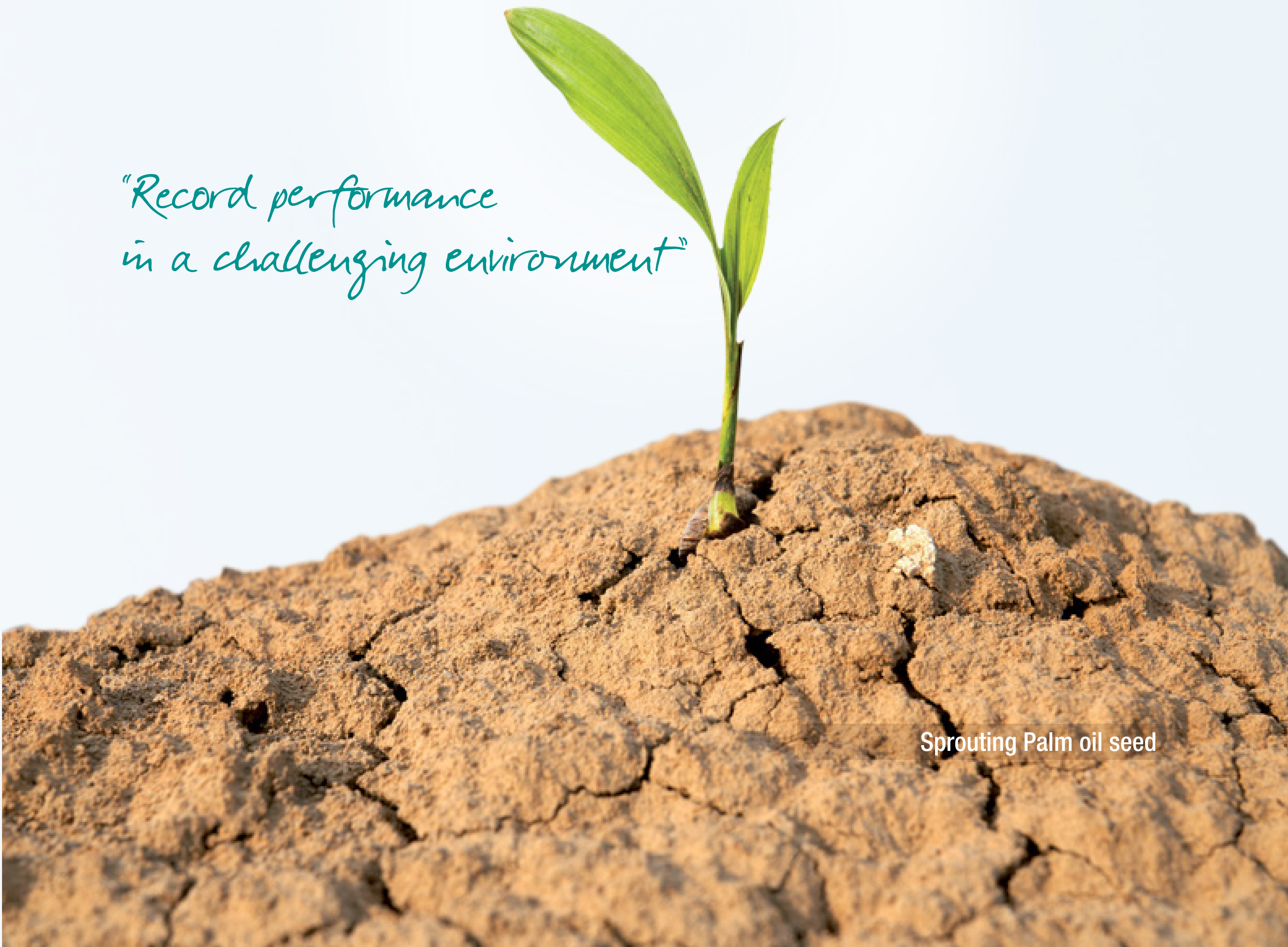
N.V. VSH FOODS

N.V. VSH FOODS Summary Annual Report 2022

"Record performance in a challenging environment"



Sprouting Palm oil seed

Table of content

Page 07
The Company

Page 08
Meet our Supervisory Board

Page 09
Meet our Management Team

Page 10
Report of the Supervisory Board to the shareholders

Page 12
Salient Figures

Page 13
Managing Director's Report

Page 19
Statement of Financial Position at 31 December 2022 before appropriation of net earnings

Page 20
Comprehensive Statement of Income for the year ended 31 December 2022

Page 21
Statement of Changes in Equity for the year ended 31 December 2022

Page 22
Statement of Cash Flows for the year ended 31 December 2022

Page 23
Summary of Notes to the Financial Statements

Page 33
Independent Auditor's Report

The Company

N.V. VSH FOODS was founded in 1960 in Suriname, South America and produces margarine, butter and shortening. In 1963, the Company started with the production of Gelebek (Yellow Bird) margarine and today, Gelebek, Golden Brand, Marigold, Golden Brand Slim, Baker's Choice and Bake 'n Fry are established brands in Suriname and in the Caribbean.

The Company is a member of the VSH Group of Companies. N.V. Verenigde Surinaamse Holding mij.-/ United Suriname Holding Company (VSH United), holds 65.34% of the shares of N.V. VSH FOODS.

Mission Statement

We commit ourselves to produce, market and distribute top quality margarine, butter and other foodstuff in a safe and hygienic manner at competitive prices. To ensure growth, profitability and continuity of the Company for the benefit of our customers, shareholders, employees and the community by producing these in an efficient manner from high quality raw materials with motivated and skilled employees and by guaranteeing supply to the market through aggressive marketing and sales channels.

By continuously monitoring and improving, where possible, the production process with the help of our quality system and thereby guaranteeing the market hygienic and safe products that comply with applicable legislation and the demands of our customers.

Core Values

To be a Champion for our Customers, Partners, Shareholders and in the Community we hold fast to these values:

Your success is our desire

Trust in our relationships and personally responsible for all our actions

Creating a better company for a better world

Meet our Supervisory Board

From left to right

Patrick Healy
Our Chairman of the Supervisory Board

Stephen Smit
Our Vice Chairman of the Supervisory Board

Paul Brahim
Our Member of the Supervisory Board

Alvin Venetiaan
Our Member of the Supervisory Board

Antoine Brahim
Our Member of the Supervisory Board

Meet our Management Team

From left to right

Marif Sastrodiwirjo
Our Sales Manager

Stephanie Sjauw
Our Purchasing Manager

Marlon Telting
Our Managing Director

Melisa Kartokromo - Ensberg
Our Operations Manager

Kitty Eduards
Our Finance Manager

Report of the Supervisory Board to the shareholders

To the Shareholders

We hereby present our report on the activities of the Supervisory Board in 2022.

