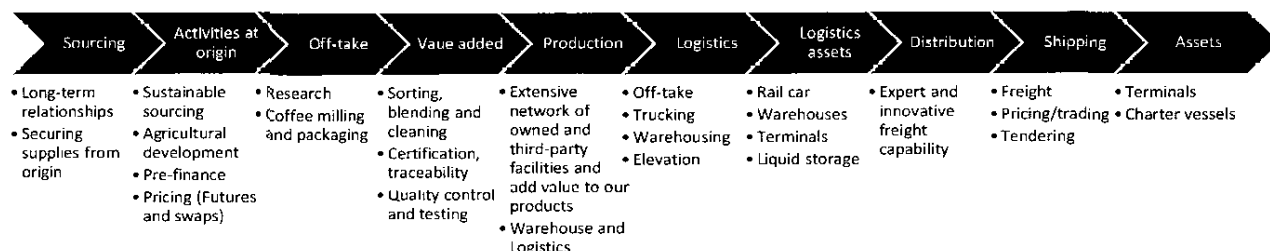
Unless otherwise stated, all information presented in this report relates to the Group's businesses which are consolidated under ED&F Man Holdings Limited. The Group's key stakeholders are its employees, customers, suppliers, broader lender group, shareholders, and the communities in which the Group operates.

Corporate social responsibility is at the heart of everything we do across our business. We invest in delivering responsibly sourced products, take care to limit the environmental impact of our operations and actively support the communities in which we work. In this way, we play our part in creating sustainable supply chains that provide an essential role in modern life.



Our Role in the Value Chain

We provide services and generate margins along the entire value chain.



ED&F Man in Numbers

- 239 years in business
- \$7.4 billion annual revenue in 2022
- 200 years in world trade
- 5,000 people worldwide
- 75 nationalities
- 58 countries
- 130 locations globally

2022 Financial Highlights

- Best-ever financial performance of the Commodities Group, despite the liquidity constraints in the first half, as the businesses took advantage of unprecedented volatility in commodities markets. The Commodities Group is positioned to once again take advantage of the significant opportunities that exist, with the benefit of the new structure that provides certainty for our customers and suppliers.
- The sale of Brokerage which substantially completed in the last quarter of 2022 was a significant step in the Group's divestment plan with \$234.0 million of proceeds received. The majority of the initial proceeds were used to repay Group liabilities associated with the Brokerage metals fraud case; with residual proceeds flowing to lender repayments. There is potential for further proceeds as we close out the Brokerage UK residual assets and litigation.
- Other notable sales of non-core assets include the sale of the Group's interest in the Agrovía joint venture in January 2022 and the Agro-Dilo farm in Ukraine in February 2022, the sales proceeds being \$11.3 million and \$17.2 million respectively.
- Completing the restructuring of the legacy debt, the ring-fencing of the commodities businesses, and the provision of an additional \$300.0 million of liquidity, has created a stable platform for the Commodities Group.
- Overall Group results continue to be impacted by the interest on legacy debt and impairments/losses on disposal of non-core assets. Group net profit of \$9.9 million included the accounting gain on Junior Debt (the B2 Term Loans and Notes) modification of \$403.3 million; the adjusted loss for the year before this gain was a loss of \$393.4 million.

Performance measures	2022	2021
	\$m	\$m
Revenue*	7,427.4	5,886.1
Gross Profit*	396.5	362.9
Gross Profit (Trading) Margin*	5.3%	6.2%
Operating Profit*	80.0	46.4
Adjusted Loss before Tax**	(331.4)	(127.0)
Adjusted Loss after Tax***	(393.4)	(217.1)
Headcount (number)*	5,078	5,713
Net assets	27.7	18.4

* These results and the headcount metric are in respect of Continuing Operations.

** The Adjusted Loss before Tax includes results from discontinued operations and reflects the Group's profit before tax of \$71.9 million (2021: loss of \$127.0 million) (see Note 14), adjusted for 2022 to exclude the exceptional gain on modification of the Junior Debt of \$403.3 million; this is the only adjustment that has been made to the reported Profit before Tax for the Group.

*** Similarly, the Adjusted Loss after Tax for 2022 includes results from discontinued operations and has been adjusted to exclude the exceptional gain on modification of the Junior Debt of \$403.3 million; this is the only adjustment that has been made to the reported Profit after Tax for the Group of \$9.9 million. The 2021 comparative loss after tax of \$217.1 million is unadjusted as compared to the reported IFRS measure.

Chairman's Statement

I want to start by thanking all our stakeholders who supported the Group through the restructure, particularly our lenders who supported the restructure, the refinancing and the provision of additional liquidity.

Whilst we are disappointed with the overall results, we remain focused on building value in the Commodities Group and extracting value from non-core asset disposals, with a view to maximising recoveries for stakeholders.

Commodities

The Commodities Group delivered its best-ever performance in the year ended 30 September 2022. The results for the first six months to 31 March 2022 were impacted by liquidity constraints imposed during the restructuring and by the high price environment. However, despite these constraints, economic uncertainty and geopolitical issues, the Commodities Group reported a profit before tax of \$115.6 million for the year ended 30 September 2022 (2021: \$94.8 million).

Our Coffee division, Volcafe, is one of the world's largest coffee merchants, trading since 1851 and specialising in worldwide green coffee procurement. Our volumes were impacted by the challenges of the significant liquidity constraints experienced in the first half of the FY22 financial year as well as increased uncertainty around roaster and consumer demand driven by the fear of a recessionary environment. Despite the challenging macro environment in the second half of the financial year, the Coffee division still delivered Operating Profit of \$39.1 million (2021: \$71.4 million) and Profit before Tax of \$9.3 million (2021: \$51.2 million). Tonnages were down on last year at 478,829 metric tonnes (2021: 582,696 metric tonnes).

Our Molasses and Liquid Products ("MLP") division trades a diverse range of products including molasses and fish oils and is a pioneer in sustainable and nutritional feed products from natural by-products. MLP had a successful year in all areas of its business portfolio. For the year ended 30 September 2022, it delivered Operating Profit of \$59.4 million (2021: \$44.6 million) and Profit before Tax of \$45.4 million (2021: \$35.2 million), up on FY21 despite a slight drop in overall volumes for the business to 6.1 million metric tonnes (2021: 6.4 million metric tonnes), driven by challenging market conditions.

Finally, our Sugar Trading division delivered an exceptional performance given the higher volatility in commodity markets and continuing supply chain dislocations which impacted pricing, and despite the restricted capital allocation available to the business prior to the restructuring. Against this backdrop, in the year to 30 September 2022, the Sugar Trading business generated Profit before Tax of \$74.5 million (2021: \$3.3 million), with Operating Profit of \$84.2 million (2021: \$13.3 million), a strong improvement on the previous year. We also saw a rise in overall volumes with 5.6 million metric tonnes of sugar traded, up from 4.8 million metric tonnes in FY21.

For further details, I recommend reviewing the Commodities Group financial statements that are published separately.

Refinancing

The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. As part of this process, the profitable core commodities trading business of the Group has been successfully ring-fenced from its legacy businesses. Additionally, through the restructuring, ED&F Man Commodities Limited (a wholly owned subsidiary of the Group) has raised \$300.0 million of additional liquidity to manage the current high commodity price environment. The new ring-fenced commodities business has a strong balance sheet to continue to deliver as a key part of the food and feed global supply chains.

Further, the legacy debt has been restructured extending its tenure up to 2028, separating it from the Commodity Trading business and providing a suitable runway for the disposal of non-core businesses.

Brokerage

During FY22, the Brokerage business offered clients access to global capital markets via world-class technology infrastructure. The offering included a full suite of capital market products including trade processing, financing, clearing, execution, market making, and agency based electronic and voice brokerage services, with an ethos built on integrity, client care and careful risk management along with a strong compliance focus.

Our Brokerage business offered diversification and recurring earnings for the Group. It was separately managed and operated through several regulated subsidiaries and provided a broad spectrum of exchange-traded OTC and investment banking products including fixed income, foreign exchange, equities, commodities and listed derivatives. The Brokerage business also operated in a standalone environment, with its own holding company. This regulated business had and still has its own governance structure, capital and dedicated financing.

In August 2022, the sale of our Brokerage business was successfully agreed between the Group and Marex Group PLC. The sale substantially completed in the last quarter of 2022 and \$234.0 million of proceeds have been received post the financial year end. The majority of these proceeds were used to repay Group liabilities associated with the Brokerage metals fraud case, with residual proceeds flowing to lender repayments. There is potential for further proceeds as we close out or liquidate the Brokerage UK residual assets and litigation. At 30 September 2022, Brokerage has been classified as a disposal group held for sale and presented separately in the Consolidated Financial Statements. (See Note 9 to the Consolidated Financial Statements)

Industrial Assets Divestment Programme

Our strategy for the last four years has been to streamline our portfolio of businesses by divesting non-core industrial assets, mainly in sugar production. Following the Group's restructuring, net proceeds from this divestment programme will be used to repay Senior Debt. The Group continues to support local management teams to develop and implement local turnaround programmes, in order to optimise the businesses' sale proceeds.

Industria Azucarera Nacional S.A. Chile (IANSA) - execution of the turnaround continued through FY22, delivering a substantial improvement in results. This was based on (i) successfully expanding the Chilean tomato and fruit paste and pulp facility in Molina (this expansion, together with successful monetisation of the strong global demand for tomato paste, led to strong results in both the Chilean and Peruvian tomato businesses); (ii) benefitting from rising fertilizer and agro-chemical costs in the Agricultural Supplies business; and (iii) reduced losses in the Pet Food business, (driven by a new management team focussed on improving factory efficiency), although progress is slower, with lower volumes and margins in pet foods given aggressive competition pricing.

IANSA's results were affected by significant energy price increases, together with poor sugar beet yields, adversely affecting sugar production at the Chilan plant.

Capex plans have been approved to replace the coal fired boiler with a biomass boiler and the site layout continues to be enhanced to improve operational efficiencies. These projects are expected to deliver substantial financial improvements in FY24 and beyond.

Ukraine Farm and Factory - for the first quarter of FY22, the Agro-Dilo farm delivered strong profits and operating cash inflows from the end of the 2021 summer harvest. On 7 February 2022, we completed the sale of the Agro-Dilo Farm with sales proceeds of \$17.2 million.

The Factory, which has remained closed, was in a sales process in the first quarter of FY22. However, before Ukraine competition clearance was given, the Ukraine – Russia war began and the sale stalled. The Factory is based in Mykolaiv, an area which witnessed heavy fighting and the Factory was damaged extensively by shelling from Russian forces. The potential buyer remains interested but we have also filed an insurance claim. No profit has been recognised on this potential sale / insurance claim in the year ended 30 September 2022. Since the year end, the Group has received \$5.5 million in insurance proceeds and sold all of its interest in the Ukraine Sugar Company (USC) for \$1.1 million, including \$0.6 million deferred until after the end of the war in Ukraine.



Joint Venture in Azucar Grupo Saenz (AGS) Mexico - Tamazula, the one remaining operating sugar mill, delivered its budgeted EBITDA despite lower than budgeted sugar cane yields. Shortfalls in cane available to crush were offset by strong mill operating performance. At Xico, the mill closed in FY20, AGS reached agreement with the sugar mill workers' union and settled all outstanding redundancy payments. Notwithstanding this redundancy settlement, AGS generated sufficient cash from operations to return \$4.0 million to the Group. In February 2023, AGS agreed a binding Sale and Purchase Agreement for the sale of Tamazula and its subsidiary, Cosujal, subject to Mexican Competition Authority Clearance. This clearance was received in March 2023 and the sale is expected to be completed before 30 June 2023. Estimated proceeds are expected to be in line with the assumptions used in the AGS impairment review as at 30 September 2022 (Note 18).

Agrovia - On 19 January 2022, the Group sold its effective interest of 31.53% in Agrovia, a sugar logistics joint venture in Brazil, for a total value of \$11.3 million before deduction of expenses and taxes.

We are focused on minimising any cash burn for non-core assets and on maximising value in their eventual monetisation.

Sustainability and Corporate Social Responsibility ("CSR")

In the past fiscal year, the Group has continued to build on our CSR performance which is based on four pillars: The Environment, Marketplace, Workplace, and Society. The achievements are detailed in the Corporate Social Responsibility ("CSR") section of this report and includes a 24% reduction in grey electricity use and, despite our trend of decreased carbon emissions over the past four years, showed a slight increase in fossil fuel use and carbon emissions of 5% and 4% respectively, mainly caused by reduced availability of renewable fuels and biomass.

Contributing to a more sustainable, responsible business that delivers positive impact for our people, our communities and the planet has been an important part of our long history and proud heritage and continues to underpin the way we do business around the world today. Each of our commodity businesses now operates a sustainability strategy as part of their business strategy, and we are setting ambitious goals and targets. Corporate Social Responsibility remains to be a core focus at the heart of everything we do.

Outlook

With the support of all our stakeholders, including our lenders, we have successfully restructured the Group. We have created a ring-fenced commodities platform with an additional \$300.0 million of liquidity, a stable capital base to support the Commodities Group's operations. The Commodities Group successfully navigated volatile markets in FY22 despite a constrained first half, to deliver a record Profit before Tax of \$115.6 million.

We are confident that the Commodities Group can leverage this platform to deliver continued success, taking advantage of ongoing market opportunities to successfully trade, and leveraging the stable capital base to further increase liquidity.

Going forward, we will continue to focus on the Group's divestment plan, maximising the recoveries for stakeholders remains our top priority. We will be completing the sale of Tamazula, the unwind of Brokerage UK recoverable assets, and completing the turnaround of IANSA, whilst we continue to build value in the Commodities business.

Christopher Mahoney
Chairman

30 April 2023



Strategic Report

for the year ended 30 September 2022

Principal Activities, Business Review and Future Developments

Founded in 1783, ED&F Man is a private agri-business operating in the sugar, coffee, molasses and animal feed markets.

The Group's business activities, future developments and performance are set out below. The liquidity position of the Group and borrowing facilities are described in Note 21 and Note 27 to the Consolidated Financial Statements. Note 21 also describes the Group's financial risk management objectives and policies, details financial instruments and hedging activities, as well as exposures to credit risk and liquidity risk. The Board monitors performance of its businesses on an ongoing basis.

Group's Business Activities

ED&F Man has two main operating segments: the Commodities Group and Holdings. The Commodities Group includes Coffee, Molasses and Liquid Products, and the Sugar Trading business. Holdings includes our non-core and legacy entities (such as Empresas Iansa ("IASA"), AGS and Brokerage).

Performance Measurements

The Group's key performance measures are Revenue and adjusted Profit (loss) before Tax.

	2022*		2021*	
	Commodity Trading \$m	Holdings \$m	Commodity Trading \$m	Holdings \$m
Revenue	6,870.5	556.9	5,401.1	485.0
Adjusted Profit (loss) before Tax**	115.6	(286.1)	94.8	(236.1)

* Performance measures are from continuing operations.

** The adjusted loss before tax for Holdings 2022 is stated excluding the exceptional gain on modification of the Junior Debt of \$403.3 million. The 2021 comparative profit (loss) before tax for Commodity Trading and Holdings are unadjusted as compared to the reported IFRS measure.

The Group reported a net profit after discontinued operations of \$9.9 million, which included the accounting gain on the Junior Debt modification of \$403.3 million. Excluding that gain, the Group has an adjusted net loss of \$393.4 million.

Significant one-time items within the reported results

During the year ended 30 September 2022, the Group made significant one-off adjustments associated with the Brokerage disposal, asset recovery on non-core asset sales and the legacy debt restructuring. Below is a summary of one-off items:

	2022 \$m	2021 \$m
One-time items:		
Impairment of the Brokerage business (Note 9)	(92.0)	-
Provision for claims against MCML (Note 28)	(58.5)	-
Impairment of investments (AGS) (Note 18)	(30.0)	(60.9)
Impairment of fixed assets (Notes 15 & 16)	(22.8)	(2.3)
Impairment of goodwill (Note 17)	(10.6)	(2.6)
Proceeds of sale of credit rights to a third party	-	16.7
Impairment of financial assets	-	(8.1)
Exceptional gain on modification of the Junior Debt	403.3	-

Commodities

The Commodities Group encompasses our Coffee, Molasses and Liquid Products ("MLP"), and Sugar Trading divisions. This is a portfolio of divisions that have the proven ability to deliver solid returns to the Group even during the COVID-19 pandemic. With the restructuring discussed above, this business has its own governance structure and capital allocation.

In our Commodity Trading businesses, we leverage long-standing relationships and strategically located assets, such as mills and warehouses, to provide clients with a complete service offer in order to add increased value across the whole supply chain.

This business delivered strong profitability, despite continued challenges of the pandemic and liquidity constraints due to historically high prices. The businesses have taken advantage of price volatility to deliver \$180.2 million of operating profit, compared to \$146.3 million in the prior year.

For further details of our Commodities Group, please refer to the ED&F Man Commodities Limited consolidated financial statements for the year ended 30 September 2022.

Looking Ahead

Looking ahead, the newly ring-fenced Commodity Trading businesses will continue to focus on our core Coffee, MLP and Sugar Trading businesses under the management of ED&F Man Commodities Limited.

Holdings

The Holdings division holds the assets and businesses that do not strategically and operationally fit into the Commodities Group, including the Brokerage business (now sold), the Group's legacy industrial sugar assets (which are being sold or closed) and IANSA (the Chilean conglomerate). This division also includes the Group's corporate infrastructure and all of the Group's legacy debt.

Brokerage

Our Brokerage business delivered a strong financial performance as a result of global market volatility and an increasing interest rate environment driven by central bank efforts to address inflationary pressures. Excluding the impact of provisions for discontinued operations associated with the divestiture of the business to Marex PLC, as well as non-recurring charges attributable to client credit losses and -mark-to-market adjustment on its Treasury investment portfolio, the Brokerage business generated an adjusted pre-tax profit of \$58.6 million. A reconciliation is below:

	2022
<i>Discontinued operations</i>	<i>\$m</i>
Loss before Tax	(160.9)
Removal of Profit from other discontinued divisions	(4.0)
Impairment of Brokerage business	92.0
Provision for claims against MCML	58.5
Bad debt provisions for client credit losses	37.7
Mark to market loss on Treasury portfolio	19.5
Exceptional costs*	15.8
Adjusted Profit Before Tax for Brokerage	58.6

* Exceptional costs include legal fees, break fees and severance costs associated with the disposal.

The post-pandemic economic recovery, coupled with the war in Ukraine, boosted demand for, and increased the volatility of, a number of commodities, including base metals during the first nine months of FY22. The volatility boosted volumes for our global Metals and Metals Options desks which contributed to strong performance for the year, offset by the impact of closing the LME Floor and Metals Options desks during the fourth quarter attributable to the sale to Marex PLC.

Our Futures Clearing desks benefited from the market volatility associated with the war in Ukraine, market expectations for the future level of interest rates, onboarding of new clients and increased trading activity of existing clients due to enhanced confidence. The increased trading activity drove an increase in customer segmented funds balances to a record in the US. Increased volume, combined with a higher level of interest rates due to US Fed activity and the impact of deleveraging the Fed's balance sheet associated with their quantitative tightening initiative, generated higher returns relative to FY21.

In August 2022, a sale of our Brokerage business was successfully agreed between the Group and Marex Group PLC. The sale substantially completed in the last quarter of 2022 and \$234.0 million of proceeds have been received. The majority of these proceeds were used to repay Group liabilities associated with the Brokerage metals fraud case, with residual proceeds flowing to lender repayments. There is potential for further proceeds as we close out or liquidate the Brokerage UK residual assets and litigation. At 30 September 2022, Brokerage has been classified as a disposal group held for sale and presented separately in the Consolidated Financial Statements.

Joint Venture in Azucar Group Saenz (AGS), (Mexico)

The following were recorded in the Consolidated Statement of Profit or Loss for the year ended 30 September 2022:

- the Group's share of losses for the year from AGS of \$1.5 million were recognised;
- impairment of \$30.0 million to reflect the recoverable value of the Group's investment in AGS.

In February 2023, AGS agreed a binding Sale and Purchase Agreement for the sale of Tamazula and its subsidiary, Cosujal, subject to Mexican Competition Authority Clearance. This Clearance was received in March 2023 and the sale is expected to be completed before 30 June 2023. Estimated proceeds are expected to be in line with the assumptions used in the AGS impairment review as at 30 September 2022. Refer to Note 18.1 for further details.

Ukraine Farm and Factory

The Ukraine farm was sold in February 2022. Until then the farm operations continued to produce non-sugar crops, delivering an operating profit of \$2.9 million. The Ukrainian sugar factory which was closed in September 2020 (written down to Nil in FY20) was in the process of being sold in FY22. During the conflict, the factory sustained serious damage. Since the year end, the Group has received \$5.5 million in insurance proceeds and sold all of its interest in USC for \$1.1 million, including \$0.6 million deferred until after the end of the war in Ukraine.

Industria Azucarera Nacional S.A. Chile (IANSA)

IANSA Empresa S.A. is a publicly listed company in Chile, with its stock traded on the local stock exchange. The Group holds about 89% of that listed equity. As at 30 September 2022, IANSA made a loss before fixed asset disposals of \$7.1 million during the year compared with \$16.7 million loss during the year ended 30 September 2021. This substantial improvement, resulting in a lower loss was driven by strong performances in both the Chilean and Peruvian tomato paste and fruit pulp businesses, improved Agricultural Supplies performance and improvements in the Pet Foods business. Increased energy costs (coal prices) and poor agricultural yields adversely affected the Sugar Factory.

Looking Ahead

The disposal of Brokerage and Tamazula are significant milestones in the monetisation of non-core assets. Looking forward, the focus remains on executing the turnaround of IANSA.

Balance Sheet

Non-current assets were \$600.2 million (2021: \$751.6 million) and were \$151.4 million lower than last year. This was driven by the classification of Brokerage assets to current as held for sale, impairment of investments and disposals of Property, Plant and Equipment. Property, Plant and Equipment, reduced by \$19.5 million, excluding the impact of the reclassified Brokerage assets, due to depreciation and disposals mainly within MLP. The significant decrease in the Investments in Joint Ventures and Associates was due to the impairment of AGS. (See Note 18)

Net current assets reduced by \$306.4 million during the year, from \$1,313.8 million to \$1,007.4 million. This was mainly driven by a decrease in cash and cash equivalents. Cash and cash equivalents at the year-end were \$288.3 million compared with net cash at the end of last year of \$1,807.7 million. The 2021 balance included \$1,255.0 million for Brokerage for segregated cash with the 2022 balance of \$1,692.8 million included within assets held for sale. Excluding the segregated cash balances, cash and cash equivalents were lower by \$264.4 million. This decrease is mainly as a result of a reduction in borrowings in the year.

Taxes

Despite reporting a loss before tax during the year, the Group has incurred a charge for corporate income taxes of \$62.0 million in FY22 compared with \$90.1 million in FY21, including \$24.2 million of deferred tax assets written off during the year ended 30 September 2022. The Group trades in many jurisdictions across the globe, and profits made in domestic markets are rightly subject to local tax and cannot be offset against losses booked in other markets. The effective tax rate in countries where we make profits is 16.8%.

Debt Restructuring

The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. As part of this process, the profitable core commodities trading business of the Group has been successfully ring-fenced from its legacy businesses. Additionally, through the restructuring, ED&F Man Commodities Limited (a wholly owned subsidiary of the Group) has raised \$300.0 million of additional liquidity to manage the current high commodity price environment. The new ring-fenced commodities business has a strong balance sheet to continue to deliver as a key part of the food and feed global supply chains. Additionally, the legacy debt has been restructured extending its tenure up to 2028, separating it from the Commodity Trading business and providing a suitable runway for the disposal of non-core businesses. The restructuring and then refinancing of the Group's debt was achieved through an internal reorganisation and the release of all guarantees and securities which previously supported the legacy debt. With effect from 31 March 2022, the Commodities Group was separated from all other operations within the Group. While the Commodities Group still has a requirement to meet the minimum cost coverage for Holdings, it now has no direct obligation towards the Group's \$1,330.8 million legacy debt (as at 31 March 2022), which has been structurally and legally ring-fenced.

As part of the restructuring process, \$300.0 million of additional liquidity was raised from lenders in the form of a three-year committed trade finance facility (exclusively for use by the Commodities Group) and the maturity of the Commodities Group's existing borrowing base and revolving credit facility was also extended by up to three years.

The legacy debt comprises Senior and Junior Debt, with nominal values (contracted cash flows as per the loan agreements) at 30 September 2022 of \$739.8 million and \$591.0 million respectively. As part of the restructuring, the interest rate structure was changed (reduced cash interest and increased payment-in-kind (PIK) interest), debt maturities extended, and, specifically for the Junior Debt, a post-enforcement call option (PECO) created that caps facility repayments at the recoverable value of the Group's assets. As a result of this substantial modification of the Junior Debt, this debt was initially recorded at its fair value of \$165.1 million, resulting in an exceptional accounting gain of \$403.3 million being recognised in the Consolidated Statement of Profit or Loss on refinancing date. At 30 September 2022 this debt is measured at amortised cost in the balance sheet at \$171.4 million, this is lower than the nominal value at that date of \$591.0 million (including \$22.7million of Junior Debt PIK interest accrued) and reflects the estimated fair value established at initial recognition of the Junior Debt as at 31 March 2022.

Though the restructuring at a Group level resulted in an accounting (non-trading) gain of \$403.3 million, it has not reduced the scale of the legacy debt, rather it has extended the timeline for legacy debt repayment to allow the Group to maximise recoveries.

The legacy debt, both Senior and Junior Debt are subject to PIK interest and a small portion of cash interest. PIK interest is a non-cash element of the interest cost on the Senior and Junior Debt which is added to the loan amount at the end of each quarter. Total PIK interest recognised in the financial statements for the year ended 30 September 2022 was \$19.8 million, this does not include an additional PIK on Junior Debt of \$22.7 million given that recoveries are estimated to be less than 100%; the nominal value of the PIK on all legacy debt was \$42.5 million.

