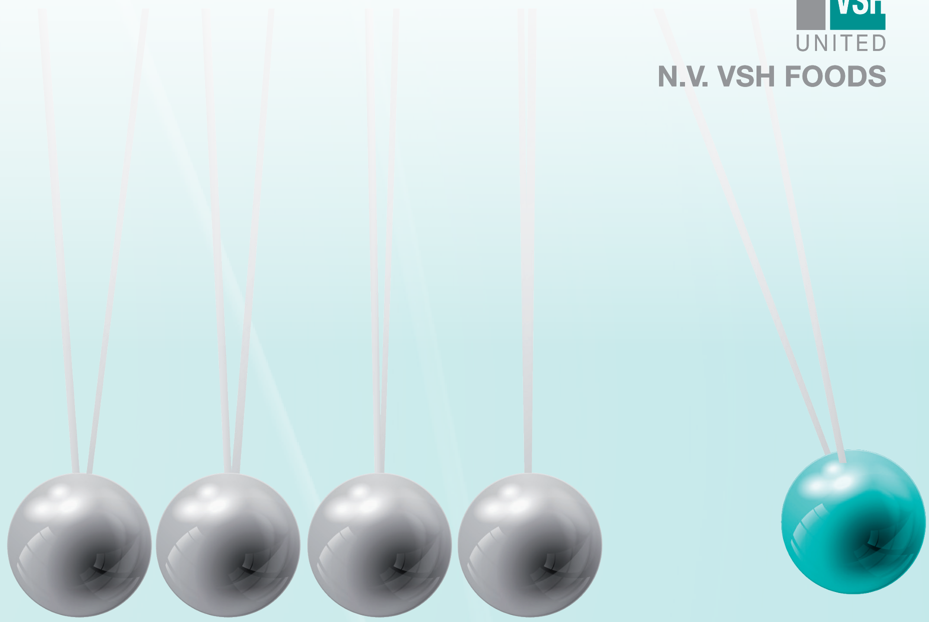
UNITED
N.V. VSH FOODS



N.V. VSH FOODS SUMMARY ANNUAL REPORT 2023

"COMMITMENT IS THE IGNITOR OF **MOMENTUM.**"

- PEGGY WOOD -

VSH FOODS

60 YEARS 1963-2023 CELEBRATION

Loading of containers for export customers.

TABLE OF CONTENT

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 and Baker's Choice 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 Core Values.

60 YEARS OF COOKING, SPREADING AND BAKING

1963

16 October 1963
The official opening of the Margarine & Vettenfabriek N.V. by H.E. A. Currie Governor of Suriname.

1963
Gelebek margarine is the first brand manufactured by N.V. Margarine & Vettenfabriek.

1973 and 1975

1973
Start production of Golden Brand.

1975
Start production of Marigold Fijne boter.

1982

Start production of margarine for food service under the Baker's Choice brand.

2001 and 2003

2001
VSH United acquired shares in Margarine en Vettenfabriek N.V. to 55.6% and became the majority shareholder of the Company.

2003
1st export to Curaçao.

2003
HACCP certified.

1963 | 1973 | 1975 | 1982 | 2001 | 2003

2004 and 2005

2004
1st export to Trinidad & Tobago.

2005
1st export to Jamaica.

2009

2009
The Company name changed into N.V. VSH FOODS (formerly Margarine en Vettenfabriek N.V.)

2015 and 2016

2015
Start production of Golden Brand 2-sticks.

ISO 22000: 2005 certified.

2016
Start production of Golden Brand Spreadable.

Start production Golden Brand 4-half sticks for export.

2021 and 2023

2021
ISO 22000: 2018 certified.

2023
In the third quarter of 2023 we started construction for the first phase of the masterplan.

16 October 2023
VSH FOODS 60 year celebration.

2004 2005 2010 2015 2016 2021 2023

MEET OUR SUPERVISORY BOARD

Patrick Healy
Chairman of the
Supervisory Board

Stephen Smit
Vice Chairman of the
Supervisory Board

Antoine Brahim
Member of the
Supervisory Board

Paul Brahim
Member of the
Supervisory Board

Alvin Venetiaan
Member of the
Supervisory Board

MEET OUR MANAGEMENT TEAM

Front, from left to right

Marlon Telting
Managing Director

Marif Sastrodiwirjo
Sales Manager

Back, from left to right

Melisa Kartokromo - Ensberg
Operations Manager

Berto Sampi
Purchasing Manager

Kitty Eduards
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 2023.

