PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

OUR MAIN INGREDIENTS

★★★★★

ANNUAL REPORT 2016

It's finger lickin' good

Pizza Hut

TGI FRIDAYS

SUBWAY

STARBUCKS

Love, passion, commitment, quality and service. These are the main ingredients that allow us to be in the hearts and minds of our customers for every eating experience.

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

Vision Statement

To be in the hearts and minds of our customers for every eating experience.

119 & still cutting...

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Vision and expansion...

key ingredients that move us forward

Notice of Annual Meeting

NOTICE IS HEREBY GIVEN that the **ANNUAL MEETING OF SHAREHOLDERS OF PRESTIGE HOLDINGS LIMITED ("the Company")** will be held at No. 22 London Street, Port of Spain on Wednesday 26 April, 2017 at 10:00 a.m. for the following purposes:-

ORDINARY BUSINESS:

1. To receive and consider the Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November 2016 together with the Reports of the Directors and Auditors thereon.

2. To declare a final dividend of twenty-two (22) cents per common share.

3. To re-elect Mr. Martin de Gannes a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

4. To elect Mr. Neil Poon Tip who was appointed to the Board since the last Annual Meeting as a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

5. To re-appoint Messrs. PricewaterhouseCoopers as the Auditors of the Company to hold office until the close of the next Annual Meeting.

Dated: 29 March, 2017.
By Order of the Board
Marlon Danglade
Company Secretary
Nos. 47-49 Sackville Street,
Port of Spain,
Trinidad, West Indies.

Notes:

1. No service contracts were entered into between the Company (or any of its subsidiaries) and any of their respective directors.
2. The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a)(i) of the Companies Act, Chapter. 81:01, the statutory record date applies. Only shareholders on record at the close of business on **28 March, 2017,** the date immediately preceding the day on which the Notice is given, are therefore entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company's Registered Office at Nos. 47-49 Sackville Street, Port of Spain during usual business hours and at the Annual Meeting.
3. A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. A Proxy Form is attached. Please complete and sign same in accordance with the Notes on the Proxy Form and then deposit same at the Registered Office of the Company, not more than 48 hours before the time appointed for the holding of the Annual Meeting.
4. A shareholder that is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or of its governing body to represent it at the Annual Meeting.

Corporate Information

Board of Directors

Christian E. Mouttet	Chairman
Charles Pashley	Chief Executive Officer
Angela Lee Loy	Director
Kurt A.A. Miller	Director
Martin de Gannes	Director
Rene de Gannes	Director
Neil Poon Tip	Director

Company Secretary & Registered Office

Marlon Danglade
47-49 Sackville Street
Port of Spain

Bankers

Scotiabank Trinidad and Tobago Limited
Scotia Centre
56-58 Richmond Street
Port of Spain

RBC Royal Bank (Trinidad and Tobago) Limited
19-21 Park Street
Port of Spain

First Citizens Investment Services Limited
17 Wainwright Street
St. Clair
Port of Spain

First Citizens Bank Limited
Corporate Banking Unit
9 Queen's Park East
Port of Spain

Republic Bank Limited
Corporate Business Centre North
1st Floor, Republic Promenade Centre
72 Independence Square
Port of Spain

Attorneys at Law

Fitzwilliam, Stone, Furness-Smith and Morgan
48-50 Sackville Street
Port of Spain

Auditors

PricewaterhouseCoopers
Chartered Accountants
11-13 Victoria Avenue
Port of Spain

Registrar & Transfer Agent

Trinidad and Tobago Central Depository Limited
10th Floor, Nicholas Towers
63 Independence Square
Port of Spain

BOARD COMMITTEE

Corporate Governance And Nomination

Kurt A.A. Miller	Chairman
Christian E. Mouttet	

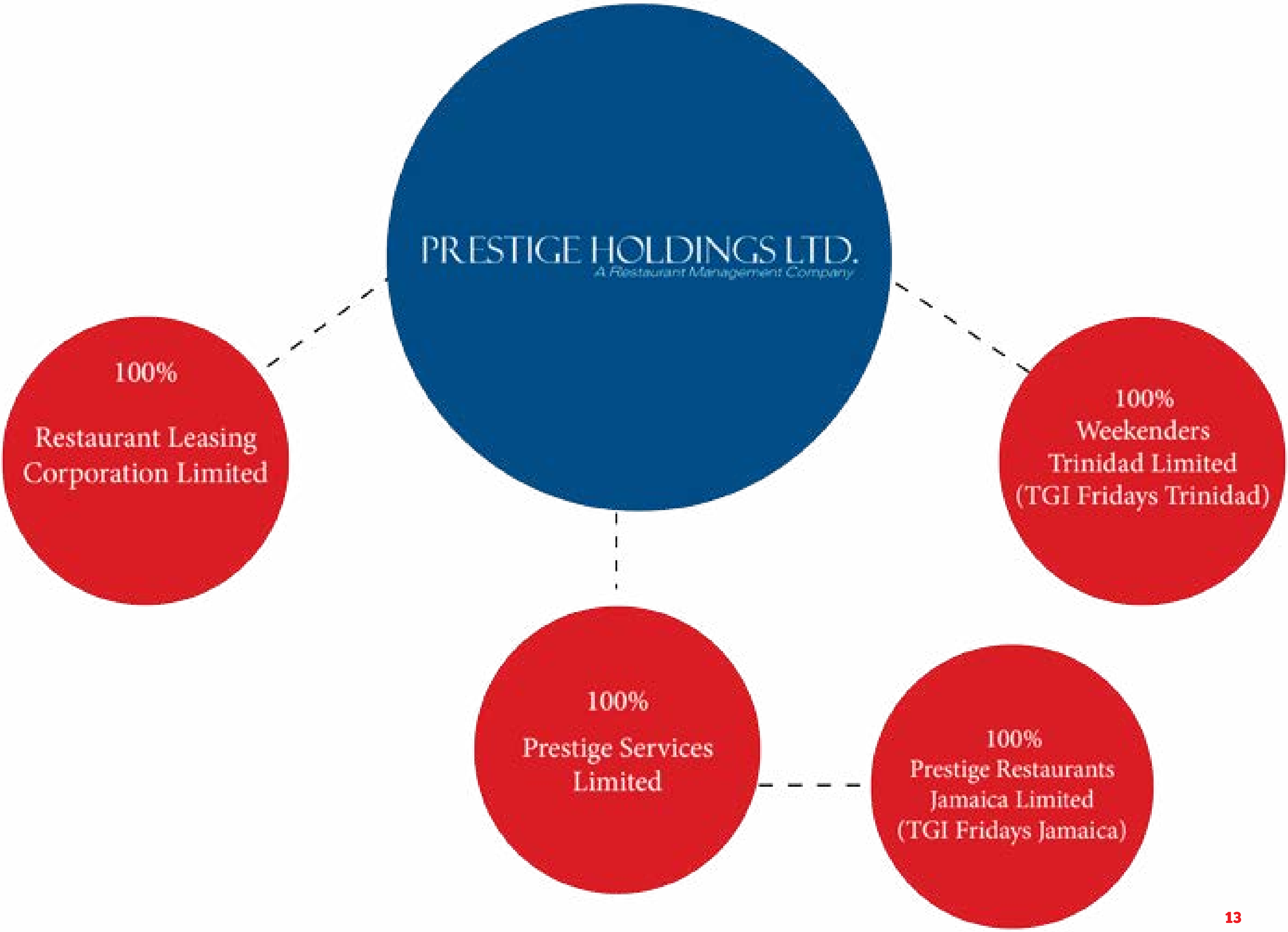
Audit

Angela Lee Loy	Chairman
Kurt A.A. Miller	
Rene de Gannes	

Human Resource And Compensation

Martin de Gannes	Chairman
Christian E. Mouttet	
Neil Poon Tip	

Group Structure



Chairman's Report

To Our Shareholders, Employees, Customers and Partners

For 2016, Prestige Holdings' financial performance can be described as "A Tale of Two Cities". While we experienced a relatively consistent sales performance for most brands throughout the year, our profitability while positive in the first half, declined in the second six-month period. This decline was driven by three main factors: pre-opening and other costs associated with the establishment of the Starbucks brand; higher costs as a result of the movement of the exchange rate; and higher food costs due to an increase in commodity food prices. While the Starbucks startup costs of $3.5 million are a non-recurring item, the foreign exchange issue, both rate and availability, as well as the higher costs of inputs are expected to be ongoing, and management is implementing various strategies for dealing with these. Additionally, in 2016 we continued to reduce our long term borrowings and improve our Debt/Equity Ratio, which at the end of 2016 stood at a healthy 4:96.

The most significant event for our company in 2016 was the launch of the Starbucks brand in Trinidad and Tobago. Between August and November we opened three restaurants at South Park in San Fernando, MovieTowne in Port of Spain and Endeavour, Chaguanas. The brand has been well-accepted by the local market, aided by strong consumer awareness for the Starbucks brand and its high quality beverage and food offerings. Three additional stores are planned for the new financial year and we are confident that we will continue to build our store network into the future. We expect that Starbucks will become a meaningful and positive contributor to the Prestige group over the medium to long term.

We opened 7 new restaurants (3 Starbucks, 2 KFCs, 1 Pizza Hut and 1 Subway) during 2016, completed 1 restaurant re-image at KFC Coffee Street and 1 restaurant relocation, moving our Subway at Gulf City Carpark to South Park. We closed the year with 119 restaurants, up from 112 in 2015.

Consolidated Performance and Financial Condition

Group revenue increased by 2% to $986 million compared with $963 million for 2015, and profit for the year and profit attributable to shareholders decreased by 21% to $47.2 million, down from $59.5 million in 2015. Without the one-off Starbucks startup costs, our earnings would have been $49.8 million, a reduction of 16%. Diluted earnings per share were 76.2 cents compared with 95.7 cents in 2015.

Operations

To varying degrees, all of our brands are experiencing the effects of the difficult economic environment, the depreciating currency and the difficulty in obtaining foreign exchange. Additionally, higher food costs and a difficult labour market are having a negative impact. Our KFC and Pizza Hut brands both experienced positive sales for the year, helped by innovative promotions, value offerings and new store additions. However, higher costs of inputs have more than offset these gains. Nevertheless, we remain positive about expansion opportunities, especially for the Pizza Hut brand.

Our Subway and TGI Fridays brands performed below our expectations and management has been very focused on improving the performances of these businesses. At TGI Fridays, we are addressing the weaker environment by introducing new and exciting food and drink offerings as well as a renewed emphasis on operational excellence. After a difficult start to the year, in more recent months our Subway brand has experienced a more positive sales trend due to a focus on operational improvement and continued value offerings and sandwich innovation.

Chairman's Report (continued)

Dividends

The Board approved a final dividend of 22 cents per common share, which will bring the total dividends payable for the financial year 2016 to 38 cents (2015 – 38 cents). The final dividend will be paid on 18 May, 2017 to shareholders whose names appear on the Register of Members on 9 May, 2017.

Outlook

We expect the economic environment to remain challenging in 2017. We are implementing initiatives to address the higher costs of inputs and the depreciating exchange rate, both of which are impacting our overall profitability, and expect to see the effects of this as 2017 progresses. Looking ahead, it is difficult to gauge the effects of the continuing negative economic environment on our sector; however, we remain positive on the medium to long term prospects for the economy and our business. In 2017, in addition to the initiatives mentioned above, we plan to continue to drive everyday value at our restaurants, as well as food and beverage menu innovations to fulfill our Vision "To be in the hearts and minds of our guests for every eating experience".

Acknowledgement

As always, we are most grateful for the hard work and dedication of our many loyal employees. The management and Board offer our sincere thanks for the tremendous job they do in "Helping People Taste Happiness Every Day".

On behalf of the Board I would like to thank the management for navigating the company through a difficult business environment in 2016 while simultaneously managing the launch of the Starbucks brand, a major initiative for our company, in Trinidad and Tobago. I would like to thank my fellow Directors for the support and counsel that they have provided to me and the management team – we are most grateful.

A special acknowledgement to our retired director Mr. Joseph P. Esau. Joe joined the Board of Prestige in 1997 as Chairman, after the acquisition of Prestige Holdings by Victor E Mouttet Limited. Eighteen months later, under his leadership Prestige Holdings became a publicly listed company. Joe remained Chairman until 2012 and a Director until 2016. Over those years, Joe provided sterling leadership, strong guidance and wise counsel to both this Board and the management. His contribution to this company was immense and wide ranging. On behalf of everyone at Prestige Holdings I offer our sincere thanks and appreciation.

Finally I would like to thank our customers and shareholders, both of whom we are here to serve. Your continued support and confidence in our company are greatly appreciated.

Christian E. Mouttet
Chairman
22 February 2017

Board of Directors

1. Christian E. Mouttet, B.A., Chairman

Mr. Mouttet is the CEO of Victor E. Mouttet Limited and Chairman of Agostini's Limited. He holds a Bachelor of Arts Degree with a double Major in Business Administration and Political Science from Wagner College, New York.

