



THE NEW ECONOMY

ANNUAL REPORT 2021



THE NEW ECONOMY

ANNUAL REPORT 2021

CONTENTS

Theme	3
Core Values and Our Achievements	5
The VSH Group of Companies	6
Management of the Group	9
Supervisory Board of Directors	13
Report of the Supervisory Board of Directors	15
Consolidated Salient Figures	18
Report of the Managing Directors	19
Financial Statements	28
Notes to the Consolidated Financial Statements	36
Independent Auditor's Report	55

1959

Toeti Froeti Bar and Grill was founded in 1959.

1982

Opening Steel Fabricating plant (VSH STEEL) 15 May 1982.

1993

First export order of the Steel Company (VSH STEEL) to French Guiana.

1999

CIC first export to the Caribbean.

2001

October 2001 VSH-United (USA) L.L.C. commences operations in Miami, Florida offering air- and ocean freight services in Suriname.

2015

6 November 2015 official opening of the new subsidiary VSH-United (Guyana) Inc. in Georgetown, Guyana.

2018

1 January 2018 VSH-United (Nederland) purchase of 51% shares of IFC Holding BV in the Netherlands.

On 11 September 2018 VSH REAL ESTATE GUYANA INC. is founded.

2020

16 January 2020 - VSH TECH BV is founded in the Netherlands.

1958

In 1958 Jim Healy and Leo Tjin a Djie founded the first company that ultimately formed VSH.

1973

Head office: Van 't Hogerhuysstraat 9-11 since 15 November 1973.

1990

31 August 1990: Purchase of substantial shareholding in De Nationale and Hotel Torarica major companies in the insurance and hotel sector.

1998

7 August 1998 The Company increases its shareholding in Consolidated Industries Corporation, a household detergent manufacturer, to 42%.

2000

September 2000 we were able to purchase a block of shares in Margarine- en Vettenfabriek N.V. (VSH FOODS).

2002

December 2002 Margarine- en Vettenfabriek (VSH FOODS) received first export order to Curaçao.

2017

1 December 2017 VSH-United (Nederland) BV is founded.

2019

June 2019 - discontinuation of the steel production facility.

THEME NEW ECONOMY



Growing opportunities from developing extractive industries and government-initiated restructuring/development programs are the conditions in the economies we serve (Suriname and Guyana) that underpin the VSH Group of companies 2022-2027 Multi-Year Strategic assessment of opportunities created by a **“New Economy”**.

The Multi-Year Strategic Plan **“New Economy”** for 2022-2027 was developed in light of the company’s clear understanding of the drastically changing local and global business landscape. Where the VSH companies’ previous strategic plan 2016-2021 was executed on the basis that the VSH companies should strengthen their strategic regional dominance in the markets in which they operate; now, the **“New Economy”** opportunities allow the VSH companies to build on their regional dominance by focusing on their strengths and professionalizing of the business to the next level.

The company’s vision for the coming strategic period 2022-2027 is that VSH can maximize growth in the **“New Economy”**. The company’s ambition is to exceed market growth in the strategic period 2022-2027 **“New Economy”**.

The VSH Group corporate governance policies and related code of conduct are an integral part of the **“New Economy”** multi-year plan. By integrating SDGs - Sustainable Development Goals - in the VSH strategic planning, the company strives to minimize the impact of business activities on the environment, community and society. Pro-active HR solutions for **“Personal Development”** are a critical element of the multi-year plan. The **“New Economy”** will tap people’s curiosity, the quest for knowledge, and understanding of the growing opportunities and how they can contribute to developing a sustainable society.



Arrival of 2nd Liebherr 420 port mobile crane,
the only max 124 mton lifting capacity
available in Suriname market.
Using port mobile cranes in tandem
VSH Transport can safely lift up to 150 mton.

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



Countries
4



Companies
21



Employees
447



Earnings per share
SRD 48.75



Dividend
SRD 10,924,859



Revenue
SRD 506,746,038



Earnings before
income tax
SRD 163,327,272



Donations
VSH Community Fund
SRD 1,845,684

THE VSH GROUP OF COMPANIES

WHAT WE DO

The VSH United Group of Companies was established on 26 August 1958 and has grown to one of the most diversified groups in Suriname. The VSH Group's principal segments are Logistics, Trading, Manufacturing, Real Estate and Services/. Market expansion ambitions saw the company establish subsidiaries in Miami/U.S.A. (2001), Georgetown/Guyana (2015) and Moerdijk/the Netherlands (2018) to support the Logistics segment and expand Trading and Real Estate segment activities. At the same time, the Manufacturing segment continues to expand its market share in over 14 regional countries.



Holding

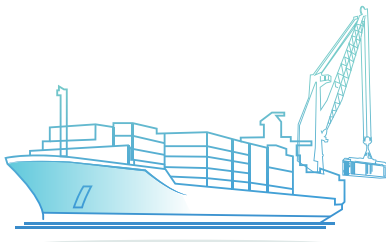
Suriname

**N.V. VERENIGDE SURINAAMSE HOLDINGMIJ.-
UNITED SURINAME HOLDING COMPANY**

The Netherlands

VSH-UNITED (NEDERLAND) B.V.

└─ **I.F.C. (HOLDING) B.V.**



Logistics

Suriname

N.V. VSH SHIPPING

N.V. VSH LOGISTICS

N.V. BEST MARITIME SERVICES

N.V. VSH LABOUR SERVICES

N.V. VSH TRANSPORT

Guyana

VSH-UNITED (GUYANA) INC.

USA

VSH-UNITED (USA) L.L.C.

The Netherlands

I.F.C. INTERNATIONAL FREIGHT (CARIBBEAN) B.V.



Trading

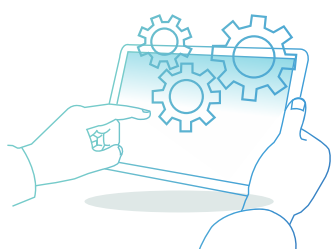
Suriname

N.V. VSH TRADING

Guyana

VSH-UNITED (GUYANA) INC.

THE VSH GROUP OF COMPANIES



Manufacturing

Suriname

N.V. VSH FOODS

N.V. CONSOLIDATED INDUSTRIES CORPORATION
(CIC)



Real Estate

Suriname/ Guyana

N.V. VSH REAL ESTATE

└ VSH REAL ESTATE GUYANA INC.

The Netherlands

IFC VASTGOED B.V.



Services & Investment

Suriname

N.V. VSH STEEL

ASSURIA N.V.

TORARICA HOLDING N.V.

N.V. VSH INVESTMENT

VSH MARKETING COMPANY LTD.

The Netherlands

VSH TECH B.V.



N.V. VSH Trading
Showroom

MANAGEMENT OF THE GROUP

Patrick Healy
Managing Director,
Chief Executive Officer
(CEO)

Paul Brahim
Managing Director,
Chief Financial Officer
(CFO)

Malini Ramsundersingh
Managing Director,
Human Resources Officer,
Chief Legal Officer (CLO)



Gregory Tai-Apin
Assistant Managing Director,
Chief Information Officer (CIO),
Managing Director, VSHTECH B.V.



Vincent Finck
Group Financial Controller



Ann-Maria Diran
Project Manager,
Company Secretary

MANAGEMENT OF OUR SUBSIDIARY COMPANIES



Bianca Weekes
Managing Director
VSH Trading



Sandy Kenswil
Managing Director
VSH Shipping



Kathleen Healy
Managing Director
VSH CIC



Marlon Telting
Managing Director
VSH FOODS



Sjoerd Poort
Managing Director
VSH Transport



Dennis Brommert
Managing Director
VSH TECH B.V.



Ellen Mau Asam
Managing Director
Best Maritime Services



Bharti Makhanlal
Managing Director
VSH Logistics



Jeanine Liong A Sang
Managing Director
VSH-United (USA)

MANAGEMENT OF OUR SUBSIDIARY COMPANIES

Eric Zinnemers
Managing Director
VSH-United (Nederland) B.V. / I.F.C. (Holding) B.V.



Charita Lie Wah Hing
Assistant Managing Director
VSH Real Estate



Brian Denkers
Assistant Managing Director
VSHTransport



Daniel Healy
Country Manager
VSH-UNITED (GUYANA)

N.V. VSH FOODS

Fijn DAT HET NU OOK ONGEZOUTEN KAN ZIJN



www.vshfoods.com | 

SUPERVISORY BOARD OF DIRECTORS

Diana R. Halfhide (61)

Chair of the Board



- Member of the Supervisory Board since 2010
- COO Suriname Alcoholic Beverages N.V./Managing Director, SAB Distribution N.V. (current)
- President Board Foundation Bejaardenwerk Gerardus Majella
- Board member Foundation STIBEKA (Stichting Behoud Kathedraal)
- Board member Suriname Arbitration Institute (SAI)
- Board member Academic Hospital Suriname
- Secretary Board STIVASUR (Stichting Verantwoord Alcoholgebruik Suriname)
- Master's degree in Notary Law
- Post-doctoral degree in Notary Law
- Master's in Business Administration, Corporate Strategy and Economic Policy
- Post-doctoral degree International & Comparative Law
- Post-graduate diploma Digital Business

Robert Hahn (47)

Vice Chair of the Board



- Member of the Supervisory Board since 2010
- Member of the Audit and Risk Committee
- Manager Corporate ICT at Staatsolie Maatschappij Suriname N.V. (current)
- CEO of Datasur (2014 - 2019)
- Board Member of the National Blood bank (2015 - 2022)
- Member of the Supervisory Board of Finabank N.V. in 2021
- Master's degree in Information Technology
- Master's degree in Business Administration
- Certified Information Systems Auditor (CISA)

Philip Fernandes (51)

Board member



- Member of the Supervisory Board since 2018
- Member of the Remuneration Committee
- CEO of John Fernandes Ltd. (current)
- Director of Guyana Energy Support Services Ltd, John Fernandes Ltd, Bounty Farm Ltd, J.P. Santos & Co. Ltd, JPS Trading Inc., Fernandes Holdings Ltd, Fairfield Investments Ltd, Value 4 U Inc.
- Chairman of Guyana Biscuit Holding Ltd
- Chairman of Shipping Association of Guyana
- Bachelor's degree in Finance

SUPERVISORY BOARD OF DIRECTORS

Vincent Kenswil (52)
Board member



- Member of the Supervisory Board since 2018
- Member of the Audit and Risk Committee
- Chief Innovation Igniter of Creative Tech Hub Caribbean
- Secretary of Creative Talents Foundation
- Bachelor's degree in Architectural Engineering

Kenneth Lim A Po (67)
Board member



- Member of the Supervisory Board since 2016
- Member of the Remuneration Committee
- CEO of Bouwbedrijf Kiesel (current)
- President of Ponderosa Equestrian Centre
- Bachelor's degree in Mechanical Engineering
- Bachelor's degree in Business Administration

Stephen Smit (68)
Board member



- Member of the Supervisory Board since 2017
- Member of the Audit and Risk Committee
- Member of the Remuneration Committee
- Member of the Supervisory Board of Directors of Assuria N.V., Assuria General (GY) Inc., Assuria Life (GY) Inc., Gulf Insurance Ltd. and Assuria Life (T&T) Ltd.
- Member of the Supervisory Board of Directors of N.V. VSH FOODS
- Chairman of the Supervisory Board of Directors of N.V. Consolidated Industries Corporation and Torarica Holding N.V.
- Member of the Social Economic Counsel (SER)
- Chairman of the Board of the Stichting Nationale Volksmuziekschool
- Honorary Member of the Caribbean Actuarial Association
- From 1991 until retirement in 2017 served as CEO of Assuria N.V.
- Master's degree in Mathematics and Actuarial Science

Norah Beijer - de Bekker (48)
Board Member



- Member of the Supervisory Board since 2021
- Member of the Audit and Risk Committee
- Co-owner and Commercial Director of 5TEN, LLC
- Member of SEG-D - The Society for Experiential Graphic Design
- Member of TEA - Themed Entertainment Association
- Bachelor's degree in Marketing Communications

REPORT OF THE SUPERVISORY BOARD OF DIRECTORS

To the Shareholders

The Supervisory Board of Directors performed its duties in accordance with Surinamese law, the Company's bylaws, and the Corporate Governance Code. We advised management on relevant matters and monitored management performance in relation to goals set. Management of the Holding and the subsidiaries regularly informed us, both verbally and in writing, on policy and material aspects of business strategy, corporate planning, major events, investments, and transactions. Besides information on the Company and the Group as a whole, we also received detailed monthly reports from management on the current business position of the Group's subsidiaries while we were kept abreast of results and the financial position, risks and risk management, HR and IT performance and planning in a thorough manner. The Supervisory Board of Directors was directly involved in all decisions of fundamental importance to the Group. In addition, we discussed strategic issues with management on a regular basis while the members of the Audit and Risk Committee and the Remuneration Committee and the Managing Directors maintained a constant exchange of information.

Consultation and decision making

The Supervisory Board of Directors held regular monthly meetings, 12 in total. The board members regularly attended the board meetings. In addition, resolutions on urgent matters were adopted in writing or by electronic communication and later approved during official meetings. The subjects discussed in the meetings included the financial position and results, status company's long-term strategy 2016 - 2021, Company policy, business plans and appraisals, health, safety and environment, investments, internal audit reports, management development and appointments. During the financial year, the key activities of the Board included the following:

- 1 Reviewing the long-term strategic plans and budgets of the Company presented by management
- 2 Reviewing and/ or approving various routine reports, including the following:
 - a. Managing Directors Reports;
 - b. Management reports
 - c. Audited and Unaudited financial reports
- 3 Approving the following Policies and Documents:
 - a. Enterprise Risk Management (ERM) Charter
 - b. Adjustment to authorizations limits of management

- 4 Reviewing reports from Management on the impact of COVID-19 on the Company's operations, and initiatives to mitigate the impact as necessary
- 5 Discussing the reports of the Audit and Risk Committee and the Remuneration Committee
- 6 Appointments and performance assessments of board members and management including:
 - a. Board and committee appointments
 - b. Executive performance pay
 - c. Board self-assessment

Crisis management

The Supervisory Board is responsible for safeguarding the governance, reputation, viability, and future value of the organization. In year 2 of the COVID-19 pandemic, management continued to face operational and external challenges whilst managing existing COVID-19 protocols to ensure the health and safety of its employees and other stakeholders. The Supervisory Board was regularly updated on the impact of COVID-19 on the Company's operations, and management was assured of the Board's support in keeping focus on a forward-looking agenda. The Company has enhanced its business recovery procedures and is continuously monitoring changes to industry trends.

Corporate Governance

No changes were made to the Corporate Governance Code in 2021. In the Supervisory Board meeting of July 2021, the Board approved the Enterprise Risk Management (ERM) Charter. Implementation of the ERM Charter is included in the long-term strategy 2022-2027. In the meeting of April 2021, there was a presentation on the status of the International Financial Reporting Standards (IFRS) adoption to ensure compliance with local law.