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.

FINANCIAL STATEMENTS AND DIVISION OF EARNINGS

In compliance with the requirements of article 36 of the bylaw, Management presented the financial statements 2023 to the Supervisory Board on 11 April 2024.

These financial statements can be found on pages **24 to 27** 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 **35 to 36**.

The net earnings in 2023 amounts to

SRD 61,165,288

(Restated 2022: SRD 36,382,207)

An interim dividend of SRD 0.60 per share was paid in December 2023.

The Supervisory Board endorses the recommendation of the Management to pay a dividend of SRD 6.50 per share (2022: SRD 5.20) for the year. If approved, the balance of the net earnings amounting to SRD 52,839,848 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 23 June 2023.

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

All members except for Mr. S. Smit offer themselves for re-election in the Annual General Meeting of Shareholders to be held on 30 April 2024. Mr. S Smit has reached the retirement age of the board and will step down.

CONSULTATION AND DECISION-MAKING

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

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

CORPORATE GOVERNANCE

In the meeting of the Supervisory Board held on 14 April 2023, the internal audit plan for 2023 was presented by the Internal Audit Department and approved by the Supervisory Board. In the board meeting held on 21 October 2023 the Supervisory Board approved the 2024 operational plan, including the budget for capital expenditures as presented by Management.

Management remuneration was evaluated and approved in the board meeting held on 8 December 2023.

In the meeting of the Supervisory Board held on 20 February 2024 the results of the internal audits 2023 were presented to the Supervisory Board, as well as the audit plan for 2024.

As of 30 April 2024, from the total of 1,280,837 outstanding shares 93,81% (2022: 93,81%) have been changed to registered shares.

The Board members regularly attended the board meetings.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (ARC) at VSH FOODS consists of A. Brahim, the chairman, and A. Venetiaan, the committee member.
The primary function of the ARC is to support the Supervisory Board in fulfilling its responsibilities concerning various aspects such as financial reporting, internal and external control systems, and monitoring compliance with laws, regulations, and the Corporate Governance Code of VSH FOODS.

In 2023, the ARC convened two (2) meetings. The subjects that have been addressed are the external auditors' management letter 2022, the 2022 annual financial report, the follow-up of internal audit recommendations and the key risk areas identified.

On 19 January 2024, an ARC meeting was held. In this meeting, the Internal Audit Plan of 2023 was evaluated and the Internal Audit Plan 2024 was approved. Furthermore, in the context of risk management, the progress of the ERM implementation has been discussed, and relevant key risk areas were addressed. This meeting was attended by the external auditor Reliant Corporate Finance & Accountancy (RCFA) to discuss the interim report on findings in relation to the 2023 audit.

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, strategic planning, 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 ratios
- 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 12 January 2024, the Supervisory Board evaluated the overall performance of the Managing Director and found the performance to be satisfactory. The performance of the Managing Director is measured against short-term and a long-term target. The annual short-term target is measured against key financial and non-financial performance indicators.
Based on the 2023 results, the agreed short-term target was achieved, and a short-term bonus amounting to SRD 1,165,019 will be awarded to the Managing Director after the shareholders approve the financial statements.

REMUNERATION OF THE SUPERVISORY BOARD

The remuneration of the Supervisory Board of Directors amounted to SRD 354,060 per year and was last adjusted on 1 July 2023. The Supervisory Board of Directors endorses the recommendation of the Management to increase the remuneration to SRD 443,784 per year, effective 1 May 2024.

APPRECIATION

As reported, fellow board member Ms. S. Smit has reached statutory board retirement age, and we would like to highlight his punctuality, not only in reviewing relevant documentation but also in his participation in board meetings. His eagerness to share his experiences in board deliberations has contributed to the growth of VSH FOODS while supporting the capacity building of the next generation of board members.
On behalf of the VSH FOODS management, employees and shareholders, we thank him for his 24 years of unconditional navigational support in steering VSH FOODS to its new heights.

The Supervisory Board is grateful for the contribution made by Management and by all the employees of the Company to the results of 2023. Their collective effort supported improved results under challenging local and regional market conditions.

