ED&F Man Holdings Limited Annual Report and Consolidated Financial Statements

for the year ended 30 September 2021

Our business at a glance

Established in 1783, ED&F Man is one of the world's leading providers of agricultural commodities, logistics and financial services. We employ 6,300 people in 58 countries and have an annual revenue of $6.3 billion (year ended 30 September 2021) and 238 years' experience of world trade.

We source, store, process, ship and distribute a range of products including sugar, coffee, molasses, animal feed and fish oil. Our global infrastructure, operational expertise and execution capability ensure timely delivery of products of the highest quality to buyers all over the world. Covid-19 continued to impact the business during the year ended 30 September 2021. The ongoing impact of the pandemic and its impact on global supply chains, combined with high commodity prices, increased volatility and the resulting impact on working capital requirements, drove the strategic decisions made by the Group.

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. Corporate social responsibility is important to the business.

We seek to deliver sustainable production, 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 the supply chains that provide an essential role in modern life.

In addition, we offer direct access to global commodities and capital markets through our brokerage business. We provide a full range of products across all the world's major exchanges including trade processing, clearing, execution, financing and agency-based electronic and voice brokerage services.

Brokerage business operates across a diversified and comprehensive range of asset classes including Futures & Options, Fixed Income Securities, Metals, Foreign Exchange, Energy, Equities and OTC and exchange-traded Agricultural and Soft commodities.

The Commodity Trading businesses delivered strong performance despite high prices, liquidity constraints and market uncertainties. Due to the Covid-19 pandemic, we made slow progress on the sale of our non-core assets, though the operating results at our Brokerage business continue to improve.

During the year ended 30 September, our key stakeholders were our customers, suppliers, our employees and our broader lender group, particularly those lenders involved in the restructuring process.

ED&F Man in numbers

238
years in business

+6,300
people worldwide

+130
locations globally

$6.3bn
annual revenue in 2021

+75
nationalities

+15,000
customers

+200
years in world trade

58
countries

+14,000
suppliers

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

ED&F MAN

Sourcing
Long-term relationships securing supplies from origin

Activities at origin
- Sustainable sourcing
- Agricultural development
- Pre-finance
- Pricing (Futures and swaps)
- Off-take
- Research
- Coffee milling and packaging

Value added
- Sorting, blending and cleaning
- Certification, traceability
- Quality control and testing

Production
Add value to our products
Warehouse and Logistics
Extensive network of owned and third-party facilities

Logistics
- Off-take
- Trucking
- Warehousing
- Elevation

Logistics assets
- Rail car
- Warehouses
- Terminals
- Liquid storage

Distribution
Expert and innovative freight capability

Shipping
- Freight
- Pricing/trading
- Tendering

Assets
- Terminals
- Charter vessels

Destination
Efficient and innovative global bulk transportation network

Activities at destination
- Feed processing/blending
- Logistics: just-in-time delivery
- Research and market intelligence
- Credit services
- Complex pricing
- Clearing

Assets at destination
- Warehouses
- Organic sugar refinery
- Liquid storage
- Feed plants

Chairman's statement

I am pleased to be writing my first Chairman's statement since I joined in March 2021. During this time, the Group has undergone significant change against a backdrop of heightened market volatility.

I want to start by thanking all of our employees across the globe. Despite the challenges to their personal and professional lives due to the Covid-19 pandemic, their hard work, adaptability, skill and resilience ensured that trade continued seamlessly, delivering for the customers who rely on us.

We sadly lost some of our colleagues as a result of Covid-related illnesses this year – Pedro Aguillar, from Volcafe Guatemala; Jose Reis da Silva, from Volcafe in Brazil, and Tanya Piromnim who worked for MLP and Sugar in Thailand. We mourn them, and pass on our deepest condolences to their families, colleagues and friends. In addition, you can also rest assured that we have and will continue to do everything possible to safeguard and support our people impacted by the terrible events in the Ukraine.

A key focus of the Board and the Management Team this past year has been to restructure our balance sheet. We are pleased to announce that effective 31 March 2022, the restructuring of our legacy debt and the associated refinancing of the commodities businesses was successfully completed. Through this restructuring, our Commodity Trading business has been successfully ring-fenced from legacy debt and $300m of incremental liquidity has been raised to support its operations through the current high price environment. The tenor of the legacy debt was extended up to 2028 providing a suitable timeline for the disposal of non-core businesses.

Whilst we are disappointed to be reporting a significant loss for the financial year ended 30 September 2021, I am delighted that the restructuring has now been completed and encouraged that the commodities businesses are now structured for future success.

Management and the Board

As we worked through the Group debt restructuring, we have made a number of changes to the ED&F Man Management team and the membership of the ED&F Man Holdings Board. Changes have also been made to the committees supporting the risk management and governance frameworks. During the 2021 financial year, two new Non-Executive Directors joined the Board, Emma Griffin and Mark Nelson-Smith. Ross Reason and Mark Daniell stepped down as Non-Executive Directors, and as the Chairman of the Audit and CSR Committees respectively. Rafael Muguiro retired from the Group Board and as Group CEO after over four decades with the Group. We thank Rafa, Ross and Mark for their service and wish them well in their future endeavours.

Further, during the 2021 financial year, our Chief Financial Officer, Lukas Paravicini, resigned as CFO and Board member and we appointed Jade Moore as our Chief Restructuring Officer and Phillip Murnane as our Chief Financial Officer, Phillip having initially joined us as Group Finance Director. Both Jade and Phillip are Executive Board Members. The Group will not be appointing a new CEO and instead I will take responsibility for the leadership and strategy of the Group, supported by Jade, Phillip and the commodity business heads.

To drive the strategy and performance of ED&F Man Commodities, a subsidiary of ED&F Man Holdings and the ring-fenced parent of the commodities businesses, a new commodities level Board was formed comprising Trishul Mandana, Arie van der Spek and Alexandre Bauche, the heads of Coffee, Molasses Liquid Products and Sugar Trading respectively, along with Jade, Phillip and myself as Chairman.

Chairman's statement continued...

Commodity Trading

Our Commodity Trading business performed very strongly, achieving a $110.1 million Profit before Tax (PBT). This excellent result was achieved despite both the ongoing challenges of Covid-19 and liquidity constraints that limited our ability to seize many of the opportunities on offer in volatile global commodity markets.

Our **Coffee** division, Volcafe, is one of the world's largest coffee merchants, trading since 1851 and specialising in worldwide green coffee procurement. Despite liquidity constraints and the repositioning of our Ugandan business during the year, Volcafe outperformed the year generating PBT of $51.2 million. Volcafe successfully traded its physical book in a year that saw arabica prices move from a low of 104.40 US cents/lb to a high of 194.35 US cents/lb capturing margin and managing its exposure during the Brazilian 'frost rally' despite extreme price volatility in both directions.

Our **Molasses and Liquid Products (MLP)** division trades a diverse range of products including molasses and fish oil and is a pioneer in sustainable and nutritional feed products from natural by-products. MLP had a successful year with all areas of its business profitable and delivering PBT of $35.2 million for the year.

Finally, our **Sugar Trading** business also had a successful year ending strongly with a full year PBT of $7.0 million. A positive result considering Sugar was particularly impacted by limited liquidity, exacerbated by the higher price environment and the challenges presented by global freight prices.

Brokerage

Our Brokerage business continued to be negatively affected by the pandemic's economic effects including low interest rates and poor outlook across all segments that reduced client confidence and activity. The year-end PBT result of $10.6 million was largely a result of the beneficial recovery of litigation costs. However, incubating businesses are showing potential and the legacy issues are slowly being resolved reducing legal costs.

On 16 February 2022, the English High Court ruled in favour of ED&F Man Capital Markets Limited (MCM), in relation to a claim brought by us relating to the 2017 Metals Incident. The Court confirmed that the defendants are liable for damages of $283 million for using fraudulent nickel warehouse receipts as collateral for repo deals. The Group had fully provided for this loss in 2017 and any future recoveries and distribution of such recoveries are expected to be accounted for when received.

> **"A key focus of the Board and the Management Team this past year has been to restructure our balance sheet.**

On 25 February 2022, the Court of Appeal upheld the High Court's decision dismissing claims brought by Denmark's Customs and Tax Division against ED&F Man Capital Markets, closing a long litigation in our favour.

Divestment programme

Our strategy for the last three years has been to streamline our portfolio of businesses by divesting several non-core industrial assets, mainly in sugar production, to deploy capital into the Group and return to our traditional trading model. We have worked with these businesses, supporting local management teams and turnaround programmes, to optimise them for sale and market them at the right time.

Iansa, Chile – execution of the turnaround continued through FY 2021 although progress was limited due to a challenging trading environment, Covid-19, Chilean political uncertainty, the continuing repercussions of the nation-wide pet food recall and complex southern hemisphere logistics issues. A key pillar of the turnaround plan to concentrate all sugar production at one plant (Chillan) was completed during the year, which will have efficiency benefits going forward.

Ukraine – our continued focus on improving farming practices, together with supportive weather conditions have improved yields across all crops. Combined with a strong pricing environment the Farm delivered an operating profit for the year. Subsequently, on 7 February 2022, we completed the sale of the Agro-Dilo Farm in Ukraine with sales proceeds of $17.2 million.

The Factory, which had remained closed, was being sold when the Ukraine/Russia conflict commenced. Although a sale agreement was in place, the sale was not completed before the commencement of hostilities. Subsequently the area of Mykolaiv including the factory faced extensive shelling from Russian forces. The Factory experienced significant damage and an insurance claim has been opened.

JV in Azucar Grupo Saenz (AGS) Mexico – last year, we reported on the sale of the Mante mill and closure of the Xico mill. This left us with one mill, Tamazula which despite lower cane yields in the Pacific region, delivered a profitable year, aided by a favourable market environment. However, we impaired the outstanding investment further during the year ended 30 September 2021 and continue to focus on the strategic options for this business.

Agrovia – On 19 January 2022, the Group sold the effective interest of 31.53% in Agrovia, a sugar logistics joint venture in Brazil for a total value of $16 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.

Although the results for the first six months of FY 2022 continued to be impacted by liquidity constraints in a high price environment, the restructuring gives us confidence that the commodities business can trade successfully and take advantage of future opportunities as it has in the past. The ring-fenced commodities platform will also be able to source new credit facilities in addition to the $300 million provided by the existing lenders. Customers and suppliers should welcome the certainty that the new structure provides.

All of us at ED&F Man are committed to serving our clients, developing and supporting our employees, building and improving our businesses and delivering enhanced value to all our stakeholders.

Chris Mahoney
Chairman
27 May 2022

Strategic report

for the year ended 30 September 2021

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. In addition, we help our counterparties manage price risk through hedging and provide access to commodity and capital markets through our financial brokerage business.

The Group's business activities, future developments and performance measurements are set out below. The liquidity position of the Group and borrowing facilities are described in Note 26 and Note 28 to the consolidated financial statements. Note 28 also describes the Group's financial risk management objectives and policies, and details its financial instruments and hedging activities and 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 three main operating segments: Commodity Trading, Brokerage and Holdings. The Commodities segment includes Coffee, Molasses and Liquid Products and the Sugar Trading business. Brokerage is a global financial brokerage business and forms ED&F Man's financial services segment. Holdings includes debt to the Mexican joint venture, beet sugar farm in Ukraine and investment in Empresa Iansa (Iansa).

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 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 tenor up to 2028, separating it from the Commodity Trading business and providing a suitable runway for the disposal of non-core businesses.

Commodity Trading Businesses

The Commodity Trading Segment encompasses our Coffee, Molasses and Liquid Products (MLP) and Sugar trading business units. This is a portfolio of business units 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 advantages of price volatility to deliver $150.7 million of operating profit, compared to $118.8 million in prior year.

Coffee

Volcafe is the key supplier to global roasters including Starbucks, Nespresso, Nestle and JDE, as well as to the high-street coffee shops and online.

Volcafe had a very strong year and delivered an operating profit of $86.2 million, compared to $49.3 million in prior year, Arabica prices traded in a range from a low of 104.40 US cents/ lb to a high of 194.35 US cents/ lb. The significant price movements and volatility were driven by the global logistics issues as well as the climatic conditions in Brazil, where the drought was followed by frosts.

Our strategic focus on our premium offer, including a growing emphasis on sustainability partnerships, continues to pay dividends.

Molasses and Liquid Products (MLP)

MLP is the largest global molasses trader by volume with strong distribution in all key markets (including the Caribbean rum market) and are pioneers in developing sustainable and nutritional feed from natural by-products. In addition, we have a significant fish oil trading operation and Westway Feed is the biggest liquid animal feed manufacturer in the Americas.

Our key customers in MLP include Bacardi, Diageo, San Miquel, Cargill, Purina, Mauri, Lesaffre and Lallemand.

MLP had a successful year, delivering an operating profit of $44.6 million compared to $42.0 million in the prior year. MLP continued to report strong returns in all its key markets and products through higher margins and strong volumes in the second half of the year.

Strategic report continued…

for the year ended 30 September 2021

Sugar Trading
Our Sugar Trading business is a world-class sugar merchant and one of the largest white sugar trade houses, handling over six million metric tonnes of sugar a year, with a world-leading research team.

Sugar Trading successfully captured and took advantage of the increased volatility experienced during the period to generate strong results, delivering an operating profit of $18.0 million. However, we underperformed compared to prior year operating profit of $40.4 million due to liquidity constraints.

The physical trading in Asia, Africa and Europe were the strongest performers for the business in the reporting period.

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. This is a critical step to move to an asset light trading structure that has been at the heart of the strategic direction the Group took in late 2017.

Brokerage Business

The Brokerage business offers our clients access to global capital markets via world-class IT infrastructure. This offering is 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 offers diversification and a recurring earnings stream for the Group. It is separately managed and operated through several regulated subsidiaries and provides 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 operates in a standalone environment, with its own holding company. This regulated business has its own governance structure, capital and dedicated financing.

Brokerage had a positive year, although well down on prior years performances with a positive operating profit of $17.6 million. As with many business models, this division was not immune to the impact of the global pandemic. Apart from this, the main drivers of lower returns included the extremely low interest rate environment and the flattened yield curve during the year ended 30 September 2021.

Looking ahead
The brokerage business is returning consistent profitability in the established US region and is looking forward to growing the global reach in Australia, Asia, Middle East and Europe to increase long-term gains.

Holdings

The Holdings division holds the assets and businesses that do not fit into either Commodity Trading or Brokerage, including the Group's industrial sugar assets. In 2017, the Group outlined its strategy to deleverage its balance sheet by selling these assets and returning ED&F Man to its commodity trading roots, whilst seeking to maximise returns and minimise losses in very challenging markets. This division also includes the Group's corporate infrastructure and most of the Group's legacy debt.

Joint venture in Azucar Group Saenz (AGS), (Mexico)
During 2021 AGS was recapitalised by converting the loan receivable from the joint venture into $333.0 million of non-voting Preference F shares. As a result of this recapitalisation, the following were recorded in the Consolidated Statement of Profit or Loss for the year ended 30 September 2021:

– previously recognised expected credit losses of $222.5 million relating to the loan receivable from AGS were derecognised (see Note 24 – Amounts Owed By Joint Ventures and Associates);
– the Group's share of losses to date from AGS of $121.2 million were recognised;
– impairment of $162.2 million to reflect the recoverable value of the Group's investment in AGS.
– The net effect of these adjustments resulted in a $60.9 million charge to the Consolidated Statement of Profit or Loss for the year ended 30 September 2021.

Ukraine Factory and Farm (Ukraine)
The Ukrainian sugar factory was closed last year and the factory assets are being disposed of piecemeal. During the year our farm operations continued to produce non-sugar crops, delivering an operating profit of $5.3 million. The farm was sold subsequent to year end and although there was agreement to sell the remaining assets of the Sugar factory, the completion of the sale of the Sugar factory was not completed due to the ongoing conflict in Ukraine. The Factory was subsequently shelled and sustained significant damage. An insurance claim has been raised (see Note 40 Subsequent Events for details).

Iansa (Chile)
Iansa 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 and its financial year is January to December. Iansa made a loss of $12.7 million during the year compared to $20.7 million during the year ended 30 September 2020. The results reflect the ongoing turnaround plan with the closure of the Los Angeles sugar mill late in 2020, leaving only one mill, Chillan, which also operates as a refinery for raw sugar imports. This provides Iansa with an efficient sugar model for future production. The continuing implications of the nation-wide pet food recall identified in the prior year had a significant adverse impact on Iansa's results.

Looking ahead
Potential disposals continued to be affected by the Covid-19 pandemic. Management will continue to review the appropriate time to monetise non-core assets.

Balance Sheet

Non-current assets were $751.6 million (2020: $767.6 million) and were $16.0 million lower than last year. This was driven by a decrease in long-term forward contracts within commodities, impairment of goodwill and the write off of deferred tax assets. Right of use assets, net of new leases also reduced by $10.7 million due to depreciation and lease terminations within MLP and Brokerage. The most significant increase was in the Investments in Joint Ventures and Associates due to the non-cash recapitalisation of AGS by converting an existing loan into preference shares (see Note 20 in the Consolidated Financial Statements).

Net current assets reduced by $96.9 million during the year, from $1,410.7 million to $1,313.8 million. However, overall working capital was higher within Commodities by $132.5 million mainly driven by higher commodity prices resulting in not only higher values for inventories and trade receivables but higher margins with exchanges. On the other hand, the recapitalisation of AGS reduced current assets by $91.6 million. Securities Purchased under agreements to resell has a net reduction of $92.5 million. These amounts were significantly lower than last year because of the low interest rate environment in the United States.

Cash and cash equivalents at the year end was $1,807.7 million compared with net cash at the end of last year of $1,516.7 million. These balances include $1,255.9 million (2020: $976.0 million) for Brokerage for segregated cash. This increase in cash balances at Brokerage was due to a high price and volatility environment for most products requiring higher margins from customers. Excluding these balances at Brokerage, the Cash and Cash equivalents were slightly higher by $12.0 million.