It is important to note that the full nominal value of Senior Term Loans and then Junior Debt, including the full nominal value of the B2 Debt (including PIK) would need to be repaid before any incremental value would be returned to shareholders.

Financing and Liquidity

The Group has carefully managed its liquidity position through the higher price environment, carefully controlling cash, whilst promoting ongoing operations and opportunistic trading with higher margin returns. Note 21 to the Consolidated Financial Statements describes the Group's liquidity position and borrowing facilities in full. The table below sets out the Group's liquidity position:

Excluding Brokerage	2022 \$m	2021 \$m
Undrawn facilities, including cash headroom requirements	664.0	120.0
Cash and cash equivalents (excluding Restricted Cash and Segregated Cash)	288.3	552.7
	952.3	672.7

At 30 September 2022, the Group has committed secured facilities of \$2,201 million (2021: \$1,926 million), which include medium-term syndicated facilities with maturities in excess of 12 months. The Group has committed unsecured facilities of \$620 million (2021: \$282 million). Debt drawn under these secured and unsecured facilities at 30 September 2022 was \$2,157 million (2021: \$1,945 million).

Interest related to \$739.8 million of the Senior Term loan facility is dependent upon the Senior Overnight Financing Rate ("SOFR").

The Group's profit or loss is influenced by interest rates. Exposure to interest rate risk is monitored through several measures including sensitivity and scenario testing and a cost benefit analysis of entering into interest rate swaps to mitigate this risk. At 30 September 2022 and 2021, no interest rate swaps were in place. The net financing costs of \$182.1 million (2021: \$133.8 million) include \$19.8 million of PIK interest (2021: \$15.9 million), \$2.2 million of interest income (2021: \$2.5 million) and \$3.3 million of lease interest expense (2021: \$3.4 million).

	2022 \$m	2021 \$m
Senior Term loan (including PIK)	739.8	-
Junior Term loan and notes	171.4	-
Other loans and borrowings	1,007.9	2,322.6
Interest bearing loans and borrowings (excluding debt transaction costs)	1,919.1	2,322.6
Lease liabilities	116.1	122.6
Total interest-bearing debt	2,035.2	2,445.2

Cash Flow

Net cash inflow from operating activities increased from \$317.0 million to \$560.7 million. Cash flows have been adversely affected by working capital movements due to the high commodity price environment and increased margin requirements due to higher prices. Capital expenditure increased from \$34.1 million to \$37.3 million. Tax paid in the year amounted to \$45.1 million (2021: \$36.9 million).

Section 172 Statement

This statement describes how the Directors have taken account of the matters set out in section 172(1) (a) to (f) of the Companies Act 2006, when performing their duty to promote the success of the Company.

The role of the Group, and therefore of the Board, is to provide an effective governance and risk framework, of oversight, controls and reporting, under which the Group's component businesses have the freedom and decision-making authority to pursue opportunities with entrepreneurial spirit while remaining subject to constructive challenge and review. The Board Directors and senior management team consider this to be an important factor in the success of the Group. Authority for the operational management of the Group's businesses is delegated to the Chief Executive of each division for execution or for further delegation by him/her to the senior management teams of the businesses.

This is to ensure the effective day-to-day running and management of the Group. The leader of each business within the Group has authority for that business and reports directly to the Chairman. This approach necessarily involves a high degree of delegation of communication with stakeholders to the management of the Group businesses. Where the Board Directors of ED&F Man have not themselves directly engaged with stakeholders, those stakeholder issues are considered at Board level both through reports to the Board by the Chairman or Group Chief Financial Officer and also by the senior management of the Group's businesses. Senior management are requested, when presenting to the Board on strategy and principal decisions, to ensure that the presentations cover what impact the strategy/principal decision has on the relevant stakeholders and how the views of those stakeholders have been considered. While day-to-day operational decisions are generally made locally, in addition to providing input on the principal decisions and strategy, the Board supports individual businesses by facilitating the sharing of best practice and know-how between the businesses. The Board has identified the following stakeholder groups with whom engagement is fundamental to the Group's ongoing success:

Stakeholder group	Employees	Suppliers and Customers	Society, Communities and the Environment
Key issues	Health and safety Diversity and inclusion Engagement and development Pay and reward Sustainability	Business execution capability Responsible sourcing, product safety and traceability Supply chain sustainability Impact on environment	Climate change mitigation and adaptation Natural resources and circular economy
How the businesses engage	Email Intranet Quarterly results updates Town halls Monthly leadership updates Training Surveys	Meetings Presentations	Coaching and training programmes Community programmes and schemes Greater detail is contained in the CSR report on page 16
How the Board engages and/or is kept informed and takes matters into account	Members of the leadership team provide regular updates. The Chairman and Group CFO share annual financial results at a Senior Management Meeting (one of the quarterly meetings) to be disseminated to all employees. In addition, other Board members meet with senior employees at conferences, business reviews and visits to overseas offices.	Senior management of each division (often with the assistance of specialists within that division) regularly report to the Board on key relationships with customers and suppliers either as part of their business updates or through reports to the Chairman.	The CSR Steering Committee supports the Board by overseeing the Group's CSR programme and policy. The Committee is chaired by a Division Executive member of the Board and has representatives from across several functions and businesses.

Stakeholder group	Banks and insurers	Shareholders	Governments and Authorities
Key issues	Business performance Sustainability Corporate governance	Business performance Sustainability	Regulatory changes including: COVID-19 Brexit Tax Climate and environmental related matters Product safety Support of businesses and workers
How the businesses engage	Meetings Monthly performance reports Annual Report CSR report	Website Ad hoc presentations	Meetings Correspondence
How the Board engages and/or is kept informed and takes matters into account	The Group Executive Director, Group CFO and other Senior Management meet with Lenders throughout the year. Additionally, the Chairman and the two non-executive Directors meet with core lenders (both virtually and in-person without management) on a regular basis throughout the year. At each Board meeting, the Directors receive a banking update, including any significant concerns raised. These are then considered at the Board meeting.	The Annual General Meeting provides an opportunity for shareholders to submit questions to be addressed by the Board. The Board also responds either directly or via its company secretarial team to queries raised throughout the course of the year.	The Board is regularly updated on key issues across the many countries in which the Group operates relating to material changes in government legislation and regulation.

Principal Decisions

The significant liquidity constraints heavily impacted the strategic decisions made and shaped the engagement with stakeholders both at the Group Board level, the Commodities Board level, and by the businesses. In particular, there was a need to ensure that the consequences of decisions were appropriate for promoting the success of ED&F Man Commodities in the long term, as well as having regard to maintaining a reputation for high standards of business conduct.

During the year ended 30 September 2022, our key stakeholders were the lender group who were participating in the debt restructuring. We had periodic communication with the lender group along with our external advisors to communicate our need for additional liquidity and the need to restructure the existing debt.

Corporate Governance

The Board of Directors are committed to high standards of corporate governance and are accountable to shareholders for the Group's performance in this area. The Group does not apply a formal corporate governance code but is driven by its constitution as an employee-owned company. Applying a formal corporate governance code presents practical challenges given the Group's scale, size and complexity, indeed many provisions of a corporate governance code may be judged to be disproportionate or less relevant to the Group's status as a private, employee-owned company in its case.

One of the main purposes of the Board is to support the Executive Team and provide them with constructive challenge, advice and the benefit of the experience and specialist knowledge of its members. It is responsible for ensuring that risk management operates effectively and has oversight for this critical process as set out in the section on financial risk management.

Strategic risks, which include risks that could disrupt and materially impact the Group's strategy, are monitored and overseen by the Board. All other risks are monitored by a dedicated function and overseen by a specific Board or Committee.

The Group Risk and Audit Function independently collates enterprise-wide risk inputs quarterly from both the divisions and the relevant control functions for presentation to and discussion by the Board and Risk and Audit Committees. These risk management assessments assist the Board in identifying the key risks, associated control processes and effectiveness of mitigation plans.

Following the restructuring, there are new Boards, and Committees, within the Group risk management framework. The composition and remit of these new structures are outlined in the Board and Committees section.

As a regulated business, the Brokerage operations had their own independent Board structures and appropriate committees in the UK and US.

Financial Risk Management

The Group's businesses carry a number of risks and uncertainties including fluctuations in commodity prices, counterparty risks, country risks and operational risks which include freight, insurance and legal risks in different jurisdictions – the Group has a presence in around 58 countries. The Group mitigates these risks through hedging on futures markets where appropriate, by employing dedicated in-house legal compliance and insurance professionals and through the operation of the Group Audit and Risk Committee ("GARC").

The GARC operates under delegated authorities to oversee the management of all risks and is responsible for approving risk limits and for overseeing adherence to those limits throughout the Group. The responsibilities of the GARC include establishing policies and procedures, setting limits, managing risks and reviewing actual and potential exposures arising from the Group's operations and ensuring compliance with the risk control framework of the Group. The GARC provides assurance to the Board that the Group's credit and market risk exposures are governed by appropriate policies and procedures, and that risks are identified, measured and managed in accordance with established Group policies.

The Group CFO is responsible for the management of liquidity risk, including funding, settlements and related policies and processes. The policies for managing each of these risks are summarised in Note 21 to the Consolidated Financial Statements.

Although no system of risk management and internal control can provide absolute assurance against material misstatement or loss, the Group's risk management framework and associated governance arrangements are designed to ensure that there is a clear organisational structure with well defined, transparent and consistent lines of responsibility and effective processes to identify, report, monitor and manage risks to which the Group is, or might become, exposed. A key priority of the risk and control framework is to allow business opportunities to be exploited, while maintaining an appropriate balance of risk and reward.

The Group's risk management framework is based on the 'three lines of defence' model:

First line of defence: The Group's operational management in Commodity Trading and Holdings have ownership, responsibility and accountability for assessing, controlling and mitigating risks.

Second line of defence: The Risk function, together with Finance (including Treasury) and Legal, facilitates and monitors the implementation of effective risk management practices by operational management, oversees risk at Group level and assists risk owners in reporting adequate risk related information up and down the organisation.

Third line of defence: The Internal Audit function, reporting through the Group Audit and Risk Committee, provides assurance to the Holdings Board on the effectiveness of the Group's minimum control standards for reporting, risk management and control.

This Strategic Report was approved by the Board of Directors on 30 April 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Phillip Murnane', with a long horizontal line extending to the right.

Phillip Murnane
Group Chief Financial Officer

30 April 2023



Corporate Social Responsibility

Corporate Social Responsibility (“CSR”) is at the heart of ED&F Man’s business and strategy.

Building a sustainable, responsible business that delivers positive impact for our people, our communities and the planet has been an important part of our long history and proud heritage and continues to underpin the way we do business around the world today.

Our CSR programme supports responsible growth, it helps us to act decisively to limit the impact of our operations on the environment, to provide customers with safe products and to embed ethical principles within our operations worldwide. These principles are documented in our Standards of Business Conduct and are the foundation of our behaviour and decision making.

Our culture and values are centred on the commitment that everyone at ED&F Man makes to behave ethically and conduct business responsibly. We will not compromise on our obligations to customers, employees, the environment and the communities in which we work.

Our CSR strategy is focused on four priority areas:

1. **Environment:** Prioritising environmental stewardship and driving sustainable practices through all areas of our business to reduce our carbon footprint and preserve the natural world around us
2. **Our marketplace:** Operating responsibly and ethically, delivering soft commodities products to meet the safety, quality and delivery needs of our clients. Practising responsible sourcing and continuously improving our CSR performance within our business and with our suppliers, customers and across our value chain which stretches across 58 countries
3. **Our workplace:** Ensuring we have a safe workplace for our people free from discrimination and harassment to maintain our global culture of equality, diversity and inclusion and a shared responsibility to upholding high ethical standards
4. **Society:** Supporting the communities in which we operate, from where we source, or have an influence on through our commercial activities, philanthropy, employee volunteering activities or our Charico fund.

In these four priority areas, we have a wide range of initiatives and practices that improve our products, differentiate our services and support the development of deep and lasting customer relationships. Working together with our colleagues, industry groups, suppliers and customers, we have made progress over this past year in all four areas.

Further details of the Commodities Group’s CSR activities can be found in the ED&F Man Commodities Limited annual report and financial statements for the year ended 30 September 2022.

Energy Use and Carbon Emissions

From financial years beginning on or after 1 April 2019, large UK companies are required to report publicly on their UK energy use and carbon emissions. This is the Group's SECR report.

	Unit	2022	
		Group	UK Only
Fossil Energy use (includes purchased electricity, gas, fuels, oil, coal, etc.)	kWh	617,767,705	1,648,890
▪ Associated Scope 1 emissions	MT CO ₂	163,364	475
▪ Associated Scope 2 emissions	MT CO ₂	8,651	0
Intensity ratio 1 - carbon emissions per MT processed	Kg CO ₂ /mt	44.6	1.3
	Unit	2021*	
		Group	UK Only
Fossil Energy use (includes purchased electricity, gas, fuels, oil, coal, etc.)	kWh	590,463,006	2,038,654
▪ Associated Scope-1 emissions	MT CO ₂	153,283	573
▪ Associated Scope-2 emissions	MT CO ₂	11,431	16
Intensity ratio 1 - carbon emissions per MT processed	Kg CO ₂ /mt	40.0	1.6

*The 2021 reported numbers have been updated for corrections received post issuance of the 2021 annual report.

Methodology

All product processing assets report monthly statistics such as the use of energy, fuels, water, waste. This is then converted into CO₂ emissions as per standard conversion factors used by international and commonly applied standards and schemes (EU level, International Energy Agency, Defra Voluntary 2017 Reporting Guidelines).

Energy Efficiency Action Taken

Fossil energy across the Group totalled 617,767,705 kilowatt-hours, an increase of 5% compared to prior year (590,463,006). The Commodities Group contributed a 2% reduction to the Group's fossil energy use with the biggest contributor being the Coffee division where less energy was used as a result of lower volumes processed through the coffee mills. This reduction was offset by the operational sites in the Agri-Industrials unit. Due to local market circumstances IANSA's Molina site in Chile was forced to replace a major part of the natural gas normally used by heavy fuel oil and diesel, also causing the reported increase in Scope-1 emissions. The continued efforts on moving towards green renewable electricity delivered a drop in grey electricity use in the Group of 24% in Scope-2 emissions.

Carbon Emissions

The total carbon emissions of the Group (sum of scope-1 and scope-2) increased by 4%, from 164,714 MT CO₂ in the year ended 30 September 2021 to 172,015 MT CO₂ in the year ended 30 September 2022 due to the above-mentioned reasons.

The emission intensity ratio - the number of kilogrammes of CO₂ emitted for processing 1 metric tonne of product - also increased by 11.5% from 40.0 to 44.6 kg CO₂. This is the result of the fact that emissions of the Agri-Industrials unit represent 90% of the total emissions of the Group. In addition, in FY22 the Agri-Industrials unit processed 12% lower volume compared to FY21, also affecting the emissions per tonne.

Water and Waste

The total water use for the Group increased by 42%, from 5,494,780 m³ in the year ended 30 September 2021 to 7,828,564 m³ in the year ended 30 September 2022. Various water reduction efforts did not compensate for the increase in water used within the Agri-Industrials unit, mainly caused by a number of IANSA sites. At Nuble, operational issues caused the water use to almost double, responsible for 90% of the water use increase for the Group as reported above. At Patagonia Fresh, San Fernando and Icatom the water use increase was caused by an increase in production. Finally, a 10% increase in sugar produced at the Tamazula mill in Mexico of AGS Saenz also contributed to the increase of water use on this location, and for the Group. As the total volume of product processed on the assets of the Group reduced by 6%, the water intensity ratio - total litres of water used to process 1 metric tonne of product - increased by 50% from 1,332 to 2,003 litres.

The total waste generated on the operational sites of the Group continued its declining trend and has reduced by another 10% from 187,273 metric tonnes in the year ended 30 September 2021 to 168,037 metric tonnes in the year ended 30 September 2022. The waste intensity ratio - total kilogrammes of waste generated to process 1 metric tonne of product - decreased by 5% from 45.1 to 43 kilogrammes.

Recording Progress, Measuring Results

At ED&F Man, we take a practical and measurable approach to sustainable practices. We recently published our 2018-2021 CSR and Sustainability report on our website following the GRI standard. Our sustainability progress will be shared in more detail in our upcoming sustainability report, which will be published on an annual basis henceforth. We will be reporting against Task Force on Climate Related Financial Disclosures which will be included in the FY23 Annual Report.

Diversity and Inclusion

All of our people need and should feel included and valued for their contribution, regardless of race, gender, age, religion, disability or identity. The Group actively pursues initiatives to promote diversity and inclusion, understanding that different people bring different perspectives and experiences for the benefit of all stakeholders.



Directors' Report

The Directors of the Group present their report and audited financial statements for the year to 30 September 2022.

Results and Dividends

The audited financial statements of the Group and the Company are shown on pages 27 to 101.

The profit after taxation, attributable to owners of the Group for the year ended to 30 September 2022 amounted to \$10.6 million (2021: loss of \$215.2 million). The Directors do not recommend the payment of an ordinary dividend (2021: none). No preference dividend was paid for the years ended 30 September 2022 and 2021.

The financial statements are prepared in US Dollars as this is the currency in which most the Group's trading transactions are denominated.

The financial statements of the Parent Company on pages 102 to 106 have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework.' Under this standard, the financial statements have been prepared by applying a financial reporting framework based on the recognition and measurement requirements of IFRS, as amended where necessary to comply with the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, but with reduced disclosure requirements, on the basis that equivalent disclosures have been made in the Consolidated Financial Statements of the Group.

Financial Risks and Future Developments

The Directors have chosen to include information on financial risks and future developments in their Strategic Report.

Donations

During the year the Group made charitable donations of \$0.4 million and no political donations.

Directors

The Board consists of two Non-Executive Directors, two Executive Directors and the Chairman.

The directors who held office during the financial year under review were as follows:

- Emma Griffin
- Chris Mahoney
- Jade Moore
- Rafael Muguiro (Resigned 31 March 2022)
- Phillip Murnane (Appointed 31 March 2022)
- Dr Niels Pörksen (Resigned 31 March 2022)
- Ross Reason (Resigned 31 March 2022)
- Mark Haynes-Daniell (Resigned 31 March 2022)
- Mark Nelson-Smith (Resigned 29 March 2023)

The subsequent director changes were as follows:

- Richard Milnes-James (Appointed 29 March 2023)

Disclosure of Information to Auditors

To the best of the Directors' knowledge, there is no relevant audit information of which the Group's auditors are unaware. The Directors have also taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the Group's auditors are also aware of that information.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements, in accordance with UK-adopted International Accounting Standards (UK-adopted IAS) in conformity with the requirements of the Companies Act 2006 for the Group and FRS 101 for the Parent Company's financial statements.

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the Group, and of the profit or loss of the Group for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Accounting Standards in conformity with the requirements of the Companies Act 2006 have been followed for the Group Financial Statements, and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice) have been followed for the Company Financial Statements, subject to any material departures 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 Group and Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors confirm that they have complied with these requirements.

Going Concern

Based on the extensive analysis undertaken by the Group, including plausible downside scenarios, the Directors have a reasonable expectation that the Group has sufficient liquidity for the going concern assessment period to 30 April 2024. Accordingly, the Directors have adopted the going concern basis in preparing the Consolidated Financial Statements. See Note 2.3 of the Consolidated Financial Statements for further information.

There are a number of significant factors which affect commodity markets, including the war in Ukraine, higher inflation, higher interest rates and further variants of COVID-19. Due to the uncertainty that these factors create, the Directors are not able to provide certainty that there could not be more severe downside scenarios other than those that have been considered in the going concern assessment, including those sensitivities considered by the Group.

Auditor

Ernst & Young LLP will be deemed reappointed as the Company's auditor in accordance with section 487(2) Companies Act 2006.

By order of the Board

A handwritten signature in black ink, appearing to read "Phillip Murnane".

Phillip Murnane
Group Chief Financial Officer
30 April 2023

The Board and its Committees

Following the restructuring, new Board and Committee structures have been implemented to ensure a Group Risk Management framework that is appropriate and tailored to the commercial and control requirements of the Group.

The Holdings Board

The Holdings Board retains its primary responsibilities for corporate governance, strategy, culture and the monitoring of financial performance. It agrees the Group's vision and direction and sets risk parameters in consultation with the Executive Committees of the Commodity Trading and Brokerage businesses.

The Holdings Board is also responsible for accounting for the company's activities to shareholders and stakeholders.

The Holdings Board meets quarterly.

Holdings Board Members

Chairman

- Chris Mahoney

Executive Directors

- Jade Moore
- Phillip Murnane (Appointed 31 March 2022)

Non-Executive Directors

- Emma Griffin
- Richard Milnes-James (Appointed 29 March 2023)
- Mark Nelson-Smith (Resigned 29 March 2023)

Holdings Board Observer

- Südzucker – Appointed Observer

Former Directors who served during the year

- Rafael Muguero (Resigned 31 March 2022)
- Dr Niels Pörksen (Resigned 31 March 2022) - Südzucker shareholder appointee
- Ross Reason (Resigned 31 March 2022)
- Mark Haynes-Daniell (Resigned 31 March 2022)

The Holdings Board is supported by the following Boards and Committee structures:

Commodities TradeCo Board

The Commodities TradeCo Board is responsible for the oversight of the Commodity segments. This is the forum for senior management to jointly assess key market opportunities, risks and threats. The Commodities TradeCo Board also monitors financial and commercial performance against the Group's strategic objectives. The Commodities TradeCo Board meets monthly.

Membership

- Chris Mahoney - Chairman
- Alexandre Bauche - Managing Director, Sugar Division
- Trishul Mandana - Managing Director, Coffee Division
- Jade Moore - Group Executive Director
- Phillip Murnane - Group Chief Financial Officer
- Arie van der Spek - Managing Director, MLP Division
- Richard Milnes-James - Non-Executive Director (Appointed 29 March 2023)
- Mark Nelson-Smith - Non-Executive Director (Resigned 29 March 2023)

Observers

- Emma Griffin - Holdings Non-Executive Director as an Observer
- Richard Milnes-James (Appointed 29 March 2023)
- Mark Nelson-Smith (Resigned 29 March 2023)

Group Remuneration and Nomination Committee

The Remuneration and Nomination Committee assists the Holdings Board with setting remuneration policy for the Group, including bonus pool schemes and remuneration for Directors and division leads. It also ensures the Group has a formal, rigorous and transparent procedure for the appointment of new directors (both executive and non-executive) and the succession planning for senior executives.

The Remuneration and Nomination Committee is chaired by Emma Griffin, a Non-Executive Director and Board member. The Remuneration and Nomination Committee meets quarterly.

Membership

- Emma Griffin - Non-Executive Director (Chair as of 31 March 2022)
- Chris Mahoney – Chairman
- Richard Milnes-James - Non-Executive Director (Appointed 29 March 2023)
- Mark Nelson-Smith - Non-Executive Director (Resigned 29 March 2023)

Group Audit and Risk Committee (“GARC”)

The GARC primarily assists the Board in its oversight of business risk, with particular focus on the Group’s risk appetite, risk profile and the effectiveness of the Group’s risk management and compliance frameworks.

The GARC is also responsible for oversight of the financial reporting process, selection of the independent auditor, monitoring for financial crime, internal and external audit results and all aspects of the Group’s market, credit and liquidity risks. The committee’s remit also oversees matters in relation to cyber security and technology.

The GARC is chaired by Richard Milnes-James, a Non-Executive Director and Board member. The GARC meets quarterly.

Membership

- Emma Griffin - Non-Executive Director (As of 31 March 2022)
- Richard Milnes-James - Non-Executive Director (Appointed 29 March 2023)
- Mark Nelson-Smith - Non-Executive Director (Resigned 29 March 2023)

Group Banking Committee

The Group Banking Committee is responsible for the oversight of the banking operations of the Group and approves the granting of corporate guarantees. The Group Banking Committee meets on an as-required basis.



Membership

- Jade Moore - Group Executive Director
- Marinus Moolenburgh - Global Head of Treasury
- Phillip Murnane - Group Chief Financial Officer

Corporate and Social Responsibility (“CSR”) Committee

The CSR Committee supports the Board by determining the Group's CSR policies and overseeing the effective implementation of the CSR Programme. The Committee formulates the CSR principles, monitors CSR trends and issues, reviews our priorities and ensures goals and commitments are met. The CSR Committee incorporates the role previously performed by the Charity Committee.

The initial committee membership has been appointed by the Holdings Board. Each business line is represented. Additional representation is from the functional support units of Research, Human Resources, Compliance, Legal and Risk, Treasury, and Health, Safety, Environment and Quality (“HSEQ”). The CSR Committee meets at least quarterly.

Membership

- Trishul Mandana - Managing Director, Coffee Division (Chair)
- Kona Haque - Research
- Liesbeth Kamphuis – Coffee Division
- Rene Kleinjan - HSEQ
- Adrian Osbourn - Human Resources
- David Parker - Compliance, Legal & Risk
- Daniel Polak – Sugar Division
- Jeremy Smith – Trade Finance Director
- Meredith Smith – MLP, Group Sustainability



Independent Auditor's Report to the Members of ED&F Man Holdings Limited

Opinion

We have audited the financial statements of E D & F Man Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes 1 to 39 to the group's financial statements, the Company Balance Sheet, the Company Statement of Changes in Equity and the related notes 1 to 5 to the parent company's financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 30 September 2022 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 group 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

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 group and parent company's ability to continue as a going concern for the period up to 30 April 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report on pages 1 to 108, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to Report by Exception

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

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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

As explained more fully in the directors' responsibilities statement set out on page 20, 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 group's and the parent 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 group or the parent 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.

