VSH UNITED
N.V. VSH FOODS

2024 Annual Report

N.V. VSH FOODS

Commitment to Growth!

“Without **Commitment** nothing **Happens,** without **Consistency** nothing **Grows.**”

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Our Products

GELEBEK

Is the first brand in our portfolio. Gelebek margarine is suitable for cooking and baking.

Gelebek refrigerated portfolio consists of the following products:

Retail
Gelebek Margarine
Packaging: Wrapper
Contents: 227 gram

Food service
Gelebek Margarine Industrial edition
Packaging: Box
Contents: 20 Kg (4 x 5 Kg)

Golden Brand is our main brand in our portfolio. It has a creamy consistency, a full flavor and is suitable for cooking, spreading and baking. The Golden Brand portfolio was extended considerably in the course of the years and now contains both refrigerated and non-refrigerated products.

The Golden Brand refrigerated portfolio consists of the following products:

Retail

Golden Brand Margarine
Packaging: Wrapper
Contents: 227 gram

Golden Brand Margarine, 2 Sticks
Packaging: Box
Contents: 227 gram

Golden Brand Spreadable Margarine
Packaging: Tub
Contents: 227 & 453 gram

Golden Brand Slim Margarine
Packaging: Tub
Contents: 227 & 453 gram

Golden Brand Slim No Salt Margarine
Packaging: Tub
Contents: 450 gram

Food service

Golden Brand Slim Margarine
Packaging: Pail
Contents: 10 Kg

The Golden Brand no refrigeration required portfolio consists of the following products:

Retail

Golden Brand Margarine, 4 Half Sticks
Packaging: Box
Contents: 227 gram

Golden Brand Margarine
Packaging: Tub
Contents: 453 gram

Food service

Golden Brand Margarine
Packaging: Pails
Contents: 10 Kg, 4.5 Kg, 2.25 Kg, 900 gram

Is widely known in Suriname for its refined flavor and is essential for any home, restaurant or catering service. Because of its rich flavor, it is perfect for roasting meat and sautéing vegetables. It is also great for baking cakes and cookies and to make creamy garlic and herb butters.

Marigold Butter refrigerated portfolio consists of the following products:

Retail

Marigold Fijne Boter salted and unsalted
Packaging: Wrapper
Contents: 227 gram

Marigold Romige Spread
Packaging: Tub
Contents: 227 & 453 gram

Food service

Marigold Fijne Boter salted
Packaging: Pail
Contents: 10 Kg

Marigold Fijne Boter unsalted
Packaging: Pail
Contents: 10 Kg

BAKER'S CHOICE

Is the reference for food service applicants. Is perfect for baking bread, cakes and pastries. The Baker's Choice products are made of 100% vegetable oils and fats.

The Baker's Choice refrigerated portfolio consists of the following products:

Food service

All Purpose Margarine (white)
Packaging: Box
Contents: 20 Kg (4 x 5 Kg)

All Purpose Margarine (yellow)
Packaging: Box
Contents: 20 Kg (4 x 5 Kg)

Puff Pastry Margarine
Packaging: Box
Contents: 20 Kg (10 x 2 Kg)

Cream Margarine
Packaging: Box
Contents: 20 Kg (4 x 5 Kg)

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.

Your success is our desire.

Creating a better company for a better world.

Trust in our relationships and personally responsible for all our actions.

Meet our Supervisory Board

Antoine Brahim
Acting Chairman of the Supervisory Board

Paul Brahim
Member of the Supervisory Board

Alvin Venetiaan
Member of the Supervisory Board

Mario Merhai
Member of the Supervisory Board

Meet our Management Team

Patrick Healy
Acting Managing Director / Member of the Supervisory Board

Bianca Weekes - Klaverweide
Assistant Managing Director

Melisa Kartokromo - Ensberg
Assistant Managing Director - Operations

Kitty Eduards
Finance Manager

Berto Sampi
Purchasing Manager

Stanley Vyent
Technical Engineering Manager

Report of the Surpervisory Board to the Shareholders

To the Shareholders

We hereby present our report on the activities of the Supervisory Board in 2024.

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 Bylaws, Management presented the financial statements 2024 to the Supervisory Board on May 5, 2025. The Board approved the financial statements for 2024 to be presented at the Annual General Meeting of Shareholders.

These financial statements can be found on pages 26 - 29 of this annual report. The independent external auditor, Reliant Corporate Finance & Accountancy (RCFA) audited the financial statements. Their independent auditor's report can be found on pages 56 - 59.

The net earnings in 2024 amounts to

USD 927,151

(2023: USD 1,631,076)

An interim dividend of SRD 0.60 per share was paid in November 2024.

The Supervisory Board endorses the recommendation of the Management to pay a total dividend of SRD 3.40 per share (2023: SRD 6.50) for the year. If approved, the balance of the net earnings amounting to USD 806,183 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 30 April 2024.

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

Mr. S. Smit had reached the retirement age of the board and stepped down. In his place Mr. M. Merhai was elected as a new member of the Supervisory Board at the Annual General Meeting of Shareholders of 30 April 2024.

A special appreciation to Mr. S. Smit who was in the Supervisory Board for 24 years. During those years he has contributed significantly to the development of the Company. Grateful for his contributions a donation of USD 16,000 was made in his name to the "Nationale Volks Muziekschool".

All members except for Mr. P. Brahim offer themselves for re-election in the Annual General Meeting of Shareholders to be held on 16 May 2025.

Management Changes and Appointments

On 1 February 2025, Mr. M. Telting stepped down as Managing Director of N.V. VSH FOODS.

For the duration of an interim period, and continuing until the General Meeting of Shareholders on May 16, 2025, Mr. P. Healy, Chair of the Supervisory Board, will serve as the acting Managing Director in accordance with Article 6.80 of the Bylaws, until a new Managing Director is appointed.

The Supervisory Board wants to express their special appreciation to Mr. M. Telting who has served the Company for almost 11 years and for his significant contribution to the growth and development of the Company.

To fill the vacancy left by Mr. M. Telting the Supervisory Board recommends the appointment of Mrs. Bianca Weekes – Klaverweide as Managing Director, to be approved in the Annual General Meeting of Shareholders on 16 May 2025.

On 1 February 2025, Mrs. Melisa Kartokromo - Ensberg was appointed Assistant Managing Director - Operations.

On 1 April 2025, Mrs. Bianca Weekes – Klaverweide was appointed Assistant Managing Director.

On 1 April 2025, Mr. Stanley Vyent was appointed Technical & Engineering Manager.

Consultation and decision-making

The Supervisory Board held regular monthly meetings, 10 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

The revised Audit and Risk Committee Charter and Internal Audit Charter were presented to and approved by the Supervisory Board at the meeting on June 13, 2024. These charters are reviewed and updated every two years.

In the board meeting held on 18 October 2024 the Supervisory Board approved the 2025 operational plan, including the budget for capital expenditures as presented by Management.

Management remuneration was evaluated and approved in the board meeting held on 13 December 2024.

As of 5 May 2025, from the total of 1,280,837 outstanding shares 94.17% (2023: 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, A. Venetiaan and M. Merhai.
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 2024, the ARC convened two (2) meetings. The subjects addressed were the external auditors' management letter 2023, the 2023 annual financial report, the follow-up of internal audit recommendations and the key risk areas identified.
On 13 January 2025, an ARC meeting was held. In this meeting, the Internal Audit Plan of 2024 was evaluated, and the Internal Audit Plan 2025 was approved. In the context of risk management, the committee discussed the progress of the ERM implementation and addressed the relevant key risk areas.
The 2024 Interim Management Letter was also reviewed.

All these ARC meetings were attended by the external auditor Reliant Corporate Finance & Accountancy (RCFA).