The Supervisory Board performed its duties in accordance with Suriname law, the company's bylaws and Corporate Governance Code. We advised management on relevant issues and monitored management's performance in relation to set goals. The Management regularly informed us verbally and in writing on material aspects of the business, major events, competitor activities, investments, and transactions. We kept abreast of results, financial position, risks, and risk management.

Being eligible, the members Mr. P. Healy, Mr. S. Smit, Mr. A. Brahim, Mr. A. Venetiaan and Mr. P. Brahim were re-elected as members of the Supervisory Board of Directors.

All members offer themselves for re-election in the Annual General Meeting of Shareholders to be held on 23 June 2023.

Consultation and decision-making

The Supervisory Board held regular monthly meetings, 11 in total.

The Net Earnings in 2022 amounts to SRD 31,836,288 (Restated 2021: SRD 22,380,330)

Financial Statements and division of earnings

In compliance with the requirements of article 36 of the bylaw, Management presented the financial statements 2022 to the Supervisory Board on 09 June 2023.

These financial statements can be found on pages 19 to 22 of this annual report. The independent external auditor, Reliant Corporate Finance & Accountancy (RCFA) audited the financial statements. Their independent report can be found on pages 33 to 38.

The net earnings in 2022 amounts to SRD 31,836,288 (restated 2021: SRD 22,380,330).

An interim dividend of SRD 0.60 per share was paid in December 2022.

The Supervisory Board endorses the recommendation of the Management to pay a dividend of SRD 5.20 per share (2021: SRD 2.11) for the year. If approved, the balance of the net earnings amounting to SRD 25,175,936 will be added to retained earnings.

Supervisory Board changes and appointments

In accordance with article 7.20 of the bylaws, all Supervisory Board members stepped down in the Annual General Meeting of Shareholders of 25 March 2022.

The subjects discussed in these meetings included the financial position and results, company strategy/risk, company policies, business plans, health, safety and environment, management development and succession.

Corporate Governance

In the meeting of the supervisory board held on 21 January 2022, the internal audit plan for 2022 was presented by the Internal Audit Department and approved by the Supervisory Board. In the board meeting held on 14 November 2022, the Supervisory Board approved the 2023 operational plan, including the budget for capital expenditures as presented by Management.

Management remuneration was evaluated and approved in the board meeting held on 9 December 2022. The Board members regularly attended the board meetings.

In the meeting of the Supervisory Board held on 14 April 2023 the results of the internal audits 2022 were presented to the Supervisory Board, as well as the audit plan for 2023.

As of 09 June 2023, from the total of 1,280,837 outstanding shares 93,81% (2021: 93,35%) have been changed to registered shares.

Audit and Risk Committee

The board members A. Brahim (chairman), and members A. Venetiaan and P. Brahim form the Audit and Risk Committee (ARC). The ARC assists the Supervisory Board in its responsibility regarding the financial reports, the internal and external control systems, and the process of monitoring compliance with laws and regulations and the Corporate Governance Code of the Company.

Two Audit and Risk Committee meetings were held in 2022. The subjects discussed were the external auditors management letter, annual-and half-year reports, the overall management review and the follow up by management. Furthermore, the Internal Audit plan and the review of the Internal Audit plan were also discussed.

In 2022 a tender was held, and RCFA accountants was selected as the new auditor for the VSH Group.
The financial audits for the year 2022 was assigned to Reliant Corporate Finance & Accountancy (RCFA).
The previous auditor was Lutchman & Co and we hereby thank them for their services.

Performance of the Supervisory Board

The performance of the Supervisory Board was evaluated through a self-assessment by the members. Based upon individual appraisals by the members, the performance was found to be good. In the coming period the Board will support Management by focusing on enterprise risks, diversification, the strategic plan, succession and export opportunities.

Dividend Policy and Interim Dividend

The policy of the Company is to pay a dividend in the order of 30% to 35% of the net earnings, not including the other comprehensive income and unrealized exchange gains. Depending on circumstances, the Company may elect to deviate from this target based on the following considerations:

- Capital position
- Financial flexibility
- Leverage ratio's
- Strategic considerations

In line with good business practices, two (2) dividend payments (Interim and final) are recommended for the year to which it relates.

Management performance and Executive Performance Pay

On 19 May 2023, the Supervisory Board evaluated the overall performance of the Managing Director and found the performance to be satisfactory. Performance of the Managing Director is measured against a short term and a long term target. The annual short-term target is measured against financial and non-financial key performance indicators.

Based on the 2022 results, the agreed short-term target was achieved and a short-term bonus amounting to SRD 1,022,469 will be awarded to the Managing Director after approval of the financial statements by the Shareholders.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board of Directors amounts to SRD 232,800 per year and was last adjusted 1 April 2022. The Supervisory Board of Directors endorses the recommendation of the Management to increase the remuneration to SRD 354,060 per year, effective 1 July 2023.

Appreciation

The Supervisory Board is grateful for the contribution made by Management and by all the employees of the Company to the results of 2022. Their collective effort supported improved results under challenging local and regional market conditions.