During the year ended 30 September 2021, the Group identified a number of adjustments related to prior years. These restatements have been discussed in Note 2.2 of the Consolidated Financial Statements and with the Directors' Report.

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 28 in the Consolidated Financial Statements describes the Group's liquidity position and borrowing facilities in full. The table below sets out a summary:

Excluding Brokerage	**2021 $m**	2020 $m
Undrawn facilities, including cash headroom requirements	**120.0**	125.0
Cash and cash equivalents (excluding Restricted Cash and Segregated Cash)	**552.7**	541.0
	672.7	666.0

The Group has committed secured facilities of $1,926 million (2020: $1,472 million), which include medium-term syndicated facilities with maturities in excess of 12 months. The Group has committed unsecured facilities of $282 million (2020: Nil). Debt drawn under these secured and unsecured facilities at 30 September 2021 was $1,945 million (2020: $1,347 million).

The Group also has $184 million of fixed interest notes, which expire in 2023. These fixed interest notes have been restructured as a part of the debt restructuring on 31 March 2022. During the year, the Group incurred finance expenses of $141.9 million (2020: $141.0 million) (see Note 40 for Subsequent Events)

The Group completed the restructuring of its legacy debt and associated refinancing of its core commodities business on 31 March 2022. This resulted in a ring-fence around the Commodity Business which received an additional $300 million of liquidity to manage the current high commodity price environment. The legacy debt has been restructured extending its tenor up to 2028, separating it from the Commodities business and providing additional time for disposal of non-core businesses (see Note 40 Subsequent Events in the Consolidated Financial Statements).

Cash Flow

Net cash inflow from operating activities decreased from $880.3 million to $317.0 million. Cash flows have been adversely affected by working capital movements due to the significant price increases across all commodities and additional margin requirements during the year which utilised cash. Capital expenditure reduced from $44.8 million to $30.5 million. The Group realised $16.7 million from the disposal of sale of credit rights relating to a claim in Brazil (see Note 36). Sale of other investments and assets were $1.8 million. Tax paid in the year amounted to $36.9 million (2020: $27 million).

Taxes

Despite reporting a loss before tax during the year, the Group has incurred a charge for corporate income taxes of $90.1 million in 2020/21 compared with $32.1 million in 2019/20 including $28.0 million of deferred tax assets written off during the year ended 30 September 2021. 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 24.5%.

Performance measurements

The Group's key performance measures are Revenue, Gross Profit and Operating Profit.

	2021 Commodity Trading $m	2021 Brokerage $m	2021 Holdings $m	**2021 $m**	2020 $m
Revenue	**5,401.1**	**356.2**	**508.9**	**6,266.0**	6,906.0
Gross profit (Loss)	**336.2**	**140.9**	**(29.3)**	**505.8**	522.1
Operating Profit (Loss)	**150.7**	**17.6**	**(102.6)**	**65.7**	82.8

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.

ED&F Man engages regularly with stakeholders at Group and/or business level, depending on the issue. 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 business unit 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.

Strategic report continued…

for the year ended 30 September 2021

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 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	Banks and Insurers	Shareholders	Governments and Authorities
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	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	Email Intranet Quarterly results updates Town halls Monthly leadership updates Training Surveys	Meetings Video or phone calls Site visits	Coaching and training programmes Community programmes and schemes Greater detail is contained in the CSR report page 10	Meetings Monthly performance reports Annual Report CSR report	Website Annual General Meeting Quarterly results updates	Meetings Correspondence
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 CFO share annual financial results at a Town Hall session with all employees. In addition, other Board members meet with senior employees at conferences, business reviews and visits to overseas offices.	Senior management of each business unit (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 to the Board 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 Business Unit-Executive member of the Board and has representatives from across several Group functions and businesses	The Chief Restructuring Officer and CFO meet with Lenders through 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 updated regularly on key issues that have arisen relating to material changes in government legislation and regulation across the many countries in which the Group operates.

Principal decisions

Covid-19 heavily impacted the strategic decisions made and shaped the engagement with stakeholders both at 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 in the long term, as well as having regard to maintaining a reputation for high standards of business conduct. While the strong commodity markets delivered a good performance within Commodity Trading, the sales process of our non-core assets progressed gradually with a few sales completed in the following financial year.

During the year ended 30 September 2021, 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 structure the existing debt.

Statement of compliance with the Corporate Governance disclosure requirements

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 business units 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 have 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 Risk Committee (GRC).

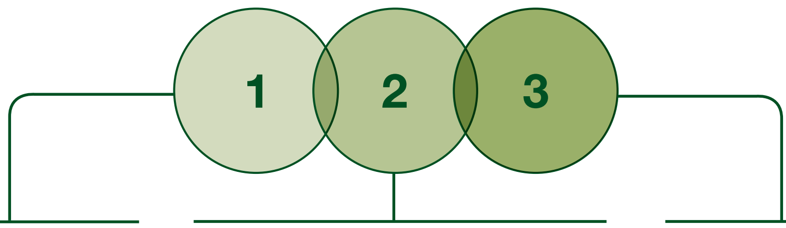
The GRC operates under delegated authorities to oversee the management of all risks and is responsible for approving risk limits and for overseeing adherence to those limits throughout the Group. The responsibilities of the GRC include establishing policies and procedures, setting limits, managing risks and reviewing actual and potential exposures arising from the Group's operations and ensuring compliance with the risk control framework of the Group. The GRC 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 28 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 GRC is one of the risk management committees that was in place during the year ended 30 September 2021. Following the Group restructuring, the GRC has been incorporated into the Group Audit and Risk Committee, as outlined below in the section covering Boards and Committees.

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, Brokerage 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 the risk owners in reporting adequate risk related information up and down the organisation.

Third line of defence:
The Internal Audit function, reporting through the Audit and Risk Committee, provides assurance to the Commodities and MCM Boards 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 27 May 2022 and signed on its behalf by:

Phillip Murnane
Group Chief Financial Officer
27 May 2022

Corporate social responsibility

Our commitment to Corporate Social Responsibility (CSR) at ED&F Man 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 continuing efforts in CSR are focused within our businesses in a programme of activity addressing all relevant CSR and sustainability responsibilities under four priority areas: the environment; the marketplace comprising our own activities, along with our suppliers, customers and a value chain that stretches across 58 countries; the workplace; and to society, with specific attention paid to the communities in which we operate or have an influence through our commercial activities.

In these four priority areas we have made substantial investments and developed a set 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 substantial progress over this past year in all four areas, a record of success upon which we plan to continue to build.

Adhering to responsible practices

Specific standards, policies and procedures guide our immediate activities, not only in origin and destination countries, but also across all aspects of our supply chains. These address important cross-business issues such as prohibiting child labour, eliminating unsafe workplace practices and combating modern slavery. Longer-term issues include focusing on the environment and climate change, where we aim to reduce our electricity and energy use, carbon emissions and water consumption.

Working together for sustainability

Our commitment to achieving our CSR objectives is increasingly shared with our suppliers and customers. Responding to concerns over the environment and ethical sourcing in particular, ever more discerning end-consumers expect to receive products that are responsibly sourced, processed and sold through processes that embed ever-more visible sustainable business practices. Encouraged by end-consumer preferences, manufacturers and suppliers are setting new standards for themselves and their own partners in the value chain.

Businesses and consumers alike want to have assurances that what they buy can be traced back through the supply chain to ethical practices in origin markets.

Entering a new phase of CSR

We have observed that the interests of external and internal stakeholders have changed. In addition, new regulations on human rights in the supply chain have been developed or are being implemented over the coming years. Also, the subjects of climate change, deforestation and biodiversity continue to grow in importance. Apart from addressing such ESG issues in our marketplace, the company must also ensure its sustainability activities adds value to the company's operational performance. As such we have placed CSR and sustainability at the centre of our business strategy and ED&F Man will embark on a more integrated way of CSR Management. For this purpose, during 2021 the company developed a new Group CSR Framework Model which will be rolled out during 2022.

Under this new framework our CSR work will continue in a more integrated way, with a collective ambition and core values, with more focus on deriving value, both internally to the business, and externally to clients, communities and our planet. Within six defined dimensions, each with a number of key priorities, each Commodity Business Unit will develop their specific sustainability plan of action, as part of their overall business strategy. In this way, each Business Unit will focus on driving value for their specific priorities within their unique markets. Collectively, these BU sustainability strategies will drive value for the Group, while also some CSR activities will remain Group-wide. In future reports we will report on our CSR and sustainability under the new framework.

Recording progress, measuring results

At ED&F Man, we have always taken a practical and measurable approach to sustainable practices. We believe that 'what gets measured gets done' as a core part of our business culture, which applies equally to all elements in our business model and all principles we embrace in our Group-wide CSR programmes and the sustainability activities within our businesses and on local level.

We pursue positive opportunities to develop our own business workplace, improve industry standards and positively contribute to the communities where we are commercially active. While sharing a core set of principles and standards, we set and pursue the most important initiatives within each specific business area: commodity trading, manufacturing and processing, shipping, supply chain logistics and participation in capital markets.

Directors' report

The Directors present their report and audited financial statements for the year to 30 September 2021.

Results and dividends

The audited financial statements of the Group and the Company are shown on pages 17 to 71.

The loss after taxation attributable to owners of the Group for the year to 30 September 2021 amounted to $217.1million (2020: loss $239.9 million). The Directors do not recommend the payment of an ordinary dividend (2020: Nil). During the year, no preference dividend was paid (2020: Nil). Dividend per preference share was Nil (2020: Nil).

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 69 to 71 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.

Restatements

Employee Share Loans – During the year ended 30 September 2021, the Group reviewed the Employee Share Loan agreements and reconsidered the historic accounting treatment. The Group concluded that given the narrow nature of recourse to bonuses, these loans should be treated in line with the treatment set out in IFRS 2 – Share-Based Payments. Accordingly, these employee loans should have been expensed as compensation costs in the year they were given since there were no vesting or service conditions attached to them.

Inventory Adjustments – During the year ended 30 September 2021, the Group identified inventory and accounts payable adjustments relating to prior years at one of its subsidiaries. These adjustments related to incorrect accounting for production overheads ($6.4 million), book-to-physical differences ($2.4 million) and unrecorded supplier invoices for a one-off trade ($2.4 million).

Payables Reclassification – During the year, management identified that due to a renegotiation of a payable during the year ended 30 September 2020, the repayment period of this payable was beyond one year. Accordingly, this payable of $134.1 million was no longer a current liability. This was corrected for the year ended 30 September 2021 and a restatement applied to the balance as reported for the year ended 30 September 2020. This adjustment is a balance sheet reclassification only and has no impact on Consolidated Statement of Profit or Loss.

See Note 2.2 of the Notes to Consolidated Financial Statements for the impact of these adjustments.

Financial risks and future developments

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

Diversity & 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.

This belief in the critical importance of a balanced and varied team is embodied in the Group's core values of Respect, Integrity and Meritocracy. Recruitment actively targets a diverse intake, training and development raise awareness and promotion relies on objective merit and performance.

Diversity and inclusion remains a journey for the Group as it is for all businesses translating statements and commitments into practice but the Group is committed to continually improving in this area and listening to its employees and all its partners in that endeavour.

Regular consultation with employees or their representatives continues at all levels, with the aim of ensuring their views are considered when decisions are made which are likely to affect their interests. The policy of providing employees with information about the Group has been continued through Group-wide town hall meetings to update employees on the performance of the Group.

Methodology

All product processing assets report monthly, statistics such as the use of energy, fuels, water, waste. This is then converted into CO_2 emissions as per standard conversion factors also used by international and commonly applied standards and schemes (EU level, International Energy Agency, Defra Voluntary 2017 Reporting Guidelines).

Streamlined Energy & Carbon Reporting (SECR) disclosures

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.

		2021	
	Unit	Group	UK only
Fossil Energy use (includes purchased electricity, gas, fuels, oil, coal, etc.)	kWh	**589,713,065**	**2,038,654**
– Associated Scope 1 emissions	Mt CO_2	**153,204**	**578**
– Associated Scope 2 emissions	Mt CO_2	**11,229**	**16**
Intensity ratio 1 – carbon emissions per mt processed	Kg CO_2/Mt	**41**	**1.59**

Directors' report continued…

Energy efficiency action taken

Fossil energy saved across the Group was 22% compared to prior year. The biggest contributor to this reduction was the Industrial sugar assets division with a 23% total energy use reduction, resulting from the sale of two mills in Mexico and closure of a couple of locations in Chile. Also, the Coffee division contributed to this reduction with the energy use per MT of coffee processed decreasing by 14%. This was the result of various projects on local country and mill level, switching to renewable electricity, renewable fuels and more efficient processing, which has commenced across other businesses. As a result, the total carbon emissions of the Group reduced by 24%. Most noteworthy is the significant reduction of the Group's total water use by 32%, and a reduction in water use per metric tonne processed of 25%. The single biggest contributor to this result was the Agri-Industrials division following the closure of two mills in Mexico and Iansa in Chile where water reuse equipment has been installed, various other water saving projects have been successfully executed and a few processing locations were closed.

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 based on their date of appointment or resignation were as follows:

- Mark Nelson-Smith (Appointed 16 November 2020)
- Emma Griffin (Appointed 10 December 2020)
- Niels Vesterdal (Resigned 31 December 2020)
- Lukas Paravicini (Resigned 17 February 2021)
- Chris Mahoney (Appointed 15 March 2021)
- Jade Moore (Appointed 31 March 2021)
- 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)

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 and EU-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 for the Group and FRS101 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;
- 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;
- make judgements and accounting estimates that are reasonable and prudent; 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

Throughout the year ended 30 September 2021, the Commodity and Brokerage businesses were able to continue trading profitably despite the impacts of the liquidity constraints. With the Restructuring of the Legacy Debt and $300M additional liquidity available for the commodities business, we feel confident that the businesses are appropriately supported for the future. Accordingly, the annual financial statements have been prepared on a going concern basis.

Based on the extensive modelling the Group has undertaken for the recent refinancing (see Note 40.1 Subsequent Events in the Consolidated Financial Statements), the Directors have a reasonable expectation that the Group has sufficient liquidity for the going concern assessment period to 30 June 2023 and accordingly the Directors have adopted the going concern basis in preparing the Consolidated Financial Statements. The debt restructuring completed on 31 March 2022 provides adequate funding for both the Commodity Trading Business and the legacy businesses to continue as a going concern. See Section 2.3 of the Consolidated Financial Statements for further details on our evaluation of the Group's ability to continue as a going concern.

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:

Richard Askew
Secretary
27 May 2022

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

Executive Chairman
- Chris Mahoney (Appointed 15 March 2021)

Executive Directors
- Jade Moore (Appointed 31 March 2021)
- Phillip Murnane (Appointed 31 March 2022)

Non-Executive Directors
- Emma Griffin (Appointed 10 December 2020)
- Mark Nelson-Smith (Appointed 16 November 2020)

Holdings Board Observer
- Südzucker – Appointed Observer

Former Directors
- Niels Vesterdal (Resigned 31 December 2020)
- Lukas Paravicini – Group Chief Financial Officer (Resigned 17 February 2021)
- Rafael Muguiro (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
- Phillip Murnane – Group Chief Financial Officer
- Jade Moore – Chief Restructuring Officer
- Alexandre Bauche – Managing Director, Sugar Division
- Arie van der Spek – Managing Director, MLP Division
- Trishul Mandana – Managing Director, Coffee Division
- Non-Executive Director

Observers
- Non-Executive Director as an Observer

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 business unit 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)
- Mark Nelson-Smith – Non-Executive Director (As of 31 March 2022)
- Chris Mahoney – Chairman

Group Audit & 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 Group Audit & Risk Committee meets quarterly.

Membership
- Mark Nelson-Smith – Non-Executive Director (Chair as of 31 March 2022)
- Emma Griffin – Non-Executive Director (As of 31 March 2022)

The Board and its Committees continued…

Group Banking Committee

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

Membership

- Jade Moore – Chief Restructuring Officer (Chair)
- Phillip Murnane – Group Chief Financial Officer

MCM Board

The MCM Board is responsible for the overall oversight of the MCM Division, including execution of the strategy for the Group's financial services division, Capital Markets. With approval from the Holdings Board, it ensures that the financial services business plan is implemented effectively, that risk and compliance policies are maintained and that financial and operational objectives are met and monitored.

The MCM Board usually meets quarterly.

Membership

- Jade Moore – Chief Restructuring Officer (Chair)
- Chris Smith – MCM Chief Executive Officer
- Christopher Bates – MCM US CFO
- Stephen Hood – MCM Global COO and Global Chief Risk Officer
- Brian O'Keane – MCM Global Chief Financial Officer
- Gary Pettit – MCM Chief Executive Officer UK
- Joseph Weinhoffer – MCM President and CEO Americas

Corporate and Social Responsibility Committee (CSR)

The CSR Committee supports the Board by determining the Group's CSR policies and overseeing the effective implementation of the CSR Programme. It formulates our CSR principles, monitors CSR trends and issues, reviews our priorities and ensures we meet our goals and commitments. 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.

The CSR Committee meets at least quarterly.

Membership

- Trishul Mandana – Managing Director, Coffee Division (Chairman of the CSR Committee)
- Adrian Osbourn – Human Resources
- Alexander Everett – Sugar
- Ann Campbell – Communications
- David Parker – Compliance, Legal & Risk
- Jeremy Smith – Group Treasury Manager
- Kona Haque – Research
- Liesbeth Kamphuis – Coffee
- Meredith Smith – MLP
- Rene Kleinjan – HSEQ/MLP

Independent auditor's report

To the Members of ED&F Man Holdings Limited

Opinion

We have audited the financial statements of ED&F Man Holdings Limited (the Parent Company) and its subsidiaries (the Group) for the year ended 30 September 2021 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, the related notes 1 to 40 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 International Accounting Standards in conformity with the requirements of the Companies Act 2006. 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 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- 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 the Parent Company's ability to continue as a going concern for the period up to 30 June 2023.