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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

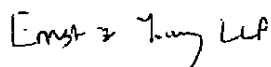
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are UK adopted international accounting standards, the Companies Act 2006, the Bribery Act 2010, the Companies (Miscellaneous Reporting) Regulation 2018, the relevant direct and indirect tax compliance regulations in the jurisdictions in which the group operates, the Anti-Money Laundering Regulation and the General Data Protection Regulation;
- We understood how E D & F Man Holdings Limited is complying with those frameworks by making enquiries of management, internal audit and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Group Audit and Risk Committee. We noted that there was no contradictory evidence;
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by enquiring with management to understand the policies and procedures in place to detect fraud and action accordingly and by considering the risk of management override. These procedures included performing substantive testing procedures over revenue recognition, testing manual journals and involving our internal specialists as part of our review of key management estimates (including estimates related to the debt modification gain and recoverability of investments and receivables). These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error; and
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved reviewing minutes from the Board of Directors and enquiries with management, internal audit, the Company's legal and compliance department and the Group Audit and Risk Committee.

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

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.



Andrew Smyth (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London, United Kingdom

30 April 2023

Consolidated Financial Statements for the year ended 30 September 2022

Consolidated Statement of Profit or Loss

	Note	2022 \$m	2021* \$m
Continuing Operations			
Revenue	6	7,427.4	5,886.1
Cost of sales		(7,030.9)	(5,523.2)
Gross profit		396.5	362.9
Administrative and selling expenses		(316.5)	(316.5)
Operating profit		80.0	46.4
Other Income		-	16.7
Gain on disposal of investments	8	1.1	1.0
(Loss) gain on disposal of property, plant and equipment	8	(4.8)	1.3
Impairment of financial assets		-	(8.1)
Impairment of property, plant and equipment	15	(11.5)	(2.3)
Impairment of right-of-use assets	16	(11.3)	-
Impairment of goodwill	17	(7.6)	(2.6)
Loss on disposal of entities accounted for using the equity method		(3.4)	-
Share of loss of entities accounted for using the equity method	18	(0.1)	(120.2)
Impairment of investment in an entity accounted for using the equity method	18	(30.8)	(162.2)
Reversal of Expected Credit Losses	21	-	222.5
Profit (loss) before interest and tax from continuing operations		11.6	(7.5)
Finance costs, net (excluding exceptional gain on Junior Debt modification)	12	(178.8)	(130.4)
Lease interest	12	(3.3)	(3.4)
Loss before tax from continuing operations (Before exceptional gain on Junior Debt modification)		(170.5)	(141.3)
Exceptional gain on Junior Debt modification	2.2	403.3	-
Profit (loss) before tax from continuing operations		232.8	(141.3)
Income tax expense	14	(49.8)	(82.2)
Net profit (loss) for the year from continuing operations		183.0	(223.5)
Discontinued operations			
(Loss) profit after tax for the year from discontinued operations	9	(173.1)	6.4
Net profit (loss) for the year		9.9	(217.1)
Profit (loss) for the year attributable to:			
Owners of the Group		10.6	(215.2)
Non-controlling interests		(0.7)	(1.9)
Adjusted loss for the year (Before exceptional gain on Junior Debt modification)**		(393.4)	(217.1)

* Re-presented to reflect classification of the Brokerage segment as discontinued operations. (See Note 9)

**This measure represents the Group's Net profit (loss) for the year adjusted to remove the Exceptional gain on Junior Debt modification

The notes on pages 32 to 101 form an integral part of these Financial Statements.

Consolidated Statement of Comprehensive Income

	Note	2022 \$m	2021 ⁺ \$m
Net profit (loss) for the year		9.9	(217.1)
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain recognised on defined benefit schemes	13.3	4.2	2.9
Deferred tax recognised on defined benefit schemes		(0.6)	-
Share of movement of joint ventures' reserves		-	(1.8)
Items that may be reclassified subsequently to profit or loss			
Currency translation differences on retranslation of net assets of subsidiary undertakings		(15.5)	(8.8)
Currency translation differences on net investment hedges		(1.5)	(0.3)
Fair value movement on available for sale investments – net of deferred taxes		4.1	0.9
Effective portion of changes in fair value of cash flow hedges – net of deferred taxes		8.1	(9.2)
Total other comprehensive loss for the year		(1.2)	(16.3)
Total comprehensive profit (loss) for the year		8.7	(233.4)
Total comprehensive loss for the year is attributable to:			
Owners of the Group			
Total comprehensive gain (loss) for the year after tax from continuing operations		184.9	(237.0)
Total comprehensive (loss) gain for the year after tax from discontinued operations		(175.5)	7.3
Total comprehensive profit (loss) for the year attributable to the owners of the Group		9.4	(229.7)
Non-controlling interest			
Total comprehensive loss for the year after tax from continuing operations		-	(1.8)
Total comprehensive loss for the year attributable to non-controlling interests		(0.7)	(1.9)

* Re-presented to reflect classification of the Brokerage segment as discontinued operations. (See Note 9)

The notes on pages 32 to 101 form an integral part of these Financial Statements.

Consolidated Statement of Changes in Equity

	Equity Attributable to the Equity Holders of the Parent							Total	Non-controlling Interest	Total Equity
	Share Capital	Preference Shares	Share Premium Account	Retained Earnings	Fair Value Reserve	Translation Reserve	Capital Redemption Reserve			
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
As at 30 September 2020	123.2	64.5	181.0	(137.0)	(4.1)	(38.7)	14.5	203.4	44.3	247.7
Loss for the year	-	-	-	(215.2)	-	-	-	(215.2)	(1.9)	(217.1)
Other comprehensive income (loss)	-	-	-	2.9	(8.3)	(9.1)	-	(14.5)	(1.8)	(16.3)
Total comprehensive loss	-	-	-	(212.3)	(8.3)	(9.1)	-	(229.7)	(3.7)	(233.4)
Share based payments	-	-	-	3.5	-	-	-	3.5	-	3.5
Other	-	-	-	0.6	-	-	-	0.6	-	0.6
As at 30 September 2021	123.2	64.5	181.0	(345.2)	(12.4)	(47.8)	14.5	(22.2)	40.6	18.4
Profit (loss) for the year	-	-	-	10.6	-	-	-	10.6	(0.7)	9.9
Other comprehensive income (loss)	-	-	-	3.6	12.2	(17.0)	-	(1.2)	-	(1.2)
Total comprehensive gain (loss)	-	-	-	14.2	12.2	(17.0)	-	9.4	(0.7)	8.7
Share-based payments	-	-	-	0.6	-	-	-	0.6	-	0.6
As at 30 September 2022*	123.2	64.5	181.0	(330.4)	(0.2)	(64.8)	14.5	(12.2)	39.9	27.7

*Total equity includes the \$403.3 million accounting gain associated with the B2 Debt modification. Excluding the impact of the B2 Debt modification gain and the associated discount unwinding the total equity would be \$(375.6) million.

The Notes on pages 32 to 101 form an integral part of these Financial Statements

Company Financial Statements (continued)

For the year ended 30 September 2022

Consolidated Statement of Financial Position

	Note	2022 \$m	2021 \$m
Non-current assets			
Property, plant and equipment	15	366.7	415.3
Right-of-use assets	16	104.4	113.2
Intangible assets	17	36.0	57.5
Investment Property		0.2	0.3
Investments in joint ventures and associates	18	22.3	67.5
Available for sale investments	19	1.9	9.7
Trade and other receivables	20	37.5	36.1
Financial assets	21	10.8	5.2
Deferred tax assets	14	20.4	46.8
		600.2	751.6
Current assets			
Inventories	22	967.6	940.5
Biological assets	23	11.9	8.1
Trade and other receivables	20	924.3	5,365.2
Financial assets	21	206.1	5,522.7
Restricted cash	24	33.7	17.8
Cash and cash equivalents	24	288.3	1,807.7
		2,431.9	13,662.0
Assets included in disposal groups, classified as held for sale	9	15,391.7	41.3
		17,823.6	13,703.3
Total assets		18,423.8	14,454.9
Current liabilities			
Trade and other payables	25	905.3	6,343.9
Lease liabilities	26	26.5	28.3
Loans and overdrafts	27	551.9	602.2
Financial liabilities	21	128.0	5,399.6
		1,611.7	12,374.0
Liabilities included in disposal groups, classified as held for sale	9	15,204.5	15.5
		16,816.2	12,389.5
Net current assets		1,007.4	1,313.8
Non-current liabilities			
Trade and other payables	25	14.0	148.0
Lease liabilities	26	89.6	94.3
Loans and overdrafts	27	1,331.7	1,684.9
Financial liabilities	21	8.6	24.8
Provisions	28	91.8	35.1
Employee benefit obligations	13	4.9	9.8
Deferred tax liabilities	14	39.3	50.1
		1,579.9	2,047.0
Net (liabilities) assets		27.7	18.4
Equity attributable to owners of the Group		(12.2)	(22.2)
Non-controlling interest	30	39.9	40.6
Total equity		27.7	18.4

The Notes on pages 32 to 101 form an integral part of these Financial Statements.

Approved by the Board of Directors on 30 April 2023 and signed on its behalf by:

Christopher Mahoney
Chairman

Phillip Murnane
Group Chief Financial Officer

Consolidated Statement of Cash Flows

	Note	2022 \$m	2021 \$m
Net cash inflow from operating activities	33	560.7	317.0
Cash flows from investing activities			
Dividends from associates and joint ventures	18	-	0.5
Interest received	12	4.5	3.5
Purchase of property, plant and equipment	15	(34.6)	(30.5)
Proceeds from sale of Credit Rights to a third party		-	16.7
Proceeds from sale of joint venture	18	11.3	1.8
Purchase of intangible assets	17	(2.7)	(3.6)
Net cash used in investing activities		(21.5)	(11.6)
Cash flows from financing activities			
Increase in borrowings	27, 33	88.4	137.8
Debt transaction costs paid	27, 33	(31.0)	(7.5)
Payment of interest on leases	26	(4.3)	(3.5)
Principal element of lease payments (repayment of lease liabilities)	26	(32.8)	(34.6)
Finance costs paid		(132.8)	(101.0)
Net cash used in financing activities		(112.5)	(8.8)
Net increase in cash and cash equivalents		426.7	296.6
Cash and cash equivalents at the beginning of the financial year		1,807.7	1,516.7
Cash held in discontinued operations and restricted cash		(1,950.5)	(4.6)
Effect of foreign exchange rate changes on cash and cash equivalents		4.4	(1.0)
Cash and cash equivalents at the end of the financial year	24	288.3	1,807.7

The Notes on pages 32 to 101 form an integral part of these Financial Statements.



Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

1. General Information

ED&F Man Holdings Limited ("EDFM") is a private limited company domiciled in the United Kingdom and incorporated under the Companies Act 2006, registered in England and Wales.

EDFM and its subsidiaries (collectively, the "Group") are engaged in the business of sourcing, storage, processing, and distribution of a range of products including sugar, coffee, molasses, animal feed and fish oils. The Group delivers world-class products and services to clients including coffee roasters, food processors, drinks distillers and cattle farmers, supplying household names and best-loved brands.

ED&F Man has two main operating segments: the Commodities Group and Holdings. The Commodities Group includes Coffee, Molasses and Liquid Products, and the Sugar Trading business. Holdings includes our non-core and legacy entities (Empresas Iansa ("IANSAs"), AGS, Brokerage).

Brokerage is a global financial brokerage business which formed EDFM's financial services division. The Brokerage division was classified as held for sale and a discontinued operation from 1 August 2022 and remains held for sale as at 30 September 2022. (See Note 9)

2. Accounting Policies

2.1 Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with UK adopted International Accounting Standards ("UK Adopted IAS").

Separate Financial Statements of the Parent Company are attached and prepared under FRS 101.

2.2 Group Refinancing

The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. As part of this process, the profitable core commodities trading business of the Group has been ring-fenced from its legacy businesses. Additionally, through the restructuring, ED&F Man Commodities Limited (a wholly owned subsidiary of the Group) has raised \$300.0 million of additional liquidity to manage the current high commodity price environment. This additional liquidity is exclusively for the use of the Commodities Group.

As a part of this restructuring, \$1,313.8 million of debt, related interest and debt transaction costs ("Legacy Debt") was separated and legally ring-fenced from ED&F Man Commodities Limited (the Commodities Group). The legacy debt comprises Senior and Junior Term loans and notes, with nominal values (contracted cash flows as per the loan agreements) at 30 September 2022 of \$740 million and \$591 million respectively. The balances by specific facility are as follows:

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

	Recorded in Balance Sheet at 30 September 2022 \$m	Nominal value at 30 September 2022 \$m
Senior Finco Secured Term Loan – Tranche A2	323.8	323.8
Senior Finco Secured Term Loan – Tranche B1	416.0	416.0
Junior Finco Secured Term Loan – Tranche B2	115.8	399.7
Junior Finco USPP Series B2 Notes	55.6	191.4
Legacy debt	911.2	1,330.8

As part of the restructuring, there were changes to the interest rate structure (reduced cash interest and increased payment-in-kind (“PIK”) interest), extension of debt maturities (A2 maturity to 31 March 2025, B1 maturity to 31 March 2026 and B2 maturity to 31 March 2028), and, specifically for the Junior Debt, the creation of a post-enforcement call option (“PECO”) that caps facility repayments at the recoverable value of the Group’s assets.

The Group refinancing of the Legacy Debt resulted in a substantial modification under IFRS 9 Financial Instruments of the Junior Debt. That part of the Legacy Debt was therefore derecognised and the new debt was recognised at its fair value on refinancing date. The fair value of the Junior Debt on refinancing was considered to be \$165.1 million based on Management forecasts of the expected future debt repayments discounted back to refinancing date. The combination of the book value of \$568.4 million of Legacy Debt being derecognised as at 31 March 2022 and the \$165.1 million fair value of the new Junior Debt being recognised has resulted in an exceptional gain of \$403.3 million. The gain on the B2 debt is an accounting adjustment and the nominal liability due to the B2 lenders remains unchanged at US\$591m as at 30 September 2022.

The exceptional accounting gain has been recognised in profit or loss for the year in accordance with IFRS 9. The gain is included in the Exceptional gain on Junior Debt modification line on the face of the Consolidated Statement of Profit or Loss.

As a result of this substantial modification of the Junior Debt, this debt is recorded at its fair value at the date of modification and held at amortised cost thereafter. The carrying value of the Junior Debt is \$171.4 million at 30 September 2022, this is lower than the nominal value of \$591 million and reflects the potential recovery of the Junior Debt. Although the Junior Debt was recorded at fair value as at 31 March 2022 in line with IFRS, the restructuring did not change the underlying contractual commitment relating to these facilities. As such recoveries flow to Senior Term loans and then Junior Debt, up to the full nominal value of the B2 Debt (including PIK).

The Senior and Junior Debt are subject to PIK interest and a small portion of cash interest. PIK interest is a non-cash element of the interest cost on the Senior and Junior Debt which is added to the nominal loan amount at the end of each quarter and six months respectively. Total PIK interest included in the financial statements for the year ended 30 September 2022 was \$19.8 million, this does not include the full value of PIK on Junior Debt which is not being accrued given that recoveries are estimated to be less than 100%. The nominal value of the PIK on all legacy debt was \$42.5 million as at 30 September 2022.

2.3 Going Concern

The Directors evaluated the Group’s funding position and liquidity risk throughout the year. The underlying cash flow forecasts used for the purposes of the Group’s going concern assessment are based on management’s best estimate of various factors including: the future Commodities Group performance (adjusted for recent forward commodity price curves, management assumptions and the Commodities Group’s borrowing facilities), the potential value and timeline of non-core asset disposals, and the Group’s borrowing facilities.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Sensitivities are run to reflect different scenarios including, but not limited to, changes in prices, volumes and margins to evaluate their impact on working capital, liquidity and compliance with loan covenants. These downside sensitivities included identifying conditions under which liquidity would be eliminated and/or one or more covenants would be breached (reverse stress test). The Directors evaluated whether the occurrence of such conditions is plausible and identified mitigating actions under the control of management to address any forecast liquidity deficit and/or non-compliance with covenants.

Based on the analysis performed, the Group is satisfied that, if needed, there are a number of mitigating actions available to it, including flexing loan facility usage, reducing exposure to interest rate risk, the sale of marketable inventories, a decrease in capital expenditure and/or reduction of discretionary costs which would limit the adverse impact on liquidity headroom and maintain compliance with the Commodities Group and Holdings' debt covenants.

The Group believes that based on their assessment of current performance, forecasts, debt servicing requirements, total facilities and risks, they have a reasonable expectation that it has adequate resources to continue as a going concern for the period up to 30 April 2024.

2.4 Basis of Measurement

The Consolidated Financial Statements are prepared on the historical cost basis except for certain inventories and other items measured as follows:

- derivative financial instruments are measured at fair value through other comprehensive income or fair value through profit or loss;
- the defined benefit plan assets and biological assets are stated at their fair value; and
- non-current assets and liabilities held for sale are stated at the lower of carrying amount and fair value less cost of disposal.

2.5 Basis of Consolidation – Subsidiaries

The Consolidated Statement of Profit or Loss includes the results of EDFM and its subsidiaries and the Consolidated Statement of Financial Position includes assets and liabilities of all the legal entities directly and indirectly owned by the Company. All intra-group transactions, balances and unrealised gains on transactions within the Group are eliminated on consolidation.

Subsidiaries are entities controlled by the Group. Control exists where either a parent entity is exposed, or has rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. A parent entity has power over the subsidiary when it has existing rights to direct the relevant activities of the subsidiary. The relevant activities are those that significantly affect the subsidiary's returns. The ability to approve the operating and capital budget of a subsidiary and the ability to appoint key management personnel are decisions that demonstrate that the Group has the existing rights to direct the relevant activities of a subsidiary. In assessing control, potential voting rights that are currently exercisable or convertible are considered. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control begins until the date that control ceases. Where necessary, adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. The Financial Statements are presented in United States dollars ("USD") or ("£") million and have been rounded to the nearest USD 0.1 million.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

2.6 Foreign Currency

Transactions undertaken by each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). Foreign currency transactions are translated into the functional currency at the spot rate ruling at the date of the transaction or using an average rate for the year. Monetary assets and liabilities are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to profit or loss.

The Group's Consolidated Financial Statements are presented in USD ("presentational currency"). This is also the functional currency for most of the Group's operations. The assets and liabilities of subsidiaries and equity method investees whose functional currency is not USD are translated at the exchange rate at the balance sheet date. The results and cash flows of these undertakings are translated at average rates for the year. The exchange differences arising on the re-translation of opening net assets, together with the differences between the results of these undertakings translated at the average rates for the year and the rate at the balance sheet date, are taken directly to the translation reserve and are shown in other comprehensive income.

All other translation differences are taken to the Consolidated Statement of Profit or Loss with the exception of differences on foreign currency borrowings, to the extent that they are used to finance foreign equity investments and meet the definition of an effective net investment hedge under IFRS 9 'Financial Instruments'. In these circumstances, the translation differences are taken directly to the translation reserve and are shown in other comprehensive income. When the net investment in foreign operation is sold, closed or abandoned, the translation differences accumulated within shareholders' equity are transferred to the Consolidated Statement of Profit or Loss.

2.7 Other Significant Accounting Policies

Accounting policies for individual balance sheet and income statement accounts are included in the respective footnotes.

2.7.1 Cost of sales

Cost of sales includes the purchase price of goods sold, including the costs of processing, storage, and transportation, and the direct costs attributable to the supply of services. It also includes the changes in fair value on inventories held for trading and the changes in fair value of forward commodity contracts meeting the definition of derivative financial instruments.

2.7.2 Investment income

Dividends received, excluding those from subsidiaries and associates, are accounted for on a right to receive basis and gross of any withholding taxes attributable. (See Note 18)

2.7.3 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Statement of Financial Position.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The profit or loss from a discontinued operation is shown as a single amount on the face of the Consolidated Statement of Profit or Loss, and the comparatives and related notes are re-presented as if the operations had been discontinued from the start of the comparative year.

3. New and Revised Standards

3.1 New Standards

The Group adopted the following new accounting policies on 1 October 2021 to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Group's financial reporting on adoption, are:

- Amendments to IFRS 16 'COVID-19-Related Rent Concessions' and 'COVID-19-Related Rent Concessions beyond 30 June 2021'; and
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 'Interest Rate Benchmark Reform – Phase 2'.

3.2 New accounting pronouncements and basis of preparation changes to be adopted on 1 October 2022

The IASB has issued the following pronouncements which are applicable to the Group from 1 October 2022:

- Annual Improvements to IFRS Standards 2018 – 2020;
- Amendments to IAS 16 'Property, Plant and Equipment: Proceeds before Intended Use';
- Amendments to IAS 37 'Onerous Contracts – Cost of Fulfilling a Contract'; and
- Amendments to IFRS 3 'Reference to the Conceptual Framework'.

These amendments have been endorsed by the UK Endorsement Board. The Group's financial reporting will be presented in accordance with these new standards from 1 October 2022. The changes are not expected to have a material impact on the Consolidated Statement of Profit or Loss, Consolidated Statement of Financial Position or Consolidated Statement of Cash Flows.

3.3 New accounting pronouncements issued but not effective

The following new standards and narrow-scope amendments have been issued by the IASB and are effective for annual periods beginning on or after 1 October 2022 and have not yet been endorsed by the UK Endorsement Board.

- Amendments to IAS 1 'Classification of Liabilities as Current or Non-Current';
- Amendments to IAS 1 'Disclosure of Accounting Policies';
- Amendment to IAS 8 'Definition of Accounting Estimates'; and
- Amendment to IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'.

The Group is assessing the impact of these amendments to standards and the Group's financial reporting will be presented in accordance with these standards from 1 October 2022 as applicable.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

On 31 October 2022, the IASB issued amendments to IAS 1 'Presentation of Financial Statements' ("IAS 1") that requires additional disclosures for covenants relating to long-term debt. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants. For example, a company might have long-term debt that could become repayable within 12 months if the company fails to comply with covenants in that 12-month period.

These amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. Specifically, the covenants which could make the long-term debt current will need to be disclosed in the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 October 2024, with early adoption permitted. The Group may need to provide additional disclosures on covenants under its debt arrangements.

3.4 Climate related financial disclosures

The potential climate change-related risks and opportunities to which the Group is exposed, will be identified and disclosed in the Group's Task Force on Climate-Related Financial Disclosures ("TCFD") disclosures with effect from the year ending 30 September 2023. The Group has assessed the potential financial impacts relating to the identified risks, primarily considering the useful lives of, and retirement obligations for, property, plant and equipment, the possibility of impairment of goodwill and other long-lived assets and the recoverability of the Group's deferred tax assets. Management continues to review the Group's climate-related risks and opportunities and their impact on the Consolidated Financial Statements. The judgements and estimates related to the aforementioned areas will be kept under review by management as the future impacts of climate change depend on environmental, regulatory and other factors outside of the Group's control which are not all currently known.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In connection with the preparation of the Consolidated Financial Statements, management has made assumptions and estimates about future events, and applied judgements that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. The assumptions, estimates and judgements are based on historical experience, current trends and other factors that management believes to be relevant at the time the Consolidated Financial Statements are prepared. Actual results may differ from these estimates. On a regular basis, management reviews the accounting policies, assumptions, estimates and judgements to ensure that the Financial Statements are presented fairly and in accordance with IFRS, applied on a consistent basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the change affects both as per IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Management has identified the following areas as being critical to understanding the Group's financial position, as they required management to make complex and subjective judgements and estimates relating to matters that are inherently uncertain:

4.1 Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Determination of claims against ED&F Man Capital Markets Limited ("MCML")

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The Group applies judgement in determining if there is a constructive obligation. The Group considers all relevant factors that would create a constructive obligation, such as past and current events and expectations of internal and external stakeholders. After the recognition, the Group reassesses the provision if there is a significant event or change in circumstances.

When recognising the claims against MCML, the Group applied judgement in determining if a constructive obligation existed. As the Group has an obligation to Lenders to liquidate its remaining exposure in MCML as expeditiously as possible, the Group considers there to be a constructive obligation (See Note 28).

