NUMIDIA

NUMIDIA HOLDING BV

ANNUAL REPORT

2023

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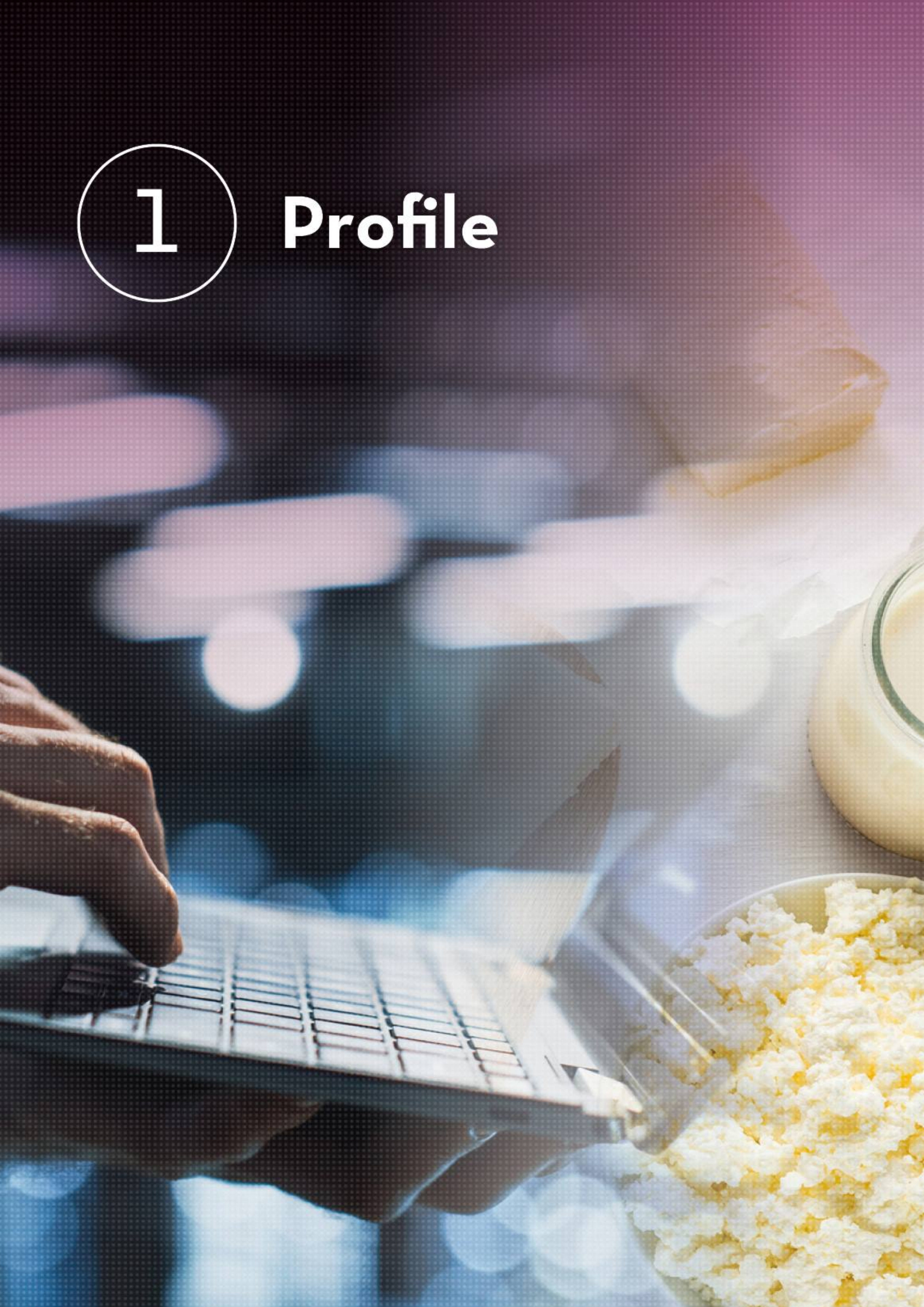


NUMIDIA AT A GLANCE

Numidia was established in December 2011 in the Netherlands. It is specialized in the international dairy trade, with an extended international network of customers, suppliers, and business partners. Numidia's chief focus is the worldwide purchase, production, and sales of a wide range of standard dairy products (both fat- and protein-based). The commodities we deal with include both physical products and derivatives (futures and options).

The Numidia philosophy is based on openness and transparency towards suppliers, customers, and other stakeholders. In practice, this means we operate on a policy of full disclosure when it comes to business-related activities and information. Furthermore, Numidia can provide international market information, ways for customers and suppliers to mitigate their (price) risks, and expert knowledge on products and applications.

Numidia has a proven track record in the dairy commodity and dairy-related ingredients trade. The knowledge and experience that we acquired over the last decade is the basis for Numidia's success.

Vision

We believe that everyone worldwide should be able to enjoy the benefits of quality dairy products. We see it as our task to contribute to making that happen!

Mission

We want to be the best and most sustainable supplier of standard dairy products in the world for the food and feed market. We want to add value (commercial, logistics, financial, risk management, administrative and technical) for our suppliers and our customers with whom we want to establish long-term relationships. Our people make the difference!

Our values

TRANSPARENCY

RELIABILITY

AUTHENTICITY

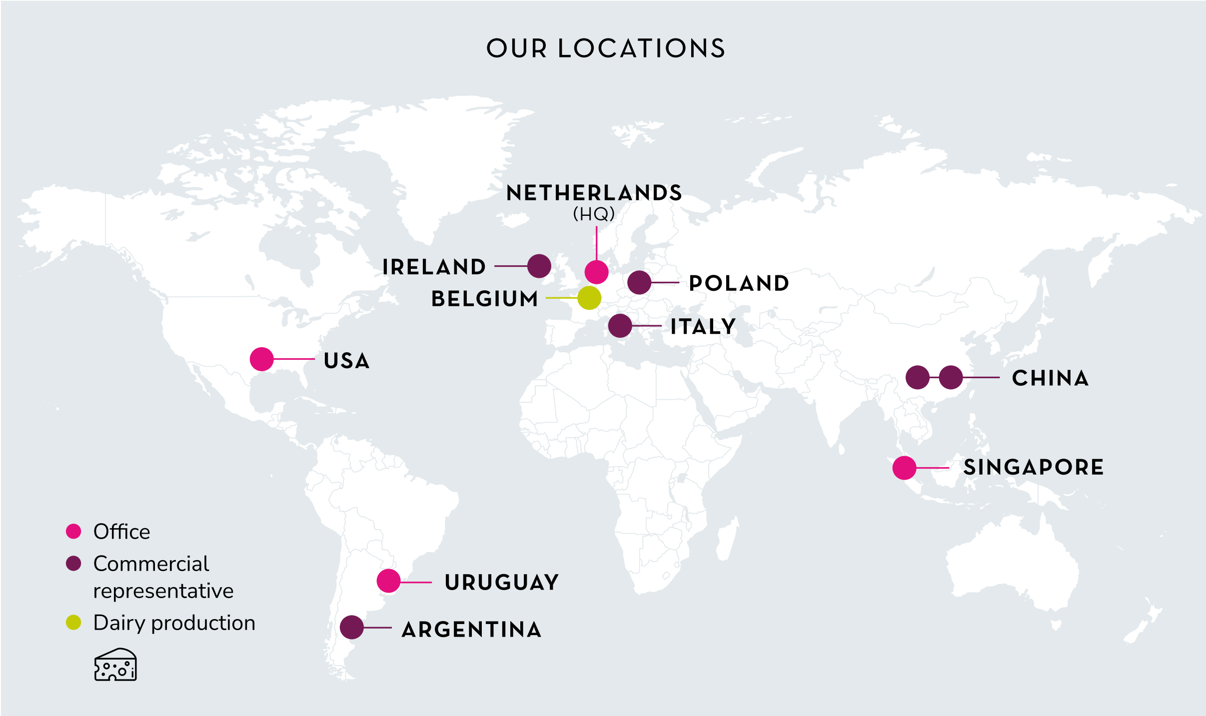
LONG-TERM RELATIONSHIPS

FLEXIBILITY

The organization currently consists of about 118 people ("Numidians"), has a turnover of almost 920 million, and has shipped over 350,000 metric tons of products in 2023.

Numidia has offices in Singapore, Uruguay (Montevideo) and USA (Dallas), as well as commercial representatives in Poland, Italy, Argentina, Ireland, and China (2 locations). With this network of offices/representatives around the world, Numidia can anticipate on changes in the global dairy market and thereby make products available to customers at all times.

118
Numidians



Through a 50% participation in the VCC cheese factory (Dairy production site in Belgium), we are integrating backwards by investing in cheese production. Our strategic aim is to further invest in sourcing- or service-related activities.

The Backward Integration Strategy, together with our global presence, broad product range, and commodity markets (both physical and derivative), is the basis for Numidia's leading position in the global dairy trade.

MESSAGE FROM THE CEO

Your expert partner in dairy

We hereby present our 2023 annual report. For the second time in a row, we have integrated our annual financial report with reporting on environment, social responsibility, and corporate governance (ESG). The difference to last year's report is that this year our reporting is with reference to the GRI standards.

The Corporate Sustainability Reporting Directive (CSRD) is also coming our way and will become compulsory starting from the 2025 report. Our ambition is to be CSRD ready for the 2024 report. We have already taken the first step towards CSRD compliance: the stakeholder analysis, which results in the double materiality matrix, has been performed in accordance with CSRD guidelines. This fits our mission "to be the best and most sustainable supplier in the dairy industry."

This report covers the full scope of activities that we undertake as an organization. We do this not only because our stakeholders expect it and legislation will soon require it, but also from our intrinsic drive towards transparency and stakeholder engagement.

Ever since our company was founded more than twelve years ago, we have maintained a high level of transparency towards our stakeholders. This reporting year, we have extended our stakeholder engagement by creating and implementing a stakeholder engagement strategy. Our goal is to continuously improve stakeholder management.

Our aim is to have a positive impact on the world around us, not only in the present moment, but also with an eye to the future. Sustainability lies at the core of our business. We want to maintain and expand our leading position, which is reflected by our being once more awarded the EcoVadis Gold medal in 2023.

In 2019, we became the first global dairy trading company to voluntarily offset its carbon footprint. We not only offset the CO_2 footprint resulting from the activities of our company, but also those from the storage and third-party transportation that we arranged for our customers. In 2023, we took the next step by compensating for the scope 1 and 2 footprint within the dairy supply chain.

Through the Numidia Charity Foundation, Numidia supports children in need around the world by giving them access to better living conditions and decent education. Most of these projects have been selected through connections made by our own employees. This also means we can keep a close eye on how the money is spent.

2023 performance

After the record year of 2022, we achieved a solid financial performance in 2023 in line with our budget. Volume saw significant growth (+16% year-on-year), although, due to lower world market prices, this did not result in turnover growth (-2% year-on-year).

Trading in derivatives has continued to grow over the past years: in terms of volume, it has been significantly higher than the volume of physical products shipped. This makes risk management more important than ever. We have therefore implemented a new specialized software package to take our reporting on Value at Risk and open exposure to a higher level. We have also increased our use of artificial intelligence and business tools to support our decision-making.

World events have an impact on the dairy trade and therefore on us. Supply chain costs – and container costs in particular – have fluctuated enormously in recent years.

As a consequence of the COVID-19 outbreak and its aftermath, we saw a supply chain that was completely out of balance due to high demand and capacity shortages in 2021 and early 2022. However, we saw the opposite trend in 2023. As a result, transportation costs at the beginning of the year were much lower than we had anticipated. However, the situation is far from stable, with the war in Ukraine, Israel's response to the Hamas actions, and the Houthis' recent attacks on international shipping in the Red Sea. These events mean we must remain vigilant when managing financial and logistical risks. All these events are extremely regrettable.

A situation of a different order – but also one with a major impact on the dairy world – is the situation in China, the largest dairy importing country in the world. Due to a weakening economic situation on the one hand and the strong growth of internal dairy production on the other, China's dairy imports have decreased. The result was that dairy products from other countries, in particular New Zealand (a country highly dependent on dairy exports), had to find a home in other parts of the world. This in turn had an impact on other dairy-producing nations and resulted in lower average prices on the world market.

With higher (price) volatility, the role of dairy traders is becoming increasingly important. Our company specializes in mitigating price risk over time, and we can help clients and suppliers with their advanced risk management strategies. The fact that we trade worldwide in both fat- and protein-based products and are now an established name in the futures and options world means that we can offer ample opportunities for further growth.

Numidia is working on further diversifying its market activities. We have had a 50% share in a cheese factory (VCC) in Belgium for a few years now. Burger and cheddar slices are made here for the Food Service market. Since last year, Numidia has set up a separate marketing and sales department (Numifood) for the sale of these dairy products. Numifood will not only sell VCC products, but also other dairy products for the Food Service market.

Outlook

Numidia is active in the dairy market, which is still showing volume growth of about 1.5 to 2.0% per year. For reasons mentioned earlier, the portion of the dairy market that operates through traders is growing even faster.

Therefore, we see plenty of opportunities to continue our journey of continuous growth. Growth is the key for us, not only because it strengthens our company and market share, but also because it offers development opportunities for our employees. This means we can continue hiring the best colleagues for the Numidians. People who make the difference in our business.

With the growing number of Numidians, the need for office space also increases. In 2023 we have already relocated both our Singapore and Montevideo teams into larger offices. The next milestone will be the completion of our Headquarter extension in the Netherlands. The construction works have already begun and we expect to have the new building ready by end of 2024.

Thank you

We wouldn't be where we are today without the hard work, creativity, and dedication of our employees "The Numidians." We are incredibly grateful to them. That is why our priority is to create a safe and inspiring work environment in which sustainable employability is of paramount importance.

We also want to say a word of thanks to all our loyal business partners, who have supported us throughout this incredible development process. The trust they place in us is what makes it worthwhile to commit ourselves 100% (and more) to our work every day.

I hope reading this report will be both enjoyable and inspiring for you. Please feel free at any time to contact me or one of my colleagues with any questions, remarks or ideas that might make Numidia a better company.

Kind regards,

Han van Hagen

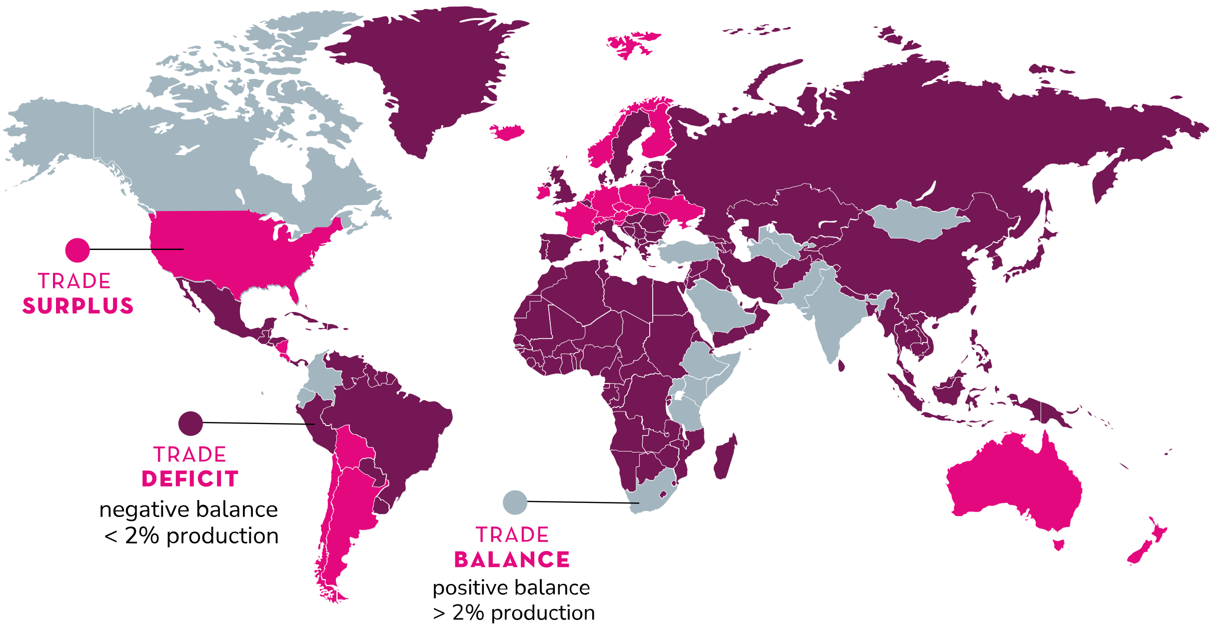
CEO

BUSINESS MODEL

Introduction

The business model is key to understanding how Numidia adds value for its stakeholders.
Traders perform a key function in the dairy market. There is a natural imbalance between production and demand, and traders are crucial for bridging this gap and making dairy products available across the world.

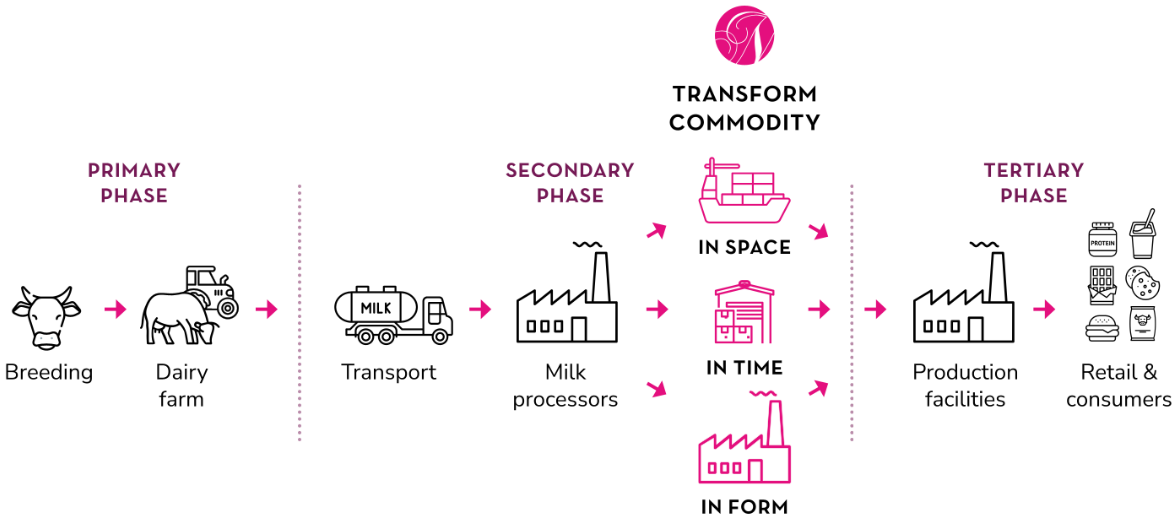
WORLDWIDE DAIRY TRADE



Numidia's global presence is tailored to the above picture, with offices across the world. The offices are based mainly in the trade surplus regions from where they can engage with suppliers and serve customers across all regions and time zones.