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 set out on pages 1 to 14, 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 there is 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.

Independent auditor's report continued...

To the Members of ED&F Man Holdings Limited

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 11 to 12, 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 the International Accounting Standards in conformity with the requirements of the Companies Act 2006, the Companies Act 2006, Bribery Act 2010, the Companies (Miscellaneous Reporting) Regulation 2018, the relevant direct and indirect tax compliance regulation in which the Group operates, Anti-Money Laundering Regulation and General Data Protection Regulation;
- We understood how ED&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 Audit Committee. We noted that there was no contradictory evidence;
- We assessed the susceptibility of the Group and Parent Company's 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 (such as 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 Audit 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
28 May 2022

Consolidated statement of profit or loss

for the year ended 30 September 2021

		30 September 2021 $m			30 September 2020 $m (As restated)		
	Note	**Underlying[1]**	**Other items[2]**	**Total**	Underlying[1]	Other items[2]	Total
Revenue	6	**6,242.3**	**23.7**	**6.266.0**	6,814.6	91.4	6,906.0
Cost of sales		**(5,738.4)**	**(19.1)**	**(5,757.5)**	(6,295.4)	(86.4)	(6,381.8)
Gross profit		**503.9**	**4.6**	**508.5**	519.2	5.0	524.2
Administrative and selling expenses	2.2, 13.2	**(440.5)**	**(2.3)**	**(442.8)**	(420.3)	(21.1)	(441.4)
Operating profit (loss)		**63.4**	**2.3**	**65.7**	98.9	(16.1)	82.8
Other Income	2.8, 36	**–**	**16.7**	**16.7**	–	–	–
(Loss) gain on disposal of investments	11	**(0.8)**	**2.6**	**1.8**	–	31.3	31.3
Gain (loss) on disposal of property, plant and equipment	11	**(0.2)**	**1.6**	**1.4**	(2.6)	0.4	(2.2)
Reversal of impairment		**–**	**–**	**–**	1.2	–	1.2
Impairment of goodwill	15	**–**	**(2.6)**	**(2.6)**	–	(4.9)	(4.9)
Recycling of translation reserve	7	**–**	**–**	**–**	–	(75.8)	(75.8)
Impairment of property, plant and equipment	8, 16	**(2.3)**	**–**	**(2.3)**	(22.1)	(6.7)	(28.8)
Restructuring costs		**–**	**–**	**–**	(0.5)	1.9	1.4
Impairment of financial assets	2.8	**–**	**(8.1)**	**(8.1)**	–	–	–
Reversal of Expected Credit Losses	20, 24	**–**	**222.5**	**222.5**	–	–	–
Share of profit (loss) of entities accounted for using the equity method	20	**1.0**	**(120.9)**	**(119.9)**	(0.8)	5.1	4.3
Impairment of investment in an entity accounted for using the equity method	20	**–**	**(162.2)**	**(162.2)**	–	–	–
Impairment of receivable from entity accounted for using the equity method	24	**–**	**–**	**–**	–	(76.1)	(76.1)
Profit (loss) before interest and tax		**61.1**	**(48.1)**	**13.0**	74.1	(140.9)	(66.8)
Finance costs, net	8, 12	**(135.6)**	**–**	**(135.6)**	(136.4)	(0.2)	(136.6)
Lease interest	8, 12	**(3.5)**	**(0.9)**	**(4.4)**	(3.7)	(0.7)	(4.4)
Loss before tax		**(78.0)**	**(49.0)**	**(127.0)**	(66.0)	(141.8)	(207.8)
Income tax (expense) benefit	14	**(90.3)**	**0.2**	**(90.1)**	(35.1)	3.0	(32.1)
Net loss for the period		**(168.3)**	**(48.8)**	**(217.1)**	(101.1)	(138.8)	(239.9)
Attributable to:							
Owners of the Group							
Loss for the year attributable to the owners of the Group				**(215.2)**			(237.9)
Non-controlling interests							
Loss for the year after tax attributable to the non-controlling interest				**(1.9)**			(2.0)
Profit (loss) for the year after tax on discontinued operations				**2.9**			(15.3)

The notes on pages 22 to 71 form an integral part of these Financial Statements.

1. Underlying represents the results before Other Items.
2. Other items relate to discontinued operations, results attributable to businesses and joint ventures that management have committed to sell and/or exit as at 30 September 2021 but do not meet the criteria for classification as discontinued operations as per IFRS 5 and impairment in respect of such businesses (see Note 2.8).

Consolidated statement of comprehensive income

for the year ended 30 September 2021

	Note	2021 $m	(As restated) 2020 $m
Loss for the year after tax		**(217.1)**	(239.9)
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain recognised on defined benefit schemes	13	**2.9**	3.0
Share of movement of joint ventures' reserves		**(1.8)**	(0.3)
Items that may be reclassified subsequently to profit or loss			
Currency translation differences on retranslation of net assets of subsidiary undertakings		**(8.8)**	(9.9)
Currency translation differences on net investment hedges		**(0.3)**	(3.9)
Fair value movement on available for sale investments		**–**	(0.7)
Deferred tax recognised on available for sale investments		**0.9**	1.4
Effective portion of changes in fair value of cash flow hedges – net of deferred taxes		**(9.2)**	(3.6)
Total other comprehensive loss for the year		**(16.3)**	(14.0)
Total comprehensive loss for the year		**(233.4)**	(253.9)
Total comprehensive loss for the period is attributable to:			
Owners of the Group			
Total comprehensive loss for the year after tax from continuing operations		**(230.9)**	(238.4)
Total comprehensive gain (loss) for the year after tax from discontinued operations		**1.2**	(13.2)
Total comprehensive loss for the year attributable to the owners of the Group		**(229.7)**	(251.6)
Non-controlling interest			
Total comprehensive loss for the year after tax from continuing operations		**(1.8)**	(2.3)
Total comprehensive loss for the year attributable to non controlling interests		**(1.9)**	(2.3)

The notes on pages 22 to 71 form an integral part of these Financial Statements.

Consolidated statement of changes in equity

for the year ended 30 September 2021

	Equity Attributable to the Equity Holders of the Parent									
	Share Capital $m	Preference Shares $m	Share Premium Account $m	Retained Earnings $m	Fair Value Reserve $m	Translation Reserve $m	Capital Redemption Reserve $m	Total $m	Non-controlling Interest $m	Total Equity $m
As at 1 October 2019 (As previously reported)	**122.2**	**64.5**	**182.0**	**209.7**	**(1.2)**	**(100.7)**	**14.5**	**491.0**	**46.6**	**537.6**
Restatement (Note 2.2)	–	–	–	(89.6)	–	–	–	(89.6)	–	(89.6)
As at 1 October 2019 (Restated)	**122.2**	**64.5**	**182.0**	**120.1**	**(1.2)**	**(100.7)**	**14.5**	**401.4**	**46.6**	**448.0**
Loss for the year (Restated)	–	–	–	(237.9)	–	–	–	(237.9)	(2.0)	(239.9)
Other comprehensive loss	–	–	–	3.0	(2.9)	(13.8)	–	(13.7)	(0.3)	(14.0)
Total comprehensive loss (Restated)	–	–	–	(234.9)	(2.9)	(13.8)		(251.6)	(2.3)	(253.9)
Purchase of own shares	–	–	–	(28.3)	–	–	–	(28.3)	–	(28.3)
Shared-based payments	–	–	–	6.1	–	–	–	6.1	–	6.1
Recycling of Translation Reserve (Note 8)	–	–	–	–	–	75.8	–	75.8	–	75.8
Shares issued	1.0	–	(1.0)	–	–	–	–	–	–	–
As at 30 September 2020 (Restated)	**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 gain (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)
Shared-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**

The notes on pages 22 to 71 form an integral part of these Financial Statements.

Consolidated statement of financial position

As at 30 September 2021

	Note	2021 $m	(As restated) 2020 $m
Non-current assets			
Property, plant and equipment	16	**415.3**	433.6
Right-of-use assets	17	**113.2**	123.9
Intangible assets	15	**57.5**	64.3
Investment property	19	**0.3**	0.4
Investments in joint ventures and associates	20	**67.5**	31.3
Available for sale investments	21	**9.7**	17.8
Trade and other receivables	24	**36.1**	9.3
Financial assets	28	**5.2**	20.0
Deferred tax asset	14	**46.8**	67.0
		751.6	767.6
Current assets			
Inventories	2.2, 22	**940.5**	773.1
Biological assets	23	**8.1**	6.6
Trade receivables	2.2, 24	**5,365.2**	5,143.9
Other financial assets	28	**5,522.7**	15,193.7
Restricted cash	18	**17.8**	8.3
Cash and cash equivalents	18	**1,807.7**	1,516.7
Assets included in disposal groups, classified as held for sale	8	**41.3**	34.3
		13,703.3	22,676.6
Total assets		**14,454.9**	23,444.2
Current liabilities			
Trade and other payables	2.2, 25	**6,343.9**	5,625.6
Lease liabilities	27	**28.3**	30.1
Loans and overdrafts	26	**602.2**	494.5
Other financial liabilities	28	**5,399.6**	15,109.0
Liabilities included in disposal groups classified as held for sale	8	**15.5**	6.7
		12,389.5	21,265.9
Net current assets		**1,313.8**	1,410.7
Non-current liabilities			
Trade and other payables	2.2, 25	**148.0**	147.9
Lease liabilities	27	**94.3**	106.9
Loans and overdrafts	26	**1,684.9**	1,624.2
Other financial liabilities	28	**24.8**	8.3
Provisions	29	**35.1**	8.5
Employee benefit obligations	32	**9.8**	10.4
Deferred tax liabilities	14	**50.1**	24.4
		2,047.0	1,930.6
Net assets		**18.4**	247.7
Equity attributable to owners of the Group	2.2	**(22.2)**	203.4
Non-controlling interest	39	**40.6**	44.3
Total equity		**18.4**	247.7

The notes on pages 22 to 71 form an integral part of these Financial Statements.

Approved by the Board of Directors on 27 May 2022 and signed on its behalf by:

Chris Mahoney
Chairman

Phillip Murnane
Group Chief Financial Officer

Consolidated statement of cash flows

for the year ended 30 September 2021

	Note	2021 $m	2020 $m (As restated)
Net cash flow from operating activities	33	**317.0**	880.3
Cash flows from investing activities			
Dividends from associates and joint ventures	20	**0.5**	3.8
Interest received	12	**3.5**	5.8
Purchase of property, plant and equipment	16	**(30.5)**	(44.8)
Proceeds on sale of Credit Rights to a third party	11	**16.7**	–
Proceeds on sale of investment		**1.8**	–
Proceeds from sale of subsidiaries	11	**–**	29.1
Proceeds from sale of equity investments	11	**–**	29.5
Purchase of intangible assets	15	**(3.6)**	(4.7)
Net cash (outflow) inflow from investing activities		**(11.6)**	18.7
Cash flows from financing activities			
Increase in borrowings	26	**168.4**	62.2
Purchase of own shares	32	**–**	(28.3)
Payment of interest on leases	27	**(3.5)**	(3.7)
Principal element of lease payments (repayment of lease liabilities)	27	**(34.6)**	(31.6)
Finance costs	12	**(139.1)**	(142.2)
Net cash outflow from financing activities		**(8.8)**	(143.6)
Net increase in cash and cash equivalents		**296.6**	755.4
Cash and cash equivalents at the beginning of the financial year		**1,516.7**	762.3
Cash held in discontinued operations	8	**(4.6)**	(2.8)
Effect of foreign exchange rate changes		**(1.0)**	1.8
Cash and cash equivalents at the year end	18	**1,807.7**	1,516.7

The notes on pages 22 to 71 form an integral part of these Financial Statements.

Notes to the consolidated financial statements

for the year ended 30 September 2021

1 General Information

ED&F Man Holdings Limited and its subsidiaries (collectively, the Group) is a private limited company domiciled in the United Kingdom and incorporated under the Companies Act 2006 and is engaged in the business of sourcing, storage, processing and distribution of a range of products including sugar, coffee, molasses, animal feed, fish oil and pulses. 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. The Group manages price risk through hedging and also offers direct access to global commodities and capital markets through its own brokerage business and provides a full suite of products across most of the world's major exchanges including trade processing, clearing, execution, financing, and agency-based electronic and voice brokerage services.

ED&F Man has three main operating segments: Commodity Trading, Brokerage and Holdings. The Commodities segment includes Coffee, Molasses and Liquid Products and the Sugar Trading division. Brokerage is a global financial brokerage business and forms ED&F Man financial services division. Holdings includes debt to the Mexican joint venture, beet sugar farm in Ukraine and investment in Empresas Iansa.

2 Accounting Policies

2.1 Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Separate Financial Statements of the Parent Company are attached.

2.2 Restatement

During the year ended 30 September 2021, management identified three adjustments relating to prior years which were accounting errors as defined under IAS 8. Accordingly, three adjustments were made to prior year financial statements as discussed below.

Employee Share Loans Adjustment – IFRS 2 – Share-Based Payment (IFRS 2) and International Financial Reporting Interpretations Committee decision on 3 November 2005 (IFRIC Decision) stated that the issue of shares using the proceeds of a loan made by the share issuer, when the loan is recourse only to the shares should be treated as an option grant.

The Group had a scheme to incentivise key employees since 2004 which enabled the employee to purchase shares in the Company for which the Company provided an interest-free share loan (Employee Share Loans). Repayment of the loan could be met by either a deduction from annual after-tax bonuses or the net proceeds of these shares when they were sold. The Group recognised these loans as Employee Share Loans and accounted for them as Financial Assets and not as compensation expense as required under IFRS 2 and the IFRIC Decision. As a result, the financial statements did not present these Employee Share Loans as Compensation Expense during the previous years when these loans were granted.

During the year ended 30 September 2021, the Group reviewed the Employee Share Loan agreements and reconsidered the historic accounting treatment along with the IFRIC Decision. The Group concluded that given the narrow nature of recourse to bonuses, these loans should be treated in line with the treatment set out in the IFRS Decision. Accordingly, these employee share loans should have been expensed as compensation costs in the year they were given since there were no vesting or service conditions attached to them.

Inventory Adjustments – During the year ended 30 September 2021, the Group identified the following adjustments relating to prior years at one of it's subsidiaries:

- $6.4 million of production overheads were incorrectly included within inventory over multiple years, since 2017. This overhead was based on an estimate but was not supported and should have been expensed as incurred in line with IAS 2 – Inventories.
- For the year ended 30 September 2020, there were book-to-physical differences of $3.3 million offset by $0.9m of differences on inventory valuation. The net amount of $2.4 million should have been expensed during that year.
- Unrecorded supplier invoices aggregating $2.4 million relating to a specific one-off trade during the year ended 30 September 2020.

Payables Reclassification – During the year, management identified that due to a renegotiation of a payable during the year ended 30 September 2020, the repayment period of this payable was beyond one year. Accordingly, this payable was no longer a current liability. This was corrected for the year ended 30 September 2021 and a restatement applied to the balance as reported for the year ended 30 September 2020.

The impact of these errors is summarised below.

At 1 October 2019	As previously reported $m	Employee Shareholder Loans Adjustment $m	Inventory Adjustments $m	Payables Reclassification $m	As restated $m
Trade Receivables – Other	100.8	(83.2)	–	–	17.6
Inventories	809.3	–	(6.4)	–	802.9
Others	24,653.9	–	–	–	24,653.9
Total Assets	**25,564.0**	**(83.2)**	**(6.4)**	**–**	**25,474.4**
Retained earnings	209.7	(83.2)	(6.4)	–	120.1
Others	327.9	–	–	–	327.9
Total Equity	**537.6**	**(83.2)**	**(6.4)**	**–**	**448.0**

At 30 September 2020	As previously reported $m	Employee Shareholder Loans Adjustment $m	Inventory Adjustments $m	Payables Reclassification $m	As restated $m
Trade Receivables – Other	157.4	(99.6)	–	–	57.8
Inventories	781.9	–	(8.8)	–	773.1
Others	22,613.3	–	–	–	22,613.3
Total Assets	**23,552.6**	**(99.6)**	**(8.8)**	**–**	**23,444.2**
Trade Payables	**5,187.0**	**–**	**2.4**	**–**	**5,189.4**
Other Payables <1 year	182.7	–	–	(134.1)	48.6
Others	16,027.9	–	–	–	16,027.9
Current Liabilities	**21,397.6**	**–**	**2.4**	**(134.1)**	**21,265.9**
Trade & other Payables >1 year	13.8	–	–	134.1	147.9
Others	1,782.7	–	–	–	1,782.7
Non-Current Liabilities	**1,796.5**	**–**	**–**	**134.1**	**1,930.6**
Retained earnings	(26.2)	(99.6)	(11.2)	–	(137.0)
Others	384.7	–	–	–	384.7
Total Equity	**358.5**	**(99.6)**	**(11.2)**	**–**	**247.7**

Year ended 30 September 2020	As previously reported $m	Employee Shareholder Loans Adjustment $m	Inventory Adjustments $m	Payables Reclassification $m	As restated $m
Cost of Sales	(6,377.0)	–	(4.8)	–	(6,381.8)
Administrative & selling expenses	(425.0)	(16.4)	–	–	(441.4)
Net loss for the period	(218.7)	(16.4)	(4.8)	–	(239.9)
Total comprehensive loss for the year	**(232.7)**	**(16.4)**	**(4.8)**	**0.0**	**(253.9)**

The change did not have an impact on other comprehensive income for the prior period or the Group's operating, investing and financing cash flows.

The Group has opted not to prepare a third balance sheet since the impact of the restatement amounts to less than 1% of the Group's total assets as at 30 September 2020, with receivables and retained earnings being the only restated line items on the balance sheets of prior years. However, the restatement is material to the statement of income and statement of changes in equity of prior years. In lieu of preparing a third balance sheet, the Group has shown the effect of the restatement on each of the Balance Sheet line items and related impacts on each statement of income line items as shown above.

In addition, we will include additional disclosures where required under IFRS 2 in relation to Employee Share Loans (see Note 32.2).

