STAATSOLIE

ANNUAL IFRS CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

STAATSOLIE MAATSCHAPPIJ SURINAME N.V.

Confidence in our own abilities

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Energizing a bright future for Suriname

At Staatsolie, we are focused on a future that promises greater social progress and economic prosperity for all citizens of our country Suriname. After years of exploration and appraisal, our nation's significant offshore hydrocarbon resources are on the cusp of development. For the last several years, we have been transforming our company to become an active participant in this development and in future production. This includes raising our people and processes to best-in-class standards, with a special focus on improving our offshore expertise and shaping our commitment to the highest Environmental, Social and Governance standards. These efforts continued in 2022, and we also posted strong results from operations including the production, refining, and marketing of petroleum and related products, as well as the generation of electricity. Staatsolie is a forward-looking energy company, energized and eager to help our country achieve projected rewards we are confident lie ahead.

Contents

List of Used Abbreviations

2D:	two-dimensional
3D:	three-dimensional
AGM:	Annual General Meeting
bbl.:	barrel (ca. 159 liter)
bopd:	barrels of oil per day
CAPEX:	Capital expenditures
CAS:	Credit Adjustment Spread
COSO:	Committee of Sponsoring Organization of the Treadway Commission
CSS:	Cyclic Steam Stimulation
DPA:	Debt Payment Account
DSRA:	Debt Service Reserve Account
EBITDA:	Earnings before interest, taxes, depreciation, and amortization
EOR:	Enhanced Oil Recovery
ERA:	Enterprise Risk Assessment
ESIA:	Environmental and Social Impact Assessment
GoS:	Government of Suriname
HSE:	Health, Safety and Environment
HSEQ:	Health, Safety, Environment and Quality
IFRS:	International Financial Reporting Standards
IOC:	International oil company
IOR:	Improved Oil Recovery
Kbbls:	thousands of barrels
LTI:	Lost-time incident/injury
MMbbls:	millions of barrels
MWh:	megawatt-hours
oz.:	(troy) ounce
PSC:	Production Sharing Contract
RAS:	Risk Appetite Statement
RRR:	Reserve-replacement ratio
SOFR:	Secured Overnight Financing Rate
ULSD:	Ultra Low Sulfur Diesel
UOP:	Units of production
VAR:	Value at Risk
VIU:	Value in use

Vision, Mission, Values, And Strategy

VISION

Energizing a bright future for Suriname.

MISSION

Developing energy resources to maximize the long-term value for Staatsolie and Suriname.

STRATEGY

Develop offshore and renewables, optimize onshore and downstream, and grow capabilities with an engaged workforce, inspired by our values.

VALUES

Zero harm: We strive for zero harm to the planet and our people, especially the communities and the environment around us.

Integrity: We are honest and do what we say we will do.

Excellence: We accept responsibility, deliver high quality work with a sense of urgency.

Teamwork: Trust and respect each other, collaborate and create a non-blaming culture.

Overview Performance 2022

2022		2021
6.14 MMbbls	**Crude Production**	5.95 MMbbls
US$ 840 million	**Gross Revenues**	US$ 558 million
Fuel Oil & Crude: 2,855 Kbbls Premium Diesel: 2,108 Kbbls Premium Gasoline: 694 Kbbls Bitumen: 57 Kbbls	**Total Sales**	Fuel Oil & Crude: 2,416 Kbbls Premium Diesel: 1,903 Kbbls Premium Gasoline: 632 Kbbls Bitumen: 32 Kbbls Other: 143 Kbbls
Interest coverage: 11.68 Leverage ratio: 0.88 Debt Service Coverage: 5.26 EBITDA margin: 77%	**Key Ratio's**	Interest coverage: 8.60 (Restated) Leverage ratio: 1.58 (Restated) Debt Service Coverage: 3.29 EBITDA margin: 69%

General Information

As at 31 December 2022

From left: L. Jack, M. Srihar Doobe, B. Dwarkasing, H. Alendy, J. Bousaid, G. Asadang, D. Caffé

From left: R. Bissumbhar, E. Fränkel, A. Jagesar, A. Moensi-Sokowikromo

Sole Shareholder

The Republic of Suriname represented by
The President, His Excellency C. Santokhi

Supervisory Board

H. Alendy	Chair
J. Bousaid	Vice Chair
M. Srihar Doobe	Secretary
G. Asadang	Member
D. Caffé	Member
B. Dwarkasing	Member
L. Jack	Member

Board of Executive Directors

A. Jagesar	Managing Director/CEO
A. Moensi-Sokowikromo	Finance Director/CFO
R. Bissumbhar	Upstream Director

Deputy Director

E. Fränkel	Deputy Director Power & Sustainable Energy

Asset Managers

P. Brunings	Exploration and Non-Operated Ventures Manager
F. Habieb	Power Asset Manager
K. Raghosing	Group Controller
M. Refos	Marketing Asset Manager
S. Sabiran	Production Asset Manager
R. Vlaming	Refinery Asset Manager

Division Managers

Corporate

I. Ambrose	Manager Corporate Audit
L. Donokarijo	Manager Gold Partnerships
N. Debipersad	Manager Corporate HSE & Communication
M. van den Berg	Manager Corporate Supply Chain Management
D. Dijk van	Manager Governance, Risk & Compliance
J. Gajadin-Joella	Manager Corporate Legal Affairs
T. Haarloo	Manager Corporate HRM
Z. Habieb	Manager Financial Planning & Analysis
R. Hahn	Manager Corporate ICT
J. Makhanlal-Veldhuizen	Manager Tax
A. Profijt	Manager Treasury and Cash
D. Ratchasing	Manager ICT Project Management Office
S. Tjon A Loi	Manager Corporate HR Development
A. Vermeer	Manager Financial Accounting & Reporting

Upstream Onshore

M. Marengo	Manager HRM Upstream
S. Kisoensingh	Manager Production Operations
S. Lumsden	Manager Supply Chain Management Upstream
R. Mangnoesing	Manager Treatment & Delivery
K. Moe Soe Let	Manager Reservoir Management
A. Mohamedhoesein	Manager Projects & Engineering
A. Mohan	Manager Program IOR/EOR
B. Nandlal	Manager Functional Support Services
R. Soekhlal	Manager HSE Upstream

Downstream

V. Bisnajak	Manager Technical Services
D. Busropan	Head HSSE Downstream
S. Kalpoe	Manager Refining Operations
S. Sporkslede	Manager Supply Chain Management Downstream
R. Sweet	Sr. Head HRM Downstream

Offshore

N. Poeketi	Manager Non-Operated Ventures
W. Gajapersad	Manager Development & Projects
V. Gangaram Panday	Manager Commercial & Strategy
A. Jagger	Manager Subsurface Appraisal

Power & Sustainable Energy

K. Kalijan	Manager Projects
D. Pello	Manager Sustainable Energy

Subsidiaries

GOw2 Energy Suriname N.V.

M. Refos	Marketing Asset Manager

Staatsolie Power Company Suriname N.V.

E. Fränkel	Deputy Director Power & Sustainable Energy

Staatsolie Hydrocarbon Institute N.V.

A. Ramsaransingh-Karg	Director

Report of the Supervisory Board

The Supervisory Board is responsible for supervision of the Executive Board of Directors (BoED) and the policies executed. In addition, it acts as an advisor and sounding board for the BoED.

The articles of association and the charter of the Supervisory Board outline its tasks, responsibilities, and authority. These documents describe the positioning, authority, responsibilities, composition, appointment procedures and procedures for resignation of the Supervisory Board.

Composition

The Supervisory Board consists of at least five and a maximum of seven members. Appointments are subject to the procedures laid down in the articles of association and the charter of the Supervisory Board. The members of the Supervisory Board have diverse backgrounds and areas of expertise.

Members of the Supervisory Board are independent and have no close personal or business relationship with fellow board members, Executive Board members, employees, company staff or important external stakeholders. They also have no interests whatsoever in Staatsolie.

In an extraordinary meeting of shareholders held on 20 October 2022, the following Supervisory Board members stepped down:

- L. Brunswijk
- M. Santokhi-Seenacherry
- N. Nannan

H. Dorinnie resigned at his own request on 31 March 2022.

The Supervisory Board would like to thank the outgoing members for their dedication and commitment to Staatsolie.

As of October 20, 2022, the Supervisory Board is composed as follows:

- H. Alendy, Chair
- J. Bousaid, Vice Chair
- M. Srihar Doobe, Secretary
- G. Asadang, Member
- D. Caffé, Member
- B. Dwarkasing, Member
- L. Jack, Member

Supervisory Activities

The Supervisory Board supports the BoED in achieving its objectives, aimed at maximizing short and long-term value for Staatsolie and Suriname.

In 2022, supervision mainly focused on assessment of the strategic company policy, internal organization, risk management, preparation for participation in the offshore oil and gas industry, oil production, and corporate governance.

Ernst & Young has been appointed as external auditor by the Supervisory Board to regularly audit the financial statements in accordance with Article 22 of the Articles of Association and to report to the Supervisory Board on the audit of the Financial Statements. During the fiscal year, the Supervisory Board also used external experts in areas where it needed specialized knowledge.

Committees

To optimize the efforts of the members of the Supervisory Board, specific sub-tasks have been assigned to three specialized committees of the Supervisory Board. The staffing of the committees has been adjusted with the members appointed in October 2022.

Audit Committee

As of November 2022, the Audit Committee consists of J. Bousaid (chair), G. Asadang, B. Dwarkasing, and L. Jack. The tasks and responsibilities of the committee are laid down in the Audit Committee Charter.

During the year the committee had several meetings with the BoED, the Internal Audit division and the external auditor regarding the audit of the 2021 financial statements, review of the annual audit plan and the periodic review of the audit charter. There have also been several meetings regarding the planning for the audit of the 2022 financial statements, including regular progress meetings. In the plenary meetings, the recommendations of Internal Audit and the external auditor were discussed, as well as the opinions of the Audit Committee and corresponding follow-up. The functioning of Internal Audit, its capacity (both qualitatively and quantitatively), the audit reports, the realization of the current annual audit plan and the composition of the coming annual audit plan were also discussed.

Risk & Compliance Committee

As of November 2022, the Risk & Compliance Committee consists of D. Caffé (chair), M. Srihar Doobe, L. Jack and B. Dwarkasing. The duties and responsibilities are laid down in the Risk & Compliance Committee Charter.

During 2022, the Risk & Compliance Committee had various internal and external consultations, including with the Integrity Committee and the manager of Staatsolie' s Governance, Risk & Compliance division. The Risk & Compliance Committee focuses on the overall risk management policies and control systems of the various risk areas, including compliance risk. The various risk areas were evaluated based on Staatsolie's risk appetite and risk tolerance. The risk report, which is presented to the Supervisory Board every six months, as well as the review and progress of the risk & compliance program were discussed and processed.

Nomination and Remuneration Committee

As of November 2022, the Nomination and Remuneration Committee consists of G. Asadang (chair), M. Srihar Doobe, J. Bousaid and D. Caffé.

The committee held several meetings during the year under review. The remuneration and performance of the BoED and the company's organizational structure were discussed in these meetings, amongst others.

Important themes and actions in 2022

The Supervisory Board took various actions during the reporting period, namely:

- Further operationalization of the specialized committees of the Supervisory Board. Some notable activities of these committees in 2022:
  - Recommendations on strengthening Internal Audit.
  - Provide support to the company in getting Enterprise Risk Management fully operational, whereby the company operates risk based.
  - Initiate a renewed remuneration policy.
  - Measures to strengthen corporate governance.

- Actions regarding supervision of subsidiaries and the relationship between the supervisory boards of those companies and the Supervisory Board of the parent company.

- Optimizing environmental monitoring measures for performance reporting.

- Contribution of the Supervisory Board regarding the identification of business risks.

- The Supervisory Board has contributed to the revised strategic plans of Staatsolie, laid down in their vision 2040 that sets out Staatsolie' s added value to Suriname, scenario-driven strategic choices, success-determining factors and diversification of the company.

- Embedding ESG (environment, social, governance) criteria in the company's strategic planning.

Meetings

The Supervisory Board meets according to a predetermined meeting schedule and activities calendar, and as often as deemed necessary. It also meets regularly with the BoED, at least once a month. There is also regular and periodic consultation with the shareholder.

In 2022, the Supervisory Board held 37 regular meetings, nine with the BoED, and four with the shareholder. Attendance averaged 82 percent. Board members participated actively in the discussions and decision-making of the board and its committees.

The Supervisory Board also visited Staatsolie business locations and joint venture partners to closely examine the operations.

To improve its role and performance, periodic self-assessment and self-regulation at individual and team level are of significant importance. Based on this consideration and although satisfied with its performance in the financial year 2022, the Supervisory Board hired an external expert to further optimize its effectiveness.

Consolidated Financial Statements

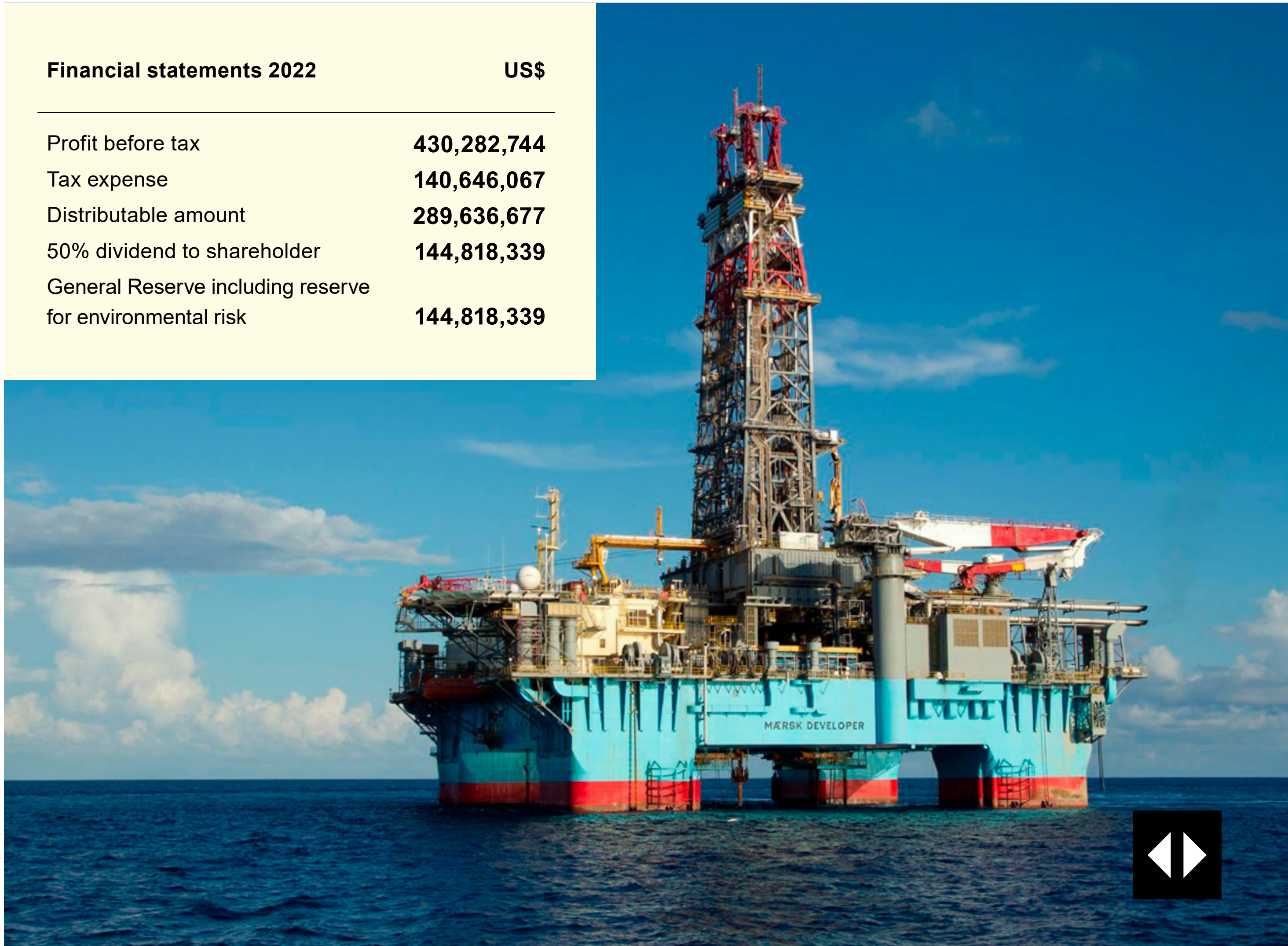
In accordance with Article 25.3 of the Articles of Association the Supervisory Board presents, the IFRS consolidated financial statements 2022 which was prepared by the Executive Board and comprises the consolidated statement of financial position as at 31 December 2022,
the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the financial year 2022, as well as the accompanying notes and summary of the significant accounting policies. These financial statements have been audited by Ernst & Young Suriname. The Supervisory Board has signed the financial statements, also based on the auditor's unqualified opinion, and propose that the Shareholder adopt them pursuant to Article 27.1 of the Articles of Association. The adoption shall be deemed to grant management and the Supervisory Board a discharge from liability for its management and oversight in accordance with Article 27.2 of the Articles of Association.

Consolidated profit before tax for 2022 is US$ 430,282,744. After deducting a provision for tax payable of US$ 140,646,067, the distributable amount is US$ 289,636,677. We agree with the Executive Board's proposal to pay a dividend of US$ 144,818,339 to the Shareholder being 50 percent of the distributable amount, which is in accordance with the dividend policy, and to allocate an amount of US$ 144,818,339 to the General Reserve. The allocation to the General Reserve includes the appropriated reserve for environmental risk of US$ 500,000.

Acknowledgment

The Supervisory Board thanks the Board of Executive Directors and all employees for their efforts in 2022. We also thank the customers and shareholders of Staatsolie for their confidence in the company.

Financial statements 2022	US$
Profit before tax	**430,282,744**
Tax expense	**140,646,067**
Distributable amount	**289,636,677**
50% dividend to shareholder	**144,818,339**
General Reserve including reserve for environmental risk	**144,818,339**



Message of the Managing Director

I am very pleased to report, on behalf of all my colleagues, that 2022 was another exceptionally positive year for Staatsolie. Starting with our safety record, we are happy to announce that our Total Recordable Injury Frequency Rate (TRIFR) dropped to 1.30 from 4.15 in 2021. Diligent efforts were made in this regard and will continue at an elevated level in 2023. Regarding our production targets, we exceeded our targets in both oil production and energy generation and our refinery produced a record high quantity of diesel and gasoline. Regarding the offshore potential for future hydrocarbon production, we made great steps as well with one successful exploration well and one successful appraisal well in Block 58. The appraisal well confirmed our expectations on the reserves in the Sapakara reservoir. Our financial performance improved in every major category, with a major push from high oil prices. In 2022, we updated our strategic plan for the next five years complementing our existing focus, by further stepping up our emphasis on developing the offshore as fast as practically possible and strengthening our Environmental, Social and Governance (ESG) efforts.

Financial Results

Key financial results for 2022 include:

- Consolidated gross revenues of US$ 840 million, 51 percent higher than 2021's US$ 558 million.
- Profit before tax of US$ 430 million, up from US$ 224 million in 2021.
- EBITDA of US$ 648 million, up from US$ 398 million in 2021.
- Contribution to the Government of Suriname of US$ 320 million, compared to US$ 186 million in 2021.

This year's improved results are due to a high oil price, high production outcomes, and continued implementation of company-wide optimization and cost reduction programs. The average oil price was US$ 93 per barrel in 2022, compared to US$ 70 per barrel in 2021.

Production Overview

In 2022, we produced 6.14 million barrels of Saramacca Crude, about 190,000 barrels above our target, and our refinery produced a record 3.3 million barrels of ultra-low sulfur diesel and gasoline. In retail, our subsidiary GOw2 increased its market share from 37 to 39 percent whilst further upgrading and expanding its retail outlets.

In our crude operations, the efforts to add reserves and production continued. In this regard, the polymer plant and polymer injection in 15 injector wells – phase I of our Polymer Project – were commissioned in March 2022. In addition, the cyclic steam stimulation pilot project was started in 2022, another Enhanced Oil Recovery project. At the refinery, sweet gas was introduced in the process instead of being flared, which led to an increase of approximately 300 barrels per day of gasoline production.

Higher than average rainfall in 2022 allowed us to generate approximately 1.2 million MWh, 173,000 MWh more than planned, from our Afobaka hydropower plant, which enabled Suriname to save approximately US$ 26 million on its electricity cost in 2022.

Our investments in gold mining operations, which provide a measure of diversification, yielded US$ 24 million less in 2022 compared to the previous year (US$ 112 million), due to factors including moving from saprolite to hard rock acreage and heavy rainfalls resulting in geotechnical challenges in the mines.

6.14 MMbbls
Saramacca Crude

3.3 MMbbls
Ultra-low sulfur diesel and gasoline

1.5 MM MWh
Power generation (hydro + thermal)

Offshore Potential

In 2022, the immense hydrocarbon potential of Suriname's offshore waters was further underscored by events including yet another significant discovery in deepwater Block 58 by TotalEnergies (TE) and APA Corporation (APA). This marks the fifth discovery from the eight exploration wells that have been drilled in Block 58, a 60 percent exploration success rate significantly above the world average of 25 percent. While TE and APA continue their technical and commercial evaluation, we are optimistic that a Declaration of Commerciality will follow in the not-too-distant future for the planned development of a production field in Block 58.

Though Block 58 is still the most immediate candidate for potential development, exploration activities proceeded apace in multiple deepwater blocks, including:

- In Block 42, an exploration well drilled by Shell, Chevron, and Hess showed encouraging results for further exploration in the block.
- In Block 53, APA, Petronas and CEPSA made a discovery at the exploration well Baja-1, with results under evaluation.
- In Block 52, exploration wells for 2023 have been identified by Petronas and ExxonMobil.

Staatsolie also remains excited about the earlier Sloanea-1 gas find in Block 52, and its potential to be developed as a commercial gas production field. Staatsolie has engaged in early discussions with Petronas in this regard.

In line with our vision and strategic goals, we launched a competitive bid round in November 2022 for six new blocks in the Demerara area, which lies east of the current offshore discoveries.

Additionally, the first two phases of a 3D seismic survey of the Shallow Offshore area (south of the deepwater blocks) by a consortium of international companies was completed in 2023, providing seismic data that deepens our understanding of this promising area and its drilling prospects. A total of 14,800 km^2 of high-resolution 3D data was acquired, leading to a significant uplift of value to the area compared to the 2D seismic data coverage that was present in the area before. A 3D survey was also reprocessed which also enhanced the data such that drillable prospects can be generated.

As a further indication of the basin's great promise, in April 2022, Staatsolie and Chevron signed a Production Sharing Contract for Block 7 in the Shallow Offshore. Staatsolie has a participating interest of 20 percent through our subsidiary Paradise Oil Company N.V. (POC). To this end, POC and Chevron entered a Joint Operating Agreement (JOA).

Increased ESG Attention

To further increase the focus on Environmental, Social and Governance priorities, the ESG Committee was established in 2021. Key ESG initiatives in 2022 included finding and implementing ways to reduce our company's carbon emissions and exploring the development of alternative energy sources, such as solar. In 2022, our emissions were reduced by at least 5 percent by utilizing our sweet gas that was previously flared, reducing steam losses, and utilizing methane gas which was previously vented.

Promoting positive social change is another priority. In 2022, we spent more than US$ 2 million on social investments.

The safety of our people is a top priority. In the past year, the process for certification according to ISO standards for environment and safety was initiated. Our downstream directorate (consisting of the Refinery and Marketing) and our SPCS subsidiary obtained the ISO-14001 and ISO-45001 certificate. Certification of our remaining organizational units including GOw2 will be completed in 2023.

In terms of governance, we have a rigorous Corporate Governance system setting out amongst others, the responsibilities and accountabilities of our Board of Executive Directors and Supervisory Board. The biennial review of charters in this regard started in 2022. The development and implementation of internal control mechanisms has progressed and will be continued in 2023 according to plan.

Looking Ahead

As the state oil company of Suriname, we are proud to play a pivotal role in our country's social and economic life for more than 40 years. We are even more excited about the role we can play in its future. With the activities and results to come to a first development in the offshore progressing well and with our initiatives to provide Suriname with cleaner energy options, we truly look forward to "Energizing a bright future for Suriname."

We sincerely thank all our stakeholders for contributing to our successful year in 2022. These include our shareholder the Government of Suriname, the supervisory board, our employees, contractors and suppliers, our IOC partners, financing partners, investors and our customers. Some special words of appreciation for our employees are befitting as I need to emphasize that producing at the upper end of our capacity does not come without its challenges. It requires deep efforts from our employees, and I applaud them for achieving these satisfactory results in a safe manner.

Annand Jagesar
Managing Director/CEO

Macro-economic Environment

The global economy in 2022 experienced a period of subdued growth accompanied by soaring inflation rates. Following a robust recovery in 2021 from the deep recession induced by the COVID-19 pandemic in 2020, real output growth took a significant hit. The Russian-Ukrainian conflict further dampened growth prospects, with widespread sanctions imposed on Russia exacerbating macro-economic imbalances and challenges. The war not only incurred massive economic costs but also triggered a humanitarian crisis in Eastern Europe.

Household real incomes and spending were negatively impacted as inflation and interest rates surged. Consequently, global growth dwindled from an impressive 6.1 percent in 2021 to a modest 3.2 percent in 2022, according to the International Monetary Fund (IMF). Although global trade dipped, the ongoing recovery in international tourism partially offset the decline in merchandise trade volumes. With the Russian-Ukrainian conflict and the battle against inflation still influencing business activities and consumer spending, output is projected to hover around 3.8 percent in both 2023 and 2024.

% GLOBAL GROWTH	2021	2022	2023-2024
	6.1	3.2	3.8

Growth rates fluctuated across regions and countries. Advanced economies witnessed a decline in growth to 2.7 percent in 2022, down from 5.4 percent in 2021. The Euro Area, however, displayed a slightly better performance compared to the average. In Central and Western Europe, energy-intensive industries, various enterprises, and households were confronted with skyrocketing oil and gas prices. The United States underperformed the average, as the positive effects of a resilient labor market were partially counterbalanced by the repercussions of higher interest rates on private investment.

In the Asia-Pacific region, economic performances were notably weak. Japan's production, which had stagnated at 2 percent in previous years, slipped further to a mere 1.4 percent in 2022. China's activities were hindered by renewed lockdowns due to virus outbreaks and a downturn in the tech sector, causing its growth rate to plummet to an estimated 3.0 percent, down from 8.1 percent in 2021. These production constraints could potentially create new bottlenecks in global supply chains.

According to the International Monetary Fund (IMF).

Inflation had already been on an upward trajectory before the war, fueled by surging commodity prices and pandemic-induced supply-demand imbalances. In 2022, inflationary pressures intensified, primarily driven by skyrocketing energy and food prices. Consequently, price pressures expanded across a wide range of sectors. Global consumer inflation rose by 8.8 percent in 2022, up from 4.7 percent in 2021. This rate is projected to be 6.6 percent in 2023 and 4.4 percent in 2024. Similar to growth rates, inflation rates varied significantly across regions and countries. In advanced economies, consumer price inflation reached 5.7 percent, up from 3.1 percent in 2021. Meanwhile, emerging market and developing economies experienced rates of 8.7 percent and 5.6 percent, respectively. In China, inflation remained relatively low at around 2 percent. Other Asian countries also experienced modest inflation, as they were less impacted by the energy crisis.

The combination of stagnant growth and high inflation in advanced economies raised concerns about stagflation. With inflation persistently exceeding central banks' 2 percent target, these institutions rolled back their quantitative easing policies and increased interest rates in several stages, reaching 4.5 percent – the highest since 2007. Additional rate hikes are anticipated. However, policymakers are expected to proceed with greater caution going forward to avoid deterring business activities and provoking further appreciation of the US dollar against other currencies.

Across the globe, developing economies faced significant economic challenges due to the global shocks previously mentioned. These nations also grappled with numerous internal imbalances, including weak public finances, burdensome debt servicing obligations, a decline in productive private investments, acute balance of payment pressures, and depreciating currencies. Consequently, many countries encountered economic downturns, escalating poverty, and growing inequality. The average growth rate in emerging market and developing economies contracted to 3.9 percent, down from 6.7 percent.

In Latin America and the Caribbean, the regional average growth rate declined to a modest 2.5 percent in 2022, following a rebound to 6.8 percent in 2021. The first figure falls below the average for emerging and developing countries. Growth is projected to remain subdued in 2023, reflecting restrained activities in advanced economies and an uncertain, risk-laden global and internal environment. Simultaneously, the inflation rate surged from 9.8 percent to 14.1 percent. These statistics highlight the inability of the region's economies to meet their populations' aspirations for accelerated development and poverty reduction.

The global shocks mentioned earlier had a more pronounced disruptive impact on Suriname, an economy heavily reliant on imports due to its small and undiversified production structure. Furthermore, the shocks were exacerbated by long-standing, complex internal economic and social conditions. Despite these challenges, notable progress was made in implementing the Recovery Plan. Primarily aimed at short-term goals; this plan seeks to restore sustainable macroeconomic stability, bolster the financial system and institutions, and reduce public debt (currently equivalent to 126 percent of GDP). Additionally, it aims to provide a safety net for households most in need. Second, the plan aims giving an impetus to production activities, which serves as the focal point of the Multi-Year Development Plan.

The execution of the Recovery Plan for Suriname is supported by an extended credit facility and technical assistance from the IMF. However, progress in implementing the plan and meeting the requirements of the credit arrangement with the IMF has fallen short of initial expectations due to various constraints and bottlenecks. Factors such as limited project execution capacity, a weak institutional framework, narrow fiscal space, limited policy options, and insufficient private investment in productive sectors have impeded progress. Presently, negotiations are underway to reach a Staff-Level Agreement with the IMF, aiming to align the conditions under the Extended Fund Facility more closely with Suriname's challenging economic and social situation. The burden placed on the population is deemed too heavy.

In Suriname, low growth is paired with considerable inflationary pressures. Annual consumer inflation decreased marginally and remained excessive, i.e., from 59 percent in 2021 to 52 percent in 2022, despite the national currency maintaining stability at an SRD 21.60 level throughout 2022. Regrettably, the currency subsequently depreciated by a significant 47 percent to SRD 31.76 per US dollar at the end of December 2022, as demand for foreign currencies outpaced the available supply in the market.

Gold, accounting for more than 80 percent of Suriname's export, enjoyed historically high world market prices. Prices for oil and other commodities were also favorable. However, export volumes were largely unchanged. Activities in other sectors were subdued, as the decline in purchasing power discouraged spending. Consequently, the gross domestic product (GDP) grew by a mere 1.2 percent in 2022. A small increase to 2.3 percent is projected for 2023. According to World Bank estimates, GDP per capita measured in current US dollars continued to fall, reaching US$ 4,679, only about half its historical peak in 2014. This decline reflects reduced business activities, and a number of depreciations of the Suriname dollar. Poverty among citizens increased, fueling social tensions.

These developments emphasize the urgent need to stimulate domestic production and exports.
Economic prospects may improve if successful efforts are made, particularly in the wise and sustainable exploitation of the nation's available resources.