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

In January 2025, the Supervisory Board evaluated the overall performance of the Managing Director responsible for the financial book year 2024 and found the performance to be satisfactory.
The performance of the Managing Director is measured against short-term and long-term targets. The annual short-term target is measured against key financial and non-financial performance indicators.
Based on the 2024 results a short-term bonus amounting to SRD 1,048,517 will be awarded after the shareholders approve the financial statements. The long-term target was not achieved.

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board of Directors amounted to SRD 443,784 per year and was approved in the Annual General Meeting of Shareholders on 30 April 2024.

The Supervisory Board is grateful for the contribution made by Management and by all the employees of the Company to the results of 2024. Their collective effort supported improved results under challenging local and regional market conditions.

Paramaribo, 5 May 2025

The Supervisory Board,
A. Brahim, Acting Chairman
P. Healy
P. Brahim
A. Venetiaan
M. Merhai

Salient Figures

in USD	2024	2023	2022
Sales	12,012,630	11,213,377	6,684,312
Earnings before tax	1,496,021	2,667,214	1,592,656
Net earnings	927,151	1,631,076	1,136,944
Comprehensive income	745,775	1,549,288	1,098,677
Shareholders' equity	4,290,942	3,634,268	2,640,266
Liabilities	5,891,981	5,114,681	2,865,688
Total equity and liabilities	10,182,923	8,748,949	5,505,954
Per share of SRD 0.10			
Earnings (USD)	0.72	1.27	0.89
Market value (USD)	7.64	0.62	0.66
Cash dividend (SRD)	3.40	6.50	5.20
USD exchange rates per end of year	**36.00**	**37.50**	**32.00**

Note: 2023 comparative financial figures are based upon the 2023 reported financials in SRD, divided by the 2023 year end exchange rate (USD 1 = SRD 37.50).


Geniet van de
De Lekkerste Cake
Uitsluitend met
Marigold

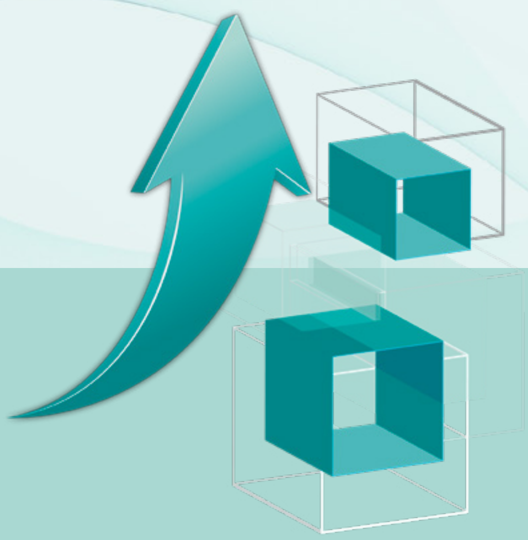
Managing Director's Report

Business environment

Suriname's economy in 2024 showed signs of stabilization and growth, supported by the IMF's Extended Fund Facility (EFF) program. The program aimed to address economic challenges, such as high inflation, public debt, and fiscal imbalances. The economy grew modestly, with inflation rates declining. The government made progress in restructuring the country debt while negotiating with creditors. Tight monetary policies and fiscal prudence helped stabilize the economy. The economy still grappled with significant challenges, as many households struggled with restricted disposable income and subdued purchasing power. These issues continued to weigh heavily on domestic sales.

The official exchange rate at the end of December of 2024 was SRD 36.00 for the US Dollar (December 2023: SRD 37.50). By December 2024, the year-on-year inflation rate was approximately 10.1%, marking a notable decline from the higher rates seen in 2023: 32.6% and 2022: 54.6%.

The economy of Suriname has historically exhibited significant fluctuations in foreign exchange rates, primarily due to the nation's structural reliance on imported goods and a continual deficit in foreign currency inflows. This economic landscape has posed difficulties for business planning. Although we have previously adopted various strategies to alleviate the impact on the Company, challenges persist. An evaluation, conducted in accordance with IAS 21.9, concluded that the functional currency of the Company will be the United States Dollar (USD) effective from 1 January 2024. Consequently, this evaluation indicates that financial reporting will commence in USD starting from the fiscal year 2024.



Performance Highlights

			
Sales	**Earnings from operations**	**Earnings before tax**	**Earnings per share**
USD 12,012,630	**USD 1,359,190**	**USD 1,496,021**	**USD 0.72**
(2023: USD 11,213,377)	*(2023: USD 2,705,476)*	*(2023: USD 2,667,214)*	*(2023: USD 1.27)*

Commitment to growth

The overall sales growth of 7.1%, reaching USD 12,012,630 in 2024 (compared to USD 11,213,377 in 2023), was counterbalanced by higher raw material costs and a one-time provision for raw and packaging materials. These factors led to a notable increase in the "Cost of Sales". However, strong export sales, accounting for approximately 55% of total production, reinforced the company's "Commitment to Growth" theme for 2024.

The Company experienced a 49.8% drop in Earnings from Operations, amounting to USD 1,359,190 in 2024, down from USD 2,705,476 in 2023. This decrease was primarily driven by a rise in cost of sales, personnel, administrative costs and depreciation.

Despite these economic effects, the Company remains steadfast in its "Commitment to Growth". As highlighted in the 2023 report, increased production volumes have necessitated additional storage capacity for raw materials, packaging, and finished goods. The first and second phases of the investment program, approved by the Supervisory Board in 2023, focus on constructing a new finished products warehouse and office building. These phases are progressing on schedule and are set for completion by the end of Q2, 2025. Meanwhile, phase three of the master plan, which involves the design of a new production facility and raw materials storage, is ongoing.

Commitment to Sustainable Development Goals

At VSH FOODS, implementing sustainability is an integral part of the company's mission to create long-term value for its stakeholders while contributing positively to society. Here's how we are contributing to the sustainable development goals.

SUSTAINABLE DEVELOPMENT GOALS

Ensuring Health, Safety, and Well-being (SDG 3)

At VSH FOODS, food safety is part of our company culture—every employee plays a role in ensuring safe food production under strict hygiene standards. No major issues were found during the ISO 22000:2018 audits in 2023 and 2024, and the Company is now advancing towards SQF certification to further strengthen its food safety management. VSH FOODS contributes to SDG 3 by supporting employee health and promoting safer nutrition practices for the broader community.

Investing in Learning and Development (SDG 4)

Throughout 2024, we implemented a robust training and capacity-building program. Our employees benefited from cybersecurity awareness sessions, VCA safety training, leadership development, and technical workshops. These programs not only build individual competencies but also contribute to a culture of continuous improvement and innovation.

Championing Gender Equality (SDG 5)

In 2024, women made up 49.43% of our team, while men represented 50.57%. This represents steady progress compared to 2023, where female representation was 47.62%. By fostering a culture of inclusion and respect, we actively contribute to gender equality in the workplace.

Building for the Future through Innovation (SDG 9)

In 2023, we started the first phase of construction of our new facility expansion master plan. This expansion continued in 2024, alongside the ongoing modernization of our processes, enabling us to enhance efficiency and expand capacity. Through these initiatives, VSH FOODS not only contributes to the SDGs but also strengthens its role as a responsible, forward-thinking business. Our journey continues, as we remain committed to improving the work and living environment of our people, partners, and the planet.

Employees

By the end of 2024, our dedicated workforce composed of 85 employees. During the year, we introduced a general salary increase of 33% for personnel.