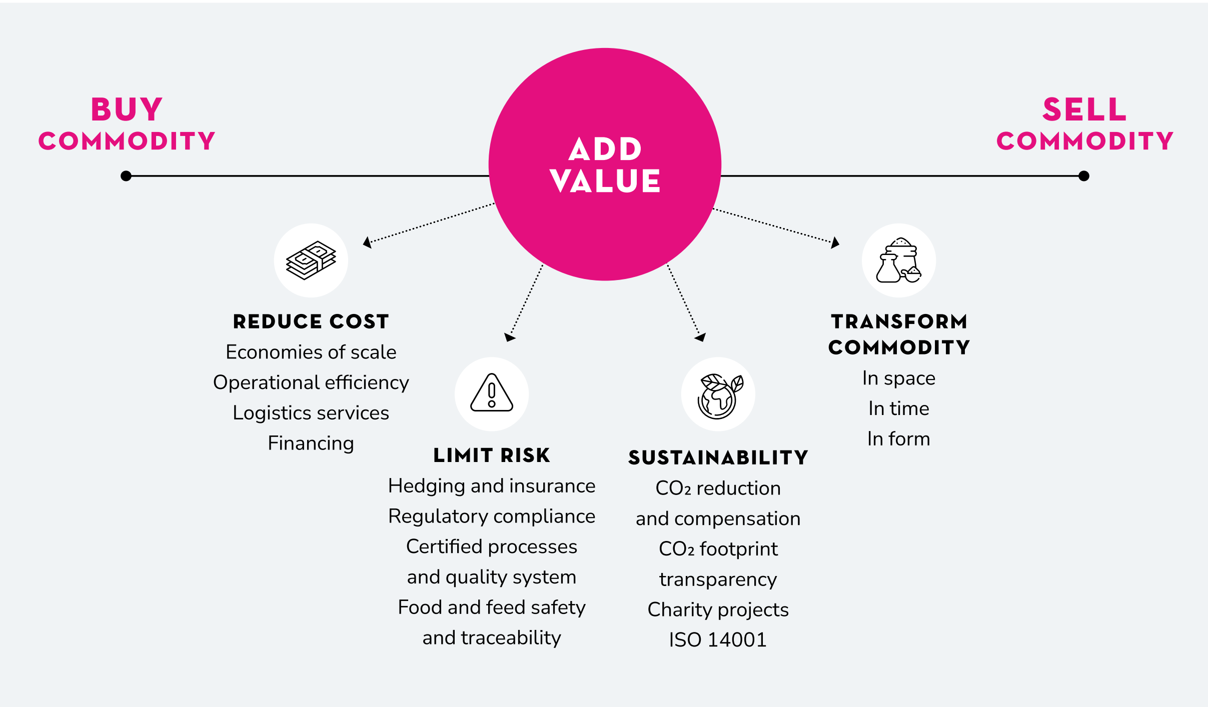
Value chain

The infographic below shows a simplified view of the value chain. The role of Numidia is shown as the link between dairy producers on one side (upstream), and the producers, food service, retail and distributors on the other side (downstream). Numidia engages with stakeholders and partners in every step that is needed to bring the product from supplier to customer.



Added value

Numidia's added value can be put into 4 categories or blocks:



The ability of many of our customers to conduct business is restricted by their geographical footprint, their ability to finance working capital, a mismatch in product specifications, product knowledge, supply chain knowledge, shelf life of products, etc. As a trader, Numidia helps them overcome these restrictions, enabling the connection from supplier to distributor or producer globally.

The 4 categories of added value are:

- **Reduce costs:** We can store, transport and finance products at lower costs than most of our customers can do individually. We achieve this through economy of scale and operational excellence.
- **Limit risk:** We can take care and cover the risk for our customers by means of a comprehensive risk management framework. These risks range from product risk to financial risk to compliance risk.
- **Transform commodity:** To bridge the gap between supply and demand, Numidia can transform a product in 3 ways:
  - Ship the product from the supplier's location to the customer's locations.
  - Store the product for a period of time, bridging the gap between the moment of production and the moment of demand.
  - Transform the product's form. This can be done through several value-adding changes to the product: freezing/defrosting, blending, repacking, etc. We can adjust the product to the specific requirements of the customer.
- **Sustainability:** The value-adding activities within the three categories above are all conducted with eye for sustainability. Numidia has a sustainability framework in place so that it can offer customers a carbon compensated service with respect for the environment and nature.

Product portfolio

The added value of the service is inseparable from the product itself. Achieving the optimal customer experience means that good service has to go hand-in-hand with a quality product.

Dairy commodities can be separated into three groups: fat (e.g. butter and cheese), protein (e.g. milk powders) and liquids (e.g. cream). Many traders are focused on one of these product groups, whereas Numidia can offer a full range of products. This has several benefits:

- We can offer customers a one-stop shop for dairy commodities.
- We understand the unique market dynamics of each product category. By trading in the full range of products, Numidia has expert knowledge of the market and opportunities to hedge. Combined with the ability to trade in derivative markets (through futures and options), this creates a very powerful combination.

Values

We have five core values. These values are the basis for the service we deliver to our partners. We conduct our operations along these values and believe these contribute to the best possible results for our partners and employees.

TRANSPARENCY	RELIABILITY	AUTHENTICITY	LONG-TERM RELATIONSHIPS	FLEXIBILITY

TRANSPARENCY

To underline the transparency of our open and direct culture, we have one work floor (per office) where we all work. All directors, managers, staff, interns and seasonal workers are on the same floor; there are no separate offices. Employees are encouraged to approach each other with questions and ideas, or if they need help. In person if possible, or via phone, email or Teams message if someone is not at their desk. There are also several meeting rooms available to sit and talk in private. Transparency also means that feedback is given on a regular basis. In addition, short- and long-term plans and goals are shared during quarterly information sessions that are open to all employees.

RELIABILITY

We say what we do, we do what we say, and we have the evidence to prove it (i.e. certificates). We keep the promises we make to our customers, suppliers, business partners and each other. We formalize personal goals and plans, and we review them twice a year. You can find more about this in "Reviews and Development."

AUTHENTICITY

We make sure that all Numidians are heard. We value their opinions and views; in other words, we value their authentic selves. This is true for all employees: those who are still at Numidia and those who are leaving us. When an employee leaves, he or she is offered an exit interview with HR. There they have the opportunity to speak freely about their time at Numidia: the good things, but also the things that could be better. In this way, we gain insight into our areas of improvement. While the individual interviews are kept confidential, the overall results from multiple exit interviews are included in a report to the Board of Directors.

LONG-TERM RELATIONSHIPS

We are in it for the long haul. In other words, we always strive for long-term relationships with our employees and our business partners. Honesty is the key to good relationships. That is why we conduct performance reviews twice a year. As part of the review, we also ask employees to review Numidia as an employer and to provide feedback on their manager and position within Numidia. You can find out more about the review process in the section "Reviews and Development."

In addition, we are not afraid of commitment: we offer employees an indefinite employment contract after only nineteen months, and we invest in our employees. Out of 88 employees, 25 (39.7%) have temporary contracts. All other employees have indefinite contracts. You can find out more about how we invest in our employees in "Reviews and Development."

We value good relationships; between employees and Numidia as an employer, but also among our employees. That is why we have the "Numidia Party Squad" to organize fun and informative events for Numidians around the world. To improve the bonds between our employees, we also organize an annual party in July. All employees, including those abroad, are invited to spend a week in the Netherlands. During this special week, they also undergo training and get to spend time with colleagues in person. In addition, directors regularly visit our Numidia offices abroad.

flexibility

If COVID-19 taught businesses one thing, it is that employees are flexible. Of course, we knew this already. We are not confined to a set of rules and measures. Instead, if there is a better way to do something, we do it. That is why we love good ideas. As a flat organization, we are agile and able to make changes quickly and easily, without having to navigate unnecessary bureaucracy.

Employees have the flexibility to work from home one or two days a week and to plan their own working day.

Working conditions and terms of employment for all employees are covered in the Staff Handbook. But based on the results of the internal semi-annual reviews with all employees and the external research of Great Place To Work, we keep a finger on the pulse of what is going on among our employees, and where possible we improve the working conditions for them. In addition, we have an active Health and Safety organization (consisting of four employees) that also comes up with good proposals for improvement from time to time.

Certifications and memberships

We strive to outperform our competitors in product and process management. This is demonstrated by our various certifications and memberships.

Numidia is a certified IFS Broker and BRC Agent and Broker for the food market. We hold a GMP+ certification for feed safety.

In the context of corporate social responsibility, we are a member of the Supplier Ethical Data Exchange (Sedex) and are "Great Place To Work" certified.

In terms of our environmental, social responsibility and governance (ESG) performance, we were awarded the Gold Medal by EcoVadis, placing us among the top 2% of audited companies in our field. We have an ISO14001 certified Environmental Management System in place, including a CO_2 module.

We are recognized by the Dutch customs authority as an Authorized Economic Operator (AEO). We are also Skal certified, which allows us to trade in organic products.

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VALUE CREATION MODEL

Our value creation model demonstrates how we deliver value for our stakeholders and society. It provides insight into the forms of social, economic and environmental capital that enable our business model, the activities in which we engage and the value and impact we deliver through those activities.

The model is based on:

- Input from our stakeholders
- Numidia's unique vision on the dairy market and the growing importance of sustainability in the supply chain
- Numidia's values
- Numidia's strategic pillars
- The International Integrated Reporting Framework from the International Integrated Reporting Council (IIRC)
- Applicable GRI Standards
- Applicable Sustainable Development Goals (SDGs) of the United Nations

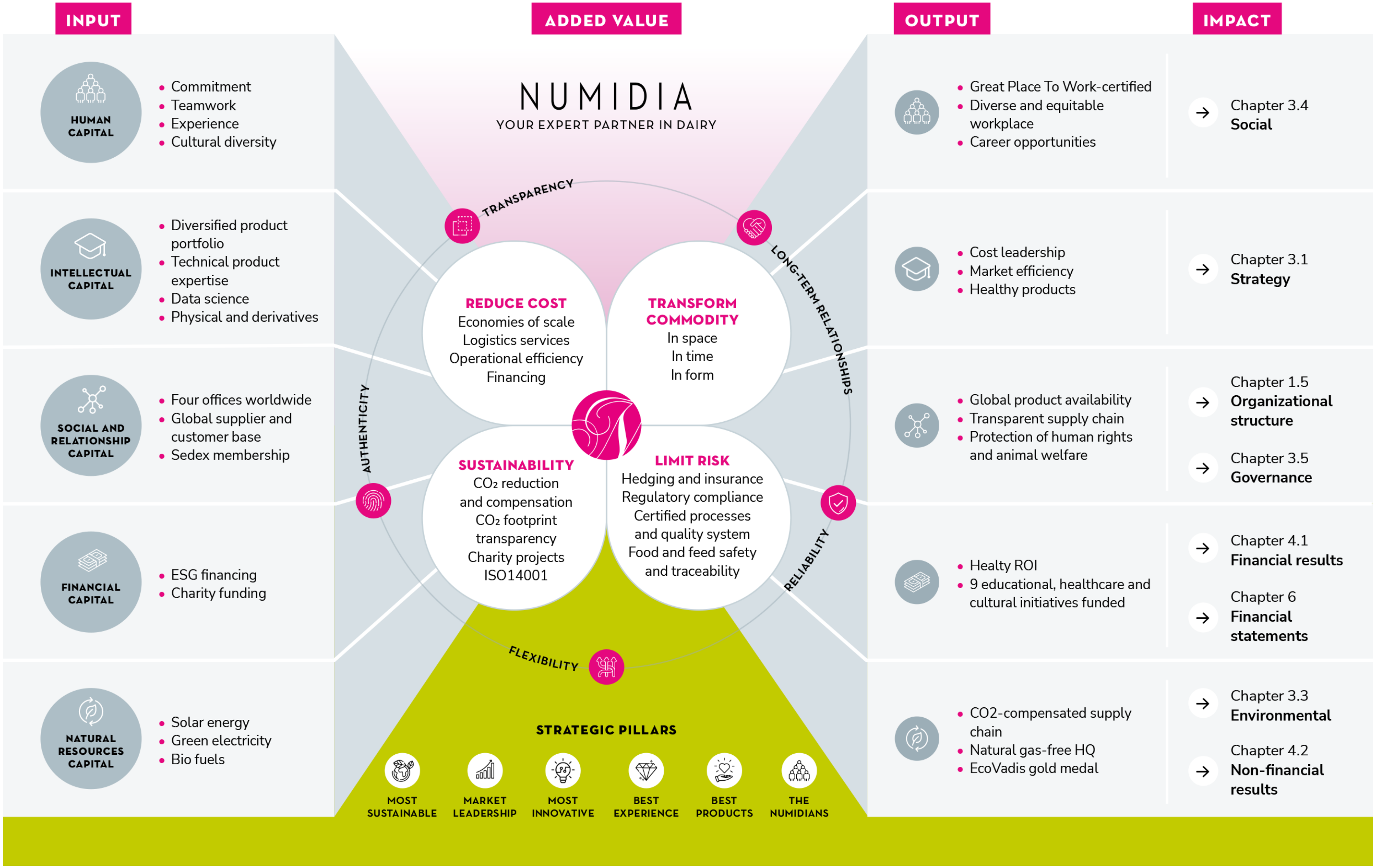
Numidia plays multiple roles in the (physical) supply chain. We serve as trader, producer, market maker, supplier, customer, professional business partner, financing partner, technical partner, risk management partner and developer of the sustainable dairy supply chain. This is part of our strategy, as these various roles will be key to our further success and the value delivered to and experienced by our stakeholders. In everything we do, we aim to deliver value for our employees, suppliers, business partners and our customers in the supply chain.

The model integrates all the aspects that make Numidia unique and shows how these translate into the value we deliver. We deliver value by executing our core activities according to our strategic pillars. Numidia's mission is to be the best and most sustainable supplier of standard dairy products for our customers, and that means we care about all our stakeholders. The value we generate differs by stakeholder group and is identified and recognized over the years. This value is also the benefit of working with Numidia.

The way we execute our core activities is rooted in our values. It is by upholding those values that we demonstrate our commitment to long-term relationships, with employees, suppliers, customers, business partners and all other people connected to Numidia. We are not only looking at the world of today. We also have in mind the generations to come.

The model emphasizes the material topics as identified in the double materiality stakeholder analysis. The less material topics are featured less prominently. This does not mean that these topics are not important to us, but rather that they are less applicable to Numidia. Reference is made to chapter "Materiality and stakeholders".

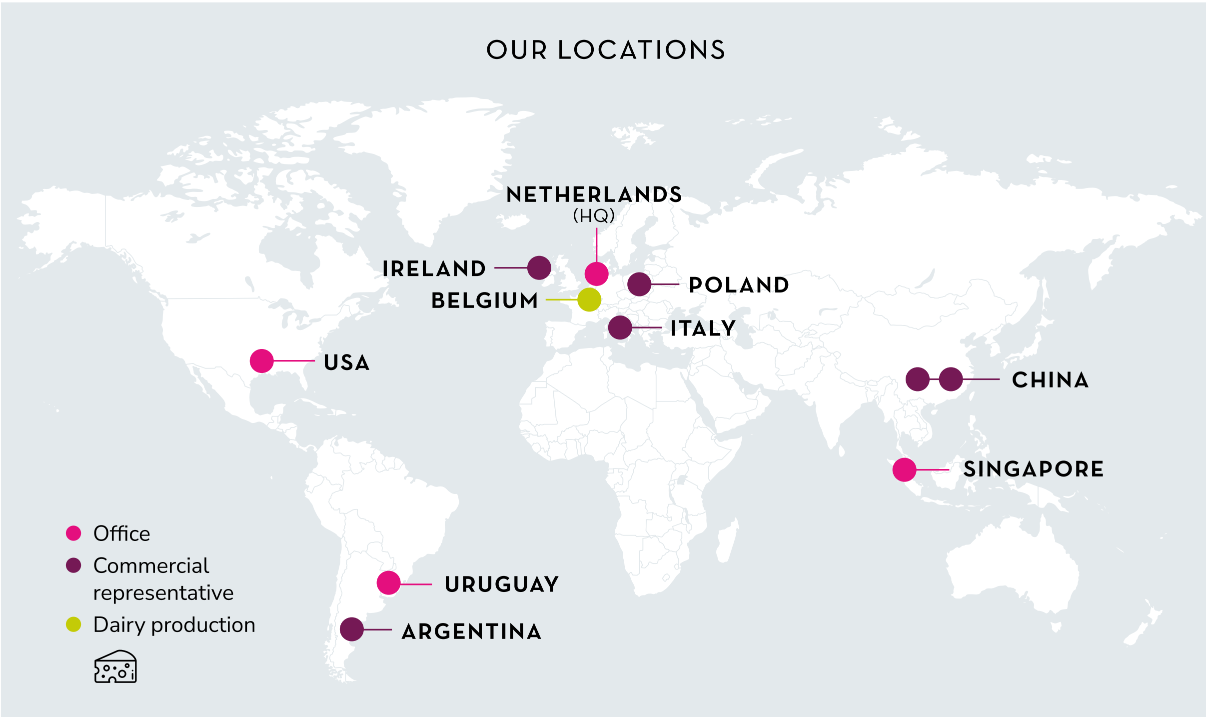
OUR VALUE CREATION MODEL



ORGANIZATIONAL STRUCTURE

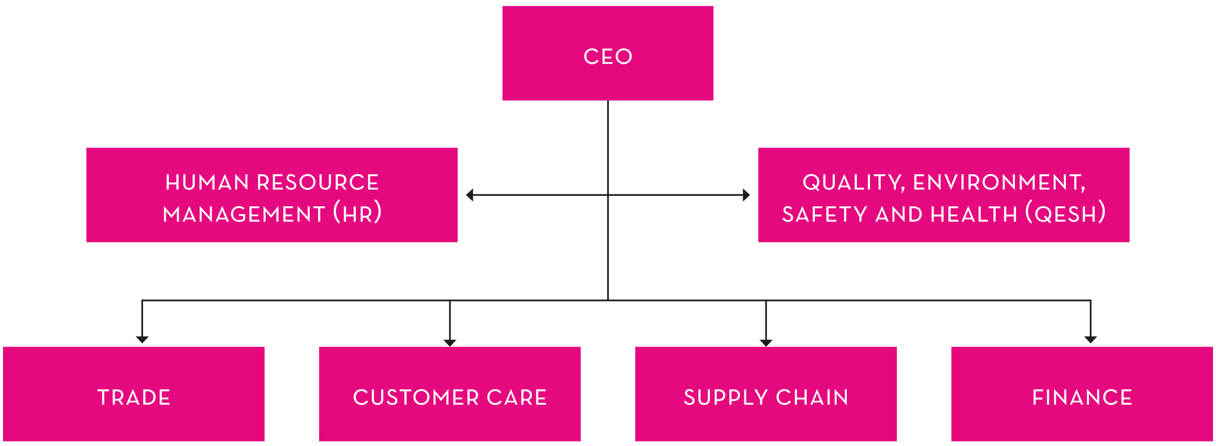
The Numidia group has its head office in the Netherlands, with branch offices in the Netherlands, Singapore, the United States of America, and Uruguay. Combined with local sales representatives across the world, Numidia can serve the global market.

The main strategic decisions are taken at the managerial level at head office, while the branch offices are focused on commercial account management, customer care and supply chain sourcing. All staff functions are centralized in the Netherlands.



Management structure

Our management structure is based on the main functions and processes within our company and the required segregation of duties (SoD).



Board of directors

The CEO, CFO, CCO (2x) and the HR Director make up our Board of Directors (BoD). All members of the board are employed and located in the Netherlands. The statutory directors and Ultimate Beneficial Owners (UBO) of Numidia Holding are members of the BoD.

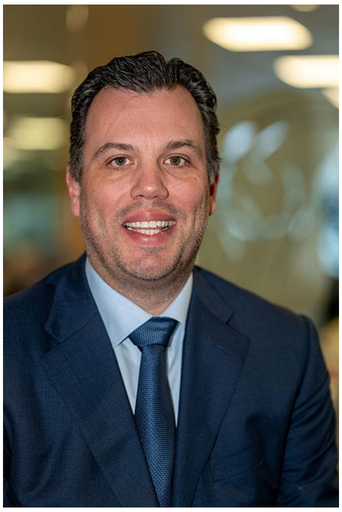
The BoD's main function is to make decisions on strategy, capital allocation and investments, risk management, sustainability, and governance.

Han van Hagen
Chief Executive Officer since 2015 and Statutory Director since 2023
Additional activities: board member of the Numidia Charity Foundation

Paul Hawinkels
Chief Financial Officer since 2018

Har Daamen
HR Director since 2011
Additional activities: board member of the Numidia Charity Foundation

Aziz Mahnin
Chief Commercial Officer and Statutory Director since 2011
Additional activities: board member of the "Sporten en Bewegen Swalmen/Boukoul" foundation



Maurice Daamen
Chief Commercial Officer and Statutory Director since 2014
Additional activities: board member of the "LMC topvolleybal" foundation, board member of the "Coöperatie Eredivisie Volleybal Nederland" cooperative.

All members of the BoD have extensive knowledge of the dairy industry and their respective areas of responsibility. The BoD brings to the table a total of over 65 years of experience in the dairy industry.

Legal structure

We have included a complete overview of the legal entities involved in our financial report: Note 23 of our separate financial statement 2023. All group companies are limited liability companies and (indirectly) owned by Numidia Holding B.V.

Pursuant to Section 2:403 of the Netherlands Civil Code, Numidia Holding B.V. has issued a liability declaration and therefore accepts full liability for all Dutch legal entities within the Numidia group. The Vonk Culinary Cheese joint venture, in which Numidia holds 50% of shares, is not considered a group company for reporting purposes.