Notes to the consolidated financial statements continued...

for the year ended 30 September 2021

2 Accounting Policies continued

2.3 Going Concern

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 million of additional liquidity to manage the current high commodity price environment. Additionally, the legacy debt has been restructured extending its tenor up to 2028, separating it from the Commodity Trading business and providing a longer timeline for disposal of non-core businesses (see Note 40 for Subsequent Events).

The Group evaluated its funding position and liquidity risk throughout the year and more specifically for the restructuring of debt. The underlying cash flow forecasts are based on management's best estimate of future commodity prices based on recent forward curves, adjusted for management assumptions and the Group's borrowing facilities. 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 and liquidity. This analysis identified risks to liquidity and covenant compliance and determined appropriate and timely mitigation plans.

The Group considered several adverse scenarios including a fall in prices, volumes and margins and, where relevant, built mitigation plans around these scenarios. However, due to the range of uncertain factors including macro-economic factors, commodity prices, the timeline for cost mitigation and sale of non-core assets, there could be more severe downside scenarios.

Based on the analysis performed, the Group is satisfied there are a number of mitigating actions available to it, including 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 Group's 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 the Group has adequate resources to continue as a going concern up to 30 June 2023.

2.4 Basis of Measurement

The Consolidated Financial Statements are prepared on the historical cost basis except for certain inventories and derivative financial instruments. The derivative financial instruments are measured at fair value through other comprehensive income or fair value through profit and loss. The defined benefit plan assets and biological assets are stated at their fair value. 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

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.

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 the 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.

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 (see Note 7).

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 20).

2.8 Other Items

The Group separately discloses Other Items within the Consolidated Statement of Profit or Loss. Other Items relate to results attributable to businesses and joint ventures that management have committed to sell and/or exit at 30 September but which do not meet the criteria for classification as discontinued operations as per IFRS 5 and includes impairment charges and transfer of translation reserves for such businesses.

Separately disclosed Other Items, namely items that are material either because of their size or their nature or which are non-recurring, are presented within their relevant income statement category, but highlighted through separate disclosure. The separate reporting helps provide a full understanding of the Group's underlying performance, which is represented by the Consolidated Financial Results before Other Items.

During 2021, the following Group's businesses were classified in Other Items:

- Azucar Grupo Saenz, S.A de C.V. (AGS) joint venture was recapitalised by converting the loan receivable from the joint venture into $333.0 million of non-voting Preference F shares. As a result of this recapitalisation, previously recognised expected credit losses were reversed ($222.5 million) and the Group's share of losses ($121.2 million) along with an impairment of the Group's investment ($162.2 million) was recognised. The cumulative impact of these adjustments was $60.9 million charge in the Consolidated Statement of Profit or Loss.
- $16.7 million of income from sale of credit rights relating to Brazilian Government Debt securities.
- $8.1 million relating to impairment of Sugar's legacy assets, Other Receivables in Romania, provision for an onerous contract in the Netherlands.
- Losses and expenses relating to the closure of the Equity Finance Desk within Brokerage.

During 2020, the following Group's businesses were classified in Other Items:

- Write down of asset values to lower of cost and net realisable value and transfer of Translation Reserve to the Profit or Loss statement for the Ukraine Sugar Company, the sugar mill in Ukraine.
- Impairment of assets and losses at the Agro Dilo, sugar farm in Ukraine.
- Impairment of loans receivable from Azucar Grupo Saenz, S.A de C.V. (AGS) joint venture.
- Losses and expenses relating to the closure of the Equity Finance Desk within Brokerage.
- Shipping Division sold in February 2020.
- Sugat Industries Ltd in Israel was sold in October 2019.
- Associates sold during the year in Mexico and Tanzania.

3. New and Revised Standards

3.1 New Standards

There were no new accounting pronouncements adopted on 1 October 2020 other than new accounting policies to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Group's financial statements on adoption, are:

- Amendments to IAS 1 and IAS 8 "Definition of Material"; and
- Amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform".

3.2 New Standards Issued but not yet Effective

UK companies with accounting periods beginning on or after 1 January 2021 will be required to switch from applying IFRS as adopted by the EU to IFRS as adopted by the UK. UK legislation provides that all IFRSs that have been endorsed by the EU on or before 31 December 2020 become UK-adopted IFRS. On 31 December 2020, UK and EU-adopted International Accounting Standards will therefore be identical. After 31 December 2020, any new IFRSs or amendments will require independent endorsement in the UK to be part of the UK-adopted IFRS that can be applied by UK companies.

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

3. New and Revised Standards continued

3.2 New Standards Issued but not yet Effective continued

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- IFRS 17 (including the June 2020 amendments to IFRS 17) Insurance Contracts.
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current.
- Amendments to IFRS 3 Reference to the Conceptual Framework.
- Amendments to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use.
- Amendments to IAS 37 Onerous Contracts - Cost of Fulfilling a Contract.
- Annual Improvements to IFRS Standards 2018 - 2020 Cycle.

The Board will review the impact of the above pronouncements and does not expect a material impact on adoption of the Standards on the financial statements of the Group in future periods.

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 (IAS 8).

Management has identified the following areas as being critical to understanding the Group's financial position, as they require management to make complex and/or subjective judgements and estimates about matters that are inherently uncertain.

4.1 Valuation of Financial Instruments

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 28).

Management evaluates the basis on which this analysis has been made. Fair values are determined in the following ways: 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).

4.2 Impairment of non-financial assets

The carrying values of assets (excluding goodwill) are reviewed for impairment if events or changes in circumstance indicate the carrying amount may not be recoverable. Goodwill and indefinite life intangible assets are tested for impairment at least annually. An impairment loss is provided for when the carrying value of the asset exceeds its estimated recoverable amount, the estimated recoverable amount being 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 future discounted cash flows, which are based on management's expectations about future operations. Future cash flow estimates used to calculate value in use are based on expectations about future operations, primarily about future production or marketing volumes, commodity prices and operating costs.

Such estimates are based on management experience and market research data and are reviewed regularly, and past estimates benchmarked against actual outcomes.

4.3 Impairment of financial assets

A forward-looking expected credit loss (ECL) review is required for certain financial assets such as the receivable from AGS. As permitted by IFRS 9, the Group applies the "simplified approach" to such receivable balances. The ECL reviews include assumptions about the risk of default and expected loss based on the sale of the underlying assets or operating cash flows.

Credit losses are the difference between the present value (PV) of all contractual cashflows and the PV of expected future cash flows. This is often referred to as the 'cash shortfall'. The present values are discounted at the weighted average cost of capital. The key inputs in evaluating ECL with respect to the receivable from AGS is the underlying cash flows of AGS which are built applying certain operating and financial assumptions.

In 2021, the Group performed an assessment of the ECL provision required in respect of the carrying value of its loans and receivables due from the AGS, joint venture. No increase in provision was recognised in 2021, however the investment was impaired (see Note 4.2).

In 2021, the Group performed an assessment in respect of the carrying value of its investment and the total receivable from AGS, a joint venture. An impairment was recognised due to AGS's continuing losses and the stalled sales process for the final sugar mill due to Covid-19. The assessment considered information from the sales process for one mill and the assets of another which took place during the year, as well as forecast performance for the remaining operating mill, Tamazula and expectations regarding the disposal of that mill. The assessment included performing a fair value less costs of disposal (FVLCD) discounted cash flow in relation to Tamazula. A number of judgements and estimates were required to perform the overall assessment including those relating to future sugar prices and differentials, mill volume, recoverability of working capital including VAT and estimates of closure and disposal costs as well as the discount rate used. A variation in the actual results of any of these matters compared to the estimates used in our modelling would lead to an adjustment to the ultimate recovery of the receivables. In 2021 the Group recorded an impairment of $162.2 million against the carrying value of the Group's investment in AGS.

An increase or decrease of 1.0% in the discount rate used in the present value calculation to assess impairment would result in a decrease or increase, respectively, of $12.4 million in the amount of impairment of the investment in AGS.

4.4 Provisions and Liabilities

Provisions and certain other liabilities recognised in the balance sheet 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 29 and Note 36).

4.5 Fair Valuation of Non-financial Assets and Liabilities

Certain non-financial items such as held for trading inventories and biological assets are required to be fair valued. The fair value is determined by the prices of these products, which are established by applying either Level 1 or Level 2 of the fair value hierarchy as set out in IFRS 13 for the year ended 30 September 2021.

4.6 Recognition of Deferred Tax Assets

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgement as to whether there will be sufficient taxable income available to offset the tax assets when they do reverse. These judgements 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 Comprehensive Income in the period in which the change occurs. The recoverability of deferred tax assets including the estimates and assumptions contained therein are reviewed regularly by management (see Note 14).

5. Business and Geographic Segment Information

The Group has three reportable segments, which are Commodity Trading, Brokerage and Holdings. The nature of these segments is described in Note 1. Reportable segments are defined as components of an enterprise 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 Company'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 not included in the following table:

30 September 2021	Commodity Trading $m	Brokerage $m	Holdings[a] $m	Total $m
Operating revenue	**5,401.1**	**356.2**	**508.7**	**6,266.0**
Depreciation and amortisation	**(39.7)**	**(8.6)**	**(28.4)**	**(76.7)**
Impairment of goodwill	**–**	**–**	**(2.6)**	**(2.6)**
Impairment of property, plant, equipment	**–**	**–**	**(2.3)**	**(2.3)**
Reversal of Expected Credit Losses	**–**	**–**	**222.5**	**222.5**
Share of profit/(loss) of entities accounted for using the equity method	**–**	**–**	**(119.9)**	**(119.9)**
Impairment of investment in an entity accounted for using the equity method	**–**	**–**	**(162.2)**	**(162.2)**
Share of profit of entities accounted for using the equity method	**1.2**	**–**	**–**	**1.2**
Operating profit (loss) [c]	**150.7**	**17.6**	**(102.6)**	**65.7**
Finance expense, net	**(18.4)**	**(5.4)**	**(116.2)**	**(140.0)**
Loss before tax				**(127.0)**
Balance Sheet				
Capital expenditures [d]	**14.6**	**2.3**	**17.3**	**34.2**
Non-current assets	**266.4**	**46.9**	**438.3**	**751.6**
Net current assets	**330.4**	**408.0**	**575.4**	**1,313.8**
Net assets	**405.7**	**369.2**	**(756.5)**	**18.4**

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5. Business and Geographic Segment Information continued

30 September 2020 (As restated)	Commodity Trading $m	Brokerage $m	Holdings[a] $m	Total $m
Operating revenue	5,590.2	826.5	489.3	6,906.0
Depreciation and amortisation	(35.4)	(8.9)	(109.5)	(153.8)
Impairments[b]	–	–	(28.8)	(28.8)
Operating profit (loss)[c]	118.8	5.7	(41.7)	82.8
Finance expense, net				(141.0)
Loss before tax				(207.8)
Balance Sheet				
Capital expenditures[d]	24.2	4.9	20.5	49.6
Non-current assets	301.7	60.3	405.6	767.6
Net current assets	201.3	332.9	876.5	1,410.7
Net assets	407.9	365.2	(525.4)	247.7

(a) Holdings included the Group's agricultural industrial investments, corporate related items and the results of other insignificant operations not reportable under other segments in the financial years 2021 and 2020 respectively.
(b) The year 2020 included impairment losses relating to assets at Iansa and Ukraine (see Notes 16 and 20).
(c) Operating Profit excludes corporate management charges allocated to each business based on directly attributable costs or net assets in the financial years 2021 and 2020, respectively.
(d) The capital expenditures included additions to property, plant and equipment, deposits and intangible assets other than goodwill in the financial years 2021 and 2020, respectively.

There were no customers of Commodity Trading, Brokerage and Holdings segments that accounted for more than 10% of the consolidated operating revenue for the years ended 30 September 2021 and 2020.

The Group has two dedicated management committees that oversee the Commodity Trading and Brokerage operations. Both committees have been in operation throughout the current and prior year.

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.

The above analysis is not intended to comply with IFRS 8 "Operating Segments" which does not apply to the Group.

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 of transfer goods to a customer or over time.

6.1 Revenue from the Delivery of Traded Commodities

As noted in the "Financial Instruments" policy Note 28, 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, judgement 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.

6.3 Brokerage and Financial Services

Brokerage revenue comprises interest income, fee income and income on financial instruments measured at fair value through profit and loss. Interest income is generated from margins balances held and financing transactions and is recognised as earned. Fee income, which mainly comprises execution and clearing commissions, is recognised when the performance obligation to the customer has been fulfilled.

6. Revenue

6.4 Sources of Revenue

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. This excludes $23.7 million (2020: $91.4 million) revenues related to discontinued operations (see Note 8).

	2021 $m	2020 $m
Revenue from contracts with customers	**2,322.3**	2,251.8
Revenue from the delivery of traded commodities	**3,780.0**	3,925.7
Brokerage from financial services	**140.0**	637.1
	6,242.3	6,814.6

Revenue from contracts with customers is accounted for under IFRS 15, with 66% (2020: 65%) from the Molasses and Liquid Products division, 21% (2020: 18%) from the Agri Industrial division and 9% (2020: 8%) from the Brokerage 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 underlying operations is stated after charging (crediting):

	Note	2021 $m	2020 $m
Depreciation of property, plant and equipment	16	**41.1**	41.0
Amortisation of intangible assets	15	**4.8**	5.3
Expenses arising from share option plans	32	**3.5**	6.1
Amortisation of right-of-use-assets	17	**30.8**	30.4
Foreign exchange differences		**(8.1)**	50.6
Operating lease rentals	27	**3.0**	2.7

The difference between the above figures for depreciation of property, plant and equipment and amortisation of right-of-use-assets relate to discontinued operations (see Note 16 and Note 17).

In 2020, foreign exchange translation reserves of $75.8 million relating to the abandonment of the Ukraine sugar mill and the sale of sugar mills in Mexico and Tanzania were recycled through the Consolidated Statement of Profit and Loss.

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

8. 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 and fair value less costs to sell.

As of 30 September 2021, the Group classified the Agro Dilo, sugar farm in Ukraine and Pulses Division, as disposal group held for sale and the closure of this facility was expected to be completed in 2022. The definitive sale and purchase agreement for the sale of Agro Dilo was signed on 3 December 2021 with completion targeted by the end of the first quarter of 2022. 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.

As of 30 September 2020, the Group classified the Agro Dilo, sugar farm in Ukraine, as disposal group held for sale and the closure of this facility was expected to be completed in 2021.

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

8. Disposal Groups Held for Sale and Discontinued Activities continued

As of 30 September 2021, 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:

	2021 $m	2020 $m
Property, plant and equipment	**15.6**	20.1
Right-of-use assets	**6.1**	5.8
Investment in JVs and Associates	**1.9**	–
Inventories	**3.6**	2.6
Biological assets	**4.3**	1.7
Trade and other receivables	**5.2**	1.3
Cash and cash equivalent	**4.6**	2.8
Assets classified as held for sale	**41.3**	34.3
Creditors due within one year	**(9.4)**	(0.9)
Finance lease obligation	**(6.1)**	(5.8)
Liabilities directly associated with assets classified as held for sale	**(15.5)**	(6.7)

There were no impairment losses recognised during the year ended 30 September 2021. During the year ended 30 September 2020, $6.6 million was recognised of which $3.0 million were recognised relating to the Ukrainian Sugar mill and $3.6 million to the Agro Dilo, sugar farm in Ukraine for write-downs of this disposal group to the lower of its carrying amount and its fair value less costs to sell. The impairment losses have been applied to reduce the carrying amount of property, plant and equipment within the disposal group.

Amounts recognised in the Profit or Loss statement in respect of the discontinued operations and included in Other Items (see Note 2.8) for the year to 30 September 2021 and 30 September 2020 are presented below:

	2021 $m	2020 $m
Revenue	**23.7**	91.4
Cost of sales	**(19.1)**	(86.4)
Gross profit	**4.6**	5.0
Administrative and Selling expenses	**(2.3)**	(21.1)
Operating profit (loss)	**2.3**	(16.1)
Share of profit and loss of entities accounted for using the equity method	**0.3**	–
Profit on disposal of investment	**0.8**	–
Profit on disposal of property, plant and equipment	**0.2**	0.4
Impairment of fixed assets	**–**	(3.6)
Provision for restructuring	**–**	1.9
Profit (loss) before interest and tax	**3.6**	(17.4)
Net financing costs	**(0.9)**	(0.9)
Profit (loss) before tax	**2.7**	(18.3)
Tax	**0.2**	3.0
Profit (loss) for the year after tax from discontinued operations	**2.9**	(15.3)

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

	2021 $m	2020 $m
Net cash (outflow) inflow from discontinued operating activities	**(1.6)**	1.1
Net cash from investing activities	**0.8**	5.6
Net cash outflow from financing activities	**(0.9)**	(6.4)
Net (decrease) increase in cash and cash equivalents from discontinued operations	**(1.7)**	0.3
Cash and cash equivalents at the beginning of the year	**6.5**	3.1
Effect of foreign exchange rate changes	**(0.2)**	(0.6)
Cash and cash equivalents from discontinued operations at the end of the year	**4.6**	2.8

Amounts recognised in other comprehensive income and accumulated in equity in relation to assets held for sale amount to a $1.4 million expense (2020: $2.1 million income).

9. Directors' Remuneration

	2021 $m	(As Restated) 2020 $m
Remuneration	**4.6**	7.5
– Share-based compensation related to employee share loans (see Note 32.2)	**–**	15.0
– Amounts charged in respect of pension schemes	**–**	–
– Amounts paid to third parties in respect of Directors' services	**–**	–
– Amounts charged in respect of compensation for loss of office	**–**	–

	2021 Number	2020 Number
Members of money purchase pension schemes	**2**	2
Members of defined benefit schemes	**–**	–
Directors who were granted share options in the year	**–**	1
Directors who exercised share options in the year	**–**	1

The remuneration paid to the highest paid Director was $2.1 million (2020: $3.0 million) including amounts charged in respect of pension scheme of Nil (2020: Nil). Directors' remuneration disclosed does not include social security contributions relating to that year.