Our employees' anniversaries

Dividend

During the 2024 reporting period, net earnings totaled USD 927,151. Management proposed a total dividend of USD 120,968, equivalent to USD 0.09 per share with a nominal value of "SRD 0.10" per share. The remaining USD 806,183 will be allocated to the retained earnings. This proposal reflects a dividend payout of 13.05% of the net realized earnings. Management recommends deviating from the Company's dividend policy of a 30% to 35% payout ratio to allocate funds for investments aligned with the approved master plan, supporting our Commitment to Growth strategy.

2025 New Opportunities

The year 2025 marks a critical turning point for Suriname, with elections scheduled for May 25, 2025, and heightened expectations of an economic surge driven by investments in offshore oil and gas projects. The successful conclusion of the IMF's Extended Funds Facility (EFF) program in March 2025 earned international acclaim, showcasing Suriname as a symbol of resilience and inspiration for other struggling economies. Yet, despite these milestones, many Surinamese citizens continue to grapple with the lingering hardships caused by years of economic recession.

Driven by our unwavering commitment to growth, we are actively pursuing ***new opportunities*** in 2025 to achieve our financial targets and further expand our export business.

Appreciation

As a company, we prioritize supporting our dedicated employees, recognizing that their passion and commitment are the driving force behind our "Commitment to Growth." By empowering each individual to shape their future, we can embrace new opportunities and foster a culture where innovation flourishes.

We extend our heartfelt gratitude to our local and strategic export partners, whose efforts ensure that our products, whether directly or indirectly, continue to enrich the bold, spicy, and aromatic flavors that define Caribbean cuisine.

Paramaribo, 5 May 2025

Patrick Healy
Acting Managing Director

"Innovation is the ***engine*** that drives this evolution."

- Unknown -

Financial Statements

Statement of Financial Position
at 31 December 2024 before Appropriation of Net Earnings

	Note	At 31 December 2024	At 31 December 2023
USD			
Assets			
Non-current assets			
Property, plant and equipment	5	3,783,703	1,800,965
Equity investments	6	154,590	19,990
Total non - current assets		**3,938,293**	**1,820,955**
Current assets			
Inventories	7	3,395,647	5,590,002
Trade and other receivables	8	1,721,251	1,140,815
Cash and cash equivalents	9	1,127,732	197,177
Total current assets		**6,244,630**	**6,927,994**
Total Assets		**10,182,923**	**8,748,949**
Equity and Liabilities			
Equity			
Share capital	10	520,346	520,346
Share premium	10	404,704	404,704
Other reserves	10	(189,575)	(141,965)
Retained earnings		2,628,316	1,220,107
Net earnings		927,151	1,631,076
Total equity		**4,290,942**	**3,634,268**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	11	846,508	835,442
Long-term employee benefit obligations	12	83,535	57,728
Long-term borrowings	13	2,475,108	666,302
Total non-current liabilities		**3,405,151**	**1,559,472**
Current liabilities			
Short-term employee benefit obligations	12	12,054	10,267
Short-term borrowings	13	1,028,513	1,387,737
Income tax payables	11	351,702	697,416
Trade and other payables	14	1,094,561	1,459,789
Total current liabilities		**2,486,830**	**3,555,209**
Total Equity and Liabilities		**10,182,923**	**8,748,949**

Note: 2023 comparative financial figures are based upon the 2023 reported financials in SRD, divided by the 2023 year end exchange rate (USD 1 = SRD 37.50).

Paramaribo, 5 May 2025

Supervisory Board

A. Brahim, Acting Chairman
P. Healy
P. Brahim
A. Venetiaan
M. Merhai

Acting Managing Director

P. Healy

The accompanying notes on pages 32 - 55 are an integral part of these financial statements.

Statement of Comprehensive Income
for the year ended 31 December 2024

	Note	2024 USD	2023 USD
Sales	15	12,012,630	11,213,377
Cost of sales	15	(8,440,141)	(6,879,902)
Gross profit		**3,572,489**	**4,333,475**
Personnel expenses	16	(745,531)	(463,801)
Distribution expenses	17	(197,544)	(201,916)
Administrative expenses	18	(888,577)	(759,539)
Depreciation /amortization expenses	5	(381,647)	(202,743)
Total expenses from operations		**(2,213,299)**	**(1,627,999)**
Earnings from operations		**1,359,190**	**2,705,476**
Finance costs	19	(129,276)	(100,194)
Exchange rate (losses) / gains	20	174,198	21,280
Investment income	6	1,374	1,181
Net monetary gains / (losses)		-	(20,295)
Other non-operating income	21	90,535	59,766
Earnings before tax		**1,496,021**	**2,667,214**
Income tax	11	(568,870)	(1,036,138)
Net earnings for the year		**927,151**	**1,631,076**
Other comprehensive income / (loss) **Items that will not be reclassified to profit or loss**			
Actuarial loss on post-retirement obligation	12	(283,400)	(127,793)
Income tax on defined benefit obligation	11	102,024	46,005
Other comprehensive income		(181,376)	(81,788)
Total comprehensive income		**745,775**	**1,549,288**
Earnings per share			
Weighted average number of shares outstanding		1,280,837	1,280,837
Earnings per share	22	0.72	1.27

Note: 2023 comparative financial figures are based upon the 2023 reported financials in SRD, divided by the 2023 year end exchange rate (USD 1 = SRD 37.50).

Acting Managing Director

P. Healy

Supervisory Board

A. Brahim, Acting Chairman
P. Healy
P. Brahim
A. Venetiaan
M. Merhai

Paramaribo, 5 May 2025

The accompanying notes on pages 32 - 55 are an integral part of these financial statements.

Statement of Changes in Equity
for the year ended 31 December 2024

in USD	Share capital	Share premium	Retained earnings	Other Reserves	Total
Equity at 1 January 2023 after appropriation of earnings	**520,346**	**404,704**	**1,231,038**	**(60,177)**	**2,095,911**
Net earnings for the year	-	-	1,631,076	-	1,631,076
Other comprehensive income	-	-	-	(81,788)	(81,788)
Interim dividend	-	-	(20,493)	-	(20,493)
Corrections previous years	-	-	3,277	-	3,277
Equity investment	-	-	6,285	-	6,285
Equity at 31 December 2023 before appropriation of earnings	**520,346**	**404,704**	**2,851,183**	**(141,965)**	**3,634,268**
Appropriation of net earnings USD					
Proposed Final dividend USD	-	-	(202,520)	-	(202,520)
Equity at 01 January 2024 after appropriation of earnings	**520,346**	**404,704**	**2,649,663**	**(141,965)**	**3,432,748**
Net earnings for the year	-	-	927,151	-	927,151
Other comprehensive income	-	-	-	(181,376)	(181,376)
Interim dividend	-	-	(21,347)	-	(21,347)
Equity investment	-	-	-	133,766	133,766
Equity at 31 December 2024 before appropriation of earnings	**520,346**	**404,704**	**3,555,467**	**(189,575)**	**4,290,942**
Appropriation of net earnings					
Proposed final dividend	-	-	(99,621)	-	(99,621)
Equity at 31 December 2024 after appropriation of earnings	**520,346**	**404,704**	**3,455,846**	**(189,575)**	**4,191,321**

Note: 2023 comparative financial figures are based upon the 2023 reported financials in SRD, divided by the 2023 year end exchange rate (USD 1 = SRD 37.50).

Paramaribo, 5 May 2025

Supervisory Board

A. Brahim, Acting Chairman
P. Healy
P. Brahim
A. Venetiaan
M. Merhai

Acting Managing Director

P. Healy

The accompanying notes on pages 32 - 55 are an integral part of these financial statements.

