

N.V. VERENIGDE SURINAAMSE HOLDINGMIJ.-
United Suriname Holding Company

Half Year Report 2019

Core Values

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

- Your success is our desire
- Trust in our relationships and personally responsible for all our actions
- Creating a better company for a better world

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Report of the Managing Directors First Half Year 2019

Introduction

The VSH-United Group comprises a Holding Company and fifteen operating subsidiaries; twelve (12) are operating in Suriname, one (1) in Georgetown, Guyana, one (1) in Miami, Florida, USA and one (1) in Moerdijk, the Netherlands.

The Company

In the Annual General Meeting of Shareholders held on 13 June 2019, the financial statements 2018 and a cash dividend of SRD 7,945,353 (2017: SRD 5,263,796) or SRD 4.00 (2017: SRD 2.65) per share each were approved.

The Annual General Meeting of Shareholders re-elected Mrs. D. Halfhide, Mr. R. Hahn, Mr. S. Smit, Mr. J. Healy, Mr. K. Lim A Po, Mr. V. Kenswil and Mr. P. Fernandes as members of the Supervisory Board.

In the Meeting of the Supervisory Board of 25 July 2019 the members appointed Mrs. D. Halfhide as Chairman, Mr. R. Hahn as Vice-Chairman and Mrs. M. Ramsundersingh as Secretary.

With reference to VSH Steel closing of the production facility we can report that the process of outplacing of 48 production employees has been finalized. A total of 36 employees were employed internally with VSH sister companies, 9 employees were outplaced with strategic partner companies and 3 employees were facilitated with early retirement packages.

The Business Environment

The Suriname economy is expected to grow by 2.2%¹ in 2019 compared to a growth of 2.0% in 2018. Inflation, on a year to year basis was 4.0% at the end of September 2019 (12-month September 2018: 5.5%)². The improved foreign currency reserves (3.5 months import coverage per august 2019 compared to under 3 months in 2018)³ did not offset the effects of a shortage of cash US dollar in the market caused by the confiscation of Euro 19.5 million by the Netherlands Ministry of Justice in 2018 which led to an increase of the US dollar / SRD exchange rate to over SRD 8.20 in the second half of 2019. Steady gold and oil production and improved commodity prices supported improved economic performance in the first half of 2019. Non-mineral business activities experienced modest growth due to increased construction/infrastructure industry related activities.

Financial Overview

Consolidated Group revenue for the first half year 2019 amounted to SRD 93,974,339 (first half year 2018: SRD 87,814,764) which is a 7.0% increase.

- Shipping revenue was 0.7% higher compared to the first half year 2018 mostly from increase in overall cargo volumes and some off-shore activities.
- Trading revenue was 44.2% higher compared to the first half year 2018 due to higher sales volumes in both office equipment and personal protective equipment at VSH Trading and VSH Guyana and an increase in resale items at VSH Steel. The process of closing down VSH Steel production activities and developing a new business model based on steel fabrication engineering services/project management allowed for profitable results in the first half year 2019 compared to a loss in the first half year 2018.
- Industry revenue was 6.0% higher compared to the first half year 2018 mainly due to higher sales volumes at CIC.
- Real estate revenue was 51.8% higher compared to the first half year 2018 mainly due to the contribution of warehouse rental at VSH USA as of 2019.

Consolidated costs for the first half year 2019 amounted to SRD 72,514,662 (first half year 2018: SRD 64,412,350) which is 12.6% higher compared to the same period in 2018. Personnel expenses in the first half of 2019 were 12.7% higher compared to the first half of 2018 mainly due to increases in wages in line with inflation and market wage trends. Administrative expenses posted at SRD 25,426,588 (first half year 2018: SRD 23,946,029). Provisions for the first half year 2019 amounted to SRD 693,119 (first half year 2018: SRD 234,894) due to provisions for redundancy at VSH Transport and VSH Labour Services.

Profit from continuing operations for the first half year 2019 amounted to SRD 21,459,677 (first half year 2018: SRD 23,402,414).

The profit from the associated company Assuria N.V. (Assuria) decreased by 22.9% compared to the first half year 2018. Our share of profit as reflected in the condensed consolidated statement of income amounted to SRD 4,001,356 (first half year 2018: SRD 5,191,240). Consolidated investment income in the first half year 2019 amounted to SRD 81,160 (first half year 2018: SRD 125,512). Total consolidated net profit for the first half year 2019 amounted to SRD 18,135,123 (first half year 2018: SRD 20,411,569).