2 Setting the scene

MARKET TRENDS AND DEVELOPMENTS

Global trade in dairy products is expected to increase by an average of 3% per year until 2030 (Rabobank, 2022). This increase is mainly driven by the growth of the world population, the growth of disposable income and urbanization in various regions. By comparison, annual dairy consumption is expected to increase by only 1.5 to 2%. This discrepancy can be attributed to changes in global demand and supply of dairy products.

New Zealand and the European Union are the top dairy exporters, followed by the United States. Given the increasing number of environment-related regulations that New Zealand and the EU impose on dairy farmers in order to reduce the ecological footprint of the sector, we expect exports from the EU and New Zealand to stagnate and exports from the US to rise on the longer term.

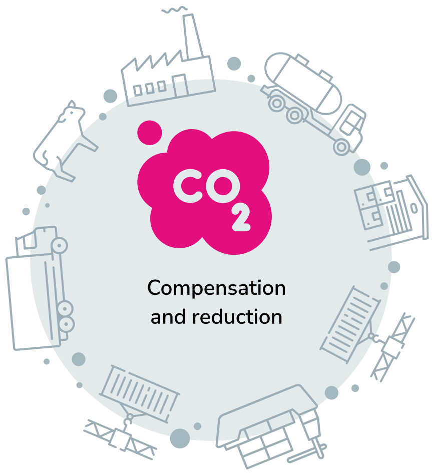
China, Southeast Asia and Africa remain the most important export markets. Together, these three regions are forecasted to account for 60% of global dairy demand between 2020 and 2030. These are also the regions with the highest population growth in the world.

The market for plant-based dairy alternatives is growing, but their market share remains limited. For all dairy alternatives together, Rabobank expects a market share of 2.3% in 2035.

The role of dairy traders will continue to change in the coming years driven by developments in the dairy markets. The variety of products offered on the CME, EEX and SGX is growing, enabling dairy traders to utilize a more comprehensive range of risk management options for their customers and suppliers.

The importance and impact of the derivative markets has increased significantly and is expected to increase further. Suppliers look to sell further ahead, and customers want to buy further ahead. The derivative markets can accommodate these strategies.

Sustainability is becoming more important within the dairy industry. Sustainability encompasses a variety of topics, including water management, energy consumption, fertilizer use, CO_2 emissions, animal welfare and CO_2-neutral delivery to end users. The terms and requirements of our suppliers and customers increasingly address sustainability topics.



The demand for more specialized dairy products like high-protein products for the sports and elderly market is growing. In response, producers are increasing their manufacturing capacity for these products, shifting capacity away from other dairy products, or both. As a result, dairy traders add these products to their scope.

Supply chain disruptions

In previous years, COVID-19 had a significant impact on the (dairy) supply chain. In many parts of the world, ports operated at limited capacity because workers were in quarantine or lockdown.

The impact of COVID-19 on freight transport varied. At the beginning of the pandemic, there was not enough capacity to meet the high demand for shipping containers, resulting in significant price increases. Since then, capacity has increased, demand has declined, and prices have fallen sharply on some routes. Thus, the supply chain was able to adapt to and overcome the impact of COVID-19.

However, there were other events that impacted the supply chain in 2023:

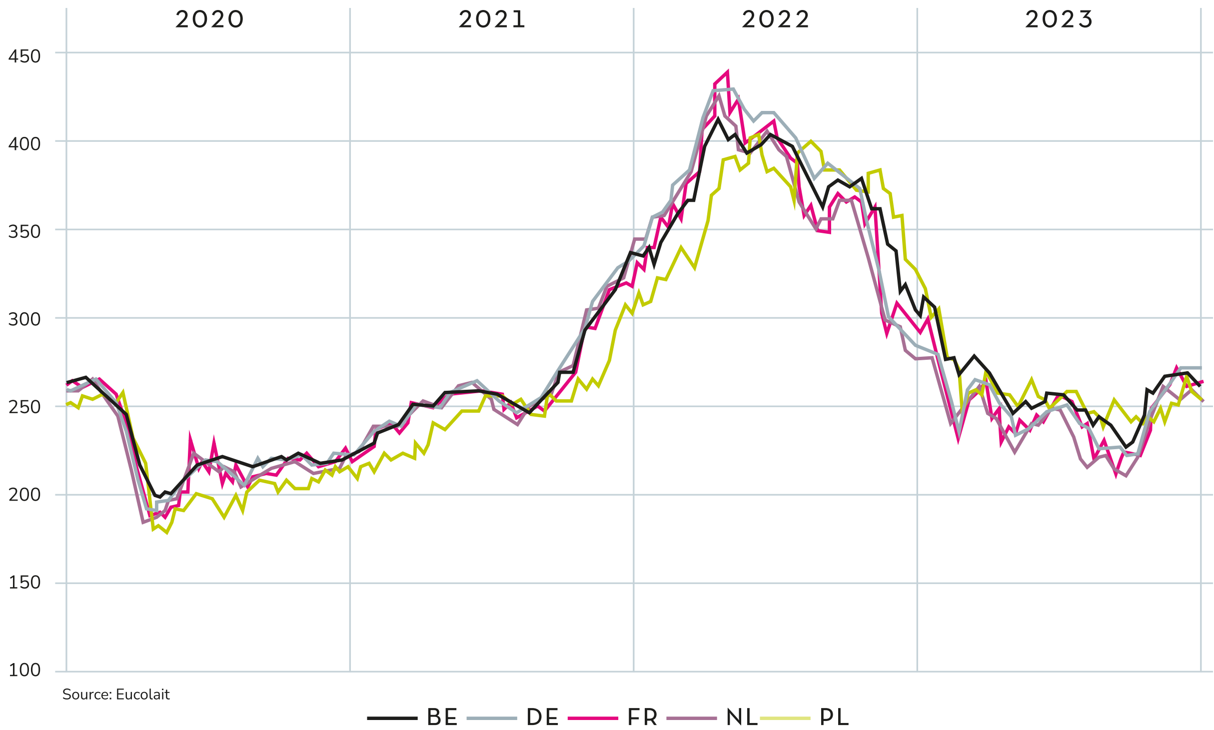
Early 2023, the Panama Canal was experiencing low water levels due to drought, resulting in fewer transits and less cargo passing through the canal. In late 2023, Houthi fighters began attacking international container vessels in the Red Sea with rockets and drones. In response, the world's biggest shipping lines are avoiding the Red Sea and instead are re-routing ocean freight via the Cape of Good Hope. This does lead to additional costs, which are charged to the end user.

2023 recap and 2024 dairy market outlook

In 2023, the dairy industry faced considerable challenges driven by volatile market conditions. The first half of the year saw a notable surplus of raw milk caused by elevated farmgate milk prices in major producing regions. This surplus, coupled with weakened demand due to escalating inflation and rising commodity prices, resulted in a bearish sentiment. Dairy prices declined further as a result.

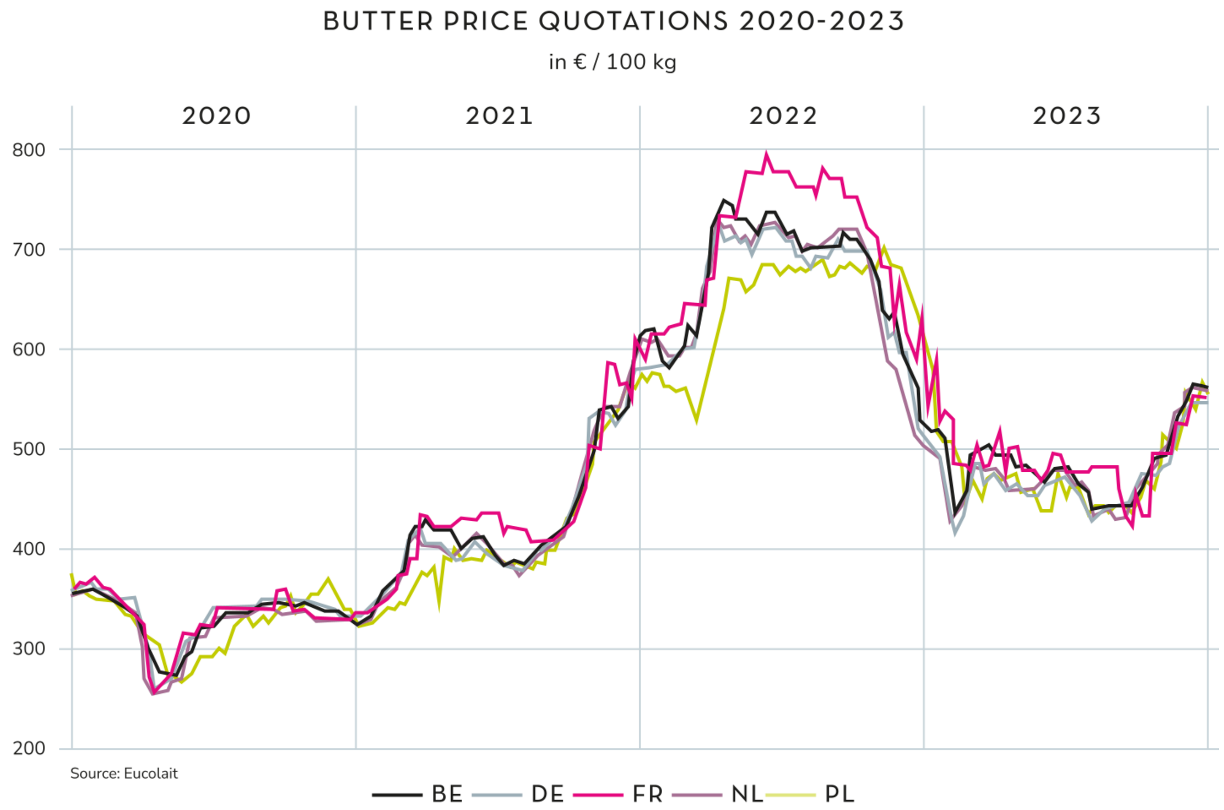
FOOD SKIMMED MILK POWDER QUOTATIONS 2020-2023

in € / 100 kg



Source: Eucolait

Prices hit their lowest point in Q3 2023, with butter reaching 4,200 EUR/mt in August and SMP (Skimmed Milk Powder) reaching 2,150 EUR/mt in September. Year-over-year, butter prices were on average 27% lower, and SMP prices were on average 32% lower in 2023. Commodity prices began to recover in September, with butter prices reaching 5,500 EUR/mt in the last week of September.



Although prices started to recover, the anticipated strong demand following China's market opening in early 2023 did not materialize. Imports of WMP (Whole Milk Powder) were down by approximately 40% year-over-year during Q1-Q3. Throughout the year, there were observable differences in China's demand, signaling a potential shift in its trade patterns.

As we enter 2024, it looks like dairy commodity prices have hit their lowest point and are on the upswing, although the outlook remains somewhat uncertain. The data suggests that there could be limitations on the growth of the milk supply in major export markets might especially during the first half of 2024. New Zealand's milk supply might be impacted by El Niño , whereas the US milk supply is impacted by relatively high cow slaughter rates in 2023.

Production conditions in Europe have improved, which may result in an early upswing in production growth in 2024. Given steadily weak consumer confidence and evolving consumer preferences, the it is difficult to predict how demand will evolve.

China, a key importer of dairy products, might increase its imports slightly compared to the last two years driven by a modest increase in consumer demand toward the end of 2023. While there are signs pointing toward the recovery of the market in 2024, the situation remains uncertain due to ongoing geopolitical conflicts. These conflicts are also impacting energy markets and freight costs, contributing to the uncertain market trajectory.

Growth of dairy derivatives markets

Dairy derivative contracts are listed on three exchanges around the world: CME, EEX and SGX. Each exchange has an extended product offering of futures and option contracts. Companies use these risk management solutions for hedging.

The Chicago Mercantile Exchange (CME) is the most mature and liquid exchange for dairy products, trading approximately 1.3 million lots per year. Class 3 milk represents more than 50% of the traded lots and is actively used by farmers, producers and end users to cover risks.

68% CAGR
Volume growth
derivates '20-'23

The Singapore Exchange (SGX) began listing dairy derivative contracts in November 2021 in a strategic partnership with the New Zealand Exchange (NZX), which has listed dairy derivative contracts since 2010. In 2023, the SGX dairy contracts traded around 48,000 lots per month, for a total of almost 600,000 lots for the year.

The European Energy Exchange (EEX) has provided dairy futures contracts since 2015 and reached a new record in 2023 of more than 44,000 lots traded. In addition, there is an active "over the counter" (OTC) market that trades a multiple of the annual futures volumes.

For Numidia, trading on all three exchanges is becoming increasingly important. It enables us to cover the risks of physical trading. In addition, these markets sometimes offer better trading opportunities than physical markets.

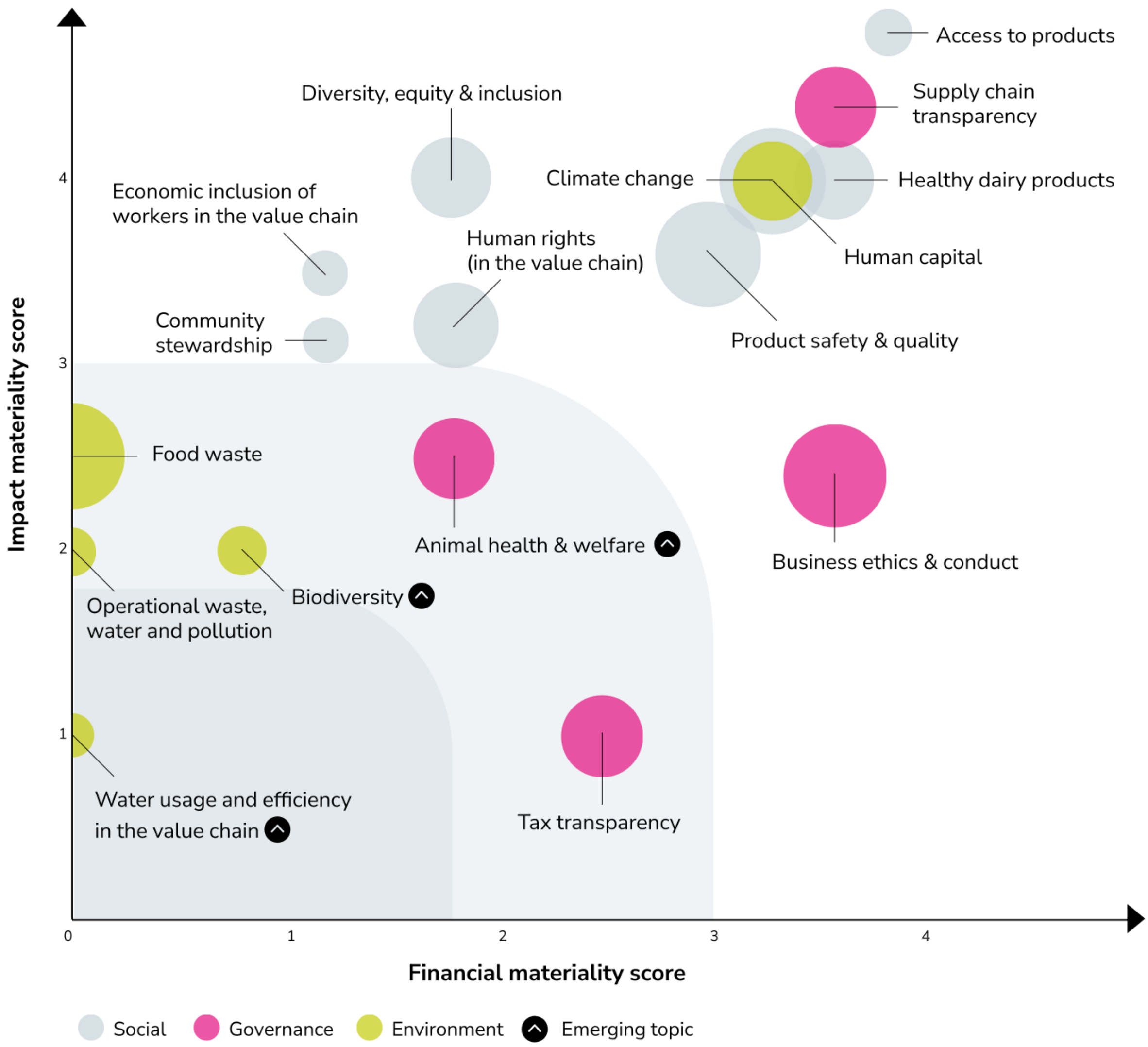
MATERIALITY AND STAKEHOLDERS

Introduction

To ensure that we focus on the most relevant topics, in line with the latest market trends and developments as discussed in the previous sub-chapter, we have assessed the material topics in consultation with our stakeholders. This chapter explains our approach in stakeholder engagement and how we apply the concept of double materiality.

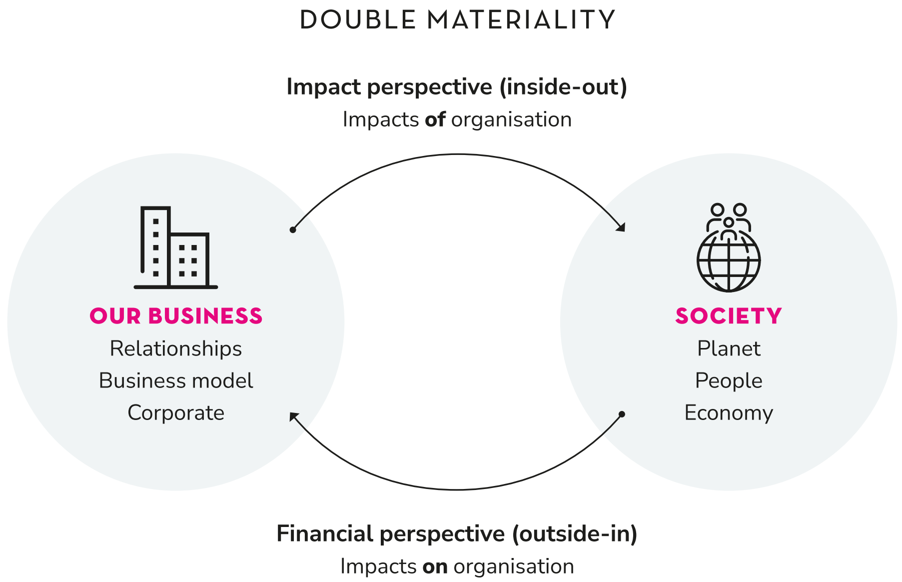
The matrix below shows the outcome of the double materiality assessment in consultation with our stakeholders. In total, 11 topics were determined to be material.

DOUBLE MATERIALITY ASSESSMENT



For the stakeholder analysis and double materiality assessment, Numidia engaged the services of a consultancy company that specializes in sustainability reporting. The double materiality assessment is based on the requirements of the GRI standards and the European Sustainability Reporting Standards (ESRS).

The GRI standards defines material topics as “topics that represent the organization’s most significant impacts on the economy, environment, and people, including impacts on their human rights.” The ESRS requires companies to report on sustainability matters based on the double materiality principle. According to the ESRS 2 reporting standard: “Double materiality has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criterion of double materiality if it is material from the impact perspective or the financial perspective or both.”



IMPACT MATERIALITY

“A sustainability matter is material from an impact perspective when it pertains to the undertaking’s material actual or potential, positive or negative impacts on people or the environment over the short, medium- or long-term. Impacts include those connected with the undertaking’s own operations and upstream and downstream value chain, including through its products and services, as well as through its business relationships. Business relationships include those in the undertaking’s upstream and downstream value chain and are not limited to direct contractual relationships.”

FINANCIAL MATERIALITY

"A sustainability matter is material from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the undertaking. This is the case when a sustainability matter generates risks or opportunities that have a material influence or could reasonably be expected to have a material influence, on the undertaking’s development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or longterm. Risks and opportunities may derive from past events or future events. The financial materiality of a sustainability matter is not constrained to matters that are within the control of the undertaking but includes information on material risks and opportunities attributable to business relationships beyond the scope of consolidation used in the preparation of financial statements.”

Source: EFRAG, July 2023

Methodology

Numidia applies a 4-step approach to double materiality:

PROCESS DOUBLE MATERIALITY ASSESSMENT

DEFINE

The define' stage starts by identifying the applicable (sector specific) standards and requirements within the context of the organization's business model and activities. Determining the key stakeholders is based on understanding and overseeing the full value chain.

