GRUPO UNICOMER CORP. AND SUBSIDIARIES

Consolidated Financial Statements
March 31, 2023

With Independent Auditor's Report

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Consolidated Financial Statements

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Contents

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders
Grupo Unicomer Corp. and subsidiaries

Opinion

We have audited the consolidated financial statements of Grupo Unicomer Corp. and its subsidiaries (the Company), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statement of income and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the Professional Code of Ethics for Authorized Public Accountants in Panama (Decree No. 26 of May 17, 1984) and with the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA) 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.

Key Audit Matters

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

1. Valuation of goodwill and other intangible assets

Key Audit Matter [see notes 9 and 10]	How the matter was addressed in our audit
As of March 31, 2023, the carrying value of the Group's intangible assets, including goodwill, represents 9% of total consolidated assets. These assets may not be recoverable due to changes in the business and economic environment in which subsidiaries operate.	1. Involving our valuation specialists to challenge the assumptions and methodologies used by management, in particular those assumptions related to forecast growth rates.

Key Audit Matter [see notes 9 and 10]	How the matter was addressed in our audit
These factors create increased uncertainty in forecasting and requires significant judgment in estimating and discounting future cash flows that support the assessment of recoverability, considering discount rates, growth, and competitive factors, and therefore, is considered a KAM.	2. Comparing management´s assumptions to external data as well as our own assessments in relation to key inputs used, such as projected economic growth, inflation, competition and discount rates and to preform sensitivity analysis on these assumptions. 3. Assessing the reasonableness of management´s cash flow projections and the underlying assumptions, including agreeing inputs to source data and comparison of past budgets with actual performance and obtaining explanations from management for material variances. 4. Assessing the adequacy of disclosures in the consolidated financial statements about the key assumptions and sensitivity of the impairment analysis.

2. Measurement of expected credit losses and modification on accounts receivable

Key Audit Matter [see notes 3.20, 5 y 25 (i)]	How the matter was addressed in our audit
Account receivables represent 45% of total consolidated assets as of March 31, 2023. The determination of the Group's expected credit losses ('ECL') on financial assets is complex and requires management to make significant judgements and assumptions. The key inputs that require greater management judgement include the determination of significant increase in credit risk ('SICR'), probabilities of default, losses given default, and the application of forward-looking information. We consider this is a key audit matter because it requires a high level of judgment and assumption from management and its impact in the consolidated financial statements.	1. Developing an understanding of management´s models to estimate credit losses, including governance over the determination of key assumptions. 2. Understanding the design and implementation of the controls over the estimation of expected credit losses. 3. Testing the completeness and accuracy of the data used in the models to the underlying accounting records on a sample basis. 4. Involving our financial risk modelling specialists to evaluate the appropriateness of the Group's ECL methodologies, including the criteria used to determine SICR, independently assessing the assumptions for probabilities of default, loss given default, and forward-looking information. 5. Evaluating the adequacy of the disclosures including disclosures of the key assumptions and judgements applied in the determination of the ECL.

3. *Compliance with restrictive covenants in debt agreements*

Key Audit Matter [see notes 3.20, 5 y 25 (i)]	How the matter was addressed in our audit
The Group maintains borrowings with financial institutions for US$782 million (52% of consolidated liabilities as of March 31, 2023), which includes an international bond in an amount of US$350 million. Financing agreements require the Group to comply with various covenants including financial, profitability, liquidity and debt ratios. We consider this is a key audit matter because non-compliance with those covenants may have a significant effect on the consolidated financial statements, including among others, the classification of debt from non-current to current and/or to declare the debt in default.	1. Examining the material debt covenants that trigger accelerated repayment. 2. Reperforming the calculation of the financial covenants based on debt agreements, assessing whether compliance with covenants is supported by the calculations 3. Verifying whether waivers of any breaches were obtained prior to the reporting date and assessing the impact on the classification the group´s 4. Assessing the appropriateness of debt classification and adequacy of the disclosures in the consolidated financial statements.

Other matter

The consolidated financial statements of Grupo Unicomer Corp. and subsidiaries for the year ended March 31, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on July 18, 2022.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

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

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

Building a better working world

Other legal and statutory requirements

In compliance with Law 280 of December 30, 2021, which regulates the authorized public accountant profession in the Republic of Panama, we state the following:

- That the direction and supervision, as well as the execution of the audit of the activities that the Company maintains in Panama, have been physically performed in Panamanian territory.
- The work team which participated in the audit that this report refers to is comprised by Víctor M. Ramírez, partner and Nubia Cedeño, senior manager.

Ernst & Young.

Panama, Republic of Panama
September 5, 2023.

Víctor M. Ramírez
C.P.A. No.349-2004

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of financial position
March 31, 2023

expressed in U.S. dollars

	Notes	2023 $´000	2022 $´000
ASSETS			
Current assets			
Cash and cash equivalents	4	105,932	112,513
Accounts receivable, net	5	594,822	461,908
Accounts receivable – related parties	22	7,072	5,425
Loans receivable – related parties	22	-	611
Current portion of loans receivable – related parties	22	2,085	-
Inventories, net	6	354,997	474,073
Other receivables and prepayments		59,626	44,134
Current portion of deferred assets on extended warranty		7,552	8,857
Income taxes recoverable		17,519	15,021
Total current assets		1,149,605	1,122,542
Non-current assets			
Accounts receivable, net	5	381,008	309,398
Loan receivable – related parties	22	15,473	17,680
Property and equipment, net	7	139,587	132,192
Right-of-use assets, net	8 (a)	188,482	150,248
Intangible assets, net	9	133,222	127,697
Goodwill	10	65,782	63,137
Employee benefits assets	11	3,767	3,501
Deferred tax assets	12	72,004	54,395
Deferred assets of extended warranty		14,855	11,281
Other assets		8,469	7,310
Total non-current assets		1,022,649	876,839
Total assets		2,172,254	1,999,381

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

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of financial position
March 31, 2023

expressed in U.S. dollars

	Notes	2023 $´000	2022 $´000
LIABILITIES			
Current liabilities			
Accounts payable		199,095	220,897
Accounts payable – related parties	22	8,428	7,188
Bank overdrafts		3,402	2,242
Short-term borrowings	13	49,424	95,564
Current portion of long-term borrowings	13	182,846	111,963
Current portion of long-term borrowings – related parties	13	-	71
Current portion of lease liabilities	8(b)	53,384	41,779
Current tax liabilities		15,830	13,444
Other payables and accruals	15	81,585	62,156
Current portion of deferred income of extended warranty	16	52,474	46,329
Provisions	18	5,325	4,576
Current portion of bonuses payable	14	3,742	3,586
Current portion of unearned premiums		16,539	12,651
Total current liabilities		672,074	622,446
Non-current liabilities			
Long-term borrowings	13	549,993	601,764
Lease liabilities	8(b)	153,286	132,824
Deferred tax liability	12	11,428	10,727
Bonuses payable	14	2,420	3,320
Employee benefits obligations	17	22,683	20,965
Unearned premium		3,325	2,420
Deferred income of extended warranty	16	77,169	67,364
Total non-current liabilities		820,304	839,384
Total liabilities		1,492,378	1,461,830
EQUITY			
Share capital	19	152,066	152,066
Deposit on shares to be issued		80,000	-
Retained earnings (including statutory reserves)		542,677	528,970
Foreign currency translation reserve		(94,867)	(143,485)
Total equity		679,876	537,551
Total liabilities and equity		2,172,254	1,999,381

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

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of income and other comprehensive income
For the year ended March 31, 2023

expressed in U.S. dollars

	Notes	2023 $´000	2022 $´000
Sales	16, 20	1,324,310	1,297,103
Cost of sales		(957,983)	(923,211)
Gross profit on sales		366,327	373,892
Premium income	20	14,710	12,357
Finance income earned on credit operations	20	427,091	369,079
Total gross profit		808,128	755,328
Distribution and selling expenses	21	(440,637)	(420,938)
Administrative expenses	21	(174,663)	(140,044)
Credit loss expenses	25	(100,602)	(54,234)
Remeasurement of accounts receivable at amortized cost		-	(11,099)
Other operating income and expenses		28,043	26,764
Operating profit		120,269	155,777
Impairment of goodwill	10	(3,729)	-
		116,540	
Financial income		2,871	1,995
Financial expense	13 (b)	(68,654)	(57,110)
Financial expense – lease liabilities	8 (c)	(15,260)	(14,349)
Net gain (loss) on foreign exchange		4,026	(941)
Net finance costs		(77,017)	(70,405)
Profit before tax		39,523	85,372
Income tax expense	23	(24,916)	(36,440)
Profit for the year		14,607	48,932
Other comprehensive loss for the year			
Items that will not be reclassified to profit or loss			
Remeasurement of employee benefits obligation		(900)	(4,972)
Related tax on remeasurement		-	90
Items that may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences		48,618	(22,859)
Other comprehensive income (loss) for the year		47,718	(27,741)
Total comprehensive income for the year		62,325	21,191

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

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of changes in equity
For the year ended March 31, 2023

expressed in U.S. dollars

	Share capital $´000	Deposit on shares to be issued $´000	Statutory reserves $´000	Retained earnings $´000	Translation reserve $´000	Total equity $´000
Balances at March 31, 2021	152,066	-	21,829	478,294	(120,626)	531,563
Total comprehensive income for the year 2022:						
Profit for the year	-	-	-	48,932	-	48,932
Other comprehensive income for the year:						
Remeasurement of employee benefit liabilities (assets), net of tax	-	-	-	(4,882)	-	(4,882)
Foreign operations – foreign currency translation differences	-	-	-	-	(22,859)	(22,859)
Total other comprehensive loss for the year, net of tax	-	-	-	(4,882)	(22,859)	(27,741)
Total comprehensive income/(loss) for the period	-	-	-	44,050	(22,859)	21,191
Transfer to statutory reserve	-	-	1,175	(1,175)	-	-
Transaction with owners of the company:						
Dividends paid [note 19 (a)]	-	-	-	(8,000)	-	(8,000)
Other adjustments	-	-	-	(264)	-	(264)
Total transaction with owners of the company	-	-	-	(8,264)	-	(8,264)
Balances at March 31, 2022	152,066	-	23,004	512,905	(143,485)	544,490
Other adjustment	-	-	-	(6,939)	-	(6,939)
Balances at March 31, 2022 Adjusted	152,066	-	23,004	505,966	(143,485)	537,551
Total comprehensive income for the year 2023:						
Profit for the year	-	-	-	14,607	-	14,607
Other comprehensive income for the year:						
Remeasurement of employee benefit liabilities (assets), net of tax	-	-	-	(900)	-	(900)
Foreign operations – foreign currency translation differences	-	-	-	-	48,618	48,618
Total other comprehensive for the year, net of tax	-	-	-	(900)	48,618	47,718
Total comprehensive income for the period	-	-	-	13,707	48,618	62,325
Transfer to statutory reserve	-	-	435	(435)	-	-
Transaction with owners of the company:						
Increase in deposit on shares to be issued	-	80,000	-	-	-	80,000
Total transaction with owners of the company	-	80,000	-	-	-	80,000
Balances at March 31, 2023	152,066	80,000	23,439	519,238	(94,867)	679,876

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

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of cash flows
For the year ended March 31, 2023

expressed in U.S. dollars

	Notes	2023 $´000	2022 $´000
Cash flows from operating activities:			
Profit for the year		14,607	48,932
Adjustments for:			
Depreciation of property and equipment	7	16,841	17,769
Depreciation of right-of-use assets	8(a)	55,155	48,649
Amortization of intangible assets	9	16,030	18,990
Impairment of goodwill		3,729	
Loss on disposal of property and equipment and intangible assets		2,140	432
Employee benefits provision	17	6,851	5,917
Provision for warranty	18	13,403	6,120
Deferred income of extended warranty	16	82,630	76,083
Bonuses payable	14	2,800	6,100
Employee benefits assets	11(f)	130	(39)
Credit loss expense	25	100,602	54,234
Remeasurement of accounts receivable at amortized cost			11,099
Impairment of inventories	6	10,084	7,206
Financial expenses on leases liabilities	8(c)	15,260	14,349
Net finance costs (exclude financial expenses on leases liabilities)		65,784	55,115
Income tax expense	23	24,916	36,440
		430,962	407,396
Changes in working capital:			
Increase in accounts receivable		(305,126)	(138,161)
(Increase) decrease in accounts receivable – related parties		(1,647)	107
Decrease (increase) in inventories		108,992	(160,906)
Increase in other receivables and prepayments		(15,112)	(6,473)
Increase in retirement of benefits assets		(288)	(266)
Increase in other assets		(1,159)	(803)
(Decrease) increase in accounts payable		(21,801)	11,475
Increase in accounts payable – related parties		1,240	3,207
Increase (decrease) in borrowings – related parties		733	(2,945)
Decrease in bonuses payable	14	(3,544)	(6,455)
Decrease in provisions	18	(12,753)	(6,206)
Increase (decrease) in other payable and accruals		17,801	(11,273)
Decrease in deferred income of extended warranty	16	(66,680)	(69,218)
Employee benefits paid	17	(5,916)	(5,589)
Increase in other unearned premium reserve		4,793	4,267
Decrease in deferred warranty income, net		(2,268)	(285)
		128,227	17,872
Interest received		2,871	1,995
Interest paid		(67,408)	(56,615)
Income tax paid	23	(41,940)	(39,234)
Net cash flow provided by (used in) operating activities		21,750	(75,982)

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

Grupo Unicomer Corp. and subsidiaries
Consolidated statement of cash flows
For the year ended March 31, 2023

expressed in U.S. dollars

	Notes	2023 $´000	2022 $´000
Cash flows from investing activities:			
Additions of property and equipment	7	(25,019)	(20,970)
Additions of intangible assets	9	(13,649)	(6,095)
Proceeds from sales of property and equipment		580	990
Proceeds from sales of intangible assets		546	1,608
Net cash flow used in investing activities		(37,542)	(24,467)
Cash flows from financing activities:			
Proceeds from short-term borrowings		162,352	202,570
Repayments of short-term borrowings		(208,740)	(146,992)
Proceeds from long-term borrowings		183,317	224,153
Repayments of long-term borrowing		(173,715)	(110,653)
Payment of lease liabilities	8(d)	(69,401)	(63,417)
Decrease in borrowings – related parties		(71)	(5,661)
Increase in overdrafts		1,161	700
Dividends paid	19 (b)	-	(8,000)
Deposit received for shares to be issue		80,000	-
Net cash (used in) provided by financing activities		(25,097)	92,700
Net decrease in cash and cash equivalents		(40,889)	(7,749)
Cash and cash equivalents at the beginning of the year	4	112,513	138,438
Effect of movements in exchange rates on cash and cash equivalents		34,308	(18,176)
Cash and cash equivalents at end of the year	4	105,932	112,513

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

expressed in U.S. dollars

1. Reporting entity

Grupo Unicomer Corp. ("the Company") is incorporated and registered in the Republic of Panama and domiciled at Avenue Samuel Lewis and Street 54, AFRA building, Panama City.

Infotech of the Caribbean and Central America Corp. ("Infotech") owns 50% of the share capital of the Company, which it controls, and in turn is controlled by Milady Associates Ltd. The other 50% is held by Comercializadora Vendimiario, S.A. de C.V., which is owned by Operadora Liverpool, S.A. de C.V., which is owned by El Puerto de Liverpool, S.A.B. de C.V., a publicly traded company in Mexico.

On August 26, 2021, Comercializadora Vendimiario, S.A. de C.V. purchased the shares in Grupo Unicomer Corp. from Gromerón, S.L.U. which is also controlled by El Puerto de Liverpool, S.A.B. de C.V.