Statement of Cash Flows
for the year ended 31 December 2024

	2024	2023
Cash flows from operating activities		
Earnings before tax	1,496,021	2,667,214
Adjusted for:		
• Depreciation and amortization expenses in operational expenses	381,647	202,743
• Depreciation recorded in the cost of sales	32,279	48,387
• Monetary gains and losses	-	20,295
• Provision and write-down on inventory	299,820	32,737
• Provision on bad debtors	8,086	-
• Personnel costs related to jubilees	41,320	38,896
• Personnel costs related to defined benefit pension obligation	(283,400)	(127,793)
• Revaluation result on borrowings	36,239	-
• Investment income	(1,374)	(1,181)
• Finance costs	129,276	100,194
• Revaluation result tax and deferred tax liability	(139,619)	-
• Exchange result other	(13,142)	-
Changes in working capital:		
• Change in inventories	2,194,355	(4,111,857)
• Change in trade and other receivables	(580,436)	284,283
• Change in trade and other payables	(365,228)	560,579
• Adjustment regarding inventories	(38,027)	(99,096)
• Adjustment regarding receivables	(8,242)	-
• Adjustment regarding payables	-	2,904
Cash generated / (used in) from operations	**3,189,575**	**(381,695)**
Payment regarding defined benefit obligation	(13,726)	(10,811)
Paid interest on borrowings	(129,276)	(100,321)
Paid income tax	(946,548)	(340,219)
Net cash generated / (used in) from operating activities	**2,100,025**	**(833,046)**
Cash flows from investing activities		
Investment in property, plant and equipment	(2,396,663)	(517,867)
Dividend received	1,374	1,181
Net cash used in investing activities	**(2,395,289)**	**(516,686)**
Cash flows from financing activities		
(Repayments) and proceeds of borrowings	1,449,582	1,407,752
Dividend paid	(223,763)	(158,750)
Net cash (used in) / generated from financing activities	**1,225,819**	**1,249,002**
Net (decrease) / increase in cash and cash equivalents for the year	930,555	(100,730)
Cash and cash equivalents at 1 January	197,177	297,907
Cash and cash equivalents at 31 December	**1,127,732**	**197,177**

Note: 2023 comparative financial figures are based upon the 2023 reported financials in SRD, divided by the 2023 year end exchange rate (USD 1 = SRD 37.50).

Acting Managing Director

P. Healy

Supervisory Board

A. Brahim, Acting Chairman
P. Healy
P. Brahim
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Paramaribo, 5 May 2025

The accompanying notes on pages 32 - 55 are an integral part of these financial statements.

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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 2024. 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 May 5, 2025.

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).
In 2024 the functional currency of the Company was changed to the United States Dollar (USD). Therefore, as of 1 January 2024, application of hyperinflation accounting for the Company is not required.

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

The financial statements are presented in USD, which is the Company's presentation and functional currency. All financial information presented in USD has been rounded to the nearest dollar.

With the implementation of the Functional Currency change, the presentation currency is also changed to USD. According to IAS 8, this accounting policy change is applied retrospectively. Therefore, comparative year results are restated in line with the provisions of IAS 21.42 and IAS 21.39.

IAS 21.8 defines the Functional currency as the currency of the primary economic environment in which the entity operates. In elaborating on this definition, IAS 21.9 states that an entity considers the following primary factors in determining its functional currency:

a. The currency:

i That mainly influences sales prices for goods and services (this will often be the currency in which sales prices are denominated or settled); and

ii of the country whose competitive forces or regulations mainly determine the sales prices of goods and services

b. The currency that mainly influences labor, materials and other costs for providing goods or services (this will often be the currency that such costs are denominated and settled).

The following factors may also provide evidence of an entity's functional currency (secondary factors):

a. The currency in which funds from financing activities are generated.

b. The currency in which receipts from operating activities are usually retained.

When the above indicators are mixed, and the functional currency is not obvious, management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events, and conditions. As part of this approach, management gives priority to the primary factors as the secondary factors are designed to provide additional supporting evidence to determine an entity's functional currency [IAS 21.12].

Based on the above factors, an assessment was performed for each company to determine the functional currency. The outcome of the assessment concluded in the following:

The Company manufactures butter, margarine and shortening which are distributed on the local and international market. Exports are mainly to the Caribbean. Although 58.9% of the Company revenue is from the local market, its revenue is based on the USD because selling prices are adjusted when fluctuation in the exchange rate are material. The USD influences cost of sales because the majority of raw and pack is purchased in USD. In addition, the secondary factors revealed that the majority of debt and currency retained from receipts from customers includes a USD component.
Therefore, management believes that the USD is the currency of the economic environment in which the Company operates. Based on this analysis, the functional currency is the USD as of 1 January 2024.

IAS 21.35 states that any change in the functional currency shall be applied prospectively from the date of change.

Change in functional currency - methodology

Prospective application for the change in functional currency:

- The change in functional currency will be applied as of January 1, 2024;
- The date of the change from the SRD functional currency to the USD functional currency for the Company effected is set to be January 1, 2024;
- Key assumption: The exchange rate as of December 31, 2023 is the same as the exchange at January 1, 2024; and
- The translation procedures applicable to the new functional currency is applied prospectively from the date of the change.

Application IAS 21 for the change in functional currency of the current figures

For FY2024 the following translation procedures are applicable:

- All items are translated into the new functional currency using the exchange rate at the date of change i.e. 1 January 2024
- All items to be extracted from Exact in the original currency (SRD/EUR) and to be translated using an appropriate exchange rate.
- Monetary items are translated at the closing rate as of December 31, 2024
- Non-monetary items are valued at the historical cost rate which is the cost at the moment of the change/ transition to the new functional currency
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the Statement of Comprehensive Income
- The Statement of Comprehensive Income is restated using monthly weighted average rates
- For the equity components the translated amount as of January 1, 2024 will be used as the new historical cost, whereby subsequent measurement will be carried out in USD depending on the movements in equity.

Application for the Company

As the functional currency for the Company was changed to the USD as per 1 January 2024, no hyperinflation effect was applied. FY2023 was a hyperinflationary economy, so for Surinamese companies the translation method in accordance with IAS21.42 is applicable for the comparative figures. This means that the comparative figures (restated for hyperinflation) are translated at the closing rate per 31 December 2023. The net effect due to the restatement of the non-monetary assets and liabilities to reflect the impact of hyperinflation, amounted per 31 December 2023 to USD 20,295.

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.

Exchange rate at year end against USD 1	2024	2023
SRD	36.00	37.50
EURO	0.96	0.90

3c. 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.

3d. 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 Company’s 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.

3e. 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 2024, 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.

3f. Inventories

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

3g. 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.

3h. 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 are at free disposal of the Company.

3i. 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.

3j. 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.

3k. 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.

3l. Trade and other payable

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

3m. 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.

3n. 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. Financial risk management

In the normal course of business, the Company is exposed to market risk, liquidity risk and credit risk. The Supervisory Board oversees the management of these risks and is supported by an Audit and Risk Committee. The Supervisory Board advises on the risk management and the appropriate risk governance of the Company. An enterprise risk management charter has been established and the Company has a risk management system in place.
The Board of Directors has the overall responsibility for the establishment and the oversight of the Company enterprise risk management framework and reviews and agrees policies for managing each of these risks.

This note describes the Company objectives, policies and processes for managing these risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these (comprehensive) financial statements.

4a. Market risk

Market risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of the following types of risks:

- foreign exchange risk,
- inflation risk
- interest rate risk and
- commodity availability and price risks.

Financial instruments affected by market risk include borrowings and debt.

The Company measures and controls market risk primarily through the use of risk sensitivity analysis. This method of stress testing provides an indication of the potential size of losses that could arise in extreme conditions. Increases in market risk may also be associated with high inflation and the loss of purchasing power of the local market due to the macroeconomic situation in Suriname.