Numidia's business model and value chain is explained in the chapter "Value creation model". Stakeholders have been identified based on their activities and relations in the value chain. We have divided stakeholders into two groups: direct stakeholders and indirect stakeholders.

The direct stakeholders are parties we engage with within the value chain. There is no direct contact with indirect stakeholders, but they are important for the dairy industry in the broader perspective and should therefore be taken into consideration.

Stakeholder	Direct/indirect	Role
Customers	Direct	Downstream
Suppliers: product, transport, warehousing	Direct	Upstream
Employees	Direct	Own operations
Financial institutions	Direct	Own operations
Shareholders	Direct	Own operations
Certifying bodies and related auditors	Direct	Own operations
Industry association	Direct	Upstream/downstream
Internal experts	Direct	Own operations
Farmers	Indirect	Upstream
Consumers	Indirect	Downstream
Governments	Indirect	Upstream/downstream
NGOs and communities	Indirect	Upstream/downstream

stakeholder engagement strategy

Stakeholder groups differ in terms of number of people, their impact, and their relation. For example, there is a far greater number of customers than financial institutions. Engagement strategies are determined per stakeholder group for the specific purpose of the double materiality analysis. The goal is to ensure that the outcome reflects the view of each group as much as possible.

For the larger groups (e.g. Customers), carrying out a survey is considered the most suitable way of collecting a sample large enough to be representative of the whole group. We also conducted interviews with selected parties within the group membership. For the external stakeholder groups with a smaller number of people, we used the method of in-depth interviews.

Indirect stakeholders were not directly engaged, but their interests have been taken into account through direct stakeholders who are in a position to represent their views.

Stakeholder	Direct/indirect	Engagement strategy
Customers	Direct	Survey + interview
Suppliers: product, transport, warehousing	Direct	Survey + interview
Employees	Direct	Survey
Financial institutions	Direct	Interview
Shareholders	Direct	Interview
Certifying bodies and related auditors	Direct	Interview
Industry association	Direct	Interview
Internal experts	Direct	Expert sessions
Farmers	Indirect	Through suppliers
Consumers	Indirect	Through customer
Governments	Indirect	Through industry associations
NGOs and communities	Indirect	Through industry associations

Next to the stakeholders, internal experts are involved as well as they have the most knowledge of Numidia and its value chain. In order to get the input of internal experts, we conducted in-depth expert sessions. The internal experts were carefully selected to reflect all aspects of Numidia's Value chain and involve a sufficient level of seniority.

IDENTIFY

The goal of this stage is to identify actual and potential (positive and negative) impacts, risks and opportunities.

This assessment is made through desk research on internal and external sources. The main sources/methods used are: the value chain model, long list, peer reviews, sector studies, audit report (Ecovadis/Sedex) media checks, and internal expert insights.

The results are consolidated into a "short list" of potential material impacts, risks and opportunities which are grouped into a total of 20 topics. This short list is finalized after the board of directors signs off on it. The short list can be found under "Short list of potential material topics" in the Other information section of this report.

ASSESS

The goal of the assessment phase is to make a list of material topics from the short list. This is done by carrying out surveys and interviews with stakeholders, as well as conducting in-depth expert sessions, to get different views on potential material impacts, risks and opportunities.

The outcomes are consolidated, weighted, and calibrated. The qualitative input from internal experts is quantified by considering and weighting several factors: impact, scale/scope, likelihood, and irremediability. The (quantitative and qualitative) input from the external stakeholders is used to validate the outcome of the internal experts. The results are visualized in a double materiality matrix.

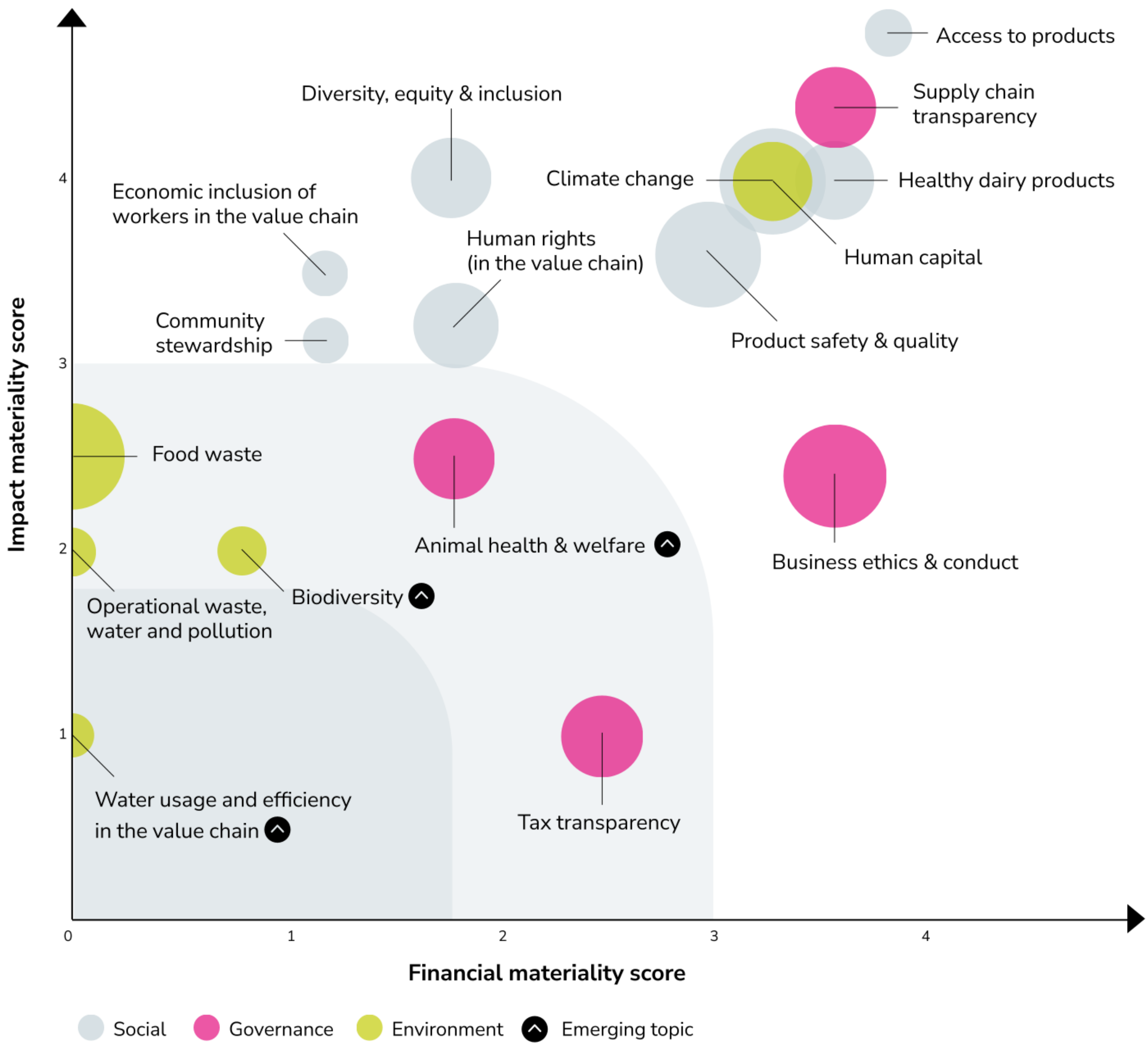
PRIORITIZE

The outcomes are calibrated in order to come to a material topic list. The calibration session is facilitated by the external consultancy company in cooperation with key internal experts. This session validates the consolidated outcome and determines the order in which the topics are ranked.

A threshold is also defined to separate the material from the non-material topics. The list of material topics is finalized by BoD approval. The final list, with reference to the ESRS topics, can be found under "Material topics" in the Other information section of this report.

Double materiality matrix

Based on the results of the double materiality assessment, the following Double Materiality matrix is created:



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Next steps

DISCLOSURE MAPPING

In order to determine the full scope of the reporting, material topics need to be mapped to the applicable ESRS and GRI disclosures. For the 2023 report, the focus is on the GRI standards.

The full ESRS mapping from topic to sub-topic, including disclosure requirements, is planned for 2024.

NON-MATERIAL TOPICS

Some topics have been classified as non-material, while the impact on the industry is significant:

- Biodiversity
- Operational waste, water and pollution
- Water usage and efficiency in the value chain
- Animal health & welfare

These are classified as non-material due to various reasons, despite them having an undeniable impact on the total supply chain:

- Most of these topics are high on the agenda in Europe, New Zealand and at certain multinationals, but not in other regions or customer groups. As Numidia is operating on a global scale the financial impact is limited as there are sufficient sourcing options. Despite the environmental pressure in certain regions, global production is not decreasing.

- Numidia has no direct control over these topics, not being a producer itself. The indirect impact Numidia can make through its suppliers is also limited, as our market share and procurement volume does not give us significant bargaining power.

- Global production is not so much demand driven, but more supply driven on the short to mid-term. Producers will process all the milk available and have sufficient possibilities to sell. Numidia's demand and purchase volume has no impact on the volumes being produced. A lower demand from Numidia would not result in lower production volumes.

However, we expect this to change in the long-term as the requirements from customers and legislators are expected to change over time. Driven by increasing (end) customer demand for sustainable products, Numidia can translate and embed these customer requirements into its procurement policy. This fits with Numidia's ambition to increase its impact, as we recognize the importance of these topics on an industry level.

CONTINUOUS STAKEHOLDER ENGAGEMENT

The double materiality assessment is subject to change because Numidia’s supply chain and (industry) requirements are continuously developing. That is why the outcomes need to be periodically validated. The goal is to embed this process into the exiting stakeholder engagement structures: e.g. the Great-Place-To-Work surveys, the Net Promoter Score surveys, supplier audits, Board of Directors meetings, etc.

3 Strategy

STRATEGY

Our strategy is aimed at achieving our vision and mission and upholding our values.

Vision

We believe that everyone worldwide should be able to enjoy the benefits of quality dairy products. We see it as our task to contribute to making that happen!

Mission

We want to be the best and most sustainable supplier of standard dairy products in the world for the food and feed market. We want to add value (commercial, logistical, financial, risk management, administrative and technical) for our suppliers and our customers with whom we want to establish long-term relationships. Our people make the difference!

Our values

TRANSPARENCY

RELIABILITY

AUTHENTICITY

LONG-TERM RELATIONSHIPS

FLEXIBILITY

The strategic pillars

In total, we have defined six strategic pillars that guide our direction.

At the core of our strategy lies a strong foundation: the NUMIDIANS.
Our success starts with the hiring and training of world-class employees. We aim to provide an average of 40-60 hours of training per year to support employee development. We also dedicate a lot of time and attention to forging an excellent team. Our management style, known as "reversed accountability", emphasizes that managers should be there for our employees, not the other way around. The better we apply this management style , the better employees will feel and the better they can perform. It is therefore not surprising that Numidia has been certified as a Great Place To Work for the last three years.

MOST SUSTAINABLE: We apply responsible trading practices with respect for people and the environment.
As stated in our mission, we want to be the most sustainable supplier in our business. We established our Environmental Management System (to the ISO 14001 standard) in 2018. Since 2019, we have voluntarily offset the emissions of our own activities and those of all transports and warehousing that we organize for our customers. Since 2023, we compensate the Scope 1 and 2 emissions within the dairy supply chain.

MARKET LEADERSHIP: We strive for double-digit growth to increase our market share in the physical and derivative business.

Our physical sales volume has grown by 16% from 2022 to 2023 and we have maintained a 68% Compound Annual Growth Rate (CAGR) on derivative volume over the last four years. Our ambition is to keep growing both sides of the business in order to maintain and extend our leading position. Numidia believes that a leading position on both sides of the business is required to maintain a leading position in the worldwide dairy industry.

MOST INNOVATIVE: We use the latest technology and data to make the best decisions and work more efficiently.

Numidia's IT and innovation vision is based on five pillars:

1. Automation: improve, standardize and automate repetitive processes to deliver the best experience in the most efficient and reliable way possible. To this end, we use the latest automation tools available like Robotic Process Automation (RPA).

2. Integration: electronically link Numidia with external parties (customers, suppliers, authorities) in order to optimize transparency and provide our partners with real-time information as much as possible.

3. Business intelligence:

- Market intelligence is key for our derivative business. By collecting comprehensive and up-to-date (market) data and translating the information into concrete actions, we can anticipate and act upon market developments . To this end, we make use of the latest technologies like Artificial Intelligence (AI).
- Real-time information on financial and operational performance is key in managing and controlling the business. To this end, we use the latest BI tooling, which is linked to our ERP system and other sources.

4. Risk management and compliance: identifying and controlling risks is crucial in avoiding (unforeseen) compliance issues and being on top of business risk and market risk. IT systems are utilized to establish optimal transparency and provide early warnings for any potential issues.

5. Cyber security: the threat of cyber security is increasing and the impact on operations can be significant. By using state-of-the art tools for detection and monitoring, we minimize the risk of security breaches. In addition, we train our people for maximum awareness.

BEST EXPERIENCE: We listen to and satisfy the requirements and wishes of our customers and suppliers.

Our physical product strategy has always been about operational excellence; about creating a distinct market position through the delivery of standard dairy products (commodities) with outstanding operational performance. In the coming year(s), we will focus even more on satisfying our customers' and suppliers' expectations through a combination of operational excellence in controlling the supply chain and customer intimacy with regard to the delivery of goods and related documents/information.

We strive to deliver operational excellence at the best possible price (cost leadership) and achieve this by maintaining a simple organizational structure. From the outset, we decided to maintain a single global order book. As a result, we have realtime and detailed insight into our total product positions , enabling us concentrate our efforts on fully serving our customers and suppliers. After all, there is no internal trading between the various offices and everyone is working toward the same goal.

BEST PRODUCTS: We bridge the supply-demand gap for quality dairy products worldwide. Access to products is one of the material topics identified in the double materiality stakeholder analysis. The dairy industry is characterized by a global imbalance between demand and supply. Traders fulfill a unique role in the market by bridging this gap. This gap exists because local producers often lack the capabilities and/or appetite for doing business on a global scale and managing the accompanying risks. Numidia plays a crucial role in filling this gap and thereby making dairy products available for the many people who would otherwise be denied access to these products. This fully aligns with our vision, “We believe that everyone worldwide should be able to enjoy the benefits of quality dairy products. We see it as our task to contribute to making that happen!”

Because of our comprehensive product portfolio (as described in chapter "Business model"), we serve as a one-stop-shop for all dairy commodities. We understand the unique market dynamics of each product category. Through trading in the full range of products, Numidia has gained expert market knowledge. Our business model, which combines the trading in both physical products and derivatives, creates hedging opportunities that benefit both Numidia as well as customers and suppliers.

This combination is of great strategic value. On the one hand, there is a link between the physical and derivative markets but on the other hand, they can still show distinct price developments. By tracking the developments in both markets, we gain a better overall picture of the dairy commodities market and of the most promising trading opportunities. Numidia can take advantage of arbitrage opportunities related to time, geography, products and markets. This gives Numidia an edge over many competitors.

Another material topic is Healthy dairy products.

According to the British Dietetic Association, the benefits of dairy are significant. “For many people, milk and dairy play an important role within a healthy balanced diet. Milk and dairy foods are affordable, safe to consume daily, wholesome and a delicious source of essential nutrients. Milk and dairy typically provide almost one-third of our recommended calcium intake, but the nutrition provided by dairy products goes far beyond calcium alone. A single glass of semi-skimmed milk provides protein, phosphorus, potassium, iodine, riboflavin and pantothenic acid and a massive 72% of our daily need for vitamin B12. The main dietary source of B12 for vegetarians is dairy.

Together, the nutrients in milk and dairy benefit the body in a number of ways:

- Keep muscles, bones, nerves, teeth, skin and vision healthy
- Release energy from foods and reduce tiredness and fatigue
- Maintain healthy blood pressure
- Support normal growth and brain development
- Support the normal functioning of the immune system”

By supplying these products globally, Numidia aims to contribute to the well-being of people everywhere.

We observe a growing interest in health and well-being around the world. This is partly driven by aging populations in more developed regions. As a result, the demand for high-protein products is increasing. Numidia’s product portfolio includes a wide range of high-protein products, which we consider a strategic growth opportunity for the years to come.

Research and development activities are limited given the nature of the company’s business and operations, and are therefore not represented in the strategic pillars.

SUSTAINABILITY STRATEGY

Numidia wants to be the best, most sustainable supplier of standard dairy products. The road we have travelled so far and the steps we have taken to remain the most sustainable supplier have been translated into a sustainability roadmap. The roadmap presented below highlights our past achievements in gray and outlines our planned actions in magenta.

SUSTAINABILITY ROADMAP

2018
- CO_2 measurement system certified with ISO14001
- Sedex membership

2019
- Green Deliveries and Green Warehousing: CO_2 compensated transport and storage

2020
- CO_2 reduction management added to ISO14001

2021
- First CSR report
- Great Place to Work accreditation
- Silver medal EcoVadis
- ESG credit facility

2022
- Gold medal EcoVadis
- Joined the Sustainable Dairy Partnership (SDP)
- Great Place To Work

2023
- First integrated annual report (2022) based on GRI guidelines
- Gold medal EcoVadis
- Great Place To Work

2024
- Integrated annual report 2023: CSRD/GRI-based double materiality assessment
- Platinum medal EcoVadis
- Greenrouting

2025
- Integrated annual report 2024: CSRD ready
- All new lease cars must be EV

2026
- Auditors limited assurance annual report 2025 with respect to CSRD

2030
- 50% CO_2 reduction
- 30% CO_2 compensated products sold by 2030

MOST SUSTAINABLE

Achieved

Planned

Roadmap

In 2023, Numidia determined three main sustainability goals to be achieved during that year. In Q1, we completed the integrated sustainability report with reference to the GRI standards. In Q2, we focused on raising Numidia's EcoVadis score to a minimum of 78 out of 100 points to achieve the Platinum medal. In the end, we scored 76 out of 100 points – more than enough for the Gold medal, but two points short for the Platinum medal. At the end of Q3, we planned to initiate Green Routing. We have determined a first set of routes for delivering products that have a reduced CO_2 footprint to participating customers.

In 2024, Numidia will be preparing for the upcoming CSRD legislation. For the current report, the double materiality analysis has already been prepared according to the requirements of the CSRD. In 2024, we will continue our efforts to achieve the EcoVadis Platinum medal.

Sustainability goals

Several sustainability goals have been defined in line with the sustainability roadmap.

REDUCE EMISSIONS FROM COMPANY CARS

Since 2020, all new company cars are (semi) electric vehicles. We have thereby managed to reduce the emissions coming from company cars. From 2025 onwards, all new company cars must be one of the following:
- Electric vehicle (EV)
- Fuel cell vehicle (FCV)
- Fuel cell electric vehicle (FCEV)

MINIMIZE EMISSIONS FROM NUMIDIA HEAD OFFICE

We aim to reduce any emissions emitted from our head office and to be as self-sustaining as possible.

REDUCE EMISSIONS FROM TRUCK & SHIP TRANSPORTATION

We are prioritizing collaborations with transport vendors that are making efforts to reduce their negative impact on the environment. The cooperation and willingness from our partners to achieve this goal is a crucial success factor.

RAISE ENVIRONMENTAL AWARENESS OF CUSTOMERS AND SUPPLIERS

We make agreements with our suppliers that include conditions to ensure that they meet all our sustainability requirements. We also rate each supplier according to how closely involved they are with sustainability.

Although we cannot directly influence customers in reducing their environmental impact, Numidia does believe it has a responsibility to promote the following goals:
- **CO_2 footprint for sales and the option to buy a CO_2 compensated product**
  To provide all customers with the total CO_2 footprint of products purchased from Numidia, with the option of buying a fully CO_2 compensated product.
- **30% CO2 neutral products sold by 2030**
  By 2030, 30% of all products sold are to be CO2 compensated with carbon credits.
- **Green Routing By the end of 2024, every customer will have the option of purchasing Green Routing.**
  Green Routing will provide the option of purchasing products with a lower CO2 footprint compared to standard products.