The Company holds controlling interests in subsidiaries that primarily operate retail stores in Central America, South America, the Caribbean, and the state of New York in the United States of America. The stores sell consumer durables, such as electronics, appliances and furniture, and provide financing for a portion of those sales. The subsidiaries also provide short-term cash loans to customers, consumer finance, credit insurance protection and credit cards to customers. The Company and its subsidiaries are collectively referred to as "Group" in these financial statements.

Certain of the Company's debt was issued on March 27, 2017, in a private placement in accordance with Rule 144A and Regulation S under the United States Securities Act of 1933. The debt was listed on the Singapore Stock Exchange on April 3, 2017 [note 13 (iii)].

2. Statement of compliance and basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board.

The consolidated financial statements and notes on pages 6 to 78 were tabled por presented at a meeting of the Board of Directors on June 20, 2023, and it was agreed that the Chairman approve the final issuance of these financial statements, which occurred on September 5, 2023.

a. New standard, amendments to standardsand interpretations that became effective during year:

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Certain new and amended standards came into effect during the current financial year, none of which had any significant impact on these financial statements.

- References to the conceptual framework - Amendments to IFRS 3
  The amendments replaced a reference to a previous version of the Conceptual Framework with a reference to the current version issued in March 2018, without significantly changing its requirements.

expressed in U.S. dollars

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential “day 2” gains or losses arising from liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Provisions and Contingent Assets or IFRIC 21 Liens if separately incurred. The exception requires entities to apply the criteria of IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether an obligation exists on the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition on the acquisition date.

According to the transitional provisions, an entity applies the amendments prospectively, i.e., to business combinations that occur after the beginning of the annual reporting period in which it first applies the amendment (the initial application date).

- Property, plant and equipment: Income before the intended use - Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from the sale of items produced while bringing that asset to the location and condition necessary to operate in the manner intended by management. Instead, an entity recognizes revenues from the sale of such items and their production in the period’s profit or loss.

According to transitional provisions, an entity applies the amendments retroactively only to elements of property plant and equipment available for use as of the start of the first year reported when an entity applies the amendment for the first time (the initial application date).

- Onerous contracts – Costs from contract compliance - Amendments to IAS 37 (If applicable to the individual, consolidated or combined entity)

An onerous contract is a contract where the inevitable costs of meeting the contractual obligations (i.e., the costs that an entity cannot avoid because of the contract) exceed the economic benefits it expects to receive in connection with said contract.

The amendments specify that while assessing whether a contract is onerous or loss-making, an entity must include the costs directly related to a contract to provide goods or services, including incremental costs (e.g., direct labor costs and materials) and an allocation of costs directly related to the contract’s activities (e.g., depreciation of the equipment used to fulfill the contract and contract manage and oversight costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly attributable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022.

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as first-time adopter

The amendment allows a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination through which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

- IFRS 9 Financial instruments: Commissions for the 10-percent test to derecognize financial liabilities accounts (If applicable to the individual, consolidated or combined entity).

The amendment clarifies the commissions that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These commissions include only those paid or received by the borrower and the lender, including commissions paid or received by either the borrower or lender on the other's behalf. A similar amendment has not been proposed for IAS 39 Financial Instruments: Recognition and Measurement.

According to the transitional provisions, an entity applies the amendment to the financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the initial application date).

b. New and amendments standards and interpretations that are not yet effective:

Management is evaluating the potential impact of the application of these amendments on the Company's future financial statements.

- Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, IABS made amendments to IAS 8 to introduce a definition of “accounting estimates”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and error correction. They also clarify how entities use measuring techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Early adoption is permitted as long this fact is disclosed.

- Disclosure of Accounting Policies– Amendments to IAS 1 and Practice Document N˚ 2

In February 2021, IASB issued amendments to IAS 1 as well as Practice Document N˚ 2 Judgments on Materiality or Relative Importance, which provide guidance and examples to help entities to apply judgments on materiality on the accounting policies disclosures. Amendments are intended to help entities disclose accounting policies that would be more useful when replacing the disclosure requirement of entities' “significant” accounting policies with a disclosing requirement of their “material” accounting policies and add guidelines on how entities apply the concept of materiality in the decision made on accounting policies disclosures.

Amendments to IAS 1 are applicable for annual periods beginning on January 1, 2023; early adoption is allowed. Since amendments to Practice Document N˚ 2 provide non-mandatory orientation on the application of the definition of materiality in accounting policies information, an effective date for these amendments is not necessary.

- Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12

In May 2021, the International Accounting Standards Board issued amendments to IAS 12 that reduce the scope of the exception to the initial recognition under IAS 12. This implies that said exception is not applicable to transactions that result in taxable temporary differences that are deductible for equal amounts.

The amendments must be applied to transactions that occur on or after the start of the first comparative period presented. Additionally, at the start of the first comparative period presented, a deferred tax asset must be recognized (as long as there are sufficient tax gains) along with a deferred tax liability for all of the deducible and taxable temporary differences associated with leases and dismantling obligations.

The amendments are applicable for annual periods beginning on or after January 1, 2023.

- IFRS 17 Insurance contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. As of March 31, 2023, the Group is in the process of determining the impacts of this new standard.

2.2 Functional and presentation currency

Items included in the financial statements of the Company and each subsidiary are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). These consolidated financial statements are presented in U.S. dollars, which is the Company’s functional currency. The values presented in the consolidated financial statements have been rounded to the nearest thousand ($’000) unless otherwise stated.

2.3 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for the retirement benefits asset which are recognized as the difference between the present value of the defined benefit obligation at reporting date and the fair value of the plan assets together with adjustments for actuarial gains and losses and past service costs. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The consolidated financial statements provide comparative information in respect of the previous period. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.4 Judgements and estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from these estimates.

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

The critical judgements made in applying the Group's accounting policies and the key areas of estimation uncertainty that have the most significant effect on the amounts recognized in the financial statements, and or that have a significant risk of material adjustment in the next financial period, are as follows:

a. Judgment in applying revenue recognition policy

Finance charges on certain customer accounts receivable are recognized over the life of the related contract using the "sum of the digits" method which management has determined approximates to the effective interest method.

b. Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Measurement of expected credit losses and modifications on accounts receivable

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.

In determining amounts recorded for impairment of financial assets in the financial statements, management makes assumptions in determining the inputs to be used in the ECL measurement model, including incorporation of forward-looking information. Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default.

(ii) Net realizable value of inventories

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the reporting date to the extent that such events confirm conditions existing as at that date. Estimates of net realizable value also take into consideration the purpose for which the inventory is held.

(iii) Measurement of employee benefit assets and post-employment benefit obligations

The amounts recognized in the Group's statements of financial position and profit or loss and other comprehensive income for certain pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognized include expected long-term return on plan assets, the discount rate used to determine the present value of estimated future cash flows required to settle the pension and other post-retirement obligations and the expected rate of increase in medical costs for post-retirement medical benefits.

The expected return on plan assets considers the long-term returns, asset allocation and future estimates of long-term investment returns. The discount rate is determined based on the estimated yield on long-term government securities that have maturity dates approximating the term of the Group's obligation. The estimate of expected rate of increase in medical costs is determined based on inflationary factors.

Any changes in the foregoing assumptions will affect the amounts recorded in the consolidated financial statements for these obligations.

(iv) Valuation of intangible assets and goodwill

As discussed in notes 9 and 10, management has made certain key assumptions with respect to the discounted cash flow projections for the purpose of impairment testing of intangible assets and goodwill, respectively.

expressed in U.S. dollars

(v) Provisions for warranties

The Group recognizes the estimated liability to repair or replace products for up to one year in respect of items still under warranty at the reporting date. This provision is calculated based on the history of the level of repairs and replacements.

3. Significant accounting policies

3.1 Basis of consolidation

a. Business combinations

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non-controlling interests in the acquired; plus
- If the business combination is achieved in stages, the fair value of the pre-existing interest in the acquired; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognized in profit or loss.
Before recognizing a gain on a bargain purchase, the Company reassess whether it has correctly identified all the assets acquired and all the liabilities assumed and shall recognize any additional assets of liabilities that are identified in that review. Once this review is completed, and an excess exists, the Company records a purchase gain

Transaction costs, other than those associated with the issuance of debt or equity securities that the Group incurs in connection with a business combination, are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date.

b. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Company and its subsidiaries are collectively referred to as “the Group”.

c. Loss of control

On the loss of control, the Group derecognizes the asset and liabilities of the subsidiary, and any non-controlling interests and the other components of equity related to the subsidiary. A gain or loss is recognized in profit or loss equal to the fair values of the consideration received and retained interest less the carrying amounts of the assets and liabilities and any non-controlling interest in the subsidiary that is deconsolidated. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost.

d. Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

The main wholly owned subsidiaries are described below:

Country of incorporation	Name of subsidiary
Panama	Facilito Overseas Holding Corp. Unicomer Latin America Corp. Samoil International Corp. Global Franchising Corporation Unicorp International Services, Inc. Regal Worldwide Trading (RWT) Inc. Bluestart Capital Group Corp.
United States of America	Unicredit, Inc. Unicomer USA Holding, Inc. Unicomer Texas, LLC Unicomer West Coast, LLC (inactive) Regal Worldwide Trading, LLC
Guatemala	Unión Comercial de Guatemala, S.A. Unicoservi, S.A. Laboratorio Unicomer, S.A. Unilab Export, S.A. Bluestart Guatemala, S.A.
El Salvador	Unión Comercial de El Salvador, S.A. de C.V. Bluestart El Salvador, S.A. de C.V.(i) Unicomer Corporativo, S.A. de C.V.
Nicaragua	Unión Comercial de Nicaragua, S.A. Unicoservi, S.A.
Ecuador	Unicomer de Ecuador, S.A.
Honduras	Unión Comercial de Honduras, S.A. de C.V
Costa Rica	Unión Comercial de Costa Rica Unicomer, S.A. El Gallo más Gallo de Alajuela, S.A. Desalmacenadora Guayaquil, S.A. Importadora Punto Nueve, S.A. El Gallo de San Isidro, S.A. Bluestart Costa Rica, Sociedad Anonima
Chile	Unicorp Chile SpA.
Dominican Republic	Unión Comercial de República Dominicana, S.A. (discontinued operation)
Paraguay	Wisdom Product, S.A. Unión Comercial de Paraguay, S.A.
St. Lucia	Unicomer Caribbean Holding Co. Ltd. Unicomer (St. Lucia) Ltd. Bluestart Capital Holding Co. Ltd.
Belize	Unicomer (Belize) Ltd.
Jamaica	Unicomer (Jamaica) Ltd. Bluestart Capital (Jamaica) Limited
St. Kitts & Nevis	Unicomer (St. Kitts & Nevis) Ltd.

expressed in U.S. dollars

Country of incorporation	Name of subsidiary
Antigua & Barbuda	Unicomer (Antigua & Barbuda) Ltd.
Dominica	Unicomer (Dominica) Ltd.
St. Vincent & The Grenadines	Unicomer (St. Vincent) Ltd. Bluestart Capital (St. Vincent) Ltd.
Grenada	Unicomer (Grenada) Ltd.
Trinidad & Tobago	Unicomer (Trinidad) Ltd. Bluestart Capital (Trinidad) Ltd. Bluestart Capital Holding Co. Ltd.
Aruba	Unicomer (Aruba) N.V. Unicon N.V. Hagemyer N.V. (inactive) International Agencias Aruba N.V. (inactive) Antillian Mercantile Corp. N.V. (inactive) Bluestart Capital (Aruba) VBA(ii)
Guyana	Unicomer (Guyana) Inc. Bluestart Capital (Guyana) Inc.
Barbados	Caribbean Licensing Corporation Unicomer (Barbados) Ltd.
Curacao, Bonaire and Sint Maarten	Unicomer (Curacao) B.V.
Bermuda	Canterbury Insurance Co. Ltd.

(i) On July 27, 2022 Unicoservi, S.A. de C.V. changed its name to Bluestart El Salvador, S.A. de C.V.

(ii) On October 10, 2022 Bluestart Capital (Aruba) VBA was incorporated under the laws of Aruba.

3.2 Cash and cash equivalents
Cash and cash equivalents are measured at amortized cost and include cash in hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

3.3 Accounts receivable, net
Customer receivables are measured at amortized cost less an allowance for credit losses. An allowance for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the contract. The amount of the allowance is the difference between the carrying amount and the estimated recoverable amount (notes 3.10 and 3.20).

3.4 Related parties

A related party is a person or entity that is related to the Group and with the following characteristics:

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

- (i) Has control or joint control over the Group;
- (ii) Has significant influence over the Group; or
- (iii) Is a member of the key management personnel of the Group or of a parent of the Group.

b. An entity is related to a Group if any of the following conditions apply:

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled, or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

3.5 Inventories, net

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. An impairment allowance is recognized where the recoverable amount of inventories is likely to be less than cost.

3.6 Property and equipment, net

Property and equipment are carried at cost less accumulated depreciation and impairment losses. Property and equipment of acquired subsidiaries are recognized at the fair value at the date of acquisition. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Group and its cost can be reliably measured. The costs of day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

Depreciation is calculated on the straight-line basis at rates estimated to write down the assets to residual values over their expected useful lives. Land is not depreciated. Depreciation rates are as follows:

Buildings (stores and warehouses)	2.5%
Improvements to leased properties (or over the term)	20.0%
Computers, office equipment	33.3%
Vehicles	20.0%
Right-of-use assets	Over the term of the lease
Construction on leased properties	Over the term of the lease

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises 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 and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Group has applied COVID-19-Related Rent Concessions-Amendments to IFRS 16. The Group applies the practical expedient allowing it to not assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

3.8 Intangible assets, net

a. Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquired entity. Goodwill is measured at cost less any accumulated impairment losses.

b. Software

Acquired computer software licenses as well as third party and internal costs directly associated with the development of software are capitalized as intangible assets based on the costs incurred to acquire and bring the specific software to use. These costs are amortized over their estimated useful lives (three to eight years). Internal costs associated with maintaining computer software programs are expensed when incurred.

expressed in U.S. dollars

c. Brand names and trademarks

Brand names and trademarks are shown at cost less any impairment losses.

d. Other intangible assets

Other intangible assets including customer relationships acquired by the Group are measured at cost less accumulated amortization and any accumulated impairment losses.

e. Amortization

Amortization is recognized in profit or loss using the straight-line method over the estimated useful lives of intangible assets, from the date they are available for use, unless the assets are deemed to have indefinite lives. The estimated lives of the Group's customer relationships are as follows:

Courts Caribbean	15 years
Latin American group	10 years

The brand names and trademarks acquired by the Group are assessed to have indefinite useful lives and are tested for impairment on an annual basis.

3.9 Deferred assets of extended warranty

Policy acquisition costs are deferred on a basis consistent with that used for deferring premium income.

3.10 Impairment of assets

Financial assets

The Group recognizes expected credit loss (ECLs) on:
- financial assets measured at amortized cost; and
- contract assets

At each reporting date, the allowance for credit losses on financial asset, is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

If at the reporting date, the credit risk has not increased significantly since initial recognition, the allowance for losses is measured for the financial asset at an amount equal to twelve month expected credit losses.

The Group assumes that the credit risk of financial assets has significantly increased if they are more than 30 days past due or if there is a refinancing up to 90 days. All loans more than 90 and up to 270 days past due are considered loans with objective evidence of impairment at the reporting date. Write-off occurs when a loan accumulates more than 270 days past due. Recovery actions continue after cancellation.

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset, that are discounted from the expected date of derecognition to the reporting date, using the original effective interest rate of the existing financial asset.

The Group uses judgement when considering the following factors that affect the determination of impairment:

Macroeconomic factors, forward looking information and multiple scenarios

a. The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward-looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination.

b. Measurement of ECLs at each reporting date reflect reasonable and supportable information at the reporting date about past events, current conditions, and forecasts of future economic conditions. The Group uses three scenarios that are probability weighted to determine ECL.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) against the allowance for credit losses when there is no reasonable expectation of recovering a financial asset. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the consolidated statement of income.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The recoverable amount of an asset is the greater of its value and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

3.11 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as result of past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be estimated reliably.