Paramaribo, 09 June 2023

The Supervisory Board,

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

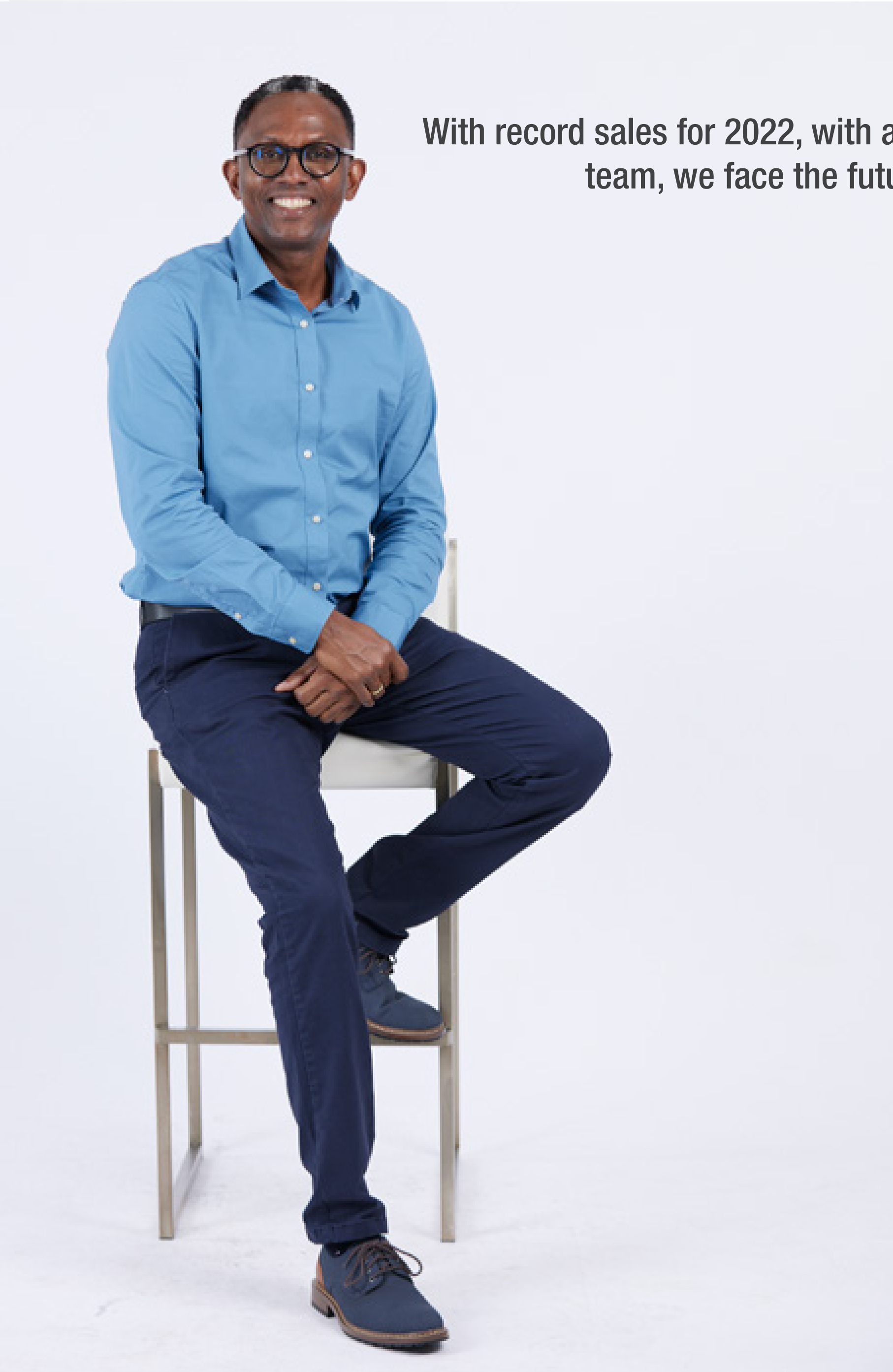
Salient Figures

in SRD	2022	2021[1]	2020[1]
Sales	213,897,983	124,324,435	62,592,017
Earnings before tax	46,419,083	38,035,013	(4,082,499)
Net earnings	31,836,288	22,380,330	(4,426,039)
Comprehensive income	30,611,737	21,581,808	(4,659,611)
Shareholders'equity	71,028,987	39,784,364	19,322,534
Liabilities	91,702,027	45,024,301	31,171,396
Total equity and liabilities	162,731,014	84,808,666	50,493,930
Per share of SRD 0.10			
Earnings	24.86	17.47	(3.46)
Cash dividend	5.20	2.11	-
Market value	21.05	17.00	17.00
USD exchange rates per end of year	32.00	21.65	17.50

[1] *Figures for 2020 and 2021 are converted to the IFRS*

Managing Director's Report

'Record performance in a challenging environment.'



With record sales for 2022, with an engaged and energized team, we face the future with great confidence.

Marlon Telting
Managing Director

Business environment

The year 2022 was again a very challenging year with continued uncertainties on many levels of the economy with further depreciation of the Suriname dollar and hyperinflation.
The government failed to successfully execute their macroeconomic reform plans to stabilize the Suriname economy. Availability of foreign exchange, especially US Dollars, led to increasing exchange rates. The official exchange rate was SRD 31.85[2] for the US Dollar at 30 December 2022 (December 2021: SRD 21.30). In 2022, Suriname recorded a twelve-month inflation rate of 54.6%[3] (2021: 60.7%).

Performance Highlights

(figures 2021 restated IFRS)

Sales

SRD 213.9M

(2021: SRD 124.3M)

Earnings from operations

SRD 40.6M

(2021: SRD 27.8M)

Earnings before tax

SRD 46.4M

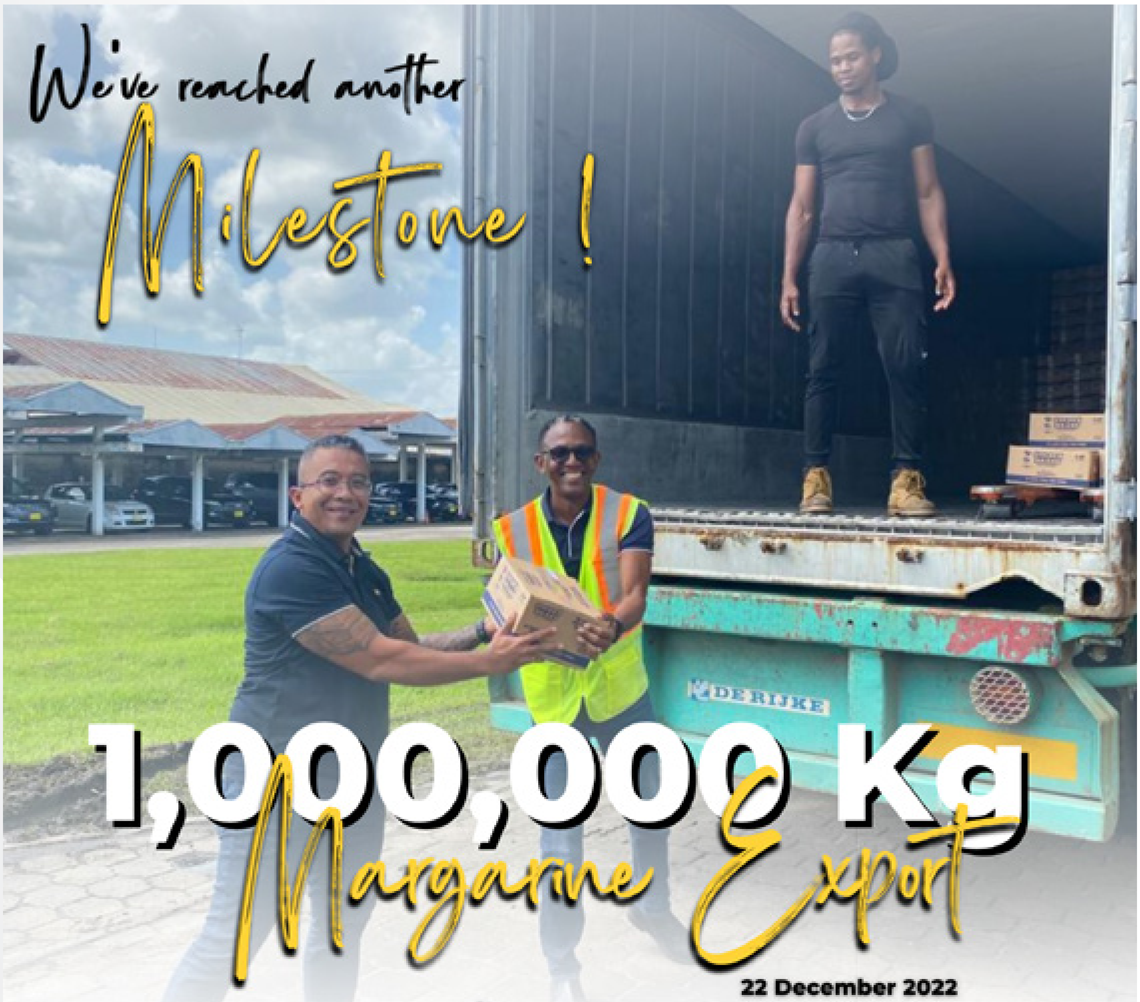
(2021: SRD 38.0M)