Sustainable Dairy Partnership (SDP)

Since 2022, Numidia has been a member of the SDP. We joined the platform to increase our focus on continuously improving the sustainability of the dairy supply chain. We aim for closer cooperation with producers and farmers to align with and improve the sustainability goals as stated in the Dairy Sustainability Framework (DSF). These include the following:
- Greenhouse Gas Emissions
- Soil Nutrients
- Soil Quality and Retention
- Water Availability and Quality
- Biodiversity
- Working Conditions
- Animal Care
- Waste

- Market Development
- Rural Economies
- Product Safety and Quality

Sustainable sourcing policy

To be the world's best and most sustainable supplier of standard dairy products for the food and feed market, it is very important that Numidia's suppliers abide by the principles of the sustainable sourcing policy. Suppliers are also responsible for making sure that these principles are followed throughout the supply chain.

We want our suppliers to prevent the products from being exposed to or contaminated by harmful materials (chemicals, waste, harmful pesticides, etc.). In addition, suppliers need to provide assurance of healthy soil preservation and the prevention of erosion. In order for this to work, increasing awareness and sense of urgency among an significant part of the supplier base is required.

Valuable partnerships

All our suppliers are required to formally agree to abide by our Code of Conduct (CoC). All new (product and service) suppliers are screened according to how involved they are with various sustainability programs that may also include environmental, social, or ethical aspects. This includes certifications, documents, or ratings such as Sedex, SDP, EcoVadis, GRI reports, SASB and any other platform designed to include aspects related to sustainability.

Based on this screening process, we created risk profiles for each supplier to assess their level of compliance with our sustainability standards. The aim is to prevent adverse consequences and improve their sustainability efforts. These risk profiles are frequently reviewed and can change positively because of improvements or negatively because of non-conformance with our sustainability standards.

EcoVadis

EcoVadis is the global standard for business sustainability ratings. The EcoVadis assessment evaluates 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. More than 85,000 companies globally have been rated by EcoVadis.

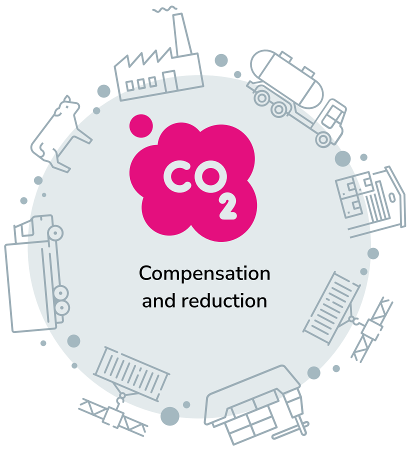
EcoVadis' business sustainability ratings are based on international sustainability standards such as the Ten Principles of the UN Global Compact, the International Labour Organization (ILO) conventions, GRI Sustainability Reporting Standards, and the ISO 26000 standard. The ratings provide an evidenced-based analysis on performance and an actionable roadmap for continuous improvement.

ENVIRONMENTAL

Numidia has a strong focus on reducing any adverse impacts on the environment caused by its processes, or those of its partners. Our environmental management system is certified to ISO 14001:2015, which demonstrates our commitment to measuring and continuously reducing our environmental impact. Since 2020, we have also met the CO_2 Reduction Management standard, an addition to the ISO 14001 standard, without non-conformities.

Environmental policy

We want the best for our employees, customers, suppliers and their communities; today and in the future. We are committed to reducing our environmental impact, including our direct impacts and indirect impacts related to transport and warehousing.



We consider it our responsibility to contribute to CO_2 reduction and compensation. We are proud to be the first global dairy trader to become CO_2 neutral in its operations. In addition, we pride ourselves in continuously improving our environmental performance by setting objectives and targets in compliance with environmental management systems and EU legislation. With specific focus on the major emission sources such as the transportation of goods. Our environmental policy is communicated to all staff members and is available to contractors, suppliers and the public.

Climate change

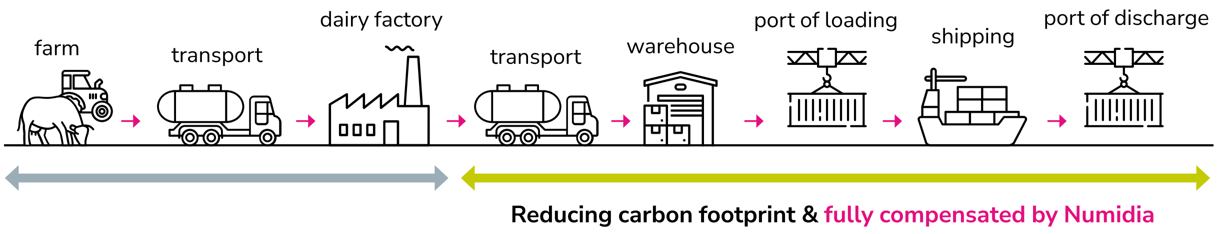
Addressing climate change is a top priority on Numidia’s agenda, reflecting both our internal commitment and external stakeholder expectations. We actively work to mitigate greenhouse gas (GHG) emissions, including direct emissions related to Numidia-owned or controlled property or processes, and indirect emissions linked to several of our activities within the supply chain. We also require our suppliers to take action to reduce GHG emissions by using renewable energy sources where feasible and economically viable. In addition, we expect suppliers to make a concerted effort to identify their carbon footprint using the GHG Protocol or a comparable standard.

CO_2 footprint, reduction & offsetting

Numidia follows the GHG Protocol Corporate Accounting and Reporting Standard GHG Protocol to identify its carbon footprint, with a focus on carbon dioxide or carbon dioxide equivalents (CO_2-eq). See chapter "Non-financial results" for an overview of Numidia’s carbon footprint.

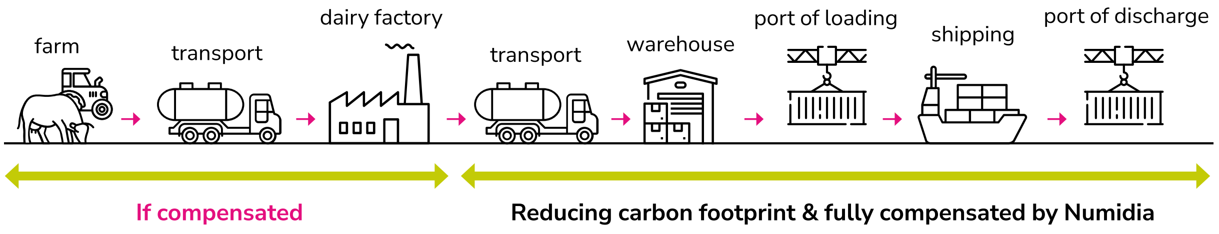
We have assessed our scope 1, scope 2 and various scope 3 emissions. This means that we have identified CO_2-eq emissions not only from company-owned office buildings, business travel and commuting, but also from the transportation of products (by ship or truck) and third-party warehousing (storage and freezing). We offset 100% of our emissions using carbon credits from the VCS or Gold Standard platforms. For all scope 1 and scope 2 emissions, our goal is to only use carbon credits from carbon offset programs that have a positive impact on the dairy supply chain.

In addition, we have calculated the upstream scope 3 emissions generated by farmers and producers of all our purchased products. However, unlike downstream scope 3 emissions from sources that fall within our area of responsibility, such as third-party transportation and warehousing, the emissions from farmers and producers are not included in Numidia's carbon footprint.



CO_2-compensated products

Numidia offers CO_2-compensated products, giving customers the option to completely offset the emissions of their products from the initial collection at the farm all the way through delivery. Alternatively, we may calculate and provide customers with data on the CO_2 footprint associated with their products, enabling them to choose their own carbon reduction or compensation strategy.



Sustainable head office

We have calculated our energy usage for our head office as well as all other Numidia offices around the world. Our head office was designed and constructed to be almost self-sustaining and is equipped with 110 solar panels, geothermal temperature conditioning, phase changing material ceilings (PCM) for cooling, and various other innovative and energy-saving systems. Our company car fleet now features exclusively hybrid or electric vehicles, minimizing the adverse effects of emissions.

Although waste is a relatively small part of Numidia's environmental impact, we still make great efforts to reduce emissions from waste where possible and to separate waste for recycling purposes. This includes separating paper and PMD (plastic, metal & drink packaging) streams, but also reducing the volume of waste by, for example, replacing soda cans with water taps. By facilitating recycling, we prevent CO_2 emissions from waste incineration.

Biodiversity

Numidia's vision on biodiversity is that the preservation of the present ecosystem is critical and should be negatively impacted as little as possible. As reflected in the double materiality assessment outcome, the topic is not material, but it is emerging as it presents an increasing challenge to the dairy industry. Despite its limited impact on this aspect, Numidia ambitions to increase its impact on this topic and will look into the possibilities and opportunities. Cooperation from suppliers and farmers is crucial to make a significant impact. Preserving biodiversity needs to be a joined goal of: farmer, cooperative and Numidia. All parties will need put this topic on the corporate agenda and free up resources in order to make a difference.

SOCIAL

Our people, the Numidians, are our most important asset. Therefore, we strive for long-term relationships with our employees. To provide an attractive employee experience, we promote a safe and healthy work environment and provide a broad range of professional and personal development opportunities. We are also a multi-cultural organization with employees who represent many different nationalities and cultural backgrounds. In addition we want to make a meaningful contribution to society. We care about the environment and about providing opportunities for underprivileged children. Through the Numidia Charity Foundation, we fund various educational, cultural and aid-related projects every year.

Ambition

Numidia wants to make a significant contribution to employee well-being. We strive to create a work environment, in the office but also at home, that is not only safe but also fulfilling. Our initiatives focus on promoting both professional growth and personal well-being, recognizing that a healthy work environment is crucial for our success.

Great Place To Work® Certified FEB 2023–FEB 2024 NL ™

Numidia has participated in the in the Great Place to Work (GPTW) survey since 2021. Great Place to Work is a global research and consulting firm that assesses and rates workplace cultures. Great Place to Work operates in many different countries and regions, allowing for a global comparison of workplace cultures. This global perspective enables companies to benchmark themselves against both local and international standards. Numidia is proud to have been certified as a Great Place To Work for the last three years.

Being recognized by Great Place to Work demonstrates that Numidia has been successful in creating a positive workplace culture where employees feel safe, valued, trusted and engaged.

Human rights in the value chain

We are committed to acting in compliance with the International Bill of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We have aligned our Health & Safety Policy and our Code of Conduct with these international human rights standards. We do not allow any forced or child labor, nor do we accept discrimination, harsh treatment, or inhumane treatment. Our policies support the well-being of our own employees and of people employed by our partners throughout the supply chain.

Healthy and safe work environment

Numidia provides ergonomic equipment for all employees to promote safe working conditions, both in-office and for at-home use. Employees have the flexibility to work from home one or two days a week and to plan their own work-from-home day(s).

To further promote employee health and well-being, Numidia initiated a partnership with ODS in 2023. Through our collaboration with ODS, we are able to offer our employees and their family members access to a broad range of activities and expert advice in the areas of exercise, relaxation, nutrition and mindset, enabling them to live an (even) healthier and more vital life.

In addition to the ODS program, Numidia periodically offers employees appropriate medical examinations aimed at preventing or limiting health risks as much as possible. The most recent preventative medical examination (PMO) took place in 2021 and will be offered again in 2024.

We promote a healthy diet by providing a joint employee lunch consisting of fresh and nutritious ingredients three times a week. In addition, fresh fruit is delivered several times a week and all available sodas are sugar-free.

Product safety and quality

In addition to promoting a healthy lifestyle for our employees, we want to provide access to safe and high-quality dairy products to people everywhere. Numidia is a certified IFS Broker and BRC Agent and Broker for the food market, confirming that the products we offer are of high quality and meet the requirements of our stakeholders. We hold a GMP+ certification for feed safety. We are also Skal certified, which allows us to trade in organic products.

IFS Broker

BRCGS Agents and Brokers CERTIFICATED

Feed Safety GMP+ Assurance

Remuneration

Employee remuneration is based on a salary scale that considers an individual's position, responsibilities and years of experience. Salaries are paid at least once a month. All employee salaries are well above the minimum wage for each country. We follow the labor laws of the countries in which we have an office.

We offer employees an indefinite employment contract after nineteen months. Employees who are employed at Numidia for five years or longer become a member of "Club Numidia". This membership includes: an additional paid day of leave, invitations to business events, a visit to an office abroad once every five years and other additional benefits.

We take care of our employees now and in the future. That is why Numidia pays into pension plans in accordance with the local customs of its employees around the world. In 2023, all employees participated in the pension plans facilitated by Numidia.

We believe that when Numidia does well, our employees should also benefit. When Numidia is successful, employees are rewarded with an end-of-year bonus. The amount of each individual employee's bonus is determined by the following:

- the overall company result (versus budget)
- if applicable, the individual trade results vs. individual trade budget
- the employee's individual performance

Finally, we will add extra paid days off to our employees' holiday balance. We will add one day per year between 2024 and 2028, so that each employee receives an additional five paid days off compared to the year 2023.

Personal and professional development

We invest in the personal and professional development of all our employees through the Numidia Academy. The Academy starts with an onboarding program so that new employees can get to know Numidia. This consists of classroom introductions, e-learning courses and on-the-job training. In the months thereafter, we continue to develop the skills of new employees based on their individual needs. Employees who have been with Numidia for longer also have access to several trainings and courses.

Some employees may have individual requirements, such as needing to learn a particular language, assertiveness training or internal audit training. As we become aware of these requirements, we look at possible ways of addressing them.

Twice a year, we conduct performance and career development reviews known as the mid-year review and the end-of-year review. After some time, an employee will naturally be ready for a new challenge. We encourage employees to express their personal ambitions, and we try to facilitate them by providing extra tasks, projects or training. If an employee is not sure where their ambitions are, we offer career advice through an external party, even if this might lead to the Numidian leaving us. In 2023, four employees made a change within the company: some changed departments and others changed locations.

Diversity, equity and inclusion

Stephen R. Covey once said, “Strength lies in differences, not in similarities.” Our employees reflect that. You will see this in the variety of backgrounds, levels of experience, nationalities, and the many languages spoken within our company.

30
Nationalities

As of 31 December 2023, we had 30 different nationalities in total. That is something we are proud of. We celebrate our diversity on our Cultural Day. Four times a year, we come together to highlight the home country of one of our employees by enjoying traditional food, music and learning interesting things about that country.

To improve the cultural awareness within our organization, we offer cross-cultural awareness and communication training to all our employees. During this training, our employees gain invaluable insights into their own preconceptions, values and beliefs, how they differ from others, and how to navigate these differences and improve internal collaboration.

To underline the transparency of our open and direct culture, we have one work floor (per office) where we all work as a team. All directors, managers, staff, interns and seasonal workers are on the same floor; there are no separate offices. Employees are encouraged to approach each other with questions and ideas, or if they need help. In person if possible, or via phone, email or Teams message if someone is not at their desk.

UNDESIRABLE BEHAVIOR

We do not tolerate discrimination or any other undesirable behavior. That is why we have a policy in place to prevent and combat undesirable behavior both at the office and outside of the office. If, despite this policy, an employee experiences undesirable conduct, he or she can contact internal and/or external confidants. Confidants are trained to assist an employee by explaining their options and discussing possible solutions.

An employee (or anyone else connected to the company) who suspects illegal activity or misconduct can follow the whistleblower procedure, which is available online 24/7. The employee can choose to share their concerns with both internal confidants as well as external parties. The confidants report on the numbers and types of reports to the Management Team and the Board of Directors annually, whereby privacy and anonymity are guaranteed.

Community stewardship

Numidia cares about more than its own employees. We also care about our environment and underprivileged children. That is why we initiated the Numidia Charity Foundation. Numidia is the source of funding for this foundation. The Numidia Charity Foundation helps children in need all over the world with education, nutrition and financial aid. These projects are proposed by Numidians themselves and they also play an active role in the projects they propose.

Our contributions are limited to foundations and associations, and the budget for any project is agreed upon in advance. All contributions require official confirmation to show that the budget has been used for its intended purpose.

CHARITY PROJECTS IN 2023

Numidia has funded 9 different charity projects in 2023. Two of these projects are highlighted below.

The Kayenje Primary School
The Kayenje Primary School in Uganda, located 76 km from Kampala city, offers free universal primary education. Empowered by the strength, wisdom and compassion of 17 teachers, the school educates 759 children aged between 4-14 years. The classrooms needed a serious upgrade: they were dilapidated, partially collapsing and not usable during the rainy season. With the help of the Numidia Charity Foundation, the school rebuilt five classrooms and is providing support to improve education quality. The Numidia Charity Foundation believes that children are our future, that education is the key to independence and that everyone should have access to education.

Mundo de Talentos
The Numidia Charity Foundation extended the collaboration with Mundo de Talentos, a non-profit organization that inspires children aged between 10-13 of public schools in the South of Mexico to explore various options for their future. The two-year Saturday program consists of excursions and visits from passionate professionals (volunteers) of various disciplines. Children meet architects, journalists, doctors, artists, technicians, biologists, scientists and craftsmen. Through these encounters, the children broaden their perspectives, discover their talents, increase their self-esteem and strengthen their connection with society. In a playful and tangible way, the students are being prepared for the most important step after their school career: confidently and independently making choices for their future. The project has been a huge success. They are currently serving more than 300 students and they are expanding to other locations in Mexico and potentially other countries in Central and South America. We are impressed with the work that Mundo de Talentos does and happy to play a part in the future of these students.

Economic inclusion of workers in the value chain

Through the Numidia Charity Foundation, we also contributing to economic and social development by providing opportunities for workers. In 2022 for example, we supported Fundación Florecer in Trinidad, Uruguay with virtual classroom equipment to facilitate virtual classes when there is no assigned teacher. Another example is our support of Care2Communities, an organization in Haiti, with an ultrasound machine, supplies and funding for healthcare personnel.

GOVERNANCE

Governance strategy

The cornerstones of the governance policy are:

- Sufficient dualism and diversity in the company's management, covering all aspects of the business and all stakeholder interests.
- Zero tolerance of child labor, corruption, bribery & fraud.
- A safe work environment for all employees.
- "Tax follows the business."(Optimal business structure outweighs optimal tax structure)

Our governance policy takes the following legislation and guidelines into account:

- Applicable Dutch legislation
- Applicable local legislation of our foreign subsidiaries
- Applicable GRI disclosures
- Ownership structure of the group and the articles of association

The BoD is responsible for the governance structure.

Corporate governance

BOARD OF DIRECTORS STRUCTURE

Within our company structure, the Ultimate Beneficial Owners are part of the management structure. This poses an inherent risk of management override and conflicts of interest. We have the following safeguards in place to mitigate these risks:

- We differentiate between statutory directors and board members. The statutory directors are part of the BoD but report to the CEO.
- The BoD is multidisciplinary and representative of the organization.
- Below the BoD, there is a management team in charge of operational matters.
- A structured decision-making process, including BoD meetings, monthly management team meetings, quarterly business reviews, and daily commercial meetings.

The CEO is appointed by the Ultimate Beneficial Owners. Other board members are elected and appointed by the BoD itself. The performance of individual board members is evaluated on a yearly basis.

GENDER DIVERSITY OF MANAGEMENT

Taken together, the BoD and management team are 60% male and 40% female. All three statutory directors are male. The Dutch Management and Supervision Regulations Act ("Wet bestuur en toezicht") recommends that at least 30% of seats are to be held by women and 30% by men. We meet and exceed these gender diversity targets on a company and managerial level (BoD and management team).

The management team is 57% female and 43% male. The Dutch Management and Supervision Regulations Act recommendation is therefore met at this level.

All five seats in the BoD are held by men, including the statutory directors. The Dutch Management and Supervision Regulations Act recommendation is therefore not met. As Numidia meets the recommended target on a company and management team level and invests highly in training and education, we foresee the gender ratio to change in the years to come. However, due to the ownership structure, we do not expect to achieve 30% in the short term.

Supply chain transparency

Numidia recognizes the importance of ethical business practices and the creation of a sustainable supply chain.

Numidia is certified IFS Broker and BRC Agent and Broker, both of which require full traceability of the products from manufacturer to customer. Numidia's ERP system is fully equipped for this. All products are registered and processed on manufacturer batch level. Thereby, we can track exactly which batch was shipped to which customer, with all related documents and product details.

SEDEX

We are a member of Sedex (Supplier Ethical Data Exchange), a global non-profit organization promoting transparency in supply chains. Sedex enables us to share and receive information related to labor conditions, the environment, ethics, and business practices.