Paramaribo, 11 April 2024

The Supervisory Board,

P. Healy, Chairman

S. Smit, Vice Chairman

A. Brahim

P. Brahim

A. Venetiaan

SALIENT FIGURES

	2023	2022[1]	2021	2020
in SRD				
Sales	420,501,619	213,897,983	124,324,435	62,592,017
Earnings before tax	100,020,474	50,965,002	38,035,013	(4,082,499)
Net earnings	61,165,288	36,382,207	22,380,330	(4,426,039)
Comprehensive income	58,098,244	35,157,656	21,581,808	(4,659,611)
Shareholders' equity	136,284,980	84,488,509	39,784,364	19,322,534
Liabilities	191,800,622	91,702,027	45,024,301	31,171,396
Total equity and liabilities	328,085,602	176,190,536	84,808,665	50,493,930
Per share of SRD 0.10				
Earnings	47.75	28.41	17.47	(3.46)
Cash dividend	6.50	5.20	2.11	-
Market value	23.38	21.05	17.00	17.00
Exchange rates per end of year				
US Dollar	37.50	32.00	21.65	17.50

[1]Restated in accordance with IAS 29 Hyperinflation.

VSH FOODS FAMILY CELEBRATING 50 YEARS GOLDEN BRAND

MANAGING DIRECTOR´S REPORT

CELEBRATING OUR 60TH ANNIVERSARY

The year 2023 marks the 60th anniversary and shows the perseverance of the team at VSH FOODS.
In 1963, the Company started the production of Gelebek margarine and is still referred to by many as the Gelebek company.
And today we are the proud manufacturer of Gelebek-, Golden Brand-, Baker's Choice margarine and Marigold butter. Serving Suriname and the Caribbean with products of consistent quality for bakeries, hotels, restaurants, catering companies and supermarkets.
In 2023 Golden Brand celebrated its 50th anniversary. It is the market leader in the margarine segment in Suriname and is the taste of the Caribbean.

This festive occasion was all about appreciation of the staff who have shown enormous commitment to realizing the growth opportunities.

“In 2023,
we have built on momentum and delivered another year of record sales.”

N.V. VSH FOODS 60 year Anniversary with our employees.

Business environment

Suriname and the International Monetary Fund agreed on a 36-month program (Extended Fund Facility) in December 2021. The aim of the program is to support the government's Recovery Plan. The plan included reforms such as complete elimination of fuel subsidies, gradual phasing out of electricity subsidies and broadening the VAT base.
Progress has been made with debt restructuring but not so much on the social program which led to decreased purchasing power which has impact enormous on our local business.

The official weighted average exchange rate was SRD 37.20[2] for the US Dollar at 29 December 2023 (December 2022: SRD 31.85). In 2023, Suriname recorded a twelve-month inflation rate of 32.6%[3] (2022: 54.6%).

Performance Highlights

Sales
SRD 420.5M
(2022: SRD 213.9M)

Earnings from operations
SRD 101.5M
(2022: SRD 40.6M)

Earnings before tax
SRD 100.0M
(2022: SRD 51.0M)

Earnings per share
SRD 47.75
(2022: SRD 28.41)

Building on momentum

Another year of strong sales performance. At the same time, we must mention the special achievements of our production and other supporting deparments.
Overall sales increased by 96.6% to SRD 420.5M. In 2023 our export sales grew by 157% versus 2022 and contributed to 47% of total sales. The market in Trinidad and Tobago recorded the strongest growth and our distributor there received the "Top Distributor Award" for 2023.

Despite the many challenges experienced in the various markets the Company's earnings from operations grew by 150.1% to SRD 101.5M. In the reporting year earnings before tax increased by 96.3% to 100.0M.

This success has created a new challenge. As volume is increasing more storage capacity is needed for raw and packaging material and finished goods. The Supervisory Board approved an investment program for a new warehouse and office building.

In the third quarter of 2023 we started construction for the first phase of the masterplan which will continue till 2026.

Our team at Hand Arnold, Trinidad & Tobago

From left to right:
Mr. Sherrand Malzar – CFO, Mrs. Sharon Gunness-Balkissoon – CEO, Mrs Nalini Ragbir – Director Food Beverage, Mr Mark Forbes – Food Service Manager, Mrs Natalie Alexander – Logistics Office, Ms Laurie Lutchman – Management Trainee.