10. Auditors' Remuneration

The analysis of auditors' remuneration is as follows:

	2021 $m	2020 $m
Fees payable to the Group auditors and associates for the audit of the consolidated and stand alone Financial Statements and local statutory audits	**5.3**	4.6
Fees payable to the Group auditors and associates for other services (tax)	**0.4**	0.4
	5.7	5.0

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

11. Gain (loss) on Disposal of Assets, Net

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

	2021 $m	2020 $m
Gain (loss) on disposal of property, plant and equipment	**1.2**	(2.2)
Gain on disposal of investments	**1.1**	31.3
	2.3	29.1

During 2021, the Group recorded a net profit of $2.3 million for the sale of various investments.

12. Finance Expense and Income

12.1 Finance Expenses

Finance expenses are recognised in the income statement as they accrue, using the effective interest method. Interest expense 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.

12.2 Finance Income

Finance income is recognised in the income statement as it accrues, using the effective interest method.

	2021 $m	2020 $m
Finance expense		
Interest on loans	**114.9**	114.0
Amortisation of debt issuance costs	**22.5**	21.2
Commitment and other fees	**1.7**	7.0
Interest on obligations under leases	**3.5**	3.7
Total finance expense	**142.6**	145.9
Finance income	**3.5**	5.8

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

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 2021 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 current year.

13.2 Periodic Employee Benefits

	2021 $m	2020 (As Restated) $m
Wages and salaries	**283.5**	254.8
Social security costs	**21.0**	21.5
Other pensions costs	**12.6**	11.7
Employee Compensation costs (see Note 2.2)	**–**	20.1
Settlement of Employee Loans (see Note 2.2)	**(4.2)**	(3.7)
	312.9	304.4

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

	2021 Number	2020 Number
Trading and administration	**2,204**	2,156
Industrial and seasonal	**3,830**	3,803
	6,034	5,959

Included in cost of goods sold are personnel costs of $83.3 million (2020: $91.1 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:

	2021 %	2020 %
Rate of salary increases	**0.5–4.0**	0.5–3.0
Discount rate	**0.2–2.9**	0.3–1.3
Inflation	**0.5–2.0**	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:

	2021 $m	2020 $m
Current service cost	**(2.9)**	(0.6)
Net interest expense	**(0.4)**	–
Components of defined benefit costs recognised in the profit or loss	**(3.3)**	(0.6)

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

	2021 $m	2020 $m
The return on plan assets (excluding amounts included in net interest expense)	**2.4**	(0.8)
Actuarial gains (losses) arising from changes in demographic assumptions	**–**	0.6
Actuarial gains (losses) arising from changes in financial assumptions	**0.8**	2.7
Actuarial gains (losses) arising from experience adjustments	**(0.3)**	0.5
Re-measurement of the net defined liability	**2.9**	3.0

The amounts included in the balance sheet at 30 September are:

	2021 $m	2020 $m
Present value of defined benefit obligations	**(37.4)**	(32.7)
Fair value of scheme assets	**27.5**	22.3
Net liability arising from defined benefit obligations	**(9.9)**	(10.4)

The plan assets are detailed as follows:

	2021 $m	2020 $m
Cash and cash equivalents	**0.5**	0.5
Equity instruments	**5.4**	4.8
Debt instruments	**7.4**	6.4
Real estate	**4.1**	3.6
Other	**10.1**	7.0
Total plan assets	**27.5**	22.3

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 gain of $2.9 million (2020: gain of $3.0 million). The cumulative amount of actuarial losses recognised in the Consolidated Statement of Comprehensive Income to 30 September 2021 is $0.9 million (2020: $3.8 million).

The total contributions to the defined benefit plans in the next year are expected to be $1.0 million (2020: $1.0 million):

	2021 $m	2020 $m
Contributions by employer	**0.6**	0.6
Contributions by plan participants	**0.4**	0.4
Total contributions	**1.0**	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.

The Group also provides defined contribution plans to certain of its qualifying employees. Group contributions charged to expense for these plans were $8.4 million and $8.3 million for the years ended 30 September 2021 and 2020, respectively.

14. Income Tax

Income tax represents the sum of current tax and deferred tax. Income tax is recognised in the income statement 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.

Notes to the consolidated financial statements continued…

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14. Income Tax continued

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 improves.

The tax on profits is summarised below:

	2021 $m	2020 $m
Current tax		
Current year	**29.8**	27.8
Adjustments in respect of prior years	**11.2**	3.9
	41.0	31.7
Deferred tax		
Current year	**49.7**	(2.2)
Adjustments in respect of changes in tax rate	**–**	(2.6)
Adjustments in respect of prior years	**(0.6)**	5.2
	49.1	0.4
Tax charge on profits	**90.1**	32.1

	2021 $m	2020 $m
Loss before taxation	**(127.0)**	(207.8)
Less: Share of loss of entities accounted for using the equity method	**119.9**	(4.3)
Parent company and subsidiaries loss before taxation	**(7.1)**	(212.1)
Taxation (credit) charge calculated at the standard UK tax rate of 19% (2020: 19%)	**(1.3)**	(40.3)
Effects of:		
(Income not taxable) expenses not deductible for tax purposes	**16.7**	(1.0)
Adjustment for different tax rates	**24.3**	4.9
Effect of changes in tax rate	**–**	(2.6)
Adjustments in relation to prior years and other taxes	**10.6**	9.1
Withholding taxes not recoverable through double tax relief	**1.9**	4.9
Disposal of subsidiaries	**0.8**	(7.0)
Recycling of translation reserve	**–**	14.0
Impairment of equity accounted receivable	**–**	14.5
Reversal of expected credit loss	**(42.3)**	–
Impairment of investments	**0.2**	–
Impairment of investments accounted for using equity method	**30.8**	–
Impairment of fixed assets	**–**	1.1
Tax on other income	**3.6**	–
Utilisation of tax losses brought forward	**(12.2)**	(2.9)
Current year tax losses not recognised	**19.5**	36.1
Movement in unrecognised deferred tax	**37.5**	1.3
Total tax	**90.1**	32.1
Continuing businesses	**89.9**	35.1
Discontinued business	**0.2**	(3.0)
Tax charge on profits	**90.1**	32.1

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

Deferred tax relates to the following:

	Profit or Loss		Balance Sheet	
	2021 $m	2020 $m	**2021 $m**	2020 $m
Depreciation	**(5.4)**	4.3	**(40.6)**	(35.2)
Loss carry forward	**(11.3)**	(3.7)	**56.5**	67.8
Fair value gains and losses	**(2.2)**	0.8	**(4.5)**	(5.3)
Share-based payments	**(2.9)**	(1.0)	**1.9**	4.8
Other temporary differences	**(27.3)**	(0.8)	**(16.6)**	10.5
Net deferred tax credit (charge)	**(49.1)**	(0.4)		
Net deferred tax asset			**(3.3)**	42.6
Of which:				
– deferred tax liabilities			**(50.1)**	(24.4)
– deferred tax assets			**46.8**	67.0
– deferred tax relating to disposal groups held for sale				–
			(3.3)	42.6
At 1 October			**42.6**	42.2
Tax credit (charge)			**(49.1)**	(0.4)
Disposal of subsidiary			**–**	(0.2)
Transfer from other comprehensive income			**3.2**	1.0
At 30 September			**(3.3)**	42.6

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 $48.0 million (2020: $59.0 million).

The total tax effect relating to the disposal of non-current assets and provision against investments in the profit or loss is Nil (2020: Nil) and the tax effect in the other comprehensive income is Nil (2020: Nil).

Deferred tax has not been recognised in respect of certain tax losses of $601.0 million (2020: $509.0 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 2021 the undistributed reserves for which deferred tax liabilities have not been recognised were $121.0 million (2020: $157.0 million) in respect of subsidiaries, joint ventures and associates as it is unlikely that such undistributed profits will be distributed in the foreseeable future.

15. Intangible Assets and Goodwill

15.1 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.

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15. Intangible Assets and Goodwill continued

15.2 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 first year is performed by comparing post-acquisition performance in the first 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.

15.3 Other Intangibles

Other intangibles include software, water rights, 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 follows:

Software:	Three to seven years
Water rights:	Indefinite useful life
Trademarks, patent, brands:	Over their expected useful economic life

Amortisation of intangible assets is included in Selling and administrative expenses in Profit or Loss Statement.

	Goodwill $m	Software $m	Other Intangibles $m	Total $m
Cost:				
At 30 September 2019	44.2	33.8	31.6	109.6
Additions	–	4.4	0.3	4.7
Disposals and retirements	–	(3.1)	(0.2)	(3.3)
Other transfer	0.4	(1.6)	–	(1.2)
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**
Accumulated amortisation:				
At 30 September 2019	–	(16.7)	(5.0)	(21.7)
Amortisation charge	–	(3.5)	(1.8)	(5.3)
Disposals	–	3.0	–	3.0
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)**
Accumulated impairment losses				
At 1 October 2019	(16.6)	–	–	(16.6)
Charge for the year	(4.9)	–	–	(4.9)
At 30 September 2020	(21.5)	–	–	(21.5)
Charge for the year	(2.6)	–	–	(2.6)
At 30 September 2021	**(24.1)**	**–**	**–**	**(24.1)**
Carrying amount				
At 30 September 2020	23.1	16.3	24.9	64.3
At 30 September 2021	**20.3**	**14.2**	**23.0**	**57.5**

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

During 2020, the following goodwill was written off:
– $0.3 million relating to non-core commodity processing business, the sale of Shipping division.
– $4.6 million relating to a closure of commodity trading operations in Special Crops.

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

	2021 $m	2020 $m
Marketing of commodities	**9.0**	11.8
Processing of commodities	**8.3**	8.3
Financial services	**3.0**	3.0
	20.3	23.1

The recoverable amounts of the CGUs are determined using FVLCD based on approved financial budgets and forecasts for the next three years.

Key assumptions for the FVLCD calculations are those regarding discount rates, commodity prices, volumes handled, operating costs and growth rates in future periods. Assumptions around prices, volumes and operating costs are based on management experience and market research data. The key assumptions underpinning management's impairment review are:

Key Assumption	
WACC	9–11% depending on the CGU or asset specific rates
Growth to Perpetuity	2% based long term inflation target used by Central Banks
Growth on revenue	2% representing rate of inflation
Growth of expenses	2% representing rate of inflation per the IMF

Management performed a sensitivity analysis considering reasonably possible changes in these key assumptions leaving other assumptions unchanged. Consistent with the prior year, and due to the uncertainty of future Covid-19 impacts, management's range of reasonably possible changes in projected revenues is plus or minus 5 percentage points (2020: +/- 5 percentage points). The sensitivity analysis performed did not indicate that any impairment of goodwill is currently required.

16. Property, Plant and Equipment

16.1 Recognition and measurement

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 any 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.

16.2 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:	Three to 20 years

Freehold land is not depreciated.

Notes to the consolidated financial statements continued...

for the year ended 30 September 2021

16. Property, Plant and Equipment continued

16.3 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 future discounted cash flows.

	Land and Buildings		Plant and	Construction	
	Freehold $m	Leasehold $m	Machinery $m	in Progress $m	Total $m
Cost:					
At 1 October 2019	262.3	19.0	389.1	14.5	684.9
Additions	3.0	1.4	23.8	16.6	44.8
Disposals	(26.4)	(0.3)	(37.3)	(0.5)	(64.5)
Transfers	3.5	–	10.3	(15.6)	(1.8)
Currency translation differences	(0.3)	(2.8)	(0.2)	(0.2)	(3.5)
At 30 September 2020	242.1	17.3	385.7	14.8	659.9
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**

	Land and Buildings		Plant and	Construction	
	Freehold $m	Leasehold $m	Machinery $m	in Progress $m	Total $m
Depreciation and impairment losses					
At 1 October 2019	(45.5)	(2.7)	(161.2)	–	(209.4)
Depreciation charge	(7.1)	(1.9)	(32.0)	–	(41.0)
Impairment charge	(16.5)	–	(5.6)	–	(22.1)
Disposals	14.9	0.1	32.6	–	47.6
Currency translation differences	0.2	0.6	(2.2)	–	(1.4)
At 30 September 2020	(54.0)	(3.9)	(168.4)	–	(226.3)
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)**

	Land and Buildings		Plant and	Construction	
	Freehold $m	Leasehold $m	Machinery $m	in Progress $m	Total $m
Net book value					
At 30 September 2020	188.1	13.4	217.3	14.8	433.6
At 30 September 2021	**183.5**	**11.6**	**209.1**	**11.1**	**415.3**

During 2021, Empresas Iansa recognised a further impairment of $2.3 million in the Consolidated Statement of Profit or Loss, mainly related to land disposal, on the same basis as disclosed in prior year.

During 2020, due to partial disposal of land and closure of a plant during the year, Empresas Iansa performed an impairment assessment of the remaining assets of its closed plants. As a result of this assessment, Empresas Iansa recognised an impairment of $22.1 million in the Consolidated Statement of Profit or Loss 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.

Freehold land and buildings with a carrying amount of $2.6 million (2020: $2.6 million) have been pledged to secure borrowings of the Group (see Note 26). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

17. 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 16).

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 services and general and administrative costs on a straight-line basis over the lease term.

There were no leases with residual value guarantees or leases not yet commenced to which the Group is committed at 30 September 2021.

	Leased Land and Buildings $m	Leased Office Equipment $m	Leased Plant and Machinery $m	Total $m
Cost:				
At 1 October 2019				
Impact of the adoption IFRS 16	85.6	0.1	64.7	150.4
Additions	3.3	–	0.8	4.1
Lease terminations	(1.2)	–	–	(1.2)
Currency translation differences	–	–	0.5	0.5
As at 30 September 2020	87.7	0.1	66.0	153.8
At 1 October 2020	87.7	0.1	66.0	153.8
Additions	15.3	0.2	10.5	26.0
Lease terminations	(4.9)	(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**
Depreciation:				
At 1 October 2019				
Amortisation charge	(16.5)	(0.1)	(13.8)	(30.4)
Lease terminations	0.6	–	–	0.6
Currency translation differences	–	–	(0.1)	(0.1)
As at 30 September 2020	(15.9)	(0.1)	(13.9)	(29.9)
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)**
Net book value as at 30 September 2021	**65.5**	**–**	**47.7**	**113.2**
Net book value as at 30 September 2020	71.8	–	52.1	123.9

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18. 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.

	2021 $m	2020 $m
Cash at bank and in hand	**539.5**	523.6
Cash and cash equivalents	**13.2**	17.1
Segregated cash	**1,255.0**	976.0
Cash and cash equivalents	**1,807.7**	1,516.7
Restricted cash	**17.8**	8.3

Cash and cash equivalents comprise cash at bank, cash in hand and segregated cash. Segregated cash of $1,255.0 million (2020: $976.0 million) is the customer assets and investment held by Brokerage business on behalf of customers. The restricted cash of $17.8 million (2020: $8.3 million) is the cash deposit for the letter of credit and guarantees.

19. Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost and subsequently carried at cost less accumulated depreciation using the cost model.

	$m
Costs:	
At 1 October 2020	0.4
Additions	0.3
Disposals	(0.4)
At 30 September 2021	**0.3**
Accumulated depreciation	
At 1 October 2020	–
Disposals	–
Charge for the year	–
At 30 September 2021	**–**
Carrying amount	
At 30 September 2020	0.4
At 30 September 2021	**0.3**

One investment property was sold May 2021 at a gain of $0.8 million.

20. Investments in Associates and Joint Ventures

20.1 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 Group 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 Group 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 2020	16.2	15.1	31.3
Recapitalisation using Preference Shares at AGS	333.0	–	333.0
Disposals	(0.5)	(4.6)	(5.1)
Share of retained earnings	(120.5)	0.6	(119.9)
Impairment of investment in an entity accounted for using the equity method	(162.2)	–	(162.2)
Dividends	(0.1)	(0.4)	(0.5)
Currency translation differences	(7.2)	(1.9)	(9.1)
At 30 September 2021	**58.7**	**8.8**	**67.5**

The Group's material joint ventures during the financial year 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) (see Note 40.2)	Sugar Logistics	Brazil	31 December	31.53%

The Group has no material associates in the current or prior year.

During 2021 AGS was recapitalised by converting the loan receivable from the joint venture into $333.0 million of non-voting Preference F shares. As a result of this recapitalisation, the following were recorded in the Consolidated Statement of Profit or Loss for the year ended 30 September 2021:

- previously recognised expected credit losses of $222.5 million relating to the loan receivable from AGS were derecognised (see Note 24 – Amounts Owed By Joint Ventures and Associates);
- the Group's share of losses to date from AGS of $121.2 million were recognised;
- impairment of $162.2 million to reflect the recoverable value of the Group's investment in AGS as discussed below.

The net effect of these adjustments resulted in a $60.9 million charge to the Consolidated Statement of Profit or Loss for the year ended 30 September 2021.

The Group has performed an impairment assessment in respect of the carrying value of its investment, loans receivable due from the Azucar Grupo Saenz (AGS) joint venture. AGS was once again loss making in the year and initiated a process to sell its sugar mills prior to October 2019. This process was expected to be concluded during the 2020 financial year but was curtailed in March as a result of the impact of the Covid pandemic. Agreement was eventually reached to sell one of the mills in the North East, Mill Mante and close the other, the Mill Xico, just prior to 30 September 2020.

Given that the sale process has delayed for Mill Tamazula, the actual sales proceeds, which are a key driver of the impairment assessment, are not yet determined and therefore the assessment carries a high degree of judgement. The key areas of judgement and estimates are discussed in Note 4. As a result of the assessment, the Group has recorded an impairment of $162.2 million against the carrying value of the Group's investment in AGS. In 2020 the Group recorded an increase in the expected credit loss provision of a further $76.1 million against the carrying value of the Group's receivables related to AGS.