We delivered strong growth in a very challenging macroeconomic environment, with sales up by 72.0% to SRD 213,897,983. With this significant growth performance, export contributed to 36% of total sales. Earnings from operations grew by 45.9% to SRD 40,565,049. In the reporting period earnings before tax amounted to SRD 46,419,083, a growth of 22% compared to the SRD 38,035,013 reported in 2021.

Yet, despite the positive numbers, 2022 could actually have been even better.
The aftermath of COVID-19, the ongoing war in Ukraine and struggles with material shortages combined with capacity challenges caused significant turbulence and meant that we were unable to give our local customers and distributors in export markets what they needed all of the time.

Delivering on our business strategy and driven by higher demand we had to increase our production capacity. Although we have at times struggled operationally we managed to start with a 24 hour/ 5 day work week in the last quarter of 2022 in order to meet the demand.

[2] *Source: Centrale Bank van Suriname*
[3] *Source: General Bureau of Statistics Suriname*



In the export markets we operate in, we were able to deliver record sales and surpassed the magical 1 million kilograms in total export volume thanks in part to the dedication of our distributors. In the reporting period we have made significant progress in our export market position.

'Significant progress in our export market position'

The year 2022 is the first year of our Multi Year Plan 2022 – 2027 with the strategic aim to redesign our business model to generate other revenue streams outside the manufacturing environment. We have not yet commenced strategic activities for this alternative business model.

N.V. VSH ENERGY

As from 2015 N.V. VSH ENERGY is included in the statement of financial position as a subsidiary of N.V. VSH FOODS and is dormant.

Employees

At the end of 2022 we employed 68 persons. We agreed to a general salary increase for our personnel amounting to a total increase of 58.7% for 2022. The total personnel expenses were SRD 11,090,516 which represented a 55% increase versus 2021.

Our Employees Anniversaries 2022

From left to right
Hemantkoemar Oemrawsingh, Bartje Jaleti, Samantha Jungerman, Cherwin Matwirjo, Otlien Clydesdale and Krystal Wong A Foe.

Congratulations!

	Department	***Start***	***Anniversary***
• Hemantkoemar Oemrawsingh	Sales	20 July 1992	30 years
• Bartje Jaleti	Technical Service	1 October 1992	30 years
• Samantha Jungerman	Secretariat	1 January 2012	10 years
• Cherwin Matwirjo	Sales	15 October 2012	10 years
• Otlien Clydesdale	Production	1 January 2012	10 years
• Krystal Wong A Foe	Marketing	17 April 2012	10 years

Dividend

For 2022 the net earnings amounted to SRD 31,836,288. Management proposes a total dividend of SRD 6,660,352 or SRD 5.20 per share of nominal SRD 0.10 per share and the balance amounting to SRD 25,175,936 to be added to retained earnings.
This dividend proposal represents 30.1% of the net realized earnings which is in line with the Company's dividend policy of a 30% to 35% pay-out ratio. In the reported period the earnings per share amounted to SRD 24.86 per share (2021: SRD 17.47).

Looking at the remaining of 2023

The Suriname business environment is clouded by uncertainty due to a number of macroeconomic concerns including inflation and reduced consumer spending power. The exchange rate will remain a critical factor on the business.

Looking at the remaining months in 2023, we will have to deal with the uncertainties in the Suriname economy while keeping focus on increasing overall capacity and continue with our commercial strategies.

We will continue to improve the flexibility of our manufacturing capacity, our workforce and our supply chain to enable us to respond quickly and appropriately to the waves of uncertainty.

Teamwork, both within VSH FOODS and externally with our distributors in export markets, will be a crucial component if we are to achieve our growth ambition. We are confident that we will break records again in 2023.

'Our investments are set to increase capacity.'

Appreciation

First and foremost, we would like to express our sincerest appreciation for the trust and support to our shareholders and customers. We also would like to thank the Supervisory Board for their support during the year and in particular we wish to pay tribute to our employees, who have again displayed outstanding commitment, and without whom none of our achievements would have been possible.