4.2 Key Sources of Estimation uncertainty

The significant accounting estimates with a significant risk of a material change to the carrying value of assets and liabilities within the next year in terms of IAS 1 'Presentation of Financial Statements', are as follows:

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
Fair Value of Junior Debt (B2 Term Loans and notes) Upon substantial modification IFRS 9 requires that the existing debt is derecognised and the new debt is to be recognised at fair value. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.	<p>The Junior Debt is not traded in an active market and quoted prices or other observable inputs are not available. Management have therefore applied the income approach as described under IFRS 13 to determining the fair value of the Junior Debt as at the date of modification, being 31 March 2022.</p> <p>This valuation technique converts future cash flows to a single discounted amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. Within this model the source of estimation uncertainty relates to the discount rate used by management, the timing of cash outflows and the value of those cashflows.</p>	During the current year a gain on modification of debt of \$403 million was recognised in the Consolidated Statement of Profit or Loss with a corresponding decrease in Non Current liabilities – Loans and overdrafts. The gain was booked based on a fair value assessment of the likely recoveries of the debt and therefore based on numerous assumptions about both the Commodities Group and non-core asset disposals. If the actual recoveries differ materially from the assumptions, the changes in future cash flows associated with the debt instruments will need to be reassessed and this will impact the net finance costs recognised in the Consolidated Statement of Profit and Loss in future periods.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
<p>Valuation of Financial Instruments</p> <p>All derivative financial instruments not qualifying for the "own use" exemption and certain other financial assets and liabilities are recorded at fair value and analysed into three hierarchy levels based on their valuation methodology, as per IFRS 13 'Fair Value Measurement' ("IFRS 13"). (See Note 21)</p>	<p>Fair values are determined in the following ways:</p> <ul style="list-style-type: none"> - externally verified via comparison to quoted market prices in active markets including forward foreign currency exchange and fixed income securities (Level 1); and - by using models with externally verifiable inputs (Level 2). <p>There is judgement required to determine the appropriateness of the models and the relevant inputs.</p>	<p>If the inputs applied to the Level 2 model are inappropriate this could result in an impact to the Consolidated Statement of Profit or Loss and the Consolidated Statement of Financial Position.</p>

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
<p>Tangible assets</p> <p>Under IAS 36 'Impairment of Assets', external and internal sources of information are to be reviewed for potential triggers of asset impairment for each Cash Generating Unit ("CGU") in the business segments.</p> <p>An impairment is recognised if carrying values are higher than the recoverable values. Recoverable values are based on the higher of fair value less costs of disposal and value in use which may be calculated.</p> <p>The total value of Property, plant and equipment is \$366.7 million and Right-of-use assets is \$104.4 million at 30 September 2022.</p>	<p>The recoverable amounts of the CGUs are determined using fair value less costs of disposal ("FVLCD") based on approved financial budgets and forecasts for the next three years.</p> <p>Empresas Iansa recognised an impairment of \$4.5 million related to land disposal to reduce the carrying values of the affected assets to their recoverable values. The fair values less costs of disposal for the land were assessed based on a market approach using third party valuations.</p> <p>The sources of estimation uncertainty involved in the valuations include the availability of comparable market data.</p>	<p>The carrying amount which is determined by a third party valuation is limited to the availability and reliability of comparable market data.</p> <p>Limitations in the validity of the comparable market data may cause the impairment amount to be inaccurate.</p>

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
<p>Goodwill</p> <p>Goodwill and indefinite-lived intangible assets are required to be tested annually for impairment.</p> <p>Goodwill of \$10.2 million relating to the MLP business.</p>	<p>The main sources of estimation uncertainty for any impairment review are based on key assumptions which are as follows:</p> <p>Weighted Average Cost of Capital ("WACC"): 11% based on the CGU specific rate</p> <p>Growth to perpetuity: 2% based on long-term inflation target used by the Federal Reserve.</p> <p>Growth on revenue: 2% representing rate of inflation per the International Monetary Fund ("IMF").</p> <p>Growth of expenses: 2% representing rate of inflation per the IMF.</p>	<p>If the WACC increased by 5% the recoverable value reduces by 50% without changes in any of the other key assumptions. In this scenario, the test would still have headroom available and no goodwill impairment would be required.</p> <p>An impairment charge would arise if we assumed no growth in revenues or if we assumed a growth in expenses of 3% (instead of 2 %) without changes in any of the other key assumptions. Given the nature of MLP business, this is a remote scenario.</p>

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
<p>Provisions and Liabilities</p> <p>Provisions and certain other liabilities recognised in the Statement of Consolidated Financial Position require an estimation of the amounts required to settle the obligation. The provisions or liabilities recorded reflect management's best estimate of the amounts required to settle the related liability, including tax, legal, contractual or other exposures. Management assesses liabilities and contingencies based upon the current information available, relevant tax laws and other appropriate requirements. (See Note 28 and Note 36)</p> <p>As at 30 September 2022, the Group have recognised a provision of \$58.5 million in relation to the settlement of open tax claims and regulatory concerns associated with the sale of the Brokerage division.</p>	<p>Historically, between 2012 and 2018, a UK Brokerage entity is known to have acted as a Broker on dividend arbitrage trades relating to securities in 21 different jurisdictions.</p> <p>Three tax and regulatory authorities have commenced investigations and civil actions respectively against this Brokerage entity. However, there are potentially further claimants.</p> <p>Factors affecting the estimation of the provisions recorded include the ranges associated with the relevant claims and exposures together with management's assessment of the most likely outcomes, including the amounts required to settle current and future claims arising from the Brokerage entity.</p>	<p>Amounts ultimately paid for settlements and legal cost can vary significantly from the level of provisions originally set. If the estimation applied is incorrect or changes over time, this could result in future losses in the Consolidated Financial Statements. (See Note 28)</p>

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Critical Accounting Estimate	Sources of estimation uncertainty	Effect if actual result differs from assumption
<p>Recognition of Deferred Tax Assets</p> <p>Deferred tax assets ("DTA") are recognised only to the extent it is considered probable that those assets will be recoverable.</p> <p>This involves an assessment of when those deferred tax assets are likely to reverse and an estimate as to whether there will be sufficient taxable income available to offset the tax assets when they do reverse.</p> <p>These estimates are subject to risk and uncertainty and therefore, to the extent assumptions regarding future profitability change, there can be a material increase or decrease in the amounts recognised in the Consolidated Statement of Profit or Loss in the period in which the change occurs.</p>	<p>The Group has recognised deferred tax assets of \$20.4 million (2021: \$46.8 million). (See Note 14)</p> <p>The most significant element of the deferred tax assets relates to tax losses incurred by Volcafe Ltd in Switzerland.</p> <p>In the current year, Volcafe Limited has incurred further losses on futures instruments as a result of the prolonged rise in coffee prices.</p> <p>Losses can be carried forward for up to seven years in Switzerland.</p> <p>The decision has been made this year to increase the deferred tax asset recognised in Switzerland from \$9.9 million to \$16.9 million. This decision was based on projected profits.</p> <p>The recognition of these deferred tax assets is subject to the estimation uncertainty involved in the projection of profits into the future.</p>	<p>The profit projection is based on the trading results alone and takes into account the changes to the structure of the Brazil trades, which reduces significantly the chances of similar losses arising, without impacting the ability of Volcafe to make profits in other areas of its business.</p> <p>If the Group's estimation of future profits is incorrect then the related deferred tax assets may be derecognised in future financial years.</p>

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

5. Business and Geographic Segment Information

The Group has two operating segments, which are Commodity Trading and Holdings. The nature of these segments is described in Note 1. The below analysis is not intended to comply with IFRS 8 'Operating Segments' which does not apply to the Group.

On 1 August 2022, the Brokerage division was classified as a disposal group held for sale and as a discontinued operation (See Note 9). With Brokerage being classified as a discontinued operation, it is no longer presented as a reportable segment.

The reportable segments are defined as components for which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance. The Group's executive management team has been identified as the chief operating decision makers as they direct the allocation of resources to operating segments based on the operating profit (loss) and cash flows of each respective segment. The basis of measurement and accounting policies of the reportable segments are the same as those described in Note 2. Inter-segment sales and transfers are not significant and have been eliminated and are not included in the following table:

	Commodity Trading \$m	Holdings ^(a) \$m	Total \$m
30 September 2022^(b)			
Operating revenue	6,870.5	556.9	7,427.4
Depreciation and amortisation	(38.4)	(29.0)	(67.4)
Share of loss of entities accounted for using the equity method	-	(3.5)	(3.5)
Operating profit (loss) ^(c)	182.7	(102.7)	80.0
Finance expense, net (excluding exceptional gain on Junior Debt modification)	(29.5)	(152.6)	(182.1)
Exceptional gain on Junior Debt modification	-	403.3	403.3
Profit before tax			232.8
Balance Sheet^(d)			
Capital expenditures ^(e)	14.3	22.2	36.5
Non-current assets	268.8	331.4	600.2
Net current assets	365.4	642.0	1,007.4
Net assets (liabilities)	443.4	(415.7)	27.7
30 September 2021^(b)			
Operating revenue	5,401.1	485.0	5,886.1
Depreciation and amortisation	(39.7)	(30.2)	(69.9)
Share of loss of entities accounted for using the equity method	-	(120.2)	(120.2)
Operating profit (loss) ^(c)	150.7	(104.3)	46.4
Finance expense, net	(18.4)	(115.4)	(133.8)
Loss before tax			(141.3)
Balance Sheet^(d)			
Capital expenditures ^(e)	14.6	17.3	31.9
Non-current assets	266.4	438.3	704.7
Net current assets	330.4	575.4	905.8
Net assets (liabilities)	405.7	(756.5)	(350.8)

Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

- (a) Holdings includes agricultural industrial investments, corporate related items and the results of other insignificant operations not reportable under other segments in the financial years 2022 and 2021. Holdings also includes corporate costs relating to Commodity Trading of \$2.5 million for 2022 (2021: \$4.4 million).
- (b) The years 2022 and 2021 included impairment losses relating to assets of \$30.4 million and \$13.0 million, respectively.
- (c) Operating Profit is after corporate management charges allocated to each business based on directly attributable costs or net assets.
- (d) These 30 September 2021 Balance Sheet disclosures exclude the Brokerage segment which is a discontinued operation as at 30 September 2022. (See Note 9)
- (e) The capital expenditures included additions to property, plant and equipment, deposits and intangible assets other than goodwill in the financial years 2022 and 2021.

There were no customers of Commodity Trading and Holdings segments that accounted for more than 10% of the consolidated operating revenue for the years ended 30 September 2022 and 2021.

The Group's geographical markets remain as Europe, North America, Latin America, Africa and Asia.

The Group's material associates and joint ventures form part of the Holdings segment and principally operate in the Americas.

6. Revenue

Operating revenue is recognised when performance obligations are met, by transferring a promised good or service to a customer. A performance obligation is satisfied at a point in time, at the point of transfer of goods to a customer or over time.

6.1 Revenue from the Delivery of Traded Commodities

As noted in the "Financial Instruments" policy Note 21, certain of the Group's physical commodity contracts meet the definition of a derivative financial instrument and are accordingly fair valued in accordance with IFRS 9 with gains or losses recorded through cost of sales. When such contracts are physically delivered, the revenue is recorded at the fair value of consideration received, net of discounts, customs duties and sales taxes. Such delivery is recognised when the significant risks and rewards of ownership and effective control of goods have passed to the buyer (for example when a bill of lading is passed to the buyer).

6.2 Revenue from Contracts with Customers

Revenue from contracts for the sale of goods which fall outside of the scope of IFRS 9 ("own use" contracts) or from contracts for the provision of services is measured at the fair value of consideration based on consideration specified in a contract with a customer or consideration expected to be received, net of discounts, customs duties and sales taxes, and is recognised at a point in time when the performance obligations under the contract have been fulfilled and control of the goods has transferred to the customer based on the delivery terms stated in the contract. Sales terms provide for transfer of title at either the time and point of shipment or at the time and point of delivery, and acceptance of the product being sold. In contracts that do not specify the timing of transfer of legal title or transfer of significant risks and rewards of ownership, judgment is required in determining the timing of transfer of control. In such cases, the Group considers standard business practices and the relevant laws and regulations applicable to the transaction to determine when control is transferred, or performance obligations satisfied.

Performance obligations include the sale and delivery of goods to a customer and the provision of services such as storage. The transaction price is generally allocated to performance obligations on a relative standalone selling price basis.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Revenue represents the amounts derived from the provision of goods and services, which fall within the Group's ordinary continuing activities, stated net of sales taxes.

	2022 \$m	2021* \$m
Revenue from contracts with customers	2,322.9	2,106.1
Revenue from the delivery of traded commodities	5,104.5	3,780.0
	7,427.4	5,886.1

*Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

Revenue from contracts with customers is accounted for under IFRS 15, with 74% (2021*: 73%) from the Molasses and Liquid Products division and 23% (2021*: 23%) from the Agri Industrial division. The residual amount relates to Sugar and Coffee divisions, for which the revenue is primarily disclosed in Revenue from the delivery of traded commodities.

7. Operating Profit (Loss)

Operating profit (loss) for continuing operations is stated after charging (crediting):

	Note	2022 \$m	2021* \$m
Depreciation of property, plant and equipment	15	36.6	38.1
Amortisation of right-of-use assets	16	27.5	27.5
Amortisation of intangible assets	17	3.3	2.2
Operating lease rentals	26	0.9	3.0
Expenses arising from share option plans	29.1	0.5	3.5
Foreign exchange differences gain		(25.6)	(3.7)

*Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

Operating lease rentals relate to leases with a duration of less than 12 months or leases individually less than \$5,000.

8. (Loss) Gain on Disposal of Assets, Net

(Loss) Gain on disposal of assets, net, comprised the following:

	2022 \$m	2021 \$m
(Loss) gain on disposal of property, plant and equipment	(4.8)	1.3
Gain on disposal of investments	1.1	1.0
	(3.7)	2.3

During 2022, Coffee recorded a gain on disposal of property in Uganda of \$0.7 million and a gain on disposal of a Mill in Guatemala of \$0.7 million, offset by a loss on disposals of property, plant and equipment of \$6.1 million in IANSA. During 2022, the Group recorded a net profit of \$1.1 million (2021: \$1.0 million) for the sale of various investments.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

9. Disposal Groups Held for Sale and Discontinued Activities

Non-current assets, current assets and liabilities included in disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, they are available for immediate disposal and the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately on the Consolidated Statement of Financial Position. The assets are not depreciated or amortised while they are classified as held for sale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit or Loss and the comparative is re-presented as if the operations had been discontinued from the start of the comparative year.

On 1 August 2022, the Group classified the Brokerage division as a disposal group held for sale. On this date, a definitive agreement was signed between ED&F Man Holdings Limited and Marex Group PLC to acquire the Brokerage business. Under the terms of the agreement the transaction comprised a sale of the business and assets of ED&F Man Capital Markets Limited ("UK Asset Sale") and a sale of the shares of ED&F Man Capital Markets Holdings Limited, ED&F Man Capital Markets Hong Kong Limited and ED&F Man Capital Markets MENA Limited ("US Share Sale").

The UK Asset Sale completion started on 30 September 2022 and completed on 3 October 2022. As the transfer of assets completed on 3 October 2022, this has been determined as the completion date. The share sales of ED&F Man Capital Markets Holdings Limited and ED&F Man Capital Markets MENA Limited completed in December 2022. The share sale of ED&F Man Capital Markets Hong Kong Limited completed in February 2023.

These Brokerage division operations have been classified as a disposal group held for sale and presented separately in the Consolidated Statement of Financial Position.

For those brokerage businesses sold to Marex, an impairment loss of \$92.0 million has been recognised in order to reduce the year end net assets of the Brokerage business to its fair value less estimated costs to sell. In addition, for those brokerage businesses retained (particularly ED&F Man Capital Markets Limited), a provision of \$58.5 million has been recognised in respect of claims against ED&F Man Capital Markets Limited, which following the UK Asset Sale remains in the Group as a non-trading entity (see Note 28 - Provisions).

During the year ended 30 September 2021, the Group wound down the Special Crops (Pulses) business in Europe and Africa. The results and assets of these entities are showing within discontinued operations.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

As of 30 September 2022, the major classes of assets and liabilities of the disposal groups measured at the lower of carrying amount and fair value less costs to sell were as follows:

	2022 \$m	2021 \$m
Property, plant and equipment	-	15.6
Right-of-use assets	-	6.1
Investment in JV's and Associates	-	1.9
Inventories	-	3.6
Biological assets	-	4.3
Trade and other receivables	6,541.8	5.2
Other financial assets	6,933.1	-
Cash and cash equivalents	1,916.8	4.6
Assets classified as held for sale	15,391.7	41.3
Trade and other creditors	(8,207.6)	(9.4)
Finance lease obligations	(16.7)	(6.1)
Provisions	(1.9)	-
Other financial liabilities	(6,863.7)	-
Loans and overdrafts	(114.6)	-
Liabilities directly associated with assets classified as held for sale	(15,204.5)	(15.5)

The sale of the Agro-Dilo sugar farm in Ukraine completed on 7 February 2022. Agro-Dilo was classified as held for sale at the year ended 30 September 2021. The results of this entity to the completion date are within discontinued operations.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Amounts recognised in the Consolidated Statement of Profit or Loss in respect of the discontinued operations for the year to 30 September 2022 and 30 September 2021 are presented below.

	2022 \$m	2021 \$m
Revenue	543.3	379.9
Cost of sales	(387.6)	(234.3)
Gross profit	155.7	145.6
Administrative and Selling expenses	(155.8)	(126.3)
Operating (loss) profit	(0.1)	19.3
Share of profit and loss of entities accounted for using the equity method	-	0.3
Impairment of property, plant and equipment	(1.3)	-
Profit on disposal of investment	3.1	0.8
Profit on disposal of property, plant and equipment	0.2	0.1
Impairment of Brokerage business	(92.0)	-
Provisions recognised	(58.5)	-
Profit before interest and tax	(148.6)	20.5
Net financing costs	(12.3)	(6.2)
(Loss) profit before tax	(160.9)	14.3
Tax	(12.2)	(7.9)
(Loss) profit for the year after tax from discontinued operations	(173.1)	6.4

The net cash flows in respect of these discontinued operations for the year to 30 September are as follows:

	2022 \$m	2021 \$m
Net cash flow from discontinued operating activities	319.3	346.8
Net cash flow from discontinued investing activities	21.5	6.3
Net cash flow from discontinued financing activities	(15.8)	29.9
Net increase in cash and cash equivalents from discontinued operations	325.0	383.0
Cash and cash equivalents from discontinued operations at the beginning of the year	1,591.5	1,208.7
Effect of foreign exchange rate changes	0.3	(0.2)
Cash and cash equivalents from discontinued operations at the end of the year	1,916.8	1,591.5

Amounts recognised in other comprehensive income and accumulated in equity in relation to assets held for sale amount to \$1.0 million expenses (2021: \$3.7 million income).

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

10. Directors' Remuneration

	2022 \$m	2021 \$m
Remuneration	5.9	4.6
▪ Contractual payments due in respect of compensation for loss of office	8.9	-
Total remuneration	14.8	4.6

	2022 Number	2021 Number
Members of money purchase pension schemes	2	2
Members of defined benefit schemes	-	-
Directors who were granted share options in the year	-	-
Directors who exercised share options in the year	-	-

The remuneration paid to the highest paid Director was \$2.8 million (2021: \$2.1 million) including amounts charged in respect of pension scheme of Nil (2021: Nil). Additional payments of \$8.9 million were made to this Director in compensation for loss of office, all payments made were in line with pre-existing contractual arrangements. Directors' remuneration disclosed does not include social security contributions relating to that year.

11. Auditors' Remuneration

The analysis of auditors' remuneration is as follows:

	2022 \$m	2021 \$m
Fees payable to the Group auditors and associates for the audit of the consolidated and stand-alone Financial Statements and local statutory audits	5.8	5.3
Fees payable to the Group auditors and associates for other services	0.5	0.4
	6.3	5.7

The audit fees relate to Ernst & Young LLP and its associate firms.

12. Finance Expense and Income

12.1 Finance Expenses

Finance expenses are recognised in the Consolidated Statement of Profit or Loss as they accrue, using the effective interest method. Interest expense is calculated using the effective interest rate ("EIR") method as described in IFRS 9 'Financial Instruments'. The EIR is calculated considering all transaction costs relating to the issue of debt. Transaction costs accounted for on an amortised cost basis are those incremental costs that are directly attributable to the issue of debt. An incremental cost is one that would not have been incurred had the debt not been issued.

For leases, lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term to produce a constant periodic rate of interest on the remaining balance of the liability.

Notes to the Consolidated Financial Statements

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12.2 Finance Income

Finance income is recognised in the Consolidated Statement of Profit or Loss as it accrues, using the effective interest method.

	2022 \$m	2021* \$m
Finance expense		
Interest on loans	101.0	94.0
PIK interest	19.8	15.6
Amortisation of debt transaction costs	59.2	22.5
Commitment and other fees	1.0	0.8
Total interest expense	181.0	132.9
Finance income**	(2.2)	(2.5)
Finance costs, net (excluding exceptional gain on Junior Debt modification)	178.8	130.4
Interest on obligations under leases	3.3	3.4
Exceptional gain on Junior Debt modification***	403.3	-

*Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

** 2022 balance excludes \$2.3 million of interest income related to Assets Held for Sale

***Refer to Note 2.2 for further information

The refinancing concluded in March 2022 resulted in one-time transaction costs of \$43.0 million which were expensed during the year ended 30 September 2022, included within amortisation of debt transaction costs.

Payment-in-kind ("PIK") interest is a non-cash element of the interest cost on the Senior Term loan which is added to the loan amount at the end of each quarter. Total PIK interest included in the financial statements for the year ended 30 September 2022 was \$19.8 million. This does not include the value of PIK on Junior Debt which is not being accrued given that recoveries are estimated to be less than 100%. (See Note 2.2)

13. Personnel Costs and Employee Benefits

13.1 Retirement Benefits

The principal pension arrangements in the Group are defined contribution schemes, the largest of which is the Group's pension plan for UK employees. The costs have been charged to the profit or loss as incurred and at the balance sheet date there were no outstanding or prepaid contributions.

In addition, the Group operated three defined benefit schemes and one long-term employee benefits scheme during the financial year ended 30 September 2022 in Germany, Switzerland, Japan and Chile respectively.

During the year, the Group's defined benefit scheme in Switzerland was funded. For this scheme, the cost of providing pension benefits is calculated on an actuarial basis and charged to the profit or loss to spread the cost of the scheme over the service lives of employees.

The obligations in Germany and Japan are unfunded. The schemes in Germany and Switzerland had full actuarial valuations in the financial year ended 30 September 2022.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

13.2 Personnel Costs

	2022 \$m	2021* \$m
Wages and salaries	205.8	193.5
Social security costs	18.1	16.6
Other pensions costs	8.3	7.9
Settlement of Employee Loans	-	(4.2)
	232.2	213.8

*Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

The average number of employees during the year was as follows:

	2022 Number	2021 Number
Trading and administration	2,038	2,204
Industrial and seasonal	3,688	3,830
	5,726	6,034

Included in cost of sales are personnel costs of \$35.6 million (2021: \$36.1 million). Other personnel costs are included in administrative and selling expenses.

13.3 Retirement Benefits

The table below summarises the main assumptions used in the valuation of the defined benefit schemes:

	2022 %	2021 %
Rate of salary increases	0.1-3.0	0.5-4.0
Discount rate	0.6-3.4	0.2-2.9
Inflation	0.5-10.7	0.5-2.0

Amounts recognised in the Consolidated Statement of Profit or Loss in respect of these defined benefit schemes for the year to 30 September are as follows:

	2022 \$m	2021 \$m
Current service cost	(1.3)	(2.9)
Past service cost	0.1	-
Net interest expense	(0.3)	(0.4)
Components of defined benefit costs recognised in the profit or loss	(1.5)	(3.3)

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The amounts recognised in the Consolidated Statement of Comprehensive Income for the year to 30 September are as follows:

	2022 \$m	2021 \$m
The return on plan assets (excluding amounts included in net interest expense)	(3.2)	2.4
Actuarial gains arising from changes in financial assumptions	7.5	0.8
Actuarial losses arising from experience adjustments	(0.1)	(0.3)
Re-measurement of the net defined benefit liability	4.2	2.9

The amounts included in the Consolidated Statement of Financial Position at 30 September are:

	2022 \$m	2021 \$m
Present value of defined benefit obligations	(27.8)	(37.4)
Fair value of scheme assets	22.9	27.5
Net liability arising from defined benefit obligations	(4.9)	(9.9)

The plan assets are detailed as follows:

	2022 \$m	2021 \$m
Cash and cash equivalents	0.8	0.5
Equity instruments	4.4	5.4
Debt instruments	6.0	7.4
Real estate	3.3	4.1
Other	8.4	10.1
Total plan assets	22.9	27.5

The pension schemes have not invested in any of the Group's own financial instruments nor in properties or other assets used by the Group. The fair value of all plan assets was based on quoted market prices, except for cash.

The actuarial gains and losses recognised in other comprehensive income relating to the actual return on scheme assets less the expected return on scheme assets for the year are a net gain of \$4.2 million (2021: gain of \$2.9 million). The cumulative amount of actuarial losses recognised in the Consolidated Statement of Comprehensive Income to 30 September 2022 is \$5.1 million (2021: \$0.9 million).

The total contributions to the defined benefit plans in the next year are expected to be \$0.9 million (2021: \$1.0 million):

	2022 \$m	2021 \$m
Contributions by employer	0.6	0.6
Contributions by plan participants	0.3	0.4
Total contributions	0.9	1.0

Underlying movements in the present value of the defined benefit obligations and in the value of plan assets are not significant in the current year or in the prior year. As such further disclosure has not been made.

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For the year ended 30 September 2022

The Group also provides defined contribution plans to certain of its qualifying employees. Group contributions charged to expense for these plans were \$10.1 million and \$8.4 million for the years ended 30 September 2022 and 2021, respectively.

14. Income Tax

Income tax represents the sum of current tax and deferred tax. Income tax is recognised in the Consolidated Statement of Profit or Loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax for the current and prior periods is recognised as a liability to the extent that it has not yet been settled, and as an asset to the extent that the amounts already paid exceed the amount due. The benefit of a tax loss which can be carried back to recover current tax of a prior period is recognised as an asset.

Current tax assets and liabilities are measured at the amount expected to be paid to (recovered from) taxation authorities, using the rates/laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any. Deferred tax is not recognised for:

- *temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;*
- *temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and*
- *taxable temporary differences arising on the initial recognition of goodwill.*

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits is such that the future tax benefit will be realised.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The tax on profits is summarised below:

	2022 \$m	2021 \$m
Current tax		
Current year	53.5	29.8
Adjustments in respect of prior years	0.4	11.2
	53.9	41.0
Deferred tax		
Current year	8.1	49.7
Adjustments in respect of prior years	-	(0.6)
	8.1	49.1
Tax charge on profits	62.0	90.1

	2022 \$m	2021 \$m
Profit (loss) before taxation including profit (loss) from discontinued operations	71.9	(127.0)
Less: Share of loss of entities accounted for using the equity method	(0.6)	119.9
Parent company and subsidiaries profit (loss) before taxation	71.3	(7.1)
Taxation charge (credit) calculated at the standard UK tax rate of 19% (2021: 19%)	13.5	(1.3)
Effects of:		
Expenses not deductible for tax purposes	33.8	16.7
Adjustment for different tax rates	6.3	24.3
Adjustments in relation to prior years	0.4	10.6
Withholding taxes not recoverable through double tax relief	3.1	1.9
Disposal of subsidiaries	3.4	0.8
Reversal of expected credit loss	-	(42.3)
Impairment of investments	21.0	0.2
Impairment of investments accounted for using the equity method	-	30.8
Exceptional gain arising on debt modification	(76.3)	-
Effect of changes in tax rate	0.4	-
Taxable dividends received	1.8	-
Tax on other income	-	3.6
Utilisation of tax losses brought forward	(8.0)	(12.2)
Current year tax losses not recognised	38.4	19.5
Movement in unrecognised deferred tax	24.2	37.5
Total tax	62.0	90.1
Continuing businesses	49.8	82.2
Discontinued business	12.2	7.9
Tax charge on profits	62.0	90.1

The Group tax charge excludes amounts for joint ventures and associates except where tax is levied at the Group level.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Deferred tax relates to the following:

	Profit or Loss		Balance Sheet	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Depreciation	(2.5)	(5.4)	(43.1)	(40.6)
Loss carry forward	(21.4)	(11.3)	35.1	56.5
Fair value gains and losses	(0.3)	(2.2)	(4.8)	(4.5)
Share-based payments	(1.9)	(2.9)	-	1.9
Other temporary differences	18.0	(27.3)	(1.6)	(16.6)
Net deferred tax credit (charge)	(8.1)	(49.1)		
Net deferred tax asset (liability)			(14.4)	(3.3)
Of which:				
- deferred tax liabilities			(39.3)	(50.1)
- deferred tax assets			20.4	46.8
- deferred tax relating to disposal groups held for sale			4.5	-
			(14.4)	(3.3)
At 1 October			(3.3)	42.6
Tax credit (charge)			(8.1)	(49.1)
Transfer from other comprehensive income			(3.0)	3.2
At 30 September			(14.4)	(3.3)

Other temporary differences credit to profit or loss largely comprises the reversal of a temporary difference relating to forward coffee sales in Brazil which arose in the previous year. The charge in respect of losses carried forward relates to an impairment based on revised profit forecasts.