After deduction of non-controlling interest the profit attributable to shareholders amounted to SRD 16,647,690 (first half year 2018: SRD 18,517,304). Earnings per share amounted to SRD 8.38 (first half year 2018: SRD 9.32).

¹ Source: International Monetary Fund

² Source: General Bureau of Statistics

³ Source: Central Bank of Suriname

Report of the Managing Directors First Half Year 2019

Profit attributable to shareholders which has been realized in the period is used as the bench mark for determining dividend policy. Unrealized profit is the portion of consolidated profit not received in cash (dividend) from group companies during the period. Realized profit attributable to shareholders amounted to SRD 11,725,219 (first half year 2018: SRD 12,903,928). Realized earnings per share amounted to SRD 5.90 (first half year 2018: SRD 6.50).

Interim dividend approved amended policy during annual shareholders meeting on 13 June 2019 facilitated the change from four quarterly interim dividend payments to one interim dividend payment. Approved interim dividend payment 2019 of SRD 1.00 per share was paid out on 15 October 2019 and will be reflected in the annual 2019 financial report. The share price during the last trading session on the Suriname Stock Exchange on 17 October 2019 amounted to SRD 77.00 which is the same share price as per 31 December 2018.

Outlook

Growing Suriname public debt and its effect on the fragile recovery process of the economy remains a major concern. The projects geared toward Suriname elections scheduled for 25 May 2020 will support non-mineral business growth while the related external financing will further increase public debt.

Ongoing National Risk Assessment (NRA) and Extractive Industries Transparency Initiative (EITI) compliance processes require efficient public and private stakeholder participation. Growing division between the public and private sector must be dealt with to ensure successful completion of audit processes; this to the benefit of the country as a whole.

Changing regional economic landscape with key markets Trinidad and Jamaica showing signs of positive developments in their respective economies and will contribute to VSH Group revenue growth for the remainder of 2019. Guyana's "first oil" revenue streams projected for Q1 2020 will allow for public investments in much needed infrastructural projects and with ongoing private investments will support the dramatic projected economic growth for 2020. The Guyana elections scheduled for March 2020 are not expected to effect offshore oil production activities but concerns on traditional election irregularities on the local business activities remain. Multiyear Strategy of growing our markets, the further professionalization of our business processes and the focus on segment business model improvements will support improved profitability for the remainder of 2019.

Paramaribo, 31 October 2019

Mr. P. Healy, *CEO*

Mrs. M. Ramsundersingh, *CLO*

Mr. P. Brahim, *CFO*

Condensed Statement of Income

for the six months ended 30 June 2019

	1 January - 30 June 2019	1 January - 30 June 2018
	SRD	SRD
Income from		
Subsidiaries	11,998,743	12,586,248
Share of profit in associate	4,001,356	5,191,240
Investments	76,336	113,020
Other	892,586	979,369
	16,969,021	18,869,877
Earnings		
Earnings before income tax	16,969,021	18,869,877
Income tax expense	321,331	352,573
Net earnings	16,647,690	18,517,304
Division of Earnings		
Interim dividend	-	595,901
Surplus	16,647,690	17,921,403
	16,647,690	18,517,304

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

Paramaribo, 31 October 2019 Supervisory Board of Directors

D. Halfhide, Chairman
R. Hahn, Vice Chairman
P. Fernandes
J. Healy Jr.
V. Kenswil
K. Lim A Po
S. Smit

Managing Directors

P. Healy
M. Ramsundersingh
P. Brahim

Condensed Statement of Financial Position at 30 June 2019

before appropriation of profit

ASSETS	30 June 2019	31 December 2018
	SRD	SRD
NON-CURRENT ASSETS		
Property, plant and equipment	1,992,482	2,559,738
Intangible assets	891,506	746,095
Financial assets	20,860,189	19,631,785
Subsidiary interest	141,108,367	127,005,006
Investment in associate	73,248,374	69,800,094
Total non-current assets	238,100,918	219,742,718
CURRENT ASSETS		
Subsidiary receivables	26,230,203	18,701,213
Trade and other receivables	3,425,030	5,235,239
Cash and cash equivalents	20,199,605	26,681,903
Total current assets	49,854,838	50,618,355
TOTAL ASSETS	287,955,756	270,361,073
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	198,634	198,634
Capital in excess of par value	61,654	61,654
Retained earnings	175,866,133	151,511,222
Result for the period/year	16,647,690	31,034,468
Revaluation reserves	28,501,265	29,616,056
Total equity	221,275,376	212,422,034
LIABILITIES		
Non-current liabilities		
Deferred tax	8,530,246	8,374,153
Total non-current liabilities	8,530,246	8,374,153
Current liabilities		
Subsidiary payables	40,252,662	34,889,088
Provisions	5,335,716	4,912,555
Income tax payable	174,487	526,250
Trade and other payables	12,387,269	9,236,993
Total current liabilities	58,150,134	49,564,886
TOTAL EQUITY AND LIABILITIES	287,955,756	270,361,073