Expected rise of inflation is generally managed through conversion to the more stable currency such as the USD and the EURO. Furthermore, the Company is continuously looking for opportunities in other (foreign) markets.

All market risk limits are reviewed periodically. The goal is to identify potential high risk areas and take proper actions before they occur.

Exchange risk

Exchange risk is the risk that a company's financial performance and exposure (of assets, liabilities, revenues and expenditures) will be affected by fluctuations in foreign exchange rates. Changes in exchange rates can lead to losses in the value of financial instruments and also to disadvantageous changes in future income and expense streams from planned transactions.
The Company is exposed to exchange risk through the purchase of commodities and capital investments and even more with the rapidly devaluating Suriname dollar (SRD), as also a significant part of the revenue income is received in SRD's.

In managing foreign exchange risk, the Company aims to ensure the availability of foreign currencies and to reduce the impact of short-term fluctuations on earnings. The Company manages this risk by maintaining USD and Euro currency accounts and monitoring currency exposure. The volatile nature of exchange rates in 2024, characterized by alternating upward and downward trends, has notably influenced the Company's earnings.

Net foreign currency exposure

Net monetary position by foreign currency risk	2024
Foreign Currency Assets	
Trade Receivables	29,495
Cash	670,333
Foreign Currency Liabilities	
Trade Payables	(137,286)
Related Party	(3,553)
Net	**558,989**

Inflation risk

Increases in market risk may also be associated with high inflation. Expected rise of inflation is generally managed through conversion to the more stable currency such as the USD and the EURO.

Interest rate risks

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term-term debt obligations with fixed interest rates that are subject to changes due to hyperinflation. The Company continually monitors and manages these risks through the use of appropriate tools and implements relevant strategies to hedge against any adverse effects.

The Company manages these risks as follows:

1. Fixed interest rates (note: 13)
2. Borrowing in SRD (note: 13)
3. Options for refinancing (note: 13)

The Company's exposure to interest rate risk is minimal.

Commodity availability and price risk

Commodity price risk is the risk that fluctuations in the prices of commodities and third-party services will affect the Company cost. The general risk situation of the Company is mainly affected by the availability and the price dependency of relevant raw and packaging materials. Within this context, the exposure on commodity price increases and market movements such as logistical challenges and scarcity, is especially relevant. The Company policy is to manage these risks through the use of multiple suppliers to ensure competitive pricing and to mitigate the impact of potential price increases e.g. by entering collaborative partnership approach with suppliers.

4b. Liquidity risk

Liquidity risk is the risk of the probability that the Company will not have enough cash to meet its financial obligations on time. Therefore, the Company acknowledges the management of this risk as a proactive process of ensuring that the Company has the cash on hand to meet its financial obligations, as they come due. It is a critical component of financial performance as it directly impacts the Company's working capital.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Company attempts to maintain flexibility in funding by maintaining availability from the realization of assets derived from trading activities and credit facilities from its related parties. Management monitors the liquidity position on the basis of expected future cash flows and monitors any shortage of funds using a liquidity monitoring system. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and lease contracts.

Approximately 47% of the Company's debt will mature in less than one year at 31 December 2024 based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.
This table shows the Company financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

in USD	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
At 31 December 2024			
Borrowings	1,028,513	569,676	1,905,432
Due to related parties	14,195	-	-
Trade and other payables	1,094,561	-	-
Dividend payable	46,550	-	-
	47%	12%	46%
At 31 December 2023			
Borrowings	1,387,737	102,184	564,119
Due to related parties	34,046	-	-
Trade and other payables	1,459,790	-	-
Dividend payable	30,808	-	-
	81%	3%	16%

4c. Credit risks

Credit risk refers to the risk that a counter party is unable to meet their obligations. The amount of the company's maximum exposure to credit risk is indicated by the carrying amount of the financial assets. Credit risks arises principally in cash at banks, as well as credit exposure to customers, including outstanding receivables and committed transactions.

Trade receivables

Credit limits are granted based on the continuous monitoring of the creditworthiness of major debtors.
The Company faces credit risk in respect of receivables. However, the risk is controlled by close monitoring of these assets by the company through frequent monitoring of aged receivables and a strict credit policy. The maximum credit risk faced by the company is the balance reflected in the financial statements. Ongoing credit evaluation on the financial condition of receivables is performed on a regular basis.

The exposure credit risk is considered medium, given the fact that most of the local sales are settled on cash basis and the foreign sales which are 41.4% of the total sales, are on credit terms. The company's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2024 and 2023 is the carrying amounts as illustrated to Note 8.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks, cash on hand and carried at cost. For bank and financial institutions, only those with good financial conditions are accepted. Note 9 indicates the amount of cash held in the different currencies.

4d. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may vary the amount of dividends paid to Shareholders or issue new shares.
The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (current and non-current borrowings) less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position plus net debt.

In USD	2024	2023
Long-term borrowings	2,475,108	666,302
Short-term borrowings	1,028,513	1,387,737
Total Borrowings (see note 13)	**3,503,621**	**2,054,039**
Less: Cash and cash equivalents	1,127,732	197,177
Net Debt	**2,375,889**	**1,856,862**
Total Equity	4,290,942	3,634,268
Total Capital	**6,666,831**	**5,491,131**
Gearing ratio	36%	34%

5. Property, plant and equipment

Movement in Property, plant and equipment are as follows:

in USD	Property	Plant	Equipment	Motor vehicles	Investments in progress	Total
Cost						
Balance at 01 January 2023	**265,613**	**1,851,388**	**212,185**	**130,410**	**24,228**	**2,483,824**
Additions	-	-	-	-	517,867	517,867
Transfers	-	105,068	39,250	13,487	(157,805)	-
Balance at 31 December 2023	**265,613**	**1,956,456**	**251,435**	**143,897**	**384,290**	**3,001,691**
Additions	-	-	-	-	2,396,663	2,396,663
Transfers	243,550	225,175	142,703	-	(611,428)	-
Balance at 31 December 2024	**509,163**	**2,181,631**	**394,138**	**143,897**	**2,169,525**	**5,398,354**
Accumulated depreciation / amortization						
Balance at 01 January 2023	**(76,295)**	**(853,176)**	**(164,832)**	**(13,923)**	**-**	**(1,108,226)**
Depreciation and amortization charge	(3,473)	(54,661)	(18,832)	(15,534)	-	(92,500)
Balance at 31 December 2023	**(79,768)**	**(907,837)**	**(183,664)**	**(29,457)**	**-**	**(1,200,726)**
Depreciation and amortization charge	(19,156)	(319,533)	(45,653)	(29,583)	-	(413,925)
Balance at 31 December 2024	**(98,924)**	**(1,227,370)**	**(229,317)**	**(59,040)**	**-**	**(1,614,651)**
Net book value						
As at 1 January 2023	**189,318**	**998,212**	**47,353**	**116,487**	**24,228**	**1,375,598**
As at 31 December 2023	**185,845**	**1,048,619**	**67,771**	**114,440**	**384,290**	**1,800,965**
As at 31 December 2024	**410,239**	**954,261**	**164,821**	**84,857**	**2,169,525**	**3,783,703**

The property, plant and equipment are insured against fire up to USD 5,473,634.
The motors vehicles are insured for all risks up to USD 291,750.

6. Equity investments

Equity investments consist of shares in listed companies. The shares in the listed companies are measured at their fair value, which is the closing price of the last trading session in December 2024 of the Suriname stock exchange.