Audit and Risk Committee (ARC)

(S. Smit, R. Hahn, V. Kenswil and N. Beijer)

In 2021, the ARC conducted four (4) meetings with representatives of management, external auditors and the Internal Audit Department. Key issues discussed were:

- 1 Enterprise Risk Management (ERM) policy
- 2 Review of Group risk assessment and Internal Audit plan for the year
- 3 Review of Group external auditor performance
- 4 Review of management letters and financial statements
- 5 Performance review of the Head of Internal Audit

REPORT OF THE SUPERVISORY BOARD OF DIRECTORS

Remuneration Committee

(K. Lim A Po, P. Fernandes, and S. Smit)

The Remuneration Committee conducted 2 meetings during the financial year.

On 13 December 2021, the Supervisory Board of Directors evaluated the overall performance of the Managing Directors of the United Suriname Holding Company and found the performance to be good. Specific areas of attention were discussed with the Management including business development opportunities, information security awareness, further development of financial administration software tools, to identify risk and establishing risk tolerance parameters and monitoring developments at the overseas companies. Also the succession of the members of holding management was discussed.

In line with our Executive Performance Pay system, the following short-term bonuses were awarded based on the financial results of the year 2021.

Company	Management Position	ROCE* target	ROCE achieved	Short-term bonus
Holding	CEO	15%	26.15%	SRD 808,750
Holding	CLO	15%	26.15%	SRD 417,422
Holding	CFO	15%	26.15%	SRD 367,331
VSH Trading	Managing Director	20%	56.27%	SRD 109,821
CIC	Managing Director	20%	68%	SRD 364,445
VSH FOODS	Managing Director	18%	89%	SRD 253,487

*Return on Capital Employed

In line with our Executive Performance Pay system, the following long-term bonuses were awarded based on a 3-year (2019-2021) earnings before tax growth target.

Company	Management Position	Growth target	Growth realised	Long-term bonus
Holding	CEO	20%	228.88%	SRD 808,750
Holding	CLO	20%	228.88%	SRD 567,921
Holding	CFO	20%	228.88%	SRD 561,520
CIC	Managing Director	80%	2,114%	SRD 541,821
VSH FOODS	Managing Director	74%	675%	SRD 538,913

Changes in the bylaws

In the meeting of the Supervisory Board of Directors held on 7 July 2022, management recommended to add article 5.91 "(UBO) Notification" to the "Shares" section of the bylaws. In addition, management also recommended a change be made to the bylaws in line with the changes in the Pension regulation of the VSH Pension Fund. This change will affect article 6.42 in the "Management" section. The Board endorses the recommendations of management to make these necessary changes

and additions at the Annual General Meeting of Shareholders on 29 July 2022.

Supervisory Board of Directors changes and appointments

In accordance with article 7.20 of the bylaws all directors resigned during the Annual General Meeting of Shareholders on 13 August 2021. In this meeting 6 members, Mrs. D. Halfhide, Mr. R. Hahn, Mr. S. Smit, Mr. K. Lim A Po, Mr. V. Kenswil and Mr. P. Fernandes were re-elected as members of the Supervisory Board of Directors and the appointment of Mrs. N. Beijer - de Bekker as a board member was approved by the shareholders.

Being eligible, the members Mrs. D. Halfhide, Mr. R. Hahn, Mr. S. Smit, Mr. K. Lim A Po, Mr. V. Kenswil, Mrs. N. Beijer - de Bekker and Mr. P. Fernandes offer themselves for re-election in the Annual General Meeting of Shareholders to be held on 29 July 2022. The Supervisory Board of Directors recommend that the members mentioned be re-elected.

Management changes and appointments

Effective 31 December 2021, Richard Steenland resigned as Chief Business Development Officer (CBDO) at VSH Holding.

Effective 1 December 2021, Mr. E. Zinnemers was appointed Managing Director of I.F.C. (Holding) B.V. Effective 1 January 2022, Mrs. B. Makhanlal was appointed as Managing Director of N.V. VSH Logistics. Effective 1 January 2022, Mrs. E. Mau Asam was appointed Managing Director of N.V. Best Maritime Services.

Effective 1 February 2022, Mr. V. Finck was appointed Group Financial Controller of N.V. Verenigde Surinaamse Holdingmij./United Suriname Holding Company.

Effective 1 May 2022, Mr. B. Denkers was appointed Assistant Managing Director of N.V. VSH Transport.

Effective 1 May 2022, Mrs. A. Diran was appointed Company Secretary of N.V. Verenigde Surinaamse Holdingmij./United Suriname Holding Company.

Performance of the Supervisory Board of Directors

In a meeting held on 13 December 2021, the Supervisory Board of Directors conducted a self-evaluation of the board performance and concluded that the performance collectively as well as individually was satisfactory. The Board identified key areas of attention including risk management, the long-term strategic plan (e.g., digitization, business development and oil & gas opportunities), and more involvement in the foreign subsidiaries.

REPORT OF THE SUPERVISORY BOARD OF DIRECTORS

Dividend Policy and Interim Dividend

The policy of the Group is to pay a dividend in the order of 30%-35% of the net realized earnings, not including the other comprehensive income, unrealized exchange rate gains, and unrealized earnings from subsidiaries, the associate Assuria and the joint venture VSH TECH B.V.

Financial Statements and Division of Profit

In compliance with the requirements of article 9.20 of the bylaws, management presented the financial statements 2021 to the Supervisory Board of Directors on 30 June 2022.

These financial statements can be found on pages 28 to 33 of this annual report.

The independent external auditor, Lutchman & Co N.V., audited the financial statements.

Their independent auditor's report can be found on pages 55 to 56.

The net earnings attributable to Shareholders amounts to SRD 96,834,909 (2020: SRD 95,821,216).

We recommend that the Shareholders approve the financial statements as presented.

The Supervisory Board of Directors endorses the recommendation of the Management to pay a cash dividend for the year 2021 of SRD 10,924,859.

If approved, total dividend will amount to SRD 5.50 per share and the balance of the net earnings amounting to SRD 85,910,050 will be added to retained earnings. An interim dividend of SRD 2.00 was paid in October 2021. The final dividend will thus amount to SRD 3.50 per share.

Total dividend represents a payout ratio of 31.07% of realized net earnings which is in line with the Group's dividend policy of 30% - 35% pay-out ratio. We recommend that the Shareholders approve the proposed dividend as recommended.

Remuneration of the Supervisory Board of Directors

The remuneration of the Supervisory Board of Directors amounts to SRD 385,572 per year and was last adjusted on 13 August 2021.

The Supervisory Board of Directors endorses the recommendation of the Management to increase the remuneration of the Supervisory Board of Directors to SRD 578,400 per year, effective 1 August 2022.

Appreciation

Our thanks and appreciations go to the members of management, and all the employees of the VSH Group, its subsidiaries, and the associated company for their contribution in 2021.

Their collective hard work and commitment helped the VSH Group to a good performance in a challenging market environment and to make substantial progress towards achieving the goals set out in its long-term strategic plan.

Paramaribo, 18 July 2022

The Supervisory Board of Directors,

D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes
V. Kenswil
K. Lim A Po
S. Smit

CONSOLIDATED SALIENT FIGURES

(x SRD 1,000)	2021	2020	2019	2018	2017
Revenue	506,746	316,204	184,627	177,379	131,826
Earnings from continuing operations	114,588	92,284	35,288	40,716	24,060
Income from associate, joint venture and investments	48,739	47,695	14,272	8,617	8,972
Net earnings to Shareholders	96,835	95,821	32,322	31,034	20,719
Cashflow	136,422	120,447	46,546	42,353	29,292
Working capital	219,699	161,802	76,683	79,948	84,728
Shareholders' equity	515,148	395,280	229,601	212,422	183,738
Paid-in capital	199	199	199	199	199

Per share of SRD 0.10

Cash dividend	5.50	3.75	2.25	4.00	2.65
Intrinsic value	259.35	199.69	115.59	106.94	92.50
Market value	77.00	77.00	77.00	77.00	72.00

Exchange rates per end of the year

USD	21.65	17.50	8.20	7.60	7.55
EURO	24.53	21.50	9.20	8.70	9.04
GYD (per 100)	9.84	7.95	3.73	3.53	3.51

REPORT OF THE MANAGING DIRECTORS

Our Business Environment Suriname

The economic recession continued in 2021, forcing the government to curtail spending and cease payment, initiating renegotiations of its international loans. The economy contracted at a slower pace than last year, averaging a GDP decline of 3.5%¹ in 2021 (2020 average real GDP decline: 15.9%).

Indicators of the challenging business environment:

- The Central Bank of Suriname (CBVS) introduced a floating exchange rate system in 7 June 2021. The CBVS exchange rate increased from SRD 14.29 and SRD 17.54 in January 2021 to SRD 21.65 and SRD 24.05 by December 2021 for the USD and the EURO, respectively.
- The VSH administrative average exchange rate for the USD was SRD 19.57 in 2021 (2020: SRD 13.71). The VSH administrative SRD-USD closing exchange rate increased from SRD 17.50 in January 2021 to SRD 21.65 in December 2021.
- The annual inflation rate was 60.7% for the year² (2020: 60.8%), while general gross debt stood at 125.3% of GDP by December 31, 2021.
- Effective February 1 2021, to year-end, the government imposed a solidarity tax levy, increasing wage tax up to 48% for the highest income levels and income tax up to 46% for companies with an earnings before tax above SRD 150,000. The introduction of a Value Added Tax (VAT) planned for 1 July 2022 was postponed to 1 January 2023.
- The Caribbean Financial Action Task Force (CFATF) instigated the National Risk Assessment (NRA) report, which the government approved in October 2021. The NRA report is part of the national strategy to prevent and combat money laundering and terrorism financing. Slow implementation and possible sanctions will have far-reaching consequences for Suriname's business environment.
- The International Monetary Fund (IMF), in December 2021, approved an Extended Fund facility to support the government's economic recovery plans to stabilize the economy. So far, two positive audits up to May 2022 indicate the government's commitment to its economic reform plan.

COVID-19 Impact

The COVID-19 pandemic continued to impact the global economy, resulting in unprecedented supply chain challenges and exponential increases in shipping costs. Despite the volatile operating environment, our businesses remained committed to delivering products and services of the highest standard. To bring the pandemic to an end, we joined the worldwide vaccination campaign and supported vaccination drives for our employees which resulted in 98% of our employees being fully

vaccinated. Nevertheless, the communities we serve continue to experience COVID-19 cases.

The VSH Community Fund continued to support the Suriname private sector SU4SU initiatives to facilitate purchasing and distributing essential medical products, including vaccines and related public awareness vaccination campaigns.

Extraction Industries Gold

Production from the Newmont gold mining project at Nassau in eastern Suriname and the IAMGOLD Saramacca mine, affected by the prolonged pandemic, reported lower gold production results than budgeted. The world average gold price did remain reasonably constant, 2021 USD 1,798/oz (2020: USD 1,772/oz). The "small" gold mining sector, given the number of ongoing land and water (skalians) mining operations, is an essential economic revenue stream but is still mainly operating in the grey economy. The General Bureau of Statistics of Suriname reports a 2.9% increase in gold export in 2021 (14,0mil/gram) compared to 2020 (13,6mil/gram).

Oil & Gas

Staatsolie Maatschappij Suriname N.V. (Staatsolie), despite Suriname's economic situation and the prolonged impact of the pandemic on the global economy, reported improved profit over 2021 versus 2020. Significantly increased oil prices combined with low-cost production and income from their interest in the gold mine of Newmont Suriname grew company profit for the year.

Other industries

The Monthly Economic Activity Index (MEAI) published by the Central Bank of Suriname is a short-term indicator that provides insight into the direction of the short-term economic activity in Suriname. The economic activity grew by 1.4% in December 2021, after a month earlier recorded growth for the first time since the pandemic started. An improvement from the contraction of 13.2% in 2020. The index showed improved economic activities over 2021, mainly driven by the trade, hotel, transportation and communications sectors.

Guyana

The Guyana economy (Real GDP) grew in 2021 by 19.9% (2020: 43.5%)¹ as the second first Floating Production Storage Offloading (FPSO) vessel LIZA Unity arrived in October 2021 and started production in the first quarter of 2022. The FPSO LIZA Destiny and LIZA United combined are expected to produce 340,000 barrels per day. Guyana's economic growth (GDP) projections stand at 47.2%¹ for 2022. The Guyana government implemented a Local Content Act in December

¹ IMF April 2022 ² General Bureau of Statistics ³ Republic of Suriname - Ministry of Finance and Planning

REPORT OF THE MANAGING DIRECTORS

2021, imposing mandatory local content obligations on designated entities engaged in petroleum operations or related activities in the petroleum sector in Guyana. Among the many aims of the legislation is prioritizing Guyanese citizens and companies for procuring goods and services in the petroleum sector and enabling local capacity development. Legal opinions were solicited on the effects of this Local Content Act on the VSH business activities. These opinions state that the core Personal Protective Equipment (PPE) trading activities are not identified as one of the sectors on the first schedule of goods and services reserved for Guyanese companies.

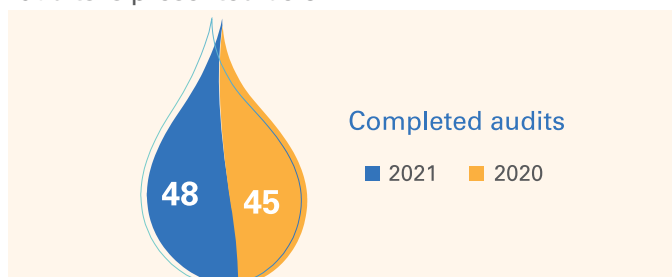
VSH United

Group results for the year 2021 were higher than 2020. All segment revenues improved. Additionally, income from Assuria N.V. and investments was higher in 2021 than in 2020.

At the Annual General Meeting of Shareholders held on 13 August 2021, the financial statements for 2020 and a total dividend of SRD 7,448,768 were approved.

The VSH Corporate Governance Code is integral to our leadership and the way we do business. The Corporate Governance Code and related Internal Audit and IT Charter were reviewed in the board meeting on 24 February 2022 and no significant changes were made.

The Internal Audit Department (IAD) consisted of 4 FTE's (2020: 4 FTEs) and an overview of completed audits is presented below:



Full IFRS compliance will be achieved over the financial year 2022. The VSH group will implement the Enterprise Risk Management (ERM) framework in 2023.