Notes to the consolidated financial statements continued...

for the year ended 30 September 2021

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:

20.2 Material Joint Ventures

	2021			2020		
	AGS $m	Agrovia $m	Total $m	AGS $m	Agrovia $m	Total $m
Non-current assets	77.3	48.4	125.7	64.5	63.0	127.5
Current assets	125.3	15.5	140.8	179.9	14.6	194.5
Total assets	202.6	63.9	266.5	244.4	77.6	322.0
Non-current liabilities	(41.8)	(0.6)	(42.4)	(34.9)	(19.3)	(54.2)
Current liabilities	(179.2)	(6.9)	(186.1)	(529.9)	(5.8)	(535.7)
Total liabilities	(221.0)	(7.5)	(228.5)	(564.8)	(25.1)	(589.9)
Total equity	(18.4)	56.4	38.0	(320.4)	52.5	(267.9)
Group's share of equity	(9.0)	17.8	8.8	(157.0)	16.6	(140.4)
Carrying amount	43.6	14.8	58.4	–	12.9	12.9

	2021			2020		
	AGS $m	Agrovia $m	Total $m	AGS $m	Agrovia $m	Total $m
Revenue	141.5	–	141.5	234.1	–	234.1
Loss (profit) for the year	(7.6)	0.6	(7.0)	(220.2)	(2.1)	(222.3)
Other comprehensive (loss) gain	(11.2)	–	(11.2)	(13.2)	–	(13.2)
Total comprehensive (loss) gain	(18.8)	0.6	(18.2)	(233.4)	(2.1)	(235.5)
Group's share of (loss) gain	(9.2)	0.2	(9.0)	(114.4)	(0.7)	(115.1)

Assets and liabilities include the following:

	2021			2020		
	AGS $m	Agrovia $m	Total $m	AGS $m	Agrovia $m	Total $m
Cash and cash equivalents	10.9	8.5	19.4	23.6	9.0	32.6
Current financial liabilities[1]	(138.6)	–	(138.6)	(461.4)	–	(461.4)
Non-current financial liabilities	(17.5)	–	(17.5)	(0.3)	–	(0.3)

1. Financial liabilities excluding trade, other payables and provisions

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

	2021			2020		
	AGS $m	Agrovia $m	Total $m	AGS $m	Agrovia $m	Total $m
Depreciation and amortisation	(11.3)	(0.1)	(11.4)	(6.8)	(0.3)	(7.1)
Income tax (credit) charge	–	(0.1)	(0.1)	–	0.6	0.6

20.3 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:

	2021 $m	2020 $m
Group's share of:		
Profit after tax	**0.4**	2.1
Total comprehensive income	**0.4**	2.1
Carrying amount of interests in immaterial joint ventures	**0.2**	3.4

Dividends from joint ventures of Nil (2020: Nil) have been received during the year.

20.4 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.

During September 2020, the Group disposed the associate Kilombero (KSC). The gain on sale was $4.5 million.

Dividends from associates of $0.4 million (2020: $3.8 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:

	2021 $m	2020 $m
Group's share of:		
Profit after tax	**0.9**	2.1
Total comprehensive income	**0.9**	2.1
Carrying amount of interests in associates	**8.8**	3.4

21. Available for Sale Investments

Investments held at FVOCI 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 2020	31.8	12.9	44.7
Disposals	–	(9.2)	(9.2)
Revaluation	1.0	0.1	1.1
Currency translation	(0.2)	–	(0.2)
At 30 September 2021	**32.6**	**3.8**	**36.4**
Amounts provided			
At 1 October 2020	(26.9)	–	(26.9)
Currency translation	0.2	–	0.2
At 30 September 2021	**(26.7)**	**–**	**(26.7)**
Carrying amount			
At 30 September 2020	4.9	12.9	17.8
At 30 September 2021	**5.9**	**3.8**	**9.7**

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

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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.

	2021 $m	2020 $m (As restated)
Inventories held for trading	**770.9**	579.8
Held for own use	**169.6**	193.3
	940.5	773.1

Inventories written down to net realisable value in the year resulted in a charge of $5.9 million (2020: $1.6 million). This is recognised in cost of sales. Included in inventories held for trading is $638 million (2020: $446 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 $70.5 million (2020: $50.8 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.

	2021 $m	2020 $m
Biological assets	**8.1**	6.6

24. Trade Receivables

	2021 $m	2020 (As Restated) $m
Current receivables		
Trade receivables	**2,795.9**	2,841.0
Amounts owed by joint ventures and associates	**131.0**	222.6
Other receivables	**23.1**	57.8
Tax receivables	**43.4**	69.3
Margins with exchanges	**2,270.1**	1,851.6
Prepayments	**101.7**	101.6
	5,365.2	5,143.9
Non-current receivables		
Trade receivables	**1.4**	2.4
Other receivables	**34.5**	6.5
Amounts owed by joint ventures and associates	**0.2**	0.4
	36.1	9.3

During 2021, the Group reclassified a tax receivable from current to non-current as a result of the change in treatment of Shareholder Loans (see Note 2.2)

This reclassification has not been included as part of the restatement of the year to 30 September 2020.

During 2021, the accounting for Shareholder loans was changed and the amounts at 30 September 2020 were restated (see Note 2.2).

Amount owed by joint ventures and associates relates to amounts receivable from AGS following the recapitalisation (see Note 20).

Note 28 includes details of collateral and credit enhancements held by the Group.

25. Trade and Other Payables

	2021 $m	2020 $m (As restated)
Current payables		
Trade payables	**5,787.2**	5,189.4
Amounts owed to joint ventures and associates	**4.9**	0.3
Taxation and social security costs	**19.3**	26.0
Margins with exchanges	**191.1**	98.0
Accruals and deferred income	**304.7**	263.3
Other payables	**36.7**	48.6
	6,343.9	5,625.6
Non-current payables		
Trade and other payables	**148.0**	147.9

26. Loan and Overdrafts

26.1 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. Fee is deferred until the draw down occurs and then amortised over the period of the facility to which it relates. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

26.2 Extinguishment and Modification

Borrowing is removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. 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 noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

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.

The Group has early adopted the Annual Improvements to IFRS Standards 2018 - 2020, which amended IFRS 9 paragraph B3.3.6. Accordingly, the Group includes fees directly paid to lenders in assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

26.3 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 or income in the profit or loss.

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

26. Loan and Overdrafts continued

26.3 Subsequent Measurement continued

During September 2020, the Group refinanced its core debt of unsecured revolving credit facilities with SaS secured facilities, including a term loan and a revolving credit facility with longer maturities and a smaller one-year revolving credit facility. The Group also refinanced its US private placement notes as part of this process. The amounts and maturities for these and all other borrowings are summarised below and in Note 28.

	2021 $m	2020 $m
Amounts due for settlement		
– in one year or less (current), excluding Debt issuance costs of $19.2m	**621.4**	494.5
– in more than one year but less than five years (non current), excluding Debt issuance costs of $16.3m	**1,701.2**	1,674.7
Total amounts due for settlement	**2,322.6**	2,169.2
Debt issuance costs	**(35.5)**	(50.5)
Loans and overdrafts net of debt issuance costs	**2,287.1**	2,118.7

27. Lease Liabilities

From 1 October 2019, the Group has adopted IFRS 16 Leases. 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.

	2021 $m	2020 $m
Opening lease liabilities	**137.0**	–
On transition to IFRS 16	**–**	158.8
Additions	**23.1**	4.1
Lease terminations	**(5.6)**	(1.2)
Interest expense relating to lease liabilities	**3.5**	3.7
Payments	**(34.6)**	(31.6)
Exchange difference	**(0.8)**	3.2
Closing lease liabilities	**122.6**	137.0
Current	**28.3**	30.1
Non-current	**94.3**	106.9
	122.6	137.0

The maturity analysis of undiscounted lease liabilities is as follows:

	2021 $m	2020 $m
Within one year	**28.3**	31.0
Between one and five years	**75.2**	70.1
After five years	**25.1**	42.4
	128.6	143.5

The following amounts were recognised in profit or loss:

	2021 $m	2020 $m
Expense relating to short term leases	**3.0**	2.7

28. Financial Instruments and Financial Risk Management

28.1 Financial Assets

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.

28.2 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, except those that qualify for the 'own use' exemption as referred to below, be fair valued with gains and losses shown as assets and liabilities within the balance sheet, and changes in fair value recorded in the profit or loss.

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 balance sheet, 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.

28.3 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.

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

28. Financial Instruments and Financial Risk Management continued

28.4 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.

28.5 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.

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.

28.6 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.

28.7 Securities Purchase/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.

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 balance sheet are set out below:

	At Fair Value through Profit or Loss $m	At Fair Value through OCI $m	Amortised Cost $m
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)

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

28. Financial Instruments and Financial Risk Management continued

28.7 Securities Purchase/Sold under Agreements to Resell/Repurchase continued

	At Fair Value through Profit or Loss $m	At Fair Value through OCI $m	Amortised Cost (As restated) $m
Financial assets:			
Trade and other receivables	–	–	5,082.2
Shareholder Loans (Note 2.2)	–	–	(99.6)
Available for sale investments	12.9	4.9	–
Cash and cash equivalents	–	–	1,516.7
	12.9	4.9	6,499.3
Other financial assets:			
Securities, purchased under agreements to resell	–	–	14,803.1
Derivative financial instruments	201.0	–	–
Marketable securities	209.7	–	–
	410.7	–	14,803.1
Total financial assets	423.6	4.9	21,302.4
Financial liabilities:			
Trade and other payables	–	–	(5,748.3)
Lease liabilities	–	–	(137.0)
Loans and overdrafts	–	–	(2,118.7)
	–	–	(8,004.0)
Other financial liabilities:			
Derivative financial instruments	(124.4)	–	–
Securities sold under agreements to repurchase	–	–	(14,890.5)
Other financial instruments	(102.3)	–	–
	(226.7)	–	(14,890.5)
Total financial liabilities	(226.7)	–	(22,894.5)
At 30 September 2020	(196.9)	4.9	(1,592.1)

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

All marketable securities are held for trading.

As at 30 September 2021 marketable securities with a fair value of Nil (2020: $21.0 million) 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.

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. IFRS 13 sets out a fair value hierarchy, which consists of three levels that describe the methodology of estimation as follows:

	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**

	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	158.0	4.0	–	–	–	–	162.0
Level 2	245.6	14.7	0.7	0.4	0.2	4.9	266.5
	403.6	18.7	0.7	0.4	0.2	4.9	428.5
Financial liabilities							
Level 1	(45.4)	–	–	–	–	–	(45.4)
Level 2	(173.1)	(6.8)	(1.1)	(0.4)	–	–	(181.4)
	(218.5)	(6.8)	(1.1)	(0.4)	–	–	(226.8)
Net fair value							
30 September 2020	185.1	11.9	(0.4)	–	0.2	4.9	201.7

28.8 Day One Profit or Loss

The fair value of contracts not recognised through the profit or loss at 30 September 2021 was Nil (2020: Nil).

28.9 Offsetting of Financial Assets and Liabilities

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

	2021			2020		
	Gross Amount of Financial Assets $m	**Gross Amount of Financial Liabilities $m**	**Net Amount in Balance Sheet $m**	Gross Amount of Financial Assets $m	Gross Amount of Financial Liabilities $m	Net Amount in Balance Sheet $m
Derivative assets	**315.7**	**(59.4)**	**256.3**	217.2	(16.2)	201.0
Derivative liabilities	**39.3**	**(291.0)**	**(251.7)**	21.8	(146.2)	(124.4)

Notes to the consolidated financial statements continued…

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28. Financial Instruments and Financial Risk Management continued

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

The GRC 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 GRC 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's Treasury function is responsible for the management of liquidity risk, including funding, settlements and related policies and processes.

28.11 Capital Management

The Group's objective in managing its capital is to preserve its overall financial health and enhance shareholder value, while generating sustainable long-term profitability. The Group manages its capital structure in light of economic conditions and its strategic objectives. The management of the capital structure is conducted by the Board of Directors, the GRC and the Group's Treasury function.

The principal measure used by the Group in its capital management is the balance of shareholders' funds attributable to equity shareholders:

	2021 $m	2020 (As restated) $m
Total net assets attributable to non controlling interest and equity shareholders	**18.4**	247.7
Less: non controlling interest	**(40.6)**	(44.3)
Shareholders' funds attributable to equity shareholders of ED&F Man Holdings Limited	**(22.2)**	203.4

28.12 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. Sensitivity analysis has been calculated using a 5% basis, holding all other variables constant, across each type of market risk. 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.

28.13 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 the GRC.

For derivative contracts ie 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 $24.7 million at 30 September 2021 (2020: $9.1 million).

28.14 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. As a result, the Group has minimal exposure to transactional foreign currency risk.

28.15 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 $2,287.1 million (2020: $2,169.2 million) are predominantly denominated in USD, Sterling and Euros. The debt issuance costs were $35.5 million (2020: $50.5 million). The Group's profit or loss is influenced by interest rates. The effect on profit before tax of a 50-basis point movement in interest rates on the borrowings identified above would be $11.3 million (2020: $10.7 million) based on the Group's borrowings at the balance sheet date assuming all other factors remained constant for one year. The net financing costs of $140.0 million (2020: $141.0 million) include $3.5 million of interest income (2020: $5.8 million) and $3.5 million of lease interest (2020: $4.4 million).

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

28.16 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 GRC.

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 $226.3 million (2020: $124.4 million) and are shown in liabilities on the balance sheet.

	2021 $m	2020 (As restated) $m
Maximum credit exposure		
Trade and other receivables, net	**2,855.0**	3,007.3
Shareholder Loans (Note 2.2)	**–**	(99.6)
Amounts owed by joint ventures and associates	**131.1**	222.9
Securities purchased under agreements to resell	**5,040.1**	14,803.1
Margins with exchanges	**2,270.1**	1,851.6
Derivative financial instruments	**256.3**	201.0
Marketable securities	**231.4**	209.7
Cash and cash equivalents	**1,807.7**	1,516.7
	12,591.7	21,712.7

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28. Financial Instruments and Financial Risk Management continued

28.16 Credit Risk continued

The Group applies a conservative approach to counterparty risk and counterparty creditworthiness. The credit quality of financial assets is considered to be high. 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 2021, $59.5 million of the trade receivables have collateral pledged (2020: $19.1 million). The fair value of such collateral and credit enhancements, including deposits, pledged inventories, parent company guarantees, and letters of credit was $59.5 million (2020: $19.1 million). The amounts disclosed in the financial instruments' analysis are shown without the benefit of risk mitigation through insurance, collateral or other credit enhancements. During the year, the Group repossessed collateral with a value of Nil (2020: Nil). Amounts owed by joint ventures and associates benefit from charges over assets.

Receivables arising from securities purchased under agreements to resell back to clients are collateralised by the underlying securities. As at 30 September 2021 the receivables in respect of such transactions were $5,040.1 million (2020: $14,803.1 million). As at 30 September 2021 the securities held as collateral net of obligation to clients had a market value of $7,023.8 million (2020: $17,207.9 million) and were comprised principally of US Treasury and US Agency Securities. The collateral is valued daily, and the Group may require clients to deposit additional collateral or return collateral pledged as appropriate.

As at 30 September 2021, marketable securities of $231.4 million (2020: $209.7 million) comprised principally US Treasury Securities and US Government Sponsored Agency Securities. The analysis of trade receivables, net of allowance for credit losses, is as follows:

	2021 $m	2020 $m
Trade receivables		
Neither impaired nor past due	**2,656.9**	2,749.6
Not impaired and past due in the following periods:		
– within 30 days	**113.6**	70.3
– 31 to 60 days	**15.5**	16.9
– 61 to 90 days	**5.9**	6.6
– Over 90 days	**5.4**	–
	2,797.3	2,843.4

The movement in the allowance for expected credit losses is set out below:

	2021			2020		
	Trade Receivables $m	Amounts owed by Joint Venture and Associates $m	Other $m	Trade Receivables $m	Amounts owed by Joint Venture and Associates $m	Other $m
Allowance for expected credit losses						
Balance brought forward	**74.8**	**224.3**	**14.5**	56.0	148.2	8.8
Charge for the year	**11.7**	**–**	**–**	22.1	76.1	5.7
Reversal of Expected Credit Losses	**–**	**(222.5)**	**–**	–	–	–
Utilisation	**(27.0)**	**–**	**–**	(1.7)	–	–
Reversal	**(11.8)**	**–**	**–**	(1.6)	–	–
Currency translation	**–**	**(1.8)**	**–**	–	–	–
Balance carried forward	**47.7**	**–**	**14.5**	74.8	224.3	14.5

'Other' relates to pre finance.

28.17 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.

The Group has committed secured facilities of $1,926 million (2020: $1,472 million), which include medium-term syndicated facilities with maturities in excess of 12 months. The Group has committed unsecured facilities of $282 million (2020: Nil). Debt drawn under these secured and unsecured facilities at 30 September 2021 was $1,945 million (2020: $1,347 million).

The Group also has $184 million of fixed interest notes, which expire in 2023. These fixed interest notes have been restructured as a part of the debt restructuring on 31 March 2022. During the year, the Group incurred finance expenses of $141.9 million (2020: $141.0 million) (see Note 40 for Subsequent Events.)

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 26.

	Trade Payables $m	Loans and Overdrafts $m*	Derivative Financial Instruments $m	Securities Sold under Agreements to Repurchase $m	Other Financial Instruments $m
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**
Financial liabilities					
Within one month	458.1	143.8	40.8	13,416.1	102.3
One to three months	4,708.6	156.1	28.0	1,185.1	–
Three months to one year	22.6	194.6	47.4	289.3	–
One to two years	0.2	25.5	6.8	–	–
Two to five years	–	1,649.2	1.4	–	–
At 30 September 2020 (As Restated)	5,189.5	2,169.2	124.4	14,890.5	102.3

* Excludes debt issuance costs of $35.5 million (2020: $50.5 million)

The Group uses cash flow hedges to mitigate the risk of exposure to changes in the sugar price in certain of its beet sugar production operations. The hedges are impacted by selling forward on sugar futures exchanges. At 30 September 2021, the fair value of such hedging instruments was an asset of $1.5 million (2020: liabilities of $4.1 million). Related flows are all expected to occur and to affect Group profit or loss within one year of the balance sheet date.