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

Paramaribo, 31 October 2019
Supervisory Board of Directors
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P. Brahim

Condensed Consolidated Statement of Income *for the six months ended 30 June 2019*

	1 January - 30 June 2019	1 January - 30 June 2018
	SRD	SRD
REVENUE		
Trading	7,161,011	4,965,496
Industry	30,616,002	28,890,321
Shipping	50,286,446	49,946,706
Real estate	1,695,425	1,116,786
	89,758,884	84,919,309
Other income	4,215,455	2,895,455
	93,974,339	87,814,764
Personnel expenses	(37,815,244)	(33,562,037)
Administrative expenses	(25,426,588)	(23,946,029)
Depreciation and amortisation	(7,159,997)	(5,506,475)
Provisions	(693,119)	(234,894)
	(71,094,948)	(63,249,435)
Operating profit	22,879,391	24,565,329
Finance costs	(1,419,714)	(1,162,915)
Earnings from continuing operations	21,459,677	23,402,414
Other		
Share of profit in associate	4,001,356	5,191,240
Investments	81,160	125,512
EARNINGS		
Earnings before income tax	25,542,193	28,719,166
Income tax expense	(7,407,070)	(8,307,597)
Net earnings	18,135,123	20,411,569
ATTRIBUTABLE TO:		
Non-controlling interests	1,487,433	1,894,265
Equity holders of the Parent Company	16,647,690	18,517,304
Weighted average number of shares	1,986,338	1,986,338
Earnings per share	8.38	9.32

Condensed Statement of Comprehensive Income *for the six months ended 30 June 2019*

	1 January - 30 June 2019	1 January - 30 June 2018
	SRD	SRD
Net earnings before income tax	18,135,123	20,411,569
Non-controlling interests	(1,487,433)	(1,894,265)
	16,647,690	18,517,304
Other comprehensive income		
Actuarial (loss)/ gain on defined benefit obligation	-	-
	-	-
Income tax	-	-
Other comprehensive income net of tax	-	-
Total comprehensive income	16,647,690	18,517,304

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

Paramaribo, 31 October 2019

Supervisory Board of Directors

D. Halfhide, Chairman P. Fernandes V. Kenswil S. Smit
R. Hahn, Vice Chairman J. Healy Jr. K. Lim A Po

Managing Directors

P. Healy P. Brahim
M. Ramsundersingh

Condensed Consolidated Statement of Financial Position at 30 June 2019

before appropriation of profit

ASSETS	30 June 2019	31 December 2018
	SRD	SRD
NON-CURRENT ASSETS		
Property, plant and equipment	104,502,895	104,903,253
Intangible assets	1,020,765	917,152
Subsidiary interest	200,000	200,000
Discontinued operations	1,349,787	1,937,973
Financial assets	38,216,526	34,189,186
Investment in associate	73,248,374	69,800,094
Total non-current assets	218,538,347	211,947,658
CURRENT ASSETS		
Inventories	56,682,994	56,588,241
Trade and other receivables	97,048,775	83,047,334
Cash and cash equivalents	31,143,706	42,256,121
Total current assets	184,875,475	181,891,696
TOTAL ASSETS	403,413,822	393,839,354
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	198,634	198,634
Capital in excess of par value	61,654	61,654
Retained earnings	175,866,133	151,511,222
Result for the period/year	16,647,690	31,034,468
Revaluation reserves	28,501,265	29,616,056
Equity attributable to equity holders of the parent company	221,275,376	212,422,034
Non-controlling interest	23,737,658	24,650,762
Total equity	245,013,034	237,072,796
LIABILITIES		
Non-current liabilities		
Long-term borrowings	40,406,420	34,425,672
Deferred tax	14,919,096	14,822,624
Long-term provisions	5,802,840	5,574,494
Total non-current liabilities	61,128,356	54,822,790
Current liabilities		
Trade and other payables	83,249,780	78,599,176
Short-term borrowings	6,786,914	13,600,444
Current tax payable	4,939,320	7,900,108
Short-term provisions	2,296,418	1,844,040
Total current liabilities	97,272,432	101,943,768
TOTAL EQUITY AND LIABILITIES	403,413,822	393,839,354