The value of deferred tax assets recognised in excess of deferred tax liabilities in companies which have suffered losses in the current or preceding period is \$17 million (2021: \$48 million).

For the years ended 30 September 2022 and 2021, there was no tax effect in either the Consolidated Statement of Profit or Loss or the Consolidated Statement of Comprehensive Income in relation to the disposal of non-current assets or the provision against investments.

Deferred tax has not been recognised in respect of certain tax losses of \$1,040 million (2021: \$601 million) because it is not probable that future profits will be available against which the Group can utilise the benefits.

Deferred tax assets are recognised for tax losses carried forward only to the extent that it is probable the related tax benefit will be realised.

As at 30 September 2022 the undistributed reserves for which deferred tax liabilities have not been recognised were \$117 million (2021: \$121 million) in respect of subsidiaries, joint ventures and associates as it is unlikely that such undistributed profits will be distributed in the foreseeable future.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

15. Property, Plant and Equipment

15.1 Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of decommissioning obligation, if any, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any consideration given to acquire the asset.

15.2 Depreciation

Depreciation is provided on a straight-line basis to write off property, plant and equipment over their useful economic lives. The rates used are dependent on the circumstances in the countries in which subsidiaries operate and are as follows:

Freehold buildings:	20 to 50 years
Leasehold land and buildings:	Life of the lease
Plant and machinery:	3 to 20 years

Freehold land is not depreciated.

Depreciation is included within Cost of sales and Administrative and selling expenses in the Consolidated Statement of Profit or Loss.

15.3 Impairment of Assets Excluding Goodwill

The carrying values of assets (excluding goodwill) are reviewed for impairment if events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is provided for in the current year profit or loss when the carrying value of the asset exceeds its estimated recoverable amount. The estimated recoverable amount is defined as the higher of the fair value less costs to sell and the value in use. The value in use is determined by reference to estimated discounted future cash flows.

	Land and Buildings		Plant and Machinery	Construction in Progress	Total
	Freehold	Leasehold			
	\$m	\$m	\$m	\$m	\$m
Cost					
At 1 October 2020	242.1	17.3	385.7	14.8	659.9
Additions	2.9	0.2	13.7	13.7	30.5
Disposals	(5.6)	(3.1)	(4.3)	-	(13.0)
Transfers	7.6	0.3	12.3	(17.4)	2.8
Currency translation differences	0.5	-	2.3	-	2.8
At 30 September 2021	247.5	14.7	409.7	11.1	683.0
At 1 October 2021	247.5	14.7	409.7	11.1	683.0
Additions	1.1	0.5	12.8	20.2	34.6
Disposals	(19.1)	(0.3)	(54.8)	-	(74.2)
Transferred to assets held for sale	-	(9.0)	(20.1)	-	(29.1)
Transfers	3.9	-	14.3	(18.2)	-
Currency translation differences	(3.7)	-	(12.0)	-	(15.7)
At 30 September 2022	229.7	5.9	349.9	13.1	598.6

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

	Land and Buildings		Plant and Machinery	Construction in Progress	Total
	Freehold	Leasehold			
	\$m	\$m	\$m	\$m	\$m
Depreciation and impairment losses					
At 1 October 2020	(54.0)	(3.9)	(168.4)	-	(226.3)
Depreciation charge	(7.9)	(1.7)	(31.5)	-	(41.1)
Impairment charge	(1.8)	-	(0.5)	-	(2.3)
Disposals		2.5	0.6	-	3.1
Currency translation differences	(0.3)	-	(0.8)	-	(1.1)
At 30 September 2021	(64.0)	(3.1)	(200.6)	-	(267.7)
At 1 October 2021	(64.0)	(3.1)	(200.6)	-	(267.7)
Depreciation charge	(7.4)	(1.4)	(29.7)	-	(38.5)
Impairment charge	(5.9)	-	(5.6)	-	(11.5)
Disposals	10.9	0.1	42.2	-	53.2
Transferred to assets held for sale	-	3.6	18.1	-	21.7
Currency translation differences	2.4	-	8.5	-	10.9
At 30 September 2022	(64.0)	(0.8)	(167.1)	-	(231.9)
	Land and Buildings		Plant and Machinery	Construction in Progress	Total
	Freehold	Leasehold			
	\$m	\$m	\$m	\$m	\$m
Net book value					
At 30 September 2021	183.5	11.6	209.1	11.1	415.3
At 30 September 2022	165.7	5.1	182.8	13.1	366.7

The 2022 depreciation charge of \$38.5 million (2021: \$41.1 million) includes \$1.9 million (2021: \$3.0 million) of depreciation relating to discontinued operations.

The 2022 impairment charge of \$11.5 million comprises the following:

- Empresas Iansa recognised an impairment of \$4.5 million (2021: \$2.3 million) in the Consolidated Statement of Profit or Loss, mainly related to land disposal to reduce the carrying values of the affected assets to their recoverable values. The fair values less costs of disposal for the land were assessed based on a market approach using third party valuations.
- An impairment of \$4.7 million was recognised in relation to leasehold improvements in the Group's office space at 3 London Bridge Street as a result of an impairment assessment triggered by the sale of the Brokerage business. As a result of the assessment, the carrying amount of the leasehold improvements of \$6.2 million was impaired to \$1.5 million. The impairment was booked under Agman Holdings Limited which forms part of the Holdings segment. (See Note 5 and Note 16)
- An impairment charge of \$2.3 million related to a write down of Sugar refinery assets was recognised, due to the impact of unfavourable changes in the market. The recoverable amount of \$0.2 million was based on value in use and the impairment is attributable to ED&F Man Ingredients, which is a part of the Commodities Trading segment.

Freehold land and buildings with a carrying amount of \$2.3 million (2021: \$2.6 million) have been pledged to secure borrowings of the Group. The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Notes to the Consolidated Financial Statements

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16. Right-of-use Assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The assets are depreciated over the lease term using the straight-line method. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option. Right-of-use assets are reviewed for indicators of impairment.

Right-of-use assets are depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. The lease term is the non-cancellable period of the lease plus any periods for which the Group is 'reasonably certain' to exercise any extension options. The useful life of the asset is determined in a manner consistent to that for owned property, plant and equipment. (See Note 15)

The Group has elected to use the exemption not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets under \$5,000. The payments associated with these leases are recognised as cost of sales and administrative and selling expenses on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements

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	Leased Land and Buildings \$m	Leased Office Equipment \$m	Leased Plant and Machinery \$m	Total \$m
Cost				
At 1 October 2020	87.7	0.1	66.0	153.8
Additions	15.3	0.2	10.5	26.0
Lease terminations	(1.9)	(0.1)	-	(5.0)
Currency translation differences	(0.1)	-	(0.5)	(0.6)
As at 30 September 2021	98.0	0.2	76.0	174.2
At 1 October 2021	98.0	0.2	76.0	174.2
Additions	22.8	-	29.9	52.7
Lease terminations	(4.7)	-	-	(4.7)
Transferred to assets held for sale (Note 9)	(20.4)	(0.1)	-	(20.5)
Transfers	(1.9)	-	1.9	-
Currency translation differences	(1.4)	-	(5.8)	(7.2)
As at 30 September 2022	92.4	0.1	102.0	194.5
Depreciation				
At 1 October 2020	(15.9)	(0.1)	(13.9)	(29.9)
Amortisation charge	(16.1)	(0.1)	(14.6)	(30.8)
Lease terminations	(0.4)	-	-	(0.4)
Currency translation differences	(0.1)	-	0.2	0.1
As at 30 September 2021	(32.5)	(0.2)	(28.3)	(61.0)
At 1 October 2021	(32.5)	(0.2)	(28.3)	(61.0)
Amortisation charge	(14.8)	(0.1)	(14.6)	(29.5)
Lease terminations	2.0	-	-	2.0
Impairment Charge	(11.3)	-	-	(11.3)
Transferred to assets held for sale (Note 9)	6.6	0.1	-	6.7
Transfers	(1.8)	0.1	1.7	-
Currency translation differences	1.4	-	1.6	3.0
As at 30 September 2022	(50.4)	(0.1)	(39.6)	(90.1)
Net book value				
Net book value as at 30 September 2021	65.5	-	47.7	113.2
Net book value as at 30 September 2022	42.0	-	62.4	104.4

The 2022 amortisation charge of \$29.5 million (2021: \$30.8 million) includes \$2.0 million (2021: \$3.3 million) of amortisation relating to discontinued operations.

The 2022 impairment charge of \$11.3 million represents a write down of the Group's leased office floor space right-of-use asset at 3 London Bridge Street. In August 2022, the Group agreed to sell its Brokerage business and it was classified as held for sale on the same date. (See Note 9)

The agreement to sell Brokerage triggered an impairment review of the Group's entire leased office space on 3 London Bridge Street.

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Due to the sale of Brokerage, a portion of the leased office space was vacated and occupancy rates in the remaining leased space saw a significant decline as a result of a hybrid policy of working 2 - 3 days per week in the office. The carrying value of the right-of-use asset of \$15.3 million was written down to \$4.0 million to be reflective of the Group's floor usage. There was a further \$4.7 million of leasehold improvements written down as part of this impairment assessment. (See Note 15). The right-of-use asset is booked under Agman Holdings Limited which forms part of the Holdings segment.

17. Intangible Assets and Goodwill

17.1 Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the net assets acquired. Goodwill is not amortised, but it is reviewed for impairment at least annually.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

17.2 Impairment of Goodwill and Indefinite Life Intangible Assets

The Group reviews goodwill and indefinite life intangible assets for impairment at the end of the first full financial year following an acquisition and at least annually thereafter.

Impairment testing in the year of acquisition is performed by comparing post-acquisition performance in that year with pre-acquisition forecasts used to support the purchase price. If the initial review indicates that the post-acquisition performance has failed to meet pre-acquisition expectations, or if any previously unforeseen events or changes in circumstances indicate that the carrying values may not be recoverable, a full impairment review is undertaken.

17.3 Other Intangibles

Other intangibles include software, trademarks, patents and brands. Amortisation is provided on other intangibles so as to write off the cost, less any estimated residual value, over their expected useful economic life on a straight-line basis as over three to ten years.

Amortisation of intangible assets is included in Administrative and selling expenses in the Consolidated Statement of Profit or Loss.

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	Goodwill \$m	Software \$m	Other Intangibles \$m	Total \$m
Cost				
At 30 September 2020	44.6	33.5	31.7	109.8
Additions	-	3.6	-	3.6
Disposals and retirements	-	(0.5)	-	(0.5)
Other transfer	(0.2)	(2.8)	-	(3.0)
At 30 September 2021	44.4	33.8	31.7	109.9
Additions	-	2.7	-	2.7
Disposals and retirements	-	-	-	-
Transferred to assets held for sale	(4.2)	(11.1)	(8.5)	(23.8)
Other transfer	0.5	(0.2)	-	0.3
At 30 September 2022	40.7	25.2	23.2	89.1
Accumulated amortisation				
At 30 September 2020	-	(17.2)	(6.8)	(24.0)
Amortisation charge	-	(2.9)	(1.9)	(4.8)
Disposals	-	0.5	-	0.5
At 30 September 2021	-	(19.6)	(8.7)	(28.3)
Amortisation charge	-	(4.1)	(1.9)	(6.0)
Disposals	-	-	-	-
Transferred to assets held for sale	-	8.2	3.5	11.7
At 30 September 2022	-	(15.5)	(7.1)	(22.6)
Accumulated impairment losses				
At 1 October 2020	(21.5)	-	-	(21.5)
Charge for the year	(2.6)	-	-	(2.6)
At 30 September 2021	(24.1)	-	-	(24.1)
Charge for the year	(10.6)	-	(5.0)	(15.6)
Transferred to assets held for sale	4.2	-	5.0	9.2
At 30 September 2022	(30.5)	-	-	(30.5)
Carrying amount				
At 30 September 2021	20.3	14.2	23.0	57.5
At 30 September 2022	10.2	9.7	16.1	36.0

The 2022 amortisation charge of \$6.0 million (2021: \$4.8 million) includes \$2.7 million (2021: \$2.6 million) of amortisation relating to discontinued operations.

During 2022, the \$10.6 million of goodwill written off relates to the Brokerage business which is held for sale at 30 September 2022 and included in discontinued operations of \$3.0 million and impairment of goodwill relating to legacy assets of \$7.6 million.

During 2021, the goodwill written off relates to one of the Group's Sugar legacy businesses which was in the process of winding down with the eventual sale of its assets.

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The carrying amount of goodwill has been allocated to the following groups of cash-generating units:

	2022 \$m	2021 \$m
Marketing of commodities	2.0	9.0
Processing of commodities	8.2	8.3
Financial services	-	3.0
	10.2	20.3

18. Investments in Associates and Joint Ventures

18.1 Joint Ventures and Associates

A joint venture is an arrangement in which the Group holds an interest in the net assets of the arrangement on a long-term basis, and which is jointly controlled by the Group and one or more other parties under a contractual arrangement. In the Consolidated Financial Statements, joint ventures are accounted for using the equity method.

An associate is an entity, other than subsidiary undertaking or joint venture, in which the Group has a long-term participating interest, and over whose operating and financial policies the Group exercises a significant influence. In the Consolidated Financial Statements, associates are accounted for using the equity method.

Where the joint venture or associate undertaking is itself a parent undertaking, the net assets and profits and losses taken into account are those of its Group after making any consolidation adjustments.

A reconciliation of movements in investments in associates and joint ventures is set out below:

	Joint Ventures \$m	Associates \$m	Total \$m
At 1 October 2021	58.7	8.8	67.5
Disposals	(14.9)	-	(14.9)
Share of retained earnings	(0.1)	-	(0.1)
Impairment of investment in an entity accounted for using the equity method	(30.0)	(0.8)	(30.8)
Currency translation differences	0.6	-	0.6
At 30 September 2022	14.3	8.0	22.3

The Group's material joint ventures during the financial year together with the results up to the date of disposal are set out below:

Name of Joint Venture	Nature of Business	Country of Incorporation	Reporting Date	Effective Group Interest
Azucar Grupo Saenz S.A. de C.V. ("AGS")	Holding Company for Sugar Producer	Mexico	31 December	49.00%
Agrovia S.A. ("Agrovia")	Sugar Logistics	Brazil	31 December	31.53%

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In January 2022, the Group sold the effective interest of 31.53% in Agrovía, a sugar logistics joint venture in Brazil for a total value of \$11.3 million before deduction of the carrying amount of the joint venture. A net loss of \$3.4 million was recognised on the sale of this joint venture.

During the year, the Group performed an impairment assessment in respect of the carrying value of its investment, and loans receivable due from the Azúcar Grupo Saenz ("AGS"). AGS was once again loss making and continued pursuing the sale of Tamazula, AGS's one remaining sugar mill. Tamazula had another successful year, delivering budgeted results, but discussions with prospective buyers indicated that the Group's carrying value was higher than realistic estimated sales proceeds.

The impairment assessment was based on Fair Value less Cost to Sell, with fair value determined in light of ongoing negotiations. Based on this assessment the carrying value was reduced by \$30.0 million (2021 - \$60.9 million). Since the year end, negotiations continued with a preferred bidder and a Sale and Purchase Agreement ("SPA") to sell Tamazula was signed on 10 February 2023. The sale has not been completed but the valuation principles set out in the SPA support the carrying value resulting from the impairment assessment.

Summarised financial information in respect of the Group's material joint ventures accounted for using the equity method, reflecting 100% of the joint ventures relevant figures is set out below:

18.2 Material Joint Ventures

	2022			2021		
	AGS \$m	Agrovía \$m	Total \$m	AGS \$m	Agrovía \$m	Total \$m
Non-current assets	73.4	-	73.4	77.3	48.4	125.7
Current assets	106.7	-	106.7	125.3	15.5	140.8
Total assets	180.1	-	180.1	202.6	63.9	266.5
Non-current liabilities	(39.9)	-	(39.9)	(41.8)	(0.6)	(42.4)
Current liabilities	(158.8)	-	(158.8)	(179.2)	(6.9)	(186.1)
Total liabilities	(198.7)	-	(198.7)	(221.0)	(7.5)	(228.5)
Total equity	(18.6)	-	(18.6)	(18.4)	56.4	38.0
Group's share of equity	(9.1)	-	(9.1)	(9.0)	17.8	8.8
Carrying amount	13.6	-	13.6	43.6	14.8	58.4

	2022			2021		
	AGS \$m	Agrovía \$m	Total \$m	AGS \$m	Agrovía \$m	Total \$m
Revenue	195.4	-	195.4	141.5	-	141.5
(Loss) profit for the year	(3.6)	(0.5)	(4.1)	(7.6)	0.6	(7.0)
Other comprehensive gain (loss)	2.5	(0.5)	2.0	(11.2)	-	(11.2)
Total comprehensive (loss) gain	(1.1)	(1.0)	(2.1)	(18.8)	0.6	(18.2)
Group's share of (loss) gain	(0.5)	(0.1)	(0.6)	(9.2)	0.2	(9.0)

Assets and liabilities include the following:

2022	2021
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For the year ended 30 September 2022

	AGS \$m	Agrovia \$m	Total \$m	AGS \$m	Agrovia \$m	Total \$m
Cash and cash equivalents	8.8	-	8.8	10.9	8.5	19.4
Current financial liabilities	(130.1)	-	(130.1)	(138.6)	-	(138.6)
Non-current financial liabilities	(14.9)	-	(14.9)	(17.5)	-	(17.5)

Loss of joint ventures is stated after (charging) crediting:

	2022			2021		
	AGS \$m	Agrovia \$m	Total \$m	AGS \$m	Agrovia \$m	Total \$m
Depreciation and amortisation	-	(0.2)	(0.2)	(11.3)	(0.1)	(11.4)
Income tax (credit) charge	(0.3)	-	(0.3)	-	(0.1)	(0.1)

18.3 Immaterial Joint Ventures

The aggregate of the Group's immaterial jointly controlled entities is accounted for using the equity method. All operations are continuing. The following table illustrates the aggregate amount of the Group's share of immaterial joint ventures:

	2022 \$m	2021 \$m
Group's share of:		
Profit after tax	0.5	0.4
Total comprehensive income	0.5	0.4
<i>Carrying amount of interests in immaterial joint ventures</i>	<i>0.7</i>	<i>0.2</i>

There were no dividends received from joint ventures for the years ended 30 September 2022 and 2021.

18.4 Associates

During the year 2021, the Group disposed the associate Limako. The gain on sale was \$0.8 million. The Group also disposed of the Canadian associate Belle Pulses Limited. The gain on sale was \$0.8 million.

Dividends from associates of Nil (2021: \$0.4 million) have been received.

The aggregate of the Group's immaterial associates is accounted for using the equity method. The following table illustrates the aggregate amount of the Group's share of associates:

	2022 \$m	2021 \$m
Group's share of:		
Profit after tax	-	0.9
Total comprehensive income	-	0.9
<i>Carrying amount of interests in associates</i>	<i>8.0</i>	<i>8.8</i>

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19. Available for Sale Investments

Investments held at FVTOCI are all investments that are not subsidiaries, associates and joint ventures. Such investments are recorded at fair value and re-measured at subsequent reporting dates. Fair value is based in accordance with IFRS 13.

	Unlisted \$m	Listed \$m	Total \$m
Cost			
At 1 October 2021	32.6	3.8	36.4
Transfer to disposal group	(29.6)	(3.2)	(32.8)
Currency translation	(1.1)	(0.6)	(1.7)
At 30 September 2022	1.9	-	1.9
Amounts provided			
At 1 October 2021	(26.7)	-	(26.7)
Transfer to disposal group	24.9	-	24.9
Currency translation	1.8	-	1.8
At 30 September 2022	-	-	-
Carrying amount			
At 30 September 2021	5.9	3.8	9.7
At 30 September 2022	1.9	-	1.9

Both listed and unlisted equity investments are fair valued. (See Note 4)

20. Trade and Other Receivables

	2022 \$m	2021 \$m
Current receivables		
Trade receivables	507.4	2,795.9
Amounts owed by joint ventures and associates	127.8	131.0
Tax receivables	48.5	43.4
Margins with exchanges	109.3	2,270.1
Prepayments	117.1	101.7
Other receivables	14.2	23.1
	924.3	5,365.2
Non-current receivables		
Trade receivables	0.9	1.4
Amounts owed by joint ventures and associates	-	0.2
Other receivables	36.6	34.5
	37.5	36.1

The reduction in trade receivables and margins with exchanges for the year ended 30 September 2022 mainly relate to the Brokerage division balances that are within the assets included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

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Amounts owed by joint ventures and associates relates to amounts receivable from AGS following the recapitalisation. (See Note 18)

Note 21 includes details of collateral and credit enhancements held by the Group.

21. Financial Instruments and Financial Risk Management

21.1 Financial Assets and Liabilities

Financial assets are classified as either financial assets at amortised cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL") depending upon the business model for managing the financial assets and the nature of the contractual flow characteristics of the financial asset.

Financial assets are initially recognised at fair value, including directly attributable costs. Subsequently financial assets are carried at fair value (assets held for trading, available for sale investments, derivatives and marketable securities) or at amortised cost less impairment using the effective interest rate method (trade receivables, advances, loans and securities purchased under agreements to resell back to clients).

Financial liabilities, other than derivative financial instruments or those held for trading, are initially recognised at fair value, net of transaction costs as appropriate, and subsequently carried at amortised cost and fair value through profit and loss.

21.2 Derivative Financial Instruments

The Group uses various derivative financial instruments for trading purposes or as economic hedges to reduce certain exposures to foreign exchange risks and future commodity price risks. These include forward currency contracts, currency options, and commodity futures and options with recognised exchanges.

IFRS 9 sets out definitions for derivative financial instruments ("DFI") which affect the accounting treatment of the majority of the Group's physical commodity activities, in addition to the Group's futures (trading and economic hedging) activities and derivatives held with clients. IFRS 9 requires that certain financial assets and liabilities, including all DFI, be fair valued with gains and losses shown as assets and liabilities within the Consolidated Statement of Financial Position, and changes in fair value recorded in the profit or loss, unless those financial assets and liabilities qualify for the "own use" exemption as referred to below.

Physical commodity contracts fall into two types:

- 1. those which meet the definition of a DFI; and*
- 2. those which were entered into and continue to be held for the purpose of own use, which considers the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements and are outside of the scope of IFRS 9.*

All forward commodity contracts meeting the definition of a DFI are recorded at fair value on the Consolidated Statement of Financial Position, with changes in fair value reflected within cost of sales in the profit or loss. Gains or losses on forward commodity contracts are shown within derivative financial instruments receivables or liabilities, as appropriate. Gains and losses are only netted to the extent that there is a legal right of set off and the Group has the intention to net settle these amounts.

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21.3 Impairment of Financial Assets

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVTPL, at the end of each reporting period. The expected credit loss recognised represents a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group applies the simplified approach to measure the loss allowance for trade receivables classified at amortised cost, using the lifetime expected credit loss provision. The expected credit losses on these financial assets is estimated using a provision matrix by reference to past default experience and an equivalent credit rating, adjusted as appropriate for current observable data and forward-looking information.

For all other financial assets at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition, which is determined by:

- *A review of overdue amounts;*
- *Comparing the risk of default at the reporting date and at the date of initial recognition; and*
- *An assessment of relevant historical and forward-looking quantitative and qualitative information.*

If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-months expected credit loss, which comprises the expected lifetime loss from the instrument were a default to occur within 12-months of the reporting date.

The Group considers an event of default has materialised and the financial asset is credit impaired when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay the Group without taking into account any collateral held by the Group or if the financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

21.4 Available for Sale

Available-for-sale financial assets (mainly equity instruments of other entities) are fair valued in compliance with IFRS 13. Fair value gains and losses on available for sale financial assets are irrevocably designated at inception to be carried through profit or loss or other comprehensive income. This election is made on an instrument-by-instrument basis. Upon de-recognition, the cumulative gain or loss elected to be carried through other comprehensive income is transferred within equity.

21.5 Fair Value Measurement

IFRS 13 sets out a fair value hierarchy, which consists of three levels that describe the methodology of estimation. The Group's valuation strategy for derivatives and other financial instruments utilises, as far as possible, quoted prices in an active market. Valuations fall into three levels of reliability:

- Level 1: using quoted prices in active markets for identical assets or liabilities, such as exchange traded commodity derivatives, liquid corporate and government bonds, listed and unlisted equities, foreign currency exchange derivatives, listed equity derivatives and synthetic derivatives of listed equities;*
- Level 2: using quoted prices for a similar asset or liability or using observable or market corroborated inputs to an industry standard model for the asset or liability such as physical commodity contracts, unlisted equities, fixed income securities with valuation models based on observable market inputs;*

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Level 3: using inputs for the asset or liability that are not based on observable market data such as prices based on internal models or other valuation techniques where there is a high level of uncertainty, subjectivity and non-observability to the pricing inputs.