As part of the long-term Strategic Plan 2016-2021 to professionalize our IT services with a focus on improved user experience, some of the activities during the year were:

- Improvements in resource optimization and application performance
- Continued Information Security Awareness sessions
- Ongoing implementation of Microsoft Office 365 with focus on TEAMS integration in business/

operational processes

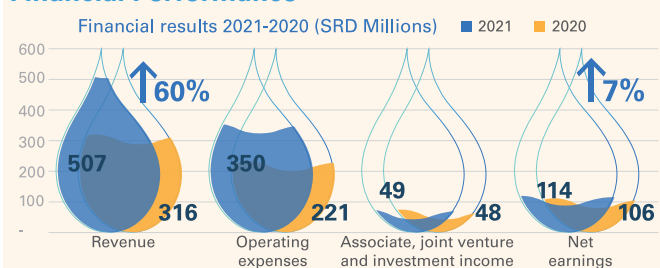
- Improved Help Desk support

Individual companies upgraded business-specific software and production systems to improve business processes. A major highlight in our logistics segment at VSH Transport was the procurement of a second Liebherr LHM 420 - port mobile shore crane and deployment of Center TOS - terminal operating system - a specialized software to manage terminal cargo in/out and terminal handlings.

Manufacturing product innovation was again at the forefront with, for example, improved product packaging to stand out in the consumer market.

Achieving regional dominance in the final year of the Multi - Year Plan (MYP) 2016-2021, affected by global supply chain disruptions, was challenging. Still, VSH-United (Guyana) Ltd. reported a 56% increase in revenue, further developing its market position as a quality PPE - personal protective equipment supplier. VSH Real Estate (Guyana) Inc. finalized a warehouse building design on the land at Houston Estate Georgetown and received the building permit on 13 May 2022. VSH-United (Nederland) B.V. realized positive results in its third year. Special mention must be made to the production companies VSH FOODS and CIC surpassing their budgeted export volumes under challenging supply chain conditions.

Financial Performance



VSH United realized revenues totaling SRD 507 million, an increase of 60% compared to the prior year. The increase in operating expenses from SRD 221 million to SRD 350 million was driven primarily by inflation. There was no significant change in the income from associate, joint venture and investments while net earnings increased by 7% from SRD 106 million to SRD 114 million.

REPORT OF THE MANAGING DIRECTORS

Financial Condition

Liquidity and capital resources

The consolidated cash flow statement illustrates that cash and cash equivalents at year-end increased to SRD 98,422,840 (2020: SRD 83,113,813). In 2021 operating activities generated SRD 84,459,396 (2020: SRD 73,950,216) in cash and cash equivalents. Investments in financial and fixed assets amounted to SRD 118,415,782 (2020: SRD 82,133,890) and were partially financed by their own means.

Capital structure

The Group's capital structure is as follows:

The Group's capital structure is as follows:	2021 SRD	2020 SRD
Loans and borrowings	191,502,321	95,452,230
Lease liabilities and employee benefit obligations	116,959,158	108,347,594
Cash and cash equivalents	(98,422,840)	(83,113,813)
Total equity	574,939,463	441,730,765
Total net capital employed	784,978,102	562,416,776

Investments financed by own means amounted to SRD 21,660,396 (2020: SRD 62,593,281).

Proposed Dividend

The policy of the Group is to pay a dividend in the order of 30%-35% of the net realized earnings, not including the other comprehensive income, unrealized exchange rate gains, and unrealized earnings from subsidiaries, the associate Assuria and the joint venture VSH TECH B.V.

VSH dividend proposal	2021 SRD
Net earnings attributable to the Shareholder's parent company	96,834,909
Unrealized exchange rate gains	(2,104,070)
Unrealized share in VSH FOODS	(7,011,000)
Unrealized share in CIC	(9,062,607)
Unrealized share in VSH-United (Nederland)	(2,540,241)
Unrealized share in the Associate Assuria	(40,950,190)
Net realized earnings	35,166,801

Management proposes a total dividend of SRD 10,924,859 or SRD 5.50 per share of nominal SRD 0.10 per share and the balance amounting to SRD 85,910,050 to be added to retained earnings. This dividend proposal represents 31.07% of the net realized profit which is in line with the Group's dividend policy of a 30% to 35% pay-out ratio. Should the proposed dividend be approved, shareholders' equity will amount to SRD 508,195,648 at the end of the year.

Share Price

At the end of the year, the price of the Company shares on the Suriname Stock Exchange stood at SRD 77.00 per share (2020: SRD 77.00 per share).

Human resource management

Personnel and Organization:

- 10 Managing Directors;
- 5 Assistant Managing Directors
- 35 specialized staff members
- 447 employees total Group (2020: 452 persons).
- 35% - 65%, female to male ratio

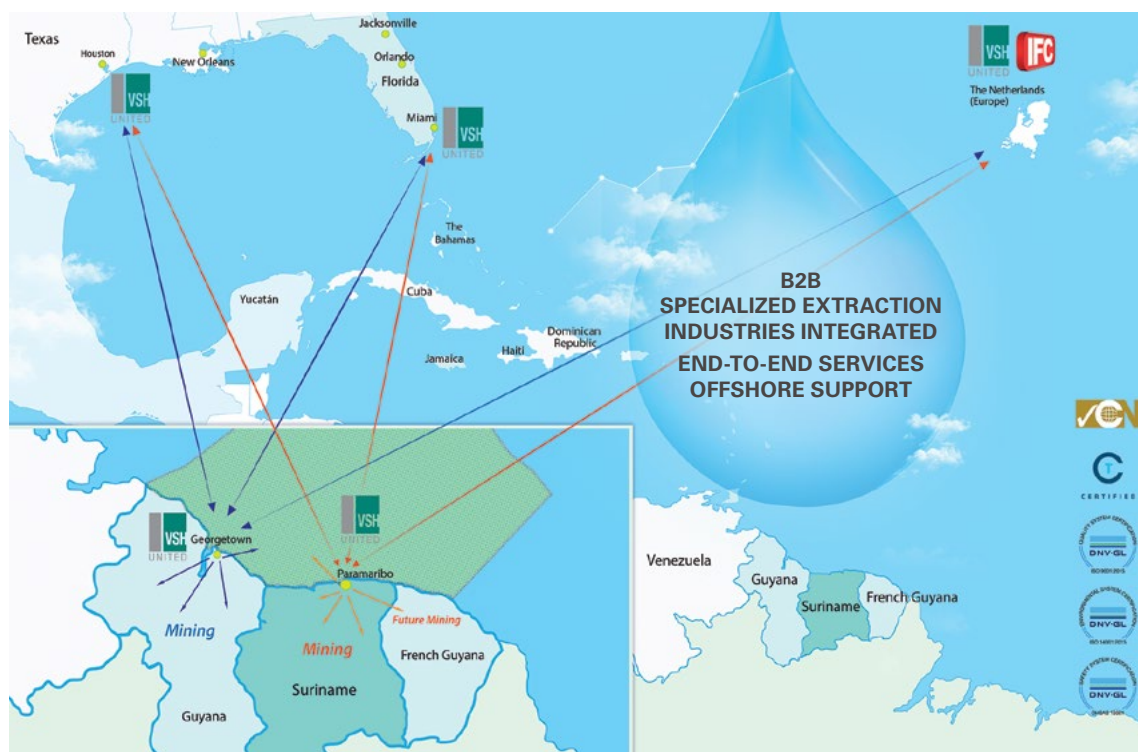
The diversified nature of VSH-United requires a wide range of personal and professional skills. The Company encourages individual development through financial assistance for specialized training.

Remuneration structure:

- Salary increases 25% effective January 1, 2021, and 25% effective July 1, 2021.
- Bonuses paid for the year amounted to SRD 19,507,704 (2020: SRD 12,871,707). (Bonuses and salary adjustments are based on performance evaluation)
- A medical insurance plan provides medical services to employees and their families.
 - Employees contribute 4% and Management 6% of gross wages to the medical insurance plan.
 - Medical insurance for employees of VSH Labour Services is insured with a "Nationale Basis Zorgverzekering". Employees of VSH Labour Services contribute 30% of the premium to the medical plan.
- The VSH Pension Fund is incorporated into a separate legal entity governed by a board of four members. VSH Management appoints the Chairman and Secretary and the Pension Fund participants elect two other members.
- At the end of 2021 the key figures of the Pension Fund were:
 - 261 active pension fund members;
 - 94 persons with deferred pension;
 - 36 pensioners, 1 special pension, 1 person with disability pension, 5 widows and 4 orphans receiving pension;
 - Premium reserve SRD 150,034,234 (2020: SRD 93,987,064);
 - Equity SRD 55,743,301 (2020: SRD 69,418,581)¹
- CIC has 120 employees with pension benefits that are insured:
 - 40 pensioners and 4 persons with disability pension.
- VSH Labour Services has 73 employees with pension benefits secured in "Algemeen Pensioen Fonds", which is maintained by a foundation managed by the Government.

¹Unaudited

REPORT OF THE MANAGING DIRECTORS



VSH Transport terminal customers:



Personnel Activities

Considering the post-pandemic circumstances, the much-in-demand year-end events organized at the VSH headquarter, CIC and VSH FOODS, revitalized the Group's team spirit. Employees of the Group celebrating 10, 15, 25, 30 and 40 years of Service were honored in restricted settings at the individual company locations.

We honored in total 15 employees for:

- 10 Years of Service: 3 employees;
- 15 Years of Service: 3 employees;
- 25 Years of Service: 5 employees;
- 30 Years of Service: 3 employees;
- 40 Years of Service: 1 employee.

We honored Mrs. L. Klink (23 years at N.V. VSH Real Estate), who retired on January 1, 2022.

Community Activities

The VSH Community Fund is incorporated into a separate legal entity governed by a board of three management members. The Fund supports sustainable community projects in education, environment and healthcare.

During the year, especially during religious holidays and school vacations, donations are made to churches, educational vacation projects and community organizations to comfort the elderly and support the youth and the disadvantaged.

For the year 2021, the Fund donated a total amount of SRD 1,845,684 to various organizations.

Segment Performance and Reporting Logistics Segment

Shipping Agency companies **VSH Shipping**, **VSH Logistics**, **Best Maritime Services** and **VSH-United (Guyana)** represent carriers that offer liner services from North America, Europe, Latin America, the Caribbean and the Far East. In addition, these shipping agency companies provide vessel agency services to various incidental project cargo and bulk carriers.

Non-vessel operating common carrier (NVOCC)

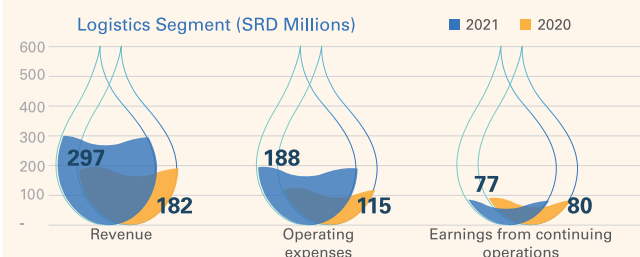
companies **VSH-United (USA) L.L.C.** and **IFC - International Freight Caribbean B.V. (a subsidiary of I.F.C. (Holding) B.V.)** specialize in cargo movements from North America/ Europe/Far East to Paramaribo, Guyana and the Dutch-speaking Caribbean.

Paramaribo Port Terminal Operator, N.V. VSH Transport is active as cargo-stevedore, terminal cargo handling, offshore shore base services, warehousing, project logistic support, customs brokerage and trucking services.

VSH Labour Services provides the required specialized personnel to support the activities of VSH Transport.

REPORT OF THE MANAGING DIRECTORS

Financial Performance



Revenue improved by SRD 115 million or 63% compared to 2020 due to the increase in the SRD/USD exchange rate and growth of clearance and offshore industry-related activities.

Continued lower cargo volumes reduced agency and terminal cargo handling income.

Operating expenses increased due to higher personnel and administrative expenses in line with inflation. Depreciation increased because of an investment in a new shore crane and investments in a specialized terminal operating software.

Earnings from continuing operations decreased by 4%.

Container Volume Statistics Dr. Jules Sedney Port -Paramaribo

TEU (Twenty foot Equivalent Unit)	Full Containers only			
	2021		2020	
Total discharge Port Stats	39,587		43,027	
VSH Transport - marketshare	20,556	52%	22,970	53%
Total loaded Port Stats	32,085		38,863	
VSH Transport - marketshare	11,032	34%	14,965	39%
Total TEU Port Stats	71,672		81,890	
VSH Transport - marketshare	31,588	44%	37,935	46%

"N.V. Havenbeheer Suriname" port statistics indicate a decrease of 8% in import full container volumes and 17% in full export containers. VSH Transport total full import and export container volumes decreased by 17%, with an import full container market share of 52%.

Offshore support services - VSH Transport continued to support the TotalEnergies - APA Corporation exploration activities in the developing Block 58. Other offshore support service contracts were awarded in 2021 for block exploration activities expanding our offshore footprint.

Customs Brokerage - VSH Transport's custom clearance division complements the one-stop-shop logistics marketing approach.

Risk Management

To ensure a safe working environment and to comply with international best practices, the following certifications were renewed in the year:

- ISO 9001:2015/14001:2015 certified - VSH Shipping, VSH Transport and VSH-United (Guyana) Inc.
- ISO 45001:2018 certified - VSH Transport

• TRACE Certified - VSH Group

These certifications address the operational, safety, environmental and anti-bribery risks of logistics-related business activities. Process and safety appraisals enhance internal industry risk discussions and mitigation. Anti-bribery risk management solutions under the TRACE membership endorse the VSH Group Corporate Governance Policy's commitment to conduct business ethically and in compliance with local and international anti-bribery legislation.

The multiple shipping agencies representing competing carriers and supported by Business to Business (B2B) cargo contracts through our NVOCC's network (USA and EU) supply the cargo volumes for the terminal/cargo handling company (Suriname). The VSH Transport terminal, in its efforts to further professionalize, introduced the Center TOS -terminal operating system as the specialized software system to manage terminal cargo in/out and terminal handlings. The acquisition of a second Liebherr LHM 420 - port mobile shore crane improved stevedoring efficiencies and brought the first max-124 mton lifting capacity to the Suriname maritime market. Continual personnel training is required to support the Logistics Segment strategies. Discussions with a potential strategic partner(s) specialized in shore base services have commenced in line with the developing offshore activities. Developing specialized agency and terminal support services with strategic partners are required to strengthen the logistics segment targeting the extraction industries in the "New Economy" driven by the developing offshore industry.

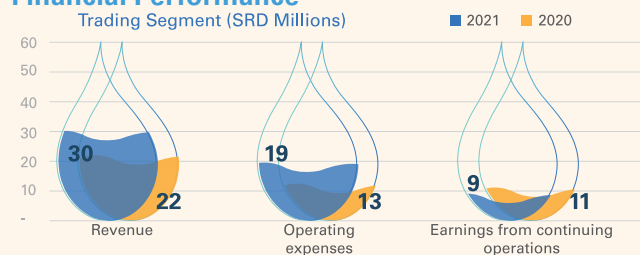
Trading Segment

VSH Trading is the distributor for Canon office equipment in Suriname and holds a significant market share for copiers, printers and scanners. In addition, document management systems are an important element of the "new office" environment and Canon-developed products are offered to the market. VSH Trading and VSH Guyana are the official distributors for Red Wing products in Suriname and Guyana. The trading segment supplies major industries with quality footwear for the workplace. In addition, a full line of Personal Protective Equipment (PPE) complements the assortment available to the thriving extraction industry and other customers.