Sedex Member

In line with our commitment to ethical business, Numidia passed a SMETA audit in 2021. This audit, based on the Sedex Members Ethical Trade Audit methodology, evaluates critical aspects of our business operations, including labor conditions, health and safety, environment, and business integrity. The successful completion of this audit attests to our efforts to meet the highest standards of corporate social responsibility.

Numidia is dedicated to continuous improvement and transparency in business practices. In 2024, we are scheduled for another SMETA audit, reaffirming our commitment to upholding and enhancing our social and ethical responsibilities.

Business ethics and conduct

CORRUPTION, BRIBERY & FRAUD

Numidia does not tolerate any kind of corruption, bribery or fraud. This applies to all our employees, but also to our business relations. We make sure that all employees are fully aware of these topics by various means of communication and mandatory training programs.

Numidia is certified IFS Broker and BRC Agent and Broker, both of which require risk assessments related to food fraud and food defense.

All of Numidia's suppliers, including warehouses, transporters or product suppliers, are required to formally agree to our Code of Conduct before the onboarding process can begin. This means they are to conduct their businesses in compliance with the applicable anti-corruption laws and anti-bribery laws in each relevant jurisdiction, but also in accordance with the rules for anti-bribery. During the onboarding process of a supplier, we perform a risk assessment which focuses on any fraud risks specific to their type of business. This risk assessment is also subject to a yearly review.

Every new customer is screened by an independent third party. This third party traces the Ultimate Beneficial Owner (UBO) and scans for Politically Exposed Persons (PEP) and Special Interest Persons (SIP). People holding or connected to important political positions will be reviewed by Numidia for possible risks and to see whether our involvement with them is appropriate. In the case of a person being on a sanctions list (e.g. international sanction lists), we will not engage with this party in any way.

CHILD LABOR & FORCED LABOR

We guarantee that our processes and suppliers are entirely free of any involvement with child labor or any kind of forced labor. The requirements underlying this guarantee are described in Numidia's Code of Conduct. We have a zero-tolerance policy towards any business relations that do not respect this Code of Conduct. As part of the supplier and customer onboarding process, we perform various checks to ensure that they comply with this Code of Conduct.

WHISTLEBLOWER PROCEDURE

An employee (or anyone else connected to the company) who suspects illegal activity or misconduct can follow the whistleblower procedure, which is available online h24/7. Reference is made to chapter "Social" for further details.

ANIMAL HEALTH & WELFARE

The welfare of all animals should be ensured by following "The Five Freedoms". This applies to indoor keeping, outdoor keeping and during transportation. These Five Freedoms are as follows:

- Freedom from Hunger and Thirst: By providing ready access to fresh water and diet to maintain health and vigor.
- Freedom from Discomfort: By providing an appropriate environment, including shelter and a comfortable resting area. This also includes proper ventilation, temperature conditioning where necessary, and protection from direct sunlight and/or wind.
- Freedom from Pain, Injury or Disease: By prevention or rapid diagnosis and treatment. Also by ensuring that the environment is kept hygienic. Any form of physical abuse is prohibited.
- Freedom to Express Normal Behavior: By providing sufficient space, proper facilities, and the company of the animal's own kind.
- Freedom from Fear and Distress: By ensuring conditions and treatment that prevent mental suffering.

This topic is classified as non-material due to the limited impact Numidia has on this part of the value chain and the limited financial impact on Numidia. However, we expect this to change in the long-term as the requirements and potential impact will increase.

Numidia will strive to increase its impact, as we recognize the importance of these topics on an industry level. Therefore, these freedoms are embedded in Numidia's Sustainable procurement policy and code of conduct. All suppliers accept and sign-off Numidia's code of conduct.

Tax transparency

APPROACH TO TAX

Tax transparency is not a material topic, but still scores high amongst the stakeholders and is of financial importance. Numidia believes that it's important to be transparent on taxes. Therefore, this topic is covered in detail.

Numidia's strategy for the group taxation structure is "tax follows the business," meaning that the optimal business structure takes priority over the optimal tax structure. The BoD will evaluate the tax strategy on an annual basis.

The goals of this strategy are as follows:

- To facilitate the optimal business structure.
- To comply with all applicable legislation.
- To ensure we pay our fair share of taxes in the applicable regions.
- To avoid the risk of tax evasion.

CORPORATE INCOME TAX AND TRANSFER PRICING

The Numidia group operates in four jurisdictions with respect to corporate income tax:

- The Netherlands (all Dutch entities form a fiscal unity for corporate income tax purposes)
- Singapore
- United States
- Uruguay

Because we operate on a global scale, we follow the OECD guidelines for transfer pricing. We have taken the following steps to determine our transfer pricing strategy:

- An independent tax advisory firm has been engaged to support in the set-up the right structure and ensure compliance with all OECD and local tax requirements.
- We have evaluated the OECD arm's length standard and methods for testing the arm's length nature of intercompany transactions. The OECD guidelines do not prescribe a strict hierarchy of applicable methods. They do, however, require that the selected method provide the best estimation of an "arm's length" price.
- A benchmark study has been conducted to determine the estimation applied.
- Master files, local files and country-by-country reporting have been set up for all applicable countries in line with the requirements. These files are available at Numida's headquarters upon request by tax authorities and taxation stakeholders.

As a result, we are confident that we meet all applicable tax legislation:

- OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations, published in July 1995 and subsequently updated in 1996, 1997, 2010, 2017 and 2022.
- Dutch legislation: Article 29G of the Dutch Corporate Income Tax Act and the Dutch transfer pricing decrees of 4 June 2022, no. IFZ 2022/16685 and 30 December 2015, no. DB/2015/462M.

Corporate income tax charges are calculated and accounted for on a monthly basis on both the local and consolidated levels through the use of accruals.

During 2023, we submitted CIT filings in all four jurisdictions within the required deadlines and within local standards and requirements. We engaged local tax advisory companies in all jurisdictions to support and prepare the filings.

PILLAR TWO

In October 2021, the OECD published the Global Anti-Base Erosion Model Rules (Pillar Two) as part of the OECD/G20 BEPS Project.

Pillar 2 establishes a minimum tax system with a minimum effective tax rate (ETR) of 15% at jurisdictional level. Companies with a global turnover above EUR 750m will be within the scope of Pillar 2. Where the effective tax rate (ETR) is below the agreed minimum, the new system will top up the tax liability so that the overall rate will reach the established minimum in each jurisdiction where the taxpayer is resident. Pillar 2 is effective within the EU (among others) for financial years starting on or after 31 December 2023.

Numidia has performed an assessment of the impact for all applicable jurisdictions. The assessment indicates that:

- Numidia is in scope of Pillar Two, based on the revenue threshold of EUR 750 million and the jurisdiction where the head office is located, namely the Netherlands.
- For 2024 – 2026, Numidia expects to qualify for the safe harbor transitional ruling, based on the Simplified ETR test. This test is met when the total Income Tax Expense, according to the consolidated financial statements, divided by the total Profit Before Income Tax gives a ETR higher than the Transition Rate (15% in 2024, 16% in 2025, and 17% in 2026). This assessment is based on:
  - Effective tax rates from the previous years
  - 204 budget and 2025-2026 Long-Term Planning
  - Tax structure being in place
- From 2027 onwards, Numidia could be impacted in Uruguay. At present, Numida operates from a free-trade zone which exempts foreign companies from corporate income tax. From 2027 onwards, this income could be taxed in the Netherlands at a 15% tax rate, or Uruguay might adjust the free-trade zone regulations. Based on the scope of the current operations in Uruguay, the financial impact on the tax expense is expected to be limited.

4 Results

FINANCIAL RESULTS

Profit and loss

2023 was a solid year for Numidia, both in terms of volume and result.

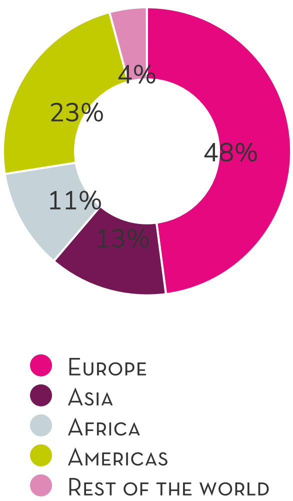
16%
Volume growth physical shipments

68% CAGR
Volume growth derivates '20-'23

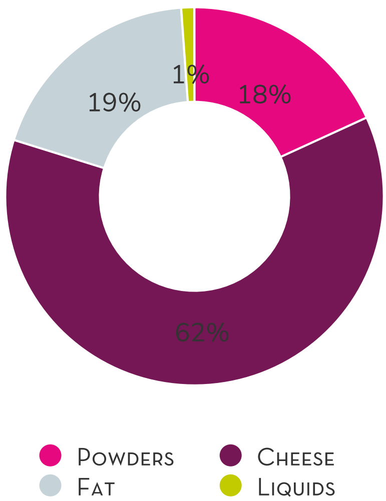
€ 917 M
Annual turnover

- Full-year sales volume grew by 16% year-on-year (YoY) to a total of 351,419 metric tons. Despite the significant increase in volume, Numidia's turnover was slightly lower than in 2022. This can be attributed to a decrease in dairy prices in 2023 following extremely high prices in 2022.
- Numidia has strategically focused growth regions, which resulted in higher turnover in Europe and Asia and lower turnover in Africa.
- The turnover by main product groups was: powders 62% (74% in 2022), fat 18% (13% in 2022), cheese 18% (11% in 2022) and liquids 1% (2% in 2022).
- Derivative volumes continued the double digit growth rate into 2023. The relative share in the total Numidia volume has thereby further increased.

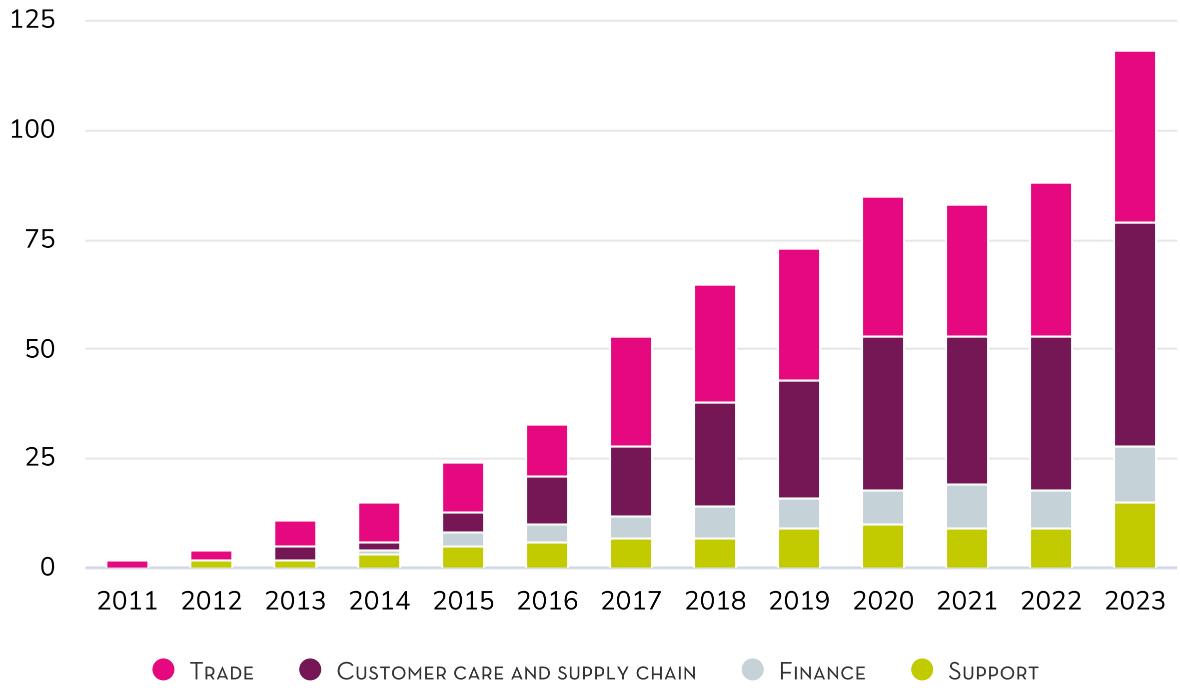
2023 Turnover by customer region



2023 Turnover by product category

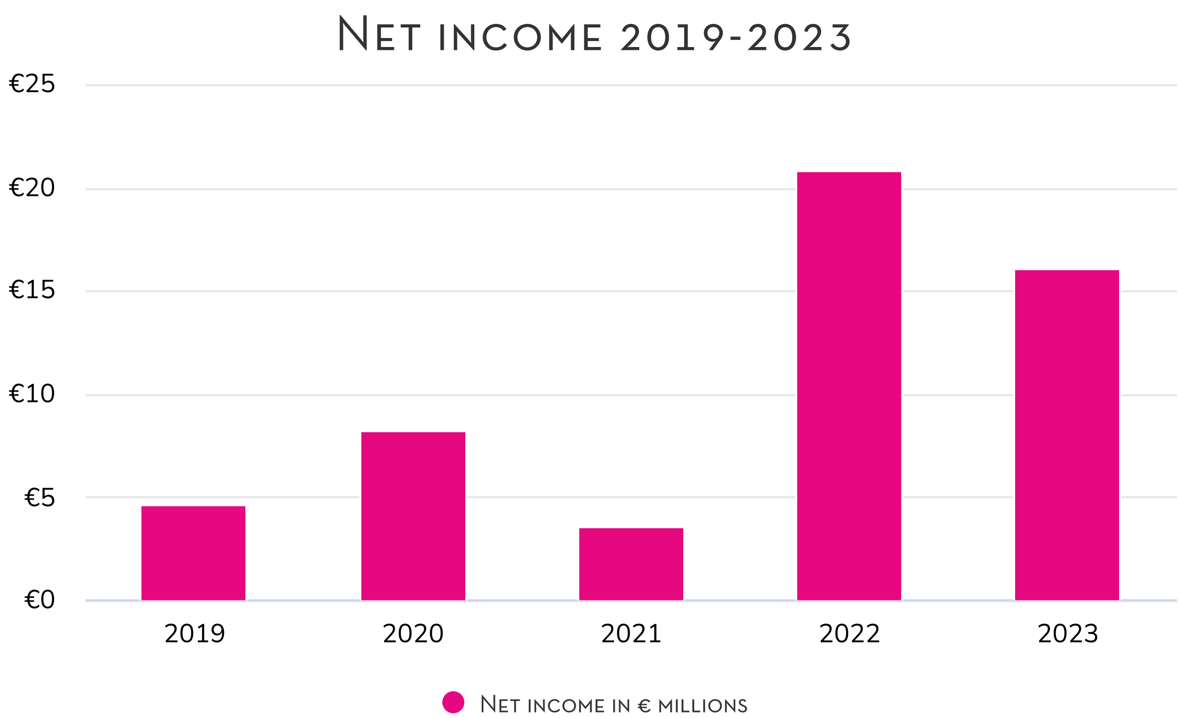


In 2023, we continued to build a strong foundation for growth, as demonstrated by the increased number of employees.



The above graph shows the number of employees at year-end. It includes: interns, seasonal workers and statutory directors. Agents, independent sales representatives and VCC employees are excluded. The average number of FTEs employed is reported in the notes to the consolidated profit and loss account.

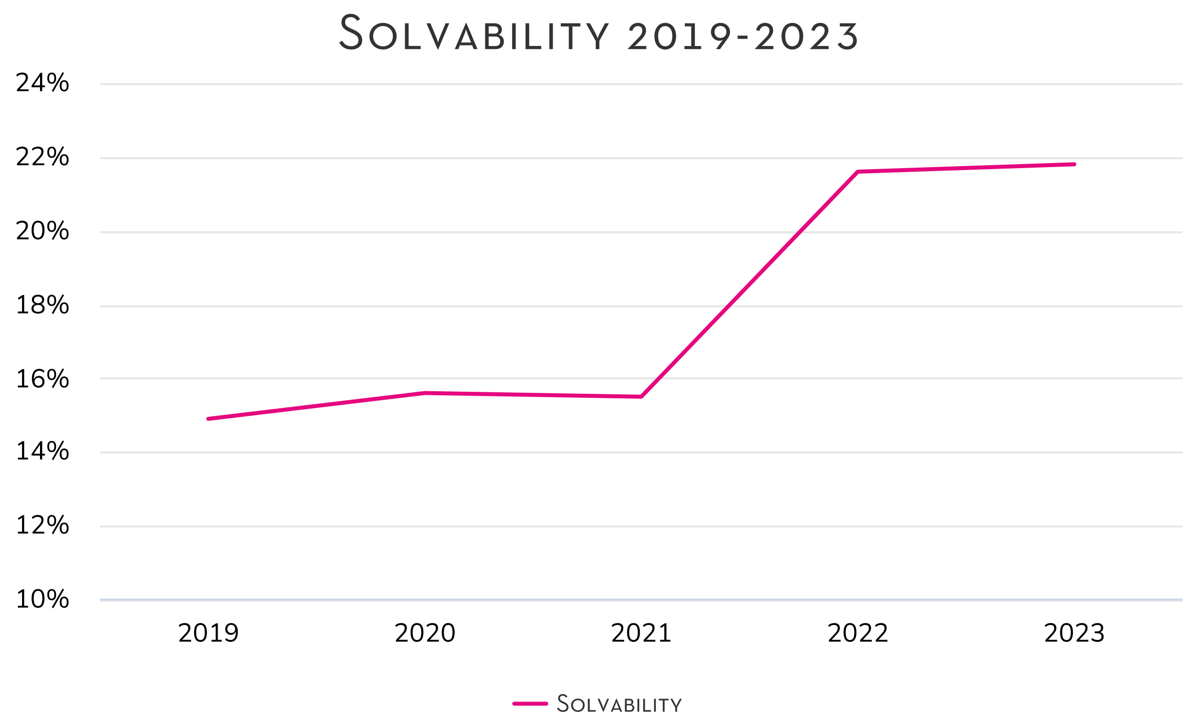
The net result was EUR 16 million (1.8% of the turnover), in line with Numidia's budget. Both physical sales and commodity derivative trading contributed significantly to the result.



Balance sheet

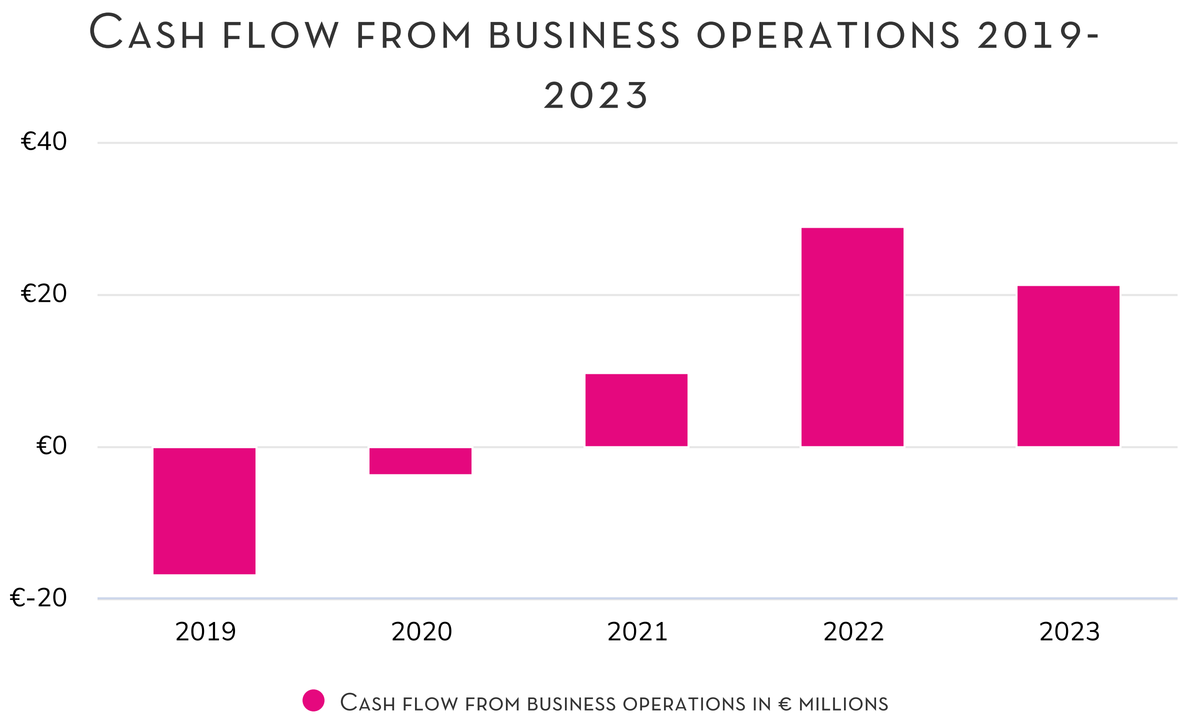
We accomplished our priority for 2023 to achieve profitability while controlling our working capital and improving our solvability:

- Working capital slightly increased from December 2022 to December 2023, as the product mix shifted toward cheese and fat products.
- Due to price increases in the last months of 2023, a higher inventory level was maintained.
- During 2023, the tangible net worth (TNW) increased by EUR 6 million to EUR 57 million. The TNW has been calculated in line with the bank covenants.
- The current ratio ultimo 2023 is 1.27 (1.26 ultimo 2022).
- Numidia made an additional investment in the joint venture Vonk Culinary Cheese (VCC), which enables VCC to increase production volumes.