3.12 Provisions for warranties

The Group recognizes the estimated liability to repair or replace products for up to one year in respect of items still under warranty at the reporting date. This provision is calculated based on the past history of the level of repairs and replacements and the estimated cost of such repair or replacements.

3.13 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost, with any difference between the proceeds (net of transaction costs) and the redemption value recognized in income over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition or production of a qualifying asset are capitalized as property and equipment.

Debt issuance costs correspond to fees and other costs incurred in the process of obtaining long-term borrowings: amortization is charged to financial expense in profit or loss on the effective interest basis over the life of the related borrowings.

3.14 Account payable

Accounts payable are measured at amortized cost.

3.15 Employee benefits

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, statutory contributions, annual vacation leave and non-monetary benefits such as post-employment benefits related to pension.

expressed in U.S. dollars

Employee benefits that are earned as a result of past or current service are recognized in the following manner:

a. Termination benefit obligations

In certain countries the employment laws require employers to also pay a lump sum to employees when they resign from the Group. The lump sum amount is normally based on each employee's monthly salary and years of service (see note 17). These benefits are accrued based on actuarial estimates and reflected as non-current liabilities.

b. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. The Group recognizes a liability and an expense for bonuses using a formula that takes into consideration certain factors, such as compliance with budget, growth rates, etc. The Group recognizes the provision for bonuses and other short-term employee benefits based on contractual or constructive obligations to pay these amounts as a result of past service provided by the employee and the obligation can be reliably estimated.

c. Pension benefits

Certain subsidiaries as well as their employees pay contributions to a pension plan authorized by the respective governments. The subsidiaries have no further obligations once the contributions have been paid. The Group's contributions are recognized as personnel expenses when they are due.

Certain other subsidiaries participate in pension plans under the responsibility of appointed trustees (defined-benefit and defined contribution pension plans), the assets of which are held separately from those of the subsidiaries and remain under the control of the appointed trustees.

Obligations for contributions to the defined contribution pension plans are recognized as an expense in profit or loss as incurred.

The asset recognized in respect of the defined benefit plans is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of the plan assets. To the extent that the obligation is less than the fair value of the plan assets, the asset recognized is restricted to the discounted value of future benefits available to the Group in the form of future refunds or reductions in contributions.

The defined benefit obligations are determined annually by independent actuaries, using the Projected Unit Credit Method. The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liabilities.

The Group determines the net interest income on the net defined benefit asset for the period by applying the discount rate used to measure the defined benefit asset at the beginning of the annual period to the net defined benefit asset for the year, taking into account any changes in the asset during the period as a result of contributions and benefit payments. Net interest income and other post-retirement expenses are recognized in profit or loss. Re-measurements of the net defined benefit assets/obligations, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognized in other comprehensive income.

When the benefits of a plan are changed or when the plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

expressed in U.S. dollars

3.16 Share capital

Ordinary shares, which have equal voting rights, are classified as equity. The holders of the ordinary shares are entitled to dividends when declared by the General Shareholders Assembly. The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company.

3.17 Revenue recognition

Revenue from services is measured at fair value of the consideration received or receivable, net of volume rebates and sales taxes.

Performance obligations and revenue recognition policies:

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Type of service	***Nature and timing of satisfaction of performance obligations, including significant payment terms.***	***Revenue recognition under IFRS 15***
Sale of Goods	Sales are recognized when the Group has transferred benefit and rewards to the customer, and collectability of the related receivables is reasonably assured, after sale returns and discounts.	Revenue from sales is recognized at the point in time when the goods are delivered to the customers.
Financing of sales and cash loans	Hire purchase credit charges are recognized in revenue over the life of the related hire purchase contracts so as to produce a constant rate of return on the net investment.	Revenue from hire purchase is recognized over time.
Premiums and extended warranties	Premiums are calculated based upon the sum insured for consumer payment protection. Extended warranties are optionally purchased by customers beyond the standard warranty period.	Premiums on payment protection policies are recorded as reported and earned over the weighted average period of the risks. Extended warranty contracts are deferred and recognized over the period of the contracts.

Interest income

Interest income on cash loans and hire purchase installment loans is recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future receipts through the expected life of the financial instruments to its gross carrying amount.

When calculating the effective interest rate for financial instruments, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

The ‘amortized cost’ of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The ‘gross carrying amount of a financial asset’ is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.

The effective interest rate of a financial asset is calculated on initial recognition of a financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest income calculated using the effective interest method on financial assets measured at amortized cost is presented in finance income earned on credit operations line item on the consolidated statement of income.

3.18 Financial income and expense

Interest income on invested funds is recognized as it accrues, using the nominal rate.

Interest expense comprises interest expense recognized in profit or loss using the effective interest method. The effective interest rate is the rate method that exactly discounts estimated future cash payments over the expected life of the financial liability (or, where appropriate, a shorter period) to the carrying amount of that liability.

3.19 Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly to other comprehensive income, in which case it is recognized in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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.

A deferred tax asset is recognized for unused tax losses, 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 utilized. 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 realized.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes, interest and penalties may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In the financial statements, financial assets comprise accounts receivable, accounts receivable - related parties, other receivables and cash and cash and cash equivalents. Financial liabilities comprise borrowings, accounts payable, other accounts payable, account payable-related parties and bank over drafts.

a. Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity. In the combined financial statements, financial assets comprise accounts receivable, accounts receivable-related parties, short-term investments, other receivables and cash and cash equivalents. Financial liabilities comprise borrowings, accounts payable, other accounts payable and accounts payable-related parties.

The Group recognizes a financial instrument when it becomes a party to the contractual terms of the instrument. The Group initially recognizes loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognized on the trade date.

Financial Assets

Initial recognition and measurement:

Financial assets are classified at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (IFVOCI), and at fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

Upon initial recognition, the Group mainly classifies its financial assets at amortized cost.

The financial assets that meet both of the conditions in a) and b) bellow, and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, are classified as "held to collect" and measured at amortized cost.

Amortized cost represents the net present value ("NPV") of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Accounts receivable, net
- Accounts receivable – related parties
- Other receivables.

The Group initially recognizes these assets at the original invoiced or transaction amount less expected credit losses.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at Fair Value through Other Comprehensive Income (“FVOCI”) as at Fair Value Through Profit or Loss (“FVTPL”) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities that are funding these assets or realizing cash flows through the sale of the assets;

- How the performance of the portfolio is evaluated and reported to the Group’s management;

- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and

- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity. However, the information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group’s stated objective for managing the financial assets is achieved and how cash flows are realized.

The Group has determined that it has one business model, which is held-to-collect.

Assessment whether contractual cash flows are solely payment of principal and interest (SPPI):

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition.

Interest is defined as consideration for the time value of money and the credit risk and basic other lending risks plus a profit margin.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Subsequent measurement:

The subsequent measurement of financial assets depends on their classification as described in the recognition methods disclosed in the respective accounting policy notes.

expressed in U.S. dollars

Derecognition:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Modifications of financial assets:

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different. If so, the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value plus any eligible transaction costs.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximize recovery of the original contractual terms, rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortized cost does not result in derecognition of the financial asset, then the Group recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognizes the resulting adjustment as a modification gain or loss in profit or loss.

Impairment of financial assets:

Impairment losses of financial assets, including receivables, are recognized using the expected credit loss (ECL) model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. Impairment of financial assets is further discussed in note 25.

Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value, plus directly attributable transaction costs. The Group's financial liabilities include borrowings, bank overdrafts, accounts payable, other account payable and account payable-related parties.

Subsequent measurement:

The subsequent measurement of financial liabilities depends on their classification as described in the recognition methods disclosed in the relevant accounting policy notes.

Derecognition:

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting:

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

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from Group of similar transactions such as in the Group's activity.

3.21 Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Based on the information presented to and reviewed by the CEO, the Group has three (3) operating segments: Caribbean group, Latin American group and Other.

3.22 Foreign currencies for transactions and balances

a. Transactions and balances

Transactions in foreign currencies are translated into the functional currency of each company part of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit and loss, unless the relevant assets form part of the net investment in a foreign subsidiary, in which case any exchange gains or losses are recognized through other comprehensive income and reflected in the currency translation reserve.

expressed in U.S. dollars

b. Group companies

The results and financial position of all the subsidiaries that have functional currencies different from the Company's functional currency are translated to U.S. dollars as follows:

(i) Assets and liabilities are translated at the closing rate at the reporting date;
(ii) Share capital and retained earnings are converted at historical rates; Income and expenses are translated at average exchange rates; and
(iii) All resulting exchange differences are recognized through other comprehensive income and reflected in the currency translation reserve, a component of shareholders' equity.

4. Cash and cash equivalents

	2023	2022
Cash in bank and on hand (a)	98,131	92,875
Cash in savings accounts	5,761	17,646
Short-term bank deposits (b)	2,040	1,992
	105,932	112,513

a. This is comprised mainly of amounts held in current accounts.
b. The effective interest rates on short-term bank deposits range from 0.0% to 11.2% (2022: from 0.0% to 2.8%). These deposits have an average maturity of 90 days.

5. Accounts receivable, net

a. Accounts receivable are as follows:

	2023	2022
Gross accounts receivable – customers	623,734	580,857
Gross loans receivable – customers	434,289	255,856
Gross interest receivable – customers	34,696	28,816
	1,092,719	865,529
Less: Allowance for expected credit losses (note 25)	(116,889)	(94,223)
	975,830	771,306
Current portion of accounts receivable, net	(594,822)	(461,908)
Non-current portion of accounts receivable, net	381,008	309,398

b. Current portion of accounts receivable is as follows:

	2023	2022
Accounts receivable – customers	380,938	341,149
Loans receivable – customers	266,895	165,840
Interest receivable – customers	34,475	27,120
Total accounts receivable due within one year	682,308	534,109
Allowance for expected credit losses	(87,486)	(72,201)
Current portion of accounts receivable	594,822	461,908

expressed in U.S. dollars

As a result of the COVID-19 pandemic, the Group granted and/or was required by law to grant two or three-month forbearance periods, to some debtors up to 30 days in arrears. Certain receivable balances were also restructured, and the corresponding modification loss accounted for in the profit or loss. The contract modifications did not result in the derecognition of the financial assets and were accounted for as an adjustment to amortized cost; the gross carrying amounts of the account and loans receivables have been recalculated by discounting the modified contractual cash flows at the original effective rate. For the period ended March 31, 2023, no adjustments were recognized in profit and loss account, while for the 2022 period, the adjustment was $11,098,991 and has been included a as a remeasurement of accounts receivable at amortized cost in the statement of profit or loss. After remeasurement, and due to the loan extensions and subsequent recovery, the Group recognized additional finance income in an amount of $5,418,613 (2022: $20,093,178). At March 31, 2023, the Group has a balance pending adjustment of amortized cost of $313,704 (2022: $5,589,672).

6. Inventories, net

	2023	2022
Merchandise for sale	314,526	358,622
Spare parts, net	6,722	6,923
Goods in-transit	42,914	114,741
Supplies	919	993
	365,081	481,279
Less: allowance for impairment	(10,084)	(7,206)
	354,997	474,073

During the year, the Group recognized an expense of $2,272,513 (2021: $30,785) to write down the inventories to their net realizable value and to recognize differences in physical counts. Certain inventories have been pledged to guarantee borrowings.

expressed in U.S. dollars

7. Property and equipment, net

	Land and building	Leasehold improvements	Furniture and fixtures	Vehicles	Computer hardware and office equipment	Projects in process	Total
Cost:							
Balance as of March 31, 2021	105,940	77,083	68,137	12,052	33,851	13,011	310,074
Additions	1,620	607	3,648	1,040	2,372	11,683	20,970
Disposals	(89)	(2,549)	(3,437)	(709)	(3,836)	(349)	(10,969)
Sales	(882)	-	(184)	(425)	(137)	(169)	(1,797)
Transfer to intangible assets (note 9)	2,724	2,348	1,145	112	676	(7,025)	(20)
Reclassifications	89	70	181	(160)	182	(362)	-
Adjustments	546	98	392	408	(3,425)	32	(1,949)
Translation adjustments	(1,094)	(1,294)	(1,244)	(163)	(397)	(123)	(4,315)
Balance as of March 31, 2022	108,854	76,363	68,638	12,155	29,286	16,698	311,994
Additions	336	2,193	5,305	1,475	2,940	12,770	25,019
Disposals	(1)	(432)	(2,491)	(869)	(1,886)	(162)	(5,841)
Sales	-	-	(28)	(63)	-	(567)	(658)
Transfer to intangible assets (note 9)	8,436	3,697	2,530	98	956	(16,004)	(287)
Reclassifications	33	1,008	70	-	1,634	(2,748)	(3)
Adjustments	-	-	(1)	-	-	(1,089)	(1,090)
Translation adjustments	(55)	1,694	1,669	46	724	82	4,160
Balance as of March 31, 2023	117,603	84,523	75,692	12,842	33,654	8,980	333,294
Accumulated depreciation							
Balance as of March 31, 2021	28,654	62,836	49,767	8,616	26,824	-	176,697
Depreciation for the year	1,950	5,156	6,119	1,050	3,494	-	17,769
Disposals	(76)	(2,452)	(2,976)	(549)	(3,710)	-	(9,763)
Sales	(162)	-	(158)	(357)	(130)	-	(807)
Reclassifications	5	(11)	144	(130)	(8)	-	-
Adjustments	779	(352)	473	457	(2,978)	-	(1,621)
Translation adjustments	(217)	(1,043)	(817)	(117)	(279)	-	(2,473)
Balance as of March 31, 2022	30,933	64,134	52,552	8,970	23,213	-	179,802
Depreciation for the year	1,655	4,934	5,760	1,029	3,463	-	16,841
Disposals	-	(366)	(2,187)	(816)	(1,848)	-	(5,217)
Sales	-	-	(23)	(55)	-	-	(78)
Reclassifications	(4)	4	(8)	-	8	-	-
Adjustments	-	-	(3)	-	1	-	(2)
Translation adjustments	(76)	1,168	835	7	427	-	2,361
Balance as of March 31, 2023	32,508	69,874	56,926	9,135	25,264	-	193,707
Carrying amounts:							
At March 31, 2023	85,095	14,649	18,766	3,707	8,390	8,980	139,587
At March 31, 2022	77,921	12,229	16,086	3,185	6,073	16,698	132,192

expressed in U.S. dollars

8. Leases

The Group leases properties for its retail stores, vehicles, technology equipment, furniture and equipment. The leases are for an average term of five years. Some of these include the option to renew for an additional period after the end of the lease term. Lease payments are renegotiated to reflect market rates.

The Group has applied the practical expedient to all rent concessions that meet the conditions in IFRS 16.

The Group leases technology equipment, printers and others in which the terms of the contract are for one year or less. These leases are short-term or low value items. The Group has elected not to recognize the right to use assets and liabilities under these leases.