Paramaribo, 09 June 2023

Marton Telting
Managing Director

Summary Financial Statements

Page 19
Statement of Financial Position
At 31 December 2022 before appropriation of net earnings

Page 20
Comprehensive Statement of Income
For the year ended 31 December 2022

Page 21
Statement of Changes in Equity
For the year ended 31 December 2022

Page 22
Statement of Cash Flows
For the year ended 31 December 2022

Page 23
Summary of Notes to the Financial Statements

Page 23 - 32
1. Information on the reporting entity
2. Basis of preparation
3. Significant accounting policies
4. Standards issued but not yet effective
5. Subsequent events

Statement of Financial Position
At 31 December 2022 before appropriation of net earnings

	At 31 December 2022 SRD	At 31 December 2021 SRD	At 1 January 2021 SRD
ASSETS			
Non-current assets			
Property, plant and equipment	42,106,488	29,246,067	18,888,059
Intangible assets	-	58,774	122,890
Equity investments	581,384	552,184	544,804
Total non - current assets	**42,687,872**	**29,857,025**	**19,555,753**
Current assets			
Inventories	55,430,413	37,729,812	21,944,044
Trade and other receivables	53,441,205	15,816,706	5,984,349
Income tax receivables	-	-	1,200,630
Cash and cash equivalents	11,171,524	1,405,122	1,809,154
Total current assets	**120,043,142**	**54,951,640**	**30,938,177**
Total Assets	**162,731,014**	**84,808,665**	**50,493,930**
EQUITY AND LIABILITIES			
Equity			
Share capital	2,277,049	1,540,566	1,245,261
Share premium	7,977,672	5,397,392	4,362,788
Other reserves	(2,256,645)	(1,032,094)	(233,572)
Retained earnings	31,194,623	11,498,170	13,259,289
Net earnings	31,836,288	22,380,330	688,768
Total equity	**71,028,987**	**39,784,364**	**19,322,534**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	21,936,954	13,770,444	4,792,581
Long- term employee benefit obligtions	1,256,724	870,142	555,426
Long-term borrowings	1,474,042	945,973	2,076,258
Long-term lease liability	-	105,104	2,007,170
Total non-current liabilities	**24,667,720**	**15,691,663**	**9,431,435**
Current liabilities			
Short-term provisions	-	947,971	475,033
Short-term employee benefit obligations	239,938	68,319	30,394
Short- term borrowings	22,761,689	8,256,959	10,970,443
Short- term lease liability	2,000,000	2,378,052	934,433
Inome tax payables	8,312,265	4,701,549	-
Trade and other payables	33,720,415	12,979,788	9,329,658
Total current liabilities	**67,034,307**	**29,332,638**	**21,739,961**
Total Equity and Liabilities	**162,731,014**	**84,808,665**	**50,493,930**

Paramaribo, 09 June 2023

Supervisory Board

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

Managing Director

M. Telting

Comprehensive Statement of Income For the year ended 31 December 2022

	2022 SRD	2021 SRD
Sales	213,897,983	124,324,435
Cost of sales	(142,145,210)	(75,208,733)
Gross profit	**71,752,773**	**49,115,702**
Personnel expenses	(11,118,716)	(7,176,703)
Distribution expenses	(2,716,630)	(2,038,372)
Administrative expenses	(14,985,168)	(10,127,524)
Depreciation / amortization expenses	(2,367,210)	(1,971,721)
Total expenses from operations	**(31,187,724)**	**(21,314,320)**
Earnings from operations	**40,565,049**	**27,801,382**
Finance costs	(1,483,660)	(1,022,370)
Foreign currency exchange rate (losses) / gains	(3,622,907)	(2,457,346)
Investment income	29,520	9,225
Net monetary gains / losses	9,713,740	12,967,358
Other non-operating income	1,217,341	736,764
Earnings before tax	**46,419,083**	**38,035,013**
Income tax	(14,582,795)	(15,654,683)
Net earnings for the year	**31,836,288**	**22,380,330**
Other comprehensive income / (loss) **Items that will not be reclassified to profit or loss**		
• Actuarial loss on post-retirement obligation	(1,913,361)	(1,247,690)
• Income tax on defined benefit obligation	688,810	449,168
• Other comprehensive income net of taxes	(1,224,551)	(798,522)
Total comprehensive income	**30,611,737**	**21,581,808**
EARNINGS PER SHARE		
Weighted average number of shares outstanding	1,280,837	1,280,837
Earnings per share	24.86	17.47
DIVISION OF NET EARNINGS		
Interim dividend	768,502	768,502
Final dividend	5,891,850	1,934,064
Addition to retained earnings	25,175,936	19,677,764
	31,836,288	**22,380,330**

Paramaribo, 09 June 2023

Supervisory Board

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

Managing Director

M. Telting

Statement of Changes in Equity
For the year ended 31 December 2022

in SRD	Share capital	Share premium	Retained earnings	Other Reserves	Total
Restated equity at 1 January 2021 after appropriation of earnings	**1,245,261**	**4,362,788**	**13,948,057**	**(233,572)**	**19,322,534**
Net earnings (GAAP) for the year	-	-	13,482,973	-	13,482,973
Interim dividend	-	-	(768,502)	-	(768,502)
Hyperinflation adjustments	295,305	1,034,604	5,818,130	-	7,148,039
IFRS adjustments on DBO	-	-	1,270,832	-	1,270,832
Other IFRS adjustments	-	-	123,025	-	123,025
Equity investment	-	-	3,985	-	3,985
Accumulated other comprehensive income	-	-	-	(798,522)	(798,522)
Equity at 31 December 2021 before appropriation of earnings	**1,540,566**	**5,397,392**	**33,878,500**	**(1,032,094)**	**39,784,364**
Appropriation of earnings					
Final dividend	-	-	(1,934,064)	-	(1,934,064)
Restated equity at 1 January 2021 after appropriation of earnings	**1,540,566**	**5,397,392**	**31,944,436**	**(1,032,094)**	**37,850,300**
Net earnings for the year	-	-	31,836,288	-	31,836,288
Other comprehensive income	-	-	-	(1,224,551)	(1,224,551)
Interim dividend	-	-	(768,502)	-	(768,502)
Hyperinflation adjustments on equity	736,483	2,580,280	-	-	3,316,763
Equity investment	-	-	18,689	-	18,689
Equity at 31 December 2022 before appropriation of earnings	**2,277,049**	**7,977,672**	**63,030,911**	**(2,256,645)**	**71,028,987**
Appropriation of net earnings					
Proposed Final dividend	-	-	(5,891,850)	-	(5,891,850)
Equity at 31 December 2022 after appropriation of earnings	**2,277,049**	**7,977,672**	**57,139,061**	**(2,256,645)**	**65,137,137**