Financial and Operational Performance 2022

Key 2022 indicators of Staatsolie' s financial health - 2022 Key Ratios

2022 Key Ratios

Leverage ratio	Debt to EBITDA	Debt Service Coverage	EBITDA margin
0.88	0.89	5.26	77%

2022 Operating income per segment

Upstream	Downstream	Gold
US$ MM 340	US$ MM 180	US$ MM 58

Strategic Goals 2022-2026

- Maximize the value for Suriname and Staatsolie in offshore developments.
- De-risking and promotion of all open acreage making the offshore basins attractive for IOCs investment.
- Develop offshore capabilities to act as an effective partner and eventually become an operator in shallow waters.
- Contribute to unlocking monetization of economically viable natural gas resources in Suriname.
- Maximize the value of existing onshore resources.
- Further enhance hydro capacity where viable.
- Invest selectively in profitable renewable energy opportunities.
- Reconfigure Downstream business for optimal economics.
- Become a best-in-class NOC in terms of governance, competences, and process execution.
- Deploy a sustainability strategy that contributes to Staatsolie's decarbonization goals.

Finance

The Finance directorate oversees the financing of Staatsolie's 2022-2027 investment program and spearheads the improvement of internal processes to bring the company to best-in-class standards required to participate with IOCs and other global partners.

A Year of Improved Results

In 2022, Staatsolie' s upstream and downstream production volumes were 2 percent above target. This positive operational performance, combined with favorable commodity prices and efficiency programs, resulted in realizing a significant increase in financial results in several categories, including total consolidated revenues of US$ 840 million compared to US$ 558 million in 2021; EBITDA of US$ 648 million (2021: US$ 398 million); profit before income tax of US$ 430 million (2021: US$ 224 million). Staatsolie contributed US$ 320 million to the Government of Suriname (GoS) in 2022, as compared to US$ 186 million in 2021.

Responding to Market Conditions

Market conditions contributing to improved financial performance included an increase in average oil prices to US$ 93 per barrel in 2022 from US$ 70 per barrel in 2021. Results were also positively impacted by an increase of the average crack spread in 2022 to US$ 46 per barrel from US$ 17 per barrel in 2021.

Conversely, financial results were negatively impacted in our participation in gold due to higher operating costs caused by moving to harder rock average. Also global inflation, high fuel costs, increase in cost for explosives and other consumable costs resulted in higher costs. Gold saw lower sales volumes in 2022 due to additional factors including heavy rainfalls resulting in geotechnical challenges in the mines. Consequently, Gold contribution to EBITDA in 2022 fell to US$ 88 million, compared to US$ 112 million in 2021.

Continuing Cost Savings

We continued the trend of reducing our realized operating costs throughout the Upstream, Downstream, Power and Corporate segments. Successful cost-cutting measures included: cutting US$ 2 million by relying more on our own homegrown talents and less on consultants and ex-patriates; realizing US$ 2 million in savings on consumables at our Refinery; and reducing freight costs in Marketing by an additional US$ 2 million.

Improving Internal Processes

In 2022, the Finance directorate also further enhanced its internal processes, with automated advances including setting up SAP Ariba for improved Contract Management and the introduction of Robotics for our Accounts Payable process. We are continuing to transition our financial reporting from manual to automated processes, leading us to increased efficiency and facilitating progress towards taking advantage of advanced data analytics. With a future focus on controls-based audits, a number of key-controls were also implemented in 2022.

Preparing for VAT

Levying of Value Added Tax (VAT) in Suriname became effective by law on 1 January 2023. A major accomplishment for the Finance directorate was setting up and testing the system and processes of Staatsolie and all its subsidiaries for the implementation of VAT in Suriname.

Financing Offshore Participation

For the last several years, a primary focus of the Finance directorate has been implementing a financing strategy that will enable Staatsolie to participate in the development of Suriname's vast offshore hydrocarbon deposits. To that end, we have amended and extended our corporate loan facility with current lenders as the credit agreement now permits funding for Staatsolie' s participation in offshore development. As recent market conditions suggest, the amount of funding we need to secure may significantly increase. We are already preparing for financing and essentially, are keeping all feasible options open, enabling us to make an appropriate risk-based decision by the time commerciality of the first project is declared.

Executing the Investment Plan

The Finance directorate is overseeing the implementation of Staatsolie' s 2022-2027 Investment Plan. Under the plan, we will utilize US$ 1.5 billion, with the majority devoted to participation in offshore development and a meaningful portion focused on sustainable energy projects. Additionally, a planned refinery turnaround is scheduled for early 2024.

KEY FIGURES

US$ 648 million
EBITDA

US$ 430 million
Profit before tax

US$ 320 million
Contribution to the Government of Suriname

Upstream

The Upstream directorate is responsible for the production of Saramacca Crude from oilfields in the Saramacca District of Suriname. Six million barrels are produced annually from wells in Tambaredjo, Calcutta and Tambaredjo-Northwest and are transported via pipelines to Staatsolie's refinery at Tout Lui Faut.

Exceeding Production Goals

In 2022, Upstream successfully produced 6.14 million barrels of Saramacca Crude, exceeding our initial target by approximately 190,000 barrels.

Optimizing Production

We exceeded the production goals by optimizing the performance of existing wells and through measures including a high fluid rate strategy. Since 2021, we have used this strategy to optimize performance of 54 wells. Geological models, both static and dynamic, helped us better understand the performance of the reservoirs and further optimize production wells.

Global supply chain backlogs, which delayed the delivery of needed materials, caused the postponement of much of our development drilling program in 2022. However, plans are in place for the development drilling of 14 horizontal wells in 2023.

Staying a Lowest Cost Quartile Producer

To maximize value in an environment of fluctuating oil prices, we are committed to staying a low-cost producer. In 2022, our production cost per barrel was US$ 8.58, placing us in the lowest cost quartile of peer companies within the region of South America based on our business economic analyses using Rystad Energy data. Measures that helped us in controlling costs included converting heaters at our TA58 treatment plant to be fueled by gas instead of crude oil. Automated monitoring of power lines and about 50 high-producing wells also enabled us to reduce downtime related to electrical dips. Continuous improvement of our processes enabled us to outsource non-core activities and improve workforce efficiency.

Finding Additional Reserves

We continue to search for more onshore reserves through exploration, appraisal and IOR/EOR initiatives. Five appraisal wells were drilled in 2022. Of these, 3 wells were suspended to be taken into production in a later stage when facilities are in place. Evaluation of the 2022 appraisal wells is scheduled to be completed early in 2023. We started 2022 with 89.07 million barrels proved reserves and produced 6.14 million barrels during the year. A total of 15.03 million barrels of reserves were added in 2022, bringing the total of proven reserves to 97.96 million barrels.

Implementing EOR Initiatives

With the polymer plant and polymer injection in 15 injector wells, phase I of our Polymer Project was commissioned in March 2022. We plan to implement the following phases of the Polymer Project in 2023 with more injector wells drilled in 2022 and 2023. Preliminary results are encouraging, and we expect an additional 9 to 12 percent oil recovery (8 to 10 million barrels) in the next 15 years.

Another Enhanced Oil Recovery (EOR) method we are pursuing is Cyclic Steam Stimulus (CSS). Our CSS pilot program was launched in December 2022 with steam injection in two targeted wells. Steam injection in 8 more wells is planned in 2023 and results will be analyzed. If successful, CSS may add five million barrels of additional oil reserves.

Other EOR initiatives are being studied, such as the 10-well bio-enzyme injection EOR pilot program.

Improving Production Facilities

Even though capital projects were impacted by global supply chain issues, facility improvements in 2022 included the replacement of several storage and process tanks and pipelines. Preparations were made to expand the TA58 crude treatment plant capacity (by 30 percent) in 2023 to handle an increasing amount of production fluid. Plans are also in place to upgrade the Jossiekreek crude treatment plant to process back-produced polymer fluid.

Increasing Energy Efficiency

In 2021, Staatsolie began to officially measure emissions, with the aim of reducing the carbon footprint and improving energy efficiency. Improvement initiatives in 2022 included the previously mentioned conversion of heater treaters to gas fuel from crude oil in the TA58 crude treatment plant. Starting in 2022, CO_2 emissions from the Upstream were measured at 13 kg CO_2e/bbl. A new measurement survey by the end of 2022 was executed by adding more areas, and the analysis of those results will be completed at the beginning of 2023.

Strengthening the organization

We continuously look to improve the specialized skills of the workforce and decrease any dependence on expatriate labor. Capability development of the workforce was a focus in 2022, with measures including in-house training courses, on-the-job training and gap assessments of geoscientists and production engineers. In addition, team dynamic sessions and leadership sessions were held to improve effectiveness of teams and productivity.

Enhancing HSE and Improving Processes

Over the course of the year, implementation of the Major Operating Risk Register MORR program, which identifies major operating risks, continued. Further deployment of the Life Saving Rules proceeded, and safety procedures were updated. All these measures contributed to fewer serious incidents.
Our aspiration to improve environmental management and occupational health and safety was advanced by completing ISO 14001 and ISO 45001 gap studies. Certification is expected in 2023.

KEY FIGURES

6.14 MMbbls
crude production

97.96 MMbbls
proven reserves

US$ 8.58/ bbl
average production cost per barrel

2 recordable
work-related recordable injuries and illness

Offshore

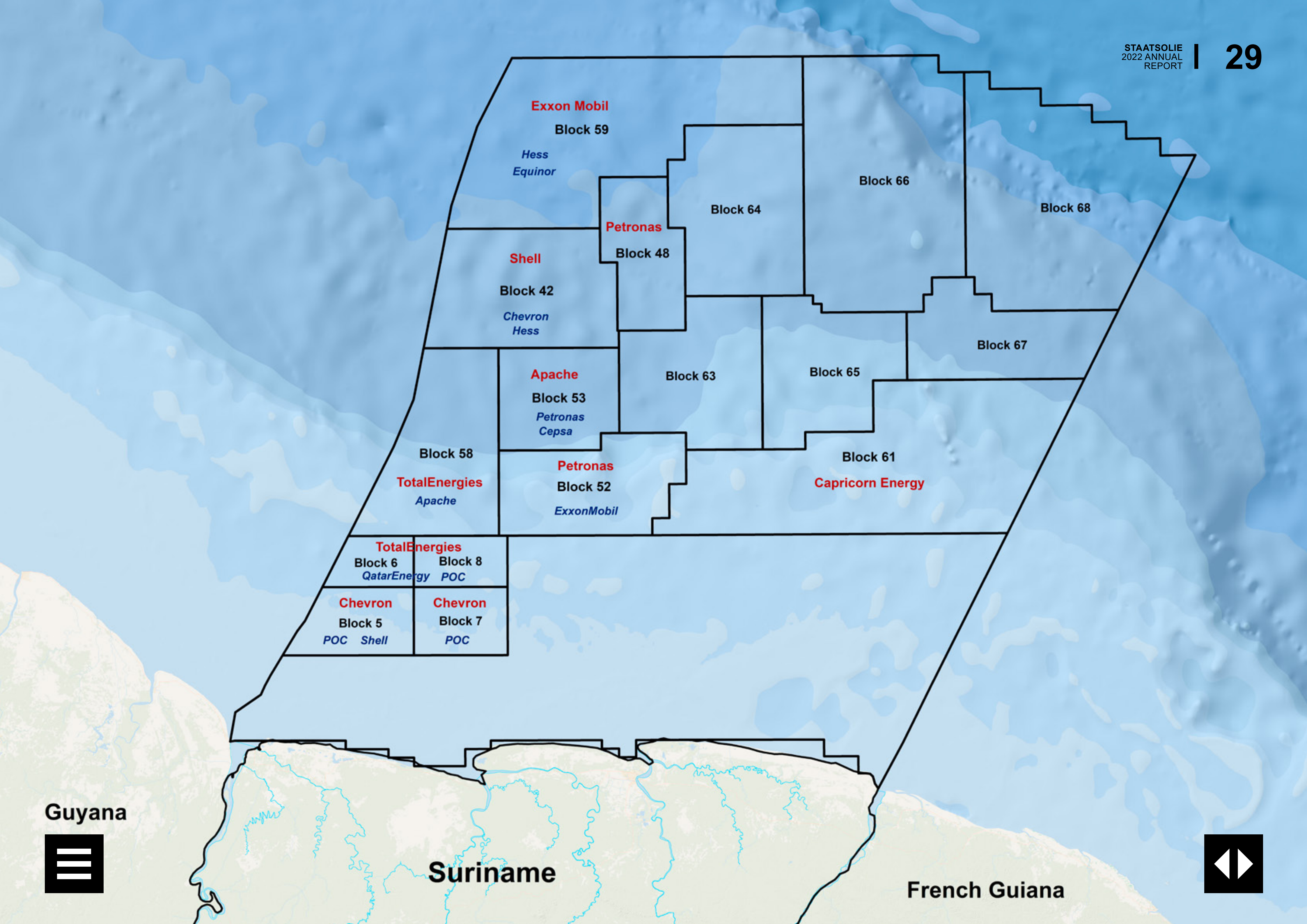
The Offshore directorate provides technical support to the Staatsolie Hydrocarbon Institute (SHI) in governing the technical work of the offshore operators and manages Staatsolie' s participation in offshore oil and gas projects.

Deepening Our Expertise

In 2022, we continued to enhance our in-house technical knowledge and expertise to underpin the development of Suriname's hydrocarbon resources. Through avenues including guidance from a handful of highly experienced expatriates, extensive on-the-job training, external training, attendance at industry events and conferences and participation in special projects, our team of geoscientists and petroleum engineers further sharpened their ability to gather, interpret, integrate, and communicate the extensive data to which Staatsolie has access.

Exploring the Potential of Natural Gas

Current models of the Guyana-Suriname Basin, as well as discoveries made to date, indicate substantial volumes of both associated and non-associated gas. We believe that natural gas will play an increasingly important transitional role in the long-term shift from petroleum to cleaner sources of energy, for Suriname and the world. With that in mind, we are collaborating closely with our offshore partners (IOCs) to encourage the development of natural gas projects. One promising discovery is the Sloanea-1 gas find in Block 52. Though natural gas is more expensive to develop than oil and would involve creating infrastructure and immediate markets from the ground up, we are committed to investigating ways to monetize natural gas development and offtake opportunities for our partners and the country.


Exxon Mobil
Block 59
Hess
Equinor
Block 66
Block 68
Block 64
Petronas
Block 48
Shell
Block 42
Chevron
Hess
Block 67
Apache
Block 53
Petronas
Cepsa
Block 63
Block 65
Block 58
TotalEnergies
Apache
Petronas
Block 52
ExxonMobil
Block 61
Capricorn Energy
TotalEnergies
Block 6
QatarEnergy
Block 8
POC
Chevron
Block 5
POC
Shell
Chevron
Block 7
POC
Guyana
Suriname
French Guiana

Downstream

Refinery

Located in Tout Lui Faut, the Staatsolie refinery exclusively refines our own Saramacca Crude. With an average processing capacity of 16,800 barrels a stream day (12 percent above the nameplate 15,000 barrels processing capacity), premium diesel, premium gasoline and various grades of fuel oil and bitumen are produced. The majority of these refined products are sold domestically via our Marketing Asset, with the surplus typically exported to Caribbean markets.

A Year of Record Production

The Staatsolie refinery achieved record levels of production in 2022, with 3.3 million barrels of high-end diesel and gasoline, an increase of more than 300,000 barrels compared to 2021. The refinery also produced approximately 1.9 million barrels of fuel oil and bitumen.

Enhancing Safety

Our “Working Safe Together” campaign, launched in 2021, has shown its benefits. Recordable incidents fell from 6 in 2021 to nil in 2022. We are very pleased with this result. One of the company’s core values is “Zero Harm: We strive for zero harm to our people, especially in the community and the environment around us.” The “Working Safe Together” campaign includes monthly interactive interdepartmental meetings where safety issues such as reducing slip-and-fall incidents are addressed and where we celebrate our safety successes.

Reducing Environmental Impact

In 2022, we closely monitored our CO2 emissions, worked to improve our energy efficiency, and adhered to accepted international standards for responsible environmental performance. One key initiative was to significantly reduce flaring at our refinery and instead to utilize the refinery off-gasses as a feedstock for hydrogen production in our gasoline unit, allowing the refinery to produce 10 percent more gasoline while significantly lowering our CO_2 footprint. In 2023, we will continue the efforts to reduce flaring to a minimum. Another impactful measure was a program to reduce steam losses across our heating and heat tracing network.

Improving Performance

The refinery successfully achieved 93 percent uptime in 2022, up from 91 percent in 2021. Every year, we stay focused on maximizing availability, keeping production levels of high-end products and reaching the goal of zero downtime. In 2023, we will prepare for the 2024 major inspection and overhaul of the refinery that occurs every four years.

Controlling Costs

Another signal accomplishment of 2022 was the realization of refining cost at US$ 6.31 per barrel, which is an improvement compared to last year’s US$ 6.95 per barrel. Every year, each department strives to lower costs that are within its control.

Enhancing Our Skills

The increasing skills of our workforce also factor into our ability to control costs. With a 100 percent Surinamese operations workforce, we no longer have to deal with the higher costs of employing and relocating expatriates. Most of our skills-building occurs through on-the-job training, and going forward, we look to increase opportunities for formal training through external seminars, conferences, and other educational events. We also plan to enhance leadership training for high-level employees.

KEY FIGURES

3.3 MMbbls
of high-end diesel and gasoline produced

93% UPTIME
of the refinery

0
Work-related recordable injuries and illness

US$ 6.31
cost per barrel

Marketing

The Marketing Asset handles the sales and distribution of all refined products to local and regional markets. Marketing includes the operations of Staatsolie subsidiary GOw2 Energy Suriname N.V., through whom we serve Suriname's retail market with products including high-end diesel and gasoline.

In October 2022, the sale of our subsidiary Ventrin Petroleum Company Limited (Ventrin), a bunkering company incorporated in the Republic of Trinidad and Tobago, was completed.

A Year of Solid Sales

Sales of refined products were strong in 2022. In B2B markets, we sold 5.7 million barrels over the year, compared to 5.3 million barrels in 2021. Prices were bolstered by factors including the ongoing war in Ukraine and its impact on global energy supplies.

Improved results from 2021 to 2022 include:

- 15 percent higher gasoline and diesel sales.
- 77 percent higher bitumen sales.
- 193 percent higher offshore bunkering sales.

Market conditions contributing to these results included increased construction activity in our neighboring country Guyana (boosting bitumen sales) and robust exploration and appraisal operations from our offshore partners, IOCs, (spurring offshore bunkering). We successfully handled the demand for diesel fuel from IOCs operating rigs and supply vessels, tapping into an important new market that will benefit us to serve. We also remain a player in the international bunkering market, where our products for accessible ships include a Very Low Sulfur Fuel Oil (VLSFO).

On the retail side, our subsidiary GOw2 increased its share of the domestic market from 37 to 39 percent, selling 861,000 barrels of high-end products. Factors contributing to our increased market share include the launch of our World-Class Retail Network (see below), as well as effective sales promotions and discounts. GOw2 also provides jet fuel to the aviation market.

Launching the World-Class Retail Network

With the grand reopening of the GOw2 Latour station in Paramaribo on 30 March 2022 we successfully completed the first phase of our World-Class Retail Network (WCRN) initiative. The Latour station has completely updated facilities and is rebranded with GOw2's new look and feel and includes amenities such as self-service automation at the pump and a full-service convenience store, and a popular franchise restaurant. The new station has been an enormous success with consumers, as evidenced by social media responses, and has quickly established itself as our top-selling station in Suriname.

We also opened updated GOw2 stations in Dijkveld and Magentakanaalweg, expanding our coverage area. In coming years, all GOw2 stations will be updated and rebranded. Additional elements of the WCRN include rebranding, increased social media presence, sports sponsorship such as Suriname's national football team and the launch of branded products, such as a new gasoline additive. The goal of the WCRN is to establish GOw2 as the preeminent service station brand in Suriname and to increase our retail market share to 40 percent.

Enhancing Customer Service

As part of establishing GOw2 as a world-class brand, we are increasing our commitment to customer service. One pilot project, launched at GOw2 Latour with plans to roll it out to other stations, is our new fleet card service. With this service, we tap into our improved automation capabilities to enable business customers with a fleet of vehicles to fill up and charge their account with the use of a card as opposed to a labor-intensive paper-based process.

Improving Facilities

We continued our Terminal Improvement Project in 2022, wherein we revamped storage, pumping systems and tanks and improved fire protection at our GOw2 terminal facilities.

Optimizing Internal Processes

In 2022, Marketing adopted the new SAP Ariba system to monitor all sales contracts in a more efficient way. With the Government of Suriname introducing Value Added Tax (VAT) a per 1 January 2023, having this more sophisticated ERP system in place was crucial to address the complexities associated with processing such taxes. In addition to handling VAT, the improved system helps address issues concerning automation testing and segregation of duties.

KEY FIGURES

193%
Increase in offshore bunkering sales

5.7 MMbbls
of Staatsolie oil products sold in 2022

39%
Market share for GOw2, up 2 percent

861Kbbls
of high-end products sold by GOw2

Power and Sustainable Energy

Staatsolie' s Power & Sustainable Energy directorate bears responsibility over the company's power business and sustainable energy initiatives. The power business is conducted through our subsidiary Staatsolie Power Company Suriname N.V. (SPCS), while the sustainable energy initiatives are coordinated by a division within parent company Staatsolie. SPCS operates a 189 MW hydro-electric facility in the district of Brokopondo and a 96 MW thermal power plant in the Wanica district. SPCS' main customer is the Government of Suriname (GoS), acting as the purchaser of electrical energy for the public grid. The electricity purchased by the government is transmitted and distributed by the incumbent utility company, the N.V. Energie Bedrijven Suriname (EBS). SPCS' other customer is the Staatsolie refinery. Besides electrical energy, the refinery also buys process steam that is generated in an environmentally friendly manner utilizing waste heat. The Sustainable Energy Division leads initiatives focused on developing renewable energy sources and non-renewable sources aimed at reducing Staatsolie' s carbon footprint.

Supplying Suriname's Electricity

In 2022, SPCS generated approximately 75 percent of Suriname's peak electricity needs. Our hydropower plant generated approximately 1.2 million MWh, while our thermal plant generated approximately 296,000 MWh. This indicates that approximately 60 percent of the national demand is being covered by the hydropower plant.

Maximizing Hydropower Generation

Historic rainfall levels helped generate most of our electricity through our hydropower plant. Maximizing hydropower generation delivers environmental and economic benefits to Suriname. Hydropower is a far more sustainable energy source than thermal power produced using fuel oil. Hydropower is also significantly less expensive to generate. In 2022, the hydropower sales price amounted to US$ 19.76 per MWh, compared to the cost of US$ 171 per MWh for thermally generated electricity using fuel oil. With 2022's heavy weighting towards hydropower, it is estimated that the Government of Suriname saved US$ 26 million in electricity costs. With insights gained over two straight years of dealing with record water inflows into the Brokopondo reservoir, we have fine-tuned the lake management strategy to balance hydro-power output in such a way to avoid impacts on downstream communities.

Managing Thermal Generation

Though, as noted, the bulk of the power SPCS delivered in 2022 was generated via hydropower, the SPCS thermal plant performed well in 2022, delivering stable power and steam to the Staatsolie refinery and approximately 200,000 MWh to the nation's electricity grid. Reliability improvements included replacing the economizer on one of the boilers and upgrading the Programmable Logic Controller system on our Wärtsilä generators. We actively pursue the maximum utilization of our waste heat recovery capacity by targeting 65 percent utilization of waste heat to produce process steam for the Staatsolie refinery.

Providing Relief for Impacted Communities

An unfortunate consequence of the year's heavy rainfall was significant flooding of several areas in Suriname, including the river basin upstream of the Afobaka dam. To preserve the integrity of the dam, we had to keep spill gates open longer than typical to prevent water in the reservoir reaching operational maximum levels, which in turn impacted households located in the river floodplains downstream of the dam. In coordination with the district commissioner of Brokopondo and the National Center for Disaster Management, we informed residents beforehand that the spill gates would remain open and contributed to relief efforts for people impacted by flooding. SPCS relief efforts included purchasing and distributing food, installing drinking water tanks, providing boats, outboard motors, and life vests for logistical support, building temporary educational facilities and public sanitary facilities. For households directly affected, our efforts included donating funds for clean-up and household equipment replacement and supplying school supplies for children.

Enhancing Safety and Reliability

Both the SPCS Hydro and SPCS Thermal facilities have now been certified according to ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 45001 (HSE) standards. These certifications were validated by the achievement of zero recordable incidents and zero NCNs (non-conformity notes) observed by DNV auditors at both facilities.

Supporting Sustainable Energy Initiatives

A vital part of the Power & Sustainable Energy directorate's mandate is to lead Suriname to a more sustainable energy future. Initiatives we are exploring include:

- Replacement of outdated turbines at our hydro facility with more efficient alternatives that will enable us to generate 3-5 percent more electricity with the same amount of water.
- Feasibility study for development of a 30-Megawatt peak (MWp) ground-based solar power plant at Afobaka.
- Studies for increased industrial use of natural gas as a transitional, cleaner fuel (potentially for power generation, as well as for the bauxite and petrochemical sectors) to take advantage of prospective offshore gas resources.
- Utilization of waste heat to generate electricity at the thermal power plant.

75%
of Suriname's peak electricity generated by SPCS

US$ 150
amount saved per MWh on electricity generated via hydropower over thermal

KEY FIGURES

	Plan	Actual
Hydro Power Generation (MWh X 1000)	1,007	1,180
Thermal Power Generation for the Refinery (MWh X 1000)	89	96
Thermal Power Generation for the GoS (MWh X 1000)	212	200
Steam Generation for the Refinery (Ton X 1000)	71	65

Environmental, Social and Governance

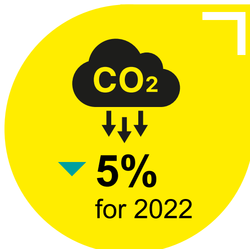
“Zero Harm” is one of Staatsolie’ s core values, and it encapsulates our attitude to protecting our people, our planet, our company, and our communities. Staatsolie’ s commitment to responsible Environmental, Social and Governance (ESG) policies is overseen by our ESG Committee, comprised of leaders from multiple directorates and subsidiaries.
This Committee ensures that ESG concerns remain a top priority of the company’s leadership.

Reducing Environmental Impact

As a key part of our Sustainability Policy, we are committed to minimizing impact on the environment. Any project we undertake is subject to a rigorous Environmental, Social Impact Assessment (ESIA), done per guidelines from the National Institute for the Environment in Suriname (NIMOS). A project will only be approved if it falls under acceptable levels of impact. For this purpose, our ESIA guidelines were updated in 2022.

One reason for us to perform extensive ESIAs is our respect for Suriname’s unique biodiversity. Our Upstream operations are in the North Saramacca Multiple Use Management Area, and two of our oilfields border the Coppename Monding Nature Reserve. We do everything we can to preserve these areas when conducting or expanding our operations. Our Upstream Operations Environmental and Social Management Plans include extensive monitoring activities, for instance with respect to aerial surveys to identify the locations of breeding bird colonies, conducted in collaboration with Suriname’s National Forestry Service (Dienst ’s Lands Bosbeheer, LBB). Our commitment to preserving Suriname’s biodiversity is also expressed through our participation in the Suriname Conservation Foundation’s Green Partnership Program and Conservation International Suriname’s Friends of Green Suriname initiative.

Increasing energy efficiency and decreasing carbon emissions in our operations are primary objectives going forward. To establish a baseline, we began auditing our emissions of greenhouse gases in 2021. In 2022 we identified several initiatives that will help us steadily reduce CO_2 emissions with approximately 10 percent over a period of two years, of which 5 percent has been achieved.



Energy efficiency initiatives in 2022 included:

- Utilizing methane gas in the heater-treater system of our Upstream oil production operations resulted in less fuel oil consumption, while lowering methane gas venting, ultimately contributing to reduced CO_2 emissions.
- Utilizing sweet gas in the hydrogen production unit to lower emissions at the flare in our refinery process.
- A proposal to upgrade fixed-blade turbines with higher efficiency alternatives at our SPCS hydropower plant.

Another key component of our Sustainability Policy is support for the United Nations' Sustainable Development Goals (SDGs), with a particular emphasis on:

- SDG#7: Affordable & Clean Energy
- SDG#8: Decent Work & Economic Growth
- SDG#12: Responsible Consumption & Production
- SDG#13: Climate Action
- SDG#14: Life Below Water

Our efforts towards sustainability and related key performance metrics have been detailed in the company's first-ever Sustainability Report for the first half year of 2022, which was published in April 2023. The extensive, full year 2022 Sustainability report will be published before the end of 2023. Staatsolie is also in a coalition of 10 leading Surinamese companies committed to accelerating the realization of the UN SDGs in our country.

As outlined in the Power and Sustainable Energy chapter of this report, we are seeking more sustainable sources of energy to help Suriname in the transition to cleaner energy solutions. Initiatives we are exploring include:

- Continuing to increase the amount of electricity generated by hydropower.
- A feasibility study for developing a solar energy facility at our Afobaka site.
- Championing natural gas development from Suriname's offshore resources, with applications including power generation so that we can transition away from thermal generation using heavy fuel oil.

Additional environmental endeavors include:

- Making advances in waste management, with new corporate guidelines and our participation in the Rotary "Greener Together" public-private partnership and as a member of the Suriname Conservation Foundation's Green Partnership Program.

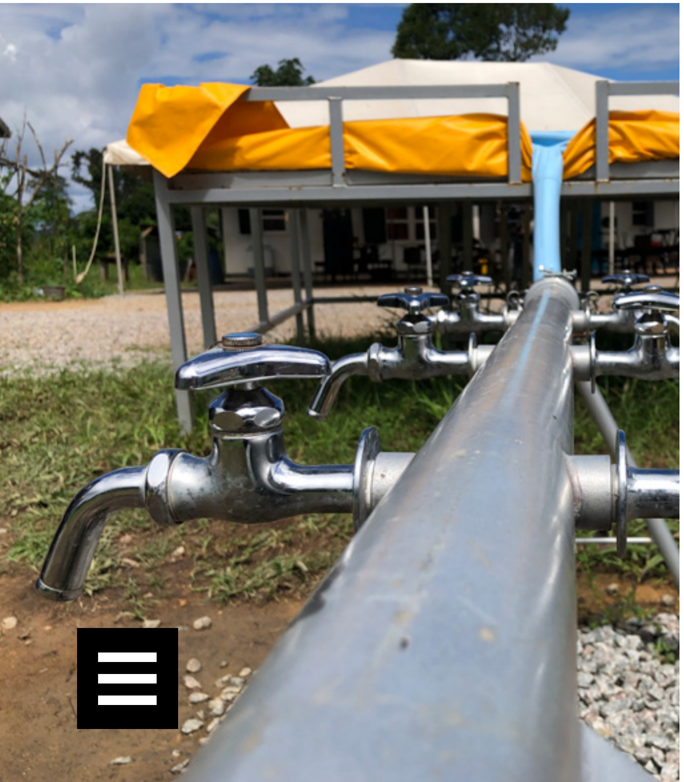
- Preventing oil spills through measures including bund walls, performing job safety assessments, and conducting preventive equipment maintenance.
- Improving waste water treatment by studying ways to reduce the hydrocarbon concentration of process waste water.
- Improving air quality by actively monitoring ambient air quality parameters on our premises and in surrounding communities.
- Receiving ISO-14001 (environment) and ISO-45001 (safety) certificates for all our organizational directorates and subsidiaries SPCS and GOw2.

Sustainability Report
First Half Year 2022

Supporting Social Well-Being

Our commitment to elevating social well-being begins with our own employees, branches out to the people we work with and everyone in our neighboring communities, and extends to all the citizens of the country and, indeed, the planet we all share.

Internal social initiatives include the continued implementation of our Development HR process, designed to help our employees reach their full potential with progression models, gap analyses, certified assessments, and other tools. We also provide employees with training in HSE, emergency response, technical skills, and other areas.