Information on lease agreements for which the Group is the lessee is presented below:

a. Right-of-use assets

	Leasehold Properties	Vehicles	Furniture and office equipment	Total
Cost				
Balance as of March 31, 2021	225,244	597	250	226,091
Additions	57,101	109	257	57,467
Disposals	(33,317)	(41)	-	(33,358)
Adjustments	71	17	151	239
Translation adjustments	(6,313)	(12)	(17)	(6,342)
Balance as of March 31, 2022	242,786	670	641	244,097
Additions	87,214	129	-	87,343
Disposals	(30,846)	(132)	-	(30,978)
Adjustments	2,402	-	-	2,402
Translation adjustments	18,494	6	84	18,584
Balance as of March 31, 2023	320,050	673	725	321,448
Accumulated depreciation				
Balance as of March 31, 2021	76,025	278	102	76,405
Charge for the year	48,451	139	59	48,649
Disposals	(28,516)	(42)	-	(28,558)
Adjustments	(288)	19	-	(269)
Translation adjustments	(2,369)	(7)	(2)	(2,378)
Balance as of March 31, 2022	93,303	387	159	93,849
Charge for the year	54,918	142	95	55,155
Disposals	(22,596)	(98)	-	(22,694)
Adjustments	(154)	-	-	(154)
Translation adjustments	6,789	4	17	6,810
Balance as of March 31, 2023	132,260	435	271	132,966
Carrying amounts:				
At March 31, 2023	187,790	238	454	188,482
At March 31, 2022	149,483	283	482	150,248

expressed in U.S. dollars

b. Lease liabilities

Maturity analysis – contractual undiscounted cash flows:

	2023	2022
Less than one year	69,190	53,207
One to five years	138,703	110,635
More than five years	48,044	56,606
Total undiscounted lease liabilities at March 31	255,937	220,448
Less: future interest expense	(49,267)	(45,845)
Carrying amount as of March 31	206,670	174,603
Current	53,384	41,779
Non-current	153,286	132,824
Lease liabilities included in the statement of financial position at March 31	206,670	174,603
Included in the above is a lease with a related party amounting to	55,630	44,615

c. Amounts recognized in profit or loss

	2023	2022
Interest expense on lease liabilities	15,260	14,349
Variable lease payments not included in the measurement of lease liabilities	1,128	2,102
Expenses relating to short-term leases	3,915	3,181
Expenses relating to lease of low-value assets, excluding short-term leases of low value assets	622	967
Depreciation of right-of-use assets	55,155	48,649

d. Amounts recognized in the statement of cash flows

	2023	2022
Payments of lease liabilities	69,401	63,417

e. Extension options

The lease value determined above includes leases with an option to renew. This option is exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

f. COVID-19 effects

The effect recognized in profit or loss generated by the concessions obtained as a result of COVID-19 as of March 31, 2023 was $248 (2021: $3,183).

expressed in U.S. dollars

9. Intangible assets

	Software	Brands / trademarks	Customer relationships	Other intangibles	Projects in process	Total
Cost						
Balance as of March 31, 2021	80,679	76,322	51,490	1,324	17,796	227,611
Additions	642	-	-	-	5,453	6,095
Disposals	(285)	-	-	-	(261)	(546)
Sales	(1)	-	-	-	(1,608)	(1,609)
Transfers (note 7)	6,184	-	-	-	(6,164)	20
Adjustments	(1,905)	268	-	597	(546)	(1,586)
Translation adjustments	(440)	(3,385)	(2,107)	-	(130)	(6,062)
Balance as of March 31, 2022	84,874	73,205	49,383	1,921	14,540	223,923
Additions	1,227	-	-	45	12,377	13,649
Disposals	(93)	-	-	-	(42)	(135)
Sales	-	-	-	-	(546)	(546)
Transfers (note 7)	2,040	-	-	-	(1,753)	287
Adjustments	(482)	103	-	-	(6)	(385)
Translation adjustments	942	8,215	5,601	-	118	14,876
Balance as of March 31, 2023	**88,508**	**81,523**	**54,984**	**1,966**	**24,688**	**251,669**
Accumulated amortization						
Balance as of March 31, 2021	36,786	-	43,475	686	-	80,947
Charge for the year	14,734	-	4,150	106	-	18,990
Disposals	(267)	-	-	-	-	(267)
Sales	1	-	-	-	-	1
Adjustments	(1,762)	-	-	596	-	(1,166)
Translation adjustments	(345)	-	(1,934)	-	-	(2,279)
Balance as of March 31, 2022	49,147	-	45,691	1,388	-	96,226
Charge for the year	14,129	-	1,788	113	-	16,030
Disposals	(93)	-	-	-	-	(93)
Sales	-	-	-	-	-	-
Adjustments	(2)	-	-	-	-	(2)
Translation adjustments	688	-	5,598	-	-	6,286
Balance as of March 31, 2023	**63,869**	**-**	**53,077**	**1,501**	**-**	**118,447**
Carrying amounts:						
At March 31, 2023	24,639	81,523	1,907	465	24,688	133,222
At March 31, 2022	35,727	73,205	3,692	533	14,540	127,697

expressed in U.S. dollars

10. Goodwill

The movement in goodwill for the years ended March 31, 2023 and 2022 is as follows:

Balance as of March 31, 2021	65,534
Translation adjustments	(2,397)
Balance as of March 31, 2022	63,137
Translation adjustments	6,374
Impairment of goodwill	(3,729)
Balance as of March 31, 2023	65,782

The goodwill balance corresponds to acquisitions in the following countries:

	2023	2022
Costa Rica	35,048	28,683
Paraguay	6,388	10,117
Ecuador	21,158	21,158
Caribbean countries	3,188	3,179
	65,782	63,137

Key assumptions used in the calculation of recoverable amounts of goodwill, brands/trademarks and customer relationships are discount rates, terminal value growth rates and EBITDA growth rates. The values assigned to the key assumptions represented management's assessment of future trends in the retail business in those countries and were based on both external and internal sources (historical data).

The key assumptions were as follows::

	Discount rate		Terminal value growth rate		Budgeted EBITDA growth rate	
	2023	2022	2023	2022	2023	2022
Caribbean	9.3%	8.4%	2.5%	2.5%	23.3%	10.2%
Ecuador	8.8%	8.4%	2.5%	2.5%	23.0%	16.1%
Costa Rica	10.6%	8.7%	2.5%	2.5%	10.2%	5.8%
Paraguay	10.7%	10.7%	2.5%	2.5%	139.5%	77.1%

The discount rate is a pre-tax measure estimated based on experience and the weighted average cost of capital. In the case of Ecuador, it is based on a debt-to-equity ratio of 1.5 (2022: 1.5) at a market debt rate of 5.4% (2022: 5.8%). In the case of Costa Rica, it is based on a debt-to-equity ratio of 1.5 (2022: 1.5) at a market debt rate of 12.5% (2022: 6.9%). In the case of Paraguay, it is based on a debt-to-equity ratio of 1.5 (2022: 1.5) at a market debt rate of 10.8% (2022: 7.0%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity was determined based on management's estimate of the long-term compound annual growth rate in EBITDA, which management believes is consistent with the assumption that a market participant would make.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience and estimated specific revenue growth rates for the next five years. Once these base revenue numbers were estimated, it was assumed that prices would increase in line with forecast inflation for the next five years.

expressed in U.S. dollars

As at March 31, 2023, the estimated recoverable amount of the CGU (enterprise value) exceeded the aggregate carrying amounts of investments in subsidiaries, including customer relationships, brands/trademarks and goodwill, plus net borrowings by approximately $179,222,000 (2022: $214,882,000) in the case of Costa Rica; $55,910,000 (2022: $70,781,000) in the case of Ecuador; and $476,752 (2022: $9,556,000) in the case of Paraguay. In the latter case of Paraguay, the recoverable amount is after the goodwill impairment of $3,729,000 recorded in 2023 and $36,500,000 recorded in 2016

Management has identified two key assumptions for which a reasonably possible change could cause the carrying amounts to exceed the recoverable amounts. The following table shows the percentage points (pp) by which these two assumptions would need to change individually in order for the estimated recoverable amount of the CGU to be equal to the carrying amount:

	Change required for carrying amount to equal recoverable amount			
	Discount rate	Discount rate	Budgeted EBITDA growth rate	Budgeted EBITDA growth rate
	2023	2022	2023	2022
Caribbean	+12.2pp	+18.0pp	-8.9pp	-4.2pp
Ecuador	+2.1pp	+1.9pp	-5.6pp	-10.3pp
Costa Rica	+4.6pp	+4.5pp	-11.9pp	-13.2pp
Paraguay	+12.5pp	+0.6pp	-31.3pp	-2.1pp

11. Employee benefits assets

Two subsidiaries operate defined benefit pension plans administered by insurance companies with participation of certain of their permanent employees. The subsidiaries contribute at a rate of 4.5% and 5.0%, respectively, of pensionable salaries. Employees contribute at a mandatory rate of 3.0% and 7.0% respectively and may make voluntary contributions not exceeding a further 10.0%. The plans are valued by independent actuaries annually using the Projected Unit Credit Method.

a. The amounts recognized in the statement of financial position are determined as follows:

	2023	2022
Present value of funded obligations	(24,903)	(24,309)
Fair value of plan assets	29,094	28,653
Additional liability due to IFRIC 14	-	(820)
Surplus of assets over defined benefits	4,191	3,524
Effect of asset ceiling	(448)	(23)
Translation adjustments	24	-
Asset recognized in the statement of financial position	3,767	3,501

expressed in U.S. dollars

b. Movement in the amounts recognized in the statement of financial position:

	2023	2022
Balance at beginning of financial period	3,501	5,471
Contributions paid	288	266
Pension expense recognized in profit or loss	(130)	39
Re-measurement (losses) / gains recognized in other comprehensive income	(70)	(2,057)
Translation adjustments	178	(218)
Balance at end of financial period	3,767	3,501

c. Movement in the present value of obligation:

	2023	2022
Balance at beginning of financial period	(24,309)	(24,690)
Service costs	(341)	(301)
Interest cost	(1,774)	(1,741)
Employees' contributions	(1,071)	(1,005)
Benefits paid	1,100	4,907
Actuarial (losses) / gains arising from:		
Experience adjustments	115	(2,147)
Changes in financial assumptions	1,645	(230)
Translation adjustments	(268)	898
Balance at end of financial period	(24,903)	(24,309)

d. Plan assets:

i. Movement in fair value of pension plan assets:

	2023	2022
Fair value of plan assets at beginning of financial period	28,653	30,619
Actual return on plan assets	(123)	454
Employees' contributions	1,071	1,005
Employers' contributions	288	266
Benefits paid	(1,100)	(4,907)
Interest income on plan assets	1,586	1,702
Administrative expenses paid	(91)	(115)
Remeasurement gain / (loss) gains on assets included in other comprehensive income	(1,510)	796
Translation adjustments	321	(1,167)
Fair value of plan assets at end of financial period	29,095	28,653

expressed in U.S. dollars

ii. Plan assets consist of the following:

	2023	2022
Equities	14,532	15,755
Fixed income securities	13,316	11,597
Investment properties and real estate investment trust fund	765	753
Other	482	548
	29,095	28,653

e. Change in effect of asset ceiling:

	2023	2022
Effect of asset ceiling at beginning of year	23	458
Change in effect of asset ceiling	-	(472)
Interest on effect asset ceiling	425	37
	448	23

f. Expense recognized in profit or loss:

	2023	2022
Current Service costs	341	301
Interest income on pension plan assets	(1,024)	(1,212)
Interest cost on obligation	723	720
Administrative expenses	90	152
Net pension expense / (income) included in personnel expense	130	(39)

g. Amounts recognized in other comprehensive income:

	2023	2022
Remeasurement gain / (loss) on obligations	(1,771)	2,382
Change in financial assumptions	1,522	(472)
Remeasurement gain / (loss) on plan assets	203	147
Translation adjustment	116	-
Balance at end of March 31	70	2,057

h. As mortality continues to improve, estimates of life expectancy are expected to increase. The effect on the projected benefit obligation of an increase of one year in the life expectancy is approximately $81,431 (2022: $146,526).

expressed in U.S. dollars

i. Sensitivity analysis on projected benefit obligation:

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarizes how the projected benefit obligation measured at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation. Hence, for example, a 1% reduction in the long-term discount rate would cause some increase in the benefit obligation.

	2023		2022	
	1% decrease	1% increase	1% decrease	1% increase
Discount rate	395	(333)	1,481	(901)
Future salary increases	(25)	29	(316)	428

j. Liability duration:

	2023	2022
Active members and all participants (years)	4.31	16.62

k. Defined contribution plans:

The subsidiaries' contributions for the year aggregated $141,375 (2022: $378,043).

l. The estimated pension contributions expected to be paid into both defined benefit and defined contributory plans during the next financial year is $402,996.

expressed in U.S. dollars

12. Deferred income taxes

Deferred taxes are the result of temporary differences that exist between the financial and tax bases of assets and liabilities. The specific breakdown of these accounts as of March 31, is as follows:

Deferred tax assets:

	2023				
	At beginning of the year	Recognized in income	Recognized in equity	Translation adjustments	At the end of the year
Deferred income from extended warranty	4,420	543	-	(50)	4,913
Unearned finance income	5,875	725	-	56	6,656
Accounts receivable	25,971	15,371	-	952	42,294
Property and equipment	2,548	(162)	-	(21)	2,365
Inventories	867	569	-	35	1,471
Leases	4,798	(3,779)	-	509	1,528
Provision for normal warranties	471	(6)	-	23	488
Employee benefits	4,425	825	-	31	5,281
Tax losses	4,041	610	-	(9)	4,642
Deferred credit protection insurance	976	311	-	(8)	1,279
Deferred income tax - forgiveness of instalments	-	(66)	-	-	(66)
Deferred income tax on intangibles	-	89	-	-	89
Other	(1)	1,120	-	(55)	1,064
	54,391	16,150	-	1,463	72,004

	2022				
	At beginning of the year	Recognized in income	Recognized in equity	Translation adjustments	At the end of the year
Deferred income from extended warranty	3,890	554	-	(24)	4,420
Unearned finance income	5,469	425	-	(19)	5,875
Accounts receivable	29,318	(2,814)	-	(533)	25,971
Property and equipment	3,514	(943)	-	(24)	2,547
Inventories	1,168	(287)	-	(13)	868
Leases	5,899	(934)	-	(167)	4,798
Provision for normal warranties	477	5	-	(11)	471
Employee benefits	3,530	1,143	(224)	(24)	4,425
Tax losses	3,185	856	-	-	4,041
Deferred credit protection insurance	609	379	-	(12)	976
Other	234	(224)	-	(7)	3
	57,293	(1,840)	(224)	(834)	54,395

expressed in U.S. dollars

Deferred tax liabilities:

	2023				
	At beginning of the year	Recognized in income	Recognized in equity	Translation adjustments	At the end of the year
Deferred income from extended warranty	3,626	102	-	-	3,728
Hire purchase profits	2,900	1,253	-	(38)	4,115
Accounts receivable	(4,159)	46	-	3	(4,110)
Accrued interest receivable	2,154	969	-	(5)	3,118
Property and equipment	2,168	(381)	-	(7)	1,780
Deferred cost for extended warranty	595	(14)	-	(6)	575
Employee benefits	269	(137)	-	(5)	127
Retirement benefit assets	875	-	-	13	888
Provision for debt forgiveness	129	(129)	-	-	-
Lease liability	202	(107)	-	2	97
Inventaries	-	10	-	-	10
Deferred income tax on intangibles	-	20	-	-	20
Other	1,968	(893)	-	5	1,080
	10,727	739	-	(38)	11,428

	2022				
	At beginning of the year	Recognized in income	Recognized in equity	Translation adjustments	At the end of the year
Deferred income from extended warranty	3,400	226	-	-	3,626
Unearned finance income	3,608	(712)	-	4	2,900
Accounts receivable	(4,512)	164	-	189	(4,159)
Property and equipment	2,727	(560)	-	(15)	2,152
Inventories	2,319	(142)	-	(8)	2,169
Leases	583	16	-	(4)	595
Provision for normal warranties	234	39	-	(4)	269
Employee benefits	1,233	17	(314)	(61)	875
Tax losses	91	39	-	-	130
Deferred credit protection insurance	-	202	-	-	202
Other	1,624	371	-	(27)	1,968
	11,307	(340)	(314)	74	10,727

No deferred tax assets have been recognized with regards to Union Comercial de Republica Dominicana, S.A., Unicomer Texas LLC, and Unicredit USA Inc.

expressed in U.S. dollars

13. Borrowings

Short-term borrowings

	Interest rates	2023	2022
Borrowings under short-term lines of credit:			
U.S. dollar denominated in countries where the functional currency is not the U.S. dollar	(2022: 6.0%)	-	4,112
U.S. dollar denominated in countries where the functional currency is the U.S. dollar	6.4% - 8.3% (2022: 3.7% - 4.5%)	32,000	52,000
Non-U.S. dollar based local functional currencies	(2022: 4.4% - 6.8%)	-	10,934
		32,000	67,046
Short-term loans:			
U.S. dollar denominated in countries where the functional currency is not the U.S. dollar	(2022: 4.0%)	-	15,000
U.S. dollar denominated in countries where the functional currency is the U.S. dollar	(2022: 7.1%)	-	12,030
Non-U.S. dollar based local functional currencies	10.8% (2022: 8.6%)	17,424	1,488
		17,424	28,518
Total short-term borrowings		49,424	95,564

As at March 31, 2023, the Group was granted short-term revolving lines of credit for up to $125,459,117 (2022: $109,616,151) of which $32,000,000 (2022: $67,045,872) were used, at annual interest rates between 6.4% and 8.3% (2022: 3.7% and 6.8%).