2. Angela Lee Loy, F.C.C.A., C.A., Director

Ms. Lee Loy is the Chairman of Aegis Business Solutions Limited, outsourcing and advisory services; Partner of Aegis & Co. and external audit company; and Chairman of recruitment agency Eve Anderson Recruitment Limited. She is a Fellow of the Association of Chartered Certified Accountants (UK), with over 40 years of professional experience, including 13 years serving as Partner responsible for the provision of Assurance and Business Advisory Services with PricewaterhouseCoopers.

Ms. Lee Loy is non-executive director of PHL and Chairman of the audit committee for Gulf Insurance Limited. In addition, she is President of the Trinidad and Tobago Coalition of Services Industries, and within the NGO sector, she is also Chairman of Social Justice Foundation and Chairman of Music Literacy Trust.

She has held several leadership roles, including the first female President of the Institute of Chartered Accountants of Trinidad & Tobago (ICATT) and first female President for the Institute of Chartered Accountants of the Caribbean (ICAC), where she was instrumental in the introduction of Practice Monitoring for accounting firms across the Caribbean region. She was also the Chairman of the National AIDS Coordinating Committee (NACC).

3. Charles R. Pashley, MBA, F.C.C.A., C.A., Chief Executive Officer

Mr. Pashley has over 20 years' management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution.

He is currently a Director of the Trinidad and Tobago Chamber of Industry and Commerce and a past president of the KFC Caribbean and Latin America Franchise Association.

Mr. Pashley holds an MBA and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA)

4. Martin de Gannes, B.Sc., M.Sc., FICB, Director

Mr. de Gannes joined the Board after holding several executive Human Resource leadership positions in both local and global companies within Trinidad and Tobago over the past 35 years.

A former first-place winner of the Open National Scholarship in Modern Studies from St. Mary's College, his qualifications include a B.Sc. (Economics), and an M.Sc. (Industrial Relations), from the London School of Economics and Political Science; he is also a Fellow of the Institute of Canadian Bankers (with Honours).

He has also had the benefit of training in Management Development from Harvard Business School and Dispute Resolution Training from the University of Windsor, Canada. Mr. de Gannes is a past Chairman of the Employers' Consultative Association (ECA). He is a member of the Committee to review the Levels of Health Care Delivery by the Regional Health Authorities; a Board member of the Immortelle Vocational Centre; the Employers' Solution Centre; and the Registration, Recognition and Certification Board of T&T.

5. Kurt A.A. Miller, LL.B. (Hons), Director

Mr. Miller is the Managing Partner and Head of the Commercial Department of Fitzwilliam, Stone, Furness-Smith & Morgan. He joined the firm in 1986 and has been a partner since 1992. His areas of specialty are finance, banking, and corporate/commercial transactions. He has acted and continues to act for a broad range of local and international clients in the areas of commercial transactions, structured credit transactions, leverage lending transactions, sovereign and commercial bond issues, mergers and acquisitions, securitisation transactions and aviation transactions.

Mr. Miller is a graduate of the University of the West Indies (LL.B. Hons, 1984) and the Norman Manley Law School, Jamaica (Legal Education Certificate, 1986). He was admitted to practice in 1986 in Trinidad and Tobago and in 1991 in Jamaica. He is recognised in the Corporate/Commercial Trinidad and Tobago section of Chambers Global: The World's Leading Lawyers.

6. Rene de Gannes, B.Sc. (Hons), Director

Mr. de Gannes is the General Manager Commercial of Kiss Baking Company Limited. A graduate of The University of the West Indies (B.Sc. Honours, Economics) in 1987, Mr. de Gannes has enjoyed success in the world of marketing communications and distribution, and brings to the table a variety of leadership skills developed at both local and multinational organisations. He is also an avid sports enthusiast and serves as a member of the Fatima Old Boys Association.

7. Neil Poon Tip, B. Comm., Director

A graduate of St Mary's University, Halifax, Canada with a Bachelor of Commerce degree, majoring in Marketing, Mr. Poon Tip holds several leadership positions within the food and beverage industry in Trinidad and Tobago. He is the Managing Director of Universal Foods Limited and is a Director of Associated Brands Investment Limited, as well as a number of family owned businesses. He is also a Director of Consolidated Biscuits Limited, Malta.

Mr. Poon Tip has served on a number of local public and private sector boards and is a past president of the Trinidad and Tobago Manufacturers' Association (TTMA) and past vice president of the Trinidad and Tobago Chamber of Industry and Commerce (TTCIC).

Executive Team

1. Charles R. Pashley, MBA, F.C.C.A., C.A., Chief Executive Officer

Mr. Pashley has over 20 years' management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution.

He is currently a Director of the Trinidad and Tobago Chamber of Industry and Commerce and a past president of the KFC Caribbean and Latin America Franchise Association.

Mr. Pashley holds an MBA and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

2. Marlon Danglade, F.C.C.A., C.A., Chief Financial Officer

Mr. Danglade joined Prestige Holdings Limited as Chief Financial Officer in 2007 from PricewaterhouseCoopers, where he held the position of Audit and Business Advisory Services Manager. He has over 10 years of auditing and business advisory experience and has led a variety of external audit engagements within the financial, manufacturing, retailing and transportation industries.

Mr. Danglade is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

3. Simon Hardy, B.Sc. (Hons.), F.C.A; C.A., Vice President, KFC

Mr. Hardy gained his formal education in the United Kingdom, having graduated with a Bachelor's degree (Honours) in Mechanical Engineering from the University of Bristol. He then pursued a career in Accountancy, qualifying as a Chartered Accountant and earning his certification in Corporate Treasury Management in 2001 and 2003 respectively. Mr.Hardy is also a Fellow of the Institute of Chartered Accountants in England and Wales. Prior to returning to Trinidad, he worked in internal audit with two major international companies in the United Kingdom where he engaged with Senior Managers in trade, finance and operations. He also worked in India conducting risk assessments, examining service level agreements and ensuring good Corporate Governance. Upon his return to Trinidad, he joined a locally owned hospitality business in 2007 as the Group Chief Financial Officer. Within two years, he was promoted to the position of Chief Operating Officer, a position which he held until he joined Prestige Holdings in 2014.

4. Angela Laquis-Sobrian, M.Sc. Human Resources (Distinction),

Postgraduate Diploma, Education (Distinction); B.A. (Hons.); Vice President, Human Resources. Ms. Sobrian has over 15 years' experience in Human Resources Management, specialising in the areas of Strategic Planning; Performance Management Systems; Training and Organisational Development; and Compensation and Benefits. Prior to joining Prestige Holdings Ltd., she served as the Human Resources Manager of a major organisation where she played an integral role in the strategic planning process and alignment of the performance management system with company goals and targets. Ms. Sobrian holds a Master's Degree in Human Resources, with Distinction, from the Arthur Lok Jack Graduate School of Business; a Bachelor of Arts Degree with Honours and a Post Graduate Diploma in Education, with Distinction, from the University of the West Indies. She has also been certified as a Compensation and Benefits Professional from the World @ Work organisation, based in the U.S. Ms. Sobrian has successfully completed several training programmes, locally and abroad, in areas such as management and leadership development, organisational change and strategic management.

5. Anthony Martins, Vice President, Market Development

Mr. Martins joined Prestige Holdings Ltd. in 1978 as a Shift Supervisor at KFC St. James, our very first restaurant in Trinidad. Since then, he has held several positions, including Area Manager, Research and Development Manager, and Quality Assurance Manager. In 1991, he was promoted to Business Development Manager. This significant portfolio provided him with in-depth knowledge and experience in market mapping, market segmentation and site selection using world-class methodologies. Mr. Martins has attended extensive overseas training programmes covering operations, business development, quality assurance and research.

6. Navin Maharaj, B.Sc.(Hons.), MBA, Vice President, Pizza Hut

Mr. Maharaj has worked extensively with both multinational corporations and regional conglomerates in the Caribbean. He has worked in various positions across many departments; including Quality, Supply Chain, Trade Marketing, Marketing and Sales. Mr. Maharaj holds a Bachelor's Degree (Double Major) in Chemistry and Biochemistry from the University of the West Indies and an MBA from Heriot-Watt University, specialising in International Trade and Finance.

7. Deborah Benjamin, BA (Hons.), MBA, Vice President, Starbucks

Ms. Benjamin has a diverse background spanning advertising and marketing with local and regional media, operations and retail distribution. She joined Shell Oil in the Eastern Caribbean in 2003, where she worked with the commercial fuels line of business across the Northern EC countries. She then moved to Sol Petroleum as General Manager in the British Virgin Islands, where she managed the Shell franchised lines of business including Aviation, Retail and Commercial Fuels, Marine Bunkering, Lubricants and LPG.

She has served in appointments as General Manager for Trinidad & Tobago National Petroleum Marketing Company and General Manager for IGL Limited in Jamaica.

Ms. Benjamin holds a BA in International Business from the University of Sunderland in the UK, as well as an MBA from the University of the West Indies. She is also certified in Debt Collection Management and possesses an ICA International Advanced Certificate in Compliance and Financial Crime.

Report of the Group Audit Committee

The Group Audit Committee assists the Board in fulfilling its responsibility to oversee Management's implementation of financial reporting and risk management processes as set out in the Audit Committee Terms of Reference. In performing its work, the Committee considers the following:

- Reliability and integrity of the accounting principles and practices.
- Internal audit functions.
- Risk management functions.
- Qualifications, independence and performance of the external auditors.
- The effectiveness of the system of controls and procedures.
- Compliance with legal and regulatory requirements.

The Committee has reviewed and discussed the quarterly unaudited results, the annual audited financial statements and the audit plan with the company's management and the external auditors.

The Committee has discussed the audit plan covering the adequacy of internal controls and work schedule with the internal auditor.

The Committee met five (5) times for the year 2016.

The Audit Committee

Angela Lee Loy, Chairman
Kurt A.A. Miller
Rene de Gannes

Report of the Human Resource and Compensation Committee

The Human Resource and Compensation Committee comprises three non-executive Directors of the Company.

This Committee supports the Board of Directors in matters of human resource policies and practices, including executive compensation structure and incentive programmes, monthly rated employees' salary levels/compensation programmes, changes to the executive organisational structure, executive medical examinations, and board compensation.

During the year the Committee held two meetings and dealt with the following matters:

- Award of 2016 profit performance bonuses and share grants based on that year's audited financial statements
- Award of 2016 performance bonuses based on achievement of individual objectives
- Management and general compensation adjustments for 2017 were approved
- Review of Board members' compensation
- Amendments to the Executive Medical Policy

Joe Esau retired from the Board and the HR&CC in November 2016, and we thank him for his insightful contributions over the years. Neil Poon Tip, newly appointed Board member, joined the Committee, and we look forward to benefitting from his extensive experience.

Human Resource and Compensation Committee

Martin de Gannes, Chairman
Neil Poon Tip
Christian E. Mouttet

Report of the Corporate Governance And Nomination Committee

The Corporate Governance and Nomination Committee comprises three non-executive Directors of the Company.

This Committee supports the Board of Directors in matters of Corporate Governance, including evaluations of the Board and individual Directors, nomination of Directors, mandates for Sub-Committees of the Board , structure and membership, code of ethics and conflicts of interest, performance evaluation of the CEO and executive succession planning.

During the year the Committee held two meetings, one sub-committee meeting to evaluate the performance of the Board and dealt with the following matters:

- Mr. Neil Poon Tip was nominated as a director and appointed to Board
- Joseph Esau's retirement from the Board was confirmed and Kurt Miller was recommended and appointed to replace him as Chairman of the Corporate Governance and Nomination Committee
- Mr. Neil Poon Tip was recommended and appointed to the Human Resources and Compensation Committee and Mr. Rene De Gannes was recommended and appointed to the Audit Committee
- The CEO's performance was reviewed
- Succession planning was reviewed
- Board evaluations were undertaken and the results shared with the Board.

The Company is in compliance with the Trinidad and Tobago Corporate Governance Code.

Corporate Governance and Nomination Committee

Kurt A. A. Miller, Chairman
Christian E Mouttet

Report of Directors

The Directors are pleased to present their report for the year ended 30 November, 2016

1. CONSOLIDATED FINANCIAL RESULTS AND DIVIDENDS

	$
Profits attributable to shareholders	47,187,530
Final dividends for 2015 (paid 22 cents per common share)	(13,752,860)
Interim dividends paid for 2016 (paid 16 cents per common share)	(10,002,080)
Retained profits for the year	23,432,590
Retained profits brought forward from prior year	207,356,089
Retained profits at end of year	230,788,679

2. DIVIDENDS

On 20 October 2016, an interim dividend of 16 cents per common share was paid to shareholders. On 22 February 2017, the Board of Directors recommended a final dividend of 22 cents per common share for the shareholders' approval at the Annual Meeting, which will bring the total dividends payable for the financial year 2016 to 38 cents. The final dividend will be paid on 18 May, 2017 to shareholders whose names appear on the Register of Members on 9 May, 2017.