[2] Source: Centrale Bank van Suriname

[3] Source: General Bureau of Statistics Suriname

Employees

At the end of 2023 we employed 84 persons. We agreed to a general salary increase for our personnel amounting to a total increase of 75% for 2023. The total personnel expenses were SRD 17,392,529 which represented a 56.4% increase versus 2022.

Our Employees Years of Service 2023

35 years

Anneke Doerahman
Production Department

Randjietkoemar Sanggam
Secretariat Department

Richard Abdoellah
Sales Department

30 years

Joan Mardan
Marketing Department

25 years

Maureen Alidikromo
Finance Department

Rosita Kadir
HSEQ Department

10 years

Kay Tjin A Tam
Finance Department

Rayen Kartosentono
Production Department

Thank you for your dedicated service!

Dividend

In the reporting period the net earnings amounted to SRD 61,165,288.
Management proposes a total dividend of SRD 8,325,440 or SRD 6.50 per share of nominal SRD 0.10 per share and the balance amounting to SRD 52,839,848 to be added to the retained earnings. This dividend proposal represents 13.4% of the net realized earnings.
Management recommends to deviate from the Company's dividend policy of a 30% to 35% pay-out ratio and make funds available to invest in the approved master plan to facilitate the rapid growth.

> One way to keep momentum going is to have constantly greater goals.
>
> \- Micheal Korda -

Looking at the remaining of 2024

The Suriname government has plans to further phase out subsidies. This will have significant impact on the already greatly reduces purchasing power of consumers. We must adapt our plans to this new challenge to ensure that our revenues are maintained.

Looking at the remaining months in 2024, we expect to meet our financial projections and further grow our export business to compensate for the local business that is currently under pressure.

We have got to keep the momentum going in order to achieve all of our objectives.

Appreciation

I am very proud of our dedicated employees. Our Company's continued success is a direct result of the hard work and commitment of our dedicated employees." I like to thank our partners and their teams in both our local and export markets. I also want to thank the supervisory board for their support and advise even in challenging times.

Paramaribo, 11 April 2024
Marlon Telting
Managing Director

N.V. VSH FOODS 60 YEARS ANNIVERSARY WITH OUR EMPLOYEES

SUMMARY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023 BEFORE APPROPRIATION OF NET EARNINGS

SRD	Note	At 31 December 2023	At 31 December 2022[4]
ASSETS			
Non-current assets			
Property, plant and equipment	6	67,536,197	55,566,010
Equity investments	7	749,626	581,384
Total non - current assets		**68,285,823**	**56,147,394**
Current assets			
Inventories	8	209,625,060	55,430,413
Trade and other receivables	9	42,780,580	53,441,205
Cash and cash equivalents	10	7,394,139	11,171,524
Total current assets		**259,799,779**	**120,043,142**
Total Assets		**328,085,602**	**176,190,536**
EQUITY AND LIABILITIES			
Equity			
Share capital	11	19,512,963	19,512,963
Share premium	11	15,176,416	15,176,416
Other reserves	11	(5,323,689)	(2,256,645)
Retained earnings		45,754,002	15,673,568
Net earnings		61,165,288	36,382,207
Total equity		**136,284,980**	**84,488,509**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	12	31,329,071	21,936,954
Long-term employee benefit obligtions	13	2,164,809	1,256,724
Long-term borrowings	14	24,986,339	1,474,042
Total non-current liabilities		**58,480,219**	**24,667,720**
Current liabilities			
Short-term employee benefit obligations	13	385,020	239,938
Short-term borrowings	14	52,040,146	22,761,689
Short-term lease liability	15	-	2,000,000
Income tax payables	12	26,153,111	8,312,265
Trade and other payables	16	54,742,126	33,720,415
Total current liabilities		**133,320,403**	**67,034,307**
Total Equity and Liabilities		**328,085,602**	**176,190,536**

[4]Restated in accordance with IAS 29 Hyperinflation.