Funds	Numbers of shares	2024	2023
Assuria N.V.	3,690	134,275	17,761
De Surinaamsche Bank N.V.	4,179	20,315	2,229
Total equity investments	**-**	**154,590**	**19,990**

The shares are listed at the Suriname Stock Exchange in SRD:

Assuria N.V.	SRD 1,310
De Surinaamsche Bank N.V.	SRD 175

7. Inventories

in USD	2024	2023
Raw and packaging materials	1,899,177	3,609,858
Finished goods	308,488	418,695
Imported goods	-	47,742
Supplies and spare parts	86,591	87,632
Trading goods	15,302	11,542
Prepaid goods in transit	1,086,089	1,414,533
Total inventories	**3,395,647**	**5,590,002**

In 2024 a provision for obsolete raw materials and packaging amounted to USD 345,296 was considered necessary and is presented in the cost of sales.

The inventories are insured against fire up to USD 1,305,200.

The prepaid goods in transit are insured against loss or damage up to USD 100,000 any one conveyance for machinery, equipment, packaging and other raw materials.

8. Trade and other receivables

in USD	2024	2023
Trade receivables	1,684,531	953,557
Provision on trade receivables	(8,086)	-
Other receivables:		
Insurance prepayments (Medical and Fire)	19,553	16,171
To be settled tax (BTW Nederland)	19,697	164,438
Warehouse rental deposit	5,556	-
Other receivables	-	6,649
Total trade and other receivables	**1,721,251**	**1,140,815**

9. Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and cash on hand and are interest bearing.

in USD	2024	2023
Denominated in SRD	541,964	146,380
Denominated in USD	457,399	26,668
Denominated in EURO	128,369	24,129
Total cash and cash equivalents	**1,127,732**	**197,177**

The cash and cash equivalents are at free disposal of the Company.

10. Issued capital and reserves

Share capital

On 31 December 2024 the issued share capital comprised of 1,280,837 shares (2023: 1,280,837 shares) with a par value of SRD 0.10 each. All issued shares are fully paid up.

Share premium

The share premium relates to the difference between nominal value and the price of the shares issued in 2001 and 2010 minus the amount paid up by disbursement of SRD 0.09 nominal value per share with regards to the conversion of SRG to SRD shares in 2012.
On 31 December 2020 the outstanding shares were reduced with 23,877 shares and were credited to Share premium for SRD 0.09 per share.

In accordance with IAS 21 the nominal value of the share capital and the share premium are translated into USD.

Other reserves

The other reserves relate to the actuarial loss or gain on the defined benefit obligation.

11. Income tax and deferred tax liabilities

Income tax

Income tax is calculated at the applicable rate of 36% over the earnings before tax over the financial year, taking into account the differences between valuation for commercial and for taxation purposes.

Iron inventory

The application of the iron inventory valuation method is adjusted based on the actual situation during the year.

Participation exemption

For the calculation of the income tax 2024, participation exemption has been taken into consideration for dividend income to the amount of USD 1,374 (2023: USD 1,181).

The income tax (receivable) / payable is specified as follows:

in USD	2024	2023
Balance at 1 January	697,416	221,660
Paid during the year	(946,548)	(340,219)
Due for the year	525,102	815,975
Exchange result	75,732	-
Balance at 31 December	**351,702**	**697,416**

For tax purposes the filed income tax returns for the years 2023 do not need to be adjusted.

Deferred tax liabilities

in USD	2024	2023
Balance at 1 January	835,442	584,985
Non-current of equity investments	-	3,535
Restatements on inventory	33,091	162,204
Restatements on PP&E	(85,912)	84,718
Exchange result	63,887	-
Balance at 31 December	**846,508**	**835,442**

All deferred tax charges are accounted for through the statement of comprehensive income. A tax rate of 36% is used for the determination of this liability.

Income tax expense

in USD	2024	2023
Current income tax charge	621,691	769,970
Current tax recognized to the other comprehensive	(102,024)	46,005
Total Current tax	**519,667**	**815,975**
Deferred tax:		
Relating to origination and reversal of temporary differences	(52,821)	174,158
Income tax expense reported in the statement of comprehensive income	**466,846**	**990,133**
Which consist of:		
Income tax reported in statement of comprehensive income	(568,870)	(1,036,138)
Income tax on defined benefit obligation	102,024	46,005

12. Employee Benefit Obligation

Assumptions

Principal financial assumptions (annually):

in USD	2024	2023
Discount rate[1]	9.79%	33.16%
Inflation[2]	6.06%	30.00%
Salary increase used in valuation as at		
- merit	Age dependent, moving between 1.2 at age 18 and 3.3 before retirement based on current pensionable salary structure.	Age dependent, moving between 1.2 at age 18 and 3.3 before retirement based on current pensionable salary structure.
- inflation	6.06%	30.00%

[1]In the absence of both a deep market in corporate bonds and long-term government bonds, the discount rate used in this valuation is derived from the 14-year US High Quality Corporate Bond rate and is assumed at 9.79% after corrections for both US and Suriname inflation rates. This approach is taken because there are no government bonds and no long-term SRD corporate bonds available in Suriname. The US bond rates have been adjusted for US and Suriname inflation rates.

[2]Salary and benefit increases due to inflation are assumed at 6.06% annually in future years. The inflation rates used were set at the average of the 14-year extrapolated forecast on USD and SRD inflation and derived from the 2025-2029 forecast published by the International Monetary Fund.

The amounts recognized in the statement of financial position were determined as follows:

Jubilee obligation
In accordance with the collective labor agreement the Company has an obligation for jubilee payments.
As per 2024 this liability, based on internal calculations, is recognized as a long-term obligation. Employees become eligible for a jubilee gratuity after completing a specific number of years of service. The gratuity amount is determined by the particular jubilee being celebrated and changes according to the employee's total years of service, as detailed in the labor agreement.

in USD	2024	2023
Movement in employee benefit obligation:		
Balance at 1 January	67,995	39,911
Addition	33,189	25,661
Interest	8,131	13,234
Paid during the year	(13,726)	(10,811)
Balance at 31 December	**95,589**	**67,995**
Balance at 31 December consist of:		
Short-term employee benefit obligation	12,054	10,267
Long-term employee benefit obligation	83,535	57,728

Pensions obligations

Mortality assumptions
The mortality rates used are calculated by the "Kring van Actuarissen in Suriname" and are based on experience data from the entire Surinamese population regarding the years from 2010 to 2013.

Mortality rates used in valuation as at:

Future lifetime from age 60 (aged 60 at accounting date)	31 December 2024	31 December 2023
Males	18.15	18.15
Females	21.40	21.40

Future improvement of mortality rates has been taken into account by means of a markup of 4% on the net Defined Benefit Obligation (DBO).

Demographic assumptions

The assumptions listed below have been applied in this valuation report as at 31 December 2024. Unless mentioned otherwise, these assumptions were applied identically in the valuation as at 31 December 2023.

Disability rates:
Annual disability rates are assumed to be nil.

Turnover rates (prior to retirement date):
Termination prior to retirement date is assumed to occur with annual rates of 5.65% (2023: 6.81%). The turnover rates are based on the 2022-2024 average turnover at the VSH Group.

Marital rates and age difference:

- The defined benefit obligation (DBO) was calculated taking into account the actual marital status of the participants as at valuation date.
- Age difference between spouses: 5 years.

Currency:
All amounts calculated are nominated in Surinamese dollars (SRD) then translated into USD with the USD exchange rate at the end of the year.