REPORT OF THE MANAGING DIRECTORS

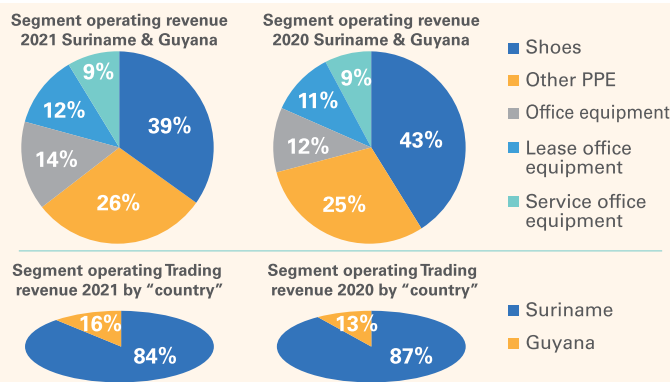
Financial Performance



Trading revenue is stated after deduction of the cost of goods sold.

Revenue grew by 39% compared to 2020 due to increased sales volumes and higher sales prices due to the SRD / USD exchange rate increase. **Operating expenses** increased by 44% versus 2020 due to increased personnel and administrative costs due to inflation. **Earnings from continuing operations** declined by 20% compared to 2020.

Increased office equipment and PPE sales by VSH Trading generated improved trading segment revenue. VSH Guyana PPE focused business strategy resulted in improved sales and profit margins. The administrative software with Web-Shop and stock analysis features contributed to increased sales and smart inventory planning. VSH Guyana brand built on customer service improved profitability in 2022.



The dedicated support staff at VSH Trading and VSH United (Guyana) equipped with innovative sales tools will ensure that the trading segment can grow revenue and results in the developing "New Economy".

Manufacturing Segment

VSH FOODS is the manufacturer and distributor of margarine, butter and shortening with established quality brands in Suriname and the Caribbean.

marigold
Fijne Boter

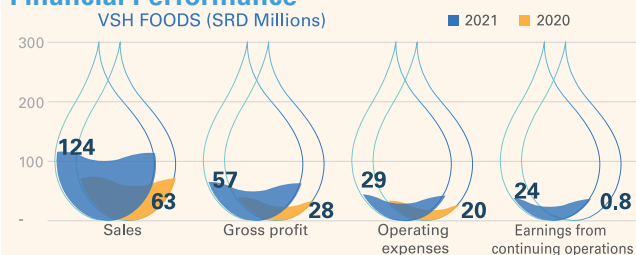
GOLDEN BRAND
Flavor of the Caribbean

GELEBEK

BAKE'N FRY

BAKER'S CHOICE

Financial Performance



Sales increased by 99% compared to 2020 by focusing on profitability in marketing and sales strategies that included considerations for raw material increased cost and consumer reduced buying power.

Operating expenses increased by 51% compared to 2020, mainly due to rising costs primarily driven by inflation. Export strategic objectives drove volume growth by 2.3% compared to 2020 and contributed 33.6% of total volume (2020: 32.9%). Timely price increases and export volume growth ensured profitability. **Earnings from continuing operations** increased by 2,990% compared to 2020.

Risk Management

- Good Manufacturing Practice (GMP) audits increased the involvement and awareness of personnel supporting the Food Safety Management systems and safety on the work floor. GMP audit resulted in a 92% score (2020: 91%).
- The automation of the second production line was completed with remote support from the equipment supplier. This will further contribute to the overall production efficiency, consistency and capacity.
- Personnel training programs in finance, sales and safety were executed, supporting individual and Company development.

N.V. Consolidated Industries Corporation

CIC is the manufacturer and distributor of industrial/ household powder detergents, liquid detergents, insect repellent and plastic packaging materials. The Company's quality products that support clean living are the market leader in Suriname and are exported to 13 Caricom countries and French Guiana.

OZON

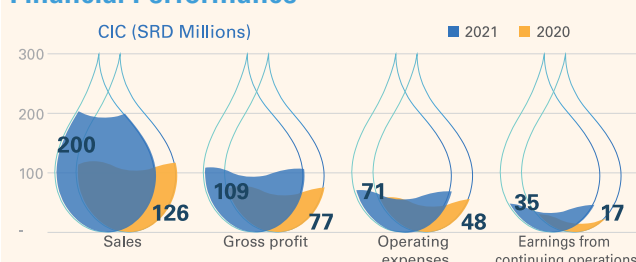
SUN

KLINOL

Tropical Bush

LYSOL

Financial Performance



REPORT OF THE MANAGING DIRECTORS

Sales improved by 59% compared to 2020 by focusing on profit margins and the effects of increased raw materials pricing due to the global pandemic supply chain challenges. Product innovation remained a top priority to ensure providing the market with quality products while considering the reduced consumer buying power. Local production volumes declined by 4%, while export volumes increased by 29%. The export sales in 2021 were 42% of total sales (2020: 34%). Gross profit grew by 42%.

Operating expenses increased 48% compared to 2020; personnel, administrative and manufacturing expenses increased due to local currency devaluation and related inflation. **Earnings from continuing operations** improved by 110% compared to 2020.

Risk Management

- The proactive risk management processes in the Business Continuity Plan are an integral part of the risk management process and were tested during the pandemic.
- The quality management ISO9001:2015 and Environmental Management 14001:2015 certified systems were remotely audited and successfully extended.
- Internal appraisal sessions support competitive, economic and strategic risks discussions, including personnel advancement and safety training.

VSH FOODS and CIC, under challenging global market conditions, again proved their resilience in this post-pandemic year. Supply chain disruptions and raw material shortages added significant pressure to the procurement departments in 2021. The lessons from creative purchasing during this challenging year are now integral to the purchasing process. Proactively managing a changing landscape and successful marketing and sales strategies ensured profitability. Production and product storage expansion plans are being finalized to support market growth in the post-pandemic period. The strong brand portfolio and management professionalization processes will support revenue growth in these ever-changing domestic and highly competitive export markets.

Real Estate Segment

These companies own, develop and manage real estate objects for use by the Group or limited rental to external tenants.

Revenue increased by 40% and **operating expenses** increased by 2% compared to 2020. **Earnings from continuing operations** increased by 37%. The office and warehouse buildings at Van 't Hogerhuysstraat are fully occupied. The buildings at Kromme Elleboogstraat are almost entirely occupied, while the Waterkant apartment building has minimal occupancy. The factory buildings, warehouses and office buildings at the Zwartenhovenbrugstraat are offered to the market based on short-term leases and have good annual occupancy in 2021.

Subsidiary IFC Vastgoed B.V. (Netherlands) is administrated under I.F.C. (Holding) B.V.

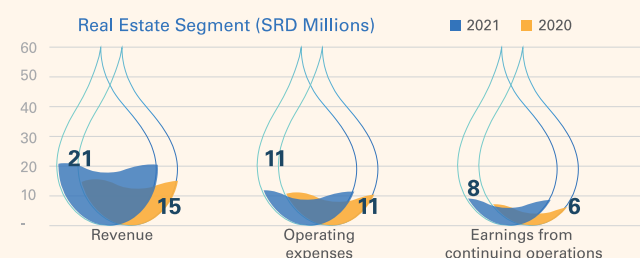
We continue to explore real estate opportunities in developing the strategic lots owned in Paramaribo and Paranam (Suriname). Government planned infrastructural improvement projects at Van't Hogerhuysstraat leading up to the Martin Luther King Highway in Paramaribo will encourage real estate investment in the area. The Suriname government is also consulting with Alcoa about developing the Paranam area, an industrial park that would enable real estate development. The Houston estate property in Georgetown Guyana, some 10 acre/4.04 hectare, is now bordering a newly built (2020/2021) four-lane (Mandela-Eccles) highway. A warehouse condo-style building designed on +/- 25% of this property is in the feasibility stage. The feasibility study must consider the very challenging but high-end Guyana real estate market. The building permit was approved in the second quarter of 2022.

Services and Investment segment

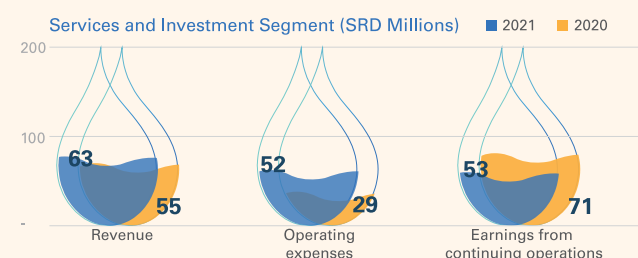
The services and investment segment comprises earnings from services not included in the other segments and earnings from investment activities in the following companies:

- N.V. Verenigde Surinaamse Holdingmij./United Suriname Holding Company
- N.V. VSH Steel (discontinued all services)
- N.V. VSH Investment
- VSH Marketing Company Ltd. (dormant)
- The associate company Assuria N.V.
- The joint venture company VSH Tech B.V.
- The strategic investment Torarica Holding N.V.
- Other local companies

Financial Performance



Financial Performance



REPORT OF THE MANAGING DIRECTORS

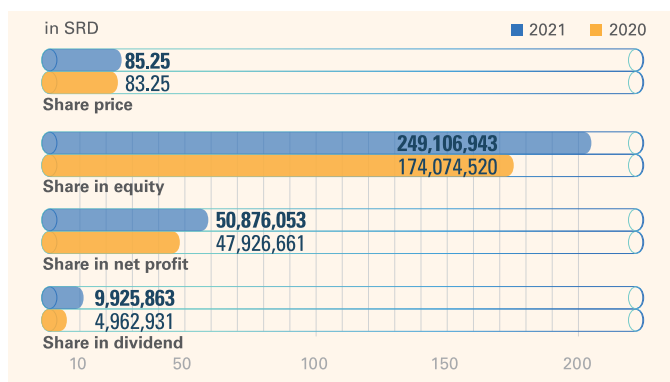
Revenue increased by 14%, mainly due to an increase in IT services provided by the Holding. **Operating expenses** increased by 75% compared to 2020 mainly due to increased expenses at the Holding. **Earnings from continuing operations** decreased by 25%.

• N.V. VSH Steel

VSH Steel's 2020 business model to provide engineering and construction project management services specialized in buildings utilizing prefabricated steel structures was discontinued on 30 June 2021. The sale of the remaining VSH Steel equipment was completed in 2021. VSH Real Estate now does property management.

• Assuria N.V. (25.24% share position), Associate Company

Assuria is the largest insurance company in Suriname, offering a broad range of life, property & casualty, motor and health insurance products in Suriname, Guyana, Trinidad and Tobago and other Caribbean territories. Subsidiaries Gulf Insurance Ltd. (Trinidad) and Assuria (Guyana) overall performance continued to improve in 2021.



• Torarica Holding N.V. (15.3% share position), strategic investment

Torarica Holding operates three hotels in prime locations along the Suriname River. The Royal Torarica is a 105-room luxury hotel located next to Torarica Resort, a 130 first-class room hotel in the entertainment center of Paramaribo. A short walk from Torarica Resort is a fine 122-room hotel called EcoTorarica. Post pandemic increased business travels, primarily due to the developing offshore industry, saw occupancy rates improve significantly. The contract for the exclusive use of the Eco Torarica facility for offshore personnel is extended until December 2022.

• N.V. VSH Investment

VSH Investment operates as a broker on the Suriname Stock Exchange. The Suriname Stock Exchange meets every other week and 11 companies are listed. The turnover in 2021 showed an increase compared to 2020. The total turnover increased by 406% from SRD 233,383 in 2020 to

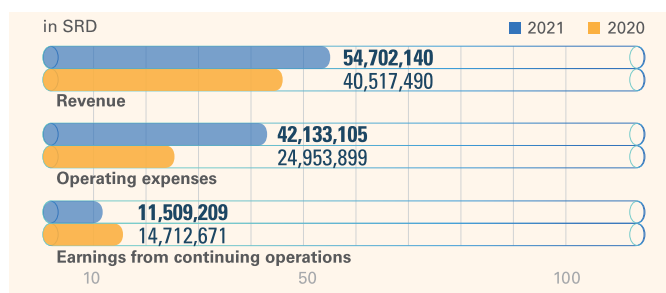
SRD 1,181,626 in 2021. The stock market index rose from 9,578 at the end of 2020 to 9,765 at the end of 2021, an increase of 2% at an inflation rate of 60.7%. The increase was mainly due to a rise in the share price of Surinaamse Brouwerij NV and NV Consolidated Industries Corporation (CIC). The net earnings of the Suriname Stock Exchange increased from SRD 304,226 in 2020 to SRD 347,484 in 2021, mainly due to higher advertising income and increased stock exchange provisions.

• VSH United Nederland B.V.

VSH United (Nederland) is a holding company with one subsidiary - IFC Holding B.V. and has a 50% share in the joint venture VSH Tech B.V.

IFC Holding B.V. established on January 1, 2017 owns and operates IFC Caribbean B.V. and IFC Vastgoed B.V. VSH Tech B.V., an information technology services company, was established on January 16, 2020, as a 50/50 joint venture with IT Partners. On December 31 2021, the headcount stood at 10 FTEs (2020: 7 FTEs). Main activities of VSH Tech:

- Software Development with a focus on logistical software solutions, consultancy, and support services under the Center Suites platform: Center Warehousing, Center Freight Forwarding and Center Agency.
- In addition, customized solutions on request.



Outlook

Post-pandemic Suriname and Guyana communities are returning to the workplace, with large portions of the population vaccinated. The new work-from-home policies remain in place and allow companies and personnel to take the necessary preventive actions when a rise in COVID-19 cases occur. The post-pandemic global economy challenges were compounded by the invasion of Ukraine by Russia in 2022, further negatively affecting the global supply chain, driving up worldwide inflation and provoking fears of growing hostilities that can expand involvement by other nations in the conflict region. Implementing the Suriname government economic recovery plan, with support from IMF, supports improved business environment conditions. To succeed, political, public and private sector commitment to the IMF-supported restructuring program is required. The effects of phasing out subsidies are an essential part of the recovery plan and are reflected in the high inflation figures.

REPORT OF THE MANAGING DIRECTORS

Government postponement of the tax department reforms, the VAT- implementation and slow implementation of NRA recommendations in 2022 will affect economic recovery.