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Paramaribo, 31 October 2019

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Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2019

in SRD	SHARE CAPITAL	CAPITAL IN EXCESS OF PAR VALUE	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL	NON-CONTROLLING INTERESTS	TOTAL
Equity at 1 January 2018	198,634	61,654	152,612,136	26,793,683	179,666,107	18,671,017	198,337,124
Net profit	-	-	31,034,468	-	31,034,468	3,910,708	34,945,176
Profit distributions	-	-	(1,191,803)	-	(1,191,803)	(351,588)	(1,543,391)
Revaluation	-	-	-	2,912,479	2,912,479	(35,835)	2,876,644
Realized revaluation	-	-	90,106	(90,106)	-	-	-
Correction previous year	-	-	783	-	783	-	783
Other comprehensive income	-	-	-	-	-	(393,970)	(393,970)
Unclaimed dividend	-	-	-	-	-	2,850,430	2,850,430
Equity at 31 December 2018 before appropriation of profit	198,634	61,654	182,545,690	29,616,056	212,422,034	24,650,762	237,072,796
Appropriation of profit	-	-	-	-	-	-	-
Final dividend	-	-	(6,753,550)	-	(6,753,550)	(86,092)	(6,839,642)
Equity at 31 December 2018 after appropriation of profit	198,634	61,654	175,792,140	29,616,056	205,668,484	24,564,670	230,233,154
Net profit	-	-	16,647,690	-	16,647,690	1,487,433	18,135,123
Profit distributions	-	-	-	-	-	(59,907)	(59,907)
Revaluation	-	-	-	(1,040,798)	(1,040,798)	11,795	(1,029,003)
Realized revaluation	-	-	73,993	(73,993)	-	-	-
Correction previous year	-	-	-	-	-	(119,765)	(119,765)
Decrease of Subsidiary minority interest	-	-	-	-	-	(2,146,568)	(2,146,568)
Equity at 30 June 2019 before appropriation of profit	198,634	61,654	192,513,823	28,501,265	221,275,376	23,737,658	245,013,034

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

Paramaribo, 31 October 2019 Supervisory Board of Directors

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Managing Directors

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Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	1 January - 30 June 2019	1 January - 30 June 2018
	SRD	SRD
Profit before tax	25,542,193	28,719,166
Adjusted for:		
Depreciation and amortisation	7,159,997	5,506,475
Unrealized share of profit associate	(4,001,356)	(5,191,240)
Revaluation results	2,154,810	2,648,932
Investment income	(81,160)	(125,512)
Finance costs	1,419,714	1,162,915
Provisions	693,119	234,894
Cash flow from operations before changes in working capital	32,887,317	32,955,630
Changes in working capital		
Change in inventories	(94,753)	(6,679,581)
Change in trade and other receivables	(14,001,441)	(3,926,378)
Change in trade and other payables	4,650,604	17,713,645
Adjustments regarding provisions	-	(20,143)
Cash generated from operations	23,441,727	40,043,173
Claims paid	(2,289)	(1,201)
Paid finance costs	(1,419,714)	(1,162,915)
Paid income tax	(11,023,428)	(1,514,426)
Net cash from operating activities	10,996,296	37,364,631
Cash flows from investing activities:		
Purchase of property, plant & equipment	(10,241,725)	(45,315,050)
Purchase of non-current financial assets	(2,074,352)	(840,435)
Disposal of property, plant and equipment	53,309	-
Purchase of subsidiary interest	(1,707,172)	-
Dividends received	81,160	125,512
Net cash used in investing activities	(13,888,780)	(46,029,973)
Cash flows from financing activities:		
Proceeds and repayments of loans	(832,782)	23,667,566
Payments of medical for pensioners	(206,170)	-
Redundancy payments	(129,479)	(121,176)
Dividend paid	(7,051,500)	(4,667,894)
Net cash (used in)/ from financing activities	(8,219,931)	18,878,496
Net (decrease)/ increase in cash for the period	(11,112,415)	10,213,154
Cash and cash equivalents at 1 January	42,256,121	36,799,801
Cash and cash equivalents at 30 June	31,143,706	47,012,955