Also see note 24 for guarantees provided by the Group.

Long-term borrowings

	Interest rates	2023	2022
Revolving credit lines:			
U.S. dollar denominated in countries where the functional currency is not the U.S. dollar	4.3% - 7.0% (2022: 4.3% - 7.0%)	2,173	6,350
U.S. dollar denominated in countries where the functional currency is the U.S. dollar	4.8% -6.0% (2022: 4.8% - 6.0%)	43,241	34,772
Non-U.S. dollar based local functional currencies	4.8% - 7.0% (2022: 4.8% - 7.0%)	54,823	43,823
		100,237	84,945

expressed in U.S. dollars

		2023	2022
Short-term loans:			
U.S. dollar denominated in countries where the functional currency is not the U.S. dollar	7.0% - 7.1% (2022: 6.9% - 7.1%)	18,609	12,962
U.S. dollar denominated in countries where the functional currency is the U.S. dollar	4.0% - 9.0% (2022: 4.0% - 9.0%)	388,592	426,895
Non-U.S. dollar based local functional currencies	4.5% - 10.5% (2022: 4.5% - 0.5%)	226,394	191,490
		633,595	631,347
Subtotal long-term borrowings		733,832	716,292
Less: Capitalized transaction costs:		(1,937)	(3,612)
At beginning of the period		-	(9)
Arising on new loans		960	1,018
Amortized in interest expense for the period		(16)	38
Translation adjustments		(993)	(2,565)
Carrying value of long-term borrowings		732,839	713,727

	2023	2022
Less current portion of:		
Long-term loans	(56,742)	(58,614)
Lines of credit	(126,104)	(53,349)
Current portion of long-term borrowings	(182,846)	(111,963)
Long-term portion of long-term borrowings	549,993	601,764
Maturity of principal payments		
Due within 1 year	182,846	111,963
Between 1 and 2 years	427,756	67,792
Between 2 and 5 years	102,183	472,846
Over 5 years	21,046	63,691
	733,831	716,292

Credit Lines

(i) The Group was granted revolving long-term lines of credit of up to $141,335,591 (2022: $122,041,846), of which $100,326,533 (2022: $84,945,554) were used, at annual interest rates between 4.3% and 7.0% (2021: 4.3% and 7.0%).

Borrowings

(ii) Of the total long-term borrowings of the Group, loans in the amount of $ 303,184,710 (2022: $279,253,132), are priced at floating interest rates. The remaining long-term borrowings are at fixed rates.

(iii) On March 27, 2017, the Company issued US$350,000,000 Senior Unsecured Notes with a seven-year term at a 7.875% fixed interest rate, in a private placement in accordance with Rule 144A and Regulation S under the United States Securities Act of 1933. The Notes were issued at a price of 99.998% of the principal amount.

expressed in U.S. dollars

The principal amount of the Notes is due on April 1, 2024. Interest is payable semi-annually beginning on October 1, 2017. The payment of principal, interest, and premium is guaranteed by certain subsidiaries on at least pari passu basis with any existing and future unsecured and unsubordinated indebtedness of those subsidiaries. Proceeds were used to repay short-term and medium-term debt.

The fair values of these Senior Unsecured Notes are based on the secondary market prices quoted in the OTC market. The carrying amounts and fair value of Senior Unsecured Notes are as follows:

	2023 Carrying value	2023 Fair value
Senior unsecured notes 7.875%	327,715	327,617

As of March 31, 2023, the Company had repurchased in the secondary market bonds with a nominal amount of $22,285,000 at a discount (March 31, 2022: $8,266,000)

a. The Group refinances debt, and substitutes repaid debt with new borrowings on an ongoing basis. Some of the relevant transactions are listed below:

- On September 22, 2022, a subsidiary of the Group in Costa Rica raised financing with an international bank for an equivalent amount of $20,000,000 in local currency, for a four-year term payable through monthly installments.

- On October 10, 2022, a subsidiary of the Group in Costa Rica raised financing with an international bank for an equivalent amount of $20,000,000 in local currency, for a four-year term payable through monthly installments.

- On April 18, 2022, a subsidiary of the Group in Guatemala raised financing with an international bank for an equivalent amount of $13,046,025 in local currency, for a ten-year term payable through quarterly installments.

- On May 30, 2018, a subsidiary of the Group in Jamaica raised local currency financing via the Jamaican bond market in an equivalent amount of $52,985,120 (measured at the exchange rates as of March 2023) in two tranches of ten and fifteen years, term payable at maturity.

- On February 19, 2020, a subsidiary of the Group in Guatemala raised financing from an international bank an equivalent amount of $9,115,960 in local currency, as of March 31, 2023, the outstanding balance is $5,126,004 (2022: $6,510,205). The loan is being repaid in annual installments over a seven-year period.

- On November 14, 2013, a subsidiary of the Group in Trinidad and Tobago issued 4 series of bonds in the local market for an equivalent amount of $17,628,705 in local currency, with principal payment at maturity and with original term from 1 to 2 years, which were renewed as of March 31, 2020.

- On November 26, 2021, a subsidiary of the Group in Costa Rica raised financing with an international bank for an equivalent amount of $10,000,000, for 5-year term paid through monthly installments.

expressed in U.S. dollars

- On February 17, 2022, a subsidiary of the Group, Regal Worlwide Tranding, LLC raised financing with an international bank for an amount of $30,000,000, for 18 months paid through quarterly installments.

- On March 30, 2022, a subsidiary of the Group in El Salvador raised financing with an international bank for an equivalent amount $10,000,000, for 4-year term paid through monthly installments.

- As at year end March 31, 2023, the Group exceeded two of its financial covenants related to the Senior Unsecured Notes. This financial incurrence covenant establishes for the Group to have a limit of Net Debt to EBITDA ratio (measured as all bank debt minus all cash and cash equivalents divided by the earnings before reset interest, taxes amortization and depreciation (EBITDA) for the most recently ended four fiscal quarters for which internal consolidated interim financial statements are available) of 3.75 times, and also a minimum Fixed Charge Coverage Ratio of at least 2.0 times. As of March 31, 2023, the Net Debt to EBITDA ratio was 4.93 times and the Fixed Charge Coverage was 1.95 times. While this covenant is exceeded, the Group faces certain limitations on incurrence of new debt and certain payment restrictions The Company, however, does not foresee that these limitations will affect the ongoing business planned for the new financial year as it has sufficient availability of “permitted debt” under such circumstances to provide unlimited short-term working capital for its normal operations and additionally limited funding for other activities.

- As of March 31, 2023 and 2022, Unicomer (Trinidad) Ltd. a subsidiary had a breach in one of its financial covenants related to a long-term loan with an international financial institution. The financial covenant required the subsidiary to maintain a Debt to EBITDA Ratio (measured as all bank debt included affiliated debt divided by the EBITDA for the most recently ended four fiscal quarters for which internal consolidated interim financial statements are available) of no more than 3.75 times. As of March 31, 2022, the Debt to EBITDA ratio was 76.7 (2022: 28.6). All other financial covenants were met. As of March 31, 2023 Unicomer (Trinidad) Ltd. has received the waivers from both note holders an approved tolerance for the ratio unitl March 2024 for the full amount.

- Unicomer (Jamaica) Limited issued a local bond dated May 30, 2018 for $52,985,120 in two equal trances of $26,492,560 each with a respectives maturities of 10 and 15 years. As of March 31, 2023 Unicomer (Jamaica) Limited did not meet the maintenance covenant for the delinquency ratio not to exceed 8% as stated in Clause 5.3 section (iv). On July 7, 2023 Unicomer (Jamaica) Limited obtained a waiver effective for the period March 31, 2023 through March 31 2024 from the Trustee and Collateral Agent. The balance as of March 31, 2023 was $52,985,120 which is presented entirely as current portion of long-term debt in the Group´s Consolidated Balance Sheet as at March 31, 2023.

b. Certain short-term and long-term borrowings are secured by the following assets:

	2023	2022
Accounts receivable	283,258	169,791
Property and equipment	28,159	19,994
Inventories	39,202	1,059
Vehicles	119	250
Total	350,738	191,094

expressed in U.S. dollars

c. Financial expense for both periods can be broken down as follows:

	2023	2022
Interest expense	64,655	54,593
Bank commissions	1,896	838
Amortized transaction costs and fees	1,092	1,073
Fees and charges on letters of credit	211	266
Other financial expenses	800	340
Total	68,654	57,110

14. Bonuses payable

	2023	2022
Balance at beginning of year	6,906	7,261
Charged to results of the period	2,800	6,100
Amounts paid	(3,544)	(6,455)
Balance at end of period	6,162	6,906
Amount expected to be paid within 12 months	3,742	3,586
Amount expected to be paid after more than 12 months	2,420	3,320

15. Other payables and accruals

	2023	2022
Obligations to customers	12,865	2,675
Accrued expenses	21,534	15,621
Financial expenses payable	3,291	2,045
Taxes and withholdings payable	7,434	5,275
Obligations and withholdings to employees	27,917	26,547
Deferred income	2,451	1,206
Other accounts payable	6,093	8,787
	81,585	62,156

16. Deferred income on extended warranty

	2023	2022
Current portion of deferred income of extended warranty	52,474	46,329
Non-current portion of deferred income of extended warranty	77,169	67,364
	129,643	113,693

expressed in U.S. dollars

The movement in the extended warranty deferred income is as follows:

Balance as of March 31, 2021	106,828
Deferred income for the year	76,084
Release of deferred income for the year	(45,730)
Reversed during the year	(21,272)
Translation adjustments	(2,217)
Balance as of March 31, 2022	113,693
Deferred income for the year	82,630
Release of deferred income for the year	(51,101)
Reversed during the year	(21,402)
Translation adjustments	5,823
Balance as of March 31, 2023	129,643

The contract liabilities are invoice issued to customer for the extended warranty contracts, for which revenue is recognized over time throughout the contractual period of the warranty on a straight-line basis. The extended warranty contracts have terms up to five years, the weighted average term is approximately three years, accordingly, it is estimated that approximately one third of the liability balance will be recognized as revenue in the next 12 months.

17. Employee benefits obligations

	2023	2022
Balance at beginning of year	20,965	17,760
Charges to income for the year	6,851	5,917
Provision used during the year	(5,876)	(5,556)
Re-measurement gain recognized in other comprehensive income	830	2,915
Benefits paid	(40)	(33)
Translation adjustments	(47)	(38)
Balance at the end of the year	22,683	20,965

The main actuarial assumptions used in the calculation are future salary increases 1.3% - 4.0% for 2023 (2022: 1.1% - 5.0%), minimum salary $262 - $450 for both years, discount rate 5.0% - 8.0% for 2023 (2022: 3.5% - 9.0%) and staff turnover rate 13.6% to 19.9% (2022: 5.2% to 42.8%).

Sensitivity analysis
Reasonably possible changes in the relevant actuarial assumptions at the reporting date, provided that other assumptions remained constant, would have affected the defined benefit obligation by the amounts included in the table below:

	2023		2022	
	1 pp Increase in variable	1 pp Decrease in variable	1 pp Increase in variable	1 pp Decrease in variable
	$'000	$'000	$'000	$'000
Discount rate	(12,417)	13,071	(10,740)	11,643
Future salary increases	(12,998)	12,383	(11,580)	10,371
Staff turnover rate	(12,772)	12,658	(11,243)	10,947

expressed in U.S. dollars

18. Provisions

	2023	2022
Balance at beginning of year	4,576	4,748
Charged to profit for the year	13,403	6,120
Amount used during the year	(12,753)	(6,206)
Translation adjustments	99	(86)
Balance at end of year	5,325	4,576

19. Equity

Share capital

	2023	2022
Authorized at no par; issued and fully paid ordinary shares of $152,066 per share:		
500 (2022: 500) Class "A" Ordinary shares	76,033	76,033
500 (2022: 500) Class "B" Ordinary shares	76,033	76,033
	152,066	152,066

At a General Meeting of the Shareholders held on March 24, 2022, it was agreed that the share capital of the Company would be composed of 500 class “A” shares and 500 class “B” shares.

Statutory reserves

In accordance with the local regulations, certain subsidiaries are required to allocate a portion of their annual income into a statutory reserve that is restricted from dividend distribution.

a. At the Annual General Meeting of Shareholders held on August 24, 2021, a dividend payment of $8,000,000 was approved from the retained earnings of the year ended March 31, 2020. The distribution was in proportion to the capital that the shareholders have subscribed and paid up. No dividend was declared during the year ended March 31, 2023.

Deposit on Shares to be Issued

On October 25, 2022 the Company’s shareholders authorized decision to receive US$80,000,000 of a deposit related to an expected issuance of common shares. These funds will be used to supplement the payment proposed by the Company to The Bank of Nova Scotia in the binding offer dated April 1st, 2022 to acquire all of the shares of the Peruvian entity Crediscotia Financiera S.A. The Company received these funds in November 2022.

expressed in U.S. dollars

20. Revenue

Revenue from contracts with customers comprises the Group's sales of goods and services. This is shown after deducting returns, rebates and discounts, consumption taxes; and after eliminating sales within the Group.

The following tables show the disaggregation of the main revenues from contracts with customers and the timing of their recognition:

	2023	2022
Product sales	1,202,686	1,180,325
Service income, net	136,334	129,135
Finance income earned on credit operations	427,091	369,079
	1,766,111	1,678,539
Timing of revenue recognition		
Revenue recognized at a point in time	1,202,686	1,180,325
Revenue recognized over time	563,425	498,214
Total revenue	1,766,111	1,678,539

21. Expenses by nature

The following expenses have been charged in determining operating profit:

	2023	2022
Personnel expenses	274,645	258,145
Depreciation of right-of-use assets (note 8)	55,155	48,649
Depreciation of property and equipment (note 7)	16,841	17,769
Amortization of intangible assets (note 9)	16,030	18,990
Outsourcing expenses **	34,378	27,670
Advertising	33,643	26,474
Commissions and others	23,833	20,244
Freight expenses	23,505	21,609
Professional fees	21,522	13,996
Insurance	19,283	19,818
Utilities	13,057	11,800
Repairs and maintenance	12,916	12,026
Telecommunications	12,601	11,418
Maintenance and leasing computer equipment	10,706	12,929
Security services	7,861	6,708
Travel expenses	6,235	3,361
Operating leases	6,065	3,489
Municipal tax	3,223	3,221
Administrative services	2,590	3,385
Charitable donations	902	1,125
Other operating expenses, net	20,309	18,156
	615,300	560,982
Comprising:		
Distribution and selling expenses	440,637	420,938
Administrative expenses	174,663	140,044
	615,300	560,982

expressed in U.S. dollars

**Outsourcing expenses are primarily made up of external credit and collection services, infrastructure services and information technology services.