Paramaribo, 09 June 2023

Supervisory Board

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

Managing Director

M. Telting

Statement of Cash Flows
For the year ended 31 December 2022

	2022	2021
Cash flows from operating activities		
Earnings before tax	46,419,083	38,035,013
Adjusted for:		
- Depreciation and amortization expenses in operational expenses	2,367,210	1,971,721
- Depreciation cost in cost of sales	4,300,421	2,517,646
- Monetary gains and losses	(9,713,740)	(12,967,358)
- Disposal of property, plant and equipment	(6,517)	-
- Provision product warranty	(942,885)	476,963
- Other income	(28,507)	-
- Personnel costs related to jubilee	558,201	352,641
- Personnel costs related to defined benefit pension obligation	(1,913,362)	(1,247,690)
- Revaluation result	794,614	581,648
- Investment income	(29,520)	(9,225)
- Finance costs	1,483,660	1,022,370
Changes in working capital:		
- Change in inventories	(17,700,601)	(15,785,768)
- Change in trade and other receivables	(37,624,499)	(9,832,357)
- Change in trade and other payables	20,740,627	3,650,130
- Adjustment regarding payables	(246,455)	121,272
Cash generated / (used in) from operations	**8,457,731**	**8,887,006**
Claims paid	(5,086)	(4,025)
Payment regarding defined benefit obligation	(96,025)	-
Paid interest on borrowings	(1,430,545)	(877,164)
Paid income tax	(4,354,595)	(458,137)
Net cash generated / (used in) from operating activities	**2,571,480**	**7,547,680**
Cash flows from investing activities		
- Investment in property, plant and equipment	(4,082,031)	(2,142,202)
- Dividend received	29,520	9,225
Net cash used in investing activities	**(4,052,511)**	**(2,132,977)**
Cash flows from financing activities		
- (Repayments) and proceeds of borrowings	15,032,799	(3,843,768)
- Payments of lease liability	(1,337,263)	(1,260,447)
- Dividend paid	(2,448,103)	(714,520)
Net cash (used in) / generated from financing activities	**11,247,433**	**(5,818,735)**
Net increase / (decrease) in cash and cash equivalents for the year	9,766,402	(404,032)
Cash and cash equivalents at 1 January	1,405,122	1,809,154
Cash and cash equivalents at 31 December	**11,171,524**	**1,405,122**

Paramaribo, 09 June 2023

Supervisory Board

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

Managing Director

M. Telting

Summary of Notes to the Financial Statements

1. Information on the reporting entity

N.V. VSH FOODS is a company registered and domiciled in Suriname. The Company's registered office is at Indira Gandhiweg 157, Paramaribo Suriname. The financial statements refer to the Company's financial statements as at and for the year ended 31 December 2022. The Company is involved in the manufacturing of butter, margarine and shortening and sale and distribution of its products. The Company has a manufacturing plant at above mentioned address and sells in Suriname and the Caribbean.

N.V. VSH ENERGY is a wholly-owned (100%) and a dormant subsidiary of N.V. VSH FOODS.

The immediate and ultimate holding company of N.V. VSH FOODS, is N.V. Verenigde Surinaamse Holdingmij-/ United Suriname Holding Company (VSH United). VSH United holds a majority share of 65.34% in the Company.

These financial statements have been prepared by the Management of the Company and were authorized for issue by the Supervisory Board on 09 June 2023.

2. Basis of preparation

2a. Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and interpretations (collectively IFRSs) and in compliance with the revised act on annual reporting (Wet op de Jaarrekening 2017 no.84, SB 2022 no.17). For all periods up to and including the year ended 31 December 2021, the company prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP). These financial statements for the year ended 31 December 2022 are the first the Company has prepared in accordance with IFRS. The Company's transition date is 1 January 2021. This involved a detailed IFRS conversion exercise to identify all significant differences between the accounting policies previously applied under GAAP to that required by IFRSs ('gap analysis'). The Company believes that it has adopted IFRS to the best of their abilities and will further improve the application robustness of IFRS in their accounting system and comprehensive financial statements.

2b. Basis of measurement

The financial statements have been prepared on a historical cost basis except for the following items:

- Financial instruments at current cost;
- Equity instrument at fair value;
- Employee benefit obligations: plan assets at fair value, liabilities at present value.

2c. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Surinamese Dollars (SRD), which is the Company's presentation and functional currency. All financial information presented in SRD has been rounded to the nearest dollar.

2d. Use of estimates, judgments and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The use of available information and application of judgement are inherent in the formation of estimates. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described in employee benefit obligation. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Management have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.
Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2e. First-time adoption of IFRS

These financial statements, for the year ended 31 December 2022, are the first the Company has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2021, the Company prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP). Accordingly, the Company has prepared financial statements that comply with IFRS applicable as at 31 December 2022, together with the comparative period data for the year ended 31 December 2021, as described in the summary of effects of adopting IFRS on financial statements. In preparing the financial statements, the Company's opening statement of financial position was prepared as at 1 January 2021, the Company's date of transition to IFRS. This note explains the principal adjustments made by the Company in restating its Local GAAP financial statements, including the statement of financial position as at 1 January 2021 and the financial statements as of, and for, the year ended 31 December 2021.

Exemptions applied

IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IFRS. The Company has applied the following exemptions:

Equity instruments

The Company has designated investments in equity instruments at fair value through retained earnings on the basis of the facts and circumstances that exist at 1 January 2021.

Deemed cost

The company elected to use the Local GAAP valuation of each item of property, plant and equipment at the date of transition to IFRSs as deemed cost, since the valuation based on Local GAAP was, broadly comparable to cost or depreciated cost in accordance with IFRS. Items of property, plant and equipment are therefore carried in the IFRS based statement of financial position at the date of transition to IFRS based on the valuations in accordance with the Local GAAP as of 1 January 2021. Additionally, adjustments for changes in the general price index have been applied in accordance with IAS 29: Financial Reporting in Hyperinflationary Economies (see also section A).

Leases

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2018. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before 1 January 2018. The lease payments associated with leases for which the lease term ends within 12 months of the date of transition to IFRS and leases for which the underlying asset is of low value have been recognized as an expense on either a straight-line basis over the lease term or another systematic basis.

Borrowing Costs

The Company has applied the transitional provisions in IAS 23 Borrowing Costs and capitalizes borrowing costs relating to all qualifying assets after the date of transition. Similarly, the Company has not restated borrowing costs capitalized under Local GAAP on qualifying assets prior to the date of transition to IFRS.

Estimates

The estimates at 1 January 2021 and at 31 December 2021 are consistent with those made for the same dates in accordance with Local GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Local GAAP did not require estimation:

- Pensions and other postemployment benefits
- Investments in equity instruments

The estimates used by the Company to present these amounts in accordance with IFRS reflect conditions at 1 January 2021, the date of transition to IFRS and as at 31 December 2021.

3. Significant accounting policies

3a. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.
An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Company classifies all other liabilities as non-current.