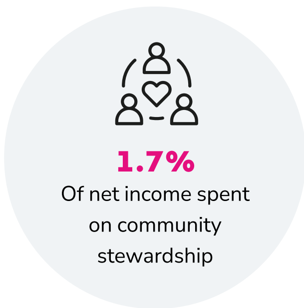


Cash flows

The 2023 cash flow from business operations was EUR 21.4 million. This cash flow was used to invest in financial fixed assets, finance working capital and pay dividends in the amount of EUR 10 million.



Financing and related requirements



The operations of Numidia are largely financed through an asset-based credit facility. In 2023, Rabobank joined the syndicate with Deutsche Bank and ING Bank. The total credit line amounts to EUR 180 million, of which EUR 30 million is conditional. On 31 December 2023, a total of EUR 71.1 million was utilized and all related bank covenants were met.

Community stewardship

In 2023, Numidia spent 1.7% of its net income on community stewardship, encompassing donations to the Numidia Charity Foundation, sponsorships and green certificates.

Outlook for 2024

In 2023, we continued to build a strong foundation for growth, as demonstrated by the increased number of FTEs employed by Numidia and the preparations for the expansion of our headquarters in Herten. We are prepared to take the next steps in our expansion in 2024. Over the course of 2023, we relocated to larger offices in Uruguay and Singapore to facilitate the growth of our teams there.

Our strategic pillars form the basis of our 2024 ambitions and budget:

The Numidians:

- Budget for employee learning and development
- Being the employer of choice in our industry and region

Most Sustainable:

- Extending our leading position in sustainability within the dairy trade. Having achieved an EcoVadis Silver medal in 2021 and a Gold medal in 2022 and 2023, we strive for a Platinum medal in 2024.

Market Leadership:

- Overall volume growth with extra focus on strategic regions and products (both in physical products and derivatives)
- Positive cash flow from business operations

Most Innovative:

- Further investments in IT, automation, and market and business intelligence are budgeted

Beste experience:

- Intensify customer and supplier engagement by continuously measuring satisfaction and using feedback to initiate improvement actions

Best products:

- Further grow our market share in high-protein products and through risk management solutions

We are confident that we have all the conditions in place to achieve our ambitions:

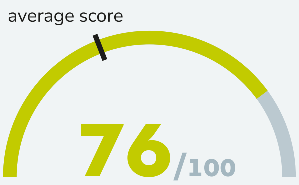
- A best-in-class workforce
- A very solid balance sheet and solvability
- A three-bank credit facility, providing sufficient room for growth
- A strong presence in the global physical and derivatives dairy markets
- A diversified customer and supplier base
- A diversified and broad product range
- The most advanced sustainability structure

NON-FINANCIAL RESULTS

We assess and report on our ESG (environment, social and governance) performance through EcoVadis, the global leader in business sustainability ratings. In our latest rating, which was completed in 2023, we earned a Gold medal and scored 76/100 points, which places Numidia in the top 2% of companies rated by EcoVadis in the Wholesale of food, beverages and tobacco industry. EcoVadis enables us to measure performance, uncover risks and identify where and how we can improve our overall ESG impact.

ECOVADIS

OVERALL SCORE



GOLD 2023 ecovadis Sustainability Rating

Our overall score places us in the **TOP 2%** of companies in our industry.

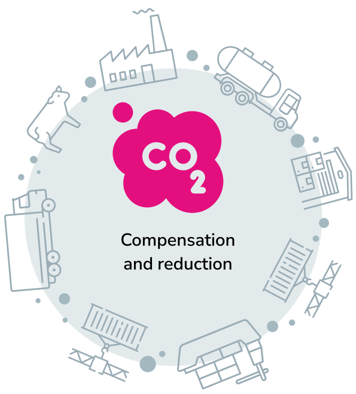
OTHER HIGHLIGHTS

ENVIRONMENT **TOP 3%**	ETHICS **TOP 4%**
SUSTAINABLE PROCUREMENT **TOP 2%**	LABOR & HUMAN RIGHTS **TOP 11%**

Environmental results

Numidia ranks in the top 3% of companies rated by EcoVadis in the Wholesale of food, beverages, and tobacco industry in the environment theme. In sustainable procurement, Numidia is in the top 2% of companies rated by EcoVadis in this industry.

Numidia has a leading position in the market when it comes to the environment. We were the first global dairy trader to map our CO_2 emissions (2018) and we have been fully compensating our emissions since 2019. Numidia's own carbon footprint is compensated using CO_2 certificates from a methane reduction project on dairy farms. The footprint of transport and warehousing organized by Numidia is compensated using CO_2 certificates from a hydropower project in India. By doing so, we ensure that the process from collecting the goods from the supplier to delivering products to our customers, including our own activities, is compensated and therefore CO_2 neutral. Of course, preventing CO_2 emissions is even more important than compensating for them.



At Numidia, we are continuously refining our policy on this topic. For example, from 2025 onward all new lease cars will be fully electric. We also exclusively use wind and solar energy to prevent CO_2 emissions from energy generation. In addition, we try to prevent waste as much as possible.

We have adjusted our target to be more ambitious: we want to reduce our scope 1 and 2 CO_2 emissions by 50% by 2030 (compared to our 2018 baseline). In 2023 we achieved a CO_2 reduction of 29% compared with 2018.

(in %)	2021	2022	2023
Goal in 2030 (vs 2018) 50%	17	27	29

CLIMATE CHANGE

Climate change is a material topic and concerns the reducing, minimizing and compensating of greenhouse gas emissions resulting from Numidia's operations and our value chain.

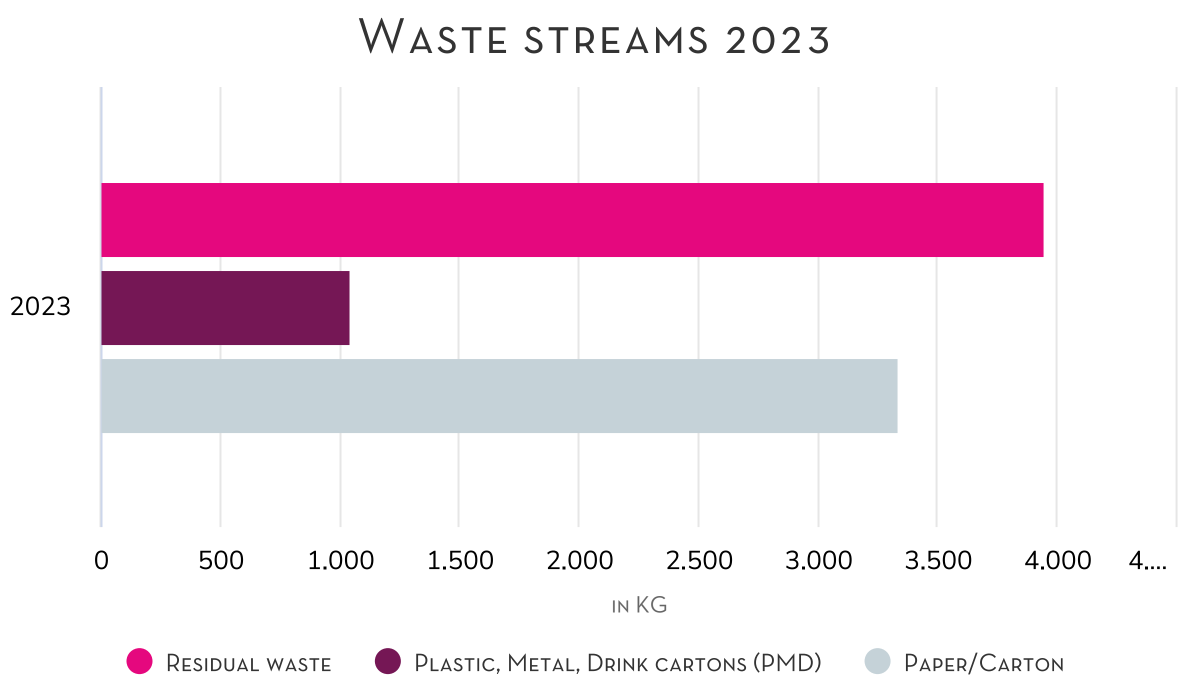
We distinguish between scope 1, 2 and 3 in reporting emissions resulting from our business operations. Scope 1 includes direct GHG emissions from owned equipment and the use of lease cars. Scope 2 includes indirect emissions related to energy consumption in our office buildings, emissions from business travel and employee commuting. Scope 3 includes indirect GHG emissions related to warehousing, transport and freezing processes. The table below includes an overview of Numidia's total CO_2 emissions.

in tCO_2-eq	2023	2022	2021
Scope 1 + 2	265	270	306
Scope 3	17,949	15,478	20,228
Total CO_2 emission	**18,213**	**15,748**	**20,534**

Numidia applies a three-step policy: we measure and calculate emissions, share this information with our business partners to promote transparency and awareness within the supply chain, and then provide insight into and implement prevention and reduction measures. We have taken the extra step of mapping the so-called upstream emissions, which arise during the production and processing of the dairy products that we buy and sell. Mapping provides us with additional insight into the value chain and reduction opportunities. The objective is to offer our customers the option of offsetting these emissions in the future. All the emissions identified in Numidia's carbon footprint are offset using carbon credits from the VCS or Gold Standard platforms.

WASTE REDUCTION

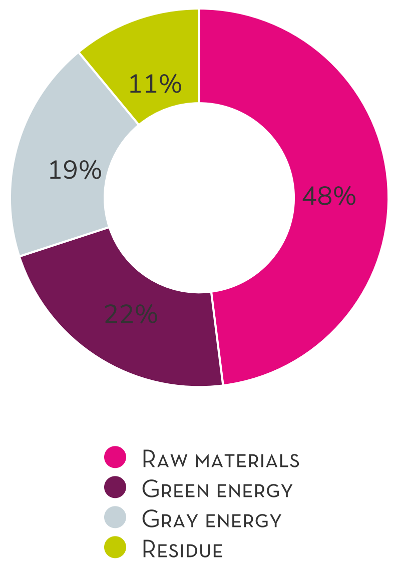
The figure below shows the amount of waste per category in 2023.



Although Numidia has no hazardous materials and waste is a relatively small part of the environmental impact that Numidia has, all employees are responsible for properly separating waste. We separate the following waste streams within the head office: plastic, metal, drink cartons (PMD), residual waste and paper/carton.

Our service partner processes the different types of waste into raw materials, green energy and gray energy. Residue is waste that cannot be recycled. Figure recyclable waste shows the percentage of recyclable waste by category. In 2023, this amounted to 89% (7,393 kg) of the total waste.

Recyclable waste



Avoided CO2 emissions

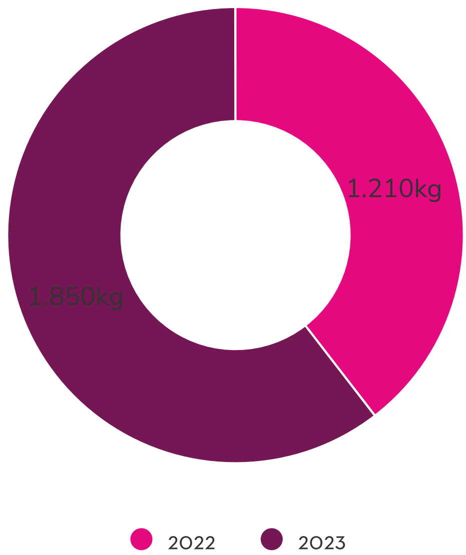


Figure avoided CO_2 emissions, shows the annual volume of CO_2 emissions that were avoided through the implementation of waste separation policies. In total, 1,850 kg of CO_2 emissions were avoided in 2023.

Social results

Numidia is in the top 11% of companies rated by EcoVadis in the Wholesale of food, beverages, and tobacco industry in the labor & human rights theme, which encompasses topics like health and safety, working conditions, career management and human rights issues.

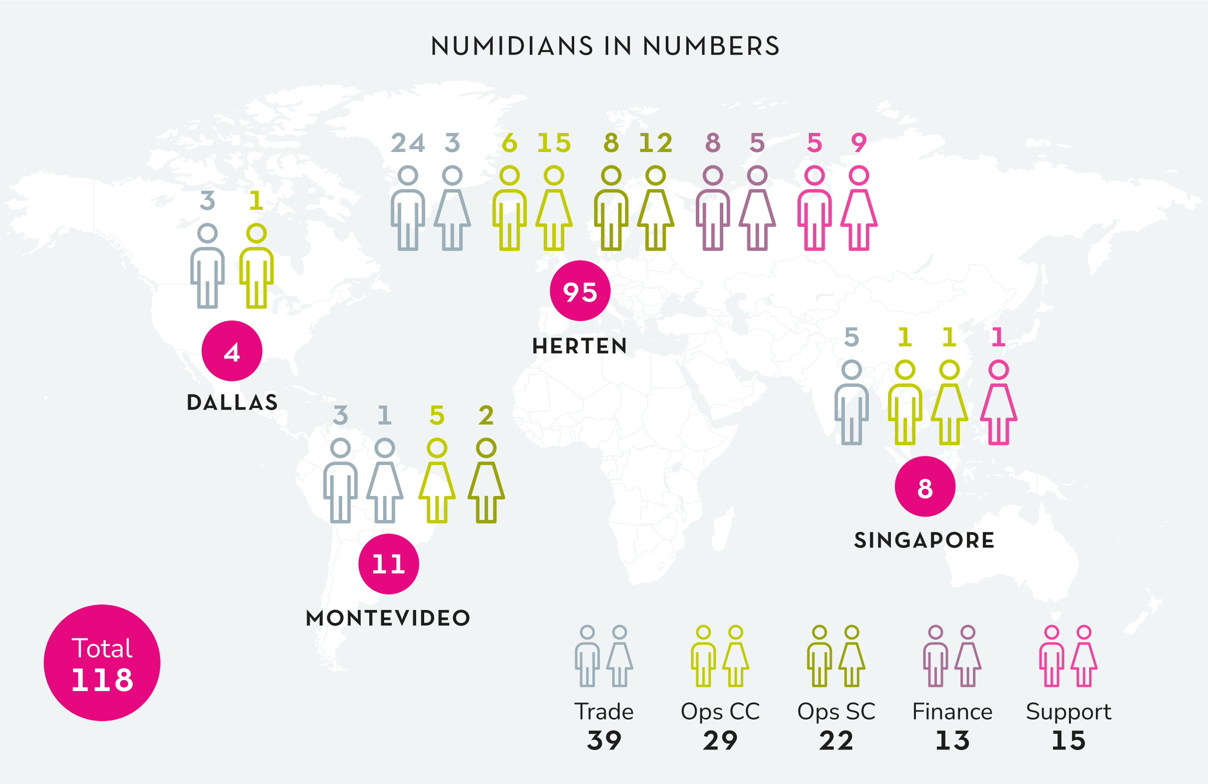
Great Place to Work: three years in a row

For the last three years, Numidia has participated in the in the Great Place to Work (GPTW) survey. We were granted the GPTW certification in 2021, 2022 and 2023. The table below shows the 2023 results. When comparing these results to those from 2022, we see improved scores across each subject.

in %	2022	2023
Overall response rate	92	93
"Taking everything into account, I would say this is a great place to work."	81	88
Score on the Trust Index	79	84

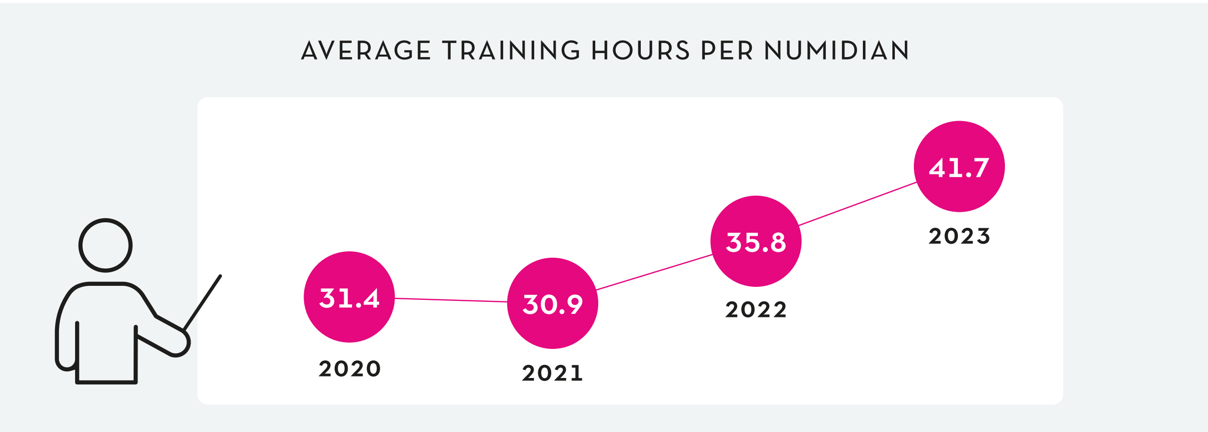
HIRING: 41 NEW NUMIDIANS

Our success strategy starts with the hiring and training of world-class employees. In 2023, 41 new employees were hired.



HUMAN CAPITAL

We invest in the Numidians, our human capital and most important assets. In 2023, each of our employees received on average 41 hours of fully paid training. Male and female employees received an equal amount of training. We offer our various training options through the Numidia Academy. Several of these trainings are mandatory, as determined by the employee's role within the company, and attendance is recorded accordingly.



ECONOMIC INCLUSION OF WORKERS IN THE VALUE CHAIN

We work extensively with suppliers to provide products and services, including warehousing and transport. At the start of any collaboration, Numidia conducts an assessment of the impact of a supplier on the topics of quality, environment and sustainability. The quality impact of a supplier is assessed based on the food and/or feed safety certificates they hold, the products and/or services they are going to deliver and other details. The environmental impact concerns primarily emissions and other direct environmental risks, and the sustainability impact focuses on social and governance themes, including human rights. Our process ensures that 100% of suppliers are assessed.

Suppliers are evaluated annually and the risk ratings are adjusted as needed. The assessment is based on the information provided by the supplier through Numidia's Supplier Management Portal. Here, the supplier provides information by filling out questionnaires and submitting applicable certifications. Numidia uses this information to assign an overall risk rating, which is recorded in the database. The risk rating informs the follow-up actions, if any, to improve the risk rating.

239
Product suppliers utilized

product suppliers

Product suppliers are key to providing quality products to our customers. A good partnership with suppliers is of utmost importance in providing food-safe products that match our customers' expectations. In 2023, we entered into contracts with 239 product suppliers.

transporters

Next to transporting products from loading at our suppliers to delivery to our customers, transporters play a valuable role as the eyes and ears of Numidia. They are key to ensuring the proper quality of products and product packaging during loading, transport and delivery. When selecting transport companies and forwarders, we consider both the quality of their services and their contributions to CO_2 reduction.

warehouses and production facilities

Warehouses play a similarly valuable role and are essential to safeguarding product quality during the receipt, storage and dispatch of products. Numidia's operations department is in daily contact with warehousing providers.

705
Customers served

Individual customers

In 2023, we served 705 customers and completed 11,742 unique sales transactions.