On a positive note, as stated before, the MEAI (CBVS) reported that Suriname's economic activity grew by 1.4% in December 2021, after a month earlier recorded growth for the first time since the pandemic started. The extractive industries in Suriname and Guyana continue to support positive economic prospects. Still trading at high market prices, the gold mining industry supports local economies while generating government revenues. The growing oil and gas discoveries in the "Guyana-Suriname basin" are the catalyst for the positive economic development of Suriname and Guyana. This positive outlook the VSH Group identified as the **"New Economy"** conditions is the basis of our multi-year strategy 2022-2027. A **"New Economy"** in which the VSH Group must compete and grow.

Appreciation

We thank the Supervisory Board of Directors for their advice and support this year.

We express our appreciation to our customers and suppliers for their loyalty and contribution.

To the VSH Group employees, we compliment you for adapting to the new work and living environment while continuing to support the goals and objectives of the VSH Group. Your commitment serves to strengthen the VSH foundation.

We encourage all to live a healthy lifestyle during these challenging times.

"It's your road
and yours alone,
other may walk it with you,
But no one will walk it
for you"
-RUMI-

Paramaribo, July 18 2022

Patrick Healy

*Managing Director,
Chief Executive Officer*

Malini Ramsundersingh

*Managing Director,
Chief Legal & HR Officer*

Paul Brahim

*Managing Director,
Chief Financial Officer*

COMPANY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021

before appropriation of earnings

ASSETS	2021 SRD	2020 SRD
Non-current assets		
Property, plant and equipment	2,369,875	1,326,871
Intangible assets	178,854	509,553
Financial assets	23,206,646	23,045,771
Subsidiaries interest	288,917,096	234,478,138 *
Investment in associate	249,106,943	174,074,520
Total non-current assets	563,779,414	433,434,853
Current assets		
Subsidiary receivables	91,595,919	60,420,377
Trade and other receivables	16,187,674	5,373,246
Cash and cash equivalents	45,811,393	40,342,285
Total current assets	153,594,986	106,135,908
Total assets	717,374,398	539,570,761
EQUITY AND LIABILITIES		
Equity		
Issued capital	198,634	198,634
Capital in excess of par value	61,654	61,654
Retained earnings	288,179,407	203,768,851
Net earnings for the year	96,834,909	95,821,216
Revaluation reserves	129,873,227	95,429,782 *
Total equity	515,147,831	395,280,137
Liabilities		
Non-current liabilities		
Long-term employee benefit obligation	1,487,889	-
Deferred tax liability	25,446,227	20,982,050
Long-term lease liabilities	449,260	673,181
Total non-current liabilities	27,383,376	21,655,231
Current liabilities		
Subsidiaries payables	115,553,825	92,331,461
Short-term provisions	25,911,982	19,625,911
Short-term employee benefit obligation	268,173	-
Income tax payable	2,998,489	1,234,113
Short-term lease liabilities	382,103	-
Trade and other payables	29,728,619	9,443,908
Total current liabilities	174,843,191	122,635,393
Total equity and liabilities	717,374,398	539,570,761

*Changed for comparison purposes

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes
V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim

COMPANY STATEMENT OF INCOME

for the year ended 31 December 2021

note

2021
SRD

2020
SRD

Income from

Subsidiaries		41,995,548	44,740,375
Share of profit in associate		50,876,053	47,926,661
Investments		25,148	593,544
Other		7,156,978	4,000,994
		100,053,727	97,261,574

Earnings

Earnings before income tax		100,053,727	97,261,574
Income tax		(3,218,818)	(1,440,358)
Net earnings		96,834,909	95,821,216

Division of net earnings

Interim dividend	9	3,972,676	-
Final dividend	9	6,952,183	7,448,768
Retained earnings		85,910,050	88,372,448
		96,834,909	95,821,216
Weighted average number of shares	12	1,986,338	1,986,338
Earnings per share	12	48.75	48.24

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes
V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021

before appropriation of earnings

	note	2021 SRD	2020 SRD
ASSETS			
Non-current assets			
Property, plant and equipment	5	326,740,748	247,299,689
Intangible assets	5	545,959	1,026,447
Subsidiary interest	6	200,000	200,000
Long-term investments	6	1,083	1,083 *
Financial assets	6	63,474,057	58,455,535
Investment in associate and joint venture	7	251,879,115	175,763,722
Total non-current assets		642,840,962	482,746,476
Current assets			
Inventories	8	159,684,601	96,970,575
Trade and other receivables	9	286,539,127	166,812,886
Cash and cash equivalents	10	98,422,840	83,113,813
Total current assets		544,646,568	346,897,274
Total assets		1,187,487,530	829,643,750
EQUITY AND LIABILITIES			
Equity			
Issued capital	12	198,634	198,634
Capital in excess of par value	12	61,654	61,654
Retained earnings	12	288,179,406	203,768,850
Net earnings for the year		96,834,909	95,821,216
Other reserves	12	129,873,228	95,429,783 *
Equity attributable to equity holders of the parent company		515,147,831	395,280,137
Non-controlling interest		59,791,632	46,450,628
Total equity		574,939,463	441,730,765
Liabilities			
Non-current liabilities			
Long-term borrowings	13	147,885,346	58,386,288
Deferred tax liability	15	54,582,597	38,249,007
Long-term lease liabilities	13	54,987,028	99,223,169
Long-term employee benefit obligation	11	23,372,343	-
Long-term provisions		6,773,170	6,959,009
Total non-current liabilities		287,600,484	202,817,473
Current liabilities			
Trade and other payables	14	214,350,735	117,024,285
Short-term borrowings	13	43,616,975	37,065,942
Short-term lease liabilities	13	37,532,875	2,165,416
Short-term employee benefit obligation	11	1,066,912	-
Tax payables	15	26,986,557	18,149,931
Short-term provisions		1,393,529	10,689,938
Total current liabilities		324,947,583	185,095,512
Total equity and liabilities		1,187,487,530	829,643,750

*Changed for comparison purposes

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes

V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2021

	note	2021 SRD	2020 SRD
Revenue			
Trading		30,202,313	21,803,248
Manufacturing		167,500,229	105,471,890
Logistics		296,729,867	182,003,648
Real estate		6,706,418	4,111,778
Other		5,607,211	2,813,094
Total revenue		506,746,038	316,203,658
Personnel expenses	16	(173,660,537)	(108,489,761)
Administrative expenses	16	(136,731,684)	(88,243,130)
Depreciation and amortisation	5	(39,586,962)	(24,626,078)
Total operating expenses		(349,979,183)	(221,358,969)
Exchange rate (losses)/gains		(27,378,530)	4,337,327
Finance costs		(14,800,233)	(6,898,417)
Earnings from continuing operations		114,588,092	92,283,599
Share of profit in associate and joint venture	7	48,704,799	47,061,367
Investments		34,381	633,148
Earnings			
Earnings before income tax		163,327,272	139,978,114
Income tax expense	15	(49,614,989)	(34,166,900)
Net earnings		113,712,283	105,811,214
Attributable to:			
Non-controlling interests		16,877,374	9,989,998
Equity holders of the parent Company		96,834,909	95,821,216

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

	2021 SRD	2020 SRD
Net earnings	113,712,283	105,811,214
Non-controlling interests	(15,978,919)	(9,989,998)
	97,733,364	95,821,216
Other comprehensive income		
Actuarial loss on defined benefit obligation	(4,137,679)	-
	(4,137,679)	-
Income tax on defined benefit obligation	1,868,852	-
Other comprehensive income, net of income tax	(2,268,827)	-
Total comprehensive income	95,464,537	95,821,216

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes
V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

in SRD	Share capital	Capital in excess of par value	Retained earnings	Other reserves	Sub-total	Non-controlling interest	Total
Equity at 1 January 2020	198,634	61,654	203,756,847	25,583,477	229,600,612	27,245,497	256,846,109
Earnings after tax	-	-	95,821,216	-	95,821,216	9,989,998	105,811,214
Earnings distributions	-	-	-	-	-	(396,175)	(396,175)
Revaluation	-	-	-	69,858,309	69,858,309	9,574,213	79,432,522
Realized revaluation	-	-	12,003	(12,003)	-	-	-
Correction previous year	-	-	-	-	-	(636)	(636)
Unclaimed dividend	-	-	-	-	-	37,731	37,731
Equity at 31 December 2020 before appropriation of earnings	198,634	61,654	299,590,066	95,429,783	395,280,137	46,450,628	441,730,765
Appropriation of earnings							
Final dividend	-	-	(7,448,768)	-	(7,448,768)	-	(7,448,768)
Equity at 31 December 2020 after appropriation of earnings	198,634	61,654	292,141,298	95,429,783	387,831,369	46,450,628	434,281,997
Earnings after tax	-	-	96,834,909	-	96,834,909	16,877,374	113,712,283
Earnings distributions	-	-	(3,972,676)	-	(3,972,676)	(1,752,017)	(5,724,693)
Revaluation	-	-	-	35,346,585	35,346,585	(340,815)	35,005,770
Realized revaluation	-	-	10,784	(10,784)	-	-	-
Reclassification subsidiary CIC	-	-	-	1,376,471	1,376,471	(545,083)	831,388
Other comprehensive income	-	-	-	(2,268,827)	(2,268,827)	(898,455)	(3,167,282)
Equity at 31 December 2021 before appropriation of earnings	198,634	61,654	385,014,315	129,873,228	515,147,831	59,791,632	574,939,463
Appropriation of earnings							
Proposed final dividend	-	-	(6,952,183)	-	(6,952,183)	-	(6,952,183)
Equity at 31 December 2021 after appropriation of earnings	198,634	61,654	378,062,132	129,873,228	508,195,648	59,791,632	567,987,280

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes
V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021

	2021 SRD	2020 SRD
Cash flows from operating activities:		
Earnings before income tax	163,327,272	139,978,114
Adjusted for:		
Depreciation and amortisation	39,586,962	24,626,078
Unrealized share of profit in associate and joint venture	(48,704,799)	(47,061,367)
Revaluation loss on lease liabilities	12,799,818	36,397,009
Maintenance and insurances on lease	1,702,072	1,412,341
Investment income	(34,381)	(633,148)
Finance costs	14,800,233	6,898,417
Product warranty	476,963	155,934
Personnel expenses related to defined benefit obligation	13,342,569	1,437,054
Provisions	8,170,414	12,529,850
Cash flow from operations before changes in working capital	205,467,123	175,740,282
<i>Changes in working capital</i>		
Change in inventories	(62,714,026)	(43,311,387)
Change in trade and other receivables	(119,726,241)	(86,748,234)
Change in trade and other payables	97,326,450	43,018,519
Adjustments regarding receivables and inventories	(7,754,949)	(3,030,945)
<i>Other</i>		
Payments of medical for pensioners	(866,278)	(457,003)
Redundancy payments	(294,370)	(776,109)
Cash generated from operations	111,437,709	84,435,123
Claims paid	(4,025)	(4,054)
Paid income taxes	(26,974,288)	(10,480,853)
Net cash from operating activities	84,459,396	73,950,216
Cash flows from investing activities:		
Purchase of property, plant and equipment	(227,257,020)	(108,848,503)
Transfer of property, plant and equipment	97,074,093	66,529,697
Translation results property, plant and equipment	10,299,345	(42,677,414)
Disposal of property, plant and equipment	1,336,049	2,792,276
Acquisition of shares in subsidiaries	(298,440)	(1,243,000)
Sale of non-current financial assets	131,751	70,054
Dividends received	34,381	1,460,296
Net cash used in investing activities	(118,679,841)	(81,916,594)
Cash flows from financing activities:		
Proceeds and repayments of loans	96,050,091	50,450,654
Lease payments	(33,573,201)	(18,158,707)
Paid finance costs	(7,321,081)	(3,211,311)
Dividend paid	(11,421,444)	-
Net cash from financing activities	43,734,365	29,080,636
Net increase in cash for the year	9,513,920	21,114,258
Cash and cash equivalents at 1 January	83,113,813	42,452,629
Effect of exchange rate changes on foreign subsidiaries	5,795,107	19,546,926
Cash and cash equivalents at 31 December	98,422,840	83,113,813

The accompanying notes are an integral part of these financial statements

Paramaribo, 18 July 2022
Supervisory Board of Directors
D. Halfhide, Chair
R. Hahn, Vice Chair
N. Beijer-de Bekker
P. Fernandes

V. Kenswil
K. Lim A Po
S. Smit

Managing Directors
P. Healy
M. Ramsundersingh
P. Brahim



CIC Business
The new CIC building



Center Terminal Operation System (C-TOS), improving efficiency in organizing and handlings in the empty container yard



One time weighing of full export containers, integrated with C-TOS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.) Information on the reporting entity

N.V. Verenigde Surinaamse Holdingmij./United Suriname Holding Company (the Company) is a public company incorporated in the Republic of Suriname in 1958. The Company's registered office is located at Van 't Hogerhuysstraat 9-11, Paramaribo, Suriname. The consolidated financial statements of the Company for the year ended 31 December 2021 comprise the Company, its subsidiaries, its associate and joint venture (together referred to as the Group). The VSH United Group is involved in Logistics, Trading, Manufacturing, Real Estate and Services and Investment in Suriname, the wider Caribbean region, The Netherlands and the USA. The Company is listed on the Suriname Stock Exchange.

These financial statements have been prepared by management and were authorized for issue by the Supervisory Board and will be submitted for approval in the Annual General Meeting of Shareholders on 29 July 2022.

Subsidiaries

The subsidiaries with the percentage held by the Company, their respective country of incorporation and the segment as at 31 December 2021, are listed below.

Entity	Country of Incorporation	Segment	Percentage equity held by the Company	Percentage equity held by the Group	Percentage equity held by Non-Controlling Interest
N.V. VSH Shipping	Suriname	Logistics	100%	100%	-
N.V. VSH Transport	Suriname	Logistics	100%	100%	-
N.V. VSH Logistics	Suriname	Logistics	100%	100%	-
N.V. VSH Labour Services	Suriname	Logistics	100%	100%	-
N.V. Best Maritime Services	Suriname	Logistics	100%	100%	-
VSH-United (USA) L.L.C.	USA	Logistics	100%	100%	-
VSH-United (Nederland) B.V.	The Netherlands	Logistics	100%	100%	-
- I.F.C. (Holding) B.V.	The Netherlands	Logistics	-	51%	49%
• IFC International Freight (Caribbean) B.V.	The Netherlands	Logistics	-	51%	49%
• IFC Vastgoed B.V.	The Netherlands	Real Estate	-	51%	49%
N.V. VSH Trading	Suriname	Trading	100%	100%	-
VSH-UNITED (GUYANA) INC.	Guyana	Trading	100%	100%	-
N.V. VSH Steel	Suriname	Services	100%	100%	-
N.V. VSH Real Estate	Suriname	Real Estate	100%	100%	-
- VSH Real Estate Guyana INC.	Guyana	Real Estate	-	100%	-
N.V. VSH Investment	Suriname	Investment	100%	100%	-
VSH Marketing Company Ltd.	Anguilla	Investment	100%	100%	-
N.V. VSH FOODS	Suriname	Manufacturing	65.34%	65.34%	34.66%
N.V. Consolidated Industries Corporation (CIC)	Suriname	Manufacturing	60.40%	60.40%	39.60%
- N.V. Carifrico	Suriname	Real Estate	-	59.74%	40.26%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Associate and Joint venture

The associate and joint venture are as follows:

Entity	Country of Incorporation	Nature of Business	Nature of Relationship	Group's Percentage Interest	
				2021	2020
VSH TECH B.V.	The Netherlands	IT services and application development	Joint Venture	50%	50%
Assuria N.V.	Suriname	Insurances	Associate	25.24%	25.24%

Strategic and other investments

The Company has other equity investments in the following companies, which are not considered a subsidiary, associate or joint venture:

1. Torarica Holding N.V.
2. Surinaamse Brouwerij N.V.
3. Self Reliance N.V.
4. De Surinaamsche Bank N.V.
5. Hakrinbank N.V.