3. DIRECTORS

The Directors as of November 30, 2016, were as follows:-
Christian E. Mouttet, Angela Lee Loy, Martin de Gannes, Kurt Miller, Rene de Gannes, Neil Poon Tip and Charles Pashley

In accordance with paragraph 4.5 of the Company's By-Law No. 1, the term of office of Mr. Martin de Gannes expires at the close of the Annual Meeting to be held on 26 April, 2017. Mr. de Gannes, being eligible, offers himself for re-election as a Director for the term from the date of his election until the close of the third Annual Meeting following his election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

Mr. Neil Poon Tip was appointed as a Director by the Board of Directors, effective 17 October, 2016, to serve until the close of the Annual Meeting following his election. Accordingly, Mr. Poon Tip's term of office will expire at the close of the Annual Meeting to be held on 26 April, 2017. Mr. Poon Tip offers himself for election as a Director for the term from the date of his election until the close of the third Annual Meeting following his election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

Report of Directors (continued)

4. AUDITORS

The retiring auditors, Messrs. PricewaterhouseCoopers have expressed their willingness to be re-appointed and are eligible for appointment as auditors of the Company.

5. BENEFICIAL INTERESTS OF DIRECTORS, SENIOR OFFICERS & THEIR CONNECTED PERSONS AND A LIST OF SUBSTANTIAL OR LARGEST INTERESTS.

In accordance with the requirements of our listing agreement with The Trinidad and Tobago Stock Exchange Limited ("the TTSE") and Rule 601 of the Rules of the TTSE, we record hereunder details of the beneficial interest of each Director and Senior Officer together with their connected persons in the share capital of the Company as at the end of the Company's financial year November 30, 2016.

DIRECTORS

Director	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Christian E. Mouttet	Nil	Nil	42,685,422
Angela Lee Loy	Nil	Nil	Nil
Charles Pashley	110,000	Nil	Nil
Kurt Miller	40,000	Nil	Nil
Martin de Gannes	Nil	Nil	Nil
Rene de Gannes	Nil	Nil	Nil
Neil Poon Tip	Nil	Nil	Nil

There are no other interests held by the Directors.

Report of Directors (continued)

SENIOR OFFICERS

Senior Officer	Beneficial	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Marlon Danglade	Nil	Nil	Nil
Anthony Martins	79,996	Nil	Nil
Angela Sobrian	11,834	Nil	Nil
Simon Hardy	Nil	Nil	Nil
Navin Maharaj	Nil	Nil	Nil
Deborah Benjamin	Nil	Nil	Nil

SUBSTANTIAL INTEREST/LARGEST HOLDERS

In accordance with the requirements of our listing agreement with the TTSE and Rule 601 of the Rules of the TTSE, we list below those persons holding the ten (10) largest blocks of shares legally and beneficially in the Company as at the end of the Company's financial year, November 30, 2016.

Shareholder	Legal Interest	Beneficial Interest
Victor E. Mouttet Limited	Nil	33,085,422
GNM Properties Limited	Nil	7,200,000
RBC Trust (Trinidad and Tobago)Limited	Nil	3,276,870
JMM Properties Limited	Nil	2,400,000
Employees Profit Sharing & Share Ownership Plan	Nil	1,760,088
Republic Bank Limited	Nil	1,664,000
Guardian Life Of the Caribbean Ltd	Nil	1,535,811
Joseph P Esau	Nil	1,200,000
Pelican Investments Limited	Nil	1,000,000
Trinidad and Tobago Unit Trust Corporation	Nil	795,657

6. DISCLOSURE OF INTEREST OF DIRECTORS AND OFFICERS IN ANY MATERIAL CONTRACT

No director or officer of the Company is an officer or director of any company or has a material interest in any company which is a party to a material contract or proposed material contract with the Company.

The Directors wish to express their appreciation to the management and staff for the work done during the year and look forward to another exciting year.

By Order of the Board
Dated this 29th day of March 2017

CHRISTIAN E. MOUTTET

MARLON DANGLADE

Infused with enthusiasm

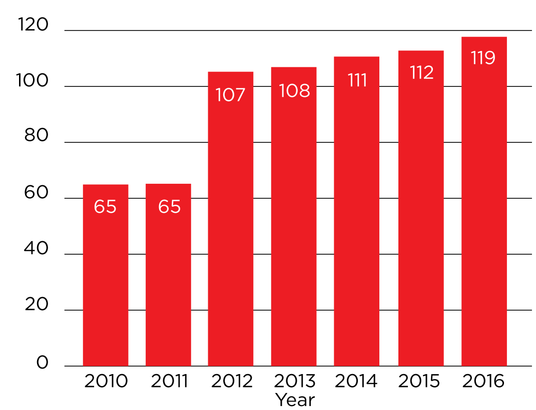
Management Discussion And Analysis

In 2016, our business performance reflected the challenges faced by the overall economy of Trinidad and Tobago, where we are operating in an environment of shrinking consumer disposable income, while also being challenged by increased costs.

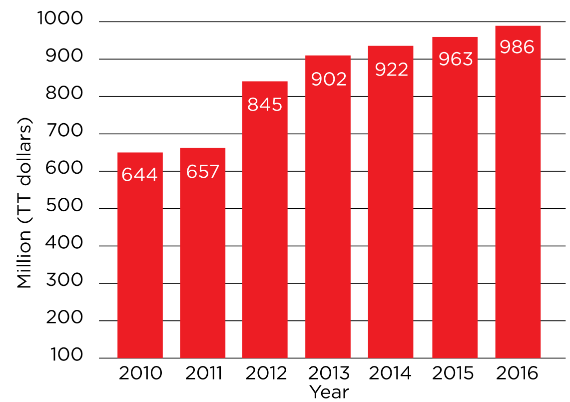
We experienced very strong sales and profit performance in the first half of the year but slowing demand hampered our sales growth and creeping costs, which started at the end of the first quarter, increased in the second half of the year, resulting in a disappointing full-year profit performance.

In a slowing economy we would have expected an improvement in the difficult labour environment but this has not materialised as there continues to be an endemic labour shortage. This continues to impede our ability to attract and retain the required number of employees necessary to improve the customer experience at each of our brands.

We continued along our strategy of representing strong brands that ultimately will provide long-term stability and profit performance. We opened our first Starbucks Coffee House in South Trinidad in August 2017; this was followed by the opening of two other locations in MovieTowne, Invaders Bay, Port of Spain and Endeavour, Chaguanas. The three locations are all performing in line with our expectations.



NO. OF RESTAURANTS



GROUP REVENUE - Continuing Operations

FINANCIAL PERFORMANCE

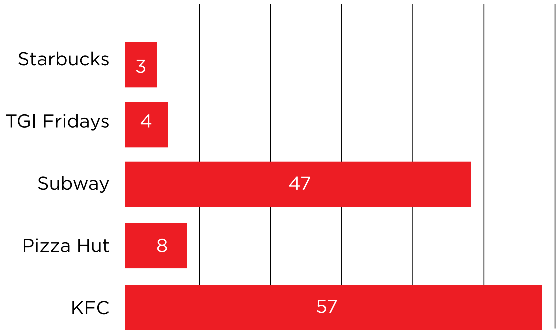
FINANCIAL REVIEW HIGHLIGHTS

- Revenue increased by 2%, from $962 million to $986 million.
- Operating profit before finance costs and income tax decreased by 19%, from $88.5 million to $71.7 million.
- Finance costs decreased by 16%, from $8.4 million to $6.9 million, primarily driven by the reduction in outstanding principal.
- Interest cover was 10.2 as against 10.6 in 2015.
- Profit after tax decreased by 21%, from $59.5 million to $47.2 million.
- Earnings per share (EPS) decreased by 20%, from 95.7 cents to 76.2 cents.
- Group borrowings were reduced from $108.5 million to $94.5 million.
- Net debt-to-equity ratio decreased from 12:88 to 4:96.
- Total assets increased by 8%, from $482 million to $522 million.
- Cash generated from operations increased by 12%, from $132.1 million to $148 million.
- The Group reinvested $53.5 million in capital expenditure in 2016, compared with $44.4 million in 2015.

Management Discussion And Analysis (continued)

Revenue

Revenue generated from our 119 restaurants increased by 2% as compared to the prior year. Our KFC, Pizza Hut, TGI Fridays™ Jamaica and Starbucks Brands positively contributed to this growth. Revenue from TGI Fridays™ Trinidad and SUBWAY was below expectation and lower than the prior year.



STORE COMPOSITION

Overall Profitability

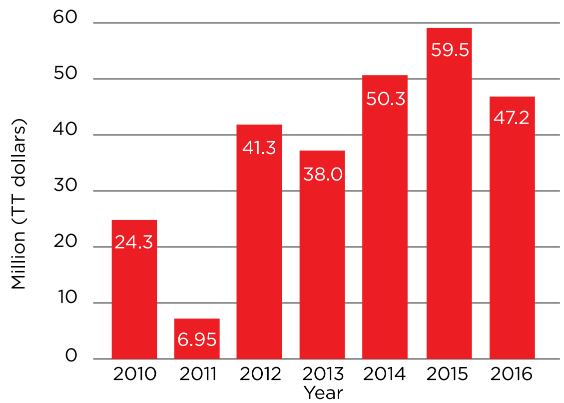
In 2016, net profit attributable to shareholders was $47.2 million, which represents a decrease of 21% compared with the prior year. Earnings per share attributable to shareholders decreased by 20%, from 95.7 cents to 76.2 cents.

Trinidad and Tobago Operations

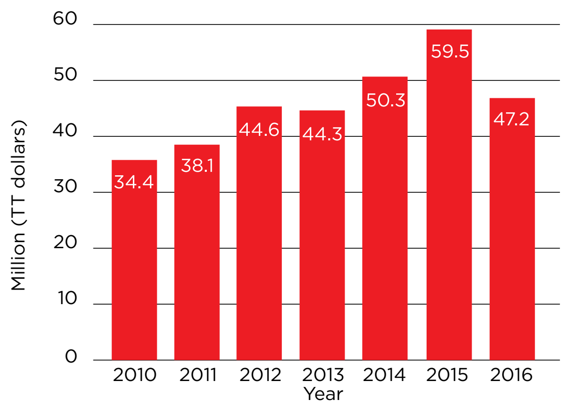
The restaurant contribution (excluding administrative and finance costs) from our Trinidad and Tobago operations decreased by 3% as compared to the prior year. This decline was attributable to the following:

- Revenue growth of 2%.
- Increase in food costs driven by higher commodity prices and depreciation in the $TT-$US foreign exchange rates.
- Increase of 4% in restaurant labour costs, 57% of which were as a result of additional hires to support the new stores opened during the year; the balance represented higher same-store labour head count. Though there was an improvement in the labour pool in 2016 the number was still below our ideal staffing.
- Increase of 6% in restaurants' fixed costs, 52% of which were attributed to costs related to new stores and the balance driven primarily by rent escalations on existing properties.
- Other restaurant operating costs decreased by 1%.

KFC and Pizza Hut concluded the year on a positive note, with growth in both revenue and profitability. TGI Fridays™ restaurants' fall in



GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS



GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS - CONTINUING OPERATIONS profitability was driven primarily by lower revenue coupled with increased depreciation charges. The SUBWAY brand generated less profit than the prior year, with lower revenue and higher food and labour costs being the main adverse drivers of the lower profit.

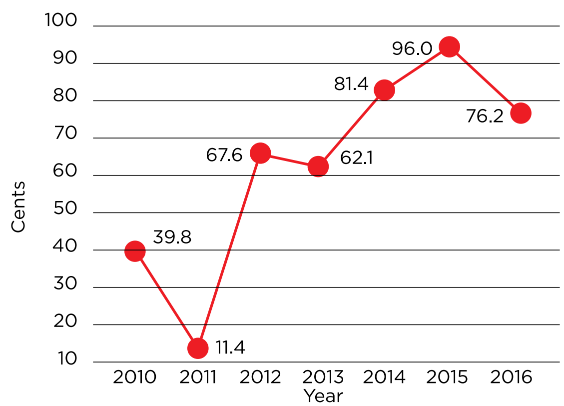
Administrative expenses increased by 22%, primarily due to the increase in staff costs; higher foreign exchange costs due to the settlement of USD obligations in alternative currencies; an increase in the green fund levy rate; and one-off costs associated with the launch of the Starbucks brand.

Overseas Operations – TGI Fridays™ Jamaica

The TGI Fridays™ Jamaica operation generated a profit of $0.67 million (2015: $0.12 million), driven by higher revenue and lower food and restaurant operating costs. This is the second consecutive year that the market delivered positive results.

Capital Expenditure (including intangible assets)

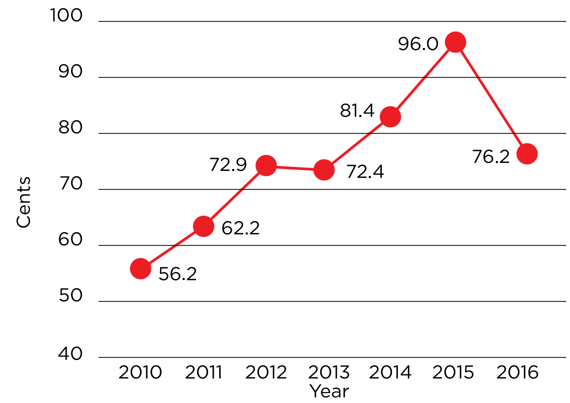
Capital expenditure (net of proceeds on disposal of assets) for the year totalled $57.7 million as against $44.9 million in 2015. In 2016, we invested in the construction of seven new restaurants, one relocation and one major remodelling.