Paramaribo, 11 April 2024

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 2023

	Note	2023 SRD	2022[5] SRD
Sales		420,501,619	213,897,983
Cost of sales		(257,996,321)	(142,145,210)
Gross profit		**162,505,298**	**71,752,773**
Personnel expenses	17	(17,392,529)	(11,118,716)
Distribution expenses	18	(7,571,863)	(2,716,630)
Administrative expenses	19	(28,482,695)	(14,985,168)
Depreciation / amortization expenses	6	(7,602,881)	(2,367,210)
Total expenses from operations		**(61,049,968)**	**(31,187,724)**
Earnings from operations		**101,455,330**	**40,565,049**
Finance costs	20	(3,757,269)	(1,483,660)
Exchange rate (losses) / gains	21	797,982	(3,622,907)
Investment income	7	44,280	29,520
Net monetary gains / (losses)		(761,080)	14,259,659
Other non-operating income	22	2,241,231	1,217,341
Earnings before tax		**100,020,474**	**50,965,002**
Income tax	12	(38,855,186)	(14,582,795)
Net earnings for the year		**61,165,288**	**36,382,207**
Other comprehensive income / (loss) Items that will not be reclassified to profit or loss			
Actuarial loss on post-retirement obligation	13	(4,792,256)	(1,913,361)
Income tax on defined benefit obligation	12	1,725,212	688,810
Other comprehensive income net of taxes		**(3,067,044)**	**(1,224,551)**
Total comprehensive income		**58,098,244**	**35,157,656**

[5]Restated in accordance with IAS 29 Hyperinflation.

Paramaribo, 11 April 2024

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 2023

in SRD	Share capital	Share premium	Retained earnings	Other Reserves	Total
Restated equity at 1 January 2022 after appropriation of earnings	**1,540,566**	**5,397,392**	**31,944,436**	**(1,032,094)**	**37,850,300**
Net result 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 correction 2022	12,435,412	3,369,459	(15,521,055)	-	283,816
Hyperinflation current measurements	5,536,985	6,409,565	4,545,919	-	16,492,469
Equity investment	-	-	18,689	-	18,689
Restated equity at 31 December 2022 before appropriation of earnings	**19,512,963**	**15,176,416**	**52,055,775**	**(2,256,645)**	**84,488,509**
Appropriation of net earnings					
Final dividend	-	-	(5,891,850)	-	(5,891,850)
Restated equity at 01 January 2023 after appropriation of earnings	**19,512,963**	**15,176,416**	**46,163,925**	**(2,256,645)**	**78,596,659**
Net result for the year	-	-	61,165,288	-	61,165,288
Other comprehensive income	-	-	-	(3,067,044)	(3,067,044)
Interim dividend	-	-	(768,502)	-	(768,502)
Tax corrections previous years	-	-	122,905	-	122,905
Equity investment	-	-	235,674	-	235,674
Equity at 31 December 2023 before appropriation of earnings	**19,512,963**	**15,176,416**	**106,919,290**	**(5,323,689)**	**136,284,980**
Appropriation of net earnings					
Proposed Final dividend	-	-	(7,556,938)	-	(7,556,938)
Equity at 31 December 2023 after appropriation of earnings	**19,512,963**	**15,176,416**	**99,362,352**	**(5,323,689)**	**128,728,042**

Paramaribo, 11 April 2024

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 2023

	2023	2022[6]
Cash flows from operating activities		
Earnings before tax	100,020,474	50,965,002
Adjusted for:		
• Depreciation and amortization expenses in operational expenses	7,602,881	2,367,210
• Depreciation cost in cost of sales	1,814,509	4,300,421
• Monetary gains and losses	761,080	(14,259,659)
• Disposal of property, plant and equipment	-	(6,517)
• Release provision product warranty	-	(942,885)
• Provision on inventory	1,227,639	-
• Other income	-	(28,507)
• Personnel costs related to jubilee	1,458,591	558,201
• Personnel costs related to defined benefit pension obligation	(4,792,256)	(1,913,362)
• Revaluation result	-	794,614
• Investment income	(44,280)	(29,520)
• Finance costs	3,757,269	1,483,660
Changes in working capital:		
• Change in inventories	(154,194,647)	(17,700,601)
• Change in trade and other receivables	10,660,625	(37,624,499)
• Change in trade and other payables	21,021,711	20,740,627
• Adjustment regarding inventories	(3,716,090)	(246,455)
• Adjustment regarding payables	108,895	-
Cash generated / (used in) from operations	**(14,313,599)**	**8,457,731**
Claims paid	-	(5,086)
Payment regarding defined benefit obligation	(405,424)	(96,025)
Paid interest on borrowings	(3,762,043)	(1,430,545)
Paid income tax	(12,758,229)	(4,354,595)
Net cash generated / (used in) from operating activities	**(31,239,294)**	**2,571,480**
Cash flows from investing activities		
• Investment in property, plant and equipment	(19,420,007)	(4,082,031)
• Dividend received	44,280	29,520
Net cash used in investing activities	**(19,375,727)**	**(4,052,511)**
Cash flows from financing activities		
• (Repayments) and proceeds of borrowings	52,790,754	15,032,799
• Payments of lease liability	-	(1,337,263)
• Dividend paid	(5,953,118)	(2,448,103)
Net cash (used in) / generated from financing activities	**46,837,636**	**11,247,433**
Net increase / (decrease) in cash and cash equivalents for the year	(3,777,385)	9,766,402
Cash and cash equivalents at 1 January	11,171,524	1,405,122
Cash and cash equivalents at 31 December	**7,394,139**	**11,171,524**