2.) Basis of preparation

2.1) Statement of compliance

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles. According to the Act on annual reporting ("Wet op de jaarrekening" (S.B. 2017 No.84)), all "large" Surinamese legal entities should be fully compliant with International Financial Reporting Standards (IFRS) as of the financial year 2020. Considering the turbulent economic conditions and impact of the COVID-19 pandemic in 2020 and 2021, several stakeholders submitted a request through a ministerial committee, to postpone the effective date of this Act. An amendment to this Act has been prepared and is currently on the agenda in the Parliament for approval. Although VSH United has made substantial progress in the IFRS adoption process, some standards remain in the implementation process.

2.2) Application of IFRS standards

All relevant IFRS standards were implemented for the VSH Group, except for the following IAS and IFRS standards, where certain provisions were applied to these consolidated financial statements:

IFRS 1: First time Adoption of International Financial Reporting Standards

IFRS 9: Financial Instruments

IAS 2 : Inventories

IAS 12: Income Taxes

IAS 19: Employee Benefits

IAS 21: Effects of Changes in Foreign Currency rates

IAS 29: Financial Reporting in Hyperinflationary Economies

2.3) Functional and presentation currency

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

2.4) Use of estimates, judgments and assumptions

The preparation of consolidated 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.) Accounting Policies

3.1) Change accounting policies

The accounting policies adopted are consistent with those of previous financial year, except for the following:

Employee benefits

With the recognition of the jubilee obligation the VSH Group partly adopted IAS 19 'Employee Benefits' as of 1 January 2022. 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 recognised as a finance cost. The Group applied a prospective approach for the recognition of the jubilee obligation. Further details of the new accounting policy in relation to IAS 19 are outlined in section 3.16.

3.2) Subsidiaries

Subsidiaries are all entities over which the Company has control, defined as the power to govern the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are recognized in the Parent Company according to the equity method. A provision will be formed in the Parent Company, for subsidiaries with a negative equity, to the amount of the equity or the obligation with regards to the shareholders' position.

Subsidiaries are fully consolidated and the financial statements of the subsidiaries are prepared for the same reporting year as the Company. Inter-company balances, transactions, income and expenses between Group companies are eliminated. Non-controlling interests represent the portion of earnings and net assets not held by the Company and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position.

Associate and Joint Venture

Within the framework of IAS 28, associates are those companies over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Joint ventures are entities over which a Company has joint control and has rights to the net assets of the investment. The investment in an associate or joint venture is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the earnings of the associate or joint venture after the date of acquisition. The Company's share in the earnings of the associate or joint venture is recognized in the consolidated statement of income. Dividend received reduces the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Company's proportional interest in the associate or joint venture arising from changes in the revaluation of property, plant, equipment and other assets.

Under IAS 28.6 (Investments in Associates) the Company meets the requirement of significant influence by virtue of:

- The share position of 25.24% in Assuria, which makes the Company the largest shareholder
- The Company holds two out of six positions on the Assuria Supervisory Board

3.3) Foreign currency translation

Transactions and balances

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 consolidated statement of income.

The exchange rates used for the USD, the EURO and the GYD at 31 December 2021 are:

in SRD	2021	2020
USD	21.65	17.50
EURO	24.53	21.50
GYD (per 100)	9.84	7.95

Foreign operations

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at year-end;
- income and expenses for each statement of income are translated at monthly average exchange rates and;
- all resulting currency (exchange) differences are recognized through equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.4) Property, plant and equipment (PP&E)

All property, plant and equipment are initially recorded at cost. Land was subsequently carried at revalued amount. All other property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. At the end of each reporting period, management reviews if there are any indicators of impairment. If confirmed, an impairment test is conducted to ensure that the carrying amount of the asset is greater than its estimated recoverable amount. Impaired assets are then written down to its recoverable amount. 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:

Freehold Buildings	5 - 40 years
Land improvements	5 - 10 years
Machinery and equipment	5 - 10 years
Leasehold Motor vehicles	5 years
Other assets	3 - 5 years
Freehold land is not depreciated	

All property, plant and equipment assets residual value and useful life is reviewed, and adjusted if appropriate, at each statement of financial position date.

Leasehold land is depreciated over the shorter of the asset's useful economic life and the lease term.

When a major repair is performed, its cost is recognized in the carrying amount of the PP&E as a replacement or 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 consolidated 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.

3.5) Intangible assets

Intangible assets can be divided in Goodwill and Software.

3.5.1 Goodwill

Goodwill is recorded at cost and represents the excess of the value of consideration paid over the Company's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

3.5.2 Software

Costs associated with the maintenance of existing software programs are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- and the expenditure attributable to the software product during its development can be reliably measured

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed five years.

Acquired software licenses are capitalized, based on costs incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful life of the software, which ranges from 3 to 5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.6) 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 consolidated statement of financial position include financial assets, trade and other receivables, cash and cash equivalents, trade and other payables and long and short-term borrowings.

3.7) Financial Assets

Financial assets Classification

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

- Those to be measured at fair value (either through other comprehensive income (OCI), or through statement of 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.

Measurement

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 trade and other receivables at the original invoiced or transaction amount less expected credit losses.

Equity instruments

The Company measures an equity investment at fair value.

Application of the Simplified Approach

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. Balances are individually assessed in determining the lifetime ECLs for trade receivables.

The lifetime ECLs are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information.

Financial liabilities Classification

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

Measurement

All financial liabilities are recognized initially at fair value. Subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in their individual policy notes.

3.8) Inventories

Inventories are stated at the lower of weighted average cost and net realizable value less provision for reduced marketability. Costs comprise direct materials and all costs incurred to bring inventories to their present location and condition net of discounts, rebates and bonuses.

Finished products and work in progress are valued based on the raw and packaging materials used.

3.9) 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.

3.10) Cash and cash equivalents

Cash and cash equivalents comprise of cash in banks, cash on hand and short term-deposits and or carried at cost.

3.11) Share Capital

Ordinary shares are classified as equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.12) Borrowings and overdrafts

Loans 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 using the effective interest method. Some overdraft accounts earn an interest if the account is in a surplus.

3.13) Income tax and deferred 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 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. Deferred taxes are recorded, using the balance sheet 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.

3.14) Provisions

Provisions are recognized for actual (legal or constructive) obligations and when a reliable estimate of the amount of the obligations can be made, 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. Some of the Company's subsidiaries provide warranties on products sold. Provisions are made for the estimated costs arising under these warranties upon the date of sale of the relevant products.

3.15) Trade and other payables

Trade and other payables are recognized at fair value and subsequently stated at amortized cost.

3.16) Employee benefits

Post-employment benefits Pensions

Except for overseas operations, pension for all VSH companies is provided through Stichting VSH Pensioenfond (VSH Pension Plan). 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.

Pension for N.V. Consolidated Industries Corporation (CIC) management and all new personnel starting from 2018 is also provided through the VSH Pension Plan and the remaining employees are covered by Assuria Levensverzekering N.V.. Employees of VSH Labour Services are covered in the Government Pension Plan (Algemeen Pensioen Fonds). The Government Pension Plan was initiated by the Government through the Act 'Wet Algemeen Pensioenfond (S.B. 2014 No. 113) (APF). With respect to the premiums due, reference is made to this Act where this is formalized.

Post-employment medical care

CIC has a scheme for post-employment medical care for some of its employees, which is categorized as a defined benefit plan. The risk and liability of the plan is based on an actuarial calculation.

Short term employee benefits paid annual leave

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

Profit-sharing and bonus payments

Within the Group an executive performance pay system 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 consolidated 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 consolidated statement of income after the financial statements are approved by the Annual General Meeting of Shareholders.

Other long-term benefits

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.17) Revenue

Sale of Goods and Services

Revenue from the sale of products and services 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 related discounts. Revenue is recognized in the consolidated statement of income when performance obligations are satisfied over time or at a point in time. The transaction price is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services being provided to the customer.

Rental Income

Rental income from investment properties leased out under an operating lease is recognized in the consolidated statement of income on a straight-line basis over the lease term.

Other income

Other income comprises of income from sale of PP&E, transfer fees, proceeds from sales of empty drums, proceeds from promotional items, fees for consulting and other services.

Dividend Income

Dividend income is recognized when the right to receive payment is established.

3.18) Leases

The companies within the VSH Group are committed to lease contracts for:

- Computers
- Vehicles for periods exceeding twelve (12) months
- Warehouse
- Terminal

Except for the Terminal lease, these lease contracts are typically made for fixed periods of 3 - 4 years, containing both lease and non-lease components. The terminal lease covers a period of 15 years. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leases are recognized as a right-of-use asset and a corresponding liability at the lease commencement date. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external sources that reflect the terms of the lease and the type of asset leased. The right-of-use asset is measured at cost comprising of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Payments made under operating leases are recognized in the consolidated statement of income on a straight-line basis over the term of the lease.

Short-term leases and leases of low value assets for VSH Group

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

As lessor

The accounting treatment of leases of lease assets is based on the classification into operating leases and finance leases. The classification is made based on the distribution of risks and rewards incidental to ownership of the lease asset.

If the lease is an operating lease, the Company is exposed to the material risks and rewards. The lease asset is recognized at carrying amount in the Company's non-current assets and the lease installments collected in the period are recognized as income in the consolidated statement of income.

Assets leased out under operating leases are recognized at cost and depreciated to their estimated residual value using the straight-line method over the term of the lease. Impairment losses identified as a result of an impairment test in accordance with IAS 36 are recognized.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Under a finance lease, the material risks and rewards are transferred to the lessee. The lease asset is derecognized from the Company's non-current assets, and instead a receivable is recognized in the amount of the net investment in the lease.

3.19) Finance income and finance costs

Finance income comprises of bank interest received and is recognized when incurred. Finance costs comprises of borrowing cost and is recognized as an expense when incurred.

3.20) Earnings per share

Earnings per share is calculated by dividing the net earnings attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding for the period.

4.) Segment reporting

A segment is a distinguishable component of the Company that is a separate legal entity or a group of separate legal entities, which are subject to risks and rewards that are different from those of other segments. Management has determined the operating segments based on the reports reviewed by the Company Directors and the Supervisory Board that are used to make strategic decisions. The Company has five (5) segments which are based on the different types of products and services that it offers. These products and services are described below. The Company evaluates performance on the basis of earnings before tax expense not including holding costs. Segment information excludes discontinued operations.

The Company is organized into five business segments:

- Logistics
- Trading
- Manufacturing
- Real Estate
- Services and Investment

The logistics segment comprises logistics activities of the following subsidiaries:

- VSH Shipping
- VSH Transport
- VSH Logistics
- VSH Labour Services
- VSH-United (USA) L.L.C.
- VSH-United (Nederland) B.V.
 - I.F.C. (Holding) B.V.
 - ✓ IFC Caribbean
 - ✓ IFC Vastgoed
- VSH-UNITED (GUYANA) INC.
- N.V. Best Maritime Services

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

- VSH Trading
- VSH-UNITED (GUYANA) INC.

The manufacturing segment comprises of food, detergents and packaging material production and distribution of the following subsidiaries:

- VSH FOODS
- CIC

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

- VSH Real Estate
 - VSH Real Estate Guyana INC.

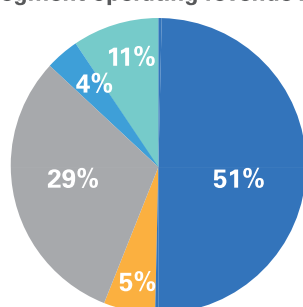
The services and investment segment comprises of income from, IT services and application development (VSH TECH B.V.), income from the associate Assuria, strategic investment Torarica Holding N.V., investments in other shares held in local companies (VSH Investment) and other income from non-core activities from the subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

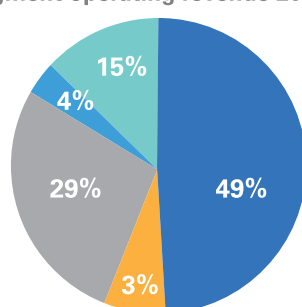
Operating Segments Reporting

x SRD 1,000	Logistics		Trading		Manufacturing	
	2021	2020	2021	2020	2021	2020
Segment revenue	296,731	182,004	30,202	21,803	166,051	105,389
Inter-segment revenue	-	-	-	-	-	-
Associate and joint venture income	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Segment operating revenue	296,731	182,004	30,202	21,803	166,051	105,389
Segment earnings from continuing operations	76,840	79,802	8,891	11,101	58,965	17,507
Reportable segment assets	561,631	414,438	77,955	53,968	245,240	139,753
Reportable segment liabilities	379,717	263,931	79,012	52,434	159,068	78,300
Investments	78,727	56,916	2,620	1,966	29,466	6,118
Depreciation and amortisation	28,646	14,615	1,385	816	6,509	6,062
Employees of the reportable segment	193	201	31	28	177	181

Segment operating revenue 2021

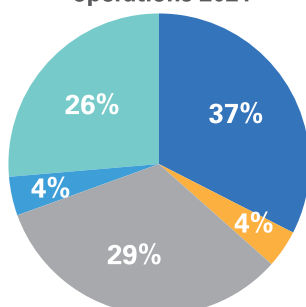


Segment operating revenue 2020

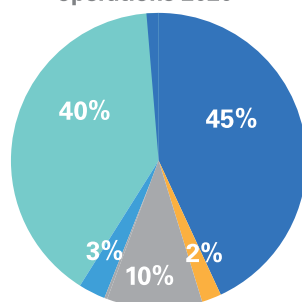


■ Logistics
■ Trading
■ Manufacturing
■ Real Estate
■ Services and Investments

Segment earnings from continuing operations 2021



Segment earnings from continuing operations 2020

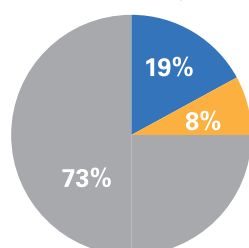


■ Logistics
■ Trading
■ Manufacturing
■ Real Estate
■ Services and Investments

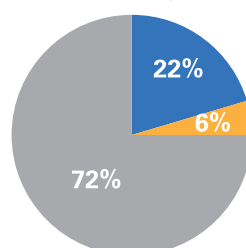
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Real estate		Services and Investment		Elimination		Consolidated	
2021	2020	2021	2020	2021	2020	2021	2020
6,706	4,112	7,056	2,896	-	-	506,746	316,204
13,881	10,620	6,953	4,281	(20,834)	(14,901)	-	-
-	-	48,705	47,061	-	-	48,705	47,061
-	-	34	633	-	-	34	633
20,587	14,732	62,748	54,871	(20,834)	(14,901)	555,485	363,898
7,839	5,727	52,788	70,580	(41,996)	(44,740)	163,327	139,977
49,847	41,374	749,624	571,085	(496,810)	(389,597)	1,187,487	831,021
25,825	18,281	202,615	148,336	(233,680)	(173,369)	612,556	387,913
5,876	16,916	1,726	218	-	-	118,415	82,134
1,647	1,619	1,400	1,513	-	-	39,587	24,625
8	9	38	33	-	-	447	452