Personnel expenses incurred for the years are as follows:

	2023	2022
Wages and benefits	177,765	167,089
Commissions	46,254	43,915
Social security and pension cost	25,654	24,728
Other employee benefits	24,972	22,413
	274,645	258,145

The average number of full-time-equivalent employees for the year ended March 31, 2023, was 13,309 (2022: 13,092).

22. Related party balances and transactions

The profit for the year includes the following revenue and expenses:

	2023	2022
Revenues with fellow subsidiaries		
Administrative services	777	1,331
Interest income on loan	714	999
Sale of goods	402	427
Costs and expenses with fellow subsidiaries		
Leasing	10,704	10,746
Expenses for administrative services	2,474	8,105
Expenses for financial interest	184	75
Purchase of merchandise	97	53
Purchase of fixed assets	-	18

Other transactions with related parties:

	2023	2022
Other transactions		
Dividend payments – Parent company	-	8,000
Repayments of borrowings	(25,071)	(5,964)

expressed in U.S. dollars

The following related party balances are included in the statements of financial position:

i. Accounts receivable – related parties:

	2023	2022
Fellow subsidiaries- Redstart Investment group:		
Redstart Investment Ltd.	3,249	808
Redstart Investments (Jamaica) Ltd.	2,000	1,433
Redstart Investments (A&B) Ltd.	376	291
Redstart Investments (Guyana) Inc.	236	1,317
Blue Jay (St Lucia) Inc.	217	95
Redstart Investments San Cristobal Ltd.	205	139
Redstart Investments (Grenada) Ltd.	153	82
Unicon Investments (Aruba) N.V.	149	159
Redstart Investments Ltd.	56	56
Sociedad de Ahorro y Crédito CREDICOMER, S.A.	37	6
Redstart Costa Rica, S.A.	22	20
Redstart Investments (Trinidad and Tobago) Ltd.	19	74
Inversiones y Valores Comerciales, S.A. de C.V.	16	544
Redstart Investments El Salvador, S.A. de C.V.	5	1
	6,740	5,025
Other fellow subsidiary companies:		
Almacenes Siman, S.A. de C.V. (El Salvador)	249	208
Inversiones Simco S.A. de C.V.	35	10
Almacenes Siman S.A. (Guatemala)	16	26
Sites S.A. de C.V.	12	5
Almacenes Siman S.A. (Nicaragua)	6	4
Catco Corp	5	90
Intradeco Export, Inc.	2	13
Distribuidora Agelsa, S.A. de C.V.	2	-
Intradeco Apparel, Inc.	1	1
Impresos Diversos, S.A. de C.V.	1	1
Intratext de El Salvador S.A. de C.V.	1	1
	330	359
Shareholders of the Company:		
Milady Associate Ltd	2	2
Servicios Liverpool, S.A. de C.V.	-	39
	2	41
	7,072	5,425

expressed in U.S. dollars

ii. Accounts payable – related parties:

	2023	2022
Fellow Subsidiaries Redstart Investment group:		
Redstart Investments (Belize) Ltd.	2,531	1,987
Redstart Investments (Trinidad and Tobago) Ltd.	1,814	-
Redstart Investments San Cristobal Limited	552	364
Sociedad de Ahorro y Crédito CREDICOMER, S.A.	389	569
Unicon Investments (Aruba) N.V.	356	240
Redstart Investments El Salvador, S.A. de C.V.	337	--
Blue Jay (St. Lucia) Limited	170	101
Redstart Investments (Grenada) Ltd.	6	6
Redstart Costa Rica, S.A.	-	1
	6,155	3,268
Other fellow subsidiary companies:		
Sites S.A. de C.V.	1,461	1,655
Intradeco Inc.	427	362
Almacenes Siman, S.A. de C.V. (El Salvador)	356	616
Impresos Diversos, S.A. de C.V.	16	15
Intralogix, S.A. de C.V.	7	2
Fábrica de Confección Siman, S.A. de C.V.	6	-
Almacenes Siman S.A. (Guatemala)	-	1,270
	2,273	3,920
	8,428	7,188

iii. Loans receivable – related parties:

	2023	2022
Fellow subsidiary companies:		
Redstart Investment Ltd.	8,585	3,611
Inversiones y Valores Comerciales, S.A. de C.V.	3,177	8,883
Blue Jay (St. Lucia) Limited	2,400	2,400
Unicon Investments (Aruba) N.V.	2,196	2,197
Redstart Investments (A&B) Ltd.	1,200	1,200
	17,558	18,291
Short-term loans receivable – related parties	-	(611)
Current portion of loans receivable – related parties	(2,085)	-
Non-current portion of loans receivable – related parties	15,473	17,680

iv. Short term borrowings – related parties:

	2023	2022
Redstart Investment Honduras, S.A. de C.V.	-	71

expressed in U.S. dollars

Compensation to key personnel of the Group:

The Group recognized the following amounts of compensation to its key management personnel and directors:

	2023	2022
Salaries and short-term benefits	12,886	10,069
Post-employment benefits	-	185
Statutory contributions	1,079	134
Other	1,102	830
	15,067	11,218

23. Income taxes

Tax expense for the year comprises:

	2023	2022
Current income tax expense:		
Income tax	37,084	36,851
Other (alternative minimum taxes)	3,243	1,089
	40,327	37,940
Deferred tax expense:		
Origination and reversal of other temporary differences	(15,411)	(1,500)
	24,916	36,440

The Group paid $41,940,000 in income taxes during the year ended March 31, 2023 (2022: $39,234,000)

Reconciliation of effective tax expense:

	2023	2022
Profit before income tax	39,523	85,372
Computed "expected" tax expense at subsidiaries' tax rates	11,105	28,533
Non-deductible expenses	1,713	1,915
Non-taxable income	(1,203)	(1,580)
Tax losses	54	-
Disallowed expenses and capital items	393	186
Other	12,854	7,386
	24,916	36,440

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of the tax laws and prior experience.

24. Commitments

Guarantees

a. In the ordinary course of business, Regal Worldwide Trading LLC contracted a bank facility under which the bank issues documentary and stand-by letters of credit for up to $25,000,000 (2022: $25,000,000) to third party vendors in connection with the purchase of inventories. The following of the Group's subsidiaries guarantee this facility:

Name of subsidiaries	Guaranty up to $'000
Unicomer de Guatemala, S.A. and Unicoservi, S.A.	6,250
Unicomer de El Salvador, S.A. de C.V. and Unicoservi, S.A. de C.V.	6,250
Unicomer de Nicaragua, S.A. and Unicoservi, S.A.	6,250
Unicomer de Honduras, S.A. de C.V.	6,250

b. In the ordinary course of business, Regal Worldwide Trading LLC, contracted a bank facility under which the bank issues documentary and stand-by letters of credit and revolving loans for up to $25,000,000, in connection with the purchase of inventories. The Group's subsidiaries that guaranteed this facility are as follows:

Name of subsidiaries	Guaranty up to $'000
Unicomer de Guatemala, S.A. and Unicoservi, S.A.	6,250
Unicomer de Costa Rica S.A., El Gallo Más Gallo de Alajuela, S.A., Importadora Punto Nueve, S.A., Desalmacenadora Guayaquil, S.A. El Gallo de San Isidro, S.A.	6,250
Unicomer de Nicaragua, S.A. and Unicoservi, S.A.	6,250
Unicomer de Honduras, S.A. de C.V.	6,250

c. During the year ended March 31, 2023, Grupo Unicomer Corp renewed a one year unsecured standby letters of credit for a total of $5,000,000 through an international bank to secure a term loan granted to Union Comercial de Paraguay, S.A. by a bank.

d. During the year ended March 31, 2023, Grupo Unicomer Corp. renewed a one year unsecured standby letters of credit for a total of $15,000,000 through an international bank to secure a term loan granted to Union Comercial de Paraguay, S.A. by a bank.

e. The Group has a line of credit for up to $23,000,000 with an international bank, that can be disbursed by its subsidiary Unicomer Latin America Corp; such disbursements to the subsidiary are guaranteed by the Company.

f. The Group has guaranteed a line of credit for up to $22,000,000 with a bank, which can be disbursed by its subsidiary Regal Worldwide Trading LLC. As of March 31, 2023 the outstanding balance is $22,000,000 (2022 $17,000,000).

g. The Group has guaranteed a line of credit for up to $5,000,000 with a bank, which can be disbursed by its subsidiary Unión Comercial de El Salvador, S.A. de C.V. As of March 31, 2023 the outstanding balance is $3,333,312 (2022: $1,433,765)

h. The Group has guaranteed a term loan for $30,000,000 with a bank, which was disbursed by its subsidiary Regal Worldwide Trading LLC. As of March 31, 2023 the outstanding balance is $10,000,000 (2022: $30,000,000).

25. Financial instruments

Financial risk factors and management

The Group has exposure to the following financial risks from its use of financial instruments in its business:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

Management seeks to minimize potential adverse effects on the financial performance of the Group by applying procedures to identify, evaluate and manage these risks, based on guidelines set by the Board of Directors.

(i) Credit risk:

This is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group does not have a significant concentration of credit risk related to accounts receivable portfolio due to a broad and diverse customer base, which does not show a relevant concentration in a single agent or person, whether individual or legal For products sold on credit, the Group tends to clear the balance of the customer if the financed product is returned. In the Caribbean, the commercial practice of financing purchases is through hire-purchase contracts under which title to the product passes to the customer upon payment of a certain percentage of the original balance. The Group has policies in place to ensure that sales are made to customers with an appropriate credit history. Accounts receivable from customers are presented net of the allowance for impairment, which reflects management's estimates of expected credit losses.

The maximum credit exposure to credit risk is represented by the carrying amount of each financial asset.

Management performs ongoing analysis of the ability of its customers and other counterparties to meet repayment obligations.

Cash and cash equivalents

Cash and short-term investments are held with reputable and regulated financial institutions, which present minimal risk of default.

Related party balances

The Group assesses each related entity’s ability to pay if payment is demanded as at the reporting date. Management reviews recovery scenarios considering given economic conditions and the counterparties liquidity over the expected life of the recoverable. The expected credit losses are calculated on this basis.

expressed in U.S. dollars

Maximum exposure to credit risk

The carrying value of financial assets represents the maximum exposure to credit risk.

	Notes	2023	2022
Cash and cash equivalents	4	105,932	112,513
Accounts receivable, net	5	975,830	771,306
Accounts receivable – related parties	22	7,072	5,425
Loans receivable – related parties	22	17,558	18,291
Other account receivable		59,626	44,134
		1,166,018	951,669

Account receivable – customers

The entity uses an expected credit loss risk model to measure expected credit losses on accounts receivable from customers.

The credit risk model is based on its historical default rates observed over the expected life of accounts receivable and customer balances and is adjusted for forward looking estimates.

Loss rates are calculated based on the probability that a receivable will advance through successive stages of delinquency to write-off, current conditions, and economic conditions over the expected life of the receivables. The Group measures credit risk using the probability of default, exposure at default and loss given default.

The following table provides information on credit risk exposure and expected credit losses for accounts receivable- customers as of March 31, 2023 and 2022.

	Weighted average loss rate	Gross carrying amount	Impairment los allowance	Credit impaired
2023				
Stage I	3.29%	883,320	(29,098)	No
Stage II	16.59%	120,465	(19,980)	No
Stage III	76.25%	88,934	(67,811)	Yes
		1,092,719	(116,889)	
2022				
Stage I	2.47%	706,993	(20,971)	No
Stage II	25.77%	94,157	(23,444)	No
Stage III	77.55%	64,379	(49,808)	Yes
		865,529	(94,223)	

expressed in U.S. dollars

The movement in the allowance for expected credit losses as of March 31, 2023 and 2022, are as follows:

	2023	2022
At the beginning of the year	94,223	109,356
Increases during the year	100,602	54,234
Charge offs during the period	(81,023)	(67,704)
Translation adjustments	3,087	(1,663)
Balance at end of the year	116,889	94,223

Due to the nature of accounts receivable, the exposure to credit risk and the risk concentration is determined by the aging as of March 31, 2023 and 2022 as follows:

	2023	2022
0-30 days: low risk	883,320	706,993
31-90 days: increased risk	120,465	94,157
More than 90 days: high risk	88,934	64,379
	1,092,719	865,529

Expected credit losses measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial asset is moved to 'Stage 2' but is not yet deemed to be credit impaired. The Group uses past due information to determine when a significant increase in credit risk has occurred.
- A financial instrument that has objective evidence of impairment is moved to 'Stage 3'.
- Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Financial assets in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. The inputs, assumptions and estimation techniques used in measuring the ECL are determined by management and included in the credit risk model. Net modification loss was considered in evaluating the impact on ECL.

(ii) Liquidity risk:

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The management of the Group and its parent company seek to maintain flexibility in funding by monitoring budgeted commitments in relation to operating cash inflows and by keeping committed lines of credit available as part of Company borrowing arrangements. During the year, the Group modified its approach in the way it measures and manages liquidity risk by placing a temporary freeze on payments to some large suppliers; maintaining adequate cash balances to cover accounts payable; renegotiating loan amortization with most banks and maintaining comfortable headroom with the availability of credit lines.

Liquidity risk – non-derivative financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, including estimated interest payments and excluding the impact of netting arrangements. The Group does not have any derivative financial instruments.

expressed in U.S. dollars

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
				2023			
Accounts payable, other payables and accruals	280,680	280,680	257,527	23,153	-	-	-
Accounts payable and loans – related parties	8,428	8,428	8,428	-	-	-	-
Bonuses payable	6,162	6,162	-	3,742	2,420	-	-
Borrowings, including overdrafts	785,665	1,016,344	141,796	93,233	585,449	185,086	10,780
Lease liabilities	206,670	255,937	36,402	32,788	54,124	84,579	48,044
	1,287,605	1,567,551	444,153	152,916	641,993	269,665	58,824
				2022			
Accounts payable, other payables and accruals	283,053	283,053	277,907	5,146	-	-	-
Accounts payable and loans – related parties	7,259	7,261	7,261	-	-	-	-
Bonuses payable	6,906	6,906	6,906	-	-	-	-
Borrowings, including overdrafts	811,533	1,018,234	160,852	92,061	114,105	601,910	49,306
Lease liabilities	174,603	260,745	30,635	27,355	46,114	84,762	71,879
	1,283,354	1,576,199	483,561	124,562	160,219	686,672	121,185

(iii) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices risk will affect the value of the Group's assets, the amount of its liabilities and/or income. The Group is exposed to market risk on certain of its financial assets.

- *Currency risk*

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to U.S. dollars. The Group does not use forward exchange derivatives to hedge its exposure to foreign exchange risk in the local reporting currencies.

Currency exposure to the net assets of the consolidated subsidiaries in Unicomer Latin America Group and Unicomer Caribbean Group are managed primarily through borrowings and suppliers' credit denominated in the relevant foreign currencies. The Group does not have liabilities or assets denominated in currencies other than the U.S. dollar or the functional currencies of its subsidiaries.