Safety is always a priority. At the end of 2022, our Total Recordable Injury Frequency Rate (TRIFR) was 1.30, compared to 4.15 in 2021. We are pleased with the improvement, but aspire to eliminate injuries, in conjunction with our core value of “Zero Harm.” Safety enhancements include an employee suggestion system at our SPCS power plants, the “Working Safe Together” campaign at our refinery and increased hazard awareness at the Upstream.

We are devoted to our Health, Safety, Environment and Quality (HSEQ) policy and our HSE management system, which follows ISO-14001 & ISO-45001 principles and includes HSEQ manuals, HSE data reporting and analyses, incident management and investigation, a safety observations system, emergency response and other site-specific procedures. We are also preparing to implement the Life Saving Rules (LSR) of the International Oil and Gas Producers.

Turning to our support for the larger society of Suriname, Staatsolie and the Staatsolie Foundation for Community Development devoted more than US$ 2 million to social investments in 2022.

Social projects Staatsolie contributed to include:

- Supporting the National Care Recovery Plan with SRD 29 million to help alleviate acute need in Suriname’s health sector.
- Preparing for future local participation in Suriname’s hydrocarbon development by launching an Oil and Gas Training Program at NATIN, a vocational technical institute, in collaboration with NATIN, the Ministry of Education, Science and Culture, the Surinamese business community and IOCs.
- Improving living conditions at 11 social institutions devoted to care for children, the elderly and people with disabilities.
- Bolstering public safety by donating five vehicles to the Suriname Police Force for use in Paramaribo and Brokopondo.
- Providing emergency relief for communities affected by flooding in Brokopondo. (See the Power & Sustanable Energy chapter for further details.)
- Promoting diversity, equality and inclusion opportunities by covering the salaries of 9 disabled employees at NATIN and Stichting Villa Zapakara.
- Supporting education by devoting income from the Suriname Energy & Oil Summit and Exhibition (SEOGS) 2022 to renovate three schools in districts outside the operating locations of Staatsolie.

Implementing Effective Corporate Governance

Our Corporate Governance Code sets out the principles and responsibilities of the Board of Executive Directors (BoED) and the Supervisory Board to foster an environment of trust, transparency, and accountability. Staatsolie understands that effective corporate governance promotes long-term investment, financial stability, and business integrity.

Corporate Governance charters, updated in 2022 and set for approval by the Board of Executive Directors and Supervisory Board, include:

- Supervisory Board
- Audit Committee
- Risk & Compliance Committee
- Nomination & Remuneration Committee
- Executive Board
- Integrity Committee

Our Corporate Governance structure includes these subcommittees of the Supervisory Board:

- Audit Committee
- Risk & Compliance Committee
- Nomination & Remuneration Committee

The report from the Supervisory Board is included in this annual report.

In 2022, we worked on improving our internal control mechanisms, we also reviewed our Enterprise Risk framework. See the following Risk Management section of this report for more detail.

Other activities to benefit Corporate Governance in 2022 included:

- Promoting the Code of Conduct, by publishing a brochure to raise awareness and via company-wide roadshows facilitated by the Integrity Committee, as well as organizing the annual online sign-off by employees on the Code of Conduct.
- Resolving complaints brought up through our Whistleblower Policy through the Integrity Committee.
- Embedding the Compliance function within Staatsolie.
- Conducting a BBetter2gether employee engagement survey.

Plans for 2023 include:

- Supervisory Board sessions on Strategy, ERM and Corporate Governance
- Relevant training courses/workshops for the BoED and the Supervisory Board and its subcommittees.
- Organizational review to assess if the current organizational structure is optimally designed to meet the company's strategic objectives.

KEY FIGURES

65K TONS/YEAR
our goal for CO_2 emissions reduction

US$ 2+ Million
devoted to social investments in 2022

83% of employees
are proud to work for Staatsolie
(2022 BBetter2gether Survey)

Risk Management

Enterprise Risk Management (ERM) is a vital area of attention at Staatsolie. In 2022, we enhanced our ERM Framework in multiple ways.

Corporate Risks

In 2022 an Enterprise Risk Assessment (ERA) was executed, in which the Executive Board and key managers participated. The resulting Enterprise Risk Assessment Report 2022 highlights the company's 14 corporate risks, in priority.

Value At Risk Analysis

A Value at Risk (VAR) analysis was conducted for three corporate risks, simulating key event trees using Monte Carlo analysis, to provide a distribution of the possible financial impact on the company. The distribution allows Staatsolie to better understand potentially critical risk exposures that could have material impact on strategic objectives, and thus, allows Staatsolie to plan around and mitigate any risk exposures that are outside of our risk appetite and tolerance.

Risk Appetite Statement

In 2022, we updated our Risk Appetite Statement (RAS). The aim of this RAS is to provide a frame of reference to facilitate consistency in risk-based decision making across the company. The RAS includes an executive summary and the key risk categories, relevant components of corporate strategy, risk appetite scale, qualitative (KRIs) and quantitative risk appetite statements and the stakeholders impacted by each key risk category.

Improving Internal Controls

We are continuously focused on enhancing our internal controls environment. Based on ISO 31000 and COSO principles, we are developing and implementing internal controls based on the 3 Lines of Defense principle. The first line of defense: management and operating teams identify and periodically report on risks, perform risk assessments, and implement controls to mitigate identified risks in daily operations and processes. The second line of defense: The Governance, Risk and Compliance (GRC) division manages and oversees enterprise risk assessments (both periodic and in response to one-off events), regular reviews of the organization's risk profile and adherence to its risk appetite statement and ongoing monitoring of compliance of controls, internal policies and procedures, regulatory requirements, industry standards and guidelines. The third line of defense is the Corporate Audit Division testing and assessing the effectiveness of our Risk Management program and internal controls, and its broader Corporate Governance framework.

One specific area of focus is the ongoing implementation of financial statements controls. We have implemented most of these controls, prioritizing high- and medium-risk areas, and we plan to put the remainder into effect in 2023. Control self-assessments by business unit and compliance testing, the first and second lines of defense, are ongoing for financial statement controls. We expect to implement improved Segregation of Duties in our main ERP system in 2023.

The availability of dedicated and experienced resources is another specific risk we are addressing. In 2023, we will hire an external Subject Matter Expert to help prepare us for a controls-based audit, train our internal team and assess whether additional resources are needed.

Staatsolie Hydrocarbon Institute N.V.

Staatsolie fulfills its institutional role through its wholly owned subsidiary Staatsolie Hydrocarbon Institute N.V. (SHI). SHI's responsibilities include overseeing basin opportunity management, contract acreage management and data management. Our vision is to operate as a best-in-class hydrocarbon institute with the objective to maximize the long-term value of the petroleum sector for Suriname.

Acquiring Data and De-risking the Basin

As the National Oil Company of Suriname, Staatsolie is in the unique position to be able to analyze and integrate all the available data across the Guyana-Suriname Basin. A key source is one of the largest seismic surveys in the world, being conducted by a consortium of three international companies in Suriname's Shallow Offshore area. In 2022, this project had already produced high-quality 3D seismic data for a 14,450 km2 area. Recent basin studies by Staatsolie integrate all available subsurface data, resulting in an integrated petroleum system model with vital insights on petroleum potential and volumes yet to be discovered.

Improving Our Processes

In 2022, SHI continued to make progress on improving its processes to more effectively supervise and interact with the IOCs operating in our basin. Initiatives which started in 2022 and will continue in 2023 include a new data management system, finance monitoring and PSC accounting, drilling guidelines and a HSE assurance framework.

Exploration Highlights

Deepwater exploration and appraisal highlights of 2022 include:

- Another significant oil discovery in Block 58 at the Krabdagu-1 exploration well. As per public information, flow tests in the Upper Campanian and Lower Campanian levels indicated oil-in-place resources of approximately 100 MMbbls and 80 MMbbls respectively.
- Promising results from drilling and flow testing at the Sapakara South-2 appraisal well in Block 58.
- The first oil discovery in Block 53 at the Baja-1 exploration well, which encountered a 34-meter net oil interval; the discovery may be an extension of a reservoir found in the Krabdagu well in Block 58.
- Results from the Zanderij-1 exploration well in Block 42, while deemed not commercial, are promising and encourage further exploration in the block.

Increasing Participation in the Shallow Offshore

The Shallow Offshore Bid Round 2020-2021 led to a PSC with Chevron for Block 5 that enlisted Staatsolie (through its subsidiary Paradise Oil Company) as a non-operating partner with a 40 percent stake. In 2022, this success was followed by an additional PSC with Chevron for Block 7, also with subsidiary Paradise Oil Company, with a 20 percent participation interest in this instance. A key element of both contracts is that Paradise Oil Company is carried through the exploration period.

Offering Acreage

In November 2022, SHI announced the launch of a competitive bid round for six new blocks in the Demerara acreage, which received immediate interest from IOCs. The sparsely explored Demerara acreage is located east of the current offshore discoveries, with water depths ranging from 400 to 3,500 meters. A data room for the acreage opened in November 2022, and multiple IOCs have already registered and purchased data packages. Bidding is scheduled to close in May 2023.

Encouraging Local Content

SHI actively promotes the utilization of Local Content in petroleum operations and evaluates the performance of contractors in giving preference to local suppliers, materials, and employment. To this end, we updated our Local Content Reporting Framework in 2022. Through our Local Content Development taskforce, we work with IOCs to support education, capacity building and enterprise development projects.

Staatsolie contributions 2022

Payment to Government

Staatsolie ensures that the interest of the Government in terms of various tax payments is served. Staatsolie, as a responsible company, recognizes that we have an obligation to meet our tax responsibilities in a correct manner in accordance with tax laws and regulations. Staatsolie' s contribution to taxes consists of Corporate Income tax, Payroll tax and, to a lesser extent, Sales tax, Rental value tax, and import levies such as Statistic and Consent fee and import duties. In total approximately US$ 162 million has been paid in taxes to the government. As part of an agreement with the government some of the taxes are settled with government receivables to Staatsolie. Others such as Payroll tax and old age premium are paid in cash to the Tax Authority.

In 2022 Staatsolie contributed US$ 320 million in taxes and other payments. These transfers to the government are largely driven by corporate income tax and dividend; however, Staatsolie and the subsidiaries also contribute to government and local authorities through many other forms of payment such as donations for community projects, health care, sports etc.

Staatsolie also paid a fair amount of royalties to the government via the Gold participations in Newmont and Rosebell Goldmines. In total approximately US$ 13 million was transferred in 2022.

Tax law changes for 2023

VAT

As of 1 January 2023, the VAT law is in effect. With the introduction of VAT, the levying of sales tax has been discontinued. The consumptive expenditure of goods and services in Suriname will be taxed with VAT. The levy is via the entrepreneur as a supplier of the goods and services. Levy will also be applicable on imports. The VAT has been successfully implemented in December 2022, ready for the first VAT transaction in January 2023. The VAT process is fully automated and implemented.

Expansion of the Tax Jurisdiction

As of 1 February 2023, the Suriname Tax Jurisdiction covers:

- Suriname mainland
- the territorial waters
- the entire Suriname Economic Exclusive Zone
- the Continental Shelf

This will have no impact on Staatsolie' s current operations.

Independent Auditor’s Report

TO THE SHAREHOLDER OF STAATSOLIE MAATSCHAPPIJ SURINAME N.V.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Staatsolie Maatschappij Suriname N.V. (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2022 and the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of 2022. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor’s opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Impairment of Oil Exploration, Producing and Refining Properties and Other Property, Plant and Equipment – Note 4.11 to the consolidated financial statements The group's consolidated statement of financial position as at 31 December 2022 includes property, plant and equipment totaling $1.6 billion (2021: $1.7 billion) comprising of oil exploration and producing properties ($673 million), refining properties ($792 million) and other property, plant and equipment ($135 million). Management performed impairment assessments on various categories of property, plant and equipment including upstream, downstream, joint venture and the thermal power plant Cash Generating Units (CGUs). The impairment assessment method adopted in determining the recoverable amount of the producing assets was Value in Use (VIU). Included within other property, plant and equipment is the thermal power plant with a carrying value of $76.7 million. Based on the impairment test performed during the current year, management recorded a $24.5 million impairment charge related to the thermal power plant Cash Generating Unit (CGU). Management's judgment and estimates in the Value in Use (VIU) model as well as the analysis of data and other qualitative factors makes impairment of property, plant and equipment a key audit matter.	We obtained an understanding of the process related to impairment testing. We assessed data used in the Value in Use (VIU) model, including testing of the forecasted future cash flows. We assessed management's definition of the Cash Generating Unit (CGU) taking into consideration how management monitors and makes decisions about the company's operations. Further we analyzed the sensitivity of key assumptions used in the valuation model and assessed historical accuracy of cash flows applied by management. We tested the mathematical accuracy of the models and assessed the assumptions utilized through the following substantive procedures: **Pricing** • We assessed whether the assumptions used in the calculations were in line with the power purchase agreement (PPA) with the Government of Suriname (GoS); • We reviewed the mathematical accuracy of the formulas for each component of the model for all years in the calculation; • We assessed whether the power generating capacity allocated agreed to the contracted capacity of the Cash Generating Unit (CGU); • We reassessed the reasonableness of the price margins utilized in the model relative to historical trends. **Discount rate** • We independently evaluated the company's discount rate used in the impairment tests with input from EY's valuation specialists; **Capital expenditure forecast:** • Obtained management's CAPEX plan to maintain the operation of the thermal power plant per year. The average annual CAPEX was also compared to the historical information of the company. • We held discussions with the company's management to understand the plan for the company and the medium to long term strategy • We reviewed the historical costs of the turnaround project on the thermal power plant, the budget and nonrecurring expenses Additionally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements with reference to that prescribed by IFRSs.

Key audit matter	How our audit addressed the key audit matter
Estimation of decommissioning and restoration provisions Provisions associated with decommissioning and restoration are disclosed in Note 4.9 to the consolidated financial statements; a description of the accounting policy and key judgements and estimates is included in Note 2.4. The total decommissioning and restoration provisions reported as at 31 December 2022 was $76.2 million (2021: $88.3 million). The calculation of decommissioning and restoration provisions is conducted by internal and external specialist engineers and requires the use of significant judgement in the application of key assumptions in respect of asset lives, timing of restoration work being undertaken, environmental legislative requirements, the extent of restoration activities required and estimation of future costs. Changes in these assumptions may result in material changes to the decommissioning and restoration provisions recorded by the Group and as a result is considered a key audit matter.	Our audit procedures focused on the work of the Group's internal and external specialists. In obtaining sufficient audit evidence, we: • assessed the competence and objectivity of both the Group's internal and external specialists involved in the estimation process; • assessed the reasonableness of the assumptions utilized by the specialists in the determination of the provisions; • understood the Group's decommissioning and restoration estimation processes; • tested the consistency in the application of principles and assumptions to other areas of the audit such as reserves estimation and impairment testing; • tested the mathematical accuracy of the net present value calculations and discount rate applied; and • reconciled the calculations to the financial report prepared by internal and external specialists; • Reviewed the disclosure and presentation of the provision estimates recorded by management and related disclosures in the consolidated financial statements with reference to the requirements of IFRSs.

Other information included in the Group's 2022 Annual Report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of Supervisory Board and Management reports. Management is responsible for the other information. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Supervisory Board for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 ISAs 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 Group to express an opinion on the consolidated 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 the Supervisory Board 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 the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Yours sincerely,

Andrew Tom
Partner for and on behalf of
Ernst & Young Suriname

Paramaribo, 28 April 2023

Staatsolie Maatschappij Suriname N.V.

Consolidated Statement of Profit or Loss

for the year ended 31 December 2022

x US$ 1,000	Notes	2022	2021*
Continuing operations			
Revenue	3.1	839,985	557,855
Cost of sales		(307,727)	(280,893)
Gross profit		**532,258**	**276,962**
Other income (net)	3.2	13,255	49,472
Expensed projects	3.2	(1,518)	(57,652)
Impairment (loss) /reversal of non -current assets	4.11	(24,465)	15,874
Offshore expenses	3.2	(10,075)	(8,164)
Selling and distribution expenses	3.2	(13,031)	(11,424)
Other operating expenses	3.2	(13,743)	(11,623)
General and administrative expenses	3.2	(37,069)	(37,378)
Operating profit		**445,612**	**216,067**
Finance income	3.2	2,651	1,751
Finance costs	3.2	(62,034)	(55,051)
Share of profit of Suriname Gold Project CV	4.4	55,715	79,338
Monetary loss (net)	3.2	(11,660)	(18,056)
Profit before income tax from continuing operations		**430,284**	**224,049**
Income tax expense	3.3	(140,646)	(93,207)
Profit for the year from continuing operations		**289,638**	**130,842**
Discontinued operations			
Loss after tax for the year from discontinued operations	4.12	-	(2,143)
Profit for the year		**289,638**	**128,699**
Attributable to: Equity holders of the parent		289,638	128,699
		289,638	128,699
Earnings per share			
Basic earnings per ordinary share (US$ per share)	3.4	57,93	25,74
Earnings per share for continuing operations			
Basic earnings per ordinary share (US$ per share)	3.4	57,93	26,17

* 2021 restated figures are described in section 2.7 and 2.8 of the consolidated financial statements.

Staatsolie Maatschappij Suriname N.V.

Consolidated Statement of Other Comprehensive Income

for the year ended 31 December 2022

x US$ 1,000	Notes	2022	2021*
Profit for the year		**289,638**	**128,699**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods			
Pensions and other postretirement benefits		88,422	(36,931)
Tax effect		(28,717)	11,984
		59,705	(24,947)
Unrealized losses short-term investments	4.10	(414)	(627)
Tax effect	3.3	134	203
		(280)	(424)
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods	3.3	**59,425**	**(25,371)**
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods			
Currency translation adjustment GOw2*	2.7	(12,221)	(16,715)
		(12,221)	(16,715)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		**(12,221)**	**(16,715)**
Other comprehensive income/(loss) for the year net of tax		**47,204**	**(42,086)**
Total comprehensive income for the year net of tax		**336,842**	**86,613**
Attributable to:			
Equity holders of the parent		336,842	86,613
		336,842	86,613

* 2021 restated figures are described in section 2.7 of the consolidated financial statements.

Staatsolie Maatschappij Suriname N.V.

Consolidated Statement of Financial Position

as at 31 December 2022

x US$ 1,000	Notes	2022	2021
Assets			
Non-current assets			
Oil exploration and producing properties	4.1	672,716	679,309
Refining properties	4.2	791,795	842,492
Other property, plant and equipment	4.3	135,340	157,049
Investment properties	4.6	18,836	18,836
Goodwill	4.5	5,447	5,447
Other intangible assets	4.5	5,960	6,849
Right -of-use assets	4.7	2,332	2,911
Lease receivable (non-current)	4.8	15,285	15,430
Investments in Joint Ventures	4.4	226,545	241,949
Restricted cash	6.1	8,410	8,410
Other long term assets		577	877
Deferred tax asset	3.3	-	15,740
Total non-current assets		1,883,243	1,995,299
Current assets			
Inventories	6.3	90,575	102,413
Trade receivables	6.2	123,086	110,508
Prepayments and other current assets	6.2	13,947	14,037
Lease receivable (current)	4.8	144	132
Short-term investments	5.3	912	1,326
Restricted cash	6.1	110,011	29,017
Cash and short-term deposits	6.1	153,022	66,838
		491,697	324,271
Assets held for sale	4.12	-	2,323
Total current assets		491,697	326,594
Total assets		**2,374,940**	**2,321,893**

x US$ 1,000	Notes	2022	2021
Equity and liabilities			
Equity			
Common stock	5.1	12,104	12,104
Retained earnings		1,443,669	1,277,480
Other capital reserves		27,398	26,898
Reserves of a disposal group held for sale	4.12	-	1,580
Total equity		1,483,171	1,318,062
Non-current liabilities			
Bond	5.3	193,578	193,208
Term loans	5.3	294,265	342,455
Revolver loan	5.3	6,000	6,000
Provisions	4.9	81,083	89,679
Employee defined benefit liabilities	4.10	31,994	115,027
Lease liabilities (non-current)	4.7	1,189	1,387
Deferred tax liability	3.3	14,612	-
Other long term liabilities	5.3	9,156	38,958
Total non-current liabilities		631,877	786,714
Current liabilities			
Trade payables	6.4	81,990	84,981
Accruals and other liabilities	6.4	71,959	31,850
Lease liabilities (current)	4.7	1,277	1,687
Income tax payable		55,829	-
Current portion of loans	5.3	48,837	97,856
		259,892	216,374
Liabilities directly associated with the assets held for sale	4.12	-	743
Total current liabilities		259,892	217,117
Total liabilities		891,769	1,003,831
Total equity and liabilities		**2,374,940**	**2,321,893**

These consolidated financial statements have been authorized for issuance by the Supervisory Board members and the Board of Executive Directors on 8 May 2023.

Board of Executive Directors

A. Jagesar	Managing Director/CEO
A. Moensi-Sokowikromo	Finance Director/CFO
R. Bissumbhar	Upstream Director

Supervisory Board

H. Alendy	Chair
J. Bousaid	Vice Chair
M. Srihar Doobe	Secretary
G. Asadang	Member
E. Caffé	Member
B. Dwarkasing	Member
L. Jack	Member

Staatsolie Maatschappij Suriname N.V.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2022

x US$ 1,000	Notes	Common stock	Retained earnings: Retained earnings	Retained earnings: Translation adjustment GOw2 & Hyper inflation	Other capital reserves: Non-Distributable Reserve Hydro dam	Other capital reserves: Appropriated reserve for environmental risk	Reserves of a disposal group held for sale	Total equity
Balance at 1 January 2021		**12,104**	**1,272,863**	**(38,646)**	**16,398**	**10,000**	**-**	**1,272,719**
Profit for the year		-	117,355	-	-	-	-	117,355
Other comprehensive (loss)		-	(25,371)	(5,371)	-	-	-	(30,742)
Total comprehensive income 2021		**-**	**91,984**	**(5,371)**	**-**	**-**	**-**	**86,613**
Dividend 2020 reserved as dividend payable per AGM 2021	3.5	-	(35,593)	-	-	-	-	(35,593)
Dividend 2021 pre -payment (cash)		-	(22,500)	-	-	-	-	(22,500)
Reclassification of reserves of a disposal group held for sale	4.12	-	(1,580)	-	-	-	1,580	-
Hyperinflation GOw2		-	-	16,823	-	-	-	16,823
Allocation/ (Withdrawal)	5.1	-	(500)	-	-	500	-	-
Balance at 31 December 2021		**12,104**	**1,304,674**	**(27,194)**	**16,398**	**10,500**	**1,580**	**1,318,062**
Correction of Hyper inflation impact*	2.7	-	11,344	(11,344)	-	-	-	-
Restated Balance at 31 December 2021		**12,104**	**1,316,018**	**(38,538)**	**16,398**	**10,500**	**1,580**	**1,318,062**
Balance at 1 January 2022		**12,104**	**1,316,018**	**(38,538)**	**16,398**	**10,500**	**1,580**	**1,318,062**
Profit for the year		-	289,638	-	-	-	-	289,638
Other comprehensive gain		-	59,425	(12,221)	-	-	-	47,204
Total comprehensive income 2022		**-**	**349,063**	**(12,221)**	**-**	**-**	**-**	**336,842**
Dividend 2021 reserved as dividend payable per AVA 2022	3.5	-	(36,177)	-	-	-	-	(36,177)
Additional profit appropriation 2021 due to restatement		-	(5,673)	-	-	-	-	(5,673)
Dividend 2022 pre -payment (cash)	3.5	-	(136,398)	-	-	-	-	(136,398)
Disposal group held for sale	4.12	-	-	-	-	-	(1,580)	(1,580)
Hyperinflation GOw2 (Net monetary result)		-	-	9,382	-	-	-	9,382
Allocation/ (Withdrawal)	5.1	-	(1,787)	-	-	500	-	(1,287)
Balance at 31 December 2022		**12,104**	**1,485,046**	**(41,377)**	**16,398**	**11,000**	**-**	**1,483,171**

* 2021 restated figures are described in section 2.7 of the consolidated financial statements.

Staatsolie Maatschappij Suriname N.V.

Consolidated Statement of Cash flows

for the year ended 31 December 2022

x US$ 1,000	Notes	2022	2021*
Operating activities			
Profit before income tax from continued operations	3.1	430,284	224,049
Loss from discontinued operations	4.12	-	(2,143)
Profit before tax		**430,284**	**221,906**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of Property, plant and equipment (PPE)	3.2	105,644	104,987
Depreciation of right-of-use assets	4.7	1,596	2,252
Fair value gain of investment properties	4.6	-	(1,954)
Impairment of non-current assets	4.11	24,465	(15,875)
Expensed projects	4.1-4.3	582	65,566
Amortization of intangible assets	4.5	1,508	1,643
Amortization of debt arrangement fee	5.3	2,604	2,508
Accretion expense	4.9	6,322	5,903
Accretion of lease liability	4.7	369	540
Hyperinflation and currency translation adjustment		15,202	11,048
Disposal of PPE	4.1-4.3	1,032	1,271
Finance income	3.2	(6,352)	(1,631)
"Finance costs (excluding accretion expenses and amortization of debt arrangement fees)"		55,273	46,760
Share of profit in Suriname Gold Project CV	4.4	(55,715)	(79,338)
Movements employee defined benefit liabilities		5,389	6,383
Movement in Provisions		1,228	(25)
Monetary effect		8,474	-
Cash from operations before working capital changes		**597,905**	**371,944**

x US$ 1,000	Notes	2022	2021*
Working capital adjustments:			
Change in Inventories		8,806	7,910
Change in Trade receivables		(116,407)	(34,629)
Change in Prepayments and other current assets		(20,213)	4,453
Change in Trade payables		(3,070)	2,589
Change in Accruals and other liabilities		(4,599)	(32,669)
Cash generated from operations		**462,422**	**319,598**
Interest received		42	22
Interest paid		(42,244)	(53,373)
Income taxes paid/settled		(14)	(19,930)
Net cash flows from operating activities		**420,206**	**246,317**
Investing activities			
Expenditures on PPE (Purchase)	4.1-4.3	(83,072)	(114,801)
Expenditures on Other Intangible assets	4.5	244	335
Cash distributions received from Suriname Gold Project CV		190,761	199,628
Cash calls paid to Suriname Gold Project CV		(119,642)	(101,362)
Net cash flows used in investing activities		**(11,709)**	**(16,200)**
Financing activities			
Repayment of Term loans		(96,430)	(87,920)
Refinancing of Term loans		(6,452)	-
Dividends settled/paid to equity holders of the parent	3.5	(136,398)	(82,030)
Movements in Other long term liabilities		-	(2,712)
Payment of principal portion of lease liabilities		(2,073)	(2,968)
Movement in restricted cash		(80,994)	(2,876)
Net cash flows used in financing activities		**(322,347)**	**(178,506)**
Change in cash and cash equivalents		**86,150**	**51,611**
Cash and cash equivalents, beginning of year	6.1	**66,872**	**15,261**
Cash and cash equivalents, end of year	6.1	**153,022**	**66,872**

* 2021 restated figures are described in section 2.7 of the consolidated financial statements.

Index to Notes to the Consolidated Financial Statements

Section 1. Corporate and group information

1.1 Corporate information

The consolidated financial statements of the Group, which comprise Staatsolie Maatschappij Suriname N.V. (Staatsolie, as the parent) and all its subsidiaries, for the year ended 31 December 2022, were authorized for issue in accordance with a resolution of the Supervisory Board on 20 April 2023.

Staatsolie is a limited liability company incorporated and domiciled in Suriname whose shares are solely owned by the Government of Suriname (GoS). The registered office is located at Dr. Ir. H. S. Adhinstraat 21, Paramaribo, Suriname.

Staatsolie (the Company) is an integrated oil company in the Republic of Suriname of which the integrated activities include exploration, production, refining, marketing and distribution of petroleum and retail products.

Through its subsidiary (SPCS), Staatsolie is engaged in thermal and hydro-electric power generation.

Vision:
Energizing a bright future for Suriname.

Mission:
Developing energy resources to maximize the long-term value for Staatsolie and Suriname.

Strategy:
Develop offshore and renewables, optimize onshore and downstream, and grow capabilities with an engaged workforce, inspired by our values.

Values:
1. Zero Harm: We strive to cause zero harm to the planet and our people, especially the communities and the environment around us.
2. Integrity: We are honest and do what we say we will do.
3. Excellence: We accept responsibility, deliver high quality work with a sense of urgency.
4. Teamwork: Trust and respect each other, collaborate and create a non-blaming environment.

1.2 Group information

Staatsolie has four (4) subsidiaries of which three (3) are wholly owned: Paradise Oil Company N.V. (POC) and GOw2 Energy Suriname N.V. (GOw2) and Staatsolie Hydrocarbon Institute N.V.(SHI), a company mandated to perform the institutional role of Staatsolie.
Staatsolie holds 102,999 out of 103,000 shares of the Staatsolie Power Company Suriname N.V. (SPCS), incorporated in the Republic of Suriname, and the incumbent utility company Energie Bedrijven Suriname N.V. (N.V. EBS) holds one share.
In June 2015, POC's operations were put on hold and the company did not have any financial transactions during the reporting period of 2022.

In October 2022, the sale of its wholly owned subsidiary Ventrin Petroleum Company Limited (Ventrin), a bunkering company incorporated in the Republic of Trinidad and Tobago, was completed. The sale amount was received in full in the same month and the result of this sale is recorded in the statement of profit or loss under other income (Section 3.2)
Accordingly, Ventrin is no longer considered a subsidiary and therefore no longer carried in the consolidated financial statements of Staatsolie as of 31 December 2022.

With regard to Staatsolie' s gold participation interest, since November 2014, Staatsolie has a participating interest of 25 percent in the Suriname Gold Project CV ('Surgold'), a limited partnership between Newmont Suriname LLC and Staatsolie.

In April 2020, Staatsolie entered into an Unincorporated Joint Venture (UJV) with Rosebel Gold Mines N.V. ("Rosebel") named Pikin Saramacca.
The UJV is governed by the Mineral Agreement dated 7 April 1994, as amended. The UJV agreement and the accounting manual both signed on 22 April 2020. In this UJV, the participating interest is 30 percent for Staatsolie and 70 percent for Rosebel and the latter has been appointed as the UJV operator.

Rosebel, established on 8 May 2022, was a subsidiary of IAMGOLD Corporation.
In October 2022, IAMGOLD Corporation announced the agreement to sell its interest in Rosebel Gold Mines to Zijin Mining for cash consideration of US$ 360 million.

On 1 February 2023 IAMGOLD Corporation announced that it had closed the previously announced sale of the Company's 95 percent interest in Rosebel Gold Mines N.V. to Zijin Mining Group Co. Ltd for cash consideration of approximately US$ 360 million and release of IAMGOLD's equipment lease liabilities amounting to approximately US$ 41 million.
The remaining 5 percent interest in Rosebel will continue to be held by the Government of Suriname.

Information on other related party relationships of Staatsolie and its subsidiaries is further provided in Section 7.

Section 2. Basis of Preparation and other Significant Accounting Policies

2.1 Basis of Preparation

The consolidated financial statements of Staatsolie as a group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties and financial instruments that have been measured at fair value. The consolidated statements are presented in US dollars, and all values are rounded to the nearest thousand (US$ 1,000), except when otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of Staatsolie and its controlled subsidiaries as at 31 December 2022 and 2021.
Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has all of the following:

1. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee;
2. Exposure or rights to variable returns from its involvement with the investee;
3. The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group’s voting rights and potential voting rights.