[6]Restated in accordance with IAS 29 Hyperinflation.

Paramaribo, 11 April 2024

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 2023. 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. 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 11 April 2024.

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). The Company believes that it has adopted IFRS to the best of its 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.

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	31 December 2023	31 December 2022
USD	37.50	32.00
EURO	41.52	34.13

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%, 299% and 229.47%, measured at year end 2021, 2022 and 2023 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 (iii) the general population prefers to keep wealth in non-monetary assets or in a relatively stable foreign currency.
The balance of 31 December 2023 had been restated for the change in the general purchasing power. 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 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. 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 CPIs for the five years ending 31 December 2023 are as follows:

- **2019:** 143.40
- **2020:** 230.50
- **2021:** 370.40
- **2022:** 572.50
- **2023:** 759.30

The historical exchange rate for the SRD against the USD published by the Central Bank of Suriname for the five years ended 31 December 2023 are as follows:

- **2019:** 7.52
- **2020:** 14.29
- **2021:** 21.30
- **2022:** 31.85
- **2023:** 37.20

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. Impairment of non-financial assets

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.

3f. 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 2023, 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.

3g. Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. 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.

3h. 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.

3i. 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.

3j. 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.

3k. 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.

3l. 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.

Paid annual leave and jubilee
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 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.

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.

3m. 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.

3n. Trade and other payable

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

3o. 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.

3p. 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, 2023, and evaluated by Management with an assessment of the impact on the Company.
Several amendments and interpretations apply for the first time in 2023 but do not impact the Company's financial statements. These are also described in more detail below.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
Earlier application is permitted and that fact must be disclosed.
The amendments are not expected to have a material impact on the Company's financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.
The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements.
The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed. The amendments are not expected to have a material impact on the Company's financial statements.

5. Subsequent events

Bank loan

On 14 April 2023 the planning to build a warehouse and offices was approved by the Supervisory Board. To finance this project the company signed a 8,5 year loan of USD 4.230.000 with a bank on 30 March 2024. The project started on 11 september 2023.

Pension fund adjustment

As per 1 January 2024 the Stichting VSH Pensioenfonds (Pension Fund) increased the maximum base salaries per year as follows:

in SRD	2023	2022
Personnel	321,750	214,500
Staff	670,300	446,875
Management	1,072,500	715,000

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INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

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

Report of the independent auditor on the summary financial statements as presented on page 24 up to and including page 34 included in this summary annual report

Opinion

The summary financial statements, which compromise the summary statement of financial position as at December 31, 2023, 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, 2023.

In our opinion the accompanying summary financial statements are consistent, in all material respects with the audited financial statements 2023, 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 contains 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 April 11, 2024, 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

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audit of the financial statement of the current period. The matter is related to the IAS 29 Financial Reporting in Hyperinflationary Economies accounting treatment on the Share Capital and Share Premium reserve accounts as adopted by the Company. Our independent auditor's report is not modified in respect of this matter.

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, April 11, 2024

Reliant Corporate Finance & Accountancy
Original has been signed by N. Gangaram-Panday CA CPA, Partner

RCFA

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

MGMT. SYS.
RvA C 024

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

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

1963

VSH
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