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29. 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.

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.

	Legal Claims $m	Other Provisions $m	Total $m
At 1 October 2020	1.8	6.7	8.5
Additional provisions recognised, net	18.9	8.4	27.3
Utilised	(0.1)	(0.6)	(0.7)
At 30 September 2021	**20.6**	**14.5**	**35.1**

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 these claims. The level of provision has been arrived at by considering each outstanding legal claim and the circumstances giving rise to it.

During the year ended 30 September 2021, an additional legal provision was recognised in respect of a tax litigation at one of the subsidiaries.

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; remaining other provisions do not yet have a definitive resolution date, so 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 these items.

30. 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 Number	'A' Preference Shares of US$1 each $m	Number	$m
At 30 September 2020	123,183,850	123.2	64,505,722	64.5
Shares issued	–	–	–	–
At 30 September 2021	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.

31. Share Premium Account

	$m
At 1 October 2020	181.0
At 30 September 2021	**181.0**

32. 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.

The Trust holds 29,970,885 (2020: 31,680,182) shares in the Company, of which 6,418,579 (2020: 11,490,264) 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 $117.2 million (2020: $126.2 million) is deducted from shareholders' funds.

32.1 Share Options

The Group makes conditional share awards to some employees under annual schemes based on the performance of the individual and of the Group. The schemes permit 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 2021 was $3.4 million (2020: $6.1 million).

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

	Number of Shares 2021	Number of Shares 2020
Outstanding at 1 October	**11,490,264**	12,667,561
Granted	**111,175**	2,363,248
Exercised	**(2,931,773)**	(3,022,257)
Lapsed	**(161,770)**	(518,288)
Surrendered	**(2,089,317)**	–
Outstanding at 30 September	**6,418,579**	11,490,264

Exercisable as follows:

	Number of Shares 2021	Number of Shares 2020
Immediately exercisable	**1,490,939**	2,472,280
October 2016 to September 2017	**1,442,160**	1,848,265
October 2017 to September 2018	**391,585**	743,876
October 2018 to September 2019	**358,912**	851,285
October 2019 to September 2020	**200,781**	565,163
October 2020 to September 2021	**197,103**	2,508,405
October 2021 to September 2022	**1,628,196**	1,741,176
October 2022 to September 2024	**708,903**	747,498
October 2024 to September 2025	**–**	12,316
	6,418,579	11,490,264

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32. Employee Trust continued

32.2 Employee Share Loans

The Group has 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 ESL 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.

Up to 30 September 2020, the Group accounted for these shareholder loans under IFRS 9 and disclosed them under Trade and Other Receivables in the Consolidated Financial Statements. See Note 2.2 for the restatement which resulted in these ESLs being treated like share options in accordance with the IFRIC Decision.

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.

The expense recognised under this scheme was Nil for the year ended 30 September 2021 and $16.4 million for the year ended 30 September 2020. All of the options are exercised as at 30 September 2021 and 30 September 2020.

32.3 Share Purchase Plan

The Group operates a share purchase plan whereby some employees are invited to acquire shares at the Fair Price. The shares are acquired immediately.

At 30 September 2021 and at 30 September 2020, the Group had no unexercised obligations under this plan.

33. Notes to the Cash Flow Statement

33.1 Group Reconciliation of Net Cash Flow from Operating Activities

	2021 $m	2020 $m (As Restated)
Revenue	**6,266.0**	6,906.0
Cost of sales	**(5,757.5)**	(6,381.8)
Administrative and selling expenses (see Note 2.2)	**(442.8)**	(441.4)
	65.7	82.8
Adjustments for:		
Employee compensation costs (see Note 2.2)	**–**	16.4
Depreciation and impairment of property, plant and equipment	**43.4**	41.0
Amortisation and impairment of intangible assets	**7.4**	5.3
Recycling of translation reserves	**–**	(68.5)
Gain on sale of subsidiaries	**–**	(23.0)
Gain on sale of equity investments	**–**	(8.3)
Loss on sale of property, plant and equipment	**1.2**	2.2
Expenses arising from share option plans	**3.5**	6.1
Effects of fair value	**(2.4)**	(3.1)
Movements in provisions	**26.6**	(1.3)
Operating cash flows before movements in working capital	**145.4**	49.6
Movement in inventories	**(158.6)**	82.2
Movement in biological assets	**(1.5)**	(1.4)
Movement in marketable securities	**(21.7)**	769.8
Movement in securities purchased/sold under agreement to resell/repurchase	**(92.5)**	(732.1)
Movement in receivables	**(248.0)**	569.9
Movement in payables	**730.8**	169.3
Cash generated by operations	**353.9**	907.3
UK corporation tax paid	**(5.1)**	–
Overseas taxation paid	**(31.8)**	(27.0)
Net cash inflow from operating activities	**317.0**	880.3

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

	2021 $m	2020 $m (As Restated)
Increase in cash	**296.6**	760.2
Decrease in borrowings	**(168.4)**	(62.2)
Movement in net debt resulting from cash flows	**128.2**	698.0
Effect of change in exchange rates	**(1.0)**	(3.2)
Movement in net debt	**127.2**	694.8
Opening net debt	**(596.2)**	(1,291.0)
Debt issuance costs 2020	**(50.5)**	–
Closing net debt	**(519.5)**	(596.2)

33.3 Group Reconciliation of Net Cash Flow on Disposal of Subsidiary

	2021 $m	2020 $m
Proceeds from disposal of subsidiaries	**–**	29.1
Disposal of subsidiaries	**–**	(6.1)
Net proceeds from disposal of subsidiaries	**–**	23.0

34. Analysis of Changes in Net Debt

	Cash Equivalents $m	Loans and Overdrafts		Debt issuance costs	Net Debt $m
		Current $m	Non-current $m		
At 1 October 2020	1,522.5	(494.5)	(1,624.2)	–	(596.2)
Debt issuance costs 2020	–	–	(50.5)	–	(50.5)
Cash flow	296.6	(126.9)	(26.5)	(15.0)	128.2
Exchange movements	(1.0)				(1.0)
	1,818.1	**(621.4)**	**(1,701.2)**	**(15.0)**	**(519.5)**
Cash held in discontinued operations 2019 and 2020	(5.8)				
Cash held in discontinued operations 2021	(4.6)				
At 30 September 2021	**(1,807.7)**				

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	
	2021 $m	2020 $m	2021 $m	2020 $m
Within one year	**13.7**	8.0	**4.1**	4.7
Between one and five years	**31.1**	8.6	**8.2**	7.6
After five years	**13.6**	5.1	**2.2**	1.7
	58.4	21.7	**14.5**	14.0

Expenditure contracted for but not provided in the Financial Statements	0.4

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 (2020: Nil).

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36. Contingent Assets and Contingent Liabilities

Prospective settlements in legal cases are recognised in the Financial Statements when the cash is received or where its receipt is virtually certain.

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 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 2021 and 2020, the Group has been involved in certain civil litigation cases, which are described below.

The credit facilities of the Group as reported in Note 28 have been guaranteed by the Company.

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.

The Group had certain credit rights held through its subsidiary, ED&F Man Coffee Ltd., relating to Brazilian Government debt securities (the "Credit Rights"). The Credit Rights represent a receivable in relation to a claim against the Brazilian Government for damages to the Group relating to non-payment of certain amounts owed for coffee dating back to 1986. In 2006 a final court decision was given in the Group's favour following which the Brazilian Government has no further right to appeal. The execution process has been underway since, with court experts appointed to establish the correct figures and timing of payment.

During 2020, the Group received a proposal to sell these Credit Rights to a third party and in February 2021 a transaction was agreed with a third party to sell these rights for $16.7 million before taxes and transaction costs.

The Group's brokerage business operates in a regulatory environment. As a result, it is subject to regulatory enquiry, investigations and thematic reviews arising in the ordinary course of business. The Danish tax authority has commenced action against E D & F Man Capital Markets Limited (a wholly owned subsidiary of the Group), among others, in respect of historical tax reclaims made by some of its clients. The potential outcomes range from Nil to DKK 575 million ($84 million), the latter being the amount of the Danish tax authority's claim. During May 2020, the High Court of Justice in England and Wales ruled in favour of the Group and ordered the Danish tax authority to reimburse legal costs of £10.5 million (US$ 14 million). This amount has been recognised as income for the year ended 30 September 2021. The Danish tax authority had appealed against this judgement but lost the appeal (see Note 40 for Subsequent Events).

The Group's share of contingent liabilities of associates and joint ventures incurred jointly with other ventures or investors was Nil (2020: Nil).

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 investments. All transactions between ED&F Man Holdings Limited and its subsidiaries are eliminated on consolidation.

	Sales		Purchases		Amounts Owed From		Amounts Owed To	
	2021 $m	2020 $m	**2021 $m**	2020 $m	**2021 $m**	2020 $m	**2021 $m**	2020 $m
Associates	**0.6**	11.5	**–**	–	**0.2**	0.4	**(4.1)**	–
Joint ventures	**–**	–	**–**	–	**131.0**	222.5	**(0.8)**	(0.3)
Equity investor	**1.5**	2.5	**30.4**	29.9	**–**	–	**–**	(1.1)

Amounts owed by joint ventures and associates benefit from charges over assets.

As at 30 September 2021 loans to directors of $24.4 million (2020: $24.7 million) are outstanding. These loans $24.4 million are non-interest bearing, repayable upon demand and fully or partially collateralised. During the year $0.3 million was repaid (2020: $3.0 million repaid) and no new loans were advanced (2020: $15.0 million). Loan balances relate to two directors in the amounts of $16.9 million and $7.5 million (2020: $17.2 million and $7.5 million). The composition of directors changed during 2021 and accordingly the amounts may not be comparable.

37.2 Remuneration of Key Management Personnel

	2021 $m	(As Restated) 2020 $m
Remuneration	**16.6**	18.0
Share-based compensation related to employee share loans – see Note 32.2	**–**	5.0
Amounts charged in respect of pension schemes	**0.2**	0.2
Other long-term benefits	**3.4**	0.2
Share-based payments	**0.7**	1.5

The Group considers key management personnel includes the Directors of the Company and members of the Commodities Committee and Chief Executive Officer of the Brokerage Group.

As 30 September 2021 loans to key management personnel of $9.5 million (2020: $11.8 million) are outstanding. Of these loans of $9.5 million are non-interest bearing and are repayable upon demand. During the year $0.5 million was repaid and no new loans were advanced.

The Directors and Employees included within key management personnel during 2021 were different from those in 2020 due to changes in the Board and employee turnover. Accordingly, the amounts may not be strictly comparable.

38. Group Investments

The following subsidiaries and holdings 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 5ºb, Buenos Aires C1012AAR, Argentina
Cofi-Com Trading Pty Ltd	100	Australia	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	Bermuda	Aon House, 30 Woodbourne Avenue, Pembroke HM 08, Bermuda
ED&F Man Capital Markets Holdings Limited*	100	Bermuda	Clarendon House, Church Street, Hamilton, Bermuda
Agrovia S.A.	31.53	Brazil	Avenida Brigadeiro Faria Lima nº 201, Conjunto 151, Pinheiros, CEP 05426-100, Sao Paulo, Brazil
Copag – Cia Capital De Armazens GoGerais S.A.	100	Brazil	Rua Nazareth Do Prado 225, 37026.520 – Varginha – MG, Brazil
ED&F Man Volcafe Brasil Ltda	100	Brazil	Surubim Street 577, Cidade Moncoes, 4 A, Cj. 41/42, São Paulo, 04571-050
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
Melaco Nassau Ltd	99		
Volcafe Ltda	100		Avenida Jose de Souza Campos, 507-9 Andar (Parte) Bairro Cambui, Campinas CEP 13025-320 Brazil
Alimentos Pr Brasil do Brasil Ltda	26.71		Avenida JCampos 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	Chile	Rosario Norte 615, 23rd Floor, Las Condes, Santiago, Chile
Induexport SpA	89.02		
Induinversiones SpA	89.02		
Invernidu SpA	89.02		
Inversiones lansa SA	89.02		
Patagonia Fresh	89.02		

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38. Group investments continued

Name of Undertaking	Group %	Country	Registered Office Address
LDA SpA	89.02	Chile	Rosario Norte 615, 23rd Floor, Las Condes, Santiago, Chile
Empresas Iansa S.A.	89.02		
Sociedad De Inversiones Campos Chilenos S.A.	93.15		
Agromas	89.02		
ED&F Man Chile Holdings SpA	100		
Iansagro S.A.	89.02		
Generacion Industrial	89.02		
Iansa Ingredients S.A.	89.02		
Iansa Alimentos S. A.	89.02		
Apple Fit Spa	44.51		
Icatom	89.02	Peru	Av. Manuel Santenna Christi, 1151, Urbanizacion Santo Domingo De Guzman, Peru
ED&F Man (Shanghai) Co. Ltd	100	China	Room 911, No. 111, Feng Pu Avenue, Industrial Zone, Shanghai, P.R.C. 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	Costa Rica	Carretera a Heredia Del Puente Rio Virilla, San Jose 1000, Costa Rica
Café Capris S.A.	100		
Rublacedo S. A.	100		
ED&F Man Capital Markets CEEMA Limited	100	Cyprus	205 Archbishop Makarious Ave, 2 Floor Victory House, Office 207, 3030 Limassol, Cyprus
Noxtran Holdings Limited	51	Cyprus	PNO House, 3rd Floor, 3100 Limassol, Cyprus
ED&F Man Ingredients s.r.o	85	Czech Republic	Zvoleneves 86, 273 25 Zvoleněves, Czech Republic
ED&F Man Liquid Products Czech Republic sro	100	Czech Republic	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 Capital Markets Mena Limited	100	UAE	Unit OT 17-42, Level 17, Central Park Offices, DIFC, Dubai
ED&F Man Trading Egypt Limited	99.45	Egypt	Downtown Mall, Building S2A, 5th Floor, Unit 2A/04/02, 90th Road, Fifth Settlement, New Cairo
ED&F Man Commodities Egypt Limited	100		2nd Floor, Unit 7, Spot Mall First District, New Cairo, Fifth Settlement, Cairo, Egypt
ED&F Man Liquid Products Ireland Limited	100	Ireland	3rd Floor Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland

Name of Undertaking	Group %	Country	Registered Office Address
Advanced Feed Fats Limited	100	United Kingdom	3 London Bridge Street, London SE1 9SG United Kingdom
Agman Holdings Limited	100		
Agman Investments Limited	100		
Global Holdings SA Limited (formerly Bauche SA Limited)	100		
ED&F Man Intermediary Limited* *	100		
ED&F Man Capital Markets Limited*	100		
ED&F Man Capital Markets Treasury Management Plc	100		
ED&F Man Coffee Limited	100		
ED&F Man Financial Services Holdings Limited*	100		
ED&F Man Fishoils 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 Commodities Treasury Management Limited	100		
ED&F Man Sugar Limited	100		
ED&F Man Sugar Overseas Holdings Limited	100		
ED&F Man Treasury Management Plc	100		
ED&F Man Capital Markets International Holdings Limited	100		
ED&F Man Capital Markets Services Limited	100		
Femis Limited	100		
Holco Man Limited	100		
Holco Trading Co. Limited	100		
L. K. & S. Trading Company Limited	100		
Maviga Limited	100		
Maviga Europe Limited	100		
Transition Feeds LLP	33.33		
Agman Services Limited	100		
ED&F Man Chile Limited	100		
ED&F Man Cocoa Limited	100		
ED&F Man Commodities Limited	100	Jersey	Esplanade, St Helier, Jersey JE1 2TR
Liquid Feed France S.A.S.	50	France	62, Route de Paris – 14630 Cagny, France
Volcafe France S.A.S.	100	France	43-47 Avenue de la Grande Armée, 75116 Paris, France
ED&F Man Deutschland Gmbh	100	Germany	Bernadottestraße 69, Hamburg, Germany, 22605
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	Hong Kong	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		