The relevant activities are those which significantly affect the subsidiary’s returns. The ability to approve the operating and capital budget of a subsidiary and the ability to appoint key management personnel are decisions that demonstrate that the Group has the existing rights to direct the relevant activities of a subsidiary.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Where the Group's interest is less than 100 percent, the interest attributable to outside shareholders is reflected in non-controlling interest (NCI).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the NCI, even if this results in the NCI having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2.3 Summary of Significant Accounting Policies

The following are the significant accounting policies applied in preparing its consolidated financial statements:

a. Intangible Assets and Goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Indefinite lived intangibles, such as goodwill, are not amortized, instead they are tested for impairment annually as a minimum, or when there are indicators of impairment.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. To the extent that the cost of acquiring an equity investment exceeds the fair value of the net assets acquired, the excess is recorded as goodwill. Currently, the Group carries goodwill on the books related to the acquisition of GOw2 which occurred in fiscal year 2011.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset, if any, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

b. Joint Arrangements

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control over an arrangement which exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. The Group's joint arrangements are of two types:

(i) Joint Operations

In April 2020, Staatsolie entered into an Unincorporated Joint Venture (UJV) with Rosebel Gold Mines N.V. ("Rosebel") named Pikin Saramacca. Rosebel, established on 8 May 2002, is a subsidiary of IAMGOLD Corporation.

The UJV is governed by the Mineral Agreement dated 7 April 1994, as amended, the UJV agreement and the Accounting manual both signed on April 22, 2020. In this UJV, the participating interest is 30 percent for Staatsolie and 70 percent for Rosebel and the latter has been appointed as the UJV operator.
As of 1 February 2023, Zijin Mining Group Co. Ltd became the UJV operating partner instead of Rosebel.
The UJV Pikin Saramacca encompasses the exploration, development, and exploitation of gold in the UJV area except for the Gross Rosebel Concession. Currently the UJV Pikin Saramacca comprises of 7 exploration rights and 1 exploitation right, namely Saramacca Concession.
The Saramacca Concession is located 25 kilometers southwest of its Rosebel Milling facility and 125 kilometers south of Paramaribo, Suriname.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in joint operations, the Group recognizes its:

- Assets, including its share of any assets held jointly.
- Liabilities, including its share of any liabilities incurred jointly.
- Revenue from the sale of its share of the output arising from the joint operation.
- Share of the revenue from the sale of the output by the joint operation.
- Expenses, including its share of any expenses incurred jointly.

(ii) Joint Ventures

The Group has a 25 percent participation in the Suriname Gold Project CV (SurGold) Limited partnership, whereas the Group has joint control over the limited partnership. The Group invests monthly through cash calls to SurGold. The Group's investment in the limited partnership is considered a joint venture and is accounted for using the equity method.
Under the equity method, the investment in the joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the limited partnership since the acquisition date.
The statement of profit or loss reflects the Group's share of the results of operations of the limited partnership. Any change in OCI of the investee is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the limited partnership, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity.
The aggregate of the Group's share of profit or loss of the limited partnership is shown on the face of the statement of profit or loss outside operating profit and included in company's profit or loss before tax. The financial statements of the limited partnership are prepared for the same reporting period as the Group.
After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss, if any, on its investment in the limited partnership. The Group determines at each reporting date whether there is any objective evidence that the investment in the limited partnership is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognizes the loss as 'Share of profit of the participation in a JV' in the statement of profit or loss.

c. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.
Acquisition-related costs are expensed as incurred and included in administrative expenses. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs.
The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.
When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.
Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date.
Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

d. Lessor Accounting

IFRS 16 in determining whether an arrangement contains a lease deals with arrangements that do not take the legal form of leases but nevertheless convey the right to use a specific asset, such as an item of property, plant, or equipment for an agreed period of time.
A right of a purchaser to use a particular asset owned by a supplier could be conveyed in a wide range of arrangements for the supply of goods and services, including outsourcing arrangements, arrangements under which a purchaser obtains a right to capacity (e.g., the output of a particular power plant) and take-or-pay arrangements or similar contracts.

At inception of a contract, an entity should assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract gives the right to control the use of an identified asset ('underlying asset') for a period of time in exchange for consideration (IFRS 16.9). The right to control the use of an identified asset can be split into:

a. the right to obtain substantially all the economic benefits from use of an identified asset and
b. the right to direct the use of an identified asset.

a. <u>Right to obtain substantially all the economic benefits</u>

To control the use of an identified asset, a customer is required to have the right to obtain substantially all the economic benefits from use of the asset during the period of use. The most obvious way of obtaining substantially all the economic benefits from use of the asset is having exclusive use of the asset during the period of its use (IFRS 16.B21-B23).
The lessee should focus on economic benefits arising from the use of the asset (e.g., obtaining products), not from the ownership of the asset (e.g., tax credits) (IFRS 16. BC118).

b. <u>Right to direct the use</u>

A customer has the right to direct the use of an identified asset during the period of use only if either (IFRS 16.B24): the customer has the right to direct how and for what purpose the asset is used during the period of use; or the relevant decisions about how and for what purpose the asset is used are predetermined.

- Under IFRS 16, lessors account for finance leases by initially derecognizing the asset and recognizing a receivable for the net investment in the lease which is the present value of the payments.
- The lessor must use the interest rate implicit in the lease to measure the net investment in the lease.
- Subsequent to initial recognition, a lessor must recognize finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease (i.e., it must use the amortized cost method).

e. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial
recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date at fair value where applicable.
Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.
Fair values are determined based on an annual valuation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.
The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15 Revenue from contracts with customers.
Transfers are made to (or from) investment property only when there is a change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

f. Current versus Non-current Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current and non-current distinction.
An asset is current when it is:

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

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

1. It is expected to be settled in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

g. Fair Value Measurement

The Group measures financial instruments and non-financial assets, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

h. Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of Oil Products, Thermal & Hydro Energy, and Gold

Revenue from the sale of oil products is recognized when the significant risks and rewards of ownership have been transferred, which is considered to occur when title passes to the customer. This generally occurs when the product is physically transferred into a vessel, pipe or other delivery mechanism.

Revenues are recorded from the sales of thermal & hydro energy when the product is delivered at a fixed or determinable price, title has transferred, and collectability is reasonably assured.

Sales between group companies, as disclosed in Section 3.1 segment information, are based on prices generally equivalent to commercially available prices.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer (if any).

Sale of thermal & hydro energy generation products comprises of revenue earned from the provision of electricity and steam to Staatsolie Refinery Operations and electricity to the Government of Suriname (GoS) who is the only third-party customer. Revenues are generally recognized when SPCS fulfills its performance obligation by transferring the affirmed goods (electricity and steam) to the customer and once product has passed the meters the customers obtain control of the product.

Gold revenue is being recognized when the performance obligation of transferring gold inventory to the customer is satisfied, which generally occurs upon transfer of gold bullion credits to the customer, as this is the point at which the customer obtains the ability to direct the use and obtain substantially all of the remaining benefits of ownership of the asset. This can occur when gold doré is delivered to the buyer's refinery, upon delivery of the gold doré, or upon being loaded to air transport and flight departure in Suriname.

(i) Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of oil products give rise to a consideration payable to customers.

Consideration payable to customers
Consideration payable to a customer includes cash amounts that an entity pays, or expects to pay, to the customer. The Group has some contracts for the sale of oil products that give rise to a penalty when failing to perform according to the agreed upon terms. The consideration payable to customers is accounted for as a reduction of the transaction price and, therefore, of revenue.

(ii) Significant Financing Component

Generally, the Group provides short-term advances to its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.
The Group also receives long-term advances from customers for the sale of oil products. However, if the timing of the transfer of these goods or services is the discretion of the customer, this is not considered as a significant financing component.

(iii) Warranty Obligations

The Group typically provides warranties for guarantee of quality, providing the customer a timeframe of fifteen (15) days after delivery to raise a claim in regard to shortages and defect in quality/quantity of delivered goods. Under IFRS 15 this is not considered an additional good or service to the client and is therefore considered to be an assurance-type warranty. When material, these types of warranties are accounted for as warranty obligations and the estimated cost of satisfying them is accrued in accordance with the requirements in IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in Section t. Provisions.

(iv) Transportation Services

In some cases, the Group provides transportation services as part of contracts with customers when providing oil products. Transportation services are not considered a distinct performance obligation since this service to the client is not considered to be separately identifiable from the sale of oil products to the customer, these are considered highly interrelated.

(v) Equipment Rental

The Group makes equipment available to the customers as part of contracts with customers when providing oil products. Equipment rental is not considered a separate performance obligation since this service to the client is not considered to be separately identifiable from the sale of oil products to the customer, these are considered highly interrelated.

(vi) Contract Balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables
A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

i. Other Income

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (“EIR”). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the consolidated statement of profit or loss.

Dividends

Revenue is recognized when the Group’s right to receive the payment is established, which is generally when shareholders approve the dividend.

j. Foreign Currencies

The consolidated financial statements are presented in United States dollars (US$), which is also the Group’s functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Within the Group, GOw2’s functional currency changed from US$ to the Surinamese dollars (SRD) effective 1 January 2016. This change arose due to the change in major contracts previously denominated in US$ to SRD. Therefore, as it relates to GOw2, transactions are initially recorded in the functional currency (being SRD) at the rate of exchange ruling at the date of the transaction.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date.
Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences on settlement or translation of monetary items are recognized in the consolidated statement of profit or loss.

(ii) Foreign subsidiaries

As at the reporting date for consolidation purposes, the assets and liabilities of foreign subsidiaries are translated into the presentation currency of the Group at the rate of exchange ruling at the reporting date and, their statements of profit or loss are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign entity is recognized in the consolidated statement of profit or loss.

k. Hyperinflation Accounting

Suriname has been identified as a hyperinflationary economy based on the three-year cumulative inflation rates of 169 percent measured at year end 2022. Other hyperinflationary characteristics of the economic environment were identified, such as (i) the general population regards monetary amounts in terms of a relatively stable foreign currency as prices are often quoted in stable foreign currency, (ii) sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power, and (iii) the general population prefers to keep wealth in non-monetary assets or in a relatively stable foreign currency.

The functional currency of GOw2, a wholly owned subsidiary of Staatsolie, is the Surinamese dollar, therefore the non-monetary assets and liabilities of GOw2 had to be revalued. IAS 29 Financial Reporting in Hyperinflationary Economies requires management to restate the financial statements of entities whose functional currency is the currency of a hyperinflationary economy, into the current purchasing power at the Statement of Financial Position date.

l. Taxes

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences subject to certain specific exceptions.

Deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that future taxable profit will be available against which the temporary differences and carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss.

Deferred tax assets and liabilities are offset, only if a legally enforceable right exists to set off current income tax assets against current income tax liabilities, and the deferred taxes relate to the same taxation authority.

Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and or payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position. As per 1 January 2023 sales tax has been replaced with value added tax.

m. Property, Plant and Equipment

Construction in progress, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to Significant accounting judgments, estimates and assumptions (Section 2.4) and Provisions (Section 4.9) for further information about the recognized decommissioning provision.

Land and buildings are measured at historical cost, less accumulated depreciation on buildings, and impairment losses if any, are recognized at the date of revaluation.

Exploration and evaluation assets

Exploration and evaluation activity involves the search for hydrocarbon resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Once the legal right to explore has been acquired, costs directly associated with an exploration well are capitalized as exploration and evaluation projects in progress until the drilling of the well is complete and the results have been evaluated.

These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments made to contractors.

Geological and geophysical costs are recognized in the consolidated statement of profit or loss, as incurred.

If no potentially commercial hydrocarbons are discovered, the exploration asset is written off through the consolidated statement of profit or loss as a dry hole.

If extractable hydrocarbons are found and, subject to further appraisal activity (e.g., the

drilling of additional wells), it is probable that they can be commercially developed, the costs continue to be carried as projects in progress while sufficient/continued progress is made in assessing the commerciality of the hydrocarbons.
Costs directly associated with appraisal activity undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of appraisal wells where hydrocarbons were not found, are initially capitalized as projects in progress.
All such capitalized costs are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off through the consolidated statement of profit or loss.
When proved reserves of oil are identified and development is sanctioned by management, the relevant capitalized expenditure is first assessed for impairment and (if required) any impairment loss is recognized, then the remaining balance is transferred to oil properties.
Other than license costs, no amortization is charged during the exploration and evaluation phase.

Oil properties
The costs of production development such as drilling, testing and completion of development wells are capitalized, notwithstanding if these wells are successful or not. Capitalized costs consist of the purchase price of materials and services, including the Group's internal services. Capitalized costs for wells, equipment and production facilities are depreciated using the units of production (UOP) method.
All costs for development wells, related plant and equipment, and related Asset Retirement Obligation (ARO) are capitalized. Capitalized costs relating to investments in the oil field, including productive land properties, are depreciated based on the UOP method, generally by individual field, as the proved developed reserves are produced. The UOP factor is derived from the year's oil production and the related proved developed oil reserves.

Oil properties – assets under construction
Expenditure is transferred from 'Exploration and evaluation assets' to 'Assets under construction' which is a subcategory of 'Oil and gas properties' once the work completed to date supports the future development of the asset and such development receives appropriate approvals. After transfer of the exploration and evaluation assets, all subsequent expenditure on the construction, installation or completion of infrastructure facilities such as pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalized within 'oil properties'.
Development expenditure is net of proceeds from the sale of oil produced during the development phase to the extent that it is considered integral to the development of the asset. Any costs incurred in testing the assets to determine whether they are functioning as intended, are capitalized, net of any proceeds received from selling any product produced while testing. Where these proceeds exceed the cost of testing, any excess is recognized in the consolidated statement of profit or loss.
When a development project moves into the production stage, all assets included in 'Assets under construction' are then transferred to 'Producing assets' which is also a sub-category of 'Oil properties'. The capitalization of certain construction/development costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalization relating to 'Oil and gas properties' asset additions, improvements or new developments.

Oil properties – producing assets and other property, plant and equipment
(i) Initial recognition
'Oil and gas properties' and 'Other property, plant and equipment' are stated at cost, less accumulated depreciation and accumulated impairment losses.
The initial cost of an asset comprises its purchase price or construction cost (if the asset was previously classified as assets in development), any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning obligation and, for qualifying assets (where relevant), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

(ii) Depreciation/amortization
Oil properties are depreciated/amortized on a UOP basis over the total proved developed reserves of the field concerned. The UOP rate calculation for the depreciation/amortization of field development costs takes into account expenditures incurred to date, together with sanctioned future development expenditure.

Other property, plant and equipment are generally depreciated on a straight-line basis over their estimated useful lives, which is generally 25 years for the refinery, and major inspection costs are amortized over three to five years, which represents the estimated period before the next planned major inspection.
An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.
The asset's residual values, useful lives and methods of depreciation/amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.

(iii) Major maintenance, refits, inspection and repairs

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalized. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) and is immediately written off. Inspection costs associated with major maintenance programs are capitalized and amortized over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

Refinery, power plant and other fixed assets

The refinery, power plant and other fixed assets are valued at cost. The capitalized costs of these assets are depreciated on a straight-line basis, taking into account the estimated useful lifetime of the significant components of the refinery.

Projects in progress

Projects in progress relate to work in progress, for which at the date of completion the cost is capitalized to the appropriate category of property plant and equipment. Project in progress is not depreciated.

Power plant assets

The power plant assets are depreciated on a straight-line basis and as follows:

Asset Category	Percentage
Building hall	5%
Production hall	10%
Furniture	33,33%
Tank battery	20%
Powerhouse equipment	5 - 50 %
Other units	5 - 20%

Corporate and Other fixed assets

Land and freehold estates are not depreciated. Other properties outside the production field are being amortized on a straight-line basis. The annual depreciation percentages are as follows; where applicable a residual value is taken into consideration.

Asset Category	Percentage
Building hall	10%
Telecommunication equipment	20%
Dock TLF	4%
Oil tanker	10%
Drilling machinery	20%
Heavy equipment	20%
Transportation equipment	33,33%

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

n. Borrowing Costs

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

o. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables, for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.
Trade receivables for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in Section 2.3 (h) Revenue from contracts with customers.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

The category concerning financial assets at fair value through OCI with recycling of cumulative gains and losses upon derecognition is not applicable for the Group.

Financial Assets at Amortized Cost (Debt Instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the EIR method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.
The Group's financial assets at amortized cost include trade receivables, cash and short-term deposits including restricted cash and loan receivables from the Government of Suriname.

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of profit or loss.

Financial Assets Designated at Fair Value through OCI (Equity Instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity instruments as investment as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from the proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrecoverably its investment in locally listed equity securities under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired;

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

Further disclosures if applicable and relating to impairment of financial assets are discussed in the respective disclosures for significant assumptions and trade receivables, including contract assets.

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates, that the Group is unlikely to receive the outstanding contractual amounts in full, before considering any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the consolidated statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

p. Inventories

Petroleum products are valued at the lower of cost and net realizable value.

Raw materials:

- Cost is arrived at using the weighted average method

Finished goods and work in progress:

- Cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs to sell.

The cost of crude oil and refined products is the purchase cost, the cost of refining, including the appropriate proportion of depreciation, depletion and amortization and overheads based on normal operating capacity, determined on a weighted average basis.

The net realizable value of crude oil and refined products is based on the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Materials and supplies are valued using the weighted average cost method.

Pipeline fill

Crude oil, which is necessary to bring a pipeline into working order, is treated as a part of the related pipeline. This is on the basis that it is not held for sale or consumed in a production process but is necessary to the operation of a facility during more than one operating cycle, and its cost cannot be recouped through sale (or is significantly impaired). This applies even if the part of inventory that is deemed to be an item of property, plant and equipment cannot be separated physically from the rest of inventory. It is valued at cost and is depreciated over the useful life of the related asset.

q. Impairment of Non-financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the consolidated statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to OCI. In this case, the impairment is also recognized in OCI up to the amount of any previous revaluation.

Goodwill is tested for impairment annually as at December 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

r. Cash and Short–term Deposits

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Restricted Cash

Restricted cash is required for financing purposes as this has been the requirement of Staatsolie' s financiers. The restricted accounts are the collection accounts; Debt Payment Account (DPA) and the Debt Payment Reserve Account (DSRA).

The collection account is used for international collections from all our international customers to deposit their payments. The DPA account contains three months' worth of debt service and is funded monthly. Every three months interest and principal, if any, is paid out.

The DSRA contains three months' worth of interest for the lifetime of the loan. After the necessary funding has taken place, Staatsolie can obtain the remaining cash for its operations.

s. Cash Dividend

The Group recognizes a liability to make cash dividend distributions to owners of equity when the distribution is authorized, and the distribution is no longer at the discretion of the Group. A corresponding amount is recognized directly in equity.

t. Provisions

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the consolidated statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statement of profit or loss.

Warranty provisions

The Group typically provides warranties for guarantee of quality, providing the customer a timeframe of fifteen (15) days after delivery to raise a claim in regard to shortages and defect in quality/quantity of delivered goods. Provisions related to these assurance-type warranties are recognized when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty related costs is revised annually.

Decommissioning liability

The Group recognizes a decommissioning liability where it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the field location. When the liability is initially recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related oil assets to the extent that it was incurred by the development/construction of the field. Any decommissioning obligations that arise through the production of inventory are expensed when the inventory item is recognized in cost of goods sold. Additional disturbances which arise due to further development/construction at the oil and gas property are recognized as additions or charges to the corresponding assets and decommissioning liability when they occur. Costs related to restoration of site damage (subsequent to start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognized in profit or loss as production continues.

Changes in the estimated timing or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to oil and gas properties. Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of profit or loss.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature fields, the estimate for the revised value of oil and gas assets net of decommissioning provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of profit or loss as a finance cost.

u. Pensions and Other Post–employment Benefits

The Group operates defined benefit pension plans. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. In addition, the Group operates other long-term employee benefit plans, of which the re-measurements are recognized in the profit or loss. Furthermore, for both the defined benefit pension plans and the other long-term employee benefit plans past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment

And

- The date on which the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under ‘cost of sales’, ‘general and administrative expenses’ and ‘selling and distribution expenses’ in the consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements;
- Net interest expense or income.

v. Non-Current Assets Held for sale and Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

2.4 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management
- Financial instruments risk management and policies
- Sensitivity analyses disclosures

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Investment in Joint Venture

Judgment is required to determine when the Group has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, including the approval of the annual capital and operating expenditure work program and budget for the joint arrangement, and the approval of chosen service providers for any major capital expenditure as required by the joint operating agreements applicable to the entity's joint arrangements. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries, as set out in Section 2.3b. Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement.

Specifically, the Group considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:
    - The legal form of the separate vehicle
    - The terms of the contractual arrangement
    - Other facts and circumstances, considered on a case by case basis

This assessment often requires significant judgment. A different conclusion about both joint control and whether the arrangement is a joint operation or a joint venture, may materially impact the accounting treatment.

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Identifying performance obligations in a bundled sale of oil products and transportation services

In some cases, the Group provides transportation services as part of contracts with customers when providing oil products. The Group determined that transportation services are not considered a distinct performance obligation since this service to the customer is not considered to be separately identifiable from the sale of oil products to the customer, these are considered highly interrelated.

- Identifying performance obligations in a bundled sale of oil products and equipment rental

The Group makes equipment available to the customers as part of contracts with customers when providing oil products. The Group determined that the sale of oil products and equipment rental are not capable of being distinct. The sale of oil products and equipment rental are highly interrelated, because the Group would not be able to sell the oil products if the customer declined equipment rental.

- Determining the timing of satisfaction of sale of oil products

The Group determined that for contracts that are considered consignment arrangements, the obligation is to transfer the product to the consignee. The Group will not relinquish control of the consigned product until the product is sold to the end-customer. Consignees do not have any obligation to pay for the product, other than to pay the Group the agreed-upon portion of the sale price once the consignee sells the product to a third party. As a result, for consignment arrangements, revenue is recognized when the products are delivered to the end customer and the performance obligation has been satisfied.

- Consideration of significant financing component in a contract

Generally, the Group provides short-term advances to its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.
The Group also receives long-term advances from customers for the sale of oil products. However, since the timing of the transfer of these goods or services is at discretion of the customer, this is not considered as a significant financing component.

- Determining method to estimate variable consideration

Some contracts for the sale of oil products give rise to a consideration payable to customers. In case the Group is not able to supply the customer with oil products in the timeframe as agreed in the contract and before its stock out date, the Group is liable for the difference between the price of a third party for the related oil products and the price as agreed in the contract. However, since the Group has no history of failing to deliver on contractual obligations, penalties are not considered upon determination of the transaction price.

Estimates and Assumptions

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

Functional currency

The functional currency for the parent entity and each of its subsidiaries is the currency of the primary economic environment in which the entity operates. The functional currency for GOw2 is Surinamese dollar (SRD). The functional currency of Staatsolie and SPCS is the US dollar (US$). Determination of functional currency may involve certain judgements to identify the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.
The default rate for the Group is determined as an average of the write -offs compared to the outstanding trade receivables balances using a window of a few years. This default rate is then determined per age bracket by adjusting the rate to align with the variation in the provision percentages per age bracket. For credit balances no ECL is considered.
The Group expects the same pattern for the future, therefore forward-looking estimates are not considered to have an impact on the default rate.
At every reporting date the historical observed default rate will be updated and changes in the forward-looking estimates will be analyzed.

Decommissioning liability

Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, estimates of the extent and costs of decommissioning activities, the emergence of new restoration techniques or experience at other production sites, cost increases as compared to the inflation rates of 2.11 percent(2021: 2.30 percent), and changes in discount rates of 7.24 percent (2021: 6.85 percent). The expected timing, extent and amount of expenditure may also change, for example, in response to changes in oil and gas reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required.

Environmental risk liability

Liabilities for environmental costs are recognized when a clean-up is probable, and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites. The amount recognized is the best estimate of the expenditure required. If the effect of the time value of money is material, the amount recognized is the present value of the estimated future expenditure.

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractual and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

Recoverability of assets

The Group assesses each asset or cash generating unit (CGU) (excluding goodwill, which is assessed annually regardless of indicators) in each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less cost of disposal (FVLCD) and value- in-use (VIU). The assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves and operating performance (which includes production and sales volumes). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Units of production (UOP) depreciation of oil assets

Oil properties are depreciated using UOP method over total proved developed hydrocarbon reserves. This results in a depreciation/amortization charge proportional to the depletion of the anticipated remaining production from the field.

The life of each item, which is assessed at least annually, relates to both its physical life limitations and present assessments of economically recoverable reserves of the field at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation/amortization will be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future capital expenditure estimates change. Changes to prove reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on proved reserves of differences between actual commodity prices and commodity price assumptions.
- Unforeseen operational issues.

Defined benefit plans (pension benefits)

The cost of defined benefit pension plans and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations.
An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers FTSE Pension discount curve with maturities in accordance with the duration of the plan at the balance sheet date.
The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about pension obligations are provided in Section 4.10.

Hydrocarbon reserve and resource estimates

Hydrocarbon reserves are estimates of the amount of hydrocarbons that can be economically and legally extracted from the Group's oil properties. The Group estimates its commercial reserves and resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves that are attributable to the host government under the terms of the production-sharing agreements (PSAs). Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.
The economic tests for the 31 December 2022, reserve volumes were based on a future projection of crude oil prices using crude oil prices forecasted by PIRA Energy group as the reference price.
Average price of actual crude sales and the PIRA price premise for 2022 (NYH No 6 Fuel Oil 1.0 percent S) are the same requiring no adjustment for price differential. The same oil price premise was applied for all reserve categories less a transfer premium.
A 5-year moving average production-receipt ratio of 1.02 percent (2021: 0.94 percent) was applied to capture differences from crude production and crude receipt at refinery.
Average price differential between the PIRA crude price forecast and average posting price of the Group's crude oil in 2022 was US$ 0.12/Bbl. (US$ 92.45/Bbl. versus actual US$ 92.57/Bbl.). (2021 was US$ 0.14/Bbl.: PIRA US$ 69.56/Bbl. versus actual US$ 69.70/Bbl.)

The long-term PIRA NYH No. 6 Fuel Oil 1.0 percent Sulfur crude oil prices (as per November 17, 2022) used in the estimation of the preliminary commercial reserves are listed in the table below:

Year	US$/Bbl
2023	74,98
2024	72,77
2025	72,26
2026	64,61
2027	56,88
2028	57,20
2029	57,17
2030	58,03
2031	59,33
2032	60,75
2033	62,32
2034	63,39
2035	64,46
2036	66,27
2037	68,12
2038	70,13
2039	71,84
2040	73,97
2041	75,88

The carrying amount of oil properties at 31 December 2022 is shown in Section 4.1.
As the economic assumptions used may change and as additional geological information is obtained during the operation of a field, estimates of recoverable reserves may change.
Such changes may impact the Group's reported financial position and results, which include:

- The carrying value of exploration and evaluation assets; oil properties; property, plant and equipment; and goodwill may be affected due to changes in estimated future cash flows.
- Depreciation and amortization charges in the consolidated statement of profit or loss may change where such charges are determined using the UOP method, or where the useful life of the related assets change (Section 4.1).
- Provisions for decommissioning may require revision - where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities (Section 4.9).
- The recognition and carrying value of deferred tax assets may change due to changes in the judgments regarding the existence of such assets and in estimates of the likely recovery of such assets (Section 3.3).

Deferred tax

Judgment is required to determine which arrangements are a tax on income as opposed to an operating cost. Judgment is also required to determine whether deferred tax assets are recognized in the consolidated statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require the Group to assess the likelihood that the Group will generate sufficient taxable earnings in future periods, to utilize recognized deferred tax assets. Judgment is also required in respect of the application of existing tax laws in each jurisdiction.
Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs, capital expenditure, dividends, and other capital management transactions). To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realize the net deferred tax assets recorded at the reporting date could be impacted.

In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

Oil properties

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment to determine whether economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalized amount is written off in the consolidated statement of profit or loss in the period when the new information becomes available.

2.5 Changes in Accounting Policies and Disclosures

New and Amended Standards and Interpretations
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
An onerous contract is a contract under which the unavoidable costs of meeting the obligations under the contract (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Reference to the Conceptual Framework – Amendments to IFRS 3
The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).
These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

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

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a First-time Adopter
The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1. These amendments had no impact on the consolidated financial statements of the Group as it is not a first-time adopter.

IFRS 9 Financial Instruments – Fees in the ’10 percent’ Test for Derecognition of Financial Liabilities
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement. In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application; April 2022). These amendments had an impact on the consolidated financial statements of the Group as there was a modification of the Group’s financial instruments during the period (Section 5.3).

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

2.6 Standards Issued but Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.
The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.
The amendments are not expected to have a material impact on the Group’s financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities Arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Group is currently assessing the impact of the amendments.

2.7 Prior Year Adjustment

Prior year adjustment due to Hyperinflation

In 2021, Suriname was considered hyperinflationary based on the criteria defined under IAS 29 “Financial Reporting in Hyperinflationary Economies”. IAS 29’s accounting provisions apply where an entity's functional currency is that of a hyperinflationary economy. Within the group, only the subsidiary, GOw2 Energy Suriname N.V., had the Suriname Dollar(SRD) as the functional currency, therefore, the requirements of IAS 29 applied to GOw2 only. Staatsolie Maatschappij Suriname N.V.’s functional currency is US$ and is not impacted by hyperinflation. This resulted in the situation where the parent, Staatsolie Maatschappij Suriname N.V. (with a US$ functional currency which is not hyperinflationary), is consolidating its subsidiary, GOw2 (with an SRD functional currency which is hyperinflationary).

This entailed specific requirements under IAS 29, however, the standard does not specifically address the treatment relating to the elimination of hyperinflated intercompany costs and revenues at the consolidation level and therefore requiring the application of professional judgement.

In light of this, during 2022, the provisions of IAS 29 and its impact on the 2021 consolidation process as it relates to the GOw2 subsidiary, were revisited and it was concluded that a reclassification adjustment was required to the 2021 consolidated statements of Profit and Loss and Other Comprehensive income.

The adjustment has been applied retrospectively by restating each of the affected financial statement line items of the statements of Profit or loss and Other comprehensive income for prior period, as per below tables.

The impact of this reclassification adjustment resulted in an increase in costs of sales of US$4,654, a reduction in net monetary loss of US$ 15,998 with a corresponding net increase in other comprehensive loss (the currency translation adjustment of GOw2) of US$ 11,344. Accordingly, there was no impact on the total comprehensive income for the year and by extension in the retained earnings.

Impact on statement of profit or loss (increase in profit)

x US$ 1,000	2021
Cost of sales	(4,654)
Monetary loss (net)*	15,998
Net impact on profit for the year	11,344
Attributable to:	
Equity holders of the parent	11,344
	11,344
Earnings per share	
Basic earnings per ordinary share (US$ per share)	2,27
Earnings per share for continuing operations	
Basic earnings per ordinary share (US$ per share)	2,27

Impact on Equity

x US$ 1,000	2021
Retained earnings	11,344
Translation adjustment GOw2 & Hyperinflation	(11,344)
Net impact on Equity for the year	-

2.8 Reclassification

Reclassification due to expensed projects

For the 2022 financial statement preparation, it was necessary to reclassify 2021 comparative information in order to conform with changes in presentation in the current year. In this regard, US$ 7,925 was reclassified from Expensed projects to Offshore expenses. These reclassifications have no effect on the net profit and net asset of the Group for the previous or current year.

Furthermore, there was no material impact to the 2021 consolidated statement of Financial Position.