3b. Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the Company at the free-market exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency at reporting date are translated to the functional currency at the exchange rate at that date. Foreign exchange differences are recognized in the comprehensive statement of income and shown as a separate expense line.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

in SRD	2022	2021
USD	32.00	21.65
EURO	34.13	24.53

3c. Hyperinflationary functional currency (IAS 29)

Due to the rapid devaluation of the Surinamese dollars, Suriname is considered hyperinflationary and as a result, the application of IAS 29 was adopted.
Suriname has been identified as a hyperinflationary economy based on the three year cumulative inflation rates of 169% and 299%, measured at year end 2021 and 2022 respectively. Other hyperinflationary characteristics of the economic environment were identified, such as (i) the general population regards monetary amounts in terms of a relatively stable foreign currency as prices are often quoted in stable foreign currency, (ii) sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power, and (ii) the general population prefers to keep wealth in non-monetary assets or in a relatively stable foreign currency.

The financial statements of 2021 had been restated for the change in the general purchasing power retrospectively since 1 January 2021. The financial statements are based on a historical cost approach. Hyperinflationary accounting leads to the recognition of gains or losses due to net monetary item exposures, which resulted in a restatement on non-monetary items.

The restatements for the PP&E and Intangible assets were calculated using the conversion factors derived from the Consumer Price Index (CPI), published by the General Bureau of Statistics of the Republic of Suriname. The CPIs for the five years ending 31 December 2022 are as follows:

• **2018:**	137.60
• **2019:**	143.40
• **2020:**	230.50
• **2021:**	370.40
• **2022:**	572.50

In instances where Consumer Price Index (CPI) information were not available the Company restated non-monetary items using the USD exchange rates to reflect the changes in general purchasing power.

The historical exchange rate for the SRD against the USD published by the Central Bank of Suriname for the five years ended 31 December 2022 are as follows:

• **2018:**	7.52
• **2019:**	7.52
• **2020:**	14.29
• **2021:**	21.30
• **2022:**	31.85

Restatement of the comprehensive statement of income and inventory were not performed because transactions included in the afore-mentioned statement already sufficiently reflect changes to the general price index.

3d. Property, Plant and Equipment (PP&E)

All property, plant and equipment are initially recorded at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated using the straight-line method to write off the costs of individual assets to their residual values over their estimated useful lives as follows:

• **Buildings**	10 - 40	years
• **Land improvements**	5 - 10	years
• **Machinery and equipment**	5 - 10	years
• **Motor vehicles**	5	years
• **Other assets**	3 - 5	years
• **Land is not depreciated**		

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

When a major repair is performed, its cost is derecognized in the carrying amount of the PP&E and the replacement asset is recognized as a separate asset, if the recognition criteria are satisfied. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the comprehensive statement of income within 'other non-operating income'.

Investments in progress are carried at cost on the basis of expenditure at reporting date. Investments in progress are not depreciated. Upon completion, the total costs are transferred to the relevant PP&E.

3e. Intangible assets

Intangible assets with finite useful lives, are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives of the related assets. The amortization expense on intangible assets with finite lives is recognized in the statement of income under amortization. The current estimated useful life is 3-5 years.
Costs associated with the maintenance of existing Intangible assets are expensed as incurred.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income.

3f. Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Property and equipment and Right of use assets (Note 6)
- Intangible assets (Note 7)

The policy of the Company is to assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.
The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3g. Subsidiary

The subsidiary is the entity in which the Company has control, defined as the power to govern the financial and operating policies so as to obtain benefits from their activities. In 2014 N.V. VSH ENERGY was established and is dormant.

3h. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity. Financial instruments carried on the statement of financial position include long-term investments, trade and other receivables, cash and cash equivalents, trade and other payables and long and short-term borrowings.

Financial assets

The Company classifies its financial assets and financial liabilities in the following measurement categories:

- Those to be measured at fair value (through statement of comprehensive income)
- Those to be measured at amortized cost

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Equity instruments

Equity instruments consist of investments in shares of listed companies. The shares are measured at their fair value, which is the closing price of the last trading session of the stock exchange in December 2022, where the shares are listed.

Debt instruments

Debt instruments are measured at amortized cost. Amortized cost represents the net present value (NPV) of the consideration receivable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents;
- Trade and other receivables.

Due to their short-term nature, the Company initially recognizes these assets at the original invoiced or transaction amount.

Financial liabilities

Financial instruments carried on the statement of financial position include trade and other payables and long and short-term borrowings.

The Company classifies its financial liabilities in the following measurement categories:

- Those to be measured at fair value
- Those to be measured at amortized cost (subsequent measurement only)

Trade payables are measured at fair value.
Borrowings are recognized at the fair value of the consideration received net of transaction costs.
After the initial recognition interest bearing loans are subsequently measured at amortized cost.
Some overdraft accounts earn an interest if the account is in a surplus.

3i. Inventories

Inventories are stated at the lower of weighted average cost. Costs comprise direct materials and all costs incurred to bring inventories to their present location and condition. Finished goods are valued based on the raw and packaging materials, direct labor and other overhead costs.

3j. Trade and other receivables

Trade and other receivables are measured at original invoice value less any expected credit loss.
Trade receivables do not carry interest.

3k. Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and cash on hand. Cash and cash equivalents are carried at cost, based on the relevant exchange rates at the reporting date. Cash and cash equivalents is at free disposal of the Company.

3l. Provisions

Provisions are recognized for actual (legal or constructive) obligations, existing at reporting date and arising from past events, for which It is probable that an outflow of economic benefits will be required to settle the obligation.

3m. Income tax and deferred tax liabilities

Current tax
Taxes on income are accrued in the same period as the revenues and expenses to which they relate. Current tax receivables and payables for the current and prior periods are measured at nominal value at the amount expected to be recovered from or paid to the Tax Authorities. The tax rates and the tax laws used are those that are enacted or substantively enacted at reporting date.

Deferred tax
Deferred taxes are recorded, using the reporting date method, for temporary differences between the carrying amounts of assets and liabilities for commercial purposes and the amounts used for taxation purposes. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss.
Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

3n. Employee benefits

Post-employment benefits Pensions
The Company operates a defined benefit pension plan, which requires contributions to be made to a separately administered fund, covered in the Stichting VSH Pensioenfonds. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.
The Company recognizes the following changes in the net defined benefit obligation under 'personnel expenses' in the comprehensive statement of income (by function):

- Service costs comprising current service costs and past-service costs
- Net interest expense or income

The VSH Pension Plan also includes provisions for widows and orphans, which is based on an actuarial calculation. The Company's contribution is recorded under personnel expenses in the statement of income.