If at inception of a contract the valuation cannot be supported by observable market data, any gain or loss determined by a valuation methodology, commonly known as "day-one profit or loss", is not recognised in the profit or loss but is deferred on the balance sheet. The deferred gain or loss is recognised in the profit or loss over the life of the contract until substantially all of the remaining contract term can be valued using observable market data at which point any remaining deferred gain or loss is recognised in the profit or loss. Changes in valuation from this initial valuation are recognised immediately through the profit or loss.

Physical commodity contracts entered into and held for the purpose of the Group's own use (predominantly in operations where a significant degree of processing and conversion of the product occurs) are outside the scope of the standard. Gains or losses on these contracts are recognised in the profit or loss when the underlying physical contracts occur or mature. The Group defers unrealised profits net of losses at the reporting date, whilst any unrealised loss in each business is provided for.

21.6 Cash Flow Hedging

The Group may use financial instruments to hedge exposures to variability in future cash flows from highly probable forecast transactions (for example future operating expenses to be incurred in a foreign currency). For such cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised as a fair value reserve within shareholders' funds and shown in other comprehensive income, while any ineffective portion is immediately recognised in the profit or loss. Amounts taken to other comprehensive income are transferred to the profit or loss in the same period or periods during which the hedged transaction affects profit or loss.

The Group may use foreign currency borrowings as a net investment hedge of the retranslation of the foreign currency net assets of subsidiary undertakings. In these cases, the translation difference on such borrowings is taken to the translation reserve within shareholders' funds and shown in other comprehensive income. Such translation differences are recycled to profit or loss on disposal or on abandonment of the underlying subsidiary.

21.7 Securities Purchased / Sold under Agreements to Resell / Repurchase

Marketable securities have been sold with a commitment to repurchase at a future date. The consideration received has been accounted for within "Financial liabilities" and measured at amortised cost. Securities purchased under agreements to resell back to clients are categorised as amortised cost. The Group has the right to re-pledge the collateral received. The consideration received under such re-pledges is accounted for within "Financial liabilities" and measured at amortised cost.

Securities purchased under agreements to re-sell and securities sold under agreements to repurchase are held by the Brokerage division. As at 30 September 2022, these balances are within the assets and liabilities included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

The Group's primary financial instruments consist of cash and cash equivalents, bank loans and overdrafts, receivables, creditors, forward foreign currency contracts, physical and exchange traded forward commodity contracts, marketable securities and agreements to purchase or sell such securities.

The carrying amounts of financial instruments included in the Consolidated Statement of Financial Position are set out below:

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

	At Fair Value through Profit or Loss	At Fair Value through OCI	Amortised Cost
	\$m	\$m	\$m
As at 30 September 2022:			
Financial assets:			
Trade and other receivables	-	-	792.4
Available for sale investments	-	1.9	-
Cash and cash equivalents	-	-	288.3
	-	1.9	1,080.7
Other financial assets:			
Derivative financial instruments	216.9	-	-
Total financial assets	216.9	1.9	1,080.7
Financial liabilities:			
Trade and other payables	-	-	(887.3)
Lease liabilities	-	-	(116.1)
Loans and overdrafts, excluding transaction costs	-	-	(1,919.1)
	-	-	(2,922.5)
Other financial liabilities:			
Derivative financial instruments	(136.6)	-	-
Total financial liabilities	(136.6)	-	(2,922.5)
At 30 September 2022	80.3	1.9	(1,841.8)

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For the year ended 30 September 2022

	At Fair Value through Profit or Loss	At Fair Value through OCI	Amortised Cost
	\$m	\$m	\$m
As at 30 September 2021:			
Financial assets:			
Trade and other receivables	-	-	5,255.5
Available for sale investments	3.9	5.8	-
Cash and cash equivalents	-	-	1,807.7
	3.9	5.8	7,063.2
Other financial assets:			
Securities, purchased under agreements to resell	-	-	5,040.1
Derivative financial instruments	256.3	-	-
Marketable securities	231.4	-	-
	487.7	-	5,040.1
Total financial assets	491.6	5.8	12,103.3
Financial liabilities:			
Trade and other payables	-	-	(6,467.8)
Lease liabilities	-	-	(122.6)
Loans and overdrafts, excluding transaction costs	-	-	(2,322.6)
	-	-	(8,913.0)
Other financial liabilities:			
Derivative financial instruments	(251.7)	-	-
Securities sold under agreements to repurchase	-	-	(5,035.0)
Other financial instruments	(137.8)	-	-
	(389.5)	-	(5,035.0)
Total financial liabilities	(389.5)	-	(13,948.0)
At 30 September 2021	102.1	5.8	(1,844.7)

The carrying amounts of financial assets and liabilities carried at amortised cost are not significantly different from their fair values.

Notes to the Consolidated Financial Statements

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The following table shows the fair value of derivative assets, marketable securities, derivative liabilities held for trading and available for sale investments analysed by maturity period and by methodology of fair value estimation.

	Less than 1 Year \$m	1-2 Years \$m	2-3 Years \$m	3-4 Years \$m	4-5 Years \$m	More than 5 Years \$m	Total \$m
Financial assets							
Level 1	40.3	2.8	-	-	-	-	43.1
Level 2	165.8	7.4	0.6	-	-	-	173.8
	206.1	10.2	0.6	-	-	-	216.9
Financial liabilities							
Level 1	(12.3)	-	-	-	-	-	(12.3)
Level 2	(115.7)	(8.6)	-	-	-	-	(124.3)
	(128.0)	(8.6)	-	-	-	-	(136.6)
Net fair value							
30 September 2022	78.1	1.6	0.6	-	-	-	80.3

	Less than 1 Year \$m	1-2 Years \$m	2-3 Years \$m	3-4 Years \$m	4-5 Years \$m	More than 5 Years \$m	Total \$m
Financial assets							
Level 1	157.3	-	-	-	-	5.9	163.2
Level 2	329.1	3.9	0.5	0.5	0.2	-	334.2
	486.4	3.9	0.5	0.5	0.2	5.9	497.4
Financial liabilities							
Level 1	(142.8)	(21.1)	(0.8)	-	-	-	(164.7)
Level 2	(221.9)	(2.8)	-	-	-	-	(224.7)
	(364.7)	(23.9)	(0.8)	-	-	-	(389.4)
Net fair value							
30 September 2021	121.7	(20.0)	(0.3)	0.5	0.2	5.9	108.0

21.8 Day-One Profit or Loss

The fair value of contracts not recognised through the profit or loss at 30 September 2022 and 2021 was Nil.

Notes to the Consolidated Financial Statements

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21.9 Offsetting of Financial Assets and Liabilities

The following table sets out the gross amounts of recognised financial instruments that are subject to netting agreements:

	2022			2021		
	Gross Amount of Financial Assets	Gross Amount of Financial Liabilities	Net Amount in Balance Sheet	Gross Amount of Financial Assets	Gross Amount of Financial Liabilities	Net Amount in Balance Sheet
	\$m	\$m	\$m	\$m	\$m	\$m
Derivative assets	494.5	(277.6)	216.9	315.7	(59.4)	256.3
Derivative liabilities	169.5	(306.1)	(136.6)	39.3	(291.0)	(251.7)

21.10 Financial Risk Management Objectives and Policies

In the ordinary course of business, as well as from its use of financial instruments, the Group is exposed to credit risk, liquidity risk, foreign currency risk, interest rate risk, commodity price risk and other market risks. Effective risk management is a fundamental aspect of the Group's business operations. The policies for managing each of these risks are summarised below.

The Group Audit and Risk Committee ("GARC") operates under delegated authorities to oversee the management of these risks. The responsibilities of the GARC include establishing policies and procedures to manage risks and to review actual and potential exposures arising from the Group's operations.

The GARC provides assurance to the Board that the Group's credit, market, liquidity and operational risk exposures are governed by appropriate policies and procedures, and that risks are identified, measured and managed in accordance with established Group policies.

The Group operates a combined Treasury function which is responsible for the management of liquidity risk, including funding, settlements and related policies and processes.

21.11 Capital Management

For the purposes of the Group's capital management, capital includes the various debt facilities (cross commodity, bilateral local facilities and legacy debt) and cash. The Group's objective in managing capital is to maintain a strong capital base to maintain the confidence of suppliers, customers and lenders with an appropriate geographic and capital mix to support our operations globally, including terminals, tankage and distribution assets.

In order to achieve this objective, the Group completed a restructure on 31 March 2022, with the aim of creating a sustainable, appropriately capitalised and ring-fenced Commodities Group. Through an internal reorganisation the Commodities Group was effectively separated from all other operations within Holdings. (See Note 2.2) The Commodities Group has no direct obligation towards the Legacy Debt at Holdings of \$1,331 million (as at 31 March 2022), which has been structurally and legally ring-fenced. (See Note 27) However, the Commodities Group still has a requirement to meet the minimum cash cost coverage and cash interest cost for Holdings.

The Group restructuring also strengthened and stabilised the capital of the Commodities Group, with \$300.0 million of additional liquidity raised from Lenders in the form of a three-year committed trade finance facility and the extension of the maturity of the Commodities Group's existing borrowing base and revolving credit facility by up to three years.

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	2022 \$m
Group debt	
Senior Term loan (including PIK)	739.8
Junior Term loan and notes	171.4
Legacy debt	911.2
Borrowing base	145.0
Trade Finance Facility	148.5
Revolving Credit Facility	60.0
Commodities facilities	353.5
Local and Bilateral facilities	654.4
Total loans and borrowings*	1,919.1

* Excludes debt transaction costs of \$35.5 million (2021: \$35.5 million)

The Group needs to comply with various covenants, including for Commodities Group a minimum tangible net worth of \$290 million, increasing by \$10 million each quarter from 31 March 2023 to June 2024 (\$370 million), and a gearing ratio of 3.5:1 at each quarter end. These have been imposed by the Lenders to monitor the strength of the Commodities Group Capital Structure. The Commodities Group covenants are tested on a quarterly basis. The Group defines net borrowings as interest bearing loans and borrowings, less cash (excluding restricted cash).

	2022 \$m	2021 \$m
Commodities Group		
Interest bearing loans and borrowings ¹	822.6	408.0
Less: cash and short-term deposits, excluding restricted cash	(211.2)	(76.8)
Net borrowings	611.4	331.2
Equity	438.6	422.9
Gearing Ratio (times)	1.4	0.8
Cumulative Tangible Net Worth²	407.8	412.5

¹ Excludes debt transaction costs of \$22.0 million (2021: \$1.0 million)

² Cumulative Tangible Net Worth is defined as Net Assets excluding intangible assets and debt transaction costs

These and other ratios are monitored by the Group as they form part of the financial covenants of the cross commodities and bilateral facilities. In terms of Holdings legacy debt, there are certain upstreaming requirements from the Commodities Group and financial covenants relating to the financial condition of IANSA. These covenants are tested bi-annually. There have been no breaches of the financial covenants of any interest-bearing loans and borrowings in the current period.

The management of the capital structure is conducted by the Board of Directors, the GARC, and the combined Treasury Function.

21.12 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the performance of a business. The Group's primary market exposures are to commodity price risk, foreign currency exchange risk and interest rate risk, which could impact the value of the Group's financial assets, liabilities or future flows.

IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes to relevant market risk variables on the Group's profit or loss. Each type of market risk is subject to varying degrees of volatility. It is important to note that these sensitivities are hypothetical and should not be considered to be predictive of future performance or future price movements.

Notes to the Consolidated Financial Statements

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21.13 Commodity Price Risk

The Group manages its exposures to commodity price risk by matching physical commodity sale and purchase contracts, and by hedging on futures markets where available. Price risk exposures are monitored daily by Divisional Risk Managers and reported and reviewed daily by Divisional Risk Committees and overseen by the GARC.

For derivative contracts i.e., outright positions on the futures markets the sensitivity of the net fair value to an immediate 5% increase or decrease in underlying commodity prices would have been \$11.5 million at 30 September 2022 (2021: \$24.7 million).

21.14 Foreign Currency Exchange Risk

The Group's policy is not to speculate on foreign currency, and this is enforced through the Group's Delegated Authorities, Minimum Control Standards and written mandates, which specifically prohibit speculation on foreign currency and require cover to be taken on transactions when exposures arise. Subsidiaries manage foreign currency transactional exposure via 'natural hedges', including offset by an opposite exposure to the same risk (such as a purchase and a sale in the same currency), by financing through non-functional currency borrowings, and by daily or immediate spot and forward currency transactions.

21.15 Interest Rate Risk

Other than the Group's outstanding long-term debt issued on a fixed rate basis, the Group's policy is to borrow funds at floating rates of interest that broadly match the period in which the Group owns or economically finances its underlying commodity purchases. The Group's borrowings of \$1,903.1 million (2021: \$2,287.1 million) are predominantly denominated in USD. The debt transaction costs were \$35.5 million (2021: \$35.5 million).

The Group's profit or loss is influenced by interest rates. Exposure to interest rate risk is monitored through several measures including sensitivity and scenario testing and a cost benefit analysis of entering into interest rate swaps to mitigate this risk. At 30 September 2022 and 2021, no interest rate swaps were in place. The net financing costs of \$182.1 million (2021: \$133.8 million) include \$19.8 million of PIK interest (2021: \$15.6 million), \$2.2 million of interest income (2021: \$2.5 million) and \$3.3 million of lease interest (2021: \$3.4 million).

	2022 \$m	2021 \$m
Interest bearing loans and borrowings (excluding debt transaction costs)	1,919.1	2,322.6
Lease liabilities	116.1	122.6
Total interest-bearing debt	2,035.2	2,445.2

Interest rate sensitivity analysis is summarised below which shows that a change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

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	2022 \$m	2021 \$m
Effect of 100bp increase on Profit or Loss	20.4	24.5
Effect of 100bp decrease on Profit or Loss	(20.4)	(24.5)
Effect of 100bp increase on Equity	(20.4)	(24.5)
Effect of 100bp decrease on Equity	20.4	24.5

This analysis ignores the impact of interest rates on commodity prices, which may mitigate the exposure to interest rate risk.

21.16 Credit Risk

The Group is exposed to credit risk from its operating activities and certain financing activities. Financial assets which potentially expose the Group to credit risk consist of exposures to outstanding trade receivables in the event of non-performance by a counterparty, deposits with financial institutions, marketable securities (generally US sovereign bonds) and derivative financial instrument default risk on undelivered forward transactions.

Concentrations of credit risk arise when changes in economic, industry or geographic factors affect groups of counterparties who are involved in similar activities, or operate in the same industry, sector or geographical area, and whose aggregate credit exposure is significant to the Group's total credit exposure. The Group's exposure to credit risk is broadly diversified along industry, product and geographic lines, and transactions are conducted with a diverse group of customers, suppliers and financial institutions.

The Group manages its exposure to credit risk through credit risk management policies. On entering into any business contract, the extent to which the arrangement exposes the Group to credit risk is considered. The Group's Risk Committees control credit risk through the credit approval process for counterparties, setting limits for all counterparties, carrying out an annual reassessment of significant counterparty limits, and monitoring individual exposures against limits. These committees review ageing of receivables, net payment risk, pre-finance and market default exposures, inventories limits, non-current asset limits, and bond and guarantee limits. In addition, the Group sets total exposure limits for each country. All country limits are approved by the GARC.

Before trading with a new counterparty can begin, its creditworthiness is assessed, and a credit rating is allocated together with a credit exposure limit. The assessment takes into account all available qualitative and quantitative information about the counterparty and the Group, if any, to which the counterparty belongs. The counterparty's location, business activities, trading history, proposed volume of business, financial resources, and business management processes are taken into account to the extent that this information is publicly available or otherwise disclosed to the Group by the counterparty, together with any external credit ratings.

Once assigned a credit rating, each counterparty is allocated a maximum exposure limit. Creditworthiness continues to be evaluated after transactions have been initiated and a watch list of higher risk counterparties is maintained and monitored.

The maximum credit exposure associated with financial assets is equal to the carrying amount plus any credit commitments to counterparties that are unutilised and are analysed below. The Group mitigates risk by entering into contracts that permit netting and allow for termination of a contract in the event of default. Trade receivables and derivative financial instrument movements are presented on a net basis where unconditional netting arrangements are in place with counterparties, and where there is intent to settle amounts due on a net basis. Gross derivative financial instrument liabilities not netted against derivative financial assets from operating activities totalled \$136.6 million as at 30 September 2022 (2021: \$226.3 million), shown in financial liabilities on the Consolidated Statement of Financial Position.

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	2022 \$m	2021 \$m
Maximum credit exposure		
Trade and other receivables, net	558.8	2,855.0
Amounts owed by joint ventures and associates	127.8	131.1
Securities purchased under agreements to resell	-	5,040.1
Margins with exchanges	109.3	2,270.1
Derivative financial instruments	216.9	256.3
Marketable securities	-	231.4
Cash and cash equivalents, excluding restricted cash	288.3	1,807.7
	1,301.1	12,591.7

Securities purchased under agreements to resell and marketable securities are held by the Brokerage division. As at 30 September 2022, these balances are within the assets included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

The Group applies a conservative approach to counterparty risk and counterparty creditworthiness. Trade receivables are collected where possible under documentary collections presented through prime banks. The Group may also require collateral or other credit enhancements such as deposits, letters of credit, pledged inventories or parent company guarantees to reduce or offset credit risk. As at 30 September 2022, \$27.9 million of the trade receivables have collateral pledged (2021: \$59.5 million). The fair value of such collateral and credit enhancements, including deposits, pledged inventories, parent company guarantees, and letters of credit was \$27.9 million (2021: \$59.5 million). The amounts disclosed in the financial instruments' analysis are shown without the benefit of risk mitigation through insurance, collateral or other credit enhancements. There was no collateral repossessed in the years ended 30 September 2022 and 2021. Amounts owed by joint ventures and associates benefit from charges over assets.

The analysis of trade receivables, net of allowance for credit losses, is as follows:

	2022 \$m	2021 \$m
Trade receivables		
Neither impaired nor past due	381.1	2,656.9
Not impaired and past due in the following periods:		
▪ within 30 days	89.3	113.6
▪ 31 to 60 days	23.9	15.5
▪ 61 to 90 days	6.7	5.9
▪ Over 90 days	7.3	5.4
	508.3	2,797.3

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The movement in the allowance for expected credit losses for the year ended 30 September is set out below:

	2022			2021		
	Trade Receivables	Amounts owed by Joint Ventures and Associates	Other*	Trade Receivables	Amounts owed by Joint Ventures and Associates	Other
	\$m	\$m	\$m	\$m	\$m	\$m
Allowance for expected credit losses						
Balance brought forward	47.7	-	14.5	74.8	224.3	14.5
Charge for the year	46.2	-	-	11.7	-	-
Reversal of Expected Credit Losses	-	-	-	-	(222.5)	-
Utilisation	(23.5)	-	-	(27.0)	-	-
Reversal	(14.5)	-	-	(11.8)	-	-
Transferred to assets held for sale	(1.4)	-	-	-	-	-
Currency translation	(0.8)	-	-	-	(1.8)	-
Balance carried forward	53.7	-	14.5	47.7	-	14.5

* Other relates to pre-finance.

21.17 Liquidity Risk

Liquidity risk is the risk that the Group may not be able to settle or meet its obligations on time. The principal objective of the Group's Treasury function is to manage liquidity and interest rate risks. The Group's Treasury function, working with business CFOs and Trade Finance teams centrally coordinate relationships with banks, borrowing requirements, foreign exchange requirements, cash flow reporting and management. Other responsibilities include management of the Group's resources and structure of central borrowings, monitoring of all significant treasury activities undertaken by the Group, benchmarking significant treasury activities, and monitoring banking loan covenants to ensure continued compliance. The Group manages its liquidity risk on a consolidated basis, utilising various sources of finance to maintain flexibility. Unless restricted by local regulations, subsidiaries pool their surpluses with Group Treasury, which arranges to fund an element of each subsidiary's requirements, invests any surplus in the market, or arranges for external borrowings, while managing the Group's overall net currency positions.

The Group's liquidity risk management strategy includes structuring its financing facilities to meet funding requirements, with access to committed and bilateral credit lines from a diverse range of banks, as well as maintaining a portfolio of cash and liquid investments. The Group monitors its level of debt and liquidity risk taking into account balances, readily marketable securities and readily marketable commodity inventories. Such inventories are considered to be readily convertible into cash due to their quality, liquid nature, short duration and the existence of widely available markets.

As at 30 September 2022, the Group has committed secured facilities of \$2,201 million (2021: \$1,926 million), which include medium-term syndicated facilities with maturities in excess of 12 months. As at 30 September 2022, the Group has committed and uncommitted facilities of \$620 million (2021: \$282 million). Debt drawn under these secured and unsecured facilities at 30 September 2022 was \$2,157 million (2021: \$1,945 million). As at 30 September 2022, the Group has off-balance sheet hedging facilities of \$79 million (2021: \$95 million) with utilisation of \$19 million (2021: \$50 million).

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The maturity profile below of bank loans and overdrafts is based on the earliest undiscounted contractual repayment dates. Loans and overdrafts are drawn from the medium-term and short-term committed facilities described above and in Note 27.

	Trade Payables	Loans and Overdrafts*	Derivative Financial Instruments	Securities Sold under Agreements to Repurchase	Other Financial Instruments
	\$m	\$m	\$m	\$m	\$m
Financial liabilities					
Within one month	235.0	92.5	65.9	-	-
One to three months	79.6	215.7	16.8	-	-
Three months to one year	24.1	257.3	45.3	-	-
One to two years	-	211.3	8.4	-	-
Two to five years	-	970.2	0.2	-	-
More than five years	-	172.1	-	-	-
At 30 September 2022	338.7	1,919.1	136.6	-	-
Financial liabilities					
Within one month	705.4	159.0	83.3	4,334.8	57.7
One to three months	5,064.5	73.2	21.6	-	80.1
Three months to one year	17.3	389.3	122.1	700.2	-
One to two years	-	1,511.7	23.9	-	-
Two to five years	-	189.4	0.8	-	-
At 30 September 2021	5,787.2	2,322.6	251.7	5,035.0	137.8

*Excludes debt transaction costs of \$35.5 million (2021: \$35.5 million)

Securities sold under agreements to repurchase and other financial instruments are held by the Brokerage division. As at 30 September 2022, these balances are within the liabilities included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

22. Inventories

Inventories held for "own use" within the business, are valued at the lower of cost or net realisable value. Cost includes those costs in bringing the inventories to their present location and condition. The calculation of net realisable value takes into account any relevant forward commitments and is based on estimated selling price less any further costs expected to be incurred in relation to disposal.

Inventories held for trading are recorded at fair value less cost of disposal at the balance sheet date on a basis consistent with derivative financial instruments under IFRS 9, with changes in fair value reflected within cost of sales in the profit or loss.

	2022 \$m	2021 \$m
Inventories held for trading	767.5	770.9
Held for own use	200.1	169.6
	967.6	940.5

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Cost of inventories recognised as an expense within cost of sales in the year ended 30 September 2022 was \$6,327.3 million (2021: \$5,087.8 million). There was no charge to cost of sales for inventories written down to net realisable value for the year ended 30 September 2022 (2021: \$5.9 million). Included in inventories held for trading is \$611.6 million (2021: \$638.0 million) recorded at fair value less costs to sell and classified as a Level 2 valuation derived from observable market inputs. Inventories held for trading includes \$94.5 million (2021: \$70.5 million) of inventory sold to a third party with an option to repurchase. The consideration received has been accounted for within "Financial liabilities".

23. Biological Assets

Biological assets are recorded at fair value less estimated selling costs, with changes in fair value reflected within cost of sales in the profit or loss. Biological assets held by the Group represent consumable, non-bearer crops of sugar beet and other living plants, which will be harvested and sold in the following reporting period. These assets are carried at cost, which approximates to fair value less cost of disposal at the reporting date.

	2022 \$m	2021 \$m
Biological assets	11.9	8.1

24. Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents comprise cash in hand and demand deposits and short-term highly liquid investments that are readily convertible to known amounts of cash.

	2022 \$m	2021 \$m
Cash at bank and in hand	287.3	539.5
Cash equivalents	1.0	13.2
Segregated cash	-	1,255.0
Cash and cash equivalents	288.3	1,807.7
Restricted cash	33.7	17.8

Cash and cash equivalents comprise cash at bank, cash in hand and cash equivalents of short term highly liquid deposits. Segregated cash of Nil (2021: \$1,255.0 million) was the customer assets and investment held by Brokerage business on behalf of customers. As at 30 September 2022, this balance is within the assets included in the disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9) The restricted cash of \$33.7 million (2021: \$17.8 million) is cash that is held which is not available for immediate ordinary business use, for example, cash held in countries in which prior government authority approval is required to transfer the funds outside the country due to local foreign exchange regulations.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

25. Trade and Other Payables

	2022 \$m	2021 \$m
Current payables		
Trade payables	338.7	5,787.2
Amounts owed to joint ventures and associates	4.4	4.9
Taxation and social security	23.9	19.3
Margins with exchanges	51.2	191.1
Accruals and deferred income	290.6	304.7
Other payables	196.5	36.7
	905.3	6,343.9
Non-current payables		
Trade and other payables	14.0	148.0

The reduction in trade payables and margins with exchanges for the year ended 30 September 2022 mainly relate to the Brokerage division balances that are within the liabilities included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

26. Lease Liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate for the same term as the underlying lease. Lease payments included in the measurement of lease liabilities comprise fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate as at the commencement date.