Impact on statement of profit or loss

x US$ 1,000	2021
Expensed projects	7,925
Offshore expenses	(7,925)
Net impact on profit for the year	-

Section 3. Results for the Year

This section provides additional information that is most relevant in explaining the Group's consolidated performance during the year.

- Segment information (Section 3.1)
- Information about key items comprising operating profit/loss (Section 3.2)
- Income tax (Section 3.3)
- Earnings per share (Section 3.4)
- Dividends paid and proposed (Section 3.5)

3.1 Segment Information

For management purposes, Staatsolie is organized into reportable segments that include three operating segments and a corporate segment.
The three operating segments are:

- Upstream onshore: this segment is responsible for exploring, developing, producing, and transporting crude oil to the refinery.
- Downstream: is responsible for refining the crude oil, marketing, selling, and distributing the related oil products. Furthermore, trading which is related to trading fuel products and selling these products to wholesale, retail, and bunkering customers. Lastly, part of this segment is also the 96-megawatt thermal power plant operation and a Hydro dam facility, which delivers the electric power to the single source customer, the national electricity company N.V. EBS.
- Goldmining: (1) The Pikin Saramacca UJV: concerns a participating interest of 30 percent in an unincorporated joint operation between Rosebel Gold Mines N.V. (IAMGold) and Staatsolie and
(2) The Surgold Project: The Group has a 25 percent investment in a joint venture that is involved in the exploration, development and exploitation of the Merian Gold mine which is regularly reviewed by the Chief Operating Decision Maker ("CODM").

These functions have been defined as the operating segments of the Group because they are the segments:

1. That engage in business activities from which revenues are earned and expenses are incurred.
2. Whose operating results are regularly reviewed by the board of executive directors to make decisions about resources to be allocated to the segment and assess its performance.
3. For which discrete financial information is available.

The corporate segment are the functional departments of the Group that consists of petroleum contracts, offshore directorate, and all other corporate administrative functions.
The board of executive directors (which collectively is considered to be the Chief Operating Decision Maker) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

x US$ 1,000 Year ended 31 December 2022	Upstream onshore	Downstream	Goldmining	Corporate	Total segments	Corporate - adjustments & eliminations	Consolidated
Revenue							
External customers	-	791,727	48,258	-	839,985	-	839,985
Inter segment crude	448,756	(448,756)	-	-	-	-	-
Inter segment other	-	188,408	-	-	188,408	(188,408)	-
Total revenue	**448,756**	**531,379**	**48,258**	**-**	**1,028,393**	**(188,408)**	**839,985**
Income/(expenses)							
Depreciation of PPE	(35,625)	(65,813)	(3,730)	(476)	(105,644)	-	(105,644)
Depreciation of right-of-use assets	(858)	(340)	-	(398)	(1,596)	-	(1,596)
Impairment of non-current assets	-	(24,465)	-	-	(24,465)	-	(24,465)
Amortization of Intangible assets	(370)	(125)	-	(1,013)	(1,508)	-	(1,508)
Accretion expense on provisions	(4,925)	(1,397)	-	-	(6,322)	-	(6,322)
Interest on lease liabilities	-	(24)	-	(345)	(369)	-	(369)
Net Finance income/(expenses) (excluding Accretion)	-	2,291	(1,060)	(53,532)	(52,301)	-	(52,301)
Share of profit of Suriname Gold Project CV	-	-	55,715	-	55,715	-	55,715
EBITDA	382,584	232,923	87,699	(65,666)	637,540	10,176	647,716
Segment profit (loss) (before tax) **from continuing operations**	340,806	143,050	57,681	(121,429)	420,108	10,176	430,284
Income tax expense	-	3,003	-	(144,495)	(141,492)	846	(140,646)
Segment profit (loss) (after tax) from continuing operations	340,806	146,053	57,681	(265,924)	278,616	11,022	289,638
Total assets	590,432	947,954	276,646	694,418	2,509,450	(134,510)	2,374,940
Other disclosures							
Investment properties	-	-	-	18,836	18,836	-	18,836
Investments in Suriname Gold Project CV	-	-	226,545	-	226,545	-	226,545
Capital expenditure	48,634	26,837	5,706	1,897	83,074	-	83,074

x US$ 1,000 Year ended 31 December 2021	Upstream onshore	Downstream	Goldmining	Corporate	Total segments	Corporate - adjustments & eliminations	Consolidated
Revenue							
External customers	-	512,205	45,650	-	557,855	-	557,855
Inter segment crude	324,054	(324,054)	-	-	-	-	-
Inter segment other	-	138,948	-	-	138,948	(138,948)	-
Total revenue	324,054	327,099	45,650	-	696,803	(138,948)	557,855
Income/(expenses)							
Depreciation of PPE	(37,928)	(63,317)	(2,984)	(758)	(104,987)	-	(104,987)
Depreciation of right-of-use assets	(1,041)	(626)	-	(585)	(2,252)	-	(2,252)
Impairment of non-current assets	6,444	9,224	-	206	15,874	-	15,874
Amortization of Intangible assets	(650)	(114)	-	(879)	(1,643)	-	(1,643)
Accretion expense on provisions	(4,470)	(1,433)	-	-	(5,903)	-	(5,903)
Interest on lease liabilities	-	(110)	-	(430)	(540)	-	(540)
Net Finance income/(expenses) (excluding Accretion)	-	2,402	(330)	(48,530)	(46,458)	-	(46,458)
Share of profit of Suriname Gold Project CV	-	-	79,338	-	79,338	-	79,338
EBITDA*	266,627	75,638	112,097	(58,632)	395,730	2,672	398,402
Segment profit (loss) (before tax) from continuing operations*	228,983	21,662	80,339	(109,607)	221,377	2,672	224,049
Income tax expense	-	(10,189)	-	(83,018)	(93,207)	-	(93,207)
Segment profit (loss) (after tax) from continuing operations*	228,983	11,473	80,339	(192,625)	128,170	2,672	130,842
Total assets	602,930	1,049,153	291,217	600,553	2,543,853	(221,960)	2,321,893
Other disclosures							
Investment properties	-	-	-	18,836	18,836	-	18,836
Investments in Suriname Gold Project CV	-	-	241,949	-	241,949	-	241,949
Capital expenditure	73,371	32,077	7,737	1,616	114,801	-	114,801

* 2021 restated figures described in Section 2.7 Prior year adjustment

Adjustments and eliminations

- Finance income and costs, and fair value gains and losses on financial assets are allocated to individual segments.
- Capital expenditure consists of additions of property, plant and equipment and intangible assets including assets from the acquisition of subsidiaries.
- Inter-segment revenues are eliminated on consolidation.

Explanation of non-IFRS measures

The Group discloses one financial measure, namely earnings before interest, taxes, depreciation and amortization (EBITDA), that is not prepared in accordance with IFRS and is therefore considered a non-IFRS financial measure. The Group calculated EBITDA by taking the net income and adding back interest, taxes, depreciation, impairment and amortization.

As EBITDA is used by management as a key performance indicator, the Group believes that it is useful to be presented to the readers of the consolidated financial statements.

Geographic Information

Revenues from external customers

x US$ 1,000	2022	2021
Suriname	455,380	309,795
Guyana	107,817	61,527
Other Caribbean Territories	163,611	98,944
Europe	5,570	2,487
Middle East and Asia	21,484	6,238
United States	36,788	33,151
North American Territories	258	63
Other South American Territories	821	-
Other*	48,256	45,650
Total revenue per consolidated statement of profit or loss	**839,985**	**557,855**

** Gold revenue Pikin Saramacca U.J.V is sold to various brokers*

The revenue information above is based on the location of the customers.
In 2022, revenue from three (3) (2021: three (3)) major customers exceeded 10 percent of Group consolidated revenue and accounted for approximately 37 percent (2021: 37 percent) of the Group's reported revenues. These transactions arose from sales in the downstream segment.

Non-current operating assets

x US$ 1,000	2022	2021
Suriname	1,626,979	1,707,446
Total	**1,626,979**	**1,707,446**

Non-current assets for this purpose consist of oil exploration and producing properties, refining properties, other property, plant and equipment, investment properties, right -of-use assets and other intangible assets.

Components of Revenue

x US$ 1,000	2022	2021
Own refined products (gross)	721,149	445,163
Intersegment sales	(169,845)	(118,323)
Local refined products (net)	551,304	326,840
Trading activities (gross)	189,709	136,638
Intersegment sales	(13,790)	(15,996)
Trading activities (net)	175,919	120,642
Electric energy (Thermal) (gross)	46,718	48,830
Intersegment sales	(4,773)	(4,630)
Electric energy Thermal (net)	41,945	44,200
Electric energy (Hydro) (net)	21,631	19,940
Gold revenue Pikin Saramacca U.J.V	48,258	45,650
Other revenues (net)	928	583
Total revenues	**839,985**	**557,855**

Revenues consist of the sales and trade activities of petroleum products, electric energy and gold. Petroleum products are generally being sold at prevailing market prices. Revenues are recognized when products are delivered, which occurs when the customer has taken title and has assumed the risks and rewards of ownership, prices are fixed or determinable and collectability is reasonably assured.
Gold revenue is being recognized when the performance obligation of transferring gold inventory to the customer is satisfied, which generally occurs upon transfer of gold bullion credits to the customer, as this is the point at which the customer obtains the ability to direct the use and obtain substantially all of the remaining benefits of ownership of the asset.
Sales between group companies (intersegment sales) are based on prices generally equivalent to commercially available prices.

3.2 Information about Key Items Comprising Operating Profit or Loss

Offshore expenses

x US$ 1,000	2022	2021
Expensed projects	(604)	(7,990)
Employee benefits expense	(3,224)	(2,354)
External services	(7,822)	(6,118)
Depreciation and amortization of PPE	(140)	(53)
Depreciation of right-of-use assets	(74)	(55)
Utilities expenses	(11)	(22)
Maintenance expenses	(6)	(1)
Other expenses	1,806	8,429
Total	**(10,075)**	**(8,164)**

In 2022 the offshore activities of 2021 (US$ 7,925) were reclassed to the offshore expenses as “Expensed projects”.
The difference mainly relates to computer software supplies (external services).

Selling and distribution expenses

x US$ 1,000	2022	2021
Freight	(4,202)	(4,637)
Employee benefits expense	(3,280)	(3,090)
External services	(3,863)	(2,339)
Depreciation and amortization of PPE	(15)	(21)
Depreciation of right-of-use assets	(35)	(67)
Maintenance expense	(882)	(927)
Insurance costs	(256)	(215)
Utility expenses	(20)	(15)
Donations	(13)	-
Other expenses	(465)	(113)
Total	**(13,031)**	**(11,424)**

General and Administrative Expenses

x US$ 1,000	2022	2021
Employee benefits expense	(21,106)	(22,383)
External services	(10,464)	(9,912)
Depreciation and amortization of PPE	(2,441)	(1,996)
Depreciation of right-of-use assets	(342)	(598)
Maintenance expense	(865)	(461)
Insurance costs	(564)	(586)
Utility expenses	(506)	(563)
Donations	(1,628)	(988)
Other expenses	847	109
Total	**(37,069)**	**(37,378)**

Other Operating Expenses

x US$ 1,000	2022	2021
External services	(933)	(772)
Employee benefits expense	(1,558)	(1,300)
Maintenance expense	(572)	(743)
Utility expenses	(11)	(22)
Depreciation and amortization of PPE	(89)	(177)
Depreciation of right-of-use assets	(27)	(46)
Donations	(50)	-
Provision for slow moving inventory	(11,353)	(8,608)
Other expenses	850	45
Total	**(13,743)**	**(11,623)**

Employee Benefits Expense

x US$ 1,000	2022	2021
Included in cost of sales		
Wages, salaries, emoluments and other benefits	(43,104)	(38,994)
Medical expenses	(725)	(885)
Safety and training expenses	(1,471)	(1,253)
Car lease benefit	(817)	(461)
Other personnel expenses	(2,263)	(2,138)
Sub total	(48,380)	(43,731)
Included in Offshore expenses		
Wages, salaries, emoluments and other benefits	(3,117)	(2,295)
Medical expenses	(29)	(23)
Safety and training expenses	(48)	(18)
Other personnel expenses	(30)	(18)
Sub total	(3,224)	(2,354)
Included in Selling and distribution expenses		
Wages, salaries, emoluments and other benefits	(3,177)	(2,996)
Medical expenses	(34)	(39)
Safety and training expenses	(52)	(44)
Other personnel expenses	(17)	(11)
Sub total	(3,280)	(3,090)
Included in Other operating expenses		
Wages, salaries, emoluments and other benefits	(1,485)	(1,184)
Medical expenes	(21)	(4)
Safety and training expenses	(39)	(55)
Car lease benefit	(3)	(18)
Other personnel expenses	(10)	(39)
Sub total	(1,558)	(1,300)
Included in General and administrative expenses		
Wages, salaries, emoluments and other benefits	(16,467)	(18,855)
Medical expenses	(703)	(789)
Safety and traning expenses	(1,372)	(1,072)
Car lease benefit	(4)	(8)
Other personnel expenses	(2,560)	(1,659)
Sub total	(21,106)	(22,383)
Grand total	**(77,548)**	**(72,858)**

Depreciation of Property, Plant and Equipment and Amortization of Intangible Assets

x US$ 1,000	2022	2021
Included in cost of sales		
Depreciation upstream	(35,625)	(37,928)
Amortization upstream	(370)	(650)
Depreciation downstream	(64,703)	(62,782)
Amortization downstream	(39)	(39)
Depreciation Pikin Saramacca UJV	(3,730)	(2,984)
Sub total	(104,467)	(104,383)
Included in Offshore expenses		
Depreciation upstream offshore	(25)	(18)
Amortization upstream offshore	(115)	(35)
Sub total	(140)	(53)
Included in Selling and distribution expenses		
Depreciation downstream	(15)	(21)
Sub total	(15)	(21)
Included in Other operating expenses		
Depreciation downstream	(89)	(177)
Sub total	(89)	(177)
Included in General and administrative expenses		
Depreciation corporate	(441)	(739)
Amortization corporate	(883)	(844)
Depreciation downstream	(1,016)	(338)
Amortization downstream	(101)	(75)
Sub total	(2,441)	(1,996)
Grand total	**(107,152)**	**(106,630)**

Finance Income

x US$ 1,000	2022	2021
Interest income on loans	1,211	301
Other interest income	1,440	1,450
Total finance income	**2,651**	**1,751**

Finance costs

x US$ 1,000	2022	2021
Interest on borrowings	(52,830)	(47,857)
Accretion expenses	(6,322)	(5,903)
Other finance charges	(2,513)	(750)
Accretion expenses of lease liabilities	(369)	(541)
Total finance costs	**(1,518)**	**(55,051)**

Other Income (net)

x US$ 1,000	2022	2021
Gain on foreign currency transactions	11,088	13,818
Other income (net)	2,512	36,875
Derecognition of PPE	(345)	(1,221)
Total other income (net)	**13,255**	**49,472**

Other income (net) as at 31 December 2022 comprised income / (expense) from several sources. The significant items in 2022 relate to the income generated from the sale of Ventrin Limited which was completed for an amount of US$ 1,619 million
The gain on foreign currency transactions relates to GOw2.
The functional currency of GOw2 is the Surinamese dollars (SRD), but the reporting currency of the group is in United States dollars (US$).

Other income (net) as at 31 December 2021 comprises income / (expense) from several sources. The significant items in 2021 relate to a signing bonus of US$ 30,875 that was paid by Chevron to Staatsolie for obtaining the rights for exploration, development and production for Block 5, offshore Suriname.
The gain on foreign currency transactions relates to GOw2.

Expensed Projects

x US$ 1,000	2022	2021
Expensed projects-Downstream	(54)	(378)
Expensed projects-Corporate	(42)	(79)
Expensed projects-Upstream	(1,422)	(1,838)
Expensed projects Off-Shore	-	(55,357)
Total	**(1,518)**	**(57,652)**

Capital projects are the origin of amounts recorded in this disclosure. The transactions can be directly expensed from projects or through the Projects in Progress account (PIP or AUC). Refer to Sections 4.1 - 4.3 & 4.5.

- The decrease of US$ 56,134 in 2022 when compared to the previous year, mainly relates to: the Impairment of the nearshore drilling projects 2019-2020 for US$ 51,574 recorded in 2021.
- Of the amount expensed in 2022, US$ 582 was recorded through PIP and US$ 937 directly expensed from the projects.
- In 2021, US$ 57,418 was recorded through PIP and US$ 234 was directly expensed from the projects.

Monetary Loss (net)

x US$ 1,000	2022	2021
Consolidated statement of profit or loss		
Hyperinflation Revenues effect	(31,904)	24,816
Other revenues	(146)	-
Hyperinflation COS effect	30,468	(20,828)
Hyperinflation Other income & expense	(2,780)	(11)
Hyperinflation Other operating expense	355	(742)
Hyperinflation General & administration	1,069	2,634
Hyperinflation Finance income & expense	116	(1,528)
Hyperinflation Income Tax expense	(2,011)	824
Consolidated statement of Financial performance		
Property, plant and equipment	3,669	5,480
Intangible assets	131	(625)
Right of use assets	22	(42)
Deferred tax liability	(1,376)	506
Common stock	(7)	12
Additional paid in capital	(737)	776
General Reserve	(8,529)	(29,328)
Total	(11,660)	(18,056)

The application of hyperinflation in our subsidiary GOw2 resulted in a monetary loss (net) of (US$ 11,660) consisting of (US$ 4,833) related to the profit or loss and (US$ 6,827) related to the statement of financial position.

3.3 Income Tax

The major components of income tax are as follows:

Consolidated Statement of Profit or Loss

x US$ 1,000	2022	2021
Current income tax:		
Current tax expense	(139,329)	(85,698)
Deferred tax:		
Tax expense relating to origination and reversal of temporary differences	(1,317)	(7,509)
Income tax expense reported in the consolidated statement of profit or loss (net)	**(140,646)**	**(93,207)**

A reconciliation between tax expense and the accounting profit multiplied by Staatsolie' s domestic tax rate is as follows.

x US$ 1,000	2022	2021
Accounting profit before income tax	430,284	224,049
Tax at applicable statutory rate	(153,169)	(100,990)
Reinvestment reserve	15,610	9,503
Deferred tax losses not recognized	(3,799)	(649)
Difference in tax rates	-	1,617
Monetary effects from hyperinflation	(799)	(2,377)
Deferred tax on consolidation	846	-
Other movements	665	(311)
Total tax charge	**(140,646)**	**(93,207)**
Effective tax rate	32.7%	41.6%

Consolidated Statement of other Comprehensive Income

x US$ 1,000	2022	2021
Deferred tax related to items recognized in other comprehensive loss during the year:		
Net gain on unrealized losses from equity instruments	134	203
Net (loss)/gain on remeasurement of defined benefit plans	**(28,717)**	**11,984**
Tax (expense)/income recognized in other comprehensive income (net)	**(28,583)**	**12,187**

Reconciliation of deferred tax asset / (liability)

x US$ 1,000	2022	2021
Opening balance as of 1 January	**15,740**	**12,712**
Tax (expense)/income during the period recognized in profit or loss	(1,317)	(7,509)
Tax expense during the period recognized in equity due to fair value results	(452)	(1,650)
Tax (expense)/income during the period recognized in other comprehensive income	(28,583)	12,187
Closing balance as at 31 December	**(14,612)**	**15,740**

Deferred income tax at 31 December relates to the following:

x US$ 1,000	2022	2021
Deferred tax assets/(liabilities)		
Short-term investments	307	173
Investment properties	(348)	(348)
Other property, plant and equipment	797	(6,113)
Fair value gains	(9,449)	(7,385)
Other intangible assets	(946)	(1,089)
Provisions	(13,796)	(4,418)
Employee defined benefit liabilities	7,821	34,781
Lease receivable	96	75
Inventory	847	-
Net lease Right of Use /Liability	59	64
Deferred tax (Liability)/Asset net	**(14,612)**	**15,740**

3.4 Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

	2022	2021
Net profit attributable to ordinary shareholders (US$'000)	289,638	128,699
Weighted average number of ordinary shares (number of shares x 1000)	5,000	5,000
Basic earnings per ordinary share (US$ per share)*	**57.93**	**25.74**

Earnings per share for continuing operations	2022	2021
Net profit attributable to ordinary shareholders (US$'000)	289,638	130,842
Weighted average number of ordinary shares (number of shares x 1000)	5,000	5,000
Basic earnings per ordinary share (US$ per share)*	**57.93**	**26.17**

**Refer to Section 2.7*

Note that the subsidiary Ventrin, which was classified as held for sale in 2021, was sold in late 2022. There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these consolidated financial statements.

3.5 Dividends Paid and Proposed

x US$ 1,000	2022	2021
Declared and paid during the year:		
Cash dividends on ordinary shares:		
Interim dividend paid/settled for 2022	136,398	-
Dividend payable related to restatement 2021	5,673	-
Final dividend paid/settled for 2021: US$ 7.24	36,177	-
Final dividend paid/settled for 2020: US$ 7.12	**-**	**35,593**
	178,248	35,593
Proposed for approval at the annual general meeting:		
Note: below dividends have been recognized in the consolidated financial statements in line with the dividend policy with the shareholders		
Dividends on ordinary shares:		
Final (proposed) dividend for 2021: US$ 7.24 per share	-	**36,177**

Final dividends on ordinary shares for 2022 are subject to approval at the annual general shareholders' meeting and will be recognized in the 2023 appropriation of retained earnings.

Section 4. Invested Capital

4.1 Oil Exploration and Producing Properties

xUS$ 1,000	Land & Lease hold improvement	Building and Structure	Machine & Equipment	Well & Equipment	Pipelines	Other Fixed Assets	Offshore & Onshore-Exploration & Evaluation	Production Projects in Progress	Offshore & Onshore Exploration Projects in Progress	Grand Total
Cost at January 1, 2021	**9,276**	**31,060**	**57,659**	**965,578**	**11,264**	**5,332**	**730**	**64,205**	**183,444**	**1,328,548**
Adjustment Abandonment Costs*	-	(5)	-	(1,283)	-	-	-	-	-	(1,288)
Adjustments	-	-	-	-	-		-	967	-	967
Additions	-	17	5,898	-	-	138	31	58,562	799	65,445
Capitalized from PIP to PPE in current Year	-	5,117	767	46,290	-	-	-	(52,174)	-	-
Capitalized from PIP to Intangible Asset in current Year	-	-	-	-	-	-	-	(1,848)	-	(1,848)
Disposals /Disinvestment in current year	-	-	(661)	(4,837)	-	(93)	-	-	-	(5,591)
Internal transfers	-	-	-	-	-	(2,400)	12	-	-	(2,388)
Expense to P&L	-	-	-	-	-	-	-	(1,838)	(55,357)	(57,195)
Cost at December 31, 2021	**9,276**	**36,189**	**63,663**	**1,005,748**	**11,264**	**2,977**	**773**	**67,874**	**128,886**	**1,326,650**
Adjustment Abandonment Costs*	-	-	-	(18,741)	-	-	-	-	-	(18,741)
Adjustments	-	(31)	-	31	-		-		-	-
Additions	-	19	427	26	-	103	39	45,753	2,266	48,633
Capitalized from PIP to PPE in current Year	-	14,840	1,226	23,204	-	-	-	(39,270)	-	-
Disposals /Disinvestment in current year	-	(629)	(2,385)	(2,274)	-	(1,313)	(7)	-	-	(6,608)
Internal transfers	-	(735)	-	-	-	704		-	-	(31)
Expense to P&L	-	-	-	-	-	-	-	(433)		(433)
Cost at December 31, 2022	**9,276**	**49,653**	**62,931**	**1,007,994**	**11,264**	**2,471**	**805**	**73,924**	**131,152**	**1,349,470**
Depreciation										
At January 1, 2021	-	(21,042)	(52,534)	(532,625)	(10,731)	(5,045)	(721)	-	-	(622,698)
Adjustments	-	-	36	98	-	(215)	-	-	-	(81)
Depreciation Abandonment Costs*	-	1	-	308	-	-	-	-	-	309
Depreciation current year	-	(1,442)	(1,895)	(35,021)	(134)	273	(18)	-	-	(38,237)
Depreciation /disinvestment in current year	-	-	659	4,048	-	82	-	-	-	4,789
Depreciation due to Impairment reversal	-	-	-	6,444	-	-	-	-	-	6,444
Internal transfers	-	-	-	-	-	2,145	(12)	-	-	2,133
Cost at December 31, 2021	**-**	**(22,483)**	**(53,734)**	**(556,748)**	**(10,865)**	**(2,760)**	**(751)**	**-**	**-**	**(647,341)**
Adjustments	-	59	-	(59)	-	(1)	-	-	-	(1)
Depreciation Abandonment Costs*	-	-	-	384	-	-	-	-	-	384
Depreciation current year	-	(1,486)	(1,743)	(32,568)	(134)	(79)	(25)	-	-	(36,035)
Depreciation /disinvestment in current year	-	629	2,359	2,043	-	1,313	7	-	-	6,351
Internal transfers	-	680	(5)	5	-	(792)	-	-	-	(112)
Cost at December 31, 2022	**-**	**(22,601)**	**(53,123)**	**(586,943)**	**(10,999)**	**(2,319)**	**(769)**	**-**	**-**	**(676,754)**
Net book value at December 31, 2021	**9,276**	**13,706**	**9,929**	**449,000**	**399**	**217**	**22**	**67,874**	**128,886**	**679,309**
Net book value at December 31, 2022	**9,276**	**27,052**	**9,808**	**421,051**	**265**	**152**	**36**	**73,924**	**131,152**	**672,716**

**Adjustments to abandonment cost relates to changes in the decommissioning provision*

4.2 Refining Properties

x US$ 1,000	Land & Lease hold improvement	Building and Structure	Machine & Equipment	Abandonment Costs	Pipelines	Other Fixed Assets	Projects in Progress	Grand Total
Cost at January 1, 2021	**9,774**	**1,162,189**	**14,577**	**10,389**	**33,249**	**2,573**	**1,525**	**1,234,276**
Adjustment Abandonment Costs*	-	-	-	(3,495)	-	-	-	(3,495)
Additions	-	373	1,450	-	-	-	7,644	9,467
Capitalized from PIP to PPE	-	4,504	-	-	-	-	(4,504)	-
Disposals /Disinvestment in current year	-	(13,575)	(2,249)	-	-	(579)	-	(16,403)
Internal transfer	-	-	-	-	-	29	1	30
Expense to P&L in current year	-	-	-	-	-	-	(48)	(48)
Cost at December 31, 2021	**9,774**	**1,153,490**	**13,778**	**6,894**	**33,249**	**2,023**	**4,618**	**1,223,827**
Adjustment Abandonment Costs*	-	-	-	1,383	-	-	-	1,383
Additions	-	148	359	-	-	30	3,942	4,479
Adjustments	-	-	-	-	-	2	(2)	-
Capitalized from PIP to PPE	-	2,132	-	-	-	192	(2,324)	-
Disposals /Disinvestment in current year	-	-		-	-	(19)	-	(19)
Expense to P&L in current year	-	-	-	-	-	-	(53)	(53)
Cost at December 31, 2022	**9,774**	**1,155,770**	**14,137**	**8,277**	**33,249**	**2,228**	**6,181**	**1,229,617**
Depreciation								
At January 1, 2021	(1,666)	(322,854)	(12,534)	-	(10,722)	(2,181)	-	(349,957)
Adjustments	-	10	-	-	-	1	-	11
Depreciation Abandonment Costs*	-	-	-	(519)	-	-	-	(519)
Depreciation current year	-	(54,204)	(617)	-	(1,240)	(50)	-	(56,111)
Depreciation /Disinvestment in current year	-	13,228	2,242	-	-	579	-	16,049
Depreciation due to impairment reversal	-	9,224	-	-	-	-	-	9,224
Internal transfer	-	-	-	-	-	(32)	-	(32)
At December 31, 2021	(1,666)	(354,596)	(10,909)	(519)	(11,962)	(1,683)	-	(381,335)
Adjustments	-	3	-	-	-	(2)	-	1
Depreciation Abandonment Costs*	-	-	-	(224)	-	-	-	(224)
Depreciation current year	-	(54,283)	(691)	-	(1,240)	(69)	-	(56,283)
Depreciation /Disinvestment in current year	-	-	-	-	-	19	-	19
Cost at December 31, 2022	**(1,666)**	**(408,876)**	**(11,600)**	**(743)**	**(13,202)**	**(1,735)**	**-**	**(437,822)**
Net book value at December 31, 2021	**8,108**	**798,894**	**2,869**	**6,375**	**21,287**	**340**	**4,618**	**842,492**
Net book value at December 31, 2022	**8,108**	**746,894**	**2,537**	**7,534**	**20,047**	**493**	**6,181**	**791,795**

* *Adjustments to abandonment cost relates to changes in the decommissioning provision*

4.3 Other Property, Plant, and Equipment

x US$ 1,000	Land & Leasehold Improvement	Building and Structure	Machine & Equipment	Abandonment costs	Well & Equipment	Other Fixed Assets	Projects in Progress	Grand Total
Cost at January 1, 2021	**17,793**	**40,372**	**112,948**	**1,066**	**912**	**56,365**	**1,161**	**230,617**
Adjustment Abandonment Costs*	-	-	-	356	-	-	-	356
Adjustments	-	-	-	-	-	(10,338)	-	(10,338)
Additions	-	39	242	-	-	18,075	23,946	42,302
Reclassification to assets held for sale	-	(5,106)	(232)	-	-	(105)	-	(5,443)
Capitalized from PIP to PPE/intangibles	-	-	3,219	-	-	108	(4,341)	(1,014)
Hyperinflation on capitalizations from PIP	1,221	7,114	3,052	-	-	2,945	(14,332)	-
Disposals /Disinvestment in current year	-	(1,002)	(563)	-	(687)	(5,805)	-	(8,057)
Translation adjustment on cost	(326)	(1,900)	(817)	-	-	(796)	(529)	(4,368)
Internal transfers	-		-	-	-	2,345	(1)	2,344
Expense to P&L	-	-	-	-	-	-	(398)	(398)
Cost at December 31, 2021	**18,688**	**39,517**	**117,849**	**1,422**	**225**	**62,794**	**5,506**	**246,001**
Adjustment Abandonment Costs*	-	31	-	(748)	-	-	-	(717)
Adjustments	1	-	-	-	1	(1)	(21)	(20)
Additions	(177)	16	650	-	-	5,772	23,699	29,960
Impairment	-	-	-	-	-	-	(979)	(979)
Capitalized from PIP to PPE/intangibles	-	6,561	5,767	-	-	1,168	(14,350)	(854)
Hyperinflation on capitalizations from PIP	677	4,417	1,744	-	-	2,780	(9,618)	-
Disposals /Disinvestment in current year	-	(4,345)	(981)	-	-	(3,824)	-	(9,150)
Translation adjustment on cost	(645)	(2,859)	(1,546)	-	-	530	359	(4,161)
Internal transfers	-	736	-	-	-	(704)	-	32
Expense to P&L	-	-	-	-	-	-	(96)	(96)
Cost at December 31, 2022	**18,544**	**44,074**	**123,483**	**674**	**226**	**68,515**	**4,500**	**260,016**
Depreciation								
At January 1, 2021	(406)	(19,601)	(47,289)	(30)	(757)	(12,716)	-	(80,799)
Adjustments	-	-	-	-	-	(174)	-	(174)
Depreciation Reclassification to assets held for sale	-	2,742	219	-	-	100	-	3,061
Depreciation Abandonment Costs*	-	-	-	(17)	-	-	-	(17)
Depreciation in current year	(48)	(1,246)	(5,509)	-	(10)	(3,590)	-	(10,403)
Depreication due to Impairment reversal	-	206	-	-	-	-	-	206
Depreciation/ Disinvestment/Internal transfer in current year	-	1,001	560	-	576	5,805	-	7,942
Depreciation due to Hyperinflation	(365)	(5,093)	(2,321)	-	-	(2,169)	-	(9,948)
Internal transfer	-	-	-	-	-	(2,107)	-	(2,107)
Translation adjustment	115	1,601	807	-	-	765	-	3,288
Cost at December 31, 2021	**(704)**	**(20,390)**	**(53,533)**	**(47)**	**(191)**	**(14,086)**	**-**	**(88,952)**
Adjustments	-	(62)	-	62	-	(3)	-	(3)
Depreciation Abandonment Costs*	-	-	-	(203)	-	-	-	(203)
Depreciation in current year	(139)	(2,234)	(7,966)	-	(2)	(4,294)	-	(14,635)
Depreication due to Impairment	-	(4,399)	(19,087)	-	-	-	-	(23,486)
Depreciation/ Disinvestment/Internal transfer in current year	-	3,935	868	-	-	3,573	-	8,376
Depreciation due to Hyperinflation	(192)	(4,525)	(1,831)	-	-	(2,563)	-	(9,111)
Internal transfer	-	(680)	-	-	-	793	-	113
Translation adjustment on Depreciation current year	58	591	393	-	-	306	-	1,348
Translation adjustment	184	979	1,306	-	-	(593)	-	1,876
Cost at December 31, 2022	**(793)**	**(26,785)**	**(79,850)**	**(188)**	**(193)**	**(16,867)**	**-**	**(124,676)**
Net book value:								
At December 31, 2021	**17,984**	**19,127**	**64,316**	**1,375**	**34**	**48,708**	**5,506**	**157,049**
At December 31, 2022	**17,751**	**17,289**	**43,633**	**486**	**33**	**51,648**	**4,500**	**135,340**

**Adjustments to abandonment cost relates to changes in the decommissioning provision*

4.4 Capital Investments in Joint Arrangements

Capital Investment in Joint Ventures

Suriname Gold Project

On 14 November 2014, Staatsolie entered as a limited partner with an interest of 25 percent into the partnership 'Suriname Gold Project CV'. Newmont Suriname LLC, a subsidiary of Newmont Mining Corporation, is the managing partner with a 75 percent interest in this partnership. Newmont Suriname LLC is a limited liability company formed pursuant to the laws of the State of Delaware, United States of America.
The Suriname Gold Project CV encompasses the exploration, development, and exploitation of the gold mine 'Merian', and the Area of Interest as defined in the Limited Partnership Agreement, which is a gold deposit located in the eastern part of Suriname close to the French Guiana border. Suriname Gold Project CV commenced commercial gold production in 2016.