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

38 Group investments continued

Name of Undertaking	Group %	Country	Registered Office Address
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
Uniworld Sugars Pvt. Limited (in dissolution)	50	India	A-112, Sector 63, Noida-201201, Uttar Pradesh
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	Indonesia	Jl.Pasar Melintang No. 28, Desa Tanjung Selamat, Kec. Percut Sei-tuan, Deli Serdang 20371, Sumatera Utara, Indonesia
Unavoo Food Technologies	10	Israel	Shvat Street 5, Qiryat 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, 0I BP 3804 Abidjan 0I, Ivory Coast
Volcafe Ltd	100	Japan	80 Kyo-Machi, Chuo-Ku, Kobe, Japan
Mshale Commodities Limited	100	Kenya	Plot No 209/2069, Dennis Pritt Road, Po Box 49525-00100, Nairobi, Kenya
Simba Commodities Limited	100	Kenya	Plot No 209/2069, Dennis Pritt Road, Po Box 49525-00100, Nairobi, Kenya
Taylor Winch (Coffee) Ltd	100	Kenya	Plot No 209/2069, Dennis Pritt Road, Po Box 49525-00100, Nairobi, Kenya
Zambeco Trading Kenya Limited	100	Kenya	Plot No 209/2069, Dennis Pritt Road, Po Box 49525-00100, Nairobi, Kenya
ED&F Man Cocoa Sdn Bhd	100	Malaysia	PO Box 60272, 91012 Tawau Sabah, Malaysia
Tenedora de Acciones de Sinaloa S.A. de C.V.	100	Mexico	Paseo De Los Tamarindos Numero 60, Piso 4, Colonia Bosques De Las Lomas, Delegation Cuajimalpa De Morelos, Distrito Federal, CP 05120, Mexico
Compania Azucarera de Los Mochis, S.A. de C. V.	30	Mexico	Paseo De Los Tamarindos Numero 60, Piso 4, Colonia Bosques De Las Lomas, Delegation Cuajimalpa De Morelos, Distrito Federal, CP 05120, Mexico
Azucar Grupo Saenz	49	Mexico	Paseo De Los Tamarindos Numero 60, Piso 4, Colonia Bosques De Las Lomas, Delegation Cuajimalpa De Morelos, Distrito Federal, CP 05120, Mexico
ED&F Man Capital Markets Mexico S.A. De C. V.	100	Mexico	Andres Bello 10, Piso 14, Col. Chapultepec Polanco Miguel Hidalgo, C.P. 11560, Mexico
ED&F Man Liquid Products S.A. de C. V.de	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man LiquidLiquid Products Mexico S.A. De C.V.	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man De ComercioComercio S.A. De C.V.	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man De Mexico S.A. De C.V. S.	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man De Servicios . A. De C.V.	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
Intercomsa S.A. De C.V.Intercomsa	100	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
MS Sugar S.A.P.I De C.V.	50.5	Mexico	Avenida José Vasconcelos Número 105, PISO 9, Oficina 902, Colonia Hipódromo Condesa, Delegación Cuauhtémoc, Distrito Federal, C.P. 06170, Mexico
ED&F Man Moçambique Limitada	100	Mozambique	Rua Voluntario de Lourenco Marques, Com Talho No.3418, Munhava-Beira, Sofala, Moçambique
Maviga Moçambique Limited	100	Mozambique	
ED&F Man Holdings B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Liquid Products Nederland B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Molasses B.V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Ukraine Investments B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Feedimpex B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
Hooiveld Scheepvaart En Transport B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
Sofpac B.V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Vietnam Holdings B. V.	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
Maviga Trading BV	100	The Netherlands	De Ruyterkade 6, 6TH FLOOR, 1013 AA Amsterdam, The Netherlands
ED&F Man Netherlands B.V.	100	The Netherlands	Du Ruyterkade 6, 6th Floor, 1013 AA Amsterdam, The Netherlands
Liquid Feed Europe Holdings B.V.	50	The Netherlands	Oud-Beijerland, The Netherlands
Broadhurst Commodities Private Limited (in dissolution)	100	India	Laurens Jzn. Costerstraat 12, 3261 LH

Name of Undertaking	Group %	Country	Registered Office Address
Nexo Holding B. V.	33.33	The Netherlands	Veerkade 7C, 3016 Rotterdam, The Netherlands
Distribuidora Y Comercializadora De Azucar S. A.	100	Nicaragua	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
Volcafe De Nicaragua S.A.	100	Nicaragua	Semaforo Enel Central, 2 Cuadras Al Sur, Media Cuadra, Al Este. Barrio Edgar Munguiam, Managua, Nicaragua
ED&F Man West Africa Limited	100	Nigeria	Suite C202, No 11 Dunukofia Street, Area 11, Garki, Abuja, Nigeria
Maviga West Africa Limited	99.99	Nigeria	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, Papa New Guinea
ED&F Man Peru Sac	100	Peru	Monte Rosas 255 Fourth Floor Office 309 Charcarilla, Santiago De Surco Lima, Peru
ED&F Man Volcafe Peru S A.	100	Peru	Av. Pedro Ruiz Gallo Lote 124C – 125 A – ATE – Lima, Peru
Aeta Energy Philippines Inc	99.99	Philippines	Room 214, 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	Philippines	37th Floor Rufino Pacific Tower, 6784 Ayala Ave., Makati City, Philippines
EGC Rising Tide Hauling Inc	100		
Schuurmans & Van Ginneken Philippines Inc	100		
Honig Sugar Trading Corp.	50	Philippines	6784 Ayala Ave., 1226 Makati City Philippines
S&Q Logistics	100	Philippines	Zone Li Santo Rosario, 6100 Negros Occidental, Philippines
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	Poland	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	Portugal	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
LLC "ED&F Man Trading" (in liquidation)	51	Russia	Room 8K, 5th Floor, Vasilisa Kozhina Str. 1, Moscow, 121096
ED&F Man Asia Pte. Ltd	100	Singapore	160 Robinson Road, #22-07, SBF Centre, 068914, Singapore
ED&F Man Capital Markets (Singapore) Pte Ltd	100		
Volcafe Pte Ltd	100		
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
Maviga ZA (Pty) Limited	100	South Africa	Block A, Surrey Park, 6 Barham Road, Westville, 3629 Durban, 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	Calle Sagasta 27, 2 Izda, Madrid 28004, Spain
Volcafe Iberia S.A	100		
Iberliquidos SL	50		
Volcafe Ltd	100	Switzerland	Technoparkstrasse 7, Winterthur 8406, Switzerland
Maviga S.A.	100	Switzerland	26A Route De Coppet, Commugny, Near Geneva, CH 1291, Switzerland
Maragi Limited	100	Tanzania	Plot Number 056 Vikinduy Area, Muuranga Tanazania

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

38 Group investments continued

Name of Undertaking	Group %	Country	Registered Office Address
Maviga Tanzania Limited	99	Tanzania	Plot No, 2370/75c, Vingunguti, Dar Es Salaam, Tanzania
Maviga East Africa Limited	98		
Taylor Winch (Tanzania) Limited	100		P.O.Box 524,, Moshi, Tanzania
Rafiki (Coffee) Ltd	100		
Kahawa Endelevu Limited (KEL)	100		P.O. Box 372, Moshi, Tanzania
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	UAE	23F, Au Tower, Jumeirah Lakes Tower, Sheikh Zayed Road, Dubai
Mshale Commodities (Uganda) Limited	100	Uganda	Plaza Plot No 22/24, Kampala, Uganda
Volcafe Uganda Limited	100	Uganda	Kampala Industrial & Business Park – Namanve, P.O. Box 3181, Kampala, Uganda
Kyagalanyi Coffee Ltd	100		
ATF Agro Dilo LLC	100	Ukraine	1, Sadova Str, Office 206, Mykolaiv, Mykolaiv Region, 54001, Ukraine
LLC Ukrainian Sugar Company	100	Ukraine	2, Zavodska Street, Pervomaiske Village, Vitovskiy District, Mykolaiv Region, 57232 Ukraine
LLC ED & F Man Trading Ukraine	100	Ukraine	19-21 Bohdana Khmelnytskoho St., Kyiv, 01030, Ukraine
Inancor S.A.	100	Uruguay	810 Colonia Oficina 403, Montevideo, CP 11100, Uruguay
Agman Louisiana Inc	100	USA	850 New Burton Road, Suite 201, Dover, Delaware 19904 USA
ED&F Man Capital Markets Holdings Inc	100	USA	Corporation Trust Centre, Wilmington, Delaware 19801
ED&F Man Capital Markets Inc	100	USA	140 East 45th Street, 42nd FL. New York, New York 10017, USA
ED&F Man Client Services Inc	100		
ED&F Man Holdings Inc	100	USA	850 New Burton Road, Suite 201, Dover, Delaware 19904, USA
ED&F Man Liquid Products LLC	100		
ED&F Man Professional Trading Services Inc.	100		
ED&F Man Services Inc	100	USA	National Registered Agents Inc.160 Greentree Dr STE 101, Dover, Kent, Delaware 19904, USA
ED&F Man Sugar Inc	100	USA	Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle, Delaware 19801, USA
ED&F Man Derivative Products Inc	100	USA	140 East 45th Street, 10th Floor, New York, NY 10017, USA
Gold River Liquid Products LLC	51	USA	850 New Burton Road, SUITE 201, Dover, Delaware 19904, USA
Volcafe Specialty Coffee Corp	100	USA	United Corporate Services, 874 Walker Rd STE C, Dover, Kent, Delaware 19904, USA
Westway Feed Products LLC	100	USA	Cogency Global Inc.850 New Burton Road, Suite 201, Dover, Delaware 19904, USA
Maviga NA Inc	100	USA	103 E Sparague Avenue, Spokane, WA 99202-1603, USA
Belle Pulses USA LLC	49		
21st Century Agriculture Investment LLC	51		
Palouse Pulse LLC	100		
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
Dakman Vietnam Co. Limited	66.4	Vietnam	KM07, National Road 26, Buonmathuot City, Daklak Province, Vietnam
ED&F Man Venezuela S. A.	100	Venezuela	Av. Francisco De Miranda, Edif. Banco Del Orinoco Piso 9, Caracas, Venezuela
Ipsa Inversiones C.A.	43		
Volcafe Vietnam Co. Ltd.	100	Vietnam	195 Dien bien phu, Ward 15, Binh Thanh District, HCMC, Ho chi Minh CityCity

* Directly held by E D & F Man Holdings Limited

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 2021:

Company Name	Registered Number
Advanced Feed Fats Limited	04147992
Agman Holdings Limited	03901524
Agman Investments Limited	04091063
Agman Services Limited	01530457
Global Holdings S.A. Limited (formerly Bauche SA Limited)	00833035
Femis Limited	00422396
L.K. & S. Trading Company Limited	00519047
ED&F Man Chile Limited	02889195
ED&F Man Cocoa Limited	01287947
ED&F Man Coffee Limited	03068479
ED&F Man Commodities Treasury Management Limited	12360952
ED&F Man Intermediary Limited	12271079
ED&F Man Capital Markets International Holdings Limited	12298701
ED&F Man Nicaragua Limited	02857234
ED&F Man Sugar Overseas Holdings Limited	03600498
Holco Man Limited	01638058
Maviga Limited	02953255
ED&F Man Metals Limited	02884198
ED&F Man Liquid Products UK Limited	05734191
Maviga Europe Limited	03345650

39. 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%.

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

Summarised statement of financial position	2021 $m	2020 $m
Current assets	**292.0**	326.5
Non-current assets	**246.0**	251.9
Current liabilities	**(160.0)**	(165.4)
Non-current liabilities	**(50.4)**	(67.3)

Summarised statement of profit or loss	2021 $m	2020 $m
Sales revenue	**471.8**	393.3
Loss after tax	**(8.7)**	(15.1)
Comprehensive loss	**(8.7)**	(15.1)

Summarised cash flow information	2021 $m	2020 $m
Cash flows from operating activities	**61.1**	24.7
Cash flows from investing activities	**(27.1)**	(12.5)
Cash flows from financing activities	**(40.1)**	3.7
Net increase in cash and cash equivalents	**(6.1)**	15.9

Attributable to non-controlling interests	2021 $m	2020 $m
Share of capital attributable to non-controlling interests	**36.4**	38.0
Loss attributable to non-controlling interests	**(2.2)**	(1.6)
Equity attributable to non-controlling interests	**34.2**	36.4

No dividends had been paid in 2021 (2020: Nil).

Notes to the consolidated financial statements continued…

for the year ended 30 September 2021

40. Subsequent events

40.1 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 million of additional liquidity to manage the current high commodity price environment. Additionally, the legacy debt has been restructured extending its tenor up to 2028, separating it from the Commodity Trading business and providing a suitable runway for the disposal of non-core businesses.

40.2 Agro-Dilo – Farm

On 7 February 2022, the sale of the Agro-Dilo Farm in Ukraine was completed with a total sales proceeds of $17.2 million. The negative net assets were recorded as Assets Held for Sale at $15.8 million at the year ended 30 September 2021. The funds received have been used to pay down debt.

40.3 USC Factory

During March 2022, the USC sugar factory in Mykolaiv, Ukraine was heavily damaged by Russian artillery and bombing. The Group was in the process of selling this factory and a new long-stop date has been agreed with the prospective buyer. At this stage it is not clear whether the sale will complete and the extent of insurance recoveries which are likely to be made.

40.4 Agrovia

On January 2022, the Group sold the effective interest of 31.53% in Agrovia, a sugar logistics joint venture in Brazil for a total value of $16 million before deduction of expenses and taxes. There was no net gain or loss on the sale of this joint venture.

40.5 Metals Case

On 16 February 2022, the English High Court ruled in favour of ED&F Man Capital Markets Limited (MCM), a wholly owned subsidiary of the Group in relation to claim for the Metals Incident in 2017. This civil case claim confirmed that the defendants are liable for $283 million for using fraudulent warehouse receipts for nickel and using those as collateral for repo deals. The Group had fully provided for this loss in 2017 and any future recoveries and distribution of such recoveries will be accounted for when received.

40.6 Danish Tax Authority Litigation

On 25 February 2022, the Court of Appeal upheld the High Court decision dismissing claims brought by Denmark's Customs and Tax Division (SKAT) against ED&F Man Capital Markets (see Note 36 for details of this litigation).

40.7 Commodity Futures Trading Commission (CFTC)

On 16 March 2022, CFTC filed and settled charges against ED&F Man Capital Markets for failing to comply with certain swap dealer requirements to report accurate swaps data to a swaps data repository (SDR), failing to disclose a conflict of interest to swaps counterparties, failing to disclose mid-market marks to counterparties, and for related supervision failures. The CFTC imposed a civil penalty of $3.25 million for these breaches.

Company balance sheet

As at 30 September 2021

	Note	30 September 2021 $m	(As restated) 30 September 2020 $m
Fixed assets			
Investments	3	**966.3**	951.1
Current assets			
Debtors	1.9, 4	**2.1**	33.0
Cash at bank and in hand		**0.6**	0.6
Total assets		**969.0**	984.7
Total liabilities	5	**(585.6)**	(571.1)
Net assets		**383.4**	413.6
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	3	**15.2**	–
Capital redemption reserve		**14.5**	14.5
Retained earnings	1.9	**(15.0)**	30.4
Shareholders' funds attributable to equity interests		**383.4**	413.6

Approved by the Board of Directors on 27 May 2022 and signed on its behalf by:

Chris Mahoney
Chairman

Phillip Murnane
Group Chief Financial Officer

Company statement of changes in equity

for the year ended 30 September 2021

	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
As at 1 October 2019 (As previously reported)	122.2	64.5	182.0	–	14.5	72.8	456.0
Restatement (see Note 1.2)	–	–	–	–	–	(12.0)	(12.0)
As at 1 October 2019 (Restated)	122.2	64.5	182.0	–	14.5	60.8	444.0
Loss for the year	–	–	–	–	–	(8.4)	(8.4)
Shares issued	1.0	–	(1.0)	–	–	–	–
Movement in own shares and share option plans	–	–	–	–	–	(22.0)	(22.0)
As at 30 September 2020 (Restated)	123.2	64.5	181.0	–	14.5	30.4	413.6
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 (ee Note 3)	–	–	–	15.2	–	–	15.2
Shares issued	–	–	–	–	–	–	–
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**

Notes to the Company financial statements

for the year ended 30 September 2021

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” (FRS101). 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.

FRS101 grants exemptions from the disclosure’s 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 IFRS7.
– 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.

On 31 December 2020 EU-adopted IFRS was brought into UK law and became UK-adopted international accounting standards, with future changes to IFRS being subject to endorsement by the UK Endorsement Board. The company financial statements will transition to UK adopted International Accounting Standards for financial periods beginning 1 October 2021.

1.2 Restatement

See Note 2.2 to the consolidated Financial Statements for background and explanation of the restatement applied to Shareholder Loans. The impact to the Company Balance Sheet is summarised below.

At 1 October 2019	As previously reported $m	Shareholder Loans Adjustment $m	As restated $m
Debtors	190.1	(12.0)	178.1
Others	265.9	–	265.9
Net Assets	**456.0**	**(12.0)**	**444.0**
Retained earnings	72.8	(12.0)	60.8
Others	383.2	–	383.2
Total Equity	**456.0**	**(12.0)**	**444.0**

At 30 September 2020	As previously reported $m	Shareholder Loans Adjustment $m	As restated $m
Debtors	45.0	(12.0)	33.0
Others	380.6	–	380.6
Net Assets	425.6	(12.0)	413.6
Retained earnings	42.4	(12.0)	30.4
Others	383.2	–	383.2
Total Equity	425.6	(12.0)	413.6

1.3 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.

1.4 Fixed Asset Investments

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

Notes to the Company financial statements

for the year ended 30 September 2021

1.5 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.

1.6 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 32 to the consolidated Financial Statements.

1.7 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.

1.8 Financial Instruments

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

1.9 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 9 to the consolidated Financial Statements. The Company has no employees other than the Directors.

3. Fixed asset investments of the Company

	2021 $m	2020 $m
Shares in subsidiaries at cost		
At 1 October 2020	**951.1**	460.0
Additions	**583.1**	847.1
Disposals	**(567.9)**	–
Impairment of investments	**–**	(356.0)
At 30 September 2021	**966.3**	951.1

During 2021, the Company incorporated a new subsidiary and transferred various of its subsidiaries to this new subsidiary. This transaction is reflected in these Financial Statements, and the equity movement arising has been reported as a non-distributable reserve.

In 2021, the Group performed an assessment in respect of the carrying value of certain of its investments, to test for potential impairment. No increase in provision was recognised as a result; however it was noted that the assessment outcome was sensitive to the discount rate used in the present value calculation.

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

4. Trade and Other Debtors of the Company

	2021 $m	(As restated) 2020 $m
Amounts falling due within one year		
Other debtors	**2.1**	45.0
Restatement (note 1.2)	**–**	(12.0)
	2.1	33.0

5. Trade and Other Creditors of the Company

	2021 $m	2020 $m
Amounts falling due within one year		
Amounts owed to subsidiaries	**434.3**	434.4
Other creditors	**15.4**	1.3
Taxation	**2.0**	1.3
	451.7	437.0
Amounts falling due more than one year	**133.9**	134.1
	585.6	571.1

Corporate information

Directors
The Board consists principally of Non-Executive Directors.

The directors who held office based on their date of appointment or resignation during the year were as follows:
- Mark Nelson-Smith (Appointed 16 November 2020)
- Emma Griffin (Appointed 10 December 2020)
- Niels Vesterdal (Resigned 31 December 2020)
- Lukas Paravicini (Resigned 17 February 2021)
- Chris Mahoney (Appointed 15 March 2021)
- Jade Moore (Appointed 31 March 2021)
- 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)

Secretary
R J A Askew

Company Registration Number
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