Lease modifications result in remeasurement of the lease liability on the date those modifications are effective. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- *The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.*
- *The lease payments change due to material changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate.*
- *A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.*

Movements of the Group's lease liabilities for the year ended 30 September are as follows:

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

	2022 \$m	2021 \$m
Opening lease liabilities	122.6	137.0
Additions	48.5	23.1
Lease terminations	(3.6)	(5.6)
Interest expense relating to lease liabilities*	4.3	3.5
Payments	(32.5)	(34.6)
Transferred to assets held for sale (Note 9)	(16.7)	-
Exchange difference	(6.5)	(0.8)
Closing lease liabilities	116.1	122.6
Current	26.5	28.3
Non-current	89.6	94.3
	116.1	122.6

The maturity analysis of undiscounted lease liabilities is as follows:

	2022 \$m	2021 \$m
Within one year	26.5	28.3
Between one and five years	74.8	75.2
After five years	14.8	25.1
	116.1	128.6

The following amounts were recognised in profit or loss:

	2022 \$m	2021** \$m
Expense relating to short-term leases	0.9	3.0
Interest expense relating to lease liabilities*	4.3	3.4

* 2022 balance excludes \$1.0 million of interest paid related to Assets Held for Sale.

** Prior year figures have been re-presented in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as described in the accounting policies.

27. Loan and Overdrafts

27.1 Initial Recognition

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. Fees are deferred until the draw down occurs and then amortised over the period of the facility to which they relate. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fees are capitalised as a prepayment for liquidity services and amortised over the period of the facility to which they relate.

All interest-bearing loans and borrowings are initially recognised at fair value net of directly attributable transaction costs.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

27.2 Extinguishment and Modification

Borrowing is removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss ordinarily as other income or finance costs. Where the difference is material, it is recognised as a separate line item on the face of the Consolidated Statement of Profit or Loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment of the original debt, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. Where the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred are adjusted against the carrying amount of the liability and are amortised over the remaining term of the modified debt.

27.3 Subsequent Measurement

After initial recognition, interest-bearing loans are measured at amortised cost using the effective interest method ("EIR"). The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the amortised cost of the liability. In calculating interest expense, the EIR is applied to the amortised cost of the borrowing. This EIR amortisation is included as finance costs in the profit or loss.

Any subsequent changes to estimated future cash payments will be evaluated using the EIR established at initial recognition to compare the present value of the revised cash payments with the existing carrying value. Any gain or loss arising would be recognised in profit or loss as finance costs.

27.4 Debt Restructuring

The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. As part of this process, the profitable core commodities trading business has been ring-fenced from the Legacy Debt. The Group raised \$300.0 million of additional liquidity for the Commodities Group to manage the high commodity price environment prevailing during 2022.

	2022 \$m	2021 \$m
Current bank loans and overdrafts		
Senior Finco Term Loans	100.0	-
Borrowing Base	16.0	199.0
Trade Finance Facility	11.9	-
Other Loans and Overdrafts	437.6	422.4
Total current loans and overdrafts (excluding debt transaction costs)	565.5	621.4
Debt Transaction Costs	(13.6)	(19.2)
Total current loans and overdrafts	551.9	602.2

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

	2022 \$m	2021 \$m
Non-current bank loans		
Senior Finco Term Loans	639.8	-
Junior Finco Term Loans	171.4	-
Tranche A Loans	-	373.8
Tranche B Loans	-	956.0
Legacy debt	811.2	1,329.8
Revolving Credit Facility	60.0	144.0
Borrowing Base	129.0	-
Trade Finance Facility	136.6	-
Commodities facilities	325.6	144.0
Other Loans and Borrowings	216.8	227.4
Total non-current loans and overdrafts (excluding debt transaction costs)	1,353.6	1,701.2
Debt Transaction Costs	(21.9)	(16.3)
Total non-current loans and overdrafts	1,331.7	1,684.9

	2022 \$m	2021 \$m
Amounts due for settlement, excluding debt transaction costs		
▪ in one year or less (current)	565.5	621.4
▪ in more than one year but less than five years (non-current)	1,181.5	1,701.2
▪ in more than five years (non-current)	172.1	-
Total amounts due for settlement	1,919.1	2,322.6
Debt transaction costs due		
▪ in one year or less (current)	(13.6)	(19.2)
▪ in more than one year but less than five years (non-current)	(21.9)	(16.3)
Total debt transaction costs	(35.5)	(35.5)
Loans and overdrafts net of debt transaction costs	1,883.6	2,287.1

28. Provisions

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and when appropriate, the risks specific to the liability.

Notes to the Consolidated Financial Statements

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Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss, net of any reimbursement.

Type t

	Legal Provisions	Other Provisions	Total
	\$m	\$m	\$m
At 1 October 2021	20.6	14.5	35.1
Additional provisions recognised, net	59.2	4.6	63.8
Utilised	-	(1.8)	(1.8)
Reclassified to Discontinued Operations (See Note 9)	(1.9)	-	(1.9)
Net foreign exchange differences	(3.1)	(0.3)	(3.4)
At 30 September 2022	74.8	17.0	91.8

The provision for legal claims represents the Directors' best estimate of the probable present obligation from actual or potential legal claims arising from contract performance and other commercial matters, which exist at the balance sheet date. These claims are at different stages of resolution and accordingly it is not possible to give a meaningful indication of the likely timing of the possible inflow or outflow of economic benefits associated with the majority of these claims. The level of provision has been arrived at by considering each outstanding legal claim and/or constructive obligation and the circumstances giving rise to it.

During the year ended 30 September 2021, a legal provision of \$18.9 million was recognised in respect of litigation relating to Spanish IPR. There was no change to this provision or the status of the legal claim in the year ended 30 September 2022, and no definitive resolution date.

During the year ended 30 September 2022, a provision of \$58.5 million was recognised in respect of claims against ED&F Man Capital Markets Limited ("MCML"). The provision includes: a specific provision for a potential fine associated with a regulatory investigation into MCML's historic trading in Danish equities; and a broader provision for the settlement of claims and exposures associated with MCML's legacy activities. As part of the sale of the Brokerage business, including selected assets of MCML to Marex, ED&F Man Holdings Limited committed to a plan to wind-down MCML, part of that plan is to resolve historical regulatory and tax exposures associated with equities trading. As such ED&F Man Holdings Limited has recognised a provision which is the Directors' best estimate of the costs associated with settling these claims to allow for the wind-down of MCML over the coming one to two years. MCML is ringfenced from ED&F Man Holdings Limited, and any residual claims cannot exceed the residual assets of MCML.

During the year ended 30 September 2022, a provision of \$4.0 million was recognised in respect of a customs claim dispute at ED&F Man Molasses BV ("Man Molasses") relating to the level of sugar in imported products. Man Molasses believes this claim is incorrectly calculated and has received a provisional judgement in ED&F Man's favour. The claim will be time-barred in February 2024, which is considered the definitive resolution date.

The outstanding other provisions mainly relate to an onerous lease for a storage contract, a potential insurance dispute, restructuring costs and dilapidations. The onerous lease provision is currently being utilised.

29. Employee Trust

The Group operates an employee trust in which all expenses incurred are settled directly by the Group and charged to the profit or loss as incurred. The assets and liabilities of the trust are included in the Financial Statements of the Company and the Group to the extent that assets have not been unconditionally allocated to specific employees.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The Trust holds 29,952,212 (2021: 29,970,885) shares in the Company, of which 5,013,957 (2021: 6,418,579) have been conditionally awarded. The Trust buys and sells shares in the Company at the Fair Price calculated as defined in the Company's Articles of Association. The cost of the shares purchased and held by the Trust of \$117.3 million (2021: \$117.2 million) is deducted from shareholders' funds.

29.1 Share Options

The Group historically made conditional share awards to some employees under annual schemes based on the performance of the individual and of the Group. No new share awards have been granted during the year ended 30 September 2022, 2021 and 2020. Movements in Share options represent the vesting and exercise of these historic grants. The schemes permitted the employee to purchase a defined number of shares over a vesting period ranging from one to five years after the grant date of the award. The individual's total annual conditional share awards are exercisable at an aggregate price of \$1 and lapse within a maximum of ten years after the grant date of award.

A charge in respect of employee share-based payments is recognised in the profit or loss, with a corresponding entry in the profit or loss reserve and reflects the fair value of the services received. The fair value of the service is determined using a valuation technique based on the fair value of the equity instruments granted and is spread over the performance and vesting period. The charge to the profit or loss is adjusted based on an estimate of awards that will lapse prior to vesting. Each scheme is assessed individually and estimates of the number of lapses range from 0% – 19.5%.

The Directors consider that the fair value of share awards is represented by the Fair Price of the Company's shares as at the date the award is granted. The charge for the year to 30 September 2022 for the Group was \$0.5 million (2021: \$3.5 million).

The following table illustrates the number and movements in share options during the year:

	Number of Shares 2022	Number of Shares 2021
Outstanding at 1 October	6,418,579	11,490,264
Granted	-	111,175
Exercised	(27,064)	(2,931,773)
Lapsed	(242,468)	(161,770)
Surrendered	(1,135,090)	(2,089,317)
Outstanding at 30 September	5,013,957	6,418,579

Exercisable as follows:

	Number of Shares 2022	Number of Shares 2021
Immediately exercisable	4,336,640	4,081,480
Within 1 year	671,159	1,628,196
Between 2 to 3 years	6,158	708,903
	5,013,957	6,418,579

Notes to the Consolidated Financial Statements

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29.2 Employee Share Loans

The Group had a scheme to incentivise key employees through an Employee Share Loan ("ESL") programme. This required the employee to purchase shares in the Company for which the Company provided an interest-free ESL. These ESLs would mainly have recourse to the underlying shares and no other assets of the employees. Repayment of the loan could be met by either a deduction from annual after-tax bonuses or the net proceeds of the Shares when they were sold. There were no vesting or performance conditions attached to these ESLs. There was no contractual term for these ESLs and the employee could return the shares on leaving the Group and settle the ESL or hold them as ex-employees.

The following disclosures are made on the basis that these ESLs are, in effect, share option grants as defined under IFRS 2. The assumptions are as follows:

- The fair value of share options granted is estimated at the date of grant based on the most recent Fair Price of the shares calculated in accordance with the Company's Articles of Association.
- The exercise price of the share options is equal to the Fair Price of the underlying shares on the date of grant.
- There is no contractual life on these options.

There were no expenses recognised under this scheme for the years ended 30 September 2022 and 2021. All of the options are exercised as at 30 September 2022 and 30 September 2021.

30. Non-controlling Interest

The material non-controlling interest in the Group relates to Campos Chilenos S.A. and its subsidiary IANSA. The Group has 93.15% ownership in Campos directly and 89.02% in IANSA, 49.21% directly and the remaining indirectly through the Campos ownership of 39.81%.

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Below is the condensed financial information on the fully consolidated subsidiary IANSA:

	2022 \$m	2021 \$m
Summarised statement of financial position		
Current assets	341.9	292.0
Non-current assets	237.4	246.0
Current liabilities	(149.1)	(160.0)
Non-current liabilities	(112.7)	(50.4)
Summarised statement of profit or loss		
Sales revenue	537.1	471.8
Loss after tax	(9.9)	(8.7)
Comprehensive loss	(9.9)	(8.7)
Summarised cash flow information		
Cash flows from operating activities	(47.7)	61.1
Cash flows from investing activities	1.8	(27.1)
Cash flows from financing activities	36.6	(40.1)
Net decrease in cash and cash equivalents	(9.3)	(6.1)
Attributable to non-controlling interests		
Share of capital attributable to non-controlling interests	34.2	36.4
Loss attributable to non-controlling interests	(1.1)	(2.2)
Equity attributable to non-controlling interests	33.1	34.2

No dividends have been paid in 2022 and 2021.

In addition to the material non-controlling interest in IANSA, we have other immaterial non-controlling interests in other entities which total \$6.8 million.

31. Share Capital

Ordinary shares and "A" Preference shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Included in Share Capital are treasury shares held by the Employee Share Trust. The cost of acquiring treasury shares is deducted from equity. Consideration received for the sale of such shares is also recognised in equity, with any difference between the proceeds from sale and the original cost taken to the profit and loss reserve. No gain or loss is recognised on the purchase, sale, issue or cancellation of equity shares.

	Allotted, Called Up and Fully Paid US\$1 each		'A' Preference Shares of US\$1 each	
	Number	\$m	Number	\$m
At 30 September 2021	123,183,850	123.2	64,505,722	64.5
At 30 September 2022	123,183,850	123.2	64,505,722	64.5

Each 'A' preference share carries one vote and are not redeemable but may be converted into ordinary shares.

Notes to the Consolidated Financial Statements

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32. Share Premium Account

	\$m
At 1 October 2021	181.0
At 30 September 2022	181.0

33. Notes to the Cash Flow Statement

33.1 Group Reconciliation of Net Cash Flow from Operating Activities

	2022 \$m	2021 \$m
Profit (Loss) before tax	71.9	(127.0)
Adjustments for:		
Net finance costs	194.4	140.0
Exceptional gain on Junior Debt modification	(403.3)	-
Share of loss and impairment of equity accounted entities	34.3	282.1
Impairment of assets	31.8	13.0
Disposals of assets	0.4	(3.2)
MCM provision	58.5	
Impairment of Brokerage business	92.0	
Reversal of Expected Credit Losses	-	(222.5)
Other income	-	(16.7)
Operating Profit	80.0	65.7
Adjustments for:		
Depreciation of property, plant and equipment	38.5	43.4
Amortisation of right-of-use assets	29.5	-
Amortisation of intangible assets	6.0	7.4
Loss on sale disposal of property, plant and equipment	-	1.2
Expenses arising from share option plans	0.5	3.5
Effects of fair value	1.6	(2.4)
Movements in provisions, excluding the MCM provision	0.1	26.6
Operating cash flows before movements in working capital	156.2	145.4
Movement in inventories	(23.4)	(158.6)
Movement in biological assets	0.3	(1.5)
Movement in marketable securities	(367.1)	(21.7)
Movement in securities purchased/sold under agreement to resell/repurchase	(128.7)	(92.5)
Movement in receivables	(2,208.7)	(248.0)
Movement in payables	3,177.2	730.8
Cash generated by operations	605.8	353.9
UK corporation tax paid	(2.6)	(5.1)
Overseas taxation paid	(42.5)	(31.8)
Net cash inflow from operating activities	560.7	317.0

Notes to the Consolidated Financial Statements

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33.2 Group Reconciliation of Net Cash Flow to Movements in Net Debt

	2022 \$m	2021 \$m
Movements in cash	426.7	296.6
Movements in borrowings	(29.2)	(130.3)
Movement in net debt resulting from cash flows	397.5	166.3
Exceptional gain on Junior Debt modification	403.3	-
Capitalised interest and amortisation	(85.2)	(38.1)
Effect of change in exchange rates	4.4	(1.0)
Movement in net debt	720.0	127.2
Opening net debt	(469.0)	(596.2)
Closing net debt including discontinued operations and restricted cash	251.0	(469.0)
Net debt held in discontinued operations and restricted cash	(1,846.3)	(10.7)
Closing net debt excluding discontinued operations and restricted cash	(1,595.3)	(479.7)

34. Analysis of Changes in Net Debt

	Loans and Overdrafts				Net Debt \$m
	Cash Equivalents \$m	Current \$m	Non- current \$m	Debt transaction costs \$m	
At 1 October 2021	1,818.1	(621.4)	(1,701.2)	35.5	(469.0)
Movement in net debt resulting from cash flows	426.7	55.9	(144.3)	59.2	397.5
Exceptional gain on Junior Debt modification	-	-	403.3	-	403.3
Capitalised interest	-	-	(26.0)	(59.2)	(85.2)
Exchange movements	4.4	-	-	-	4.4
At 30 September 2022 before discontinued operations and restricted cash	2,249.2	(565.5)	(1,468.2)	35.5	251.0
Cash held in discontinued operations and restricted cash	(1,960.9)	-	-	-	(1,960.9)
Debt held in discontinued operations	-	-	114.6	-	114.6
At 30 September 2022 after discontinued operations and restricted cash	288.3	(565.5)	(1,353.6)	35.5	(1,595.3)

Non-current loans and overdrafts include \$114.6 million of loans included within the liabilities and \$1,916.8 million of cash included in disposal groups classified as held for sale presented in the Consolidated Statement of Financial Position. (See Note 9)

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

35. Financial Commitments

35.1 Maturity of Minimum Lease Payments

The table below shows the maturity of continuing future minimum lease payments under non-cancellable leases due:

	Plant and Machinery		Land and Buildings	
	2022	2021	2022	2021
	\$m	\$m	\$m	\$m
Within one year	16.9	13.7	2.8	4.1
Between one and five years	45.5	31.1	4.9	8.2
After five years	9.0	13.6	2.8	2.2
	71.4	58.4	10.5	14.5

35.2 Joint Ventures and Associates

The Group and Company's share of capital commitments, as at the end of the financial year, of its joint ventures and associates was Nil (2021: Nil).

36. Contingent Assets and Contingent Liabilities

Contingent liabilities are possible obligations arising from past events, whose existence will be confirmed only by uncertain future events, or present obligations arising from past events that are not recognised because either an outflow of economic benefits is not probable, or the amount of the obligation cannot be reliably measured. Contingent liabilities are not recognised but information about them is disclosed unless the possibility of any outflow of economic benefits in settlement is remote. When the Group is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome, then the Group does not include detailed, case-specific disclosures in its Financial Statements.

The ultimate outcome of governmental and third-party legal claims and proceedings is inherently difficult to predict. There are various legal proceedings arising in the ordinary course of business and in cases where the Group believes the likelihood of losses is probable and can be estimated, provisions are recorded. While other ongoing legal proceedings could have a material adverse effect on the Group's consolidated financial position or results of operations in the future, the Group believes that none of these matters will have a material adverse effect on its business or financial condition. During 2022 and 2021, the Group has been involved in certain civil litigation cases, which are described below.

From time to time, the Group has a number of favourable judgements in legal cases where settlement is due to be received. These prospective settlements are recognised in the Financial Statements when the cash is received or where its receipt is virtually certain.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

In September 2022, HMRC effected two search warrants at MCML's premises on behalf of the German and Danish criminal authorities. MCML considers these warrants to have been ordered unlawfully and has issued an application for permission to judicially review the Court's decision. As a result of this application, the documents seized have not yet been reviewed by HMRC and have not been passed on to the German and Danish authorities. On 28 September 2022, the Danish criminal authority, NSK, provisionally charged MCML with criminal fraud in breach of sections 279 and 286(2) of the Danish Criminal Code. That charge has yet to be formally served and no details of the grounds for the charge have been received. As a consequence, the risk of sanction cannot be assessed as yet. German criminal investigations are believed to be at an early stage and the risk of sanction is also as yet unknown.

Therefore, in addition to the \$58.5 million provision for MCML regulatory/tax related claims (See Note 28) there is potentially additional exposure for other claims yet to be formally raised.

Significant judgement therefore remains on the assessment of whether there should be a provision, a contingent asset or a contingent liability, given the possible outcomes of these matters. The quantum and timing of this potential exposure cannot reliably be determined. Given the early stages, this is not assessed to be probable and the quantum of any potential liability is not able to be reliably determined. It is for these reasons that this is viewed as a contingent liability.

37. Related Party Transactions

37.1 Group

During the year, the Group entered into transactions, in the ordinary course of business, with related parties. The nature of these transactions being trading activity with related parties but also loans and advances to investees. All transactions between ED&F Man Holdings Limited and its subsidiaries are eliminated on consolidation.

	Sales		Purchases		Amounts Owed From		Amounts Owed To	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Associates	-	0.6	-	-	-	0.2	(4.1)	(4.1)
Joint ventures	-	-	-	-	127.8	131.0	(0.3)	(0.8)
Equity investor	-	1.5	16.7	30.4	-	-	-	-

As at 30 September 2022, Employee Share Loans to directors of \$15.1 million (2021: \$24.4 million) are outstanding. As part of the Group's historic Employee Share Loan ("ESL") Scheme (Note 29.2), these ESLs are non-interest bearing and mainly have recourse to the underlying shares and no other assets of the individual. During the year \$1.8 million was repaid (2021: \$0.3 million repaid) and no new ESLs were advanced. The ESL balance relates to one director in the amount of \$15.1 million (2021: two directors in the amounts of \$16.9 million and \$7.5 million).

The composition of directors changed during 2022 and accordingly the amounts may not be comparable.

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

37.2 Remuneration of Key Management Personnel

	2022 \$m	2021 \$m
Remuneration	19.3	16.6
Amounts charged in respect of pension schemes	0.2	0.2
Other long-term benefits	3.1	3.4
Termination benefits	12.4	-
Share-based payments	0.2	0.7

The Group considers key management personnel includes the Directors of the Company and members of the Commodities Group Board.

As at 30 September 2022, Employee Share Loans to key management personnel of \$10.0 million (2021: \$9.5 million) are outstanding (excluding Directors). Of these loans, \$1.6 million are non-interest bearing and are repayable upon demand, and \$8.4 million are interest bearing, whether interest bearing or non-interest bearing these ESLs mainly have recourse to the underlying shares and no other assets of the individual. During the year no amounts were repaid (2021: \$0.5 million repaid) and no new ESLs were advanced.

The directors and employees included within key management personnel during 2022 were different from those in 2021 due to changes in the Board and employee turnover. Accordingly, the amounts may not be comparable.

38. Group Investments

The following subsidiaries, joint ventures and associates are owned by the Group:

Name of Undertaking	Group %	Country	Registered Office Address
ED&F Man Liquid Products Argentina S. A	100	Argentina	Libertad 850 5 ^b , Buenos Aires C1012AAR, Argentina
Cofi-Com Trading Pty Ltd	100		Suite 1, 80-82 Bathurst Street, Liverpool, NSW 2170, Australia
ED&F Man Capital Markets Australia Pty Ltd	100	Australia	Tower One - International Towers Sydney, Level 46, 100 Barangaroo Avenue, Barangaroo NSW 2000, Australia
ED&F Man Liquid Products Belgium N.V.	100	Belgium	Schuttershofstraat9, Antwerp 2000, Belgium
ED&F Man Holdings Insurances Limited	100		Aon House, 30 Woodbourne Avenue, Pembroke HM 08, Bermuda
ED&F Man Capital Markets Holdings Limited*	100	Bermuda	Clarendon House, Church Street, Hamilton, Bermuda

Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

Name of Undertaking	Group %	Country	Registered Office Address
Copag – Cia Capital De Armazens GoGerais S.A.	100		Rua Nazareth Do Prado 225, 37026.520 – Varginha – MG, Brazil
ED&F Man Volcafe Brasil Ltda	100		Surubim Street 577, Cidade Moncoes, 4 A, Cj. 41/42, São Paulo, 04571-050, Brazil
Volcafe Ltda	100		
Melaco Nassau Ltd	99	Brazil	Avenida Jose de Souza Campos, 507-9 Andar (Parte) Bairro Cambui, Campinas CEP 13025-320, Brazil
ED&F Man Brasil S.A.	100		Torres Empresariais Do Ibirapuera – Torre II, Av Ibirapuera 2332 – 10º Andar – Conju.102 – SP CEP 04 028-002, Brazil
Alimentos Pr Brasil do Brasil Ltda	26.71		Avenida Campos Sales, 211 Centro, Sao Paulo, 15208-000, Brazil
ED&F Man Canada Inc.	100	Canada	Suite 5300 TD Bank Tower, Box 48, 66 Wellington Street West, Toronto ON M5K 1E6, Canada
Agricola Terrandes	89.02		
Induexport SpA	89.02		
Induversiones SpA	89.02		
Invernidu SpA	89.02		
Inversiones Iansa SA	89.02		
Patagonia Fresh	89.02		
LDA SpA	89.02		
Empresas Iansa S.A.	89.02		
Sociedad De Inversiones Campos Chilenos S.A.	93.15	Chile	Rosario Norte 615, 23rd Floor, Las Condes, Santiago, Chile
Agromas S.A.	89.02		
ED&F Man Chile Holdings SpA	100		
Iansagro S.A.	89.02		
Compania Generacion Industrial S.A.	89.02		
Iansa Ingredients S.A.	89.02		
Iansa Alimentos S. A.	89.02		
Seedtime Inversiones Spa	89.02		
Agricomercial Iansa S.A	89.02		
Apple Fit Spa	44.51		
ED&F Man (Shanghai) Co. Ltd	100		Room 911, No. 111, Feng Pu Avenue, Industrial Zone, Shanghai, China
Yunnan Volcafe Company Limited	51	China	The Crossway of Si Lan Road and Ban Shan Road, Simao District, Pu'er, Yunnan Province, China
Carcafe Ltda	100	Colombia	Calle 72 NO. 10-07 Office 1301 Santafé De Bogotá, Colombia
Beneficios Volcafe S. A.	100		
Café Capris S.A.	100	Costa Rica	Carretera a Heredia Del Puente Rio Virilla, San Jose 1000, Costa Rica
Rublacedo S. A.	100		
ED&F Man Capital Markets CEEMA Limited (In liquidation)	100	Cyprus	205 Archbishop Makarios Ave, 2 Floor Victory House, Office 207, 3030 Limassol, Cyprus
Noxtran Holdings Limited	51		PNO House, 3rd Floor, 3100 Limassol, Cyprus

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Name of Undertaking	Group %	Country	Registered Office Address
ED&F Man Ingredients s.r.o	85	Czech Republic	Zvoleněves 86, 273 25 Zvoleněves, Czech Republic
ED&F Man Liquid Products Czech Republic sro	100		Masarykovo Náměstí, 3/3, Děčín 40502, Czech Republic
ED&F Man Terminals Denmark ApS	100	Denmark	Gorrissen Federspiel, Silkeborgvej 2, 8000 Aarhus C, Denmark
ED&F Man Commodities Egypt Limited	100	Egypt	Downtown Mall, Building S2A, 5 th Floor, Unit 2A/04/02, 90 th Road, Fifth Settlement, New Cairo
ED&F Man Trading Egypt Limited	99.45		
ED&F Man Liquid Products Ireland Limited	100	Ireland	3rd Floor Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland
Advanced Feed Fats Limited	100		
Agman Holdings Limited	100		
Agman Investments Limited	100		
Agman Services Limited	100		
ED&F Man Capital Markets Limited*	100		
ED&F Man Capital Markets Services Limited	100		
ED&F Man Capital Markets International Holdings Limited	100		
ED&F Man Capital Markets Treasury Management Plc	100		
ED&F Man Chile Limited	100		
ED&F Man Cocoa Limited	100		
ED&F Man Coffee Limited	100		
ED&F Man Commodities Finco Limited	100		
ED&F Man Financial Services Holdings Limited*	100		
ED&F Man Fishoils Limited	100		
ED&F Man Intermediary Limited	100	United Kingdom	3 London Bridge Street, London SE1 9SG, United Kingdom
ED&F Man Junior Finco Limited*	100		
ED&F Man Liquid Products UK Limited	100		
ED&F Man Metals Limited	100		
ED&F Man Nicaragua Limited	100		
ED&F Man Senior Finco Limited	100		
ED&F Man Sugar Limited	100		
ED&F Man Sugar Overseas Holdings Limited	100		
ED&F Man Treasury Management Plc	100		
Femis Limited	100		
Global Holdings SA Limited (formerly Bauche SA Limited)	100		
Holco Man Limited	100		
Holco Trading Co. Limited	100		
L. K. & S. Trading Company Limited	100		
Maviga Europe Limited	100		
Maviga Limited	100		
Transition Feeds LLP	33.33		
ED&F Man Commodities Limited	100	Jersey	Esplanade, St Helier, Jersey JE1 2TR