Segment Logistics
operating revenue 2021 | by Geographic
x SRD 1000

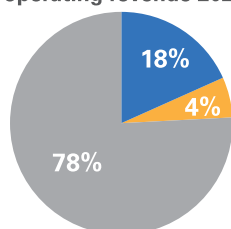


Segment Logistics
operating revenue 2020 | by Geographic
x SRD 1000

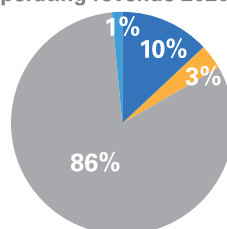


■ Netherlands
■ USA
■ Suriname

Segment Services & Investment
operating revenue 2021



Segment Services & Investment
operating revenue 2020



■ Holding Services
■ VSH Steel
■ Associate Assuria and Joint Venture
■ Other Investments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5.) Property, plant & equipment and intangible assets

Changes in property, plant and equipment and intangible assets are as follows:

in SRD	Total	Property	ROU Property	Machinery and Equipment	Furniture and Fixture	Motor Vehicles	ROU Motor Vehicles	Investments in progress	Intangible assets
Cost									
Balance at 1 January 2021	349,652,214	124,005,681	70,598,741	84,091,833	27,787,282	115,960	9,018,160	34,034,557	6,204,731
Effect adopting IFRS 16	-	-	-	-	-	-	-	-	-
Additions for the year	227,257,020	25,627,221	-	87,309,548	8,349,230	1,123,500	2,723,477	102,124,043	-
Transfers	(97,074,093)	17,298	-	2,263,563	1,026,024	-	-	(100,380,978)	-
Disposals	(2,370,950)	-	-	(1,098,188)	(1,272,762)	-	-	-	-
Corrections	(1,739,938)	-	-	(3,560,804)	2,188,537	-	(367,671)	-	-
Translations results	(8,255,299)	(11,063,260)	-	-	836,956	-	401,541	1,569,464	739,541
Balance at 31 December 2021	467,468,954	138,586,940	70,598,741	169,005,953	38,915,267	1,239,460	11,775,507	37,347,086	6,944,272
Accumulated depreciation									
Balance at 1 January 2021	(102,352,525)	(23,014,751)	(8,851,823)	(44,775,915)	(21,760,080)	(82,927)	(3,867,029)	-	(5,178,284)
Depreciation charge for the year	(39,106,309)	(3,627,408)	(16,849,879)	(10,297,686)	(5,408,402)	(149,950)	(2,772,985)	-	(480,653)
Corrections	215,612	-	-	-	-	-	215,612	-	-
Written back on disposals	2,559,227	-	-	1,045,159	1,230,182	-	283,886	-	-
Translation results	(2,044,211)	(1,025,350)	-	-	(649,787)	-	(369,074)	-	(739,376)
Balance at 31 December 2021	(140,728,206)	(27,667,509)	(25,701,702)	(54,028,442)	(26,588,087)	(232,877)	(6,509,589)	-	(6,398,313)
Net Carrying amount									
Balance at 1 January 2021	247,299,689	100,990,930	61,746,918	39,315,918	6,027,202	33,033	5,151,131	34,034,557	1,026,447
Balance at 31 December 2021	326,740,748	110,919,432	44,897,039	114,977,510	12,327,180	1,006,583	5,265,918	37,347,086	545,959

in SRD	Total	Property	ROU Property	Machinery and Equipment	Furniture and Fixture	Motor Vehicles	ROU Motor Vehicles	Investments in progress	Intangible assets
Cost									
Balance at 1 January 2020	195,997,195	83,906,933	-	61,790,988	30,372,980	-	6,087,181	13,839,113	4,100,388
Effect adopting IFRS 16	30,981,787	-	29,008,849	-	-	-	1,972,938	-	-
Additions for the year	152,347,413	1,308,733	41,589,892	4,769,191	3,226,447	115,960	2,448,973	98,888,217	539,955
Transfers	(66,529,697)	-	-	-	-	-	-	(66,529,697)	-
Disposals	(9,261,029)	(5,375,189)	-	(1,281,543)	(2,443,758)	-	(160,539)	-	-
Corrections	(2,049,732)	(5,161)	-	17,190,135	(5,718,176)	-	(1,330,393)	(12,186,137)	60,379
Translations results	48,166,277	44,170,365	-	1,623,062	2,349,789	-	-	23,061	1,504,009
Balance at 31 December 2020	349,652,214	124,005,681	70,598,741	84,091,833	27,787,282	115,960	9,018,160	34,034,557	6,204,731
Accumulated depreciation									
Balance at 1 January 2020	(81,248,874)	(20,925,488)	-	(35,816,900)	(22,444,084)	-	(2,062,402)	-	(3,121,091)
Depreciation charge for the year	(24,099,174)	(2,868,417)	(8,851,823)	(6,548,718)	(3,478,657)	(18,875)	(2,332,684)	-	(526,904)
Written back on disposals	6,576,827	3,781,178	-	809,239	1,907,124	-	79,286	-	-
Corrections	1,933,775	5,161	-	(2,597,073)	4,138,471	(64,052)	451,268	-	(52,496)
Translation results	(5,515,079)	(3,007,185)	-	(622,463)	(1,882,934)	-	(2,497)	-	(1,477,793)
Balance at 31 December 2020	(102,352,525)	(23,014,751)	(8,851,823)	(44,775,915)	(21,760,080)	(82,927)	(3,867,029)	-	(5,178,284)
Net Carrying amount									
Balance at 1 January 2020	114,748,321	62,981,445	-	25,974,088	7,928,896	-	4,024,779	13,839,113	979,297
Balance at 31 December 2020	247,299,689	100,990,930	61,746,918	39,315,918	6,027,202	33,033	5,151,131	34,034,557	1,026,447

The property, plant, equipment and intangible assets are insured against fire up to USD 28,996,366 (SRD 627,771,324).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6.) Financial assets, long-term investments and subsidiary interest

Financial assets comprise of shares in other companies and term deposits. The shares are measured at their fair value, which is the closing price of the last trading session of the stock exchange where the shares are listed in December 2021.

in SRD	Number of Shares	Price per share	2021	2020
Assuria N.V.*	4,010	85,25	341,853	333,833
Torarica Holding N.V.	202,810	86,00	17,441,660	17,441,660
Surinaamse Brouwerij N.V.	1,291	3,675.00	4,744,425	4,583,050
De Surinaamsche Bank N.V.	16,306	9,00	146,754	209,088
Self Reliance N.V.	15,241	63,00	960,183	960,183
Royal Bank of Scotland	-	-	-	9,691
Total shares			23,634,875	23,537,505
Other			207	53
Goodwill			39,838,975	34,917,977
Total financial assets			63,474,057	58,455,435

* The Assuria shares are held by VSH FOODS and VSH Investment

Long-term investments and subsidiary interest

Long-term investments

Long-term investments comprise of two (2) companies:

1. 100% share in CIC Plastics N.V. and consist of all outstanding shares in this company. At present there are no activities in CIC Plastics N.V. This asset is valued at its nominal value of SRD 1,000.
2. 25% share in N.V. Chemco. This asset valued at cost of SRD 83.

Subsidiary interest

Subsidiary interest represents the subsidiary of VSH FOODS which is dormant.

in SRD	2021	2020
Long-term investments of CIC	1,083	1,083
Subsidiary of FOODS	200,000	200,000
Balance at 31 December	201,083	201,083

7.) Investment in Associate and Joint Venture

Changes in carrying amount in associate and joint venture are as follows:

in SRD	2021	2020
Balance at 1 January	175,763,722	77,508,933
Share of earnings associate Assuria	50,876,053	47,926,661
Share of earnings joint venture VSH TECH	(2,171,254)	(865,294)
Profit distribution associate Assuria	(9,683,682)	(4,841,841)
Adjustments equity associate Assuria	33,805,433	36,997,142
Adjustments revaluation reserve associate Assuria	3,288,843	19,038,121
Balance at 31 December	251,879,115	175,763,722

Financial statements of the associate Assuria for the year ended 2021 are adopted by the Annual General Meeting of Shareholders on 14 July 2022. Financial statements of the joint venture VSH TECH for the year ended 2021 are adopted by the Annual General Meeting of Shareholders on 06 July 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8.) Inventories

in SRD	2021	2020
Raw materials and packaging	78,925,094	39,160,582
Goods for sale	34,966,928	28,145,872
Finished goods	11,040,546	6,374,320
Supplies and spare parts	8,718,097	6,136,994
Goods in transit	27,913,215	17,426,530
Provision for reduced marketability	(1,879,279)	(273,723)
Total inventories	159,684,601	96,970,575

The inventories are insured against fire up to USD 5,469,163 (SRD 118,407,379).

9.) Trade and other receivables and dividends paid and proposed

Trade and other receivables

in SRD	2021	2020
Trade receivables	256,486,966	127,170,425
Advance to personnel	1,392,544	616,877
Prepayments and deposits	5,025,788	3,591,438
Advanced project payments	2,622,958	21,371,889
Insurance	1,374,524	428,279
To be settled import duties and VAT	1,234,997	396,688
Other receivables	18,401,349	13,237,290
Total trade and other receivables	286,539,127	166,812,886

At 31 December 2021 trade and receivables are shown net of an allowance for uncollectible amounts of SRD 9,455,108 (2020: SRD 3,895,815)

Dividends paid and proposed

The following dividends were declared and paid by the Company.

in SRD	2021	2020
Final cash dividend previous year SRD 3.75 per share (2019: SRD 0.00)	7,448,768	-
Interim dividend SRD 2.00 per share (2020: SRD 0.00)	3,972,676	-
Declared and paid	11,421,444	-
After the balance sheet date 2021		
Final dividend SRD 3.50 per share (2020: SRD 3.75 per share)	6,952,183	7,448,768

The proposed dividend 2020 was adopted by the Annual General meeting of Shareholders of 13 August 2021.

10.) Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks, cash on hands and short-term deposits.

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

in SRD	2021	2020
Cash and cash equivalents		
Denominated in SRD	6,705,167	7,379,563
Denominated in USD	62,098,964	38,359,034
Denominated in EURO	28,206,708	29,775,227
Denominated in GYD	1,412,001	7,524,989
Total cash and cash at banks	98,422,840	83,038,813
Short-term deposits		
Denominated in SRD	-	75,000
Total cash and cash equivalents	98,422,840	83,113,813

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11.) Employee benefit obligation

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

in SRD	2021	2020
Jubilee obligations	11,999,264	-
Post-employment medical obligation	12,439,991	6,959,009
Total employee benefit obligation	24,439,255	6,959,009
Short-term portion	1,066,912	-
Long-term portion	23,372,343	6,959,009

Jubilee obligations

In accordance with the collective labor agreement the Company has an obligation for jubilee payments. As per 2021 this liability, based on internal calculations, is recognized as a long-term obligation

in SRD	2021	2020
<i>Movement in the jubilee obligation:</i>		
Balance at 1 January	-	-
<i>Movements:</i>		
Addition	12,234,046	-
Paid during the year	(234,782)	-
Total	11,999,264	-
Short-term portion	1,066,912	-
Balance at 31 December	10,932,352	-

Post-employment medical obligation

The Company CIC has an obligation to pay medical insurance as a post-employment benefit to pensioners. A liability based on actuarial calculations has been recognized for this long-term employee benefit obligation. It is company policy to have an actuarial valuation every two years.

in SRD	2021	2020
<i>Movement in the post-employment medical obligation is as follows:</i>		
Balance at 1 January	6,959,009	5,978,958
Current Service Cost	429,683	600,000
Interest Cost	913,622	837,054
Contributions paid	(866,278)	(457,003)
Actuarial (gain)/loss on obligation due to experience	(220,873)	-
Actuarial (gain)/loss on obligation due to experience regarding cost increases	5,348,464	-
Actuarial (gain)/loss on obligation due to change in financial assumptions	(508,451)	-
Actuarial (gain)/loss on obligation due to change in financial assumptions	384,815	-
Balance at 31 December	12,439,991	6,959,009

The amounts recognized in the statement of income were as follows:

in SRD	2021	2020
Current service cost	429,683	600,000
Interest cost	913,622	837,054
Total included in personnel costs	1,343,305	1,437,054

The amounts recognized in the other comprehensive income were as follows:

in SRD	2021	2020
Net actuarial gain/(loss)	(4,137,679)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12.) Issued capital, capital in excess of par value, reserves

Issued capital

in SRD	2021	2020
Issued capital at 1 January	198,634	198,634
Issued capital at 31 December	198,634	198,634

At 31 December 2021 the issued share capital comprised of 1,986,338 shares (2020: 1,986,338 shares). The shares have a par value of SRD 0.10. All issued shares are fully paid.

Capital in excess of par value

The capital in excess of par value relates to the difference between the nominal value and the price of shares issued in 2010, 2007 and 2006 minus the amount paid up in 2017 by disbursement of SRD 0.09 nominal per share with regards to the conversion of the nominal value of the shares from SRD 0.01 to SRD 0.10.

Revaluation reserve

This reserve has arisen from the revaluation of property and financial assets less deferred taxes and yearly realised depreciation from the revaluation of PP&E. The yearly realized transfer of the revaluation reserve of the property is based on the difference between the commercial depreciation and fiscal depreciation. Also booked to the revaluation reserve are changes in the Company's share in the equity of Assuria which are not recognized in the associate's statement of income.

Retained earnings

In 2021 the interim dividend of SRD 3,972,676 (2020: SRD 0) over the year has been charged to retained earnings.