GROUP EARNINGS PER SHARE

Share Price

The Company's share price as at the close of trading on 30 November, 2016 was $11.00, showing an increase of 91 cents from 30 November, 2015. As at 3 March, 2017, the Company's share price was $10.85.



GROUP EARNINGS PER SHARE - Continuing Operations

Building People Capability

We continued in 2016 to drive the Company's values and objectives to reinforce operational excellence. Our focus, therefore, revolved around building the right capability through our people development strategies, ensuring the quality of our products and service and having the right number and calibre of employees to support our Bench planning management projections. In addition, with the launch of the Starbucks brand in Trinidad, we were committed to developing the right culture and values to deliver the Starbucks experience to our customers.

Our continuous drive on learning and development kept our management and team abreast of all new and revised processes to enhance productivity and quality. Reinforcement of new technologies, through training, which encompassed inventory management, speed service systems and projections, assisted in creating greater store effectiveness. Coaching the management in utilizing various labour deployment strategies was also completed to ensure greater success in managing labour, given the continuous labour challenges faced by the stores.

Revised and updated quality standards were introduced by the Franchisors to strengthen quality operations and rolled out to each of the brands. These programmes included the new Restaurant Operational Compliance Check for KFC, the Assured Customer Experience for Pizza Hut and upgraded Unit Reviews for the TGI Fridays and Subway brands. Specialized focus was placed on enhancing and reinforcing Food Safety standards. Operational assessments, conducted by external Evaluators, were also an added feature towards building safe and strong quality operations. These complemented the regularly conducted local store assessments.

Although labour remains a challenge, we have seen some major successes in attracting and hiring new Team Members (TM). Our hiring strategies, through our primary focus on e-recruitment strategies, have attracted a number of good candidates. More efficient ways of handling TM “walk ins” and employee referrals were also implemented which brought positive results. This focus would be maintained in 2017 while we improve retention via the reward and recognition programme for our employees.

The hiring and training of the management team for the Starbucks brand was a major focus of attention. The search for the Vice President of the Brand, the HR Generalist and high quality management started in early 2016. Given a projection of three (3) stores to be opened in 2016, with continued growth in 2017, a total of fourteen (14) members of management were hired to ensure that stores were adequately managed. In addition, all members of management were trained overseas and were fully immersed in the Starbucks culture and standards. This training covered a period of eight (8) for Supervisors and twelve (12) weeks for Store Managers. In addition, 6 weeks prior to the opening of the first Starbucks store, the Baristas were hired and trained locally by a team of Starbucks Representatives. These learnings and standards continued to be reinforced by the input of a “Star” team from the US who continued to work with our Managers and Baristas, after the store openings, to ensure the delivery of the Starbucks experience to our customers.

Our Company’s Bench management programme remains a major strength for the business. Four Career Bench Management cycles were conducted which ensured continuity and development of our people. This Bench programme was also implemented in Starbucks and. to date, we have already grown 4 Bench Supervisors and two Bench Store Managers for the brand.

In 2017, the Company will continue to build on the foundation of strong management capability and leadership training for all brands.

A warm smile, the side order that goes with every combo


KFC
KFC

Management Discussion And Analysis (continued)

KFC

In 2016, KFC continued to build on the successes of 2015 with a winning combination of menu innovation, consumer promotions and interactive marketing campaigns. We have continued to invest in the KFC brand by building two new restaurants, KFC SouthPark and KFC Endeavour, both featuring the new "In-Store Prepared" (ISP) brand image. The ISP design signifies the true essence of the KFC brand. It is a key pillar of our "Real Food, Real People" philosophy, reinforcing that all our products are handmade fresh every day by our dedicated staff, for the enjoyment of our customers nationwide.

Our 2016 marketing initiatives continued to be unique and innovative, combining an exciting mix of new products, value initiatives, integrated campaigns and community and digital engagement to keep the brand relevant and young. Popcorn Chicken has been one of the most anticipated menu offering each Carnival; as a result Popcorn Chicken was added permanently to the menu and can be added to any other meal for a small charge. KFC also offered value with the All Star Box, which gave customers the best of both worlds— a piece of beloved chicken-on-the-bone and Popcorn Chicken all in one great package. Summer 2016 was like no other, as customers who spent $20 or more were given the opportunity weekly to win an all-inclusive trip for two to different Caribbean destinations. Such promotions, as well as our menu specials, including our 6 pieces of chicken for $49, 6 piece Mega Meal, Popcorn Chicken, WOW Deal and All Star Box, enabled us to drive commercial goals and achieve solid returns in a highly competitive market.

We are also delighted to return to the original tagline, "It's finger lickin' good," which has remained memorable in our customers' minds. We took the opportunity to recognise our chefs, who consistently provide gold-standard products through the Chef on Display boards in store.

KFC strives to remain relevant to all segments of Trinidad and Tobago's multicultural society. Offers are designed to meet customer needs during the periods of Lent, Ramadhan and Divali. We continue to respect all aspects of our culture as it is important to the fabric of KFC and, by extension, the nation.

KFC deepened our community connections through partnerships with local organisations, sponsoring a number of key social initiatives including the Buddy Walk and the Light It Up Blue campaign. Youth and community sport development continued to be a major thrust, with the expanded KFC Comets Youth Development Cricket programme— just one of several sponsorships.

After 44 years in Trinidad and Tobago, KFC has formed a strong bond with our consumers, which we treasure deeply. We remain passionately committed to "Helping People Taste Happiness Every Day."

The secret ingredient is our commitment

Great teamwork adds an extra spice to our menu


Pizza Hut

Pizza Hut

The “Make It Great” theme for Pizza Hut, which was launched in late 2015, has resounded immensely through all aspects of the brand in 2016, including social, community service, innovation, product development and enhancing customer experience. The brand continued to grow in 2016 as a result of the development work that was done for both Marketing and Operations.

Our focus continued through the year on our customers and one of the major initiatives has been the launch of our 225-4HUT number to contact ALL our restaurants. The result of the launch resulted in the growth in transactions of our carry-out and delivery channel over the prior year. Additionally, this continuum of convenience was also extended to our sister isle of Tobago. Effective 2016, the Pizza Hut brand is now the only pizza establishment offering the delivery experience to customers in Tobago, with the ability to pay via credit cards.

The Pizza Hut brand continued the work that was started in 2015 to become a “Brand For You,” catering and anticipating our customers’ needs. To enhance the customer experience, seasonal activations were developed and executed at the restaurant level. The main objective of these activations was positioning Pizza Hut as an integral part of the customer’s social and cultural activities. These activations included Parang Tuesday with Santa at our dine-in stores and external Carnival events.

The carry-out menu boards were re-designed to enhance the customer experience in this channel. In order to fully maximise this project ALL stores were converted to digital menu boards. This process allowed real time updates to our customers at ALL stores including Tobago. The digital menu boards all reflect the new image of the brand and maximises the customer experience in the carry out channel.

A significant milestone for 2016 was the opening of our eighth restaurant, located at SouthPark Shopping Centre in San Fernando. This restaurant was inspired by the latest trends in modern international design showcasing open and communal spaces with a deliberate bespoke urban design and artisan feel.

We continue along this spectrum of greatness in 2017 by defending our core products and continue the work that was started in 2016 to keep attracting customers.


Every slice comes with toppings of
dedication
& pride


We replaced teamwork with
team spirit


micros
TGI FRIDAYS

Management Discussion And Analysis (continued)

TGI Fridays™

In 2016, TGI Fridays™ brought people together to socialise and celebrate, despite the economic outlook, staying true to its brand promise, "In Here, It's Always Friday!" Our 2015 market re-images continued to amaze our new guests, offering an ambiance like no other casual dining restaurant in the country.

Throughout the year our guests were treated to innovative menu items and distinctive cocktails through an intense focus on menu development and quarterly promotions, influenced by international culinary trends. Likewise, the brand worked to deepen its relationship with key local beverage suppliers, through partnerships and the introduction of bar initiatives such as Cinco de Fridays, Cocktail Month and Mojito Madness. The bar was seen as an opportunity for growth and the foundation was laid for future initiatives in 2017.

Delivering exceptional guest experiences remained a key focus area for the brand, and our commitment to operational excellence saw team members engage in refresher training on Fridays Service Style, Best Corner Bar in Town and Culinary Pride.

Internationally, the Trinidad team was recognised for its emphasis on business development and the continued commitment to upholding international growth standards. Our Trinidad team also celebrated our TGI Fridays™ Port of Spain bartender, who placed 4th in the Caribbean and Latin America region at the 2016 Annual Regional Bartender Championships held in Lima, Peru.

In addition to our restaurant achievements, TGI Fridays™ Trinidad bolstered its commitment to positively impacting the communities we serve through social intervention initiatives. For another successful year, the brand partnered with early intervention programme, Right Start for Autism to help raise awareness for autism in Trinidad. We also continued with our annual charity Christmas Box Project; through this food drive, our brand assisted 50 less fortunate families throughout Trinidad during the Christmas season. Our team members were also happy to be part of our new partnership with the Just Because Foundation, taking part in the in the Cancer Sucks campaign to help raise awareness for paediatric cancer in Trinidad.

In 2017, we strive to make excellence our standard through re-validations of our team members and our focus will be creating a unique TGI Fridays™ experience for every guest who walks through our doors. Regardless of the economic outlook, we remain dedicated to our guests and the communities we serve.


It's easy to smile when your job is not a task

Fresh ingredients with a refreshing attitude


treat
yourself!
SUBWAY

Management Discussion And Analysis (continued)

SUBWAY

Innovation and indulgence continued to be the theme in 2016 at Subway. The year kicked off with the Sriracha Chicken option heating up Carnival and ended with the introduction of the Greek-inspired Mediterranean Chicken— with feta cheese and tzatziki sauce – as a limited time offer for Christmas. The bold flavours of the feta cheese and tzatziki sauce were heavily favoured by guests.

The year also saw the return of avocado as a limited time offer and as an example of customisation; guests were encouraged to "make it their own" with the hundreds of ways to have a sub or salad from Subway.

The indulgence theme flowed through other campaigns in the year: seafood options for Lent (fish fillet, crab, lobster and tuna); desserts— more specifically the cookies– were featured as the perfect treat with T&T's favourite Sweet Onion Chicken Teriyaki and BBQ selects options; and a campaign which spoke to building your better breakfast at Subway.

In 2016 a national consumer promotion was executed. Guests were invited to eat fresh and study hard for a chance to win $500 in vouchers for school books and supplies. $100,000 in prizes were distributed over a 4-week period leading up to the opening of the new school year.

The "train hard, eat fresh" initiative continue to drive sponsorships in 2016. Involvement in the annual T&T International Marathon and participation in several Carnival get-fit activities have become a key part of the calendar, followed by the sponsorship of several 5Ks, duathlons and triathlons. The Subway Maracas Open Water Swim and the Subway Junior Tennis Tournament are now annual events that are a part of the national sporting calendar.

Our restaurant count grew to 47 early in 2016 with the addition of our Chase Village location, which proved to be a huge success, demonstrating the love for the brand in Trinidad & Tobago.

The potential of the brand continues to be apparent and excitement around the products, new successful locations, day-part opportunities and partnerships in the sporting community are all ingredients to take Subway to the next level in the quick-service restaurant business in Trinidad & Tobago.


The way you love it... fresh

Expanding the Family

STARBUCKS®

Starbucks

Starbucks made its debut in Trinidad & Tobago, with its first store opening on 28 August, 2016 in San Fernando's SouthPark Shopping Centre.

"We are delighted to open our first store in the beautiful country of Trinidad & Tobago," said Ricardo Rico, Starbucks vice president for Latin America and the Caribbean, who attended the opening celebrations. "Our new team of Starbucks partners (employees) wearing the iconic green apron is ready to welcome customers to Trinidad and share our deep passion and knowledge of some of the finest coffees from around the world," Mr. Rico said.

In October, our flagship store was opened at MovieTowne Port of Spain, and in November, we unveiled our Drive Thru store in Endeavour, Chaguanas.