The Suriname Gold Project CV partnership is financed through monthly cash calls (operational and capital contributions) which is the mechanism to fund approved operating costs and capital expenditures. Each partner is responsible for funding the partnership for its portion based on its participating interest.
Monthly the partnership allocates revenues which totals the compensation received by the partnership in exchange for selling the partnership's gold production attributable to each partner in proportion to its respective participating interest. Staatsolie' s maximum exposure to loss from its interest in the Suriname Gold Project CV partnership equals the annual capital contributions.

The Group's interest in the Suriname Gold Project CV is accounted for in the consolidated financial statements using the equity method. The summarized financial information of the joint venture (JV) and reconciliation with the carrying amount of the investment and share in the profit of the JV in the consolidated financial statements are in the right column on this page.

x US$ 1,000	2022	2021
Summarized statement of financial position of Suriname Gold Project CV:		
Current assets, including cash and cash equivalents $29,379 (2021: $34,188) and inventories $126,712 (2021: $96,016)	189,307	187,994
Non-current assets	876,017	943,244
Current liabilities, including accounts payable $35,721 (2021: $33,219) and due to related parties $13,419 (2021: $5,606)	(76,871)	(66,649)
Non-current liabilities	(82,273)	(96,792)
Partnership capital	**906,180**	**967,797**
Proportion of the Group's ownership	**25%**	**25%**
Carrying amount of the investment	**226,545**	**241,949**

x US$ 1,000	2022	2021
Summarised statement of profit or loss of Suriname Gold Project CV:		
Revenue	722,782	779,551
Cost of Sales	(360,457)	(310,169)
Administrative expenses, including depreciation $99,117 (2021: $118,972)	(128,237)	(138,735)
Other Income (expense)	908	(3,198)
Management Fee	(12,137)	(10,097)
Profit before tax	**222,859**	**317,352**
Group's share of the profit for the year	**55,715**	**79,338**

The cash distributions received from Suriname Gold Project CV amounted to US$ 190,761 in 2022 (2021: US$ 199,628). Further the cash calls paid amounted to US$ 120,203 in 2022 (2021: US$ 101,362).

The Group had no contingent liabilities or capital commitments relating to its interest in the Suriname Gold Project CV as at 31 December 2022 (2021: NIL). The joint venture had no contingent liabilities or capital commitments as at 31 December 2022 (2021: NIL) that may be considered to have a material adverse effect on its financial position or result of operations.

The above summarized financial information of Suriname Gold Project CV as at 31 December 2022 and 2021 was based on the audited financial statements for the year ended 31 December 2022.

Capital Investment in Joint Operations

Pikin Saramacca

In April 2020, Staatsolie entered into an Unincorporated Joint Venture (UJV) with Rosebel Gold Mines N.V. ("Rosebel") named Pikin Saramacca.
The UJV is governed by the Mineral Agreement dated 7 April 1994, as amended, the UJV agreement and the Accounting manual both signed on 22 April 2020. In this UJV, the participating interest is 30 percent for Staatsolie and 70 percent for Rosebel and the latter has been appointed as the UJV operator.
Rosebel, established on 8 May 2002, is a subsidiary of IAMGOLD Corporation.
Staatsolie acquired this 30 percent participating interest for US$ 54 million (US$ 34 million cash and US$ 20 million to be paid within a year).
The UJV Pikin Saramacca encompasses the exploration, development, and exploitation of gold in the UJV area except for the Gross Rosebel Concession. Currently the UJV Pikin Saramacca comprises of 7 exploration rights and 1 exploitation right, namely Saramacca Concession.
The Saramacca Concession is located 25 kilometers southwest of its Rosebel Milling facility and 125 kilometers south of Paramaribo, Suriname.
The UJV is organized as an operating joint venture in which the partners share the costs based on their respective participation percentage. The UJV has no equity, and all amounts are settled in cash by the respective partners. The total operating costs are allocated to each Party on a 30/70 percent basis.

For the financial year ended 31 December 2022, the UJV contributed US$ 48 million (2021: US$ 46 million) to Group revenue and US$ 1.3 million (2021: US$ 1.0 million) to Group profit.

4.5 Goodwill and Other Intangible Assets

		Other intangible assets	
x US$ 1,000	Goodwill	Software	Total
Cost			
At 1 January 2021	**5,447**	**17,117**	**22,564**
Additions	-	2,164	2,164
Acquisition of a subsidiary	-	381	381
Discontinued operations		(147)	(147)
At 31 December 2021	**5,447**	**19,515**	**24,962**
Additions	-	610	610
Hyperinflation on Acquisition	-	244	244
Translation adjustment		(235)	(235)
At 31 December 2022	**5,447**	**20,134**	**25,581**
Amortization and impairment			
At 1 January 2021	-	(11,152)	(11,152)
Adjustment	-	193	193
Amortization	-	(1,643)	(1,643)
Hyperinflation on Amortization	-	(136)	(136)
Translation adjustment on Amortization	-	72	72
At 31 December 2021	**-**	**(12,666)**	**(12,666)**
Amortization	-	(1,577)	(1,577)
Hyperinflation on Amortization	-	(151)	(151)
Translation adjustment on Amortization current year	-	69	69
Translation adjustment on Amortization	-	151	151
At 31 December 2022	**-**	**(14,174)**	**(14,174)**
Net book value			
At 31 December 2021	**5,447**	**6,849**	**12,296**
At 31 December 2022	**5,447**	**5,960**	**11,407**

Other intangible assets

The balance at 31 December 2022, of "other intangible assets" represents capitalized computer software.
New capitalizations to intangible assets are being amortized on a straight-line basis over a useful life of 5 years.
Additions to existing Intangible Assets are being amortized on a straight-line basis over the remaining useful life of the main asset. Annually a useful life evaluation is carried out on intangibles for Staatsolie and its subsidiaries.

Impairment Testing of Goodwill

The Group performed the annual impairment test as at 31 December 2022.

Goodwill acquired through business combinations with indefinite life has been allocated to one CGU (GOw2). The carrying value (net assets including Goodwill) of this CGU is US$ 33,118 at 31 December 2022 (US$ 44,719 at 31 December 2021).

The recoverable amount of the GOw2 CGU of US$ 61,658 at 31 December 2022 (US$ 90,604 as at 31 December 2021) has been determined based on a value-in-use (VIU) calculation using cash flow projections from financial budgets approved by the responsible director covering a five-year period.
The post-tax weighted average cost of capital (WACC) discount rate applied to the cash flow projections is 12.69 percent (2021: 12.73 percent), and cash flows beyond the five-year period are extrapolated using a 2 percent (2021: 2 percent) growth rate that is the same as the long-term average fuel consumption growth rate for the petroleum products sector. As a result of the analysis, management did not identify impairment for this CGU. The GOw2 CGU forms part of the downstream reportable segment. Applying a pre-tax WACC discount rate 16.79 percent (2021: 16.56 percent) to the cash flow projections provides the same VIU for the CGU.

Key Assumptions Used in Value-in-use Calculations

The calculation of VIU for the GOw2 CGU is most sensitive to the following key assumptions:

- Gross margin
- Discount rates
- Oil prices
- Market share during the budget period
- Growth rate used to extrapolate cash flows beyond the budget period

Gross margins

Gross margins are based on average values achieved in the three years preceding the start of the budget period. These are increased over the budget period for anticipated improvements in the efficiency of operations. An increase of 2 percent (2021: 2 percent) per annum was applied based on economic growth (quantities) of the CGU.

Discount rates

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its WACC, with appropriate adjustments made to reflect the risks specific to the CGU. The WACC considers both debt and equity, weighted 67.22 percent (2020: 44.76 percent) debt versus 32.78 percent (2021: 55.24 percent) equity, due to the debt-to-equity structure of the Group. The cost of equity is derived from the expected return on investment by the Group’s investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Oil prices

Long term forecasted oil prices are based on management’s estimates and available market data.

Market share assumptions
These assumptions are important because as well as using industry data for growth rates (as noted below), management assesses how the CGU's position, relative to its competitors, might change over the forecast period. Management expects the Group's share of the oil retail products market to be stable over the forecast period.

Growth rate estimates
Rates are based on economic growth rates, growth domestic product and relevant published research.

Sensitivity to Changes in Assumptions
Regarding the assessment of VIU for the GOw2 CGU, management believes that there are no reasonably possible changes in any of the above key assumptions that would cause the carrying value of the CGU to materially exceed its recoverable amount.

4.6 Investment Properties

Staatsolie purchased the land situated in Wageningen, District Nickerie in 2009. The investment properties are measured at fair value at each Statement of Financial Position date. Initially the land accommodated the Ethanol Business of Staatsolie which was cancelled in 2015. A valuation of the investment properties was carried out by an external independent qualified assessor on January 12, 2023, and the evaluation concluded that no change was required for financial year 2022 (2021: Gain on Valuation US$ 1,954).
An independent evaluation is performed annually.

The contract for the one thousand two hundred and two (1,202) hectares of the investment property, which was leased out under an operating lease, was terminated based on mutual agreement between Staatsolie and the lessee.
As a result, annual income was US$ NIL (2021: US$ NIL).
There are no direct operating expenses arising from the rental agreement on account for Staatsolie.

x US$ 1,000	2022	2021
Reconciliation of carrying amount		
Balance at January 1	18,836	16,882
Fair value gain	-	1,954
Balance at December 31	**18,836**	**18,836**

4.7 Leases

Group as a Lessee
The Group has lease contracts for motor vehicles in its operations and had a prior year leased piece of land through its subsidiary Ventrin. The motor vehicles generally have lease terms between 3 and 5 years while the piece of land was leased for an initial period of 15 years, with an option to renew for an additional term of 15 years.
The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.
There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Set out below, are the carrying amounts of the Group's right-of-use assets and the movements during the period:

x US$ 1,000	Motor Vehicles	Land Lease	Total
As at January 1, 2021	4,089	235	4,324
Beginning balance adjustment	73	-	73
Additions	1,082	-	1,082
Disposal	(108)	-	(108)
Translation adjustment	27	-	27
Reclassification to assets held for sale	-	(235)	(235)
Depreciation	(2,252)	-	(2,252)
As at January 1, 2022	2,911	-	**2,911**
Additions	1,049	-	1,049
Disposal	(32)	-	(32)
Depreciation	(1,596)	-	(1,596)
As at December 31, 2022	2,332	-	**2,332**

Set out below, are the carrying amounts of the Group's lease liabilities and the movements during the period:

x US$ 1,000	Motor Vehicles	Land lease	Total
As at 1 January 2021	4,435	257	4,692
Beginning balance adjustment	3		3
Additions	1,070	-	1,070
Disposals	(109)	-	(109)
Accretion of interest	540	-	540
Accretion of maintenance	552	-	552
Reclassification to liabilities directly associated with the assets held for sale	-	(257)	(257)
Payments	(3,417)	-	(3,417)
As at 1 January 2022	**3,074**	**-**	**3,074**
Adjustment	(22)		(22)
Additions	1,079	-	1,079
Disposals	(26)	-	(26)
Accretion of interest	369	-	369
Accretion of maintenance	404	-	404
Payments	(2,412)	-	(2,412)
As at 31 December 2022	**2,466**	**-**	**2,466**
Comprising:			
Current at 31 December 2021	1,687	-	1,687
Non-current at 31 December 2021	1,387	-	1,387
Current at 31 December 2022	1,277	-	1,277
Non-current at 31 December 2022	1,189	-	1,189

The following are amounts recognized in the 2022 consolidated statement of profit or loss:

x US$ 1,000	Motor Vehicles	Total
Depreciation expense of right-of-use assets	1,596	1,596
Accretion of Interest expenses on lease liabilities	369	369
Maintenance expense on lease liabilities	404	404
Expense relating to short-term leases	971	971
Expense to relating to leases of low-value assets	107	107
Total amount recognised in profit or loss	3,447	**3,447**

The following are amounts recognized in the 2021 consolidated statement of profit or loss:

x US$ 1,000	Motor Vehicles	Total
Depreciation expense of right-of-use assets	2,252	2,252
Accretion of Interest expenses on lease liabilities	540	540
Hyperinflation interest expense rebased	3	3
Maintenance expense on lease liabilities	552	552
Expense relating to short-term leases	1,234	1,234
Expense to relating to leases of low-value assets	144	144
Total amount recognised in profit or loss	4,725	**4,725**

4.8 Lease Receivable

Group as Lessor

As of 1 January 2020, the Government of Suriname (GoS) acquired the Afobaka Dam at no costs and transferred the ownership to SPCS. The produced electricity is sold and delivered to the GoS. The existing Power Purchase Agreement (PPA) between SPCS and the GoS has been amended and is still under review by the GoS.

Given the interpretation of the IFRS guidelines that the GoS is the sole shareholder of Staatsolie and ultimately the shareholder of SPCS, and the fact that more than a significant volume of the hydroelectricity is sold to GoS, the GoS is in the position to direct the use of the hydro dam.

The reconciliation between the total gross investment in the lease and the net investment in the lease at the statement of financial position date is as follows:

x US$ 1,000	2022	2021
Less than one year	1,571	1,571
Between 1 and 5 years	6,286	6,286
5 years and later	34,571	36,143
Total undiscounted lease payments receivable	**42,428**	**44,000**
Less than one year	(1,427)	(1,439)
Between 1 and 5 years	(5,563)	(5,624)
5 years and later	(20,009)	(21,375)
Total unearned finance income	**(26,999)**	**(28,438)**
Current portion of lease receivable	144	132
Non-current portion of the lease receivable	15,285	15,430
Net investment in the Lease	**15,429**	**15,562**
Finance Income	**1,461**	**1,450**

4.9 Provisions

x US$ 1,000	Decommissioning production field & facilities	Decommissioning refinery	Decommissioning power plant	Environmental risk	Decommissioning Pikin Saramacca (30% share)	"Other provisions"	Total
At 1 January 2021	68,772	14,283	415	2,706	732	1,412	88,320
Discount rate adjustment & imputed interest	(1,288)	(3,495)	(30)	-	386	-	(4,427)
Unwinding of discount	4,470	898	27	508	-	-	5,903
Translation adjustment	-	-	-	(92)	-	-	(92)
Utilisation	-	-	-	-	-	(25)	(25)
At 31 December 2021	**71,954**	**11,686**	**412**	**3,122**	**1,118**	**1,387**	**89,679**
Reclassification from Other long term Liabilities	-	-	-	-	-	2,434	2,434
Arising during the year	-	-	-	-	-	2,018	2,018
Write-back of unused provisions	-	-	-	(532)	-	-	(532)
Discount rate adjustment & imputed interest	(18,741)	1,383	(274)	-	(299)	-	(17,931)
Unwinding of discount	4,925	800	28	569	-	-	6,322
Translation adjustment	-	-	-	17	-	-	17
Utilisation	-	-	-	-	-	(924)	(924)
At 31 December 2022	**58,138**	**13,869**	**166**	**3,176**	**819**	**4,915**	**81,083**
Comprising:							
Non-current at 31 December 2022	58,138	13,869	166	3,176	819	4,915	81,083
	58,138	13,869	166	3,176	819	4,915	81,083

Decommissioning provision

The Group makes full provision for the future cost of decommissioning oil wells and production facilities on a discounted basis on the installation of those wells and facilities. The decommissioning provision represents the present value of decommissioning costs relating to oil and gas properties, which are expected to be incurred up to 2070 when the producing oil properties are expected to cease operations. These provisions have been created based on the Group's internal estimates.

In addition, the Group makes full provision for the future cost of decommissioning the refinery on a discounted basis on the installation of the refinery. The decommissioning provision represents the present value of decommissioning costs relating to the refinery, which are expected to be incurred up to 2045, when the refinery is expected to cease operations. This provision has been created based on the Group's internal estimates utilizing a third party estimating the dismantlement cost.

Lastly, the Group makes full provision for the future cost of decommissioning the power plant on a discounted basis on the installation of the power plant. The decommissioning provision represents the present value of decommissioning costs relating to the power plant, which are expected to be incurred up to 2055, when the power plant is expected to cease operations. This provision has been created based on the Group's internal estimates utilizing a third party estimating the dismantlement cost.

Assumptions based on the current economic environment have been made, which management believes form a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.

The discount rate used in the calculation of the provision as at 31 December 2022, is 7.24 percent (2021: 6.85 percent).

In April 2020, Staatsolie entered an Unincorporated Joint Venture (UJV) with Rosebel Gold Mines N.V. ("Rosebel") named Pikin Saramacca.

The UJV is governed by the Mineral Agreement dated April 7, 1994, as amended, the UJV agreement and the accounting manual both signed on April 22, 2020. In this UJV, the participating interest is 30 percent for Staatsolie and 70 percent for Rosebel and the latter has been appointed as the UJV operator.

Rosebel, established on 8 May 2002, is a subsidiary of IAMGOLD Corporation.

The UJV Pikin Saramacca encompasses the exploration, development, and exploitation of gold in the UJV area except for the Gross Rosebel Concession. Currently the UJV Pikin Saramacca comprises of 7 exploration rights and 1 exploitation right, namely Saramacca Concession.

The Saramacca Concession is located 25 kilometers southwest of its Rosebel Milling facility and 125 kilometers south of Paramaribo, Suriname.

Staatsolie accounted for its share of 30 percent of the decommissioning provision for the Pikin Saramacca UJV as at 31 December 2022

Environmental risk provision

GOw2 purchased Chevron in 2011 which included their marketing activities in Suriname of 22 petrol stations and 3 oil terminals. These sites will be remediated in a nine-year timeframe. The present value of the estimated costs as at 31 December 2022 is US$ 3,176 (as at 31 December 2021 is US$ 3,122). The amount recognized is the best estimate calculated by management of the expenditure required.

Other provisions

A provision at fair value of US$ 4,915 at 31 December 2022 (US$ 1,387 as of 31 December 2021) mainly comprises:

- provisions for litigation or contractual claims; US$ 1,387 (2021: US$ 1,387). The claims are subject to legal arbitration and are not expected to be finalized during 2023;
- reclassification of the balance with regard to the provision for the committee of sports facilities from other long term liabilities to provisions: US$ 486 (Refer to Section 5.3);
- reclassification of the balance with regard to wage tax provision from other long term liabilities to provisions: US$ 1,809 (Refer to Section 5.3).

4.10 Employee Defined Benefit Liabilities

The Group has three types of employee benefit plans, namely pensions, post-employment benefits and other long-term employee benefit plans. A summary of the net employee benefit liabilities for the different benefits are shown in the table below. The decrease in the provisions for employee benefits plans compared to 2021 is mainly due to the increase in the discount rate related to the weighted average life of the plans.

x US$ 1,000	2022	2021
Pension Plans		
Employee pension plan Staatsolie	-	63,045
Employee pension plan SPCS	-	514
Employee pension plan GOw2	-	245
Executive pension plan	770	1,236
Post-employment benefit plans		
Retiree Medical Plan Staatsolie	12,507	26,822
Retiree Medical plan GOw2	587	962
Retiree Medical Plan SPCS	564	808
Pension gratuity Staatsolie	3,125	3,825
Pension gratuity SPCS	58	59
Pension gratuity GOw2	66	81
Funeral grant plan Staatsolie	913	1,684
Funeral grant plan SPCS	18	26
Funeral grant plan GOw2	18	25
Supplementary Provision Board members	725	819
Other long-term employee benefit plans		
Jubilee gratuity Staatsolie	8,974	11,105
Jubilee gratuity SPCS	242	254
Jubilee gratuity GOw2	114	153
Additional holiday allowance Staatsolie	3,044	3,166
Additional holiday allowance SPCS	182	136
Additional holiday allowance GOw2	87	62
Total	***31,994***	***115,027***

Pensions, other Post-employment and other Long-term Employee Benefit Plans
The Group has two defined benefit pension plans (funded), one for the employees and one for the directors. The employee pension plan is a final salary plan and requires contributions to be made to a separately administered fund. The director's pension plan is an insured plan. In addition, the Group provides certain post-employment and other long -term benefits to employees (unfunded) such as healthcare, excedent gratuity, funeral grants, pension gratuity, jubilee and additional holiday allowances.

Pensions

Employee Pension Plan
The employee pension plan provides entitlements to retirement and disability pension for the benefit of the participant and widow's, widower's and orphans' pension for the benefit of the survivors. The pension entitlements are accrued time-proportionately.
The pension entitlements are determined according to a formula based on the pensionable salary and an employee accrual rate of 2 percent per annum. The last pensionable salary also applies to past service. Hence, an increase of pensionable salary in future years will lead to an increase of accrued pension entitlements. According to the formal terms of the plan, for every year the pensionable salary is determined by the Board of the pension fund according to a formula.

The pension base percentage to calculate the pension rights of the participants for financial year 2022 has been set as calculated by the actuary at 100 percent of the annual salary. The pension base percentage for financial year 2023 has not yet been determined by the Board of the pension fund. The annual actuarial valuation, taking into account the funding as at 31 December 2022 and the salary increase as at 1 January 2022, has led to the conclusion that a pension base percentage of 100 percent is possible for financial year 2022. Therefore, it is assumed that pension base percentage for 2022 will be set at 100 percent of the annual salary as at 1 January 2022.

The retirement pension commences upon reaching the retirement age of 60. However, a retirement age of 55 applies to employees in certain special categories. The retirement pension amounts to a maximum of 70 percent of the pension base on the retirement date. The pension accrual rate is 2 percent.

Annually, the pensions in payment and deferred pensions are adjusted on the basis of excess interest, which is the difference between the return on the pension assets and the actuarial interest of 4 percent, which is used to determine the present value of the pension obligations of the fund.

The Staatsolie, SPCS and GOw2 employee pension plans are administered by the “Stichting Pensioenfonds voor Werknemers van Staatsolie Maatschappij Suriname N.V.” (Pension Fund for Employees of Staatsolie Maatschappij Suriname N.V.), for which all their entities have entered into agreements with the fund.

The SPCS pension plan was established in January 2019. The SPCS employees joined the pension plan as at that date and pension benefits were awarded past service during their employment with SPCS.

The GOw2 pension plan was established in January 2020. The GOw2 employees joined the pension plan as at that date and pension benefits were awarded past service during their employment with GOw2.

The plans are financed by contributions and by the returns on the plan assets. The employer’s and employee’s contributions are limited to a maximum percentage of the participant’s salary as set by the labor agreement.

Employee pension plan Staatsolie

2022 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	1.1.2022 (Adjusted as per actuarial evaluation)	Service cost	Net Interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	**Contribution by employee**	**31.12.2022**
Defined benefit obligation*	**(209,018)**	(9,739)	(5,786)	**(15,525)**	3,263	-	-	69,219	4,395	**73,614**	-	-	-	**(147,666)**
Fair value of plan assets	**145,973**	-	4,131	**4,131**	(3,263)	(3,506)	-	-	-	**(3,506)**	5,575	-	1,858	**150,768**
Difference: Deficit (+)/ Surplus (1)	**(63,045)**	**(9,739)**	**(1,655)**	**(11,394)**	**-**	**(3,506)**	**-**	**69,219**	**4,395**	**70,108**	**5,575**	**-**	1,858	**3,102**
Effect of the asset ceiling	**-**	-	-	**-**	-	-	-	-	-	**-**	-	-	-	**(3,102)**
Benefit liability	**(63,045)**	(9,739)	(1,655)	**(11,394)**	-	(3,506)	-	69,219	4,395	**70,108**	5,575	-	1,858	**-**

2021 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	**1.1.2022 (Adjusted as per actuarial evaluation)**	Service cost	Net Interest expense	**Sub-total included in profit or loss**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	Contribution by employee	**31.12.2022**
Defined benefit obligation*	**(181,267)**	(8,812)	(5,936)	**(14,748)**	2,774	-	-	(18,227)	2,450	**(15,777)**	-	-	-	**(209,018)**
Fair value of plan assets	**138,527**	-	4,652	**4,652**	(2,774)	(2,102)	-	-	-	**(2,102)**	5,762		1,908	**145,973**
Benefit liability	**(42,740)**	(8,812)	(1,284)	**(10,096)**	-	(2,102)	-	(18,227)	2,450	**(17,879)**	5,762	-	1,908	**(63,045)**

Employee pension plan SPCS

2022 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	1.1.2022 (Adjusted as per actuarial evaluation)	Service cost	Net Interest expense	**Sub-total included in profit or loss**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	**Contribution by employee**	**31.12.2022**
Defined benefit obligation	**(2,754)**	(493)	(80)	**(573)**	-	-	-	1,347	106	**1,453**	-	-	-	**(1,874)**
Fair value of plan assets	**1,709**	-	55	**55**	-	(61)	-	-	-	**(61)**	272	-	91	**2,066**
Difference: Deficit (+)/ Surplus (1)	**(1,045)**	(493)	(25)	**(518)**	-	(61)	-	1,347	106	**1,392**	272	-	91	**192**
Effect of the asset ceiling	**-**	-	-	**-**	-	-	-	-	-	**-**	-	-	-	**(192)**
Benefit liability	**(1,045)**	(493)	(25)	**(518)**	-	(61)	-	1,347	106	**1,392**	272	-	91	**-**

Employee pension plan SPCS

2021 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	1.1.2022 (Adjusted as per actuarial evaluation)	Service cost	Net Interest expense	**Sub-total included in profit or loss**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	**Contribution by employee**	**31.12.2022**
Defined benefit obligation	**(1,867)**	(459)	(67)	**(526)**	-	-	-	68	102	**170**	-	-	-	**(2,223)**
Fair value of plan assets	**1,342**	-	55	**55**	-	(48)	-	-	-	**(48)**	270	-	90	**1,709**
Benefit liability	**(525)**	(459)	(12)	**(471)**	-	(48)	-	68	102	**122**	270	-	90	**(514)**

Employee pension plan GOw2

2022 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	**1.1.2022 (Adjusted as per actuarial evaluation)**	Service cost	Net Interest expense	**Sub-total included in profit or loss**	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	**Contribution by employee**	**31.12.2022**
Defined benefit obligation*	**(1,108)**	(170)	(32)	**(202)**	3	-	-	476	11	**487**	-	-	-	**(820)**
Fair value of plan assets	**673**	-	21	**21**	(3)	2	-	-	-	**2**	106	-	35	**834**
Difference: Deficit (+)/ Surplus (1)	**(435)**	(170)	(11)	**(181)**	-	2	-	476	11	**489**	106	-	35	**14**
Effect of the asset ceiling	**-**	-	-	**-**	-	-	-	-	-	**-**	-	-	-	**(14)**
Benefit liability	**(435)**	(170)	(11)	**(181)**	-	2	-	476	11	**489**	106	-	35	**-**

Employee pension plan GOw2

2021 changes in the defined benefit obligation and fair value of the plan assets:

		Pension cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income								
x US$ 1,000	**1.1.2022 (Adjusted as per actuarial evaluation)**	Service cost	Net Interest expense	**Sub-total included in profit or loss**	**Benefits paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	**Contribution by employer**	**Contribution from provident fund**	**Contribution by employee**	**31.12.2022**
Defined benefit obligation*	**(929)**	(189)	(32)	**(221)**	-	-	-	37	195	**232**	-	-	-	**(918)**
Fair value of plan assets	**601**	-	24	**24**	-	(95)	-	-	-	**(95)**	101	-	42	**673**
Benefit liability	**(328)**	(189)	(8)	**(197)**	-	(95)	-	37	195	**137**	101	-	42	**(245)**

The major categories of the Staatsolie, SPCS and GOw2 employee pension plan assets at fair value are, as follows:

x US$ 1,000	2022	2021
Investments quoted in active markets:		
Securities in foreign mutual funds	26,651	24,923
Unquoted investments:		
Equity instruments (international)	15,759	15,796
Available-for-sale instruments	-	-
Property	44,015	44,015
Loans receivables	52,809	47,058
Term deposits	-	-
Net other receivables	1,099	159
Cash and cash equivalents	13,336	16,404
Fair value of assets	153,669	148,355

Executive Pension Plan

The executive pension plan is a final pay scheme; the pension base is equal to the salary. The pension plan provides entitlements to retirement and disability pension for the benefit of the participant and their widow's, widower's, and orphans' pension for the benefit of their spouse and children.

The retirement pension commences upon reaching the age of 60 and amounts to:

1. For Executive Board members designated by Staatsolie: at retirement 70 percent of the last salary.
2. For other Executive Board members: per year of service, up to a maximum of 28 years of service, 2.5 percent of the last salary.

The pension entitlements are accrued time-proportionately. The disability pension is equal to the potential retirement pension. The widow's/widower's pension is 70 percent of the (potential) retirement pension. Upon termination of employment of a participant who has participated in the scheme for less than 3 years, the contributions paid by the director shall be refunded. As soon as a participant who has participated in the plan for at least 3 years, the director shall be entitled to the pension entitlements accrued up to the date of termination of employment. It is noted that the 5-year period based on the "Wet Pensioenfondsen en Voorzieningsfondsen" should be reduced to one year or less.

Pensions in payment and deferred pensions may be increased in the event of a "general increase in the cost of living". This possibility has not been applied yet. Pensions in payment and deferred pensions shall, in any case, be adjusted annually based on profit sharing based on excess interest, arising from the agreement with the insurance company.