Calculation of ages and terms:
Ages and terms are nominated in years and months. Parts of a month of 15 days or more have been rounded to one full month whereas parts of a month of less than 15 days are not taken into account.

in USD	2024	2023
Movement in employee benefit obligation:		
Balance at 1 January	677,400	373,583
Interest on scheme liabilities	233,978	103,990
Current Service Cost	64,122	45,613
Transfer Cost in/(out)	(49,952)	58
Actuarial gain/(loss) on obligation	(39,651)	154,156
Balance at 31 December	**885,897**	**677,400**

in USD	2024	2023
Movement in the fair value of pension assets:		
Fair Value of plan assets at 1 January	1,122,360	726,806
Expected return on plan assets	408,132	211,493
Contributions	123,417	65,961
Actuarial gain/(loss) on plan assets	996,010	118,100
Fair Value of plan assets at 31 December	**2,649,919**	**1,122,360**

in USD	2024	2023
Unrecognized net cumulative actuarial gains/(losses)		
Unrecognized net cumulative actuarial gains/(losses) at 1 January	-	-
Actuarial gain/(loss) on obligation	39,652	(154,156)
Actuarial gain/(loss) on plan assets	996,010	118,100
Actuarial gain/(loss) on asset ceiling	(1,319,062)	(91,737)
Actuarial gain/(loss) recognized in year	**(283,400)**	**(127,793)**

in USD	2024	2023
Pension (asset)/liability		
Present value of the employee benefit obligation	885,897	677,400
Fair value of pension plan assets	(2,649,919)	(1,122,360)
Asset Ceiling	1,764,022	444,960
Recognized Pension liability	**-**	**-**

All employees joined the Pension Fund “Stichting VSH Pensioenfonds”.
The Company contributes 15% and the employees 6% of the base salary to the pension fund. The Company’s pension contribution in 2024 amounted to USD 53,541 (2023: USD 46,139). This amount is recognized under personnel expense.

The plan maintained by the pension fund is a defined contribution plan, with maximum annual pension base ceiling:

- Personnel SRD 321,750
- Staff SRD 670,300
- Management SRD 1,072,500

The fair value of plan assets was determined using the projected unit cost method. The major classes of the plan assets comprise of investments in quoted active markets, cash and cash equivalents and unquoted investments.

Sensitivity analysis
A sensitivity analysis has been carried out to assess the DBO’s sensitivity to the discount rate, the salary/ benefit inflation rate, and future improved mortality rates.

Movements in the DBO due to changes in the discount rate, salary/benefit inflation rate and future improved mortality rates.

in USD at 31 December	2024	2023
Discount rate (+1.0% movement)	(126,877)	(50,977)
Discount rate (-1.0% movement)	159,653	62,895
Inflation rate salaries and benefits (+1.0% movement)	164,249	64,069
Inflation rate salaries and benefits (-1.0% movement)	(131,960)	(52,497)
Future mortality (-5 years age correction)	94,946	42,239
Future mortality (-7 years age correction)	130,595	58,659

13. Borrowings

Loans

In December 2022 a three-year loan from the VSH Pension Fund of USD 69,500 was signed to finance a motor vehicle for the Company. The fixed rate is 7% per annum. The balance at year end 2024 amounted to USD 22,800.

On 1 August 2023 an eight-year loan of USD 750,000 was signed to finance production and packaging facility expansion. The fixed rate is 7.5 % per annum. The balance at year end amounted to USD 643,503.

Overdraft facilities

The Company settled a one year overdraft facility of a maximum of SRD 8,000,000 with a bank on 29 May 2023 for a fixed rate of 11,5% per annum. At year-end this facility was not used.

On 19 June, 2008, the Company obtained an overdraft facility of a maximum of USD 250,000 from the bank to finance working capital requirements on an ongoing basis. Per 23 May 2022 this overdraft has been increased to USD 500,000 and further increased to USD 1,500,000 per 8 February 2023. The fixed rate is 6.0% per annum. The balance at year end amounted to USD 616,901.

On April 14, 2023, the Supervisory Board granted approval for the construction of a warehouse and office facilities. To fund this investment, the Company obtained a loan of USD 4,230,000 from the bank, with a repayment term of 8.5 years. At the end of 2024, a total of USD 2,500,000 had been disbursed. The remaining funds available at the bank amounts to USD 1,730,000.

The remaining balance for repayment at year-end 2024 stands at USD 2,220,417.

The collateral encompasses

- a mortgage on land and buildings at the Indira Gandhiweg 157
- first beneficiary on the fire insurance

The collateral given to the bank are:

- Pledge of fixed assets
- Fiduciary assignment of inventories
- Fiduciary assignment of machinery and equipment

in USD	2024	2023
Balance at 1 January	2,054,039	646,286
Movement in overdraft facility at banks	(673,907)	729,054
Investment loan at banks	2,146,753	691,942
Investment loan VSH Pension fund	(23,264)	(13,243)
Balance at 31 December	**3,503,621**	**2,054,039**
Short-term borrowings	1,028,513	1,387,737
Long-term borrowings	2,475,108	666,302

14. Trade and other payables

in USD	2024	2023
Trade payables	668,899	1,281,889
Other payables:		
Employee benefits	144,213	37,976
Marine Insurance	65,858	49,225
Supplier invoices to be received	17,110	44,001
Dividend and dividend tax	46,550	30,808
Value Added Taxes (VAT)	42,474	45,971
Taxes on wages	101,659	-
Other payables	7,798	(30,081)
Total trade and other payables	**1,094,561**	**1,459,789**

Terms and conditions:

- Trade payables are non-interest bearing
- Other payables are non-interest bearing
- For terms and conditions with related parties, see Note 24

15. Sales and cost of sales

in USD	2024	2023
Sales of margarine	10,384,740	9,951,943
Sales of butter	1,885,220	1,477,584
Discounts to customers	(257,330)	(216,150)
Total sales	**12,012,630**	**11,213,377**
Production costs	7,150,674	6,224,226
Overhead costs	989,647	622,939
Write-down and provision inventory	299,820	32,737
Total cost of sales	**8,440,141**	**6,879,902**
Total gross profit	**3,572,489**	**4,333,475**

16. Personnel expenses

in USD	2024	2023
Salaries and wages	521,985	330,684
Bonuses	246,905	99,333
Contribution to pension plan	53,541	46,139
Vacation allowances	41,502	42,977
Medical insurance	53,040	23,352
Training	16,932	5,099
Current service expense	(109,247)	(20,291)
Defined benefit obligation	(132,834)	(68,607)
Other personnel expenses	53,707	5,115
Total personnel expenses	**745,531**	**463,801**

17. Distribution expenses

in USD	2024	2023
Local distribution expenses	67,305	62,198
Export expenses	130,239	139,718
Total distribution expenses	**197,544**	**201,916**

18. Administrative expenses

in USD	2024	2023
Office	277,532	203,568
Representation	103,712	80,875
Maintenance	84,076	55,358
Marketing	76,993	77,685
Utility	69,415	29,140
Laboratory	51,111	64,005
Travel expenses	40,365	32,070
Gifts and donations	32,515	42,824
Transport allowances	27,365	26,128
Consultancy and advisory fees	24,856	97,792
Remuneration of Supervisory Board	12,465	9,442
Insurance	5,182	8,210
Provision on bad debtors	8,086	-
Other administrative expenses	74,904	32,442
Total administrative expenses	**888,577**	**759,539**

19. Finance costs

in USD	2024	2023
Interest on borrowings measured at amortized cost	129,276	100,194

20. Exchange rate (losses) / gains

in USD	2024	2023
Revaluation cash and cash equivalents	16,647	(53,651)
Revaluation of loans	36,239	25,327
Revaluation of receivables and payables	57,412	49,564
Other	63,900	40
Total exchange rate (losses) / gains	**174,198**	**21,280**

21. Other non-operating income

in USD	2024	2023
Income from sales of empty drums	51,778	37,956
Income from export of waste oil	18,425	-
Other	20,332	21,810
Total other non-operating income	**90,535**	**59,766**

22. Earnings per share

All shares of the Company are shares with a par value of SRD 0.10. The calculation of earnings per share at 31 December 2024 was based on the net earnings attributable to Shareholders of the Company and the number of shares outstanding.

in USD	2024	2023
Earnings attributable to Shareholders of the Company	927,151	1,631,076
Number of shares outstanding	1,280,837	1,280,837
Earnings per share in USD	0.72	1.27

23. Dividend proposed and declared

The following dividends were declared and paid by the Company.

in USD	2024	2023
Final dividend previous year SRD 5.90 per share	201,520	157,116
Interim dividend SRD 0.60 per share	21,347	20,493
Dividend declared	**222,867**	**177,609**

Dividends are recognized as a current liability in the period in which they are declared.
The proposed dividend 2023 of SRD 6.50 was adopted by the Annual General meeting of Shareholders on 30 April 2024.
The proposed total dividend per ordinary share of SRD 3.40 is subject to approval at the Annual General meeting of Shareholders.
The final dividend is not recognized as a liability as at 31 December 2024.