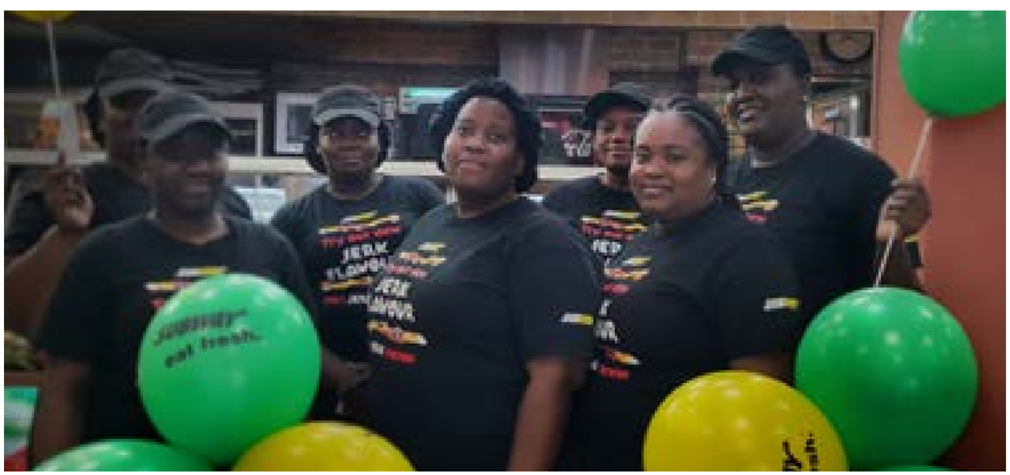
Starbucks is proud to offer a wide range of handcrafted espresso beverages at the new store, made with the finest ethically sourced arabica coffee, including lattes, cappuccinos, macchiatos, Americanos, mochas, and more. Starbucks baristas make each order by hand, personalised to the customer's liking. The store also offers a range of cold and iced drinks including Starbucks' popular Frappuccino® Blended Beverages, in flavours like Strawberries & Crème, and iced teas and juices. Bakery items like lemon pound cake and fresh sandwiches, including turkey and Havarti panini are available daily. Customers are invited to enjoy free WIFI and the vibrant indoor decor featuring unique artwork, including murals made with handmade coffee pigments, designed by local artists like Gabriella D'Abreu and Beverly Filtzwilliam Harries. Starbucks' commitment is to creating a "third place" – a place between home and work where customers can relax and connect with friends and family over a great cup of coffee.

As part of Starbucks' commitment to supporting the communities it serves, we have partnered with the Gift for Life Foundation, which provides support for Children's charities across the country. Each store has selected a children's home in the neighbouring area and all Starbucks Trinidad partners (employees), with support from Prestige Holdings Ltd and The Starbucks Foundation, participate in activities and support the children in the Hope Center in San Fernando, the Marian Home for Boys in Port of Spain and the Jayalakshmi Children's Home in Chaguanas.

Starbucks ended 2016 with our Holiday Season roll out, featuring a festive red cup design collection; a holiday beverage menu, including flavours like Cranberry White Mocha, Hazelnut Praline and Peppermint Mocha; Christmas coffees and retail mug merchandise; and signature fresh sandwiches like ham & chow chow and turkey & cranberry aoili. For Valentine's Day 2017, we offered a special Double Fudge Frappuccino; while Lent/Easter 2017 options included freshly made peanut butter & jelly sandwiches and tuna salad sandwiches.

Nearly 100 new employees were recruited to support the Starbucks brand. We remain committed to bringing to our Trinidad customers our Starbucks Mission – "To inspire and nurture the human spirit – one person, one cup, and one neighborhood at a time."


The only thing warmer than
our smiles
is the coffee

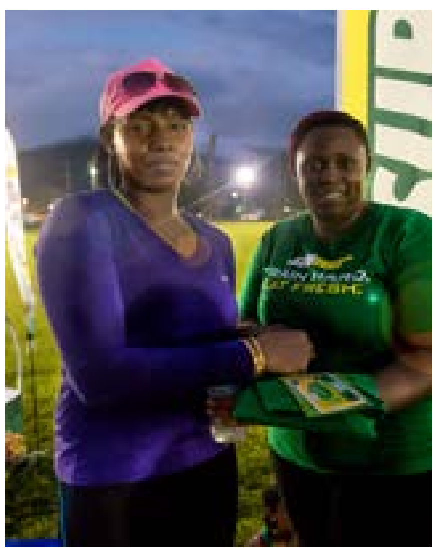

eat fresh.


Coca-Cola


EXIT
SUBWAY
eat fresh.


SUBWAY


SUBWAY



Our people...


the most important ingredient


KFC


CHICKY











Passion has its own particular aroma

Great taste from the very first bite

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Prestige Holdings Limited and its subsidiaries, which comprise the consolidated balance sheet as at 30 November, 2016, and the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Group keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of Group operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

Chief Executive Officer
22 February 2017

Chief Financial Officer
22 February 2017

Independent Auditor's Report

To The Shareholders Of Prestige Holdings Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Prestige Holdings Limited and its subsidiaries, which comprise the consolidated balance sheet as at 30 November 2016, and the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Prestige Holdings Limited and its subsidiaries as at 30 November 2016, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

22 February 2017
Port of Spain
Trinidad, West Indies

Consolidated Balance Sheet

(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 30 November 2016 $	2015 $
Assets			
Non-current assets			
Property, plant and equipment	5	274,897,188	264,125,225
Intangible assets	6	74,611,782	71,689,983
		349,508,970	335,815,208
Current assets			
Inventories	9	60,085,306	46,520,104
Trade and other receivables	10	21,209,949	21,283,955
Current income tax assets		6,579,325	6,579,325
Cash and cash equivalents	11	84,248,789	71,522,103
		172,123,369	145,905,487
Total assets		521,632,339	481,720,695
Equity and liabilities			
Equity attributable to owners of the parent company			
Share capital	12	23,759,077	22,829,797
Other reserves	13	17,909,104	18,108,729
Other equity instrument	14	5,000,000	15,000,000
Retained earnings		230,788,679	207,356,089
		277,456,860	263,294,615
Unallocated shares held by ESOP	15	(3,575,740)	(1,349,608)
Total equity		273,881,120	261,945,007
Liabilities			
Non-current liabilities			
Borrowings	16	80,500,000	94,500,000
Deferred income tax liabilities	8	3,382,052	4,729,278
		83,882,052	99,229,278
Current liabilities			
Trade and other payables	17	146,500,954	97,459,759
Borrowings	16	14,000,000	14,000,000
Due to related parties	18	1,991,590	2,756,493
Current income tax liabilities		1,376,623	6,330,158
		163,869,167	120,546,410
Total liabilities		247,751,219	219,775,688
Total equity and liabilities		521,632,339	481,720,695

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

On 22 February 2017, the Board of Directors of Prestige Holdings Limited authorised these consolidated financial statements for issue.

Director Director

Consolidated Income Statement – by function of expense

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 November 2016 $	2015 $
Revenue		985,518,205	962,562,047
Cost of sales	19,20	(635,303,861)	(611,863,993)
Gross profit		350,214,344	350,698,054
Other operating expenses	20	(203,511,486)	(200,213,833)
Administrative expenses	20	(77,410,382)	(63,369,750)
Other income		2,414,919	1,427,907
Operating profit		71,707,395	88,542,378
Finance costs	21	(6,996,875)	(8,369,790)
Profit before income tax		64,710,520	80,172,588
Income tax expense	22	(17,522,990)	(20,670,418)
Profit for the year		47,187,530	59,502,170
Profit attributable to:			
Owners of the parent company		47,187,530	59,502,170
Earnings per share attributable to the equity holders of the parent company			
- Basic earnings per share (exclusive of ESOP shares)	23	76.2¢	96.0¢
- Diluted earnings per share (exclusive of ESOP shares)		76.2¢	95.7¢

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Year ended 30 November 2016 $	2015 $
Profit for the year	47,187,530	59,502,170
Other comprehensive income/(loss):		
Items that will not be reclassified to profit or loss		
Re-measurements of post-employment benefit obligations	--	447,672
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	(199,625)	(294,273)
Total comprehensive income for the year Attributable to:	46,987,905	59,655,569
- Owners of the parent company	46,987,905	59,655,569

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share capital $	Equity settled arrangements $	Other equity instrument $	Other reserves $	Retained earnings $	Total $	Unallocated shares held by ESOP $	Total equity $
Balance at 1 December 2014		22,008,825	5,497,256	25,000,000	18,403,002	162,467,816	233,376,899	(2,125,098)	231,251,801
Comprehensive income									
Profit for the year		--	--	--	--	59,502,170	59,502,170	--	59,502,170
Other Comprehensive income/(loss)									
Re-measurement of post-employment benefit obligations		--	--	--	--	447,672	447,672	--	447,672
Currency translation differences	13	--	--	--	(294,273)	--	(294,273)	--	(294,273)
Total comprehensive income/(loss) for the year		--	--	--	(294,273)	59,949,842	59,655,569	--	59,655,569
Transactions with owners									
Proceeds from shares issued	12	820,972	--	--	--	--	820,972	--	820,972
Shares allocated during the year	15	--	--	--	--	--	--	775,490	775,490
Redemption	14	--	--	(10,000,000)	--	--	(10,000,000)	--	(10,000,000)
Transfer of expired share based payments		--	(5,497,256)	--	--	5,497,256	--	--	--
Dividends for 2014 - Paid – 17 cents per share		--	--	--	--	(10,582,603)	(10,582,603)	--	(10,582,603)
Dividends for 2015 - Paid – 16 cents per share		--	--	--	--	(9,976,222)	(9,976,222)	--	(9,976,222)
Total transactions with owners		820,972	(5,497,256)	(10,000,000)	--	(15,061,569)	(29,737,853)	775,490	(28,962,363)
Balance at 30 November 2015		22,829,797	--	15,000,000	18,108,729	207,356,089	263,294,615	(1,349,608)	261,945,007

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity (continued)

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share capital $	Other equity instrument $	Other reserves $	Retained earnings $	Total $	Unallocated shares held by ESOP $	Total equity $
Balance at 1 December 2015		22,829,797	15,000,000	18,108,729	207,356,089	263,294,615	(1,349,608)	261,945,007
Comprehensive income								
Profit for the year		--	--	--	47,187,530	47,187,530	--	47,187,530
Other Comprehensive income/(loss)								
Currency translation differences	13	--	--	(199,625)	--	(199,625)	--	(199,625)
Total comprehensive income/ (loss) for the year		--	--	(199,625)	47,187,530	46,987,905	--	46,987,905
Transactions with owners								
Proceeds from shares issued	12	929,280	--	--	--	929,280	--	929,280
Shares allocated during the year	15	--	--	--	--	--	1,886,599	1,886,599
Redemption	14	--	(10,000,000)	--	--	(10,000,000)	--	(10,000,000)
Purchase of shares		--	--	--	--	--	(4,112,731)	(4,112,731)
Dividends for 2015 - Paid – 22 cents per share		--	--	--	(13,752,860)	(13,752,860)	--	(13,752,860)
Dividends for 2016 - Paid – 16 cents per share		--	--	--	(10,002,080)	(10,002,080)	--	(10,002,080)
Total transactions with owners		929,280	(10,000,000)	--	(23,754,940)	(32,825,660)	(2,226,132)	(35,051,792)
Balance at 30 November 2016		23,759,077	5,000,000	17,909,104	230,788,679	277,456,860	(3,575,740)	273,881,120

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 November 2016 $	2015 $
Cash flows from operating activities			
Cash generated from operations	26	148,034,129	132,142,432
Interest paid	21	(6,996,875)	(8,369,790)
Income tax paid		(23,823,751)	(20,922,003)
Net cash generated from operating activities		117,213,503	102,850,639
Cash flows from investing activities			
Purchase of intangible assets	6	(4,973,733)	(1,168,727)
Purchase of property, plant and equipment	5	(53,554,807)	(44,406,850)
Proceeds from disposal of property, plant and equipment		867,383	670,464
Net cash used in investing activities		(57,661,157)	(44,905,113)
Cash flows from financing activities			
Proceeds from shares issued		929,280	820,972
Dividends paid to shareholders		(23,754,940)	(20,558,825)
Repayment of borrowings		(14,000,000)	(14,000,000)
Redemption of other equity instrument		(10,000,000)	(10,000,000)
Net cash used in financing activities		(46,825,660)	(43,737,853)
Net increase in cash and cash equivalents		12,726,686	14,207,673
Cash and cash equivalents			
At start of year		71,522,103	57,314,430
At end of year	11	84,248,789	71,522,103

The notes on pages 68 to 97 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

30 November, 2016
(Expressed in Trinidad and Tobago Dollars)

1 General information

Prestige Holdings Limited (Parent Company) was incorporated in the Republic of Trinidad and Tobago on 24 November 1972 under the Companies Ordinance, Ch. 31 No. 1 and was continued under the Companies Act, 1995 on 26 November 1997. The Registered Office of the Parent Company is 47-49 Sackville Street, Port of Spain. The Parent Company operates under long-term franchise agreements for the KFC, Pizza Hut, Subway and Starbucks brands through a chain of restaurants in Trinidad and Tobago and is a public limited liability company which is listed on the Trinidad and Tobago Stock Exchange.

Prestige Services Limited is wholly owned by Prestige Holdings Limited and is incorporated in St. Christopher/Nevis. This company owns the Development Rights for the TGI Fridays Brand for the CARICOM.

Prestige Holdings Limited also owns 100% of the share capital of Prestige Restaurants Jamaica Limited which operates the TGI Fridays Brand in Jamaica.

Weekenders Trinidad Limited is wholly owned by Prestige Holdings Limited and is an amalgamated entity of Weekenders Limited and TCBY Trinidad Limited effective 25 July 2011. The company is incorporated in the Republic of Trinidad and Tobago. This company operates under a long-term franchise agreement for the TGI Fridays Brand in Trinidad and Tobago.

Restaurant Leasing Corporation Limited is wholly owned by Prestige Holdings Limited and is incorporated in the Republic of Trinidad and Tobago. This company owns and leases the premises on which the Subway restaurants and head office are located.