The pension entitlements arising from the plan are insured with Assuria Levensverzekeringen N.V. (Assuria), for which Staatsolie has entered into an agreement with, which provides for profit sharing based on excess interest on assets of Assuria.

The participants and Staatsolie contribute to the financing of this plan. The participants contribute a set percentage of their salary. Other costs of the plan are fully borne by Staatsolie.

The plan asset value for this insured executive pension plan consists of the insurance policy covering participants. As the insurance policy exactly matches the amount and timing of the accrued pension entitlements of the participants, the fair value of the insurance policy has been set at the present value of the related obligations excluding any effects of future salary increases.

x US$ 1,000	2022	2021
Fair value of assets	3,168	4,171

Executive pension plan

2022 changes in the defined benefit obligation and fair value of the plan assets:

x US$ 1,000	**1.1.2022**	Pension cost charged to profit or loss: Service cost	"Net Interest expense"	**"Sub-total included in profit or loss"**	**"Benefits paid"**	Remeasurement gains/(losses) in other comprehensive income: "Return on plan assets (excluding amounts included in net interest expense)"	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	Contribution by employer	Contribution by employee	31.12.2022
Defined benefit obligation	**(5,407)**	(203)	(148)	**(351)**	-	-	-	1,619	201	**1,820**	-	-	**(3,938)**
Fair value of plan assets	**4,171**	-	116	**116**	-	(1,281)	-	-	-	**(1,281)**	135	27	**3,168**
Benefit liability	**(1,236)**	(203)	(32)	**(235)**	-	(1,281)	-	1,619	201	**539**	135	27	**(770)**

Executive pension plan

2021 changes in the defined benefit obligation and fair value of the plan assets:

x US$ 1,000	**1.1.2022**	Pension cost charged to profit or loss: Service cost	"Net Interest expense"	**"Sub-total included in profit or loss"**	**"Benefits paid"**	Remeasurement gains/(losses) in other comprehensive income: "Return on plan assets (excluding amounts included in net interest expense)"	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	Contribution by employer	Contribution by employee	31.12.2022
Defined benefit obligation	**(4,474)**	(174)	(148)	**(322)**	-	-	-	(754)	143	**(611)**	-	-	**(5,407)**
Fair value of plan assets	**3,544**	-	119	**119**	-	355	-	-	-	**355**	126	27	**4,171**
Benefit liability	**(930)**	(174)	(29)	**(203)**	-	355	-	(754)	143	**(256)**	126	27	**(1,236)**

Post-employment Benefits

Retiree Medical Plan
Retired employees of Staatsolie, GOw2 and SPCS whose employment was terminated due to reaching the retirement age after a specified number of years of service, as well as those who are part of their family, shall be entitled to medical care at the expense of the Group. Entitlements shall also be granted to retired employees of Staatsolie whose employment was terminated due to disability with the entitlement to a disability pension, as well as those who are part of their family at that time. There is no requirement for a minimum service.

Pension Gratuity Plan
Staatsolie, SPCS and GOw2 employees are eligible for a gratuity upon retirement. The amount of the gratuity depends on the years of service. Permanent employees whose service until the retirement date is at least 10 years, shall be eligible for the gratuity.

Funeral Grants Plan
In the event of death of a retired employee of Staatsolie, GOw2 and SPCS, whose employment was terminated due to reaching the retirement age after a specified number of service years and in the event of death of their spouse, a funeral grant shall be paid at the expense of the Group. Retired employees whose employment was terminated due to disability with the entitlement to a disability pension, as well as those who are part of their family at that time are also eligible to the funeral grant plan and there is no requirement for a minimum service.

Excedent Gratuity Plan (Supplementary Provision for Board Members)
Board members shall be eligible for an excedent gratuity upon retirement or earlier honorable termination of employment with Staatsolie. The amount of the excedent gratuity shall depend on the number of years of service, including years of service at Staatsolie before the date of appointment as board member, if applicable.

Retiree medical plan Staatsolie

2022 changes in the defined benefit obligation and fair value of the plan assets:

x US$ 1,000	**1.1.2022**	Pension cost charged to profit or loss: Service cost	"Net Interest expense"	**"Sub-total included in profit or loss"**	**"Benefits paid"**	Remeasurement gains/(losses) in other comprehensive income: "Return on plan assets (excluding amounts included in net interest expense)"	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	Contribution by employer	31.12.2022
Defined benefit obligation	**(35,534)**	1,208	1,747	**2,955**	(125)	-	4,419	314	6,500	**11,233**	-	(21,471)
Fair value of plan assets	**8,712**	-	430	**430**	(277)	(116)	-	-	59	**(57)**	135	8,964
Benefit liability	**(26,822)**	1,208	2,177	**3,385**	(402)	(116)	4,419	314	6,559	**11,176**	135	(12,507)

Retiree medical plan Staatsolie

2021 changes in the defined benefit obligation and fair value of the plan assets:

x US$ 1,000	**1.1.2022**	Pension cost charged to profit or loss: Service cost	"Net Interest expense"	**"Sub-total included in profit or loss"**	**"Benefits paid"**	Remeasurement gains/(losses) in other comprehensive income: "Return on plan assets (excluding amounts included in net interest expense)"	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub total included in OCI**	Contribution by employer	31.12.2022
Defined benefit obligation	(19,342)	(639)	(967)	(1,606)	(153)	-	(21,083)	(20)	6,670	**(14,433)**	-	**(35,534)**
Fair value of plan assets	8,066	-	407	407	(240)	(180)	-	-	508	**328**	151	**8,712**
Benefit liability	(11,276)	(639)	(560)	(1,199)	(393)	(180)	(21,083)	(20)	7,178	**(14,105)**	151	**(26,822)**

The plan asset value of the Staatsolie retiree medical plan is provided by the insurance company where the plan assets are incorporated in an annuity insurance policy. The fair value of plan assets is the sum of the surrender value and the estimated excess interest, as shown below:

x US$ 1,000	2022	2021
Surrender value	8,898	8,363
Excess interest	66	126
Fair value of assets	8,964	8,489

Retiree medical plan others

	2022			2021		
x US$ 1	GOw2	SPCS	Total	GOw2	SPCS	Total
Defined benefit obligation as at 1 January	(961,836)	(807,673)	(1,769,509)	(530,830)	(361,397)	(892,227)
Interest cost	(47,217)	(39,842)	(87,059)	(26,463)	(18,185)	(44,648)
Current service cost	(26,871)	(98,962)	(125,833)	(19,034)	(55,124)	(74,158)
Net benefit expense(recognized in P&L)	(74,088)	(138,804)	(212,892)	(45,496)	(73,310)	(118,806)
Benefits paid	-	-	-	10,646	-	10,646
Currency translation	335,653	276,436	612,089	174,673	118,920	293,593
Experience different than assumed	(7,810)	(8,887)	(16,697)	4,322	(6,317)	(1,995)
Changes in assumptions	121,430	114,741	236,171	(575,151)	(485,569)	(1,060,720)
Sub total included in OCI	449,273	382,290	831,563	(396,156)	(372,965)	(769,122)
Defined benefit obligation as at 31 December	**(586,651)**	**(564,187)**	**(1,150,838)**	**(961,836)**	**(807,673)**	**(1,769,509)**

Funeral grant benefits

x US$ 1	2022 Staatsolie	2022 SPCS	2022 GOw2	2022 Total	2021 Staatsolie	2021 SPCS	2021 GOw2	2021 Total
Defined benefit obligation as at 1 January	(1,683,815)	(25,890)	(25,283)	(1,734,988)	(1,334,880)	(21,549)	(25,017)	(1,381,446)
adj Defined benefit obligation at 1 January	(1,683,815)	(34,273)	(31,221)	(1,749,309)	-	-	-	-
Interest cost	(48,511)	(1,004)	(900)	(50,415)	(47,885)	(776)	(899)	(49,560)
Current service cost	(77,001)	(6,134)	(1,856)	(84,991)	(56,554)	(4,775)	(1,954)	(63,283)
Past Service Cost	-	-	-	-	-	-	-	-
Net benefit expense(recognized in P&L)	(125,512)	(7,138)	(2,756)	(135,406)	(104,439)	(5,551)	(2,853)	(112,843)
Benefits paid	7,500	-	-	7,500	16,500	-	-	16,500
Experience different than assumed	11,580	(557)	(439)	10,584	(16,892)	(542)	1,158	(16,276)
Changes in assumptions	876,612	24,394	16,715	917,721	(244,104)	1,752	1,429	(240,923)
Sub total included in OCI	888,192	23,837	16,276	928,305	(260,996)	1,210	2,587	(257,199)
Defined benefit obligation as at 31 December	**(913,635)**	**(17,574)**	**(17,701)**	**(948,910)**	**(1,683,815)**	**(25,890)**	**(25,283)**	**(1,734,988)**

Pension gratuity benefits

x US$ 1	2022 Staatsolie	2022 SPCS	2022 GOw2	2022 Total	2021 Staatsolie	2021 SPCS	2021 GOw2	2021 Total
Defined benefit obligation as at 1 January	(3,825,419)	(59,022)	(80,963)	(3,965,404)	(3,643,011)	(46,479)	(94,548)	(3,784,038)
adj Defined benefit obligation at 1 January	(3,825,419)	(66,167)	(81,964)	(3,973,550)	-	-	-	-
Interest cost	(86,967)	(1,608)	(1,766)	(90,341)	(80,231)	(1,255)	(2,080)	(83,566)
Past service cost	(245,115)	(12,515)	(4,911)	(262,541)	(223,059)	(11,922)	(6,215)	(241,196)
Current service cost	-	-	-	-	-	-	-	-
Net benefit expense(recognized in P&L)	(332,082)	(14,123)	(6,677)	(352,882)	(303,290)	(13,177)	(8,295)	(324,762)
Benefits paid	132,553	-	8,056	140,609	238,407	-		238,407
Experience different than assumed	137,720	1,222	4,322	143,264	76,789	816	22,544	100,149
Changes in assumptions	761,495	21,323	10,617	793,435	(194,314)	(182)	(664)	(195,160)
Sub total included in OCI	899,215	22,545	14,939	936,699	(117,525)	634	21,880	(95,011)
Defined benefit obligation as at 31 December	(3,125,733)	(57,745)	(65,646)	(3,249,124)	(3,825,419)	(59,022)	(80,963)	(3,965,404)

Supplementary provision board members

x US$ 1	2022	2021
Defined benefit obligation as at 1 January	(819,017)	(743,509)
Interest cost	(15,479)	(15,614)
Current service cost	(30,675)	(28,930)
Net benefit expense(recognized in P&L)	(46,154)	(44,544)
Experience different than assumed	27,675	22,650
Changes in assumptions	112,199	(53,614)
Sub total included in OCI	139,874	(30,964)
Defined benefit obligation as at 31 December	**(725,297)**	**(819,017)**

Other Long-term Employee Benefits

Jubilee gratuity plan

Staatsolie, SPCS and GOw2 employees are eligible to receive a jubilee gratuity based on a specified number of service years. The amount of the gratuity depends on the jubilee and varies with the number of service years as stated in the labor agreement.

Jubilee benefits

x US$ 1	2022 Staatsolie	2022 SPCS	2022 GOw2	2022 Total	2021 Staatsolie	2021 SPCS	2021 GOw2	2021 Total
Defined benefit obligation as at January 1	(11,105,225)	(253,962)	(152,516)	(11,511,703)	(10,527,596)	(224,401)	(172,214)	(10,924,211)
adj Defined benefit obligation at 1 january	(11,105,225)	(272,646)	(156,086)	(11,533,957)	-	-	-	-
Interest cost	(243,385)	(6,580)	(3,205)	(253,170)	(232,018)	(6,059)	(3,789)	(241,866)
Past service cost	(931,158)	(32,951)	(14,693)	(978,802)	(915,864)	(32,158)	(18,498)	(966,520)
Current service cost	-	-	-	-	-	-	-	-
Net benefit expense(recognized in P&L)	(1,174,543)	(39,531)	(17,898)	(1,231,972)	(1,147,882)	(38,217)	(22,287)	(1,208,386)
Benefits paid	1,094,736	3,679	28,769	1,127,184	986,214	-	-	986,214
Experience different than assumed	354,662	4,490	7,684	366,836	(484,437)	(5,644)	37,278	(452,803)
Changes in assumptions	1,855,864	62,443	23,813	1,942,120	68,476	14,300	4,707	87,483
Sub total included in OCI	2,210,526	66,933	31,497	2,308,956	(415,961)	8,656	41,985	(365,320)
Defined benefit obligation as at 31 December	(8,974,506)	(241,565)	(113,718)	(9,329,789)	(11,105,225)	(253,962)	(152,516)	(11,511,703)

Additional holiday allowances
Staatsolie, SPCS and GOw2 employees are eligible for an additional holiday allowance for a set number of months of salary based on their years of service as stated in the labor agreement.

Additional holiday allowance	2022				2021			
x US$ 1	Staatsolie	SPCS	GOw2	Total	Staatsolie	SPCS	GOw2	Total
Defined benefit obligation as at January 1	(3,166,514)	(136,110)	(61,871)	(3,364,495)	(3,137,034)	(116,831)	(33,477)	(3,287,342)
adj Defined benefit obligation at 1 january	(3,166,514)	(137,240)	(62,474)	(3,366,228)	-	-	-	-
Interest cost	(19,646)	(1,433)	(600)	(21,679)	(15,649)	(761)	(335)	(16,745)
Past service cost	(1,561,770)	(71,488)	(36,113)	(1,669,371)	(1,537,673)	(74,645)	(45,412)	(1,657,730)
Current service cost	(1,581,416)	(72,921)	(36,713)	(1,691,050)	(1,553,322)	(75,406)	(45,747)	(1,674,475)
Net benefit expense(recognized in P&L)								
Benefits paid	1,776,950	13,486	-	1,790,436	1,878,481	42,168	-	1,920,649
Experience different than assumed	(219,009)	6,064	9,217	(203,728)	(369,773)	11,779	16,957	(341,037)
Changes in assumptions	145,451	8,786	3,000	157,237	15,134	2,180	396	17,710
Sub total included in OCI	(73,558)	14,850	12,217	(46,491)	(354,639)	13,959	17,353	(323,327)
Defined benefit obligation as at 31 December	(3,044,538)	(181,825)	(86,970)	(3,313,333)	(3,166,514)	(136,110)	(61,871)	(3,364,495)

The significant assumptions used in determining pension, post-employment healthcare and other long-term employee benefit obligations for the Group’s plans are shown below:

	2022	2021
	%	%
Discount rate:		
Staatsolie employee pension plan	5.0%	2.8%
Staatsolie retiree medical plan	11.0%	10.0%
Staatsolie funeral grant plan for retirees	5.1%	2.9%
Staatsolie pension gratuity	4.9%	2.4%
Staatsolie jubilee benefits	4.9%	2.3%
Staatsolie periodic additional holiday allowance	4.9%	0.9%
Executive pension plan	5.0%	2.7%
Supplementary Provision Board members	4.6%	1.9%
GOw2 employee pension plan	5.0%	2.9%
GOw2 retiree medical plan	11.0%	10.0%
GOw2 funeral grant plan for retirees	5.1%	3.7%
GOw2 jubilee benefits	4.9%	2.6%
GOw2 Pension gratuity	5.0%	2.5%
GOw2 periodic additional holiday allowance	4.8%	1.5%
SPCS employee pension plan	5.1%	2.9%
SPCS retiree medical plan	11.0%	10.0%
SPCS funeral grant plan for retirees	5.0%	3.7%
SPCS pension gratuity	5.1%	3.5%
SPCS jubilee benefits	4.9%	3.1%
SPCS periodic additional holiday allowance	4.7%	1.5%

	2022	2021
	%	%
Future consumer price index increases:		
Staatsolie Executive pension plan	3.0%	3.0%
Staatsolie, SPCS & GOw2 employee pension plan	3.0%	3.0%
Staatsolie, SPCS & GOw2 retiree medical plan	25.0%	32.0%
Staatsolie ,SPCS & GOw2 funeral grant plan for retirees	0.0%	3.0%
Staatsolie, SPCS & GOw2 jubilee benefits	3.0%	3.0%
Staatsolie, SPCS & GOw2 pension gratuity	3.0%	3.0%
Staatsolie, SPCS & GOw2 periodic additional holiday allowance	3.0%	3.0%
Supplementary Provision Board members	3.0%	3.0%
Future salary increases:		
Staatsolie employee pension plan & Executive pension plan	4.0%	4.0%
Staatsolie, SPCS & GOw2 jubilee benefits	4.0%	4.0%
Staatsolie, SPCS & GOw2 pension gratuity	4.0%	4.0%
Staatsolie, SPCS & GOw2 periodic additional holiday allowance	4.0%	4.0%
Supplementary Provision Board members	4.0%	4.0%
Healthcare cost increase rate:		
Staatsolie, SPCS & GOw2 retiree medical plan	27.0%	34.0%
Life expectation for retirees at the age of 60:	**Years**	**Years**
Staatsolie, SPCS & GOw2 employee pension plan & Executive pension plan		
Male	18.4	18.4
Female	21.0	21.0
Post-employment healthcare & other long-term benefit plans		
Male	18.4	18.4
Female	21.0	21.0

The average duration of the various employee benefit obligations at the end of the reporting periods is presented below:

	2022	2021
	%	%
Weighted average life of the plans:		
Staatsolie employee pension plan	17	20
Staatsolie retiree medical plan	21	21
Staatsolie funeral grant plan for retirees	28	28
Staatsolie pension gratuity	9	11
Staatsolie jubilee benefits	8	9
Staatsolie periodic additional holiday allowance	2	2
Executive pension plan	15	18
Supplementary Provision Board members	6	7
GOw2 employee pension plan	20	24
GOw2 retiree medical plan	17	18
GOw2 funeral grant plan for retirees	24	27
GOw2 pension gratuity	6	7
GOw2 jubilee benefits	8	8
GOw2 periodic additional holiday allowance	2	3
SPCS employee pension plan	25	29
SPCS retiree medical plan	29	30
SPCS funeral grant plan for retirees	35	38
SPCS pension gratuity	15	17
SPCS jubilee benefits	10	12
SPCS periodic additional holiday allowance	2	3

A quantitative sensitivity analysis for significant assumptions on the pension, post-employment healthcare and other long-term employee benefits as at 31 December 2022 and 2021 is shown below. The sensitivity analyses are presented in US$.

Staatsolie employee pension plan

The effect of a 1 percentage point change in the assumed discount rate, the assumed salary increases and the pension adjustment on the defined benefit obligation are:

Assumptions	Pension adjustment		Discount rate		Future salary increases	
Sensitivity level	1% Decrease	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	18,278,797	(15,438,789)	(20,545,467)	26,004,403	8,127,173	(7,139,878)
2021	29,895,579	(24,807,579)	(34,946,387)	45,846,227	14,907,930	(12,935,014)

SPCS employee pension plan

The effect of a 1 percentage point change in the assumed discount rate, the assumed salary increases and the pension adjustment on the defined benefit obligation are:

Assumptions	Pension adjustment		Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	247,527	(206,268)	(385,968)	515,654	256,528	(220,404)
2021 update	422,963	(345,744)	(650,532)	903,178	430,174	(364,138)

GOw2 employee pension plan

The effect of a 1 percentage point change in the assumed discount rate, the assumed salary increases and the pension adjustment on the defined benefit obligation are:

Assumptions	Pension adjustment		Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	106,257	(89,017)	(137,006)	178,744	71,797	(61,631)
2021 Adjusted	159,091	(131,736)	(219,746)	297,195	125,429	(106,704)

Executive pension plan

The effect of a 1 percentage point change in the assumed discount rate and the assumed salary increases on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(515,192)	625,640	221,829	(209,411)
2021	(829,847)	1,035,158	364,066	(340,566)

Staatsolie medical retiree plan

The effect of a 1 percentage point change in the assumed discount rate and assumed medical cost inflation on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(3,581,857)	4,683,193	4,415,166	(3,461,593)
2021	(6,020,555)	7,870,555	7,350,414	(5,770,367)

GOw2 medical retiree plan

The effect of a 1 percentage point change in the assumed discount rate and assumed medical cost inflation on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(81,965)	104,332	97,654	(78,558)
2021	(137,854)	175,461	162,492	(130,877)

SPCS medical retiree plan

The effect of a 1 percentage point change in the assumed discount rate and assumed medical cost inflation on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(129,349)	177,389	168,937	(126,527)
2021	(190,396)	262,797	248,655	(185,295)

Staatsolie funeral grant plan

The effect of a 1 percentage point change in the assumed discount rate and assumed funeral grant increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(178,488)	240,684	190,071	(147,727)
2021	(384,983)	540,332	512,189	(375,114)

SPCS funeral grant plan

The effect of a 1 percentage point change in the assumed discount rate and assumed funeral grant increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(4,795)	6,965	5,889	(4,282)
2021	(10,421)	15,772	15,095	(10,263)

GOw2 funeral grant plan

The effect of a 1 percentage point change in the assumed discount rate and assumed funeral grant increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(3,417)	4,588	3,611	(2,817)
2021	(5,490)	7,579	7,237	(5,375)

Staatsolie pension gratuity plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(237,459)	274,982	290,981	(255,409)
2021	(351,652)	414,647	423,917	(366,606)

SPCS pension gratuity plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(6,986)	8,275	8,596	(7,358)
2021	(9,429)	11,407	11,511	(9,682)

GOw2 pension gratuity plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(3,056)	3,527	3,856	(3,411)
2021	(4,965)	5,791	6,051	(5,305)

Staatsolie jubilee plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(577,045)	655,920	701,105	(627,190)
2021	(819,331)	945,110	976,794	(863,807)

SPCS jubilee plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(20,363)	23,222	24,459	(21,772)
2021	(27,234)	31,595	32,218	(28,278)

GOw2 jubilee plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(7,259)	8,236	8,809	(7,894)
2021	(10,350)	11,890	12,363	(10,984)

Staatsolie periodic additional holiday allowance plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(34,118)	35,018	49,737	(49,228)
2021	(39,141)	n/a	54,031	(53,415)

SPCS periodic additional holiday allowance plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(2,275)	2,347	3,224	(3,177)
2021	(2,787)	2,891	3,453	(3,385)

GOw2 periodic additional holiday allowance plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(740)	758	1,177	(1,168)
2021	(1,110)	n/a	1,405	(1,385)

Supplementary provision board members plan

The effect of a 1 percentage point change in the assumed discount rate and assumed salary increase on the defined benefit obligation are:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
2022	(35,563)	38,284	41,805	(39,427)
2021	(49,942)	54,391	56,892	(53,134)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan (Staatsolie employee pension plan) in future years:

x US$ 1,000	2022	2021
Within the next 12 months (next annual reporting period)	6,405	6,393
Between 2 and 5 years	34,693	29,081
Between 5 and 10 years	42,209	43,392
Beyond 10 years	74,886	64,652
Total expected payments	**158,193**	**143,518**

The following payments are expected contributions to the defined benefit plan (SPCS employee pension plan) in future years:

x US$ 1,000	2022	2021
Within the next 12 months (next annual reporting period)	292	281
Between 2 and 5 years	1,290	1,240
Between 5 and 10 years	1,924	1,850
Beyond 10 years	8,655	9,849
Total expected payments	**12,161**	**13,220**

The following payments are expected contributions to the defined benefit plan (GOw2 employee pension plan) in future years:

x US$ 1,000	2022	2021
Within the next 12 months (next annual reporting period)	99	105
Between 2 and 5 years	439	464
Between 5 and 10 years	655	693
Beyond 10 years	1,766	2,338
Total expected payments	**2,959**	**3,600**

The following payments are expected contributions to the defined benefit plan (executive pension plan) in future years:

x US$ 1,000	2022	2021
Within the next 12 months (next annual reporting period)	140	131
Between 2 and 5 years	619	580
Between 5 and 10 years	924	865
Beyond 10 years	1,913	1,534
Total expected payments	**3,596**	**3,110**

4.11 Impairment Testing of other Non-current Assets

The Group has assessed the recoverable amount of its cash-generating unit as per the methodology described in the summary of significant accounting policies (Section 2.3) and the scenario consistent with its view of developing the oil reserves in the current fields in the coming years, investment strategy and future prices.
Management considered the development in crude oil prices, oil construction and development activities around the world in 2015 through 2022. As of 31 December2022, there appears to be more steadiness regarding above factors. Management concluded that there were no indicators for an impairment of its two CGUs (three oil fields and the refinery).

However, for the Other property plant and equipment's (Thermal Powerplant) there was an impairment recognized. The factors considered for the impairment are the lower thermal prices realized in the past years and in 2022 due to price discounts.
The main assumptions are described below:

a) Future price development

For the thermal plant, fuel oil is a major input to generate electricity. The group reviewed its expectations of future oil prices. For the impairment assessment of the long-lived assets of the thermal plant, the long term Pira reference prices NYH 1 percent was used:

US$/bbl	2023-2047	2023	2024	2025	2026	2027	2028	2029	2030- 2047
Fuel oil	68.8	75.0	72.8	72.3	64.6	56.9	57.2	57.2	70.2

b) Discount rates

The post-tax discount rate of 10.52 percent used by the group is the weighted average cost of capital (WACC) after tax. This rate seeks to reflect current market assessments regarding the time value of money and the specific risks of the business. Therefore, the discount rate used, consists of the risk-free rate, the country risk, the currency in which the cash flows are generated and the market, credit and business risk. The WACC consists of both debt (53 percent) and equity (47 percent). Applying a pre-tax WACC discount rate of 13.47 percent to the cashflow projections provides the same result.

Impairment recognized

In 2022 impairment charges have been recognized for the Group's assets in the statement of financial position:

x US$ 1,000	
Other property plant and equipment's	24,465
	24,465

Other property plant and equipment

Total impairment losses of US$ 24,465 were recognized in respect of other property plant and equipment (Thermal Powerplant). The triggers for the impairment tests of these properties were primarily the effect of adjustments in the assumptions for electricity prices and volumes. The recoverable amount was based on management's estimate of Fair value less costs to dispose.

a) Impairment reversal 2021

In 2021 the impairment of 2020 was reversed for the Group's assets in the statement of financial position:

x US$ 1,000	
Oil, Exploration and producing properties	6,444
Refining properties	9,224
Other property plant and equipment's	206
	15,874

Oil, Exploration and producing properties

The total reversal of the 2020 impairment losses of US$ 6,444 was recognized in respect of Oil, exploration and producing properties. The triggers for the reversal of the impairment losses of 2020 for the oil producing properties were primarily the effect of the increase in future oil prices. The future oil prices are expected to be realized. In addition, triggers arose from increased efficiency in producing hydrocarbons from the oil fields resulting in reduced operating expenses. The recoverable amount was based on management's estimate of fair value less costs to dispose.

Refining properties

The total reversal of the 2020 impairment losses of US$ 9,224 was recognized in respect of refinery properties. The triggers for the reversal of the impairment losses of 2020 for the refinery properties were primarily the effect of the increase in future oil prices that are expected to be realized, increased uptime of the refinery operations and several initiatives in reducing operating expenses. The recoverable amount was based on management's estimate of fair value less costs to dispose.

Other property plant and equipment

The total reversal of the 2020 impairment losses of US$ 206 was recognized in respect of other property plant and equipment. The triggers for the reversal of the impairment losses of 2020 of these properties were primarily the effect of the increase in future oil prices. The recoverable amount was based on management's estimate of fair value less costs to dispose.

4.12 Discontinued Operations

Ventrin Petroleum Company Limited ("Ventrin") was a limited liability company incorporated in the Republic of Trinidad and Tobago on 7 June 1995. Ventrin was 100 percent owned by Staatsolie Maatschappij Suriname N.V. ("Staatsolie"). Ventrin was engaged in bunkering activities, under an official bunkering license received in June 2009, supplying fuel and gas oil to ocean-going vessels.

In 2021, the Staatsolie Supervisory Board provided approval for Staatsolie' s management to start the process of sale for Ventrin.
The sale of Ventrin Limited was expected to be completed within a year from the reporting date. Therefore, at 31 December 2021, Ventrin was classified as a disposal group held for sale and as a discontinued operation.

In October 2022, the sale of Ventrin Limited was completed for an amount of US$ 1,619.
The amount was received in full and the result of this sale is recorded in the statement of profit or loss under other income (Section 3.2)
Hence as per this date, Ventrin is no longer carried in the consolidated financial statements of Staatsolie.

The results of Ventrin for the year are presented below:

x US$ 1,000	2022	2021
Sales	-	259
Cost of Sales	-	(218)
Gross Profit	-	41
Other Income	-	2
Operating expenses	-	(807)
Administrative expenses	-	(777)
Selling and marketing expenses	-	(25)
Operating loss	-	(1,566)
Finance costs - net	-	8
Impairment loss recognised on the remeasurement to fair value less costs to sell	-	(583)
Loss before Taxation	-	(2,141)
Taxation	-	(2)
Loss for the year from discontinued operations	**-**	**(2,143)**

The major classes of assets and liabilities of Ventrin classified as held for sale as at December 31 are, as follows:

x US$ 1,000	2022	2021
Assets		
Plant and Equipment	-	1,598
Right-Of-Use Leases	-	211
Inventory	-	131
Trade and other receivables		349
Cash and cash equivalents	-	34
Assets held for sale	-	2,323
Liabilities		
Lease Liability-Long Term	-	200
Current portion of borrowings from parent company	-	270
Lease Liability-Short Term	-	40
Trade and other payables	-	233
Liabilities directly associated with assets held for sale	-	743
Net assets directly associated with disposal group	-	**1,580**
Amount included in equity		
Share capital	-	13,339
Accumulated losses	-	(11,759)
Reserve of disposal group classified as held for sale	-	**1,580**

The net cash flows incurred by Ventrin are, as follows:

x US$ 1,000	2022	2021
Operating	-	(676)
Investing	-	(18)
Financing	-	270
Net cash (outflow)	-	(424)

	2022	2021
Earnings per share		
Basic, loss for the year from discontinued operations	-	(0.43)
Diluted, loss for the year from discontinued operations	-	(0.43)

4.13 Capital Commitments and Other Contingencies

Other contractual obligations / commitments

x US$ 1,000	2022	2021
Within one year	21,999	6,980
After one year but not more than five years	10,514	11,371
	32,513	18,351

x US$ 1,000	2022	2021
Within one year	168,764	7,574
After one year but not more than five years	44,859	35,793
More than five years	130	-
	213,753	43,367

Sales contractual obligations

The Group has the following obligations as at December 31:

Legal Claim Contingency

The Group currently still has legal claims amounting to US$ 5,018 (2021: US$ 5,018) (inclusive of interest and judicially imposed penalties) relating to restoration and repair of the water management system in Saramacca.
In July 2021, a judge ruled in summary proceedings and the claim of the other party was rejected. However, this case proceedings will also be continued in proceedings on the merits. As in the summary proceedings, the claim remains the same as 2021.
Based on legal advice obtained, management is of the view that the Group is in a strong and defendable position and that no provision is required.

Staatsolie, as the previous parent company, has a Letter of Guarantee with First Caribbean International Bank (FCIB) Trinidad via Curacao with regard to one of the Company's customs bonds (C67) for US$ 155,000. This was a requirement of the Customs and Excise office. These are of a continuing nature, subject to cancellation of the Comptroller of Customs and Excise. Since the sale of Ventrin in late 2022, this guarantee shall now be borne by the new owner. This process is in progress.