24. Related party disclosure

Supervisory Board

The remuneration of the Supervisory Board is approved by the Annual General Meeting of Shareholders. In 2024 the total remuneration amounted to USD 12,465 (2023: USD 9,442).

NV Verenigde Surinaamse Holdingmij,-/United Suriname Holding Company holds a majority share of 65.34% and has appointed two members in the Supervisory Board of the Company which are the Chief Executive Officer and the Chief Financial Officer of VSH United.

Key Management Compensation

The remuneration of key management personnel of the Company is determined by the Supervisory Board.
The remuneration consists of a fixed monthly salary and an incentive. The bonus of key management is based on an Executive Performance Pay System measured against financial and non-financial key performance indicators and a long-term target. Based on the 2024 results a short-term bonus of SRD 1,048,517 will be awarded after approval of the financial statements by the shareholders. The long-term target was not achieved.

in USD	2024	2023
Remuneration and annual incentive compensation	184,895	139,109
Employers share pension plan	5,151	2,887

Related parties' transactions

- The Company is charged by VSH United for IT related services and salary administration for an amount of USD 64,362 (2023: USD 62,765). This amount is included in the administrative expenses.
- The Company also purchases goods and services from other subsidiaries of VSH United. These amounts are included in trade payables and do not carry interest.
- The Company contributes on a final monthly basis 1.5% of the earnings before tax to the VSH Community Fund. In 2024 the total contribution to the VSH Community Fund amounted to USD 29,698 (2023: USD 40,956).

The related party transactions are executed on an arm's length basis. Outstanding balances are not secured, do not carry interest and are settled with cash and cash equivalents.

in USD	Sales to Related Parties	Purchases from Related Parties	Balance due to Related Parties
VSH Holding	-	(74,417)	(5,790)
VSH Trading	-	(39,645)	-
Stichting VSH Pensioenfonds	-	(132,576)	-
VSH Community Fund	-	(29,698)	(3,553)
VSH Transport	220	(54,411)	(2,048)
VSH Real Estate	538	-	-
VSH Shipping	-	(140,746)	(2,803)
VSH Logistics	-	(89,222)	-
CIC	-	(4,420)	-

25. Standards issued but not yet effective

New and amended standards and interpretations

Paragraph 30 of IAS 8 requires an entity to disclose if there are new accounting standards that are issued but not yet effective, and information relevant to assessing the possible impact that the application of the new accounting standards will have on the entity's financial statements. This summary includes all new accounting standards and amendments issued before 31 December 2024 with an effective date for accounting periods beginning on or after 1 January 2025.

1. Amendments to IAS 21 - Lack of Exchangeability

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

Published: August 2023
Effective date: Annual periods beginning on or after 1 January 2025 (early adoption is available)
Impact on the Company: The Company is currently assessing the impact the amendments will have on current practice.

2. Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

Published: May 2024
Effective date: Annual periods beginning on or after 1 January 2026 (early adoption is available).
Impact on the Company: The amendments are not expected to have a material impact on the Company's financial statements.

3. Annual improvements to IFRS – Volume 11

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards.

The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.
- Published: July 2024
- Effective date: Annual periods beginning on or after 1 January 2026 (early adoption is permitted)

Impact on the Company: The improvements are not expected to have a material impact on the Company's financial statements.

4. IFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

Published: April 2024
Effective date: Annual periods beginning or after 1 January 2027
Impact on the Company: This new Standard will be further evaluated at 1 January 2026.

5. IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'

This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Published: May 2024
Effective date: Annual periods beginning on or after 1 January 2027. Earlier application is permitted.
Impact on the Company: This new Standard will be further evaluated at 1 January 2026.

26. Subsequent events

New warehouse and office building completion

The warehouse and office facilities construction project commenced on September 11, 2023, and is projected to be completed in July 2025.

Pension fund adjustment

As per 1 January 2025 the Stichting VSH Pensioenfonds (Pension Fund) increased the maximum annual pension base ceiling to:

in SRD	2025
Personnel	353,925
Staff	737,330
Management	1,179,750

RCFA RELIANT CORPORATE FINANCE & ACCOUNTANCY

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial statements 2024 as presented on page 26 up to and including page 55 included in this annual report

Our opinion

We have audited the financial statements 2024 of N.V. VSH FOODS (hereafter 'the Company') based in Paramaribo, Suriname.
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and in accordance with the (revised) Act on Annual Reporting (Wet op de Jaarrekening) as issued by the Government of Suriname.

The financial statements comprise:

1. the statement of financial position as of December 31, 2024;
2. the following statements for 2024:
   the income statement, the statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole based on 6.5% of revenue. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We note that misstatements in excess of the above-mentioned materiality for the financial statements as a whole, which are identified during the audit, would be reported to you, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our key audit matters

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Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. The key audit matters are not a comprehensive reflection of all matters discussed.

Key audit matter

The matter	How our audit addressed the key audit matter
Change in Functional Currency (First-time adoption of IAS 21 The Effects of Changes in Currency Exchange Rates) As of January 1, 2024, the functional currency of the Company was changed to the United States Dollar (hereafter 'USD'). Therefore, the Company ceased the application of hyperinflation accounting as required by IAS 29. In determining its functional currency, The Company performed a detailed analysis driven by both primary and secondary factors. Based on this analysis, management believes that as of January 1, 2024, the USD is the currency of the economic environment in which the Company operates. For a detailed description of the methodology regarding the change in functional currency, please refer to Note 2c on the pages 32 and 33 of the Financial Statements.	We performed the following audit procedures in response to each identified risk: 1. We have reviewed the primary (e.g., revenue and costs) and secondary indicators (e.g., debt and regulatory environment) to determine if the Surinamese Dollar (SRD) or USD is the functional currency; 2. We have ensured that the Company retained the adjusted values of non-monetary assets that were restated under IAS 29 as deemed cost at the date hyperinflation ceases; 3. We have ensured that the exchange rate used for different foreign currency transactions has been consistently applied; 4. We have verified that foreign exchange gains/losses on monetary items are recognized in profit or loss; 5. We have ensured clear disclosure of the transition effects (refer to Note 2 on pages 32 up to and including 34 of the Financial Statements. Our audit opinion is not modified with respect to this Key Audit Matter.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of International Standard on Auditing 720 'The Auditor's responsibilities relating to other information'. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

RCFA

Management is responsible for the preparation of the other information, including the management report in accordance with the Act on Annual Reporting in Suriname (Wet op de Jaarrekening).

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS. Furthermore, management is responsible for such internal control as management determines it is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is, amongst others, responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with the International Standards on Auditing (ISAs), ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we

are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

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

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

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Paramaribo, May 8, 2025

Rcfa

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

Notes

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