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

Paramaribo, 31 October 2019

Supervisory Board of Directors

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Managing Directors

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Operating Segment Reporting

x SRD 1,000	Shipping		Trading		Foods		Detergents	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Segment income	50,286	49,947	5,919	4,965	8,604	8,168	20,607	17,688
Inter-segment income	-	-	-	-	-	-	-	-
Associate income	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-
Reportable segment operating income	50,286	49,947	5,919	4,965	8,604	8,168	20,607	17,688
Reportable segment profit	20,677	26,395	1,830	10	1,438	1,749	1,320	(80)
	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018
Reportable segment assets	148,414	132,786	28,527	22,328	36,369	37,756	58,287	58,836
Reportable segment liabilities	58,054	50,818	20,851	15,267	19,766	21,816	29,406	28,798
Investments	1,964	26,781	47	256	4,144	2,178	4,400	3,448
Depreciation and amortisation	2,556	4,168	154	293	859	1,392	1,887	2,735
Employees of the reportable segment	189	192	24	23	61	61	125	116

Operating Segment Reporting

x SRD 1,000	Steel		Real Estate		Other		Consolidated	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Segment income	3,271	3,034	4,206	3,847	5,023	3,969	97,916	91,618
Inter-segment income	-	-	(3,134)	(2,730)	(808)	(1,074)	(3,942)	(3,804)
Associate income	-	-	-	-	4,001	5,191	4,001	5,191
Investment Income	-	-	-	-	81	126	81	126
Reportable segment operating income	3,271	3,034	1,072	1,117	8,298	8,212	98,057	93,131
Reportable segment profit	621	(502)	2,048	1,681	(2,392)	(534)	25,542	28,719
	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018	30 June 2019	31 Dec 2018
Reportable segment assets	17,587	20,283	26,457	26,315	87,773	5,535	403,414	393,839
Reportable segment liabilities	3,856	7,268	6,269	6,822	20,199	25,978	158,401	156,767
Investments	210	55	1,596	9,595	1,609	21,305	13,970	63,618
Depreciation and amortisation	256	463	740	1,383	708	885	7,160	11,319
Employees of the reportable segment	11	41	9	6	27	28	446	467

Notes to the condensed consolidated interim financial statements as at and for the six months ended 30 June 2019

1.) Information on the reporting entity

N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company, is a company registered and domiciled in Suriname. The Company's registered office is at Van 't Hogerhuysstraat 9-11 Paramaribo City, Suriname. These condensed consolidated interim financial statements as at and for the six months ended 30 June 2019 comprise the Company, its subsidiaries and its associate (together referred to as the Group).

These condensed consolidated interim financial statements were authorized for issue by the Supervisory Board on 31 October 2019.

These condensed consolidated interim financial statements have been reviewed, not audited.

The subsidiaries are:

1. **N.V. VSH Shipping**
2. **N.V. VSH Transport**
3. **N.V. VSH Trading**
4. **N.V. VSH Steel**
5. **N.V. VSH Real Estate**
6. **N.V. VSH Investment**
7. **VSH Marketing Company Ltd.**
8. **N.V. VSH Logistics**
9. **N.V. VSH Labour Services**
10. **VSH-UNITED (USA) L.L.C.**
11. **VSH-UNITED (Nederland) B.V.**
12. **VSH-UNITED (GUYANA) INC.**
13. **N.V. VSH Agency Services**
14. **N.V. VSH FOODS (63.13%)**
15. **N.V. Consolidated Industries Corporation (CIC) (60.40%)**

The associate is:

1. **Assuria N.V. (24.63%)**

The Group is involved in: shipping, logistics, transport, port operating, steel fabrication and steel engineering, manufacturing of butter, margarine and shortening, manufacturing of household cleaning products and packaging material, trading, insurance, real estate and investment.

2.) Accounting policies

2.1) Basis of preparation

These condensed consolidated interim financial statements for the reporting period ended 30 June 2019 have been prepared under guidelines set forth by Accounting Standard IAS 34 'Interim Financial Reporting'.

The accounting policies followed in these condensed interim financial statements are consistent with those of the previous financial year, except for the adoption of a new accounting standard, being IFRS 16 'Leases' at CIC. These condensed interim financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2018 annual report.

Notes to the condensed consolidated interim financial statements as at and for the six months ended 30 June 2019

New standard effective in the reporting period

3.) Effect of IFRS 16

As noted in the accounting policy regarding the adoption of IFRS 16, the transition provisions applied by CIC do not require comparative figures to be restated.