Earnings per share

All shares of the Company are extra ordinary shares with a par value of SRD 0.10. The calculation of earnings per share at 31 December 2021 was based on the earnings attributable to ordinary shareholders of the Company of SRD 96,834,909 (2020: SRD 95,821,216) and a weighted average number of ordinary shares outstanding during the year ended at 31 December 2021 of 1,986,338 (2020: 1,986,338).

in SRD	2021	2020
Weighted average number of shares	1,986,338	1,986,338
Earnings per share	48.75	48.24

13.) Long-term borrowings and short-term borrowings

in SRD	2021	2020
VSHTransport	98,280,247	29,716,508
VSH FOODS	9,202,932	13,046,701
VSH Nederland	41,014,921	46,958,839
CIC	43,004,221	5,730,182
Total borrowings	191,502,321	95,452,230
Short-term borrowings	43,616,975	37,065,942
Long-term borrowings	147,885,346	58,386,288

Long-term borrowings

The loans comprise of the following long-term arrangements:

- In 2021 a loan of SRD 30,000,000 was issued on behalf of CIC for a term of 10 years. Monthly payments including interest amount to SRD 396,521.21 and the balance per 31 December 2021 amounts to SRD 28,790,736 including the short-term (<12 months) portion.
- In 2015 a loan of USD 3,000,000 was issued on behalf of VSH Transport. The term of the loan is 7 years. Monthly payments including interest amount to USD 44,548 and the balance per 31 December 2021 amounts to USD 116,926 including the short-term (<12 months) portion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- In 2020 a seven year loan of USD 4.8 million was issued on behalf of VSH Transport for a new crane. Monthly payments including interest amount to USD 69,547 and the balance at 31 December 2021 amounts to USD 4,422,577 including the short-term (<12 months) portion.

- In 2018, VSH FOODS signed a five-year loan of SRD 5,000,000 to finance capital investments. The balance at 31 December 2021 amounts to SRD 2,165,168 including the short-term (<12 months) portion. The fixed rate is 11% per annum.

- In 2018 a five year loan of Euro 1,500,000 was issued on behalf of IFC Vastgoed B.V. with a monthly payment of Euro 6,250 and a bullet payment of Euro 1,131,250 at the end of the term. The balance per 31 December 2021 amounts to Euro 1,218,750 including the short-term (<12 months) portion.

- In 2018 a five year loan of Euro 700,000 was issued on behalf of IFC Vastgoed B.V. with a monthly annuity of Euro 6,922. The balance per 31 December 2021 amounts to Euro 453,281 including the short-term (<12 months) portion.

The collateral given to the Institutions for these loans are:

- Mortgages on land and buildings.
- Pledge of securities.
- Fiduciary assignment of inventories.
- Fiduciary assignment of machinery and equipment.

Short-term borrowings

Short-term borrowing comprises of the short term (< 12 months) portion of the long-term loans and of the following secured bank overdraft facilities:

- In 2008, VSH FOODS obtained an overdraft facility of a maximum of USD 250,000 to finance working capital requirements on an ongoing basis. The balance at 31 December 2021 amounts to USD 24,678 (SRD 534,284) (2020: USD 167,363). The fixed rate is 7.0% per annum.

- In 2020, VSH FOODS obtained a one year overdraft facility of a maximum of SRD 8,000,000 financed from COVID-19 credit facility of the Central Bank of Suriname (CBvS) to finance working capital requirements. The balance at year end amounted to SRD 6,503,480 (2020: SRD 7,030,531). The fixed rate is 7.5% per annum.

- In 2019, CIC obtained two overdraft facilities denominated in SRD and USD to finance working capital requirements on an ongoing basis. The balance at year end amounted to SRD 14,213,485 (2020: SRD 5,730,182).

The collateral given to the bank for the overdraft facility are:

- Pledge of securities.
- Fiduciary assignment of inventories.
- Fiduciary assignment of machinery and equipment.

Lease Liability

in SRD	2021	2020
Long-term portion	54,987,028	99,223,169
Short-term portion	37,532,875	2,165,416

- At 1 January 2019 CIC adopted IFRS 16 'leases'. The standard requires lessees to recognize a lease liability reflecting future lease payments for motor vehicles. The balance per 31 December 2021 amounts to USD 125,662 including the short-term (<12 months) portion.

- In 2017 VSH FOODS entered into a hire purchase contract for its distribution trucks for which a lease liability was recognized per 1 January 2019 in line with IFRS 16. The Company agreed upon an installment plan which divides the financial obligations into 60 monthly payments with a final payment of 15% at the end of the contract period. The balance per 31 December 2021 amount to USD 114,696 including the including the short term (<12 months) portion.

- At 1 January 2020, the Company, excluding CIC and VSH FOODS' adopted IFRS 16 'leases'. The standard requires lessees to recognize a lease liability reflecting future lease payments for motor vehicles and property. The balance per 31 December 2021 amounts to USD 4,033,079 including the short-term (<12 months) portion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14.) Trade and other payables

in SRD	2021	2020
Trade payables	170,274,407	85,828,545
Taxes on wages	6,167,534	7,447,595
Employee benefits	9,104,533	4,418,418
Received deposits & advanced payments	4,513,698	485,003
Dividend & dividend tax payables	1,128,659	376,460
Sales tax payable	574,331	3,847,275
Project settlements	9,544,046	1,168,007
Other payables	13,043,527	13,452,982
Total trade and other payables before earnings distribution	214,350,735	117,024,285
Proposed final dividend	6,952,183	7,448,768
Total trade and other payables after earnings distribution	221,302,918	124,473,053

15.) Income tax and deferred tax liabilities

Income tax

Income tax is calculated at the applicable rate over the earnings before tax over the financial year, taking into account temporary differences between the calculation of earnings according to the financial statements and the taxable profit calculation.

The applicable rate over this financial year is based on a solidarity levy and is calculated as follows:

- 1/12 of 36% of taxable earnings
- 11/12 of 36% of the taxable earnings between SRD 0 - SRD 150,000
- 11/12 of 46% of the taxable earnings above SRD 150,000

In October 2020, the tax authorities commenced a tax audit at CIC. The scope of the tax audit includes income tax for the years 2018-2019 and payroll tax for the years 2015-2019. The tax office is still busy with this audit as at 31 December 2021. The audit remains on-going.

The income tax payable is specified as follows:

in SRD	2021	2020
Balance at 1 January	18,149,931	6,199,016
Paid during the year	(26,974,288)	(10,480,853)
Due over the year	47,746,138	34,166,900
Correction previous year	(25,612)	-
PP&E replacement reserve	89,668	109,651
Deferred tax unrealised gain on exchange	(946,832)	(7,064,022)
Inventory adjustments	(11,104,214)	(4,825,366)
Release revaluation land and buildings*	50,466	43,305
Accelerated depreciation	1,300	1,300
Balance at 31 December	26,986,557	18,149,931

* Included VSH FOODS SRD 45,986 (2020: SRD 35,989).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax liabilities

These are tax liabilities arising from the differences between valuation for commercial and for taxation purposes. In 2002, 2003, 2004 and 2005 requests for the application "accelerated depreciation" according to the investments code 2001 were submitted by VSH FOODS to the Ministry of Finance for part of the investments made in PP&E from 2002 to 2005. In the financial statements it is assumed that part of the requests will be granted. This assumption is based on the approvals and rejections received from the Ministry of Finance. Part of the investment made in PP&E is fully depreciated.

The deferred tax liabilities are specified as follows:

in SRD	2021	2020
Balance as at 1 January	38,249,007	14,953,445
Revaluation of financial assets	3,394	603,904
Revaluation of subsidiary interest	4,442,932	11,413,881
Deferred tax unrealized gain on exchange	946,832	7,064,022
Inventory adjustments	11,104,214	4,825,366
Release revaluation land and buildings	(50,466)	(43,305)
Transfer revaluation land and buildings	(22,348)	(457,355)
PP&E replacement reserve	(89,668)	(109,651)
Release accelerated depreciation	(1,300)	(1,300)
Balance at 31 December	54,582,597	38,249,007

16.) Personnel expenses, pensions and administrative expenses

Personnel expenses

in SRD	2021	2020
Salaries and wages	108,653,887	73,456,043
Jubilee obligations	12,234,046	1,440,925
Vacation and holiday expenses	4,093,281	3,069,539
Bonuses	19,507,704	12,871,707
Medical	10,358,208	4,607,768
Contribution to pension plan	5,005,569	6,594,531
Training	1,973,844	835,686
Other post-employment benefits	1,343,305	1,437,054
Other personnel expenses	10,490,693	4,176,508
Total personnel expenses	173,660,537	108,489,761

Pensions

For the employees of the Group, that have joined the VSH pension fund, the Group contributes 12% of the base salary and the employees' own contribution is 5%. The Groups pension expenses in 2021 amounted to SRD 2,761,467 (2020: SRD 2,512,425) and are recognized under personnel expenses.

The plan maintained by the foundation is a defined benefit plan, with the following maximum base salaries per year:

Personnel	SRD 78,000
Staff	SRD 162,500
Management	SRD 260,000

Premium reserve of the foundation as of 31 December 2021* amounted to SRD 150,034,234 (2020: SRD 93,987,064) and the total equity amounted to SRD 55,743,301 (2020: SRD 69,418,581).

Employees of VSH Labour Services have joined the "Algemeen Pensioenfonds".

The fund is maintained by a foundation managed by the government and is a defined benefit plan with a maximum base salary per year of SRD 60,000. In 2021 the Company and the employees both contributed 2.5% of the base salary into the fund. In 2021 pension expenses for VSH Labour Services amounted to SRD 159,303 (2020: SRD 116,524).

Employees of CIC that have joined its company's pension plan contribute 6% of the base salary. The balance of the actuarial calculated pension premiums is contributed by CIC. The pension expenses for CIC in 2021 amounted to SRD 1,989,401 (2020: SRD 3,965,582) and are recognized under personnel expenses.

* Unaudited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Administrative expenses

in SRD	2021	2020
Marketing	6,894,901	4,658,574
Maintenance	10,085,277	6,656,319
Manufacturing	9,124,124	8,644,110
Transportation	19,395,021	5,009,408
Office	35,473,256	29,477,455
ICT	1,776,844	4,951,626
Utilities	1,364,695	1,024,703
Insurances	2,930,568	1,744,406
Professional services	28,323,752	9,823,142
Provisions	8,170,414	12,529,850
Other	13,192,833	3,723,537
Total administrative expenses	136,731,684	88,243,130

17.) Commitments

VSH Community Fund

This non-profit foundation was established on August 22, 2008 to finance and coordinate community projects on behalf of the Group. The fund is financed by contributions of 1.5% of the earnings before tax on a final monthly basis from the operating companies. In 2021 SRD 2,196,432 (2020: SRD 1,645,324) was contributed by the companies.

18.) Related party disclosure

Supervisory Board of Directors

The remuneration of the Supervisory Board of Directors is approved by the Shareholders' Meeting. In 2021 the actual remuneration amounted to SRD 304,603 (2020: SRD 233,704).

Management

The remuneration of key management personnel of the Group is determined by the Supervisory Board of Directors. The remuneration consists of a fixed monthly salary and a bonus of which a significant part is based on the Executive Performance Scheme. Based on the Executive Performance Scheme for 2021 a short-term bonus of SRD 2,321,256 and a long-term bonus of SRD 3,018,924 has been approved by the Supervisory Board of Directors and are payable in 2022. An amount of SRD 5,340,180 has been recognized in the financial statements for the year 2021.

19.) Subsequent events

Income tax and wage tax amendment

The temporarily adjusted corporate income tax rate in 2021, solidarity levy, is no longer applicable. Per 1 January 2022 the corporate tax rate was restored to 36%. Per 1 January 2022, the wage tax rate for employees was adjusted with amendments to the Wage Tax Act.

Pension fund adjustment

As per 1 January 2022 the Stichting VSH Pensioenfonds (Pension Fund) increased the maximum base salaries per year as follows:

in SRD	2021	2020
Personnel	214,500	78,000
Staf	446,875	162,500
Management	715,000	260,000

Establishment N.V. VSH TECH

In April 2022 VSH TECH B.V. established N.V. VSH TECH as a 100% subsidiary, located in Suriname. N.V. VSH TECH will provide smart software solutions for customers especially in the logistics segment.

Appointment new external auditor

As per our Corporate Governance Code, a tender was issued for the appointment of a new external auditor.

INDEPENDENT AUDITOR'S REPORT

To: the Shareholders of
N.V. Verenigde Surinaamse Holdingmij.
United Suriname Holding Company
Paramaribo

Opinion

We have audited the financial statements 2021 of N.V. Verenigde Surinaamse Holdingmij.- /United Suriname Holding Company ("the Company"), in Paramaribo, which comprise the company and consolidated statements of financial position at 31 December 2021, the company and consolidated statements of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and of its financial performance and its cash flows for the year then ended in accordance with generally accepted accounting principles ("GAAP").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by the International Federation of Accountants ("IFAC"). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of Matters

We draw attention to Note 2.1 'Statement of compliance' which sets out the reasons why the Company's financial statements for the year ended 31 December 2021, have been prepared in accordance with generally accepted accounting principles ("GAAP"). In accordance with the Act on Annual Reporting ("Wet op de Jaarrekening (S.B. 2017 No.84)"), all "large" Surinamese legal entities should be fully compliant with International Financial Reporting Standards (IFRS) as from the financial year 2020.

Furthermore we draw attention to Note 19 'Subsequent events' which sets out the following:

- Income tax and wage tax amendment
- Pension fund adjustment

Our opinion is not modified in respect of these matters.

Other Matters

- The external auditor of the Associate Assuria N.V. expressed a qualified opinion on the 2021 financial statements of Assuria N.V. on June 30, 2022.
- The Company's business environment in combination with the COVID-19 pandemic continued to impact Suriname's economy, resulting in an economic and a foreign currency crisis which led to supply chain challenges and exponential increases in shipping costs for businesses. In this respect the Company's businesses adopted creative strategies to respond to the challenges. All the Group entities remain committed to delivering products and services of the highest standard.
- In the conversion process from GAAP to IFRS, the Company in collaboration with the independent registered Actuary is defining the classification of the pension plans of the Group entities in relation to the Act 'Wet Algemeen Pensioenfonds 2014' (S.B. 2014 No. 113).
- As from February 24, 2022 the world is facing the conflict between Russia and Ukraine. Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time.

Our opinion is not modified in respect of these matters.

Other Information included in the Annual Report 2021

Management and Supervisory Board of Directors are responsible for the other information. The other information comprise the information included in the Company's 2021 Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the Company's financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the 2021 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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.

INDEPENDENT AUDITOR'S REPORT

We have nothing to report in this regard.

The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance 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.

Paramaribo, 18 July 2022

Lutchman & Co N.V.

Represented and signed by:

D. de Keyzer CA, AA (Chartered Accountant)

N.V. Verenigde Surinaamse Holdingmij.-
United Suriname Holding Company
Van 't Hogerhuysstraat 9 - 11
Paramaribo, Suriname
Phone: (+597) 40 25 58
Fax: (+597) 40 35 15
info@vshunited.com
www.vshunited.com