The ultimate parent company is Victor E. Mouttet Limited, a privately owned company incorporated in the Republic of Trinidad and Tobago.

2 Summary of significant accounting policies

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

a. *Basis of preparation*

The consolidated financial statements of Prestige Holdings Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(i) *Changes in accounting policies and disclosures*

(a) *New standards, amendments and interpretations adopted by the Group:*

There were no standards effective for the first time for the financial year beginning on or after 1 December 2015 which had a material impact on the Group's consolidated financial statements.

(b) *New standards and interpretations not yet adopted by the Group:*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 December 2015, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

2 Summary of significant accounting policies (continued)

a. *Basis of preparation (continued)*

(i) *Changes in accounting policies and disclosures (continued)*

(b) *New standards and interpretations not yet adopted by the Group: (continued)*

- IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group is yet to assess IFRS 9's full impact.

- IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Group is assessing the impact of IFRS 15.

- IFRS 16 - Leases (effective 1 January 2019) eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead all leases are treated in a similar way to finance leases applying IAS 17. Leases are 'capitalised' by recognising the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognises a financial liability representing its obligation to make future lease payments. The most significant effect of the new requirements will be an increase in lease assets and financial liabilities. The Group is yet to assess the impact of IFRS 16.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group's consolidated financial statements.

b. *Consolidation*

(i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2 Summary of significant accounting policies (continued)

b. *Consolidation (continued)*

(i) *Subsidiaries (continued)*

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.
Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, any gains of losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) *Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) *Disposal of subsidiaries*

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

c. *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for making strategic decisions, allocating resources and assessing performance of the operating segments has been identified as the board of directors.

d. *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Group's presentation and functional currency.

2 Summary of significant accounting policies (continued)

d. *Foreign currency translation (continued)*

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'finance cost (net)'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'administrative expenses'.

(iii) *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences are recognised in other comprehensive income.

e. *Property, plant and equipment*

Property, plant and equipment are initially recorded at cost. Land is subsequently shown at market value, based on valuations by external independent valuers at least once every five years. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the consolidated income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

2 Summary of significant accounting policies (continued)

e. *Property, plant and equipment (continued)*

Freehold and leasehold buildings	- 10	-	50 years
Leasehold improvements	- 10	-	20 years
Plant and machinery and equipment	- 10	-	15 years
Vehicles	- 4	-	5 years
Furniture	- 5	-	12 years

The assets' residual values and useful lives are reviewed by management, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating expenses in the consolidated income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

f. *Intangible assets*

(i) *Goodwill*

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(ii) *Franchise agreements – ongoing operations*

Franchise agreements for ongoing operations acquired in a business combination are initially recognised at fair value at the acquisition date and subsequently carried at cost. These assets have an indefinite useful life and are tested annually for impairment. The franchise agreement renews automatically and there is no significant cost of renewal.

(iii) *Franchise fees*

The Group pays an initial fee to the Franchisor for every new store and a renewal fee upon the expiration of the initial franchise period. The initial and renewal fees are written off over the period to which they relate which range from ten to twenty years. There are no renewal fees upon the expiration of the initial franchise period for the Subway franchise.

2 Summary of significant accounting policies (continued)

f. *Intangible assets (continued)*

(iv) *Development rights*

Investment in the development rights is capitalised and amortised using the straight-line method over its estimated useful life but not exceeding ten years.

g. *Impairment of non-financial assets*

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

h. *Non-current assets (or disposal groups) held for sale*

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

i. *Financial assets*

(i) *Classification*

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the consolidated balance sheet (Notes 2 m. and 2 n.).

(ii) *Recognition and measurement*

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

2 Summary of significant accounting policies (continued)

j. *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

k. *Impairment of financial assets*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

(i) Significant financial difficulty of the issuer or obligor.

(ii) A breach of contract, such as a default or delinquency in interest or principal payments.

(iii) It becomes probable that the customer will enter bankruptcy or other financial reorganisation.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

l. *Inventories*

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the average cost method. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses.

m. *Trade receivables*

Trade receivables are amounts due from customers for the sale of goods in the ordinary course of business. If collection is expected in one year or less (or, in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

n. *Cash and cash equivalents*

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

2 Summary of significant accounting policies (continued)

o. *Share capital*

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares or options, other than in connection with a business combination, are shown in equity as a deduction, net of tax, from the proceeds.

p. *Trade payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

q. *Provisions*

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

r. *Employee benefits*

(i) Employee Share Ownership Plan (ESOP)

The parent company operates an Employee Share Ownership Plan and accounts for all unallocated ESOP shares as a deduction in Equity. Shares allocated to employees as part of their bonus are expensed to administrative expenses based on the market value of the shares allocated. The ESOP account is credited with the cost of the shares.

s. *Current and deferred income tax*

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Summary of significant accounting policies (continued)

s. *Current and deferred income tax (continued)*

Deferred income tax is recognised using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The principal temporary difference arises from the difference between the accounting and tax treatment of depreciation on property, plant and equipment and tax losses.

t. *Revenue recognition*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Sales of goods are recognised upon delivery of products and customer acceptance, or performance of services. Revenue is shown net of value-added tax, returns, and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Group and when specific criteria have been met for the Group's activities.

Interest income is recognised on a time-proportion basis using the effective interest method.

u. *Borrowings*

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

v. *Other equity instruments*

Other equity instruments issued by the Group comprise amounts that can be redeemed or converted to share capital at the discretion of the Group.

w. *Dividend distribution*

Dividend distribution is recorded in the Group's financial statements in the period in which the dividends are approved by the Board of Directors.

2 Summary of significant accounting policies (continued)

x. *Leases*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement under the terms of the lease.

y. *Royalty expenses*

Royalty expense is recognised on the accrual basis and charged to the consolidated income statement (included in cost of sales) in accordance with the substance of the relevant agreements.

z. *Fair value estimation*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The IFRS 13 fair value hierarchy has the following levels based on the inputs used to determine the fair value measurement.

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2 - The inputs are inputs other that quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - The inputs are unobservable inputs for the asset or liability.

An observable input is an input that is developed using market data such as publicly available information about actual events or transactions and that reflect the assumptions that market participants would use when pricing the asset or liability.

An unobservable input is an input for which market data is not readily available and that are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.

The fair value disclosure required by IFRS 13 for non-financial assets is included in Note 5. The fair value disclosures relating to financial instruments in disclosed in Note 7a.

3 Financial risk management

a. *Financial risk factors*

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, product and emerging best practice.

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(i) *Market risk*

(a) *Foreign exchange risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions as well as holding foreign currency balances. This policy is consistent with prior years.

As at 30 November 2016, the US dollar obligation in TT dollars arising mainly from foreign inventory suppliers and royalties payable was $58,281,649 (2015: $21,875,209) and if the currency had weakened/strengthened by 3% against the US dollar with all other variables held constant, post-tax profits for the year would have been $1,486,182 (2015: $656,256) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated trade payables and accruals.

There have been no changes to policies and procedures in managing the foreign exchange risks.

(b) *Cash flow and fair value interest rate risk*

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Given the economic environment, the Group's policy is to maintain a significant portion of its borrowings in fixed rate instruments. This policy is consistent with prior years.

The Group has no exposure to fair value interest rate risk as the loan is carried at amortised cost.

The Group has no exposure to cash flow interest rate risk as the loan is a fixed rate loan.

There have been no changes to the policies and procedures in managing interest rate risks.

(c) *Price risk*

The Group is not exposed to equity securities price risk since there are no investments held as available for sale or at fair value through profit or loss.

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

(ii) *Credit risk*

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to trade customers. For banks and financial institutions, only those with good standing and with a sound reputation are used. No independent rating exists for trade customers and as a result an internal credit assessment is performed taking into account their financial position, past experience and other factors. Credit limits are set for trade customers which are regularly monitored.

Management does not expect any significant losses from non-performance by counterparties.

There have been no changes to the policies and procedures in managing credit risks.

(iii) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its un-drawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets. This policy is consistent with the prior year.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

	6 months or less $	6 to 12 months $	1 to 5 years $	Over 5 years $
At 30 November 2016				
Borrowings - third party	9,898,438	9,679,688	84,765,625	10,828,125
Due to related party	1,991,590	--	--	--
Trade and other payables, excluding statutory liabilities	134,622,058	--	--	--
	146,512,086	9,679,688	84,765,625	10,828,125
At 30 November 2015				
Borrowings - third party	10,335,938	10,117,188	89,140,625	26,031,250
Due to related party	2,756,493	--	--	--
Trade and other payables, excluding statutory liabilities	83,564,827	--	--	--
	96,657,258	10,117,188	89,140,625	26,031,250

There have been no changes to policies and procedures in managing liquidity risks.

3 Financial risk management (continued)

b. *Capital risk management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) and bank overdraft less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

	2016 $	2015 $
Total borrowings	94,500,000	108,500,000
Less: cash and cash equivalents	(84,248,789)	(71,552,103)
Net debt	10,251,211	36,947,897
Total equity	273,881,120	261,945,007
Total capital	284,132,331	298,892,904
Gearing ratio	4%	12%

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Estimated impairment of goodwill and intangible assets*

The Group tests annually whether goodwill and intangible assets have suffered any impairment in accordance with the accounting policy stated in Note 2 f. The recoverable amounts of cash-generating units have been determined based on value-in use calculations. These calculations require the use of estimates. The significant assumptions are disclosed in Note 6. If the growth rate, gross margin or weighted average cost of capital worsened by 1% with all other variables held constant there would be no impact to the profit or loss for the period as the asset would still not be impaired.

4 Critical accounting estimates and judgements (continued)

b. *Critical judgements in applying the entity's accounting policies*

(i) *Useful economic life of intangibles – franchise fees ongoing operations*
Franchise agreements for ongoing operations acquired in a business combination are estimated to have an indefinite useful life on the basis that these franchise agreements will renew automatically at little or no cost for an additional 20 years every time the franchise term ends. The Group has a long history of working with a number of franchisors and have always been granted renewals on those franchises without exception. On this basis management considers these intangible assets to have an indefinite useful life.

5 Property, plant and equipment

	Land $	Buildings and improvements $	Plant and machinery $	Vehicles $	Furniture $	Work in progress $	Total $
Year ended 30 November 2016							
Opening net book amount	38,395,000	127,876,064	46,128,690	4,644,897	45,902,568	1,178,006	264,125,225
Additions	--	26,108,804	17,674,039	1,153,675	8,996,917	(378,628)	53,554,807
Disposals	--	(388,645)	(5,624)	--	(14,525)	--	(408,794)
Exchange differences	--	(140,104)	(14,149)	--	(10,254)	--	(164,507)
Depreciation charge	--	(16,873,349)	(12,990,131)	(2,342,111)	(10,003,952)	--	(42,209,543)
Closing net book amount	38,395,000	136,582,770	50,792,825	3,456,461	44,870,754	799,378	274,897,188
At 30 November 2016							
Cost or valuation	38,395,000	268,787,440	236,075,931	15,394,931	125,831,043	799,378	685,283,723
Accumulated depreciation	--	(132,204,670)	(185,283,106)	(11,938,470)	(80,960,289)	--	(410,386,535)
Net book amount	38,395,000	136,582,770	50,792,825	3,456,461	44,870,754	799,378	274,897,188
Year ended 30 November 2015							
Opening net book amount	38,395,000	124,696,411	51,789,716	6,158,028	41,001,776	38,619	262,079,550
Additions	--	19,743,682	7,643,277	1,430,965	14,449,539	1,139,387	44,406,850
Disposals	--	(481,499)	(121,855)	(331,403)	(103,453)	--	(1,038,210)
Exchange differences	--	(123,625)	(23,791)	--	(8,668)	--	(156,084)
Depreciation charge	--	(15,958,905)	(13,158,657)	(2,612,693)	(9,436,626)	--	(41,166,881)
Closing net book amount	38,395,000	127,876,064	46,128,690	4,644,897	45,902,568	1,178,006	264,125,225
At 30 November 2015							
Cost or valuation	38,395,000	244,249,983	220,387,536	14,769,976	118,127,915	1,178,006	637,108,416
Accumulated depreciation	--	(116,373,919)	(174,258,846)	(10,125,079)	(72,225,347)	--	(372,983,191)
Net book amount	38,395,000	127,876,064	46,128,690	4,644,897	45,902,568	1,178,006	264,125,225
At 30 November 2014							
Cost or valuation	38,395,000	225,966,897	215,738,280	14,261,278	104,573,423	38,619	598,973,497
Accumulated depreciation	--	(101,270,486)	(163,948,564)	(8,103,250)	(63,571,647)	--	(336,893,947)
Net book amount	38,395,000	124,696,411	51,789,716	6,158,028	41,001,776	38,619	262,079,550

5 Property, plant and equipment (continued)

Depreciation expense of $42,209,543 (2015: $41,166,881) is included in other operating expenses. Land represents freehold land which was valued by an independent valuator in 2013 on the basis of market value for existing use and amounted to $38,395,000. If land was stated on the historical cost basis, the amount would be $14,488,230. Bank borrowings are secured on fixed assets of the Group for the value of approximately $94.5 million (2015: $108.5 million). Included in buildings and improvements is buildings amounting to $22,643,018 (2015: $22,301,568) and improvements amounting to $113,939,752 (2015: $105,574,506).

a. *Fair value of land*

The Group engages an external, independent and qualified valuer to determine the fair value of the Group's land at least once every five years. The last valuation performed was as at 30 November 2013. The revaluation surplus was credited to other comprehensive income and is shown in 'other reserves' in shareholders' equity (Note 13.). The following table analyses the non-financial assets carried at fair value, by valuation method.