Short term employee benefits paid annual leave
Paid annual leave per employee is re-calculated per balance sheet date and the liability is reserved.
This transaction is recognized in the comprehensive statement of income.

Employees are awarded a jubilee payment for employment service exceeding ten years up to a maximum of forty service years. This is measured at the present value of the liability and is determined by internal calculations using clear demographic and financial assumptions.
With the recognition of the jubilee obligation the Company partly adopted IAS 19 'Employee Benefits' as of 1 January 2021. The jubilee obligation is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.
The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the obligation due to the passage of time is recognized as a finance cost. The Company applied a prospective approach for the recognition of the jubilee obligation.

Profit-sharing and bonus payments

Within the Company an executive performance pay system for the managing director is applicable, which is split in three areas:

- a year-end bonus, recognized upon payment at the end of the year
- a short-term bonus, recognized as a provision in the comprehensive statement of income within the year the performance targets are met. The actual payment is made after the financial statements are approved by the Annual General Meeting of Shareholders.
- a long-term bonus, recognized as a provision in the comprehensive statement of income after the financial statements are approved by the Annual General Meeting of Shareholders.

3o. Leases

The Company leases computers and motor vehicles. Lease contracts are typically made for fixed periods of 3 - 5 years. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leases are recognized as a Right-Of-Use (ROU) asset and a corresponding liability at the lease commencement date.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external sources that reflect the terms of the lease and the type of asset leased.

The ROU asset is measured at cost comprising of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.
The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.
The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

ROU assets are included in the heading Property, plant and equipment, and the lease liability is shown separately under Non-current and Current liabilities. The ROU for leased motor vehicles ended in the current year. The residual value is transferred to motor vehicles.

Short-term leases and leases of low value assets
The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets (less than USD 5,000) and short-term leases (shorter than twelve months). The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3p. Trade and other payables

Trade and other payables are stated at nominal value. Trade payables do not carry interest.

3q. Revenue

Revenue from the sale of products in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of sales taxes, customer discounts and other sales related discounts. Revenue from the sale of products is recognized in the statement of income, when performance obligations are satisfied, and the significant risk and rewards of ownership have been transferred to the buyer.

3r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4. Standards issued but not yet effective

- **New and amended standards and interpretations**
  Below is a summary of the new and revised IFRS standards effective for the reporting period ending December 31, 2022, and evaluated by Management with an assessment of the impact on the Company.
  Several amendments and interpretations apply for the first time in 2022 but do not impact the Company's financial statements. These are also described in more detail below.

- **Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37**
  An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.
  The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labor and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
  The amendments are effective for annual reporting periods beginning on or after 1 January 2022 These amendments had no impact on the financial statements of the Company as there were no onerous contracts that arose during the period.

- **Reference to the Conceptual Framework – Amendments to IFRS 3**
  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 replaces a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.
  These amendments had no impact on the financial statements of the Company as IFRS 3 is not relevant to the financial statements.

- **Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16** The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. In accordance with the transitional provisions, the Company applies the amendments retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).
  These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

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

  In May 2020, the International Accounting Standards Board (Board) issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards as part of Annual Improvements to IFRS Standards 2018–2020.
  The amendment to IFRS 1 simplifies the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences and is effective for annual reporting periods beginning on or after 1 January 2022.
  These amendments had no impact on the Company as there were no cumulative translation differences in the financial statements.

- **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

  The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement.
  These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

- **IAS 41 Agriculture – Taxation in fair value measurements**

  The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.
  These amendments had no impact on the financial statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.

- **Value added tax (VAT)**

  On August 30, 2022, the Surinamese parliament passed legislation to cease the turnover tax and introduce a VAT system as stated in the Value Added Tax Act 2022 effective 1 January 2023.
  The Company is currently implementing the VAT system within its operations and financial system.

5. Subsequent events

- **N.V. VSH Energy dissolvement**
  The decision has been taken to dissolve VSH Energy. The dissolution process will start in 2023 and has been approved by the Supervisory Board.

- **New warehouse and office approval**
  On 14 April 2023 the planning to build a warehouse and offices was approved by the Supervisory Board. To finance this project the company will signed a 8,5 year loan of SRD 70,000,000 with a bank. The project will start in the same year.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To: The shareholders and supervisory board of N.V. VSH FOODS

Our Opinion

The summary financial statements, which compromise the summary statement of financial position as at December 31, 2022, the summary statement of comprehensive income, summary statement of changes in equity, and summary statement of cashflows for the year then ended and related notes are derived from the complete audited financial statements of N.V. VSH FOODS ("the Company") for the year ended December 31, 2022.

In our opinion the accompanying summary financial statements are consistent, in all material respects with the audited financial statements 2022, in accordance with International Financial Reporting Standards "IFRS". In addition to the summary financial statements and our auditor's report thereon, the summary financial statements contain other information that consists of the reports of the Supervisory Board and Managing Director.

Our opinion on the summary financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so consider whether the other information is materially inconsistent with the summary financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The audited financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the financial statements in our report dated June 9, 2023, in accordance with IFRS.

That report also includes:

- The communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement of the current period. These matters are related to the First Time Adoption of IFRS and the IFRS accounting treatment adopted by the Company.
- Another matter relating to the predecessor auditor who expressed an unmodified opinion of the financial statements for the years ending 2020 and 2021, which were prepared in accordance with local Generally Accepted Accounting Principles (local GAAP).

Responsibilities of Management for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with IFRS.

Auditor's Responsibilities for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Paramaribo, June 9, 2023

Rcfa

Reliant Corporate Finance & Accountancy
Ref: N. Gangaram-Panday CA CPA, Partner

DNV

MANAGEMENT SYSTEM CERTIFICATE

Certificate no.: 277803 -2018 -AFSMS -NLD -RvA

Initial certification date: 30 October 2012

Valid: 20 June 2021 – 19 June 2024

This is to certify that the management system of

N.V. VSH FOODS

Indira Gandhiweg 157, Paramaribo, Suriname

has been found to conform to the Food Safety Management System standard:

ISO 22000:2018

This certificate is valid for the following scope:

The production and distribution of butter, margarine, spreads and industrial fats (category CIV).

Place and date:
Barendrecht, 04 June 2021

For the issuing office:
DNV - Business Assurance
Zwolseweg 1, 2994 LB Barendrecht, Netherlands

MGMT. SYS.
RvA C 024

J.H.C.N. van Gijlswijk
Management Representative

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