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Name of Undertaking	Group %	Country	Registered Office Address
Liquid Feed France S.A.S.	50	France	62, Route de Paris – 14630 Cagny, France
ED&F Man Deutschland GmbH	100	Germany	Bernadottestraße 69, Hamburg 22605, Germany
Gollucke & Rothfos GmbH	100		Schlachte 3 - 5, Bremen 28195, Germany
Maviga Ghana Limited	100	Ghana	No.10 Manyo Plange Street – P.O. Box CR 1466, Cantonments, Accra, Ghana
Peter Schoenfeld S.A.	100	Guatemala	Diagonal 6, 13-27, Zone 10, Guatemala City CA 01010, Guatemala
Waelti-Schoenfeld Exportadores De Café S. A.	100		
Commerciale Sucriere S. A.	100	Haiti	1 National Road, Shodecose, Port Au Prince, Haiti
Molinos De Honduras S.A.	100	Honduras	Ave New Orleans Frente Al Instituto Tecnico Aleman, 3 Avenida Entre 28 Y 29 Calle, San Pedro Sula, Honduras
Arabica Coffee Roasters (Hong Kong) Limited	20		Room 2003, C WU Building, 302-308 Hennessy Road, Wanchai Road, Hong Kong
ED&F Man Capital Markets Hong Kong Limited	100	Hong Kong	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Stepford Company Limited	100		
ED&F Man Liquid Products Hungary K.F. T.	100	Hungary	2000 Szentendre, Harmut U.16, Hungary
ED&F Man Commodities India Pvt. Limited	100	India	601, 275A/1/2, Malhotra Chambers, Govandi Station Road, Deonar, Govandi (East), Mumbai- 400 088, India
Pt ED&F Man Indonesia	100	Indonesia	Menara Rajawah Lt. 12, Jl. Dr. Ide Anak Agung Gde Agung Lot #5.1, Setiabudi Jakarta Selatan, Indonesia
Pt Volkopi Indonesia	100		Jl.Pasar Melintang No. 28, Desa Tanjung Selamat, Kec. Percut Sei-tuan, Deli Serdang 20371, Sumatera Utara, Indonesia
Unavoo Food Technologies	10	Israel	Shevat Street 5, Kiriya Gat, Israel
ED&F Man Liquid Products Italia Srl	100	Italy	Toree 1 – Unita 12 – 7° Floor, Viale Aldo Moro 64, Fiera District, Bologna 40127, Italy
Societe Ivoirienne De Produits Tropicaux Et Alimentaires S. A.	100	Ivory Coast	Abidjan-Zone Industrielle De Vridi, Rue Morris, 01 BP 3804 Abidjan 01, Ivory Coast
Volcafe Ltd	100	Japan	80 Kyo-Machi, Chuo-Ku, Kobe, Japan
Mshale Commodities Limited	100		
Simba Commodities Limited	100	Kenya	Plot No 209/2069, Dennis Pritt Road, Po Box 49525-00100, Nairobi, Kenya
Taylor Winch (Coffee) Ltd	100		
Zambeco Trading Kenya Limited	100		
ED&F Man Cocoa Sdn Bhd	100	Malaysia	PO Box 60272, 91012 Tawau Sabah, Malaysia
Azucar Grupo Saenz	49		
Compania Azucarera de Los Mochis S.A. de C.V.	30		Paseo De Los Tamarindos Numero 60, Piso 4, Colonia Bosques De Las Lomas, Delegation Cuajimalpa De Morelos, Distrito Federal, CP 05120, Mexico
Tenedora de Acciones de Sinaloa S.A. de C.V.	100		
Agricola Ohuira S.A. de C.V.	30	Mexico	Boulevard Antonio Rosales 751, C.P. 81200, Los Mochis, Sinal, Mexico
Man Empaques S.A. de C.V.	50		Carretera Libre a Puebla Km 22.5, San Juan Tlalpizahuac, Ixtapaluca, Edo de Mexico CP56560, Mexico
Milex S.A. de C.V.	90		Calzada de las Palmas S/N, Los Encinos Camino al Club Campestre, C.P 94550, Cordoba, Mexico

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Name of Undertaking	Group %	Country	Registered Office Address
Nutricion Liquida de Mexico S.A. de C.V.	50		Vialidad Sidney 308, Centro Logistico Jalisco, Acatlan de Juarez, Jalisco, Mexico. CP 45713
ED&F Man Capital Markets Mexico S.A. de C.V.	100		Andres Bello 10, Piso 14, Col. Chapultepec Polanco Miguel Hidalgo, C.P. 11560, Mexico
ED&F Man De Comercio S.A. de C.V.	100		
ED&F Man De Mexico S.A. de C.V.	100		
ED&F Man De Servicios S.A. de C.V.	100		Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man Liquid Products S.A. de C.V.	100		
ED&F Man Liquid Products Mexico S.A. de C.V.	100		
Intercomsa S.A. de C.V.	100		
MS Sugar S.A.P.I de C.V.	50		
Zambeco Melacos de Mozambique	100	Mozambique	Instalação de Melacos, Zona Cais 8, Recinto do Porto da Beira, Caixa Postal 1030 BEIRA Mozambique
ED&F Man Moçambique Limitada	100		Rua Voluntario de Lourenco Marques, Com Talho No.3418, Munhava-Beira, Sofala, Mozambique
Maviga Moçambique Limited	100		
ED&F Man Feedimpex B.V.	100		
ED&F Man Holdings B.V.	100		
ED&F Man Liquid Products Nederland B.V.	100		
ED&F Man Molasses B.V.	100		
ED&F Man Netherlands B.V.	100		Du Ruyterkade 6, 6th Floor, 1013 AA Amsterdam, The Netherlands
ED&F Man Ukraine Investments B.V.	100		
ED&F Man Vietnam Holdings B.V.	100	The Netherlands	
Hooiveld Scheepvaart En Transport B.V.	100		
Maviga Trading B.V.	100		
Sofpac B.V.	100		
Liquid Feed Europe Holdings B.V.	50		Oud-Beijerland, The Netherlands
Nexo Holding B.V.	33.33		Veerkade 7C, 3016 Rotterdam, The Netherlands
Nexo Shipbroking B.V.	30.3		
Distribuidora Y Comercializadora De Azucar S.A.	100		C/O Evenor VALDIVIA P. & Asociados Oficina De Leyes, Rotonda El Gueguense, 150, Metros Al Sur, Managua, Nicaragua
Servicios Azucareros Nicaraguenses S.A.(SANSa)	100	Nicaragua	Canal 2, Dos Cuadras Abajo, 1 Cuadra Al Lago Managua, Nicaragua
Westway Productos Liquidos Suplementos Alimenticios S.A.	100		
Volcafe De Nicaragua S.A.	100		Semaforo Enel Central, 2 Cuadras Al Sur, Media Cuadra, Al Este. Barrio Edgar Munguiam, Managua, Nicaragua
ED&F Man West Africa Limited	100		Suite C202, No 11 Dunukofia Street, Area 11, Garki, Abuja, Nigeria
ED&F Man Nigeria Limited	100	Nigeria	5/7 Kopek Rd, off Fatai Atere Way, Muchin, Lagos, Nigeria
Maviga West Africa Limited	100		115 Palm Avenue, Mushin, Lagos State, Nigeria
PNG Coffee Exports Ltd	90	Papua New Guinea	PWC Haus, Level 6, Harbour City, Konedobu, Port Moresby, National Capital District, PNG, Papua New Guinea

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Name of Undertaking	Group %	Country	Registered Office Address
ED&F Man Volcafe Peru S.A.	100		Av. Pedro Ruiz Gallo Lote 124C – 125 A – ATE – Lima, Peru
Icatom	89.02	Peru	Av. Manuel Santenna Christi, 1151, Urbanizacion Santo Domingo De Guzman, Peru
Drogueria Karani	89.02		
Aeta Energy Philippines Inc	99.99		Room 211, 2nd Floor Capitol SUBD. Building, Bacolod, Negros Occidental, 6101 Philippines
ED&F Man Commodities Philippines Inc	100	Philippines	Unit 65 West Grace Office, 2200 SUBIC, MaNila, Philippines
ED&F Man Philippines Inc	100		37th Floor Rufino Pacific Tower, 6784 Ayala Ave., Makati City, Philippines
EGC Rising Tide Hauling Inc	100		
Schuurmans & Van Ginneken Philippines Inc	100		6784 Ayala Ave., 1226 Makati City Philippines
Honig Sugar Trading Corp.	50		Zone Li Santo Rosario, 6100 Negros Occidental, Philippines
S&Q Logistics	100		
ED&F Man Commodities Sp. z.o.o.	100	Poland	Ul Grzybowska 4/125, Warsaw, 00-131, Poland
ED&F Man Liquid Products Poland Sp z.o.o	100		Ul. Al Grunwaldzka nr. 472, Gdańsk 80-309, Poland
ED&F Man Portugal Limitada	100	Portugal	Av Antonio Serpa, 23-7 Andar, Lisbon 1050-026, Portugal
Global Sugar Trading- Comercio De Azucar Ltda,	100		Rua Dr. Brito Camara No 20, 1st Floor, Funchal, Portugal
Envasadora De Azucar Inc.	35	Puerto Rico	Centro De Distribución Del Norte, National Road 869, Palmas Ward, Cataño, Puerto Rico 00962
LLC "ED&F Man"	100	Russia	Office 520, 5th Floor, Vasilisa Kozhina Str. 1, Moscow 121096, Russia
ED&F Man Asia Pte. Ltd	100	Singapore	
ED&F Man Capital Markets (Singapore) Pte Ltd	100		27 Cantonment Road, Singapore 089745.
Volcafe Pte Ltd	100		
Indo China Food Industries Pte Ltd	5		7 Tan Jong Rhu Road #19-02, The Waterside, Singapore 436887
ED&F Man Liquid Products South Africa (Pty) Ltd	100	South Africa	Suites 1-3 Dalbergia, Forest Square, 11 Derby Place, Derby Downs Office Park, Westville 3629, South Africa
ED&F Man Korea Limited	100	South Korea	4th Floor, 8 Seochojungang-RO 22-Gil, Seocho-Gu, Seoul, Korea (Seocho-Dong), South Korea
ED&F Man España S. A.	100	Spain	
Iberliquidos SL	50		Calle Sagasta 27, 2 Izda, Madrid 28004, Spain
Volcafe Iberia S.A	100		
Volcafe Ltd	100	Switzerland	Technoparkstrasse 7, Winterthur 8406, Switzerland
Maviga S.A.	100		26A Route De Coppet, Commugny, Near Geneva, CH 1291, Switzerland
Maragi Limited	100	Tanzania	Plot Number 56, Vikundu Area, Mkuranga District, Tanzania

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Name of Undertaking	Group %	Country	Registered Office Address
Kilombero Sugar Distributors Ltd	80		1st Floor, Haile Selassie Road, Plot No 152 Oyster bay, Dar Es Salaam, Tanzania
Maviga East Africa Limited	98		Plot No, 2370/75c, Vingunguti, Dar Es Salaam, Tanzania
Maviga Tanzania Limited	99		
Rafiki (Coffee) Ltd	100		P.O.Box 524, Viwanda Street, Moshi, Tanzania
Taylor Winch (Tanzania) Limited	100		
Kahawa Endelevu Limited (KEL)	100		Plot No 6, Block A Moshi Municipality, Moshi, Kilimanjaro, Tanzania
ED&F Man Capital Markets Mena Limited	100		Unit S404, Level 4, Emirates Financial Towers DIFC, Dubai 507074, UAE
Maviga Middle East DMCC	100	UAE	Unit No 1404, 14th Floor, Tiffany Tower, Jumeirah Lakes Towers, Dubai, UAE
ED&F Man Gulf DMCC (in liquidation)	100		23F, Au Tower, Jumeirah Lakes Tower, Sheikh Zayed Road, Dubai, UAE
Mshale Commodities (Uganda) Limited	100		Plaza Plot No 22/24, Kampala Industrial & Business Park - Namanve Kampala, Uganda
Kyagalanyi Coffee Ltd	100	Uganda	Kampala Industrial & Business Park – Namanve, P.O. Box 3181, Kampala, Uganda
Volcafe Uganda Limited	100		
LLC Ukrainian Sugar Company	100		2, Zavodska Street, Pervomaiske Village, Vitovskiy District, Mykolaiv Region, 57232 Ukraine
		Ukraine	
LLC ED & F Man Trading Ukraine	100		Creative States, 8 Moskovska str, Kiev, 01029
Inancor S.A.	100	Uruguay	810 Colonia Oficina 403, Montevideo, CP 11100, Uruguay
ED&F Man Capital Markets U.S. Holdings Inc	100		
ED&F Man Derivative Products Inc	100		Corporation Trust Centre, 1209 Orange Street, Wilmington, Delaware 19801
ED&F Man Sugar Inc	100		
Westway Feed Products LLC	100		
ED&F Man Capital Markets Inc	100		140 East 45th Street, 42nd FL. New York, New York 10017, USA
ED&F Man Client Services Inc	100		
Agman Louisiana Inc	100		
ED&F Man Holdings Inc	100		
ED&F Man Liquid Products LLC	100	USA	850 New Burton Road, SUITE 201, Dover, Delaware 19904, USA
ED&F Man Professional Trading Services Inc.	100		
Gold River Liquid Products LLC	51		
ED&F Man Services Inc	100		42 Read's Way, New Castle DE 19720
Nexo Shipbroking LLC	33.33		501 Louisiana Avenue Baton Rouge, LA 70802
Volcafe Specialty Coffee Corp	100		3 West Main St, Suite 203, Irvington, NY 10533
21st Century Agriculture Investment LLC	51		
Belle Pulses USA LLC	49		103 E Sparague Avenue, Spokane, WA 99202-1603, USA
Maviga NA Inc	100		
Palouse Pulse LLC	100		

Notes to the Consolidated Financial Statements

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Name of Undertaking	Group %	Country	Registered Office Address
Nutramel S.A.	100	Venezuela	Cagua, Municipality of Sucre in Aragua State, Corinsa Industrial Zone, Calle Lazo III, Unit No. 25, Postal Zone 2122, Venezuela
Agricola Las Vegas C.A.	49		Antigua Carretera San Mateo_La Enrucijada, Central El Palmar, San Mateo, Estado Aragua, Venezuela
Vanzada C.A.	35.56		
Promotora Curiba C.A.	20.95		
Matilde Holding Yaracuy	14.37		
Empresas PMC C.A.	19.83		
Azucarera La Pastoria C.A.	12.09		
C.A. Destileria Yaracuy	19.83		Av. Francisco De Miranda, Edif. Banco Del Orinoco Piso 9, Caracas, Venezuela
Central El Palmar S.A.	19.83		
Molindas De Papelon S.A.	19.83		
C.A. Azuca	19.83		
Commercializado Ra De Alimentos De Venezuela C.A.	19.83		
Ipsa Inversiones C.A.	43	Vietnam	
ED&F Man Venezuela S.A	100		195 Dien bien phu, Ward 15, Binh Thanh District, HCMC, Ho chi Minh City, Vietnam
Volcafe Vietnam Co. Ltd.	100		KM07, National Road 26, Buonmathuot City, Daklak Province, Vietnam
Dakman Vietnam Co. Limited	66.4		

*Directly held by ED&F Man Holdings Limited



Notes to the Consolidated Financial Statements

For the year ended 30 September 2022

The following 100% owned subsidiaries, registered in England and Wales, are exempt from an audit of their individual accounts by virtue of s479A of the Companies Act 2006. ED&F Man Holdings Limited is providing a guarantee under s479C of the Companies Act 2006 in respect of these entities for the year ended 30 September 2022:

Company Name	Registered Number
Advanced Feed Fats Limited	04147992
Agman Holdings Limited	03901524
Agman Investments Limited	04091063
Global Holdings S.A. Limited (formerly Bauche SA Limited)	00833035
ED&F Man Chile Limited	02889195
ED&F Man Cocoa Limited	01287947
ED&F Man Coffee Limited	03068479
ED&F Man Liquid Products UK Limited	5734191
ED&F Man Intermediary Limited	12271079
ED&F Man Capital Markets International Holdings Limited	12298701
ED&F Man Capital Markets Treasury Management Plc	09980106
ED&F Man Sugar Overseas Holdings Limited	03600498
Holco Man Limited	01638058
Maviga Limited	02953255
ED&F Man Commodities Finco Limited	13873534
Maviga Europe Limited	03345650

39. Subsequent Events

The Brokerage business sale of the assets of ED&F Man Capital Markets Limited completed on 3 October 2022, the sale of the shares of ED&F Man Capital Markets Holdings Limited and ED&F Man Capital Markets MENA Limited completed in December 2022, and the sale of the shares of ED&F Man Capital Markets Hong Kong Limited completed in February 2023. Total sales proceeds were \$234.0 million, net of expenses.

From these proceeds, on 5 December 2022, a payment of \$155.0 million was made in relation to the claim for the Metals incident in 2017, with some residual proceeds returned to Senior debt facility lenders.

In February 2023, AGS agreed a binding Sale and Purchase Agreement for the sale of the Tamazula mill and its subsidiary, Cosujal, subject to Mexican Competition Authority Clearance. This Clearance was received in March 2023 and the sale is expected to be completed before 30 June 2023. Estimated proceeds are expected to be in line with the assumptions used in the AGS impairment review as at 30 September 2022. (See Note 18.1)

Since the year end, the Group has received \$5.5 million in insurance proceeds and sold all of its interest in Ukraine Sugar Company for \$1.1 million, including \$0.6 million deferred until after the end of the war in Ukraine.




Company Financial Statements

For the year ended 30 September 2022

Company Balance Sheet

	Note	2022 \$m	2021 \$m
Fixed assets			
Investments	3	207.7	966.3
Current assets			
Debtors	4	-	2.1
Cash at bank and in hand		0.6	0.6
Total assets		208.3	969.0
Current liabilities			
Amounts owed to subsidiaries		469.4	434.3
Other creditors		183.3	15.4
Taxation		1.7	2.0
	5	654.4	451.7
Non-Current Liabilities	5	-	133.9
Net assets		(446.1)	383.4
Capital and reserves			
Share capital		123.2	123.2
Preference share capital		64.5	64.5
Share premium account		181.0	181.0
Non-distributable reserve		15.2	15.2
Capital redemption reserve		14.5	14.5
Retained earnings		(844.5)	(15.0)
Shareholders' funds attributable to equity interests		(446.1)	383.4

Approved by the Board of Directors on 30 April 2023 and signed on its behalf by:


Christopher Mahoney
 Chairman


Phillip Murnane
 Group Chief Financial Officer



Company Financial Statements

For the year ended 30 September 2022

Company Statement of Changes in Equity

	Share Capital \$m	Preference Share Capital \$m	Share Premium Account \$m	Non- Distributable Reserve \$m	Capital Redemption Reserve \$m	Retained Earnings \$m	Total Equity \$m
At 1 October 2020	123.2	64.5	181.0	-	14.5	30.4	413.6
Loss for the year	-	-	-	-	-	(38.3)	(38.3)
Capital contribution on transfer of common control investments	-	-	-	15.2	-	-	15.2
Movement in own shares and share option plans	-	-	-	-	-	(7.1)	(7.1)
As at 30 September 2021	123.2	64.5	181.0	15.2	14.5	(15.0)	383.4
At 1 October 2021	123.2	64.5	181.0	15.2	14.5	(15.0)	383.4
Loss for the year	-	-	-	-	-	(829.9)	(829.9)
Movement in own shares and share option plans	-	-	-	-	-	0.4	0.4
As at 30 September 2022	123.2	64.5	181.0	15.2	14.5	(844.5)	(446.1)

Notes to the Company Financial Statements

For the year ended 30 September 2022

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material.

1.1 Basis of Preparation

These Financial Statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). Under this standard the accounts have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, but with reduced disclosure requirements, on the basis that equivalent disclosures have been made in the Consolidated Financial Statements of the Group.

The Financial Statements have been prepared under the historical cost basis in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The Financial Statements have been rounded to the nearest \$0.1 million.

FRS 101 grants exemptions from the disclosure requirements of certain IFRS in line with the Companies Act 2006. The company has taken advantage of the following disclosure exemptions:

- No Statement of Cash Flows has been presented.
- The Financial Instrument disclosures required by IFRS 7.
- Related Party disclosures in respect of transactions with wholly owned members of the Group have not been presented. Certain disclosures in respect of Share Based Payments have not been presented.
- Disclosures in respect of the estimated effect of new IFRSs issued but not yet effective have not been presented.

The Company is able to apply these exemptions as its Financial Statements are consolidated in the Financial Statements of the Group prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

1.2 Foreign Currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or an average rate for the year. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit or loss.

The Company's functional currency is United States Dollars as this is the functional currency of the majority of its subsidiary operations.

1.3 Fixed Asset Investments

Non-current asset investments in subsidiaries are included in the Financial Statements of the Company at cost less provisions for impairment.

1.4 Deferred Taxation

In accordance with IAS 12, deferred taxation is provided fully and on a non-discounted basis at expected future corporation tax rates in respect of timing differences between profits computed for taxation and accounts purposes.

Notes to the Company Financial Statements (continued)

For the year ended 30 September 2022

1.5 Own Shares

The cost of the Company's investment in its own shares, which comprises shares held by the ED&F Man 2000 Employee Trust ("the Trust") for the purpose of funding the Company's share option plans, is shown as a reduction in shareholders' funds. Further details of the Group's Employee Trust can be found in Note 29 to the Consolidated Financial Statements.

1.6 Share-Based Payments

The Company issues equity-settled share-based payments. The fair value of these schemes at the date of grant is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest.

1.7 Financial Instruments

The Company's principal financial assets and liabilities are cash at bank, intercompany liabilities and other creditors. Cash at bank is carried in the balance sheet at nominal value. Financial liabilities are recognised initially at fair value and subsequently at amortised cost.

1.8 Profit for the Year

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit or loss account for the year.

2. Information relating to Directors and Employees

Information relating to Directors' remuneration, pension entitlements and other benefits appears in Note 10 to the Consolidated Financial Statements. The Company has no employees other than the Directors.

3. Fixed Asset Investments of the Company

	2022 \$m	2021 \$m
Shares in subsidiaries at cost		
At 1 October 2021	966.3	951.1
Additions	-	583.1
Disposals	-	(567.9)
Impairment of investments	(758.6)	-
At 30 September 2022	207.7	966.3

In the year ended 30 September 2022, the Group underwent a restructuring. The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. As part of this process, the profitable core commodities trading business of the Group has been successfully ring-fenced from its legacy businesses. The impact of the restructuring on the Company's investments was the transfer of the full ownership in ED & F Man Intermediary Limited of \$583.0 million to another wholly owned subsidiary in exchange for the full ownership of ED & F Man Junior Finco Limited. Immediately after the above transfer the Company performed an assessment in respect of the carrying value of ED & F Man Junior Finco Limited, to test for potential impairment. As a result, the investment in ED & F Man Junior Finco Limited was fully impaired.

Notes to the Company Financial Statements (continued)

For the year ended 30 September 2022

Additionally, the Group agreed to sell its Brokerage business to Marex Group PLC (See Note 9 to the Consolidated Financial Statements). This resulted in an impairment of \$175.6 million to reflect the expected sale proceeds as at 30 September 2022 of \$234.0 million.

During the year ended 30 September 2021, the Company incorporated a new subsidiary and transferred various of its subsidiaries to this new subsidiary. This transaction was reflected in the Financial Statements, and the equity movement arising was reported as a non-distributable reserve.

Details of subsidiaries are shown in Note 38 to the Consolidated Financial Statements.

4. Trade and Other Debtors of the Company

	2022 \$m	2021 \$m
Amounts falling due within one year		
Other debtors	-	2.1
	-	2.1

5. Trade and Other Creditors of the Company

	2022 \$m	2021 \$m
Amounts falling due within one year		
Amounts owed to subsidiaries	469.4	434.3
Other creditors	183.3	15.4
Taxation	1.7	2.0
	654.4	451.7
Amounts falling due more than one year	-	133.9
	654.4	585.6

The agreement of the sale of the Brokerage business has moved the liability associated with the Brokerage metals fraud case from non-current to current and increased it from \$133.9 million to \$183.3 million.



Corporate Information

Directors

The Board consists principally of Non-Executive Directors. The directors who held office during the year were as follows:

Emma Griffin
Chris Mahoney
Jade Moore
Phillip Murnane (Appointed 31 March 2022)
Richard Milnes-James (Appointed 29 March 2023)
Mark Nelson-Smith (Resigned 29 March 2023)
Rafael Muguiro (Resigned 31 March 2022)
Dr Niels Pörksen (Resigned 31 March 2022)
Ross Reason (Resigned 31 March 2022)
Mark Haynes Daniell (Resigned 31 March 2022)

Secretary

Caroline Pattinson (Appointed 22 September 2022)
R J A Askew (Resigned 22 September 2022)

Company Registration Number

3909548

Registered Office

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Auditors

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