IFRS 16 'Leases'

IFRS 16 'Leases' is effective for annual periods beginning on or after 1 January, 2019. The standard sets out the principles for the recognition, measurement, presentation and disclosures of leases. The new standard supersedes the IAS 17 standard and related interpretations. CIC adopted IFRS 16 'Leases' using the modified retrospective method of adoption in which the cumulative effect of initially applying the standard is recognized at the date of initial application of 1 January, 2019 and comparative information is not restated. Prior to the adoption of IFRS 16, lease contracts at CIC were recognized as operating leases thus recorded as a lease expense in the condensed statement of income. The lease liability is measured at the present value of the remaining lease payments at that date. In the condensed statement of income, instead of lease expense, CIC recognizes depreciation on the right-of-use asset and interest expense on the lease liability. Upon adoption of IFRS 16 CIC recognized lease liabilities for the leases previously classified as operating leases. The amount of the lease liability recognized at the date of initial application of 1 January, 2019 is based on the present value of the remaining lease payments discounted using the company's incremental borrowing rate at the date of the application. CIC measures the right-of-use asset at an amount equal to the lease liability, which means that the transition has not had impact on equity at the date of initial application.

4.) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group at the internal exchange rates derived from the free market at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at the exchange rate at that date that the fair value was determined. Exchange differences arising are charged or credited to the condensed consolidated statement of income.

The exchange rates used for the US Dollar the EURO and the GYD at reporting date are:

in SRD	30 June 2019	31 December 2018
USD	7.90	7.60
EURO	8.99	8.70
GYD (per 100)	3.59	3.53

Foreign operations

The assets and liabilities of foreign operations on consolidation are translated to the SRD at the exchange rates at reporting date. For consolidation purposes the revenues and expenses of foreign operations are translated to the SRD at the average monthly internal exchange rate. The Company's shares in foreign operations are valued at the exchange rates at reporting date.

Notes to the condensed consolidated interim financial statements as at and for the six months ended 30 June 2019

5.) Segments results

Operating results of the segments is reported before distribution of costs of the Parent Company and income tax.

The shipping segment comprises shipping activities of the following subsidiaries:

VSH Shipping
VSH Transport
VSH Logistics
VSH Labour Services
VSH Nederland
VSH Agency Services
VSH USA

The trading segment comprises of trading activities of the following subsidiaries:

VSH Trading
VSH Guyana
VSH Steel

The food segment comprises of food production and distribution of the following subsidiary:

VSH FOODS

The detergent segment comprises of production and distribution of detergents and packaging material by the following subsidiary:

CIC

The steel segment comprises steel fabrication and steel engineering of the following subsidiary:

VSH Steel

The real estate segment comprises real estate rental and service income of the following subsidiaries:

VSH Real Estate
VSH Trading
VSH USA

Other income, assets and liabilities not included in segment reporting are related to the subsidiary VSH Investment, VSH Marketing, the associate Assuria, the strategic investment Torarica and other shares held in local companies.

6.) Dividend declaration and payment

The proposed total dividend 2018 of SRD 4.00 per share was adopted in the Annual General Meeting of Shareholders of 13 June 2019.

7.) Related party transactions

Financial- and IT services are provided by the Company to VSH FOODS, VSH USA and CIC. For the six months ended 30 June 2019 total amount billed and posted to other income in the condensed company statement of income was SRD 674,669 (first half year 2018: SRD 786,447). The Company also purchases goods from other subsidiaries of VSH United.

The Group participates in the VSH Community Fund. This non-profit foundation was established on 22 August 2008 to finance and coordinate community projects on behalf of the Group. The Group contributes on a final monthly basis 1.5% of the profit before tax to the VSH Community Fund. For the six months ended 30 June 2019 a total amount of SRD 328,830 (first half year 2018: SRD 173,396) was contributed by the Group.

8.) Subsequent events

For the year 2019 an interim dividend of SRD 1.00 per share of nominal SRD 0.10 per share has been paid on 15 October 2019.

Independent Auditors' report on review of condensed consolidated interim financial information

Report on review of condensed consolidated interim financial information

*To: The Shareholders of
N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company
Paramaribo City, Suriname*

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company, in Paramaribo, which comprises the condensed company statement of financial position and the condensed consolidated statement of financial position at 30 June 2019, the condensed company statement of income and condensed consolidated statement of income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the period of six months ended 30 June 2019 and the notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with generally accepted accounting principles for interim financial reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagement 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as of and for the period of six months ended 30 June 2019 is not prepared, in all material respects, in accordance with generally accepted accounting principles for interim financial reporting.

Paramaribo, 31 October 2019

Lutchman & Co N.V.

*Represented and signed by
D. de Keyzer AA (chartered accountant)*