As of March 31, 2023 and 2022, the total of assets and liabilities denominated in U.S. dollars in those subsidiaries whose functional currency is not the U.S. dollar are as follows:

	Unicomer Latin America group		Unicomer Caribbean group	
	2023	2022	2023	2022
Cash and cash equivalents	3,289	1,364	7,953	4,049
Accounts receivable – related	3,760	1,312	35,013	10,546
Leasing deposits	1,181	1,073	145	100
Borrowings	(30,282)	(47,924)	(7,012)	(6,551)
Other accounts receivable and prepayments	323	428	10,701	7,908
Accounts payable	(8,242)	(13,678)	(7,883)	(10,489)
Borrowings of related parties	(53,989)	(54,299)	(112,045)	(11,592)
Net exposure	(83,960)	(111,724)	(73,128)	(6,029)

expressed in U.S. dollars

The detail per country is as follows:

	2023						
	Unicomer Latin America group						
	GT	HN	NI	DO	CR	PY	CL
Cash and cash equivalents	76	162	507	19	1,825	376	324
Accounts receivable -related parties	82	52	48	57	3,522	-	-
Leasing deposits	-	170	-	-	1,011	-	-
Borrowings	-	(5,000)	(25,282)	-	-	-	-
Other accounts receivable and prepayments	36	9	134	144	-	-	-
Accounts payable and other payables and accruals	(206)	(917)	(479)	(14)	(6,036)	(590)	-
Borrowings of related companies	(29,998)	(6,645)	(5,471)	(5,689)	(3,532)	(2,654)	-
Net Exposure	(30,011)	(12,169)	(30,543)	(5,483)	(3,210)	(2,868)	324

	Unicomer Caribbean group								
	BB	BZ	OECS	GY	JM	TT	ABCX	UCH	CLC
Cash and cash equivalents	34	70	860	242	3,614	2,087	230	-	815
Accounts receivable - related parties	-	17	2,196	608	5,487	9,804	325	-	16,576
Leasing deposits	-	-	72	-	-	-	73	-	-
Borrowings	-	-	(7,012)	-	-	-	-	-	-
Other accounts receivable and prepayments	-	-	8,776	-	-	-	1,871	-	54
Accounts payable and other payables and accruals	-	(1,370)	(3,577)	-	-	3,187	(5,336)	-	(787)
Borrowings of related companies	(16,532)	(8,004)	(28,703)	(25,528)	(10,623)	(13,668)	(8,988)	-	-
Net Exposure	(16,498)	(9,286)	(27,388)	(24,677)	(1,522)	1,410	(11,825)	-	16,658

expressed in U.S. dollars

	2022						
	Unicomer Latin America group						
	GT	HN	NI	DO	CR	PY	CL
Cash and cash equivalents	128	329	296	19	110	332	150
Accounts receivable -related parties	133	17	28	171	963	-	-
Leasing deposits	-	179	-	-	894	-	-
Borrowings	-	(5,000)	(27,924)	-	-	(15,000)	-
Other accounts receivable and prepayments	350	2	47	29	-	-	-
Accounts payable	(399)	(1,157)	(864)	(6)	(10,770)	(482)	-
Borrowings of related companies	(39,434)	(4,829)	-	(249)	(9,787)	-	-
Net Exposure	(39,222)	(10,459)	(28,417)	(36)	(18,590)	(15,150)	150

	Unicomer Caribbean group								
	BB	BZ	OECS	GY	JM	TT	ABCX	UCH	CLC
Cash and cash equivalents	107	29	270	1	17	1,698	185	-	1,742
Accounts receivable - related parties	-	14	1,237	2	30	1,989	6	-	7,268
Leasing deposits	-	-	61	-	-	-	39	-	-
Borrowings	-	-	(3,143)	-	-	-	(3,408)	-	-
Other accounts receivable and prepayments	-	-	6,991	-	-	-	872	-	45
Accounts payable	-	(2,471)	(812)	-	(3)	(1,804)	(1,802)	-	10
Borrowings of related companies	-	-	(4,174)	(30)	(60)	-	(7,328)	-	-
Net Exposure	107	(2,428)	430	(27)	(16)	1,883	(11,436)	-	9,065

Unicomer Latin America group
GT – Guatemala
HN – Honduras
NI – Nicaragua
DO – Dominican Republic
CR – Costa Rica
PY – Paraguay
CL – Chile

Unicomer Caribbean group
BB – Barbados
BZ – Belize
OECS – Dominica, Grenada, St. Vincent, St. Lucia, Antigua and St.Kitts
GY – Guyana
JM – Jamaica
TT – Trinidad
ABCX – Aruba and Curacao
UCH – Unicomer Caribbean Holding Co. Ltd.
CLC – Caribbean Licensing Corporation.

The Group does not generally engage in currency hedges, and rather aims to have financial liabilities denominated in local currencies in order to avoid currency risk. Financial assets and liabilities denominated in non-U.S. dollar currencies at the reporting date were as follows:

	2023						
	Unicomer Latin America group						
	GT	HN	NI	DO	CR	PY	CL
	GTQ	HNL	NIO	DOP	CRC	PYG	CLP
Cash and cash equivalents	27,634	33,497	112,523	3,480	6,378,622	11,005,547	22,033
Accounts receivable	419,038	1,717,840	1,074,845	-	124,629,182	92,730,040	-
Accounts receivable -related parties	180,737	-	156	-	202,765	5,708,378	-
Leasing deposits	-	2,640	-	-	117,672	-	24,611
Borrowings	(406,209)	(1,021,374)	(485,247)	-	(63,358,331)	(124,983,825)	-
Financial leases liabilities	(126,234)	(349,006)	(232,055)	-	(39,069,394)	(4,893,056)	(251,044)
Other accounts receivable and prepayments	17,173	30,913	29,055	24,166	124,628,622	6,295,302	-
Accounts payable and other payables and accruals	(83,813)	(314,707)	(86,243)	(3,467)	(26,792,832)	(23,641,945)	(917,349)
Borrowings of related companies	-	-	-	-	-	-	-
Exposure	28,326	99,803	413,034	24,179	126,736,306	(37,779,559)	(1,121,749)
USD equivalent	3,630	4,040	11,362	441	231,799	(5,267)	(1,418)

	2022						
	GT	HN	NI	DO	CR	PY	CL
	GTQ	HNL	NIO	DOP	CRC	PYG	CLP
Cash and cash equivalents	19,035	54,114	69,163	4,074	1,479,715	9,354,128	32,410
Accounts receivable	491,354	1,254,870	884,454	4	106,942,239	74,999,874	-
Accounts receivable -related parties	44,875	-	84	-	335,319	11,438,162	-
Leasing deposits	-	2,376	-	-	111,899	-	13,283
Borrowings	(420,375)	(1,103,139)	-	(259,852)	(46,501,521)	(10,350,000)	-
Financial leases liabilities	100,380	216,650	240,837		38,818,592	1,786,592	-
Other accounts receivable and prepayments	-	42,476	108,067	34,919	106,942,239	-	-
Accounts payable and other payables and accruals	(214,866)	1,229,718	(87,747)	(1,587)	(30,126,393)	(20,058,161)	2,949
Borrowings of related companies	-	(1,750)	-	-	(335,784)	-	-
Exposure	20,403	1,695,315	1,214,858	(222,442)	177,666,305	67,170,595	48,642
USD equivalent	2,657	69,166	34,035	(4,056)	266,318	9,658	62

	2023						
	Unicomer Caribbean group						
	BB	BZ	OECS	GY	JM	TT	ABCX
	BBD	BZD	XCD	GYD	JMD	TTD	ANG
Cash and cash equivalents	1,892	9,956	10,885	408,903	359,512	71,462	3,233
Accounts receivable	72,622	26,794	181,833	14,940,509	-	587,241	29,061
Accounts receivable -related parties	539	-	12,207	55,374	-	176	5,785
Leasing deposits	-	104	573	49,263	-	9,568	151
Borrowings	(15,686)	(3,511)	(26,494)	(3,031,908)	(7,915,163)	(224,500)	(3,515)
Financial leases liabilities	(3,696)	(12,081)	(15,492)	(1,399,866)	(882,546)	(248,219)	(14,947)
Other accounts receivable and prepayments	5,332	1,145	5,605	15,112,443	1,178,360	55,685	15,682
Accounts payable and other payables and accruals	(1,327)	(604)	(23,158)	(1,207,024)	(623,026)	(7,653)	(3,610)
Borrowings of related companies	(3,866)	-	(8,370)	-	-	-	(800)
Exposure	55,810	21,803	137,589	24,927,694	(7,882,863)	243,760	31,040
USD equivalent	27,905	10,818	50,959	118,045	(52,209)	34,019	17,271

	2022						
	BB	BZ	OECS	GY	JM	TT	ABCX
	BBD	BZD	XCD	GYD	JMD	TTD	ANG
Cash and cash equivalents	1,937	17,627	9,578	270,190	1,124,990	145,722	1,103
Accounts receivable	55,272	25,125	154,765	8,724,360	14,313,723	470,341	21,184
Accounts receivable -related parties	197	-	11,435	275,166	-	678	12,060
Leasing deposits	-	87	655	29,255	-	9,578	143
Borrowings	(15,228)	-	(20,202)	(3,744,898)	(7,903,740)	224,500	(2,134)
Financial leases liabilities	4,810	13,881	11,465	753,585	357,489	267,356	13,245
Other accounts receivable and prepayments	4,479	665	77,944	8,860,888	522,627	12,458	17,461
Accounts payable and other payables and accruals	(2,123)	(122)	(19,242)	(95,114)	(1,038,436)	4,570	(1,135)
Borrowings of related companies	(3,866)	-	(8,253)	-	-	-	-
Exposure	45,478	57,263	218,145	15,073,432	7,376,653	1,135,203	61,927
USD equivalent	22,739	28,446	80,795	72,143	48,118	157,290	34,497

Exchange rates of one U.S. dollar to the relevant foreign currencies at the reporting date were as follows:

	Unicomer Latin America group							Unicomer Caribbean group							
	GTQ	HNL	NIO	DOP	CRC	PYG	CLP	BBD	BZD	XCD	GYD	JMD	TTD	ANG
At March 31, 2023	7.80	24.70	36.35	54.79	545.95	7,173.09	790.85	2.00	2.02	2.70	211.17	150.99	7.17	1.80
At March 31, 2022	7.68	24,51	35.69	54.84	667.10	6,955.07	784.38	2.00	2.01	2.70	208.94	153.30	7.22	1.79

expressed in U.S. dollars

- *Currency risk sensitivity analysis*

In the Unicomer Caribbean Group, management believes that the effect of an annual 1.5% weakening or strengthening of the U.S. dollar against the functional currencies of its subsidiaries at March 31, 2023 and 2022 is not significant to the profit reported for the Group.

In the Unicomer Latin America Group, with the exception of the Costa Rica colon, all the currencies in the Group have been relatively stable against the U.S. dollar. A 1% (2022: 1%) weakening or strengthening of the Costa Rica colon against the U.S. dollar at March 31 would have resulted in an additional credit/(charge) to the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2023	2022
CRC		
1% weakening (2022: 1%)	2,318	2,663
1% strengthning (2022: 1%)	(2,318)	(2,663)

- *Interest rate risk:*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are influenced by changes in market rates. The Group has significant interest-bearing assets and borrowings at fixed interest rates. Based on local market conditions, the Group borrows at variable rates as the Group interest-bearing assets have an average life of less than eighteen months.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	2023	2022
Fixed rate instruments:		
Financial assets	839,930	725,261
Financial liabilities	(453,850)	(477,450)
	386,080	247,811

	2023	2022
Variable rate instruments:		
Financial assets	313,939	218,224
Financial liabilities	(131,668)	(268,990)
	182,271	(50,766)

Interest rate sensitivity

Fair value sensitivity analysis for fixed rate instruments:

The Group does not account for material fixed rate financial assets or liabilities at fair value. Therefore, a change in interest rates at the reporting date would not affect the profit or equity recognized for the year.

expressed in U.S. dollars

Cash flow sensitivity of variable rate financial instruments

A 100-basis point change in interest rates at the reporting date would have a positive or negative effect on the results of operations in the amounts presented below. This analysis assumes that all variables remain constant. The analysis is developed on the same basis used in 2021:

	2023		2022	
	100bp increase	100bp decrease	100bp increase	100bp decrease
	$'000	$'000	$'000	$'000
Effect on profit for variable rate instruments	1,466	1,277	1,288	1,196

- *Equity price risk:*

Equity price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all instruments traded in the market. The Group has no material exposure to such risk.

Offsetting agreement

The Group enters into offsetting agreements whereby the parties agree to offset balances owed by subsidiaries against balances owed by local insurance companies to Canterbury Insurance Co. Ltd. on an ongoing basis. The following table sets out the carrying amounts that are subject to the above agreements:

	2023			2022		
	Gross amount before offset	Related financial instruments that are offset	Net amount	Gross amount before offset	Related financial instruments that are offset	Net amount
Financial assets:						
Other receivables and other prepayment	95,036	(35,410)	59,626	68,050	(23,916)	44,134
Financial liabilities:						
Other accounts payable and accruals	116,995	(35,410)	81,585	86,072	(23,916)	62,156

Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where an active market exists, market price is used to determine fair value as the best evidence of the fair value of a financial instrument. However, market prices are not available for a significant number of the financial assets and liabilities held and issued by the Group. Therefore, for financial instruments where no market price is available, the fair values are estimated using present value or other estimation and valuation techniques based on market conditions existing at the reporting dates.

expressed in U.S. dollars

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

(i) The fair value of liquid assets and other assets maturing within one year is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities.

(ii) The fair value of variable-rate financial instruments is assumed to approximate their carrying amounts; and

(iii) The fair value of accounts receivable from customers is assumed to approximate the carrying value, as the accounts bear market rates of interest applicable to similar instruments.

	2023		2022	
	Carrying amounts amortized cost	Fair value level 2	Carrying amounts amortized cost	Fair value level 2
Financial assets not measured at fair value:				
Cash and cash equivalents	105,932	105,932	112,513	112,513
Account receivable, net	975,830	975,830	771,306	771,306
Loans receivable – related parties	15,473	15,473	18,291	19,291
Account receivable – related parties	7,072	7,072	5,425	5,425
	1,104,307	1,104,307	907,535	908,535

	2023		2022	
	Carrying amounts amortized cost	Fair value level 2	Carrying amounts amortized cost	Fair value level 2
Financial liabilities not measured at fair value:				
Account payables	199,096	199,096	220,897	220,897
Borrowings	782,263	782,165	809,291	824,047
Accounts payable – related parties	8,428	8,428	7,188	7,188
Borrowings – related parties	-		71	71
	989,787	989,689	1,037,447	1,052,203

26. Capital management

The Group's policy is to maintain a strong capital base so as to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as Total Comprehensive Income as a percentage of Total Shareholders' Equity. Equity includes share capital, reserves, retained earnings, adjusted by translations effects.

The Company it is not subject to externally imposed capital requirements. Certain subsidiaries are subject to capital requirements imposed by regulators or local legislation. There were no changes in the Group's approach to capital management during the year.

The Group´s main objectives related to capital management are:

- Safeguard its ability to continue as a going concern and continue to provide returns for shareholders and benefits for other stakeholders. The policy of the Group is to declare dividends of 25% to 30% of the profit for the period of the previous year; the remaining 70% to 75% is retained to invest in the operations and growth.

- Maintain an optimal capital structure to sustain an attractive overall cost of invested capital. The policy of the Group is to maintain a net debt to equity ratio of less than 2.0, which management considers conservatively appropriate for a balance sheet dominated by consumer finance assets.

Management benchmarks the Group’s capital ratios and other performance indicators against similar companies with Retail and Consumer Finance operations in the Latin American region. The Group has as its objective to maintain its international credit rating by maneuvering its various funding sources and terms and by maintaining its margins and operating efficiencies within the acceptable standards established by the Group’s rating agencies. As of March 31,2023, the Group was rated BB- (“double B minus”) by Standard and Poors and by Fitch Ratings as of the date of these financial statements.

27. Contingencies

The Group is involved in several matters of disputes or litigation in the ordinary course of business. Where the outcomes of these matters are expected to result in material settlements against the subsidiaries, management has recognized its best estimate of the potential liability, based on available information and advice. No provision is recognized for a claim where management believes that the Group has a strong defense, or it is not possible to estimate the potential liability. Contingencies for which provisions have not been recognized, that are considered potentially significant are discussed below.