Fair value measurements as at 30 November 2015 and 2016

	Quoted prices In active markets for identical assets (level 1)	**Significant other observable inputs (level 2)**	**Significant unobservable inputs (level 3)**
Recurring fair value measurements			
- Land	--	--	38,395,000

Level 3 fair values of land has been derived using the Sales Comparison Approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

6 Intangible assets

	Goodwill $	Development rights $	Other deferred costs $	Total $
Year ended 30 November 2016				
Opening net book amount	24,791,308	--	46,898,675	71,689,983
Additions	--	--	4,973,733	4,973,733
Other movements	--	--	--	--
Exchange differences	--	--	--	--
Amortisation charge	--	--	(2,051,934)	(2,051,934)
Closing net book amount	24,791,308	--	49,820,474	74,611,782
At 30 November 2016				
Cost	25,427,536	--	70,614,008	96,041,544
Accumulated amortisation and impairment	(636,228)	--	(20,793,534)	(21,429,762)
Net book amount	24,791,308	--	49,820,474	74,611,782
Year ended 30 November 2015				
Opening net book amount	24,791,308	--	47,573,644	72,364,952
Additions	--	--	1,168,727	1,168,727
Other movements	--	--	(67,776)	(67,776)
Exchange differences	--	--	(497)	(497)
Amortisation charge	--	--	(1,775,423)	(1,775,423)
Closing net book amount	24,791,308	--	46,898,675	71,689,983
At 30 November 2015				
Cost	25,427,536	--	69,263,129	94,690,665
Accumulated amortisation and impairment	(636,228)	--	(22,364,454)	(23,000,682)
Net book amount	24,791,308	--	46,898,675	71,689,983
At 30 November 2014				
Cost	25,427,536	271,002	68,162,177	93,860,715
Accumulated amortisation and impairment	(636,228)	(271,002)	(20,588,533)	(21,495,763)
Net book amount	24,791,308	--	47,573,644	72,364,952

Amortisation charge of $2,051,934 (2015: $1,775,423) is included in other operating expenses.

6 Intangible assets (continued)

Included in other deferred costs is franchise agreements for ongoing operations of the Subway business acquired in 2011 which has an indefinite life and is assessed annually for impairment. Also included under deferred costs are franchise fees and loan fees capitalised which are amortised over remaining periods of three to fifteen years.

The development rights represent the costs associated with the acquisition of rights for the KFC branch in Tobago and the TGI Fridays brand in CARICOM.

Impairment tests for goodwill and indefinite life intangible assets

Goodwill has been allocated to the Weekenders Trinidad Limited and Subway businesses cash generating units as outlined below.

Weekenders Trinidad Limited	**2016 $**	**2015 $**
Goodwill	6,793,806	6,793,806
Less accumulated amortisation	(636,228)	(636,228)
Net goodwill	6,157,578	6,157,578

The recoverable amount of this business unit is determined based on a value-in-use calculation. This calculation uses pre-tax cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations are as follows:

	Gross margin %	**Growth rate %**	**Discount rate %**
2016	40.0	3	16.5
2015	43.6	3	17

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

Subway business	**2016 $**	**2015 $**
Goodwill	18,633,730	18,633,730
Intangible assets – franchise agreements	40,800,000	40,800,000
Assets acquired	59,433,730	59,433,730
Accumulated impairment	--	--
	59,433,730	59,433,730

6 Intangible assets (continued)

Impairment tests for goodwill and indefinite life intangible assets (continued)

Subway business (continued)

The recoverable amount of this business unit is determined based on a value-in-use calculation. This calculation uses pre-tax cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations are as follows:

	Gross margin %	Growth rate %	Pre-tax Discount rate %
2016	31.1	5	17.9
2015	34	2	16

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

7a Financial instruments by category

	Loans and receivables 2016 $	2015 $
Assets as per balance sheet		
Trade and other receivables, excluding prepayments	3,478,939	3,069,753
Cash and cash equivalents	84,248,789	71,522,103
Total	87,727,728	74,591,856

	Other financial liabilities at amortised cost 2016 $	2015 $
Liabilities as per balance sheet		
Borrowings	94,500,000	108,500,000
Trade and other payables, excluding statutory liabilities	134,622,058	83,564,827
Due to related parties	1,991,590	2,756,493
Total	231,113,648	194,821,320

Financial instruments where carrying value is equal to fair value

Due to their liquidity and short-term maturity, the carrying values of certain financial instruments approximate their fair values. Financial instruments where carrying value is equal to fair value include cash and cash equivalents, trade and other receivables, trade and other payables and amounts due to related parties.

7a Financial instruments by category (continued)

For financial assets and financial liabilities that are carried in the financial statements at amortised cost but for which fair value is required to be disclosed in accordance with IFRS 7, the table below summarises the level in the IFRS 13 fair value hierarchy in which the fair value measurement is categorised and a description of the valuation technique and the inputs used in the fair value measurement.

Liability	Categorisation of the fair value measurement in IFRS 13 fair value hierarchy	Valuation methodology used to determine fair value	Key assumptions in valuation methodology
Loan note – bank borrowing	Level 3	Discounted cash flow analysis	• Future cash flows • Current market interest rate at year end

A comparison of the fair value to the carrying value of bank borrowings is included in Note 16.

7b Credit quality of financial assets

The credit quality of financial assets that are fully performing can be assessed by reference to the Group's internal aged receivable analysis; customers with aging of 0 – 90 days are not considered past due or impaired.

	2016 $	2015 $
Trade receivables		
Group 1 – Customers (0 – 60 days)	1,458,644	1,250,639
Group 2 – Customers (61 – 90 days)	406,172	202,711
	1,864,816	1,453,350
Other receivables		
Group 1 – Non-trade customers (0 – 60 days)	482,343	223,755
Group 2 – Non-trade customers (61 – 90 days)	212,152	175,061
	694,495	398,816
	2,559,311	1,852,166

As of 30 November 2016, trade and other receivables of $2,559,311 (2015: $1,852,166) were fully performing.

As of 30 November 2016, trade receivables of $1,191,429 (2015: $994,547) were past due but not considered impaired. These relate to a number of independent customers for whom there is no recent history of default.

As at 30 November 2016, trade receivables of $591,243 (2015: $368,251) were impaired and provided for.

7b Credit quality of financial assets (continued)

	2016 $	2015 $
Cash		
Cash at bank and on hand	84,248,789	71,522,103

Cash and short term deposits are held only with reputable financial institutions.

8 Deferred income tax

Opening amount	4,729,278	6,331,401
Credit to consolidated income statement (Note 22)	(1,347,226)	(1,602,123)
Closing amount	3,382,052	4,729,278

The deferred income tax assets and liabilities at the end of the year are attributable to the following items:

Year ended 30 November 2016	**At 1.12.15 $**	**(Credit)/charge to ncome statement $**	**At 30.11.16 $**
Deferred income tax liabilities			
Accelerated tax depreciation	4,729,278	(693,553)	4,035,725
Deferred income tax assets			
Tax losses	--	(653,673)	(653,673)
	4,729,278	(1,347,226)	3,382,052

Year ended 30 November 2015	**At 1.12.14 $**	**(Credit)/charge to income statement $**	**At 30.11.15 $**
Deferred income tax liabilities			
Accelerated tax depreciation	6,331,401	(1,602,123)	4,729,278
	6,331,401	(1,602,123)	4,729,278

Tax losses of approximately $1.9 million (2015: $3 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

9 Inventories

	2016 $	2015 $
Food supplies and packaging materials	47,824,386	36,395,194
Consumable stores	12,260,920	10,124,910
	60,085,306	46,520,104

The cost of inventories recognised as expense and included in “cost of sales” amounted to $406,305,928 (2015: $390,035,904).

The write-down of inventories recognised as expense and included in “administrative expenses” amounted to $1,696,615 (2015: $525,547).

10 Trade and other receivables

	2016 $	2015 $
Trade receivables	3,647,488	2,816,148
Less: provision for impairment of trade receivables	(591,243)	(368,251)
	3,056,245	2,447,897
Prepayments	7,390,444	7,515,323
Other receivables	10,763,260	11,320,735
	21,209,949	21,283,955

Movements on the Group’s provision for impairment of trade receivables are as follows:

	2016 $	2015 $
At 1 December	368,251	368,251
Increase in provision	222,992	--
At 30 November	591,243	368,251

The carrying amount of the Group’s trade and other receivables are denominated in the following currencies:

	2016 $	2015 $
TT dollar	20,977,931	21,072,682
Other currencies	232,018	211,273
	21,209,949	21,283,955

11 Cash and cash equivalents

	2016 $	2015 $
Cash at bank and on hand	84,248,789	71,522,103

12 Share capital

	Common shares No. of shares	Common shares $
Balance at 1 December 2014	62,203,193	22,008,825
Shares issued	148,195	820,972
Balance at 30 November 2015	62,351,388	22,829,797
Balance at 1 December 2015	62,351,388	22,829,797
Shares issued	161,614	929,280
Balance at 30 November 2016	62,513,002	23,759,077

Authorised share capital

The parent company has an unlimited number of authorised common shares of no par value.

13 Other reserves

	Land revaluation $	Currency translation $	Total $
Balance at 1 December 2014	22,746,770	(4,343,768)	18,403,002
Currency translation differences	--	(294,273)	(294,273)
Balance at 30 November 2015	22,746,770	(4,638,041)	18,108,729
Balance at 1 December 2015	22,746,770	(4,638,041)	18,108,729
Currency translation differences	--	(199,625)	(199,625)
Balance at 30 November 2016	22,746,770	(4,837,666)	17,909,104

14 Other equity instrument

	2016 $	2015 $
Balance at 1 December	15,000,000	25,000,000
Redemptions during the year	(10,000,000)	(10,000,000)
Issued during the year	--	--
Balance at 30 November	5,000,000	15,000,000

These are amounts received from the ultimate parent company that can be redeemed or converted into common shares at the discretion of the Parent Company.

15 Unallocated shares held by ESOP

The Parent Company established an Employees' Profit and Share Ownership Plan (ESOP) for all permanent employees. The Trust Deed and Rules of the Plan have been approved by the Board of Inland Revenue under Section 35 of the Income Tax Act Chapter 75:01. The ESOP holds Parent Company shares as part of the ESOP arrangement.

Unallocated shares held by the ESOP are as follows:

	Ordinary shares No. of shares	Ordinary shares $
Balance at 1 December 2014	393,229	2,125,098
Shares allocated during the year	(81,833)	(775,490)
Balance at 30 November 2015	311,396	1,349,608
Balance at 1 December 2015	311,396	1,349,608
Purchase of shares	374,678	4,112,731
Shares allocated during the year	(183,596)	(1,886,599)
Balance at 30 November 2016	502,478	3,575,740

16 Borrowings

	2016 $	2015 $
Non-current		
Bank borrowings	80,500,000	94,500,000
Current		
Bank borrowings	14,000,000	14,000,000
Total borrowings	94,500,000	108,500,000

Parent company:

This loan represents a fixed rate TT dollar bond for $140 million at a rate of 6.25% per annum. Interest is payable quarterly. Principal is repayable by 40 quarterly equal instalments of $3.5m which commenced on 3 September 2013. The bond is secured by a registered demand first debenture on the fixed and floating assets of the parent company.

The fair values based on cash flows discounted using a current borrowing rate of 6% (2015: 6%) were $ 91,510,052 (2015: $105,214,772).

16 Borrowings (continued)

Parent company: (continued)

The Group has the following undrawn borrowing facilities:

	2016 $	2015 $
Floating rate:		
Expiring within one year (Interest rate ranges from 7%-7.5%)	14,500,000	14,500,000

These facilities are subject to review at various dates during 2017.

17 Trade and other payables

	2016 $	2015 $
Trade payables	102,307,506	65,411,085
Accrued expenses	26,221,440	18,455,479
Payroll related taxes and other benefits	17,972,008	13,593,195
	146,500,954	97,459,759

18 Related party balances and transactions

	2016 $	2015 $
a. *Due to related parties*		
Current		
Due to affiliated company	1,991,590	2,756,493
Prestige Holdings Limited conducted the following transactions with its related parties:		
Purchase of foods and related supplies	23,680,024	21,207,628
Lease of properties	1,419,156	1,322,195
b. *Directors' fees*	493,200	415,200
c. *Key management compensation*		
Salaries and other short-term benefits	8,574,773	7,711,050

19 Cost of sales

Cost of sales includes food supplies, packaging materials, labour and other costs directly related to the level of sales.