Section 5. Capital and Debt Structure

5.1 Issued Capital and Reserves

The authorized share capital of Staatsolie as the parent of the Group amounts to US$ 12,104 as at 31 December 2022 and is divided into 5 million shares. The earnings per share for continuing operations were US$ 57.93 (2021: US$ 26.17). During the year, the authorized share capital remained unchanged.

Issued capital is as follows:

x US$ 1,000	2022	2021
Ordinary share capital		
5,000,000 ordinary shares	12,104	12,104

Reserve for Environment Risk

The environmental risk reserve is a reserve taken against environmental risk claims based on damages which may result from an environmental disaster in the execution of ocean freight cargo deliveries. In addition, damages to the environment due to onshore well operations are also appropriated for in this reserve. Based on historical information and experience, the Group believes that an annual addition of US$ 500 is sufficient, which is decided by the board of directors.

Non-Distributable Reserve Hydro dam

The Non- Distributable Reserve Hydro dam represents equity arising from the transfer of the Afobaka Hydro-dam to SPCS from the Government of Suriname (GoS).
As of January 01, 2020, the GoS acquired the Afobaka Dam at no cost and transferred the ownership to SPCS. The produced electricity is sold and delivered to the GoS. The existing Power Purchase Agreement (PPA) between SPCS and the GoS has been amended and is still under review by the GoS.
Since the hydro dam was transferred at no cost from the GoS, this transfer was ultimately treated as a Capital contribution for the amount US$ 16,398.

5.2 Capital Management

For the purpose of the Staatsolie' s capital management, capital includes issued capital and all other equity reserves attributable to the equity holders. The main objective of the capital management of Staatsolie is to ensure a financial structure that optimizes the cost of capital, maximizes the performance of its shareholder and allows access to financial markets at a competitive cost to cover its financing needs that supports sustainable growth and ensuring healthy capital ratios to be in compliance with the financial covenants to support the business.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to its interest-bearing loans and borrowings that form part of its capital structure requirements. Breaches in the financial covenants would permit the lenders to immediately call interest-bearing loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current or prior period.

The main financial covenants monitored by the Group are:

- The interest coverage ratio which is calculated by dividing the adjusted consolidated EBITDA by the financial expenses and income. For 2022 this ratio was 11.68 (2021 restated: 8.60); the minimum permitted is 3.50.
- The PV 10 ratio and the Petroleum PV 10 ratio were introduced with the refinancing in May 2018. "PV10" means the Net Present Value of the future net revenues and the calculated ratio (including Gold participations) for 2022 was 3.93 (2021:1.57); the minimum permitted is 1.30.
- "Petroleum PV10" means the Net Present Value of the future net revenues with respect to the hydrocarbon IP reserves only, as evidenced in the most recent petroleum reserve report. In 2022 the calculated ratio 3.47; the minimum permitted is 1.00. During the most recent refinancing round in 2022, this ratio was removed and is no longer applicable.
- The leverage ratio is calculated by dividing the total debt by the adjusted consolidated EBITDA. For 2022 this ratio is 0.88 (2021 restated:1.58); the maximum permitted is 3.00 for 2022.

5.3 Financial Instruments

Interest-bearing Loans and Borrowings

Bond 2020-2025

x US$ 1,000	Maturity	2022	2021
Local Bond	Sep-25	60,283	60,148
Non-current portion of the Bond		60,283	60,148

Bond 2020-2027

x US$ 1,000	Maturity	2022	2021
Local Bond	Mar-27	133,295	133,060
Non- current portion of the Bond		133,295	133,060
Total non-current portion of the Bonds		193,578	193,208

Revolver

x US$ 1,000	Maturity	2022	2021
Revolver Loan	Jan-28	6,000	6,000
Non- current portion of the loan		6,000	6,000

Term Loan

x US$ 1,000	Maturity	2022	2021
Corporate term loan	Jan-28	343,102	440,311
Current portion of the loan		48,837	97,856
Non-current portion of the loan		294,265	342,455

Other Long Term Liabilites

x US$ 1,000	Maturity	2022	2021
Loan-Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.*	2023	26,508	26,508

Other Long Term Liabilites

x US$ 1,000	Maturity	2022	2021
Other Long term liability-Pikin Saramacca	2025	9,156	10,017

**Refer to paragraph 6.4*

Local Bond

On 23 March 23, 2020, Staatsolie issued its third bond. The bonds are for the period 2020-2025 with an annual interest rate of 7 percent and for the period 2020- 2027 for an annual interest rate of 7.5 percent.
More than 83 percent of those bondholders re-invested and renewed their commitment to the Company. The total amount raised was US$ 195,067, an oversubscription of US$ 45,067.

As at 31 December 2022, unamortized debt arrangement fees for the third issued bond is included in the carrying value. The amortization of debt arrangement fees for 2022 is presented under finance cost in the consolidated statement of profit or loss.

Term Loan

Corporate Term Loan

In 2018, Staatsolie closed on a US$ 625,000 term loan, an uncommitted revolving loan of US$ 35,000 and the option for an accordion of US$ 50,000 given certain conditions. Repayment of the term loan was planned for 23 quarterly installments, to commence in the fourth quarter of 2019.

On 31 March 2022 Staatsolie and a consortium of banks led by the Credit Suisse amended the loan agreement for the existing loan of US$ 422,480 This loan agreement is recorded under the name “Sixth amended and restated credit agreement” and replaces the loan agreement under the name “Fifth amended and restated credit agreement’ of 21 July 2020”.

Under this new loan agreement, the following is agreed on:

- Principal payments are deferred, and the repayment schedule is modified in terms of installments compared to the old loan agreement.
- Loan Maturity is now set for 2028.
- Prepayment is allowed of total US$ 12.5 million instead of US$ 25 million previously; Staatsolie made the first payment on 25 July 2022.
- The interest rate increased from 5.25 percent p/a to 5.50 percent p/a.
- LIBOR has been replaced by SOFR & CAS. CAS is fixed at 0.262 percent and SOFR at commencement of the new agreement was 0.302 percent. SOFR will be updated quarterly based on postings of the CME Group Benchmark Administration. At the beginning of every payment cycle the SOFR rate is locked in for the next payment.
- A cash sweep mechanism was introduced for additional repayments and building of the CAPEX reserve account. These amounts are calculated at the end of each quarter starting Q2 2022.

The outstanding loan amount as of 31 December 2022, amounted to US$ 353,150 (2021: US$ 449,580).

As at 31 December 2022, unamortized debt arrangement fees are included in the carrying value. The amortization of debt arrangement fees for 2022 is presented under finance cost in the consolidated statement of profit or loss.

10 Percent Test Loan Modification or Loan Extinguishment

On 31 March 2022 Staatsolie and a consortium of banks led by Credit Suisse amended the loan agreement for the existing loan of US$ 422 million. This loan agreement is recorded under the name “sixth amended and restated credit agreement” and it replaced the prior loan agreement.
The loan agreement with Credit Suisse was reviewed to assess whether it was subject to modification or extinguishment accounting, based on the 10 percent test, as required by IFRS 9 Financial Instruments. Based on the test, it was concluded that the loan was not substantially modified since the outcome was below the hurdle rate of 10 percent. As a result of the 10 percent test, the fair value of term loan was valued at US$ 416.6 million and US$ 5.0 million was recorded as an interest gain.

Revolver

In March 2020, Staatsolie obtained a revolver loan of US$ 6,000. This was used for working capital purposes.

Other Long-Term Liabilities

x US$ 1,000	2022	2021
Financial liability - Loan from Pension Fund	-	26,508
Other Long term liability - Pikin Saramacca	9,156	10,017
Committee of sports facilities	-	1,004
Other Long term liability - provision for wage tax	-	1,429
	9,156	38,958

Loan from Pension Fund

In November 2019, Staatsolie entered in a private agreement with the Staatsolie Pension fund (Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.) for the sale of a plot of land known as “Bruynzeel terrein”, including the option to buy back within 5 years from the date of sale at an agreed amount of US$ 26.5 million. On an annual basis Staatsolie will pay the pension fund a fixed fee as a guarantee for the right to repurchase the land. The fee will be paid bi-annually. If Staatsolie does not exercise the right to repurchase, the legal transfer to the Pension fund will become effective.
Staatsolie plans to exercise the option to buy back this plot of land in 2023. Hence the balance of US$ 26.5 million as per 31 December 2022, was reclassed from the non-current to current liabilities: Accruals and other liabilities.

Other Long-term Liability - Pikin Saramacca

For its acquisition of a 30 percent participating interest into an Unincorporated Joint Venture (UJV) Pikin Saramacca on April 2020 with Rosebel Gold Mines N.V., Staatsolie agreed upon an initial contribution of US$ 54.8 million, of which US$ 34 million was paid in cash and the remaining US$ 20.8 million to be settled with Staatsolie’ s Gold Entitlement in accordance with the terms of the Second Amendment and the UJV Agreement.

On 31 December 2021 Staatsolie recorded a Liability towards Rosebel Gold Mines N.V. of US$ 10.02 million. Based on the business plan 2022 and the 5-year outlook the Rosebel Gold Mines N.V Liability per Statement of Financial Position 31 December 2021 was designated as Long-Term.

On 31 December 2022, the Liability towards Rosebel Gold Mines N.V. is recorded by Staatsolie at US$ 9.15 million. According to the most recent business plan 2023 and 5-year outlook for the UJV Operations it is projected that the outstanding Rosebel Gold Mines N.V’s liability will increase by the end of 2023 to approximately US$ 17 million, and that the liability will be settled in full in 2025. Based hereon, this liability per Statement of Financial Position date 31 December 2022 will remain designated as Long-Term.

Committee of Sports Facilities

As decided by the shareholder, a portion of the profit attributable to the shareholder is retained in a Sport Fund to support corporate social responsibility in sports. On behalf of the sole shareholder, the GoS, a committee “Sport Development Fund” was established in April 2013 to conform to governance principles. The committee, comprised of representatives from the GoS and Staatsolie, provides guidelines for submission of proposals, approves, and monitors the allocation of funds. Every year, the shareholder decides how much to withdraw from this reserve. As of 2022 this reserve is presented in the provisions (Section 4.7) of the statement of financial position and not as in the prior year as part of other long-term liabilities.

Fair Value

The initial recognition of the loans and bonds is at fair value while the subsequent measurement is at amortized cost, assuming the contractual interest rate equals the effective interest rate. The local financial market consists of traditional bank loans for business and is not capable to provide for the capital needed for Staatsolie’ s growth strategy. Staatsolie’s finance structure comprises financing by a consortium of international banks.

Staatsolie uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the uses of relevant inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the consolidated financial statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, Staatsolie determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Risk Management Objectives and Policies

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: commodity price risk, interest rate risk and foreign currency risk. Financial instruments affected by market risk include loans and borrowings, deposits, trade receivables, trade payables and accrued liabilities.

Market risks due to interest rate (SOFR) risk, plus a CAS factor of 0.2626 percent have been accepted and is evaluated and managed as part of the portfolio risk management policies. In addition, Staatsolie monitors a desired ratio for its available cash in US$ to fulfill its foreign currency business obligations. Furthermore, Staatsolie accepts the risks of price fluctuations of oil products, while takes into account a conservative low price for its work program and yearly budget.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

x US$ 1,000	Increase / decrease in basis points	"Effect on profit before tax Corporate term loan"
2022		
US dollar	+60	(2,119)
	-60	2,119
2021		
US dollar	+60	(2,697)
	-60	2,697

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities of subsidiary GOw2 (as revenues and expenses are denominated in a foreign currency).

The Group manages trade transactions by offsetting local payments and local receivables in SRD creating a natural hedge for the SRD transactions.

The following table demonstrates the sensitivity to a reasonably possible change in US$ and SRD exchange rates with other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of the non- designated foreign currency derivatives.

Sensitivity analysis:

x US$ 1,000	Change in US$ rate	Effect on profit before tax
2022	47%	594
	-47%	(594)
2021	48%	907
	-48%	(907)

Commodity Price Risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of oil products it produces. The Group's policy is to manage these risks through the use of contract-based prices with customers. As mentioned in the market risk section above, Staatsolie takes a conservative low-price approach for its work program and budget.

The analysis is based on the assumption that changes in the crude oil price result in a change of 10 percent in the sale prices of the oil products, with all other variables held constant. Reasonably possible movements in commodity prices were determined based on a review of the last two years' historical prices and economic forecasters' expectations.

x US$ 1,000		
Increase /(decrease) in crude oil prices	"Effect on profit before tax for the year ended December 31st, 2022 increase/(decrease)"	"Effect on profit before tax for the year ended December 31st, 2021 increase/(decrease)"
+10%	72,067	44,462
-10%	(72,067)	(44,462)

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group manages its liquidity risk based on reporting covenants, encompassing sensitivity analysis for production and conservative price assumptions, and restrained capital expenditures. Furthermore, optional debt is available within the credit agreement in accordance with the debt basket. Cash in excess is being managed by the corporate treasury department through "intercompany cash pooling" agreements between Staatsolie and its subsidiaries.

The table below summarizes the maturity profile of the Group's financial liabilities as at December 31:

x US$ 1000	1 year	2 to 4 years	> 4 years	Total
2022				
Bond, revolver and term loans	103,700	289,280	197,782	590,762
Other Long term liability - Pikin Saramacca	1,325	27,833	-	29,158
Loan from Staatsolie Pension fund (Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.)	27,833	-	-	27,833
Trade payables	81,990	-	-	81,990
Accruals and other liabilities	71,959	-	-	71,959
Lease liabilities	1,277	1,189	-	2,466
2021				
Bond, revolver and term loans	130,378	470,520	144,358	745,256
Other Long term liability - Pikin Saramacca	359	718	-	1,077
Loan from Staatsolie Pension fund (Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.)	1,325	30,484		31,809
Trade payables	84,981	-	-	84,981
Accruals and other liabilities	31,850	-	-	31,850
Lease liabilities	1,687	1,387	-	3,074

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument leading to a financial loss.

The Group trades with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position. In addition, receivable balances are monitored on an on-going basis and GoS receivables are settled with GoS payables. Section 6.2 shows an analysis of the trade receivable ageing.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash, short-term investments and short-term deposits including restricted cash, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Cash, short-term investments and short-term deposits, investments and restricted cash are placed with reputable financial institutions.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of the financial assets disclosed in section 6.2 as shown below:

x US$ 1,000	2022	2021
Trade receivables	123,086	110,508
Prepayments and other current assets	13,947	14,037
Short-term investments	912	1,326
Cash and short-term deposits	153,022	66,838
Restricted cash	118,421	37,427
	409,388	230,136

Fair values

Set out below is a comparison of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

x US$ 1,000	Carrying amount		Fair value	
	2022	**2021**	**2022**	**2021**
Financial Liabilities				
Local Bond 2020-2025	60,283	60,148	60,781	60,781
Local Bond 2020-2027	133,295	133,060	134,287	134,287
Revolver	6,000	6,000	6,000	6,000
Corporate term loan	343,102	440,311	343,102	440,311
Other Long term liability - Pikin Saramacca	9,156	10,017	9,156	10,017
Loan from Stichting Pensionfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.	26,508	26,508	26,508	26,508
Total	578,344	676,044	579,834	677,904

The fair values of the financial liabilities are included at the amount of which the instrument could be exchanged at the reporting date between willing parties, other than in a forced or liquidation sale. The fair values of the financial liabilities are determined based on price quotations at the respective reporting dates. The financial assets of the Group approximate fair value and are therefore excluded from the table above.

- *Local Bond*: The fair value at each reporting date was obtained from the officially published numbers from the Dutch Caribbean Stock Exchange (DCSX).
- *Revolver:* the fair value of the Revolver equals the carrying value.
- *Corporate term loan*: IFRS 9 Recognition modification was applied for the fair value of the term Loan.
- Other Long-term liability - Pikin Saramacca: the fair value of this loan equals the carrying value.
- *Loan from Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.:* The fair value of the Pension fund loan equals the carrying value.

Financial Assets

Financial assets at fair value through OCI

The Group has short-term investments in locally listed equity securities of local companies. The fair value of the quoted equity shares is determined by reference to published price quotations in an active market.

x US$ 1,000	2022	2021
Financial assets at fair value through OCI:		
Quoted equity shares	**912**	1,326
Total	912	1,326

Section 6. Working Capital

This section provides additional information that the directors consider is most relevant in understanding the composition and management of the Group's working capital:

- Cash and short-term deposits (Section 6.1)
- Trade and other receivables (Section 6.2)
- Inventories (Section 6.3)
- Trade payables, accruals and other liabilities (Section 6.4)

6.1 Cash and Short–term Deposits

x US$ 1,000	2022	2021
Cash at banks and on hand	153,022	66,838
Total	153,022	66,838

Cash at banks earns interest at floating rates based on daily interest rates. Short-term deposits are made for varying periods of three months, which are rolled over, and earn interest at the respective short-term deposit rates.

For the consolidated statement of cash flows, cash and cash equivalents comprise the following:

x US$ 1,000	2022	2021
Cash at banks and on hand	153,022	66,838
Cash at banks attributable to discontinued operations	-	34
Cash and short -term deposits	153,022	66,872
Cash and cash equivalents	153,022	66,872

Restricted cash is US$ 118,421 as at 31 December 2022 (31 December 2021: US$ 37,427) of which US$110,011 (31 December 2021: US$ 29,017) is current.
Restricted cash relates to:

- DPA - The amount of US$ 21,545 per 31 December 2022, was 3/3 of the total amount of debt service (amortization and interest) due to the banks, as of January 2023;
- Collateral with reference to Staatsolie' s long term loans and funding for interest and loan (re)payment amounting to US$ 8,255 (2021: US$ 8,255);
- Balance to be collected bondholders 2015-2020 US$ 514 (2021: US$ 800).
- DSRA account held for new bond launched in March 2020 US$ 3,584;
- Corporate parent guarantees of Staatsolie to secure Ventrin' s operational activities are US$ 155 (2021: US$ 155);
- Cash collateral for Staatsolie' s 25 percent share of the Letter of Credit for reclamation cost for Newmont Suriname US$ 7,639 (2021: US$ 2,908);
- Bank guarantee required for Staatsolie' s participation in a tender to sell products to Guyana Power and Light LLC. deposit for GPL US$ 333 (2021: US$ 333);
- CAPEX reserve – The account opened to reserve funds for CAPEX investments in March 2022 is US$ 44,330;
- Reservation for payment of income tax in the amount of US$ 32,066.

6.2 Trade and other Receivables

x US$ 1,000	2022	2021
Trade receivables	123,086	110,508
Prepayments and other current assets	13,947	14,037
	137,033	124,545

For terms and conditions relating to related party receivables, refer to Section 7.
Trade receivables are non-interest bearing and are generally on terms of 30–90 days net of allowance for expected credit losses.

Movements in the allowance for expected credit losses of trade receivables:

x US$ 1,000	2022	2021
As at 1 January	6,878	7,184
Adjustment prior year opening balance	-	(45)
Addition	485	360
Amounts written off	(56)	(223)
Currency adjustment	(88)	(398)
As at 31 December	7,219	6,878

The ageing analysis of the trade receivables (net of allowance for expected credit losses) is, as follows:

x US$ 1,000	Total	Neither past due nor impaired	< 30 days	Past due but not impaired: 30-60 days	61-90 days	91-120 days	>120 days
2022	**123,086**	**30,270**	**6,298**	**4,295**	**2,978**	**52,429**	**26,816**
2021	**110,508**	**17,470**	**13,274**	**5,667**	**3,401**	**51,776**	**18,920**

The total trade receivable balance of US$ 123,086 as of 31 December 2022 (2021: US$ 110,508) consists of a balance of US$ 36,343 (2021: US$ 24,399) which is related to other third-party trade receivables.

In determining the recoverability of a trade or other receivable, the Group performs a risk analysis considering the type and age of the outstanding receivable and the creditworthiness of the counterparties.
The Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Prepaid expenses and other current assets consisted of the following:

x US$ 1,000	2022	2021
Receivable from personnel	381	400
Prepaid insurance costs	3,351	2,630
Downpayment to vendors	10,213	7,794
Prepaid purchased goods, services and other	-	2,771
Net sales tax receivable	2	442
	13,947	14,037

6.3 Inventories

x US$ 1,000	2022	2021
Petroleum products	17,230	17,202
Materials and supplies	65,041	72,114
Ordered goods	7,864	11,959
Unfinished goods	440	1,138
	90,575	102,413

The decrease in inventory relates to Material & Supplies, Ordered and Unfinished Goods.
During 2022, US$ 10,919 (2021: US$ 10,277) was recognized as an expense for inventories to recognize a provision for obsolete inventories.
During 2022, US$ 307,540 (2021: US$ 287,292) was recognized as an expense for inventories carried at cost. This is recognized in cost of sales.

6.4 Trade payables, accruals and other liabilities

x US$ 1,000	2022	2021
Trade payables	81,990	84,981
Accrued and other liabilities	71,959	31,850
	153,949	116,831

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms.
- Accrued and other liabilities are non-interest bearing.

Trade payables includes an outstanding payable to PDVSA Petróleo, S.A. (“PDVSA”) amounting to US$ 49,144 as of 31 December 2022 (2021: US$ 49,144) which has been used as a settlement with the GoS Receivables (see section 7), based on the written confirmation from GoS that all payment obligations of Staatsolie due to PDVSA pursuant to the contract will be assigned to GoS.

Accrued and other liabilities consist of the following:

x US$ 1,000	2022	2021
Dividend Payable	5,673	-
Current account Government of Suriname	666	471
Allowances payable to Management and Personnel	14,911	10,734
Interest payable - loans	12,020	8,009
Down Payments - Customers	848	1,194
Current account Surgold	4,184	1,659
Payroll taxes	2,351	3,149
Sales taxes and other duties	126	580
Current account Pension fund	895	885
Accrued expenses	570	495
Staatsolie Bond (2015-2020)	236	414
Other*	29,479	4,260
	71,959	31,850

*Mainly concerns a reclass from non-current to current liabilities and relates to the intension of Staatsolie to exercise the option to buy back a plot of land with regard to the "Loan-Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V. This transaction will be completed in 2023. Hence the balance of US$ 26.5 million as per 31 December 2022, was reclassed from noncurrent to current liabilities: Accruals and other liabilities (refer to section 5.3)

Section 7. Group information and related party disclosures

Information about subsidiaries
The consolidated financial statements of the Group with Staatsolie N.V. as the main shareholder includes the following subsidiaries:

Subsidiaries	Activities	Country of Incorporation	% Equity Interest	
			2022	**2021**
GOw2	Distributions and Trading	Suriname	100	100
Ventrin	Distributions and Trading	Trinidad and Tobago	0	100
POC	Exploration Activities	Suriname	100	100
SHI	Regulator role	Suriname	100	100
SPCS	Electricity Generator	Suriname	99.99	99.99

POC's operations were put on hold and the company did not have any financial transactions during the reporting period of 2022.The non-controlling interest in SPCS is not material to the Group.

Ventrin which was sold in October 2022, is no longer considered a subsidiary and therefore no longer carried in the consolidated financial statements of Staatsolie as of 31 December 2022

Joint arrangement in which the Group is a joint venture

- The Group has a 25 percent interest in Suriname Gold Project CV (2020: 25 percent) with Newmont Suriname LLC.

Joint arrangement in which the Group has joint operations

- In April 2020, Staatsolie entered into an Unincorporated Joint Venture (UJV) with Rosebel Gold Mines N.V. ("Rosebel") named Pikin Saramacca (also refer to section 4.4 Capital Investments in joint arrangements).

Transactions with related parties
During the year, the Group entered the following transactions, in the ordinary course of business with related parties. Examples of these transactions include sale and delivery of petroleum products and electricity, purchase of electricity, and rendering of maritime services. The following companies are all state-owned enterprises and therefore are related parties due to the common ownership:

x US$ 1,000		Sales of goods	Purchases of goods	Trade receivables
Government of Suriname (Gos)	2022	65,563	0.35	37,599
	2021	68,652	-	32,112
N.V. Energie Bedrijven Suriname (N.V.EBS)	2022	56,292	12	3,149
	2021	43,523	1	3,561
Suriname American Industries Limited (SAIL	2022	293	-	1,878
	2021	-	-	1,892
Melkcentrale Paramaribo N.V.	2022	126	-	14
	2021	89	-	10
N.V. Surinaamse Waterleiding Maatschappij	2022	591	-	20
	2021	-	-	-
Grassalco N.V	2022	-	-	-
	2021	53	-	-
Telesur	2022	-	16	-
	2021	-	12	-
Stichting Bosbeheer Suriname	2022	87	-	3
	2021	66	-	3
N.V. Havenbeheer Suriname	2022	-	3	-
	2021	-	3	-
Airport management N.V	2022	-	1,165	-
	2021	-	493	-
Surinaamse Dok & Scheepsbouw N.V.	2022	241	-	-
	2021	296	-	-
Waspar	2022	-	-	-
	2021	11	-	-
	2022	12	-	-
	2021	13	-	1
Surinam Airways	2022	5,105	-	385
	2021	5,650	-	66
Suriname Coast Guard	2022	-	-	-
	2021	3	-	-

Loans from/to Related Parties

x US$ 1,000				
From:	To:		**Interest charges**	**Amounts owed by/ (to) related parties**
Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V	Staatsolie	2022	1,325	(26,508)
		2021	1,325	(26,508)

Dividend to Related Parties
The Group made interim payments, regarding dividend to its shareholder, (GoS) in 2022 regarding fiscal year 2022.

Trade Receivables from / Trade Payables to Shareholder (GoS)
The total trade receivable balance of US$ 123,086 as of 31 December 2022 (2021: US$ 110,508) consists of a balance of US$ 36,343 (2021: US$ 24.399) which is related to other third-party trade receivables.

Further, a GoS receivable balance of US$ 86,743 as of 31 December 2022 (2021: US$ 86,109) for:

- delivery of oil and electricity to GoS and oil deliveries to N.V. EBS: US$ 37,599 (2021:US$ 36,965)
- and an outstanding payable to PDVSA Petróleo, S.A. (“PDVSA”) amounting to US$ 49,144 which has been used as a settlement with the GoS Receivables, based on the written confirmation from GoS that all payment obligations of Staatsolie due to PDVSA pursuant to the contract will be assigned to GoS.

After settlement of the GoS receivable balance (delivery of oil and electricity to GoS and oil deliveries to N.V. EBS) with the GoS payable balance of US$ 119,066 the net payable balance due to GoS will be US$ 32,323 (2021: Receivable US$ 787).

Terms and Conditions of Transactions with Related Parties
The sales to and purchases from related parties are made in the ordinary course of business. There is an arrangement with GoS for the settlement of the trade receivables from N.V. EBS and the outstanding payables to GoS.

Compensation of Key Management Personnel of the Group:

x US$ 1,000	2022	2021
Short term employee benefits	2,050	2,774
Post-employment pension and medical benefits	186	181
Total Compensation paid to key management personnel	2,236	2,955

There are no other related party transactions.

Section 8. Other

8.1 Events after the Reporting Period

Suriname Tax Measures as per 1 January 2023

On 30 August 2022, the Surinamese parliament passed legislation to remove the turnover tax and introduce the new VAT system. The VAT implementation is effective 1 January 2023.
On 29 December 2022, the Parliament of Suriname approved the following amendments to the Value Added Tax Act 2022 (‘VAT Act’):

- New 5 percent VAT rate for Insurance for international medical expenses and Motor gasoline and other similar motor fuels and diesel oil.
- Updated 25 percent VAT rate for Automobiles and other motor vehicles designed primarily for passenger transportation with a cylinder capacity exceeding 2,500 cm^3 or with a CIF value of at least US$ 40,000 and Motorcycles with a cylinder capacity of more than 125 cm^3.
- Certain goods and services were previously exempt. The authorities have decided to add these goods and services to the 0 percent rate list instead to reduce the cost price increase for the public (basic necessities) or incentivize certain industries (gold, fishery, art).
- Certain exceptions should be considered such as VAT on salary in kind and business gifts.
- Expansion of 0 percent rate for financial services.
- The import VAT scheme has been deferred and will be implemented per 1 January 2024.

As of 1 January 2023, the annual exemption of SRD 6,516 for both a vacation allowance and a bonus payment will be increased to SRD 10,016 each and the annual personal tax-free allowance was increased from SRD 48,000 to SRD 90,000.

The Personal Income Tax in Suriname was also amended to cover the changes as adopted in the Wage Tax legislation, which is a pre-levy to the Personal Income Tax. The changes to the Personal Income Tax are summarized as follows:

- Amongst the personal deductions is interest paid on a mortgage debt up to a maximum amount. This amount increased from SRD 125,000 to SRD 600,000.
- The Income Tax brackets have been adjusted.

Petroleum Act

Tax exemptions that were included in the State Decree of 2018 no 52 are now incorporated in the Petroleum Act.
State-owned enterprises and contractors performing petroleum work are exempt and not subject to the following taxes for the term of the petroleum agreement they have signed:

- Turnover Tax on the purchase and delivery of goods and services.
- Dividend Tax on dividends paid by a contractor or a contractor party to non-Surinamese shareholders, the transfer of profits to a foreign head office, or the remittance of dividend payments by non-Surinamese shareholders.
- Taxes on the sale of an interest arising from a Petroleum Agreement or the sale of the shares of a contractor or a contractor party by non-Surinamese.
- Shareholders, the proceeds from the sale of such interests or shares, and the remittance of such proceeds.

IAMGOLD Announces Closing of Previously Announced Sale of Rosebel Gold Mines to Zijin Mining

In October 2022, IAMGOLD Corporation announced the agreement to sell its interest in Rosebel Gold Mines to Zijin Mining for Cash consideration of US$ 360 million.
On 1 February 2023 IAMGOLD Corporation announced that it had closed the previously announced sale of the Company's 95 percent interest in Rosebel Gold Mines N.V. to Zijin Mining Group Co. Ltd for cash consideration of approximately US$ 360 million and release of IAMGOLD's equipment lease liabilities amounting to approximately US$ 41 million. The remaining 5 percent interest in Rosebel will continue to be held by the Government of Suriname.

Agreement with the Staatsolie Pension fund

In November 2019, Staatsolie entered in a private agreement with the Staatsolie Pension fund (Stichting Pensioenfonds voor werknemers van Staatsolie Maatschappij Suriname N.V.) for the sale of a plot of land known as "Bruynzeel terrein", including the option to buy back within 5 years from the date of sale at an agreed amount of US$ 26.5 million.
If Staatsolie would not exercise the right to repurchase, the legal transfer to the Pension fund would become effective.
Staatsolie plans to exercise the option to buy back this plot of land in 2023. Hence the balance of US$ 26.5 million as per 31 December 2022, was reclassed from non-current to current liabilities: accruals and other liabilities.

Electricity pricing

For 2023 the following pricing measures are used:

- Market test of the premium on HFO being sold to EBS and SPCS; this test resulted in a premium reduction of US$ 2.00 per barrel, effective 1 January 2023;
- SPCS fuel cost for power generation will be 100 percent pass-through, effective 1 January 2023. This measure is intended to neutralize the perception that SPCS has been charging more fuel in the power price than it actually consumes;
- Sales of spill hydro power (i.e., power in excess of 105 MW or 919,800 MWh per year) for 10 percent of the normal sales price. This measure does not affect the fixed revenue pricing objective of SPCS for hydropower.

Syndicated Lenders Group

Credit Suisse (CS), one of the lead arrangers in the Corporate Financing of Staatsolie, has experienced severe turmoil and was bought out by Union Bank of Switzerland (UBS) in March 2023. In October 2022, it was announced that a large restructuring would take place and one of the actions was to also divest their investment management portfolio. As per 5 May 2023 CS's portion of the Corporate loan has been fully sold down to existing lenders in the syndicate.

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