Latin America group

a. In February 2018, the subsidiary in the Dominican Republic received a corporate tax assessment for a total amount of $9,773,949 of tax, penalties, and interests for the fiscal year 2014. The assessment was challenged and on January 2020 the General Directorate of Internal Taxes (DGII) issued a resolution in which it rejected the Remedy Appeal filed by the subsidiary. Subsequently, the resolution issued was appealed before the Contentious Tax Court by the subsidiary however, that court declined to address the issue arguing that certain time requirements had not been met, leaving the case open to be presented before the Supreme Court. On September 29, 2022 the subsidiary presented before the Supreme Court a constitutional review which was accepted and is pending resolution. Management Expects that the subsidiary will receive from the Supreme Court a confirmation that the appeal was erroneously turned down. A resolution in this matter is expected before December 2023. The estimated probability to win the case is more than 50%.

b. In February 2018, the subsidiary in the Dominican Republic, received a VAT tax assessment for a total amount of $9,460,132 inclusive of tax, penalties and interests for the fiscal year April 2013 - March 2014. The assessment was appealed and on January 2020 the General Directorate of Internal Taxes (DGII) issued a resolution in which it rejected the Remedy Appeal filed by the subsidiary. The subsidiary filed a lawsuit in June 2020 regarding such resolution before the Contentious Tax Court, which was ruled in favor of the subsidiary on August 27, 2021. Furthermore, in resolution dated May 3, 2022, the Supreme Court rejected the appeal (recurso de casación) made by the DGII against the Contentious Tax Court resolution of August 2022.

   This resolution was appealed by the DGII and contested by the subsidiary in November 2022 at the Supreme Court. At the date of this report, the subsidiary is pending resolution by the Supreme Court. The estimated probability of success and therefore confirm the subsidiary’s position is 60%.

The assessments under a. and b. above are based on a severe misinterpretation by local fiscal authorities of the reclassification of accounts receivables into a short-term and a long-term portion, as required under IFRS. The local fiscal authority considers the credit portion of the allocation journal entry to be taxable income even though the income related to the creation of the account receivable has already been recognized and fiscally declared. A small portion of the assessment is related to technical difficulties in automating the documentation of the relationship of certain supplier credit notes to their original invoices of the same suppliers.

c. In June 2017, a subsidiary in Paraguay received a formal assessment regarding the Corporate Tax and VAT for the fiscal year 2015. On the final resolution issued by Subsecretaria de Estado Tributación, the subsidiary was sanctioned to pay approximately $6,115,000. Such resolution was submitted to an administrative process in which the Tax Authority Court reduced the adjustment to $2,805,000 including liabilities and tax penalties. The estimated probability of success is 50%.

d. In October 2021, a subsidiary in Paraguay received an assessment on adjustments of corporate tax regarding fiscal year 2017 for the amount of $1,248,776 and an additional $1,248,776 in penalties, for a total amount of $2,497,552. Furthermore, in April 2023, the Subsidiary presented an appeal before the Administrative Court against a resolution issued by the Tax Administration in January 2023 where first appeal was denied. The estimated probability of success is 50%.

e. In March 2019, the subsidiary in Ecuador received an assessment on adjustments of corporate tax regarding fiscal year 2015 for a total of $1,261,449. A fine of $252,290 plus interest was imposed. The subsidiary presented in December 2021 an appeal before the Contentious Tributary Court of Guayaquil. The subsidiary, entered a mediation procedure in September 2022 with the Tax Administration, resulting in a binding agreement which also closed this processIn July 2019 the subsidiary in Ecuador received an assessment on adjustments of corporate tax regarding fiscal year 2016 for $3,415,390, plus a 20% fine. The subsidiary filed an appeal regarding the resolution issued by the Tax Administration on October 20, 2020 before the Contentious Tributary Court of Guayaquil, which was ruled in favor of the subsidiary in August 30, 2021. Subsequently, the subsidiary was notified that the Tax Administration proceeded to appeal the resolution issued in favor of the subsidiary before the National Court of Justice in October 2021. The subsidiary currently is disputing the assessment and estimates a probability of 60-80% of success.

f. In April 29, 2022 the subsidiary in Ecuador received an assessment on adjustments to corporate tax regarding fiscal year 2017 for $3,118,616 plus a 20% fine. The subsidiary requested in May 2022 before the Corporate Mediation Center of Guayaquil a mediation with regards to the legal criteria used as well as the amount being claimed by the Tax Administration. The subsidiary currently is disputing the waiting for a resolution by the Tax Administration and estimates a probability of 60-80% of success.

g. In October 4, 2022 the subsidiary in Ecuador received an assessment on adjustments to corporate tax regarding fiscal year 2018 for $5,359,868 plus a 20% fine. The subsidiary requested in May 2022 before the Corporate Mediation Center of Guayaquil a mediation with regards to the legal criteria used as well as the amount being claimed by the Tax Administration. The subsidiary currently is disputing the waiting for a resolution by the Tax Administration and estimates a probability of 60-80% of success.

h. In November 2021, the subsidiary in Nicaragua received an assessment of adjustments to corporate tax regarding fiscal year 2017 for $2,264,322. In March 2022, the subsidiary filed a review of the case before the Tax Administration in which additional evidence was presented against the assessment received. The subsidiary currently is disputing the assessment and estimates a probability of above 50% of success.

expressed in U.S. dollars

Caribbean group:

a. In March 2015, a subsidiary in St. Vincent and the Grenadines received an assessment from the Inland Revenue Department in respect of certain expenses that the department has indicated are not allowable for tax purposes. This assessment covered the financial years 2007-2011. The assessment in respect of corporate tax amounted $4,456,273 (equivalent XCD12,043,302) and withholding taxes of $1,650,213 (equivalent XCD4,459,785) inclusive of interest and penalties. On April 29, 2021, the High Court issued a judgment upholding a decision issued by the Tax Appeal Commissioners. As a result, the subsidiary filed an appeal of the High Court judgment to the Court of Appeal of the Eastern Caribbean Supreme Court on June 2, 2021. In addition, in June 8, 2021 the subsidiary filed an application for Stay of Payments pending the determination of Appeal to the Court of Appeal of the Eastern Caribbean Supreme Court. The subsidiary is disputing these liabilities and estimates a 65% of probability of success.

b. In January 2016, a subsidiary in St. Kitts & Nevis received an assessment for income years 2010-2014 from the Inland Revenue Department claiming outstanding income taxes inclusive of both interest and penalties for $1,287,980 (equivalent XCD3,356,065) relating to the disallowance of credit protection insurance expense, extended warranty premiums and exempt income claimed. The subsidiary is disputing the assessment and according to the external advisor a positive outcome is likely to take place eventually, with a 60% of probability of success.

c. In February 2019, a subsidiary in St. Lucia received a re-assessment from the Inland Revenue Department totaling $7,723,111 (equivalent XCD20,852,400), including penalties. The subsidiary is disputing these assessments and is in the process of resolving these issues with the Inland Revenue and estimates a likely outcome in favor of the subsidiary with an 85% of probability of success.

d. During 2006, a subsidiary in Barbados received an assessment from the VAT Division of the Customs and Excise Department, based on an audit of VAT returns for the 1999 to 2004 periods that determined a liability owing of $503,587. The matter was contested by the subsidiary. The external legal counsel believes that there is a highly meritorious case for success. The estimated probability of success is more than 80%.

e. In February 2018, a subsidiary in Guyana received an assessment from the Guyana Revenue Authority related to withholding tax for imports from Regal Worldwide Trading LLC and Ashley Furniture from 2011 to 2018, totaling US$1,070,109. The assessment has been objected and local legal counsel has been engaged to follow up on the case. The estimated probability of success is 85%.

There are other matters ranging from civil cases to tax claims involving several companies of the Group that are not disclosed.

28. Operating segments

a. The Group has three reportable segments, which are principally distributed by geographic areas. These three operating segments offer comparable products and services but are managed separately because even though the business units located within each of the segments operate in similar market and economic environment conditions, each geographic segment as a region has specific diverse conditions different than those of the other segments.

The Group’s CEO and senior management review each of the geographic segment internal management reports separately. The following summary describes the operations in each of the Group’s reportable operating segments:

expressed in U.S. dollars

Caribbean group: includes the subsidiaries based in the Caribbean countries and includes Belize, Guyana and The United States of America subsidiaries based in New York and Delaware.

Latin American group: includes the subsidiaries based in the Central American and South American countries, except Belize and Guyana.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) as a primary indicator included in the internal management reports that are reviewed by the Group's CEO and senior management. Segment profit is used to measure performance, as management believes that such information is most relevant in evaluating the results of its segments relative to other entities that operate within these industries.

expressed in U.S. dollars

	Caribbean		Latin America		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
External revenues								
Sales	393,428	371,001	910,690	887,954	20,192	38,148	1,324,310	1,297,103
Premium income	313	-	800	-	13,597	12,357	14,710	12,357
Finance income from	165,620	142,649	261,979	228,316	(508)	(1,886)	427,091	369,079
Third party revenues	559,361	513,650	1,173,469	1,116,270	33,281	48,619	1,766,111	1,678,539
Inter-segment revenue	-	-	-	-	33	82	33	82
Segment revenue	559,361	513,650	1,173,469	1,116,270	33,314	48,701	1,766,144	1,678,621
Depreciation / amortization	(7,689)	(8,895)	(19,989)	(16,702)	(8,923)	(11,162)	(36,601)	(36,759)
Financial income – Interest	278	503	398	104	2,195	1,387	2,871	1,995
Financial expense – Interest	(8,734)	(8,907)	(24,209)	(16,871)	(35,711)	(31,332)	(68,654)	(57,110)
Segment profit / (loss) before tax	32,880	40,280	27,324	57,184	(20,681)	(12,093)	39,523	85,372
Segment tax	(15,158)	(14,505)	(8,491)	(20,552)	(1,267)	(1,383)	(24,916)	(36,440)
Reportable segment assets	833,046	766,338	1,262,139	1,153,959	77,069	84,084	2,172,254	2,004,381
Reportable segment liabilities	378,747	327,294	778,620	759,519	335,011	373,078	1,492,378	1,459,891
Capital expenditure	7,891	4,280	15,478	14,364	1,650	2,326	25,019	20,970

expressed in U.S. dollars

b. Information about reportable segments

	2023	2022
(i) Revenues		
Total revenues for reportable segments	1,732,829	1,629,920
Revenues for other segments	374,582	495,269
Subtotal	2,107,411	2,125,189
Elimination of inter-segment revenue	(307,524)	(423,828)
5% mark up intercompany profit for the year	(33,776)	(22,822)
Consolidated revenue	1,766,111	1,678,539
(ii) Profit or loss before tax		
Total profit or loss for reportable segments	60,204	97,464
Profit or loss for other segments	16,785	24,847
Subtotal	76,989	122,311
5% mark up intercompany profit for the year	1,357	(3,299)
5% crawling peg exchange rate	(82)	(89)
Dividend income between segments	(44,735)	(42,750)
Other consolidation adjustments	5,994	9,199
Consolidated profits before income tax	39,523	85,372
(iii) Assets		
Total assets for reportable segments	2,095,185	1,920,297
Assets for other segments	982,738	915,915
Subtotal	3,077,923	2,836,212
Elimination of investment in subsidiaries	(537,552)	(509,397)
Elimination of goodwill in subsidiaries	(54,823)	(54,823)
Elimination of related party loans and receivables	(258,359)	(244,348)
Other consolidation adjustments	(54,935)	(23,263)
Consolidated total assets	2,172,254	2,004,381
(iv) Liabilities		
Total liabilities for reportable segments	1,157,367	1,086,813
Liabilities of other segments	640,925	631,560
Subtotal	1,798,292	1,718,373
Elimination of related party loans and payables	(235,462)	(226,861)
Elimination of loan participations	(4,500)	(4,500)
Other consolidation adjustments	(65,952)	(27,121)
Consolidated total liabilities	1,492,378	1,459,891

expressed in U.S. dollars

(v) Other material items

	2023					2022				
	Reportable segment total	All other segments total	Total	Adjustments	Consolidated total	Reportable segment total	All other segments total	Total	Adjustments	Consolidated total
Other material items										
Financial income – interest	676	3,355	4,031	(1,160)	2,871	607	1,961	2,568	(573)	1,995
Financial expense – interest	(32,942)	(36,872)	(69,814)	1,160	(68,654)	(25,778)	(31,905)	(57,683)	573	(57,110)
Depreciation and amortization	(23,948)	(8,923)	(32,871)	-	(32,871)	(25,598)	(20,066)	(45,664)	8,905	(36,759)
Capital expenditures	23,369	1,650	25,019	-	25,019	18,643	2,327	20,970	-	20,970
Average full-time employees	12,706	387	13,093	-	13,093	12,706	387	13,093	-	13,093

expressed in U.S. dollars

c. Geographic Information

Segment revenues and non-current assets based on the geographical location are represented as follows:

	2023		2022	
	Revenues	Non-current Assets	Revenues	Non-current Assets
Costa Rica	383,615	253,294	362,899	198,439
El Salvador	218,409	101,138	194,549	65,996
Ecuador	176,963	61,473	172,012	60,092
Jamaica	151,727	59,051	149,632	67,536
Guatemala	145,742	60,859	155,219	48,089
Honduras	142,337	63,833	128,466	45,227
Trinidad & Tobago	126,889	72,830	114,882	70,872
Nicaragua	88,445	30,819	82,701	27,813
OECS Region	88,465	61,756	80,961	54,842
Guyana	79,192	40,787	61,544	24,611
ABCX	42,119	19,531	39,766	18,529
Barbados	43,075	19,025	40,814	18,593
Belize	24,652	9,731	23,037	10,322
Other countries	54,481	168,522	72,057	165,878
	1,766,111	1,022,649	1,678,539	876,839

OECS represents the six countries within the region of the Organization of Eastern Caribbean States and ABCX includes Aruba, Bonaire, Curacao, and St. Maarten.

29. Others adjustment

As of March 2022, the subsidiary Canterbury Insurance Co. Ltd. booked a estimate of doubtful accounts after the Group issued the consolidated financial statements. This is corrected by adjusting the beginning balance of the Retained Earnings for the period ended March 31, 2023. The identification of this estimate of doubtful accounts arose from a study performed by a worldwide accounting firm, signed off on October 24,2022.

The study identified that payments of premiums net of deductions coming from an Insurance Company in the Caribbean region to Canterbury Insurance Co. Ltd., between 2015 and 2021 were not applied correctly by the outsource captive management company to the aging receivables balances which resulted in an increase, of accounts receivable aged 210 days past due of $5,000,000.

A summary of the adjustments affecting different accounts in these financial statements is shown below:

	Debits	Credits
Cash in transit	-	5,000,000
Retained earnings	5,000,000	-
	5,000,000	5,000,000

expressed in U.S. dollars

A subsidiary of the Group is analyzing to refile several prior years´ tax returns in order to voluntarily and proactively take a more conservative stance on a specific type of tax deduction claimed in prior years and has estimated that it may owe $1,938,567 including any potential interest charges. The final quantification of the amount potentially owed is still under the review of advisors and internal tax teams.

	Debits	Credits
Personnel expenses	304,211	-
Fines and penalty interest	76,053	-
Retained earnings	1,938,567	-
Other account payable	-	2,318,831
	2,318,831	2,318,831

30. Subsequent events

On May 10, 2022, the Company signed a share purchase agreement with The Bank of Nova Scotia to acquire Crediscotia Financiera S.A. (CSF), a Peru-based regulated consumer credit entity. The closing of the transaction has been subject to approvals from the local regulator in Peru. Given the number of unexpected approval requirements, the Company decided in August 2023 to withdraw its application for the approvals and informed The Bank of Nova Scotia that it will no longer pursue the acquisition.

On May 3, 2023, the subsidiary Global Franchising Corporation acquired through a private auction the “RadioShack” domains and intellectual property assets in about 70 countries around the world, including the United States, Canada, Europe and China. The purchase price was US$4.1 million, from which US$2.9 million has been paid and the remainder will be paid in the following twelve months when certain conditions are met.