20 Expenses by nature

	2016 $	2015 $
The following items have been charged/(credited) in arriving at the operating profit:		
Cost of inventories (Note 9)	406,305,928	390,035,904
Employee benefit expense (Note 27)	159,213,295	151,861,440
Other expenses	77,643,227	71,370,484
Royalties	61,639,287	60,357,899
Operating lease expenses	54,419,273	50,943,812
Depreciation and amortisation	44,261,477	42,942,304
Advertising costs	40,266,338	39,332,551
Utilities	23,779,590	22,347,269
Repairs and maintenance on property, plant and equipment	23,717,535	23,090,068
Security	16,812,698	16,624,391
Insurance	5,657,685	5,634,000
Foreign exchange losses	2,967,988	539,707
(Profit)/loss on disposal of property, plant and equipment	(458,592)	367,747
Cost of sales, other operating and administrative expenses	916,225,729	875,447,576

21 Finance costs

	2016 $	2015 $
Bank borrowings - interest expense	6,234,375	7,109,375
Other interest expense	762,500	1,260,415
	6,996,875	8,369,790

22 Taxation

	2016 $	2015 $
Current tax	18,874,965	22,732,946
Prior year over provision	(4,749)	(460,405)
Deferred tax credit (Note 8)	(1,347,226)	(1,602,123)
	17,522,990	20,670,418

The taxation charge differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2016 $	2015 $
Profit before income tax	64,710,520	80,172,588
Tax calculated at 25%	16,177,630	20,043,147
Expenses not deductible for tax purposes	1,350,109	1,087,676
Prior year over provision	(4,749)	(460,405)
	17,522,990	20,670,418

The Group has accumulated tax losses of approximately $1.9 million (2015: $3 million) available for set off against future chargeable profits. These losses have not been recognised as a deferred tax asset due to the uncertain timing of recoverability.

23 Group earnings per share

a. *Basic*

Basic earnings per share is calculated by dividing the net profit attributable to equity holders by the weighted average number of common shares in issue during the year.

	2016	**2015**
Profit attributable to owners of the Parent Company	$47,187,530	$59,502,170
Weighted average number of common shares in issue during the year exclusive of ESOP shares	61,964,685	61,994,048
Basic earnings per share (exclusive of ESOP shares)	76.2¢	96.0¢

b. *Diluted*

For the diluted earnings per share, the weighted average number of common shares in issue is adjusted to assume conversion of all dilutive potential common shares. The share options allocated to employees and non-executive directors are based on the fair value of common shares at 30 November 2016.

	2016	**2015**
Profit attributable to owners of the parent company	$47,187,530	$59,502,170
Weighted average number of common shares in issue for diluted earnings per share	61,964,685	62,155,662
Diluted earnings per share (exclusive of ESOP shares)	76.2¢	95.7¢

24 Segment information – geographical segment

The Group is principally engaged in the restaurant industry (casual and quick service), operating the worldwide KFC, Pizza Hut, Subway,Starbucks and TGI Fridays concepts in Trinidad and Tobago and the TGIF Fridays concept in Jamaica. Management has determined the operating segments based on the reports reviewed by the Executive Committee and the Board of Prestige Holdings Limited.

The Executive Committee and the Board considers the business from a geographic basis consisting of local and overseas operations. Geographically, management considers the performance of operating companies in Trinidad and Tobago and Jamaica. The Executive Committee and the Board assess the performance of the operating segments based on a measure of revenue and profit before taxation.

Trinidad and Tobago is the home country of the Parent Company which is also the main operating Company. The Parent Company's principal subsidiaries operate in Jamaica. All companies operate in the restaurant sector and have been aggregated together based on the nature of products and services they provide, nature of production processes, type of customers, methods used to distribute products and services and the nature of the regulatory environment. This resulted in two operating segments, one for Trinidad and Tobago and another for the Group's overseas operations as shown below.

24 Segment information – geographical segment (continued)

The segment results for the year ended 30 November, 2016 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	973,103,029	12,415,176	985,518,205
Operating profit	71,039,508	667,887	71,707,395
Finance costs	(6,996,875)	--	(6,996,875)
Profit before income tax	64,042,633	667,887	64,710,520
Taxation	(18,258,963)	735,973	(17,522,990)
Profit for the year	45,783,670	1,403,860	47,187,530

The segment results for the year ended 30 November 2015 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	950,411,554	12,150,493	962,562,047
Operating profit	88,423,621	118,757	88,542,378
Finance costs	(8,369,790)	--	(8,369,790)
Profit before income tax	80,053,831	118,757	80,172,588
Taxation	(20,670,418)	--	(20,670,418)
Profit for the year	59,383,413	118,757	59,502,170

24 Segment information – geographical segment (continued)

Other segment items included in the consolidated income statement are as follows:

	Year ended 30 November 2016		
	Trinidad $	**Others $**	**Group $**
Depreciation	41,821,284	388,259	42,209,543
Amortisation	2,051,934	--	2,051,934

	Year ended 30 November 2015		
	Trinidad $	**Others $**	**Group $**
Depreciation	40,761,256	405,625	41,166,881
Amortisation	1,752,991	22,432	1,775,423

The segment assets and liabilities at 30 November 2016 and capital expenditure for the year then ended are as follows:

	Trinidad $	**Others $**	**Group $**
Assets	516,065,744	5,566,595	521,632,339
Liabilities	240,064,876	7,686,343	247,751,219
Capital expenditure	53,386,050	168,757	53,554,807

The segment assets and liabilities at 30 November 2015 and capital expenditure for the year then ended are as follows:

	Trinidad $	**Others $**	**Group $**
Assets	476,616,579	5,104,116	481,720,695
Liabilities	217,671,023	2,104,665	219,775,688
Capital expenditure	44,360,701	46,149	44,406,850

25 Dividends

On 22 February 2017, the Board of Directors of Prestige Holdings Limited approved a final dividend of 22 cents, bringing the total dividends for the financial year ended 30 November 2016 to 38 cents (2015: 38 cents).

26 Cash generated from operations

	2016 $	2015 $
Profit before income tax	64,710,520	80,172,588
Adjustments for:		
Depreciation and amortisation	44,261,477	42,942,304
Finance costs	6,996,875	8,369,790
Performance shares expense	(2,226,134)	775,490
Decrease in retirement benefit obligations	--	(48,413)
Foreign exchange differences	(35,116)	(69,916)
(Profit)/loss on disposal of property, plant and equipment	(458,589)	367,747
Changes in current assets and current liabilities:		
Increase in inventories	(13,565,202)	(495,286)
Decrease in trade and other receivables	74,006	1,831,998
Increase/(decrease) in trade and other payables	49,041,195	(2,843,077)
(Decrease)/increase in due to related parties	(764,903)	1,139,207
	148,034,129	132,142,432

27 Employee benefit expense

	2016	2015
Wages and salaries	141,806,159	133,493,168
Payroll related taxes and other benefits	16,613,918	17,440,336
Pension costs – defined contribution plan	793,218	697,159
Pension costs – defined benefit plan	--	230,777
	159,213,295	151,861,440

28 Commitments and contingent liabilities

Capital commitments

Capital commitments for the Group amounted to approximately $2.5 million at 30 November 2016 (2015: $2.6 million).

Lease commitments

The Group has lease arrangements for its various stores and administrative buildings. These range from a 1 to 20 year period with options to renew.

The Group's minimum lease commitments under the terms of various leases of property, plant and equipment used primarily for its restaurant operations, exclusive of any related value added tax, are as follows:

	2016 $	**2015 $**
Rentals due within one year	35,374,506	37,260,817
Rentals due between two to five years	95,078,173	86,968,695
Rentals due in more than five years	61,515,158	32,429,372
	191,967,837	156,658,884

Custom bonds

The Group has contingent liabilities in respect of custom bonds arising in the ordinary course of business from which it is anticipated that no material liabilities will arise as follows:

Custom bonds	1,025,000	1,025,000

Guarantee

The Group has a guarantee in favour of Comptroller of Customs and Excise for $600,000.

29 Subsequent events

The Finance (No. 3) Bill 2016 was passed in the House of Representatives on 9 November, 2016 and in the Senate on 20 December, 2016. It was assented to by the President on 23 December, 2016 (enactment date).

This resulted in a change of tax rates from 25% to 30% which will become effective from 1 January, 2017.

Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 144)

1. **Name of company:**
   Prestige Holdings Limited..Company No. P-130 (C)

2. **Particulars of meeting:**
   The Annual Meeting of shareholders of the Company to be held at No. 22 London Street, Port of Spain on Wednesday 26 April, 2017 at 10.00 a.m.

3. **Solicitation:**
   It is intended to vote the proxy hereby solicited by the management of the Company (unless the shareholder directs otherwise) in favour of all resolutions specified in the Proxy Form sent to the shareholders with this circular and, in the absence of a specific direction, in the discretion of the proxy holder in respect of any other resolution.

4. **Any director's statement submitted pursuant to section 76 (2):**
   No statement has been received from any director pursuant to section 76(2) of the Companies Act, Chapter. 81:01.

5. **Any auditors' statement submitted pursuant to section171 (1):**
   No statement has been received from the auditors of the Company pursuant to section 171(1) of the Companies Act, Chapter. 81:01.

6. **Any shareholder's proposal and/or statement submitted pursuant to sections 116(a) and 117(2):**

   No proposal or statement has been received from any shareholder pursuant to sections 116(a) and 117 (2) of the Companies Act, Chapter. 81:01.

Date	Name and title	Signature
March 29, 2017	Marlon Danglade Corporate Secretary	

Form of Proxy

REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 143(1))

1. Name of Company: **PRESTIGE HOLDINGS LIMITED** Company No. P-130(C)
2. Particulars of Meeting: Annual Meeting of Shareholders to be held at No. 22 London Street, Port of Spain on Wednesday 26 April 2017 at 10.00 a.m.

I/We.. of ....
(Block Letters) (Block Letters)

shareholder(s) of the above Company, hereby appoint the Chairman, Mr. Christian Mouttet or failing him ....

of ....
to be my/our proxy to vote for me/us on my/our behalf at the above meeting and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof, and in respect of the resolutions below to vote in accordance with my/our instructions below.

....
(Signature(s) of Shareholder(s)

Dated the .... day of .... 2017.

(Please indicate with an "X" in the spaces below your instructions on how you wish your votes to be cast. Unless otherwise instructed, the proxy may vote or abstain from voting as he/she thinks fit.)

Please consider the Notes **1 to 6** below for your assistance to complete and deposit this Proxy Form.

NOTES:

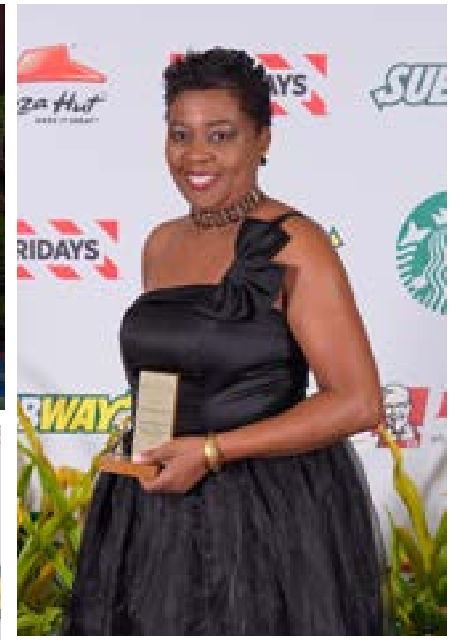
1. If it is desired to appoint as a proxy a person other than those named on the form, delete as necessary and insert the name and address of the person appointed.
2. If the Shareholder is a corporation, this Proxy Form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. A Shareholder that is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or governing body to represent it at this Annual Meeting.
4. In the case of a joint Shareholder, the names of all joint shareholders must be stated on the proxy form and all joint shareholders must sign the proxy form.
5. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
6. To be valid, the signed proxy form must be deposited at the Registered Office of the Company not more than at least 48 hours before the time of holding the Annual Meeting.

Return to:
Prestige Holdings Limited
47-49 Sackville Street
Port of Spain.

Form of Proxy

Resolution No.	Ordinary Business	For	Against
1	The Audited Financial Statements of the Company and its subsidiaries for the year ended November 30, 2016 together with the Reports of the Directors and the Auditors thereon be and the same are hereby received and adopted.		
2	Pursuant to the recommendation of the Directors, a final dividend of twenty-two (22) cents per common share for the year ended 30 November, 2016 be and the same is hereby declared, and that such dividend be paid on 18 May, 2017 to shareholders whose names appear on the register of members on 9 May, 2017.		
3	Mr. Martin de Gannes be and is hereby re-elected, a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
4	Mr. Neil Poon Tip who was appointed to the Board since the last Annual Meeting be and is hereby elected a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
5	Messrs. PricewaterhouseCoopers be and are hereby re-appointed as the Auditors of the Company to hold office until the close of the next Annual Meeting.		

10 years



Recognising longevity is part and parcel of our winning brand

15 years

Grateful appreciation for our seasoned employees

20 years

Loyalty and dedication flavours our brand

25 years

Immeasurable contributions over the years has added to our success

30 years

Outstanding service: the true essence of the brand

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company