DIVERSITY, EQUITY & INCLUSION

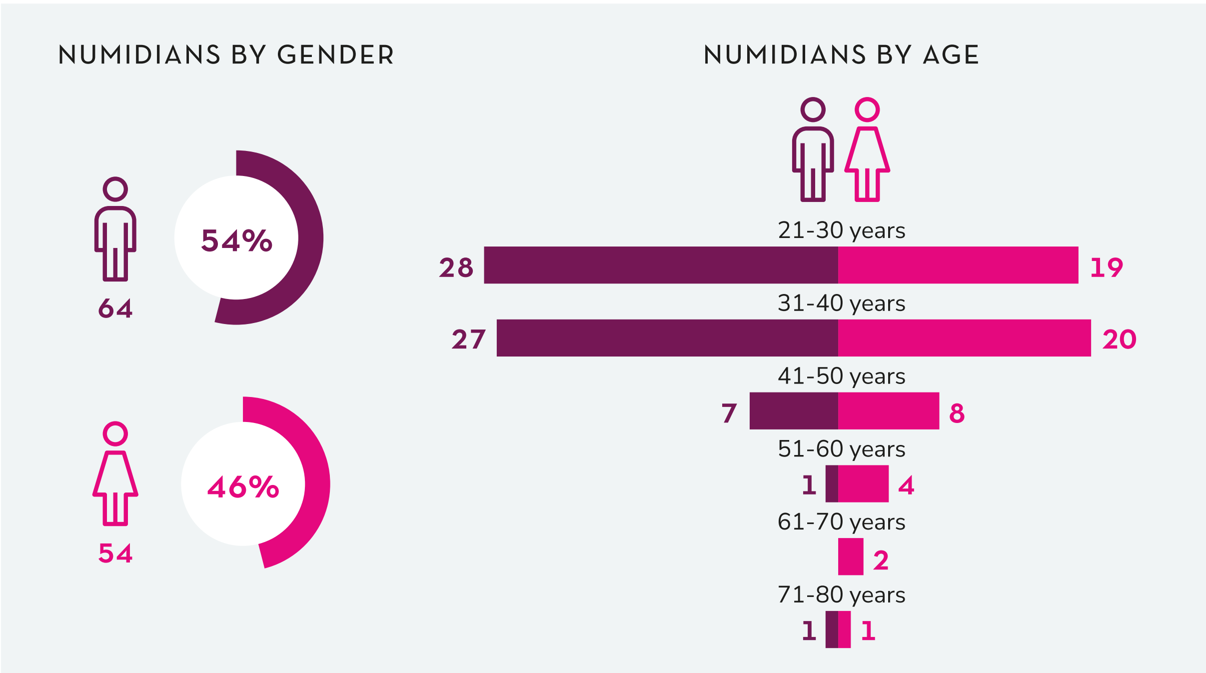
30 Nationalities

118 Numidians

54% Male **46%** Female

In 2023, Numidia had 118 Numidians. This includes: interns, seasonal workers and statutory directors. Agents, independent sales representatives and VCC employees are excluded. The Numidians consist of 30 nationalities. We value the diversity of our team, and we strongly believe that we are more successful when we understand the cultures and backgrounds of our customers and stakeholders. Our company culture is inclusive of different views, and we do not look at the world exclusively from a "Western" perspective.

The gender distribution of our workforce is well-balanced between males and females. Numidians also represent various age categories.



Numidia also has an active whistleblower program, whereby both internal and external whistleblowers can report irregularities to Numidia's confidential advisors or to the company’s external confidential advisors. In 2023, one employee contacted the internal confidential advisor. To the best of our knowledge, the report has been handled to the satisfaction of the person who submitted the report. We did not receive any reports of human rights issues and incidents.

ACCESS TO HEALTHY DAIRY PRODUCTS

351K
Metric tons of dairy products

705
Customers served

Numidia wants everyone to enjoy the health benefits that dairy products provide. In 2023, we delivered 351 metric tons of dairy products to our customers in more than 100 different countries. These healthy dairy products are shipped all over the world, and we aim to ensure that the products are delivered to the correct destination in the most efficient way possible.

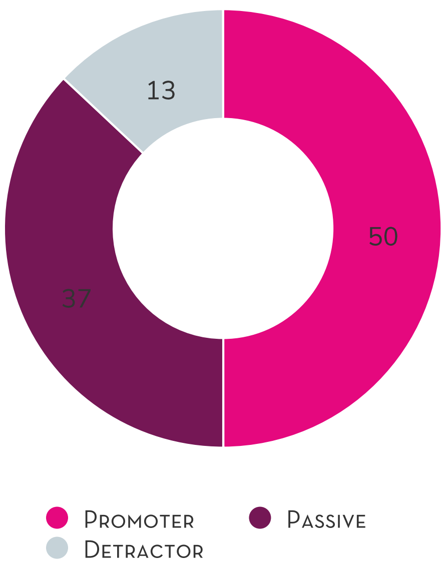
PRODUCT SAFETY & QUALITY

Numidia attained the BRC Agents & Broker and IFS Broker certification in 2018 to ensure product safety and quality throughout the supply chain. For the European feed market, Numidia has been GMP+ certified since 2014. Numidia is also certified to trade in organic products. With these certifications, we demonstrate that we follow best practices for product traceability, bridging the gap between production and distribution. We see it as our responsibility to ensure that the safety and quality of the products that are produced by our suppliers is maintained during transport, storage and delivery. In 2023, we achieved a 97.73% IFS score and earned an AA rating in the BRC audit.

NET PROMOTER SCORE (NPS): 37

The success of our company depends on the satisfaction of our customers. 50% of customers are likely to recommend Numidia to a business relationship. Customers mention the product and service level of Numidia, as well as the communication with Numidia as reasons for their response. The NPS score is calculated by subtracting the detractor percentage from the promoter percentage.

NPS SCORE CUSTOMERS



Governance results

Numidia is in the top 4% of companies rated by EcoVadis in the Wholesale of food, beverages and tobacco industry in the ethics theme. The ethics theme focuses primarily on corruption and bribery issues and considers anti-competitive practices and responsible information management.

Non-conformity results

Numidia's management system is used to register any issues related to, among other topics, environment, services, products, health and safety, and working conditions. These issues are logged as non-conformities. Issues that pose a threat to public safety are called food or feed safety issues. The ultimate goal of logging non-conformities is to prevent them from occurring and thereby improve service delivery to our suppliers and customers.

The non-conformance team meets at least bi-weekly to discuss all non-conformities. The purpose of these frequent meetings is to respond quickly and take the necessary actions to effectively manage incidents and/or potential emergency situations that impact product safety, legality and quality, and to enable the effective withdrawal and recall of products. The team is also available immediately in case of a (potential) emergency.

In 2023, 384 non-conformities were submitted, which is equal to 0.11% non-conformities per MT of product. All registered NCs are evaluated as part of the annual management review. Internal audits of procedures and processes allow us to continuously improve our processes. For 2024, our target is set at 0.08% NC/MT.

5 Risk

RISK MANAGEMENT

Risk management policy

Numidia has a risk management policy in place and assesses applicable risks on an ongoing basis. Dairy commodity training poses an inherent and relatively high risk due to the thin margins. In addition, our global presence makes us vulnerable to political and macro-economic conditions, weather conditions and seasonality.

We prioritize business continuity and maintain a low-risk appetite. Therefore, we:

- implement measures and controls to reduce risk as much as possible, within a reasonable cost-benefit trade-off.
- allow medium risk solely to maintain our trade position and to execute our core business.
- mitigate high-risk items.
- mitigate all other risks to an acceptable level.

Our risk policy addresses all applicable risk areas and their associated measures and controls, which are implemented throughout the organization.

STRATEGIC RISK

Our subsidiaries serve a strategic purpose by limiting our dependence on the European market and creating a global presence. We are able to reach and serve our customers all over the world, 24/7. In addition, we significantly reduce the risk and impact of currency fluctuations, weather conditions, seasonality, and sanctions affecting specific countries or products. Our business structure gives us a strong foundation for business continuity and growth. We also put significant efforts into business planning. Our 2020-2025 strategic plan provides long-term direction and informs our 2023 operational goals and budget.

FINANCIAL RISK

Currency risk
We mitigate currency risk by using forward foreign transaction (FX) contracts. These contracts fix the currency exchange rate, protecting us against potential margin losses when trading in USD, GBP or other currencies.

Working capital risk
We continuously monitor and assess working capital risk in relation to our current trade position, inventory projections and commitments, equity position, budget, and strategic planning. To meet our working capital requirements, we have a financing facility in place with Deutsche Bank, ING Bank and Rabobank. This EUR 180 million asset-based facility was amended in October 2023 and extended to a four-year period that expires in August 2027. Rabobank acceded to the facility as part of the amendment.

Interest rate risk

We are exposed to interest risk on all loans with variable interest rates. The main interest risk relates to the asset-based credit facility for financing working capital. This risk is not hedged, as the (expected) interest costs are calculated into our sales price setting.

OPERATIONAL RISK

Trading risk

We have four levels of trading limits in place to manage risks related to market fluctuations:

1. Position limits (total and per product limits in metric tons) based on the maximum exposure Numidia is willing to accept without jeopardizing business continuity.
2. Sub-limits (total and per product limits in metric tons) for commodity futures and options contracts. These contracts apply to the CME, EEX, SGX and OTC exchanges and are used for risk mitigation by hedging physical positions, as well as for generating profit.
3. VAR (Value at Risk) limits for commodity futures and options contracts to manage and mitigate the risk on margin calls.
4. Inventory limits to ensure a high level of turnover on inventory, low risk of inventory write-offs, and limited capital employment.

We continuously monitor position limits using real-time information systems, and senior management carries out daily reviews.

Counterparty risk

We regularly assess counterparty risk related to customers (mainly credit risk) and suppliers (mainly food and feed safety risk) using a rating system. This system takes into account a company's financial situation, country of residence, payment performance, contract performance, claim history, and credit rating. In addition, we have a Know Your Customer (KYC) process in place to screen all customers for sanctions.

We use several different instruments to manage credit risk, including credit insurance (Credendo), letters of credit (LC), cash against documents delivery (CAD), avalized drafts, prepayment, or a combination of these instruments. These instruments cover approximately 94% of our trade receivables.

Our Quality Department must approve all product suppliers, transportation providers and warehouses prior to doing business. Suppliers must meet a minimum set of requirements, such as quality certifications, service level agreements and signed supplier inquiry/identification forms. Finally, all suppliers and agents must sign our Code of Conduct.

Liability

Our insurance policies cover (among other things) liability risk, recall risk, transport risk and inventory storage risk.

NON-COMPLIANCE RISK

Employee risk

We established our Code of Conduct in 2016 to manage employee and management risk. The Code of Conduct defines our standards and rules with regard to integrity, compliance with laws and regulations, fraud, and conflicts of interest.

We have been a member of the Supplier Ethical Data Exchange (Sedex) since 2018. Sedex is a not-for-profit membership organization that works with buyers and suppliers to implement responsible and ethical business practices in global supply chains.

Corruption risk

We have corruption risk measures in place, including but not limited to the following:

- Blacklisted country list
- KYC screening
- No cash policy

FRAUD RISK

Our risk analysis indicated three different types of fraud that are significant and applicable to Numidia.

Financial reporting risk

Every month, we take a close, hard look at all Numidia entities and consolidate the figures into a company result and balance sheet for review and discussion in the monthly management team and BoD meetings. Budget and year-on-year variances are analyzed and discussed. We have embedded segregation of duties (SoD) in our ERP system to limit management override risk and unauthorized transactions.

Considering these mitigating measures, we assess the residual risk as low.

Asset misappropriation risk

The risk of asset misappropriation is mainly related to outgoing bank payments, as there is a non-cash policy. This risk is mitigated by maintaining strict controls on vendor bank account mutations and segregation of duties (SoD) on outgoing bank payments.

Food fraud risk

Food fraud can have a significant financial and reputational impact. This risk is managed by implementing and adhering to the applicable quality certifications.

We have acquired all quality certifications to be the supplier of choice in the dairy market. Numidia is a certified BRC agent & broker and IFS broker for the food market and GMP+ for the feed market. Our food defense & food fraud mitigation plan is based on the following:

- a vulnerability analysis and critical control point (VACCP)
- a threat assessment and critical control point (TACCP)

The TACCP & VACCP analyses are reviewed annually and are included in the internal audit procedure. Further details are provided under Ethics and Anti-Corruption.

CYBER SECURITY RISK

We continually update our cyber security policy based on the latest developments. Our policy is based on three cornerstones:

- **Prevention:** access control management, data and privacy protection, continuous updates
- **Monitoring and detection:** malware protection, intrusion detection, various audit tools
- **Response:** cyber security insurance policy, fallback environment, backup recovery

In control statement

The BoD is responsible for the design, implementation and effectiveness of the risk management policy and internal controls. The BoD has performed an assessment of the effectiveness of our risk management system. Based on this assessment, the BoD is of the following opinion:

- There are no material failures in the effectiveness of Numidia's internal risk management and control systems.
- Numidia's internal risk management and control systems provide reasonable assurance that the Annual Report does not contain material errors.
- Based on the current conditions, it is considered appropriate that the financial reporting is prepared on a going concern basis.
- There are no material risks or uncertainties that could reasonably be expected to have a material adverse effect on the continuity of Numidia in the coming twelve months.

The above statement does not imply that our risk management system provides absolute assurance, nor that it can prevent all misstatements, inaccuracies, errors, fraud, and non-compliances with legislation, rules and regulations.

6 Financial statements

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

(before profit appropriation)

In thousands of euros			31 December 2023		31 December 2022
Fixed assets					
Tangible fixed assets	(1)		4,034		3,955
Financial fixed assets	(2)		93		194
Current assets					
Inventories	(3)	70,805		42,776	
Trade and other receivables	(4)	186,566		191,134	
Cash and cash equivalents	(5)	169		541	
			257,540		234,451
			261,667		**238,600**
Equity					
Shareholders' equity	(6)		57,081		51,130
Provisions	(7)		518		-
Non-current liabilities	(8)		1,685		1,775
Current liabilities	(9)		202,383		185,695
			261,667		**238,600**

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

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2023

In thousands of euros			2023		2022
Net turnover	(12)	917,087		939,146	
Cost of sales		(883,561)		(911,629)	
Gross margin on turnover			33,526		27,517
Selling and distribution expenses	(13)	(15,682)		(16,068)	
General and administrative expenses	(14)	(3,545)		(2,707)	
Total operation expenses			(19,227)		(18,775)
Other operating income	(16)		13,477		22,853
Net result on turnover			27,776		31,595
Interest receivable and similar income	(17)	424		7	
Interest payable and similar charges	(18)	(5,441)		(2,223)	
			(5,017)		(2,216)
Result before tax			22,759		29,379
Tax on result	(19)		(5,872)		(7,519)
Share of result from participating interests	(2)		(841)		(1,050)
Result after tax			**16,046**		**20,811**

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

CONSOLIDATED CASH FLOW STATEMENT FOR 2023

The cash flow statement has been prepared in accordance with the indirect method.

In thousands of euros			**2023**		**2022**
Net result on turnover			27,776		31,595
Adjusted for:					
Depreciation	(1)	465		578	
Changes in working capital		(6,832)		(3,303)	
			(6,367)		(2,725)
Cash flow from business operations			21,409		28,870
Interest received	(17)	5		7	
Interest paid	(18)	(5,457)		(2,210)	
Income tax paid		(10,225)		(2,637)	
			(15,677)		(4,840)
Cash flow from operating activities			5,732		24,030
Investments in:					
Tangible fixed assets	(1)	(543)		(325)	
Financial fixed assets	(2)	(1,800)		(194)	
Disposals of:					
Tangible fixed assets	(1)	(12)		21	
Cash flow from investing activities			(2,355)		(498)
Redemption of long-term debt	(8)	(986)		(590)	
Take-up or (redemption) of credit facility	(9)	7,234		(21,893)	
Dividend paid	(26)	(10,000)		(1,180)	
Share Premium Reserve	(26)	-		583	
Cash flow from financing activities			(3,752)		(23,080)
Net cash flow			(375)		452
Exchange rate and translation differences on cash and cash equivalents			3		13
Changes in cash and in cash equivalents			**(372)**		**465**
Cash and in cash equivalents start of year			541		76
Cash and in cash equivalents end of year			169		541
Changes in cash and in cash equivalents			**(372)**		**465**

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR 2023

In thousands of euros			**2023**		**2022**
Net result			16,046		20,811
Realized revaluation gain charged directly to equity		89		388	
Translation differences on foreign operations		(6)		31	
Total of direct movements in the equity as part of group equity	(26)		83		419
Comprehensive income			**16,129**		**21,230**

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

NOTES TO THE 2023 CONSOLIDATED FINANCIAL STATEMENTS

General

Numidia Holding B.V. (“the Company”, “Numidia” or “the Group”), having its corporate seat in Roermond, is located at Boven de Wolfskuil 6 in Herten. Numidia Holding B.V. is a private limited liability Company under Dutch law and is listed under number 54253594 in the Trade Register. These financial statements contain the financial information of both the Company and the consolidated companies of the Company ("the Group"). The Company is a holding company. The main activities of the group of which the Company is the parent consist of trades in dairy goods on the worldwide dairy goods market and operate worldwide. Dairy goods are purchased and sold both within Europe and outside Europe. Shipments can either be on order (back-to-back) or on stock (temporary storage in external warehouses).

Financial reporting period

These financial statements cover the year 2023, which ended at the balance sheet date of 31 December 2023.

Basis of preparation

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The accounting policies applied for measuring assets and liabilities and the determination of result are based on the historical cost convention, unless otherwise stated in the further principles.

Application of Section 402, Book 2 of the Netherlands Civil Code

The financial information of the Company is included in the consolidated financial statements. For this reason, in accordance with Section 402, Book 2 of the Netherlands Civil Code, the Company profit and loss account of the Company exclusively stated the share of the result of participating interests after tax and the general result after tax.

Going concern

These financial statements have been prepared on the basis of the going concern assumption.

Accounting policies

GENERAL

Assets and liabilities are measured at nominal value, unless otherwise stated in the further principles.

An asset is recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs of the asset can be measured reliably. Assets that are not recognized in the balance sheet are considered as off-balance sheet assets. A liability is recognized in the balance sheet when it is expected to result in an outflow of resources embodying economic benefits and the amount of the obligation can be measured reliably. Provisions are included in the liabilities of the Company. Liabilities that are not recognized in the balance sheet are considered as off-balance sheet liabilities.

An asset or liability that is recognized in the balance sheet, remains on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur are not taken into account in this assessment.

An asset or liability is no longer recognized in the balance sheet when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the assets or liability being transferred to a third party. In such cases, the results of the transaction are directly recognized in the profit and loss account, taking into account any provisions related to the transaction. If assets are recognized of which the Company does not have legal ownership, this fact will be disclosed.

Income is recognized in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, providing the size can be measured reliably. Expenses are recognized when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, providing the size can be measured with sufficient reliability.

Revenues and expenses are allocated to the period to which they relate. Revenues are recognized when the Company has transferred the significant risks and rewards of ownership of the goods to the buyer.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in euros (EUR), which is the Company's functional currency. All amounts have been rounded up or down to the nearest thousand.

USE OF ESTIMATES

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. Actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognized in the period in which the estimate is revised and in future periods for which the revision has consequences.

Estimates are applied to the following positions:

- Fair value estimate of financial instruments.
- Net realizable value of the inventory based on available market price information per product group.
- Assessment of onerous contracts based on available market price information per product group.

CONSOLIDATION PRINCIPLES

The consolidated financial statements include the financial data of the Company, its subsidiaries in the group, other group companies and other companies over which the Company can exercise control or of which it conducts the central management. Subsidiaries are participating interests in which the Company (and/or one or more of its subsidiaries) can exercise more than half of the voting rights in the general meeting, or can appoint or dismiss more than half of the managing directors or supervisory directors. Group companies are participating interests in which the Company has a majority interest, or in which it can exercise decisive influence (control) by other means. In assessing whether its controlling interest exists, potential voting rights are taken into account that can be exercised in such a way that they will provide the Company with more or less influence.

Newly acquired participating interests are consolidated as from the date that decisive influence (control) can be exercised. Participating interest disposed of remain included in the consolidation until the date of loss of this influence.

CONSOLIDATION METHOD

The consolidated financial statements are prepared by using uniform accounting policies for measurement and determination of result of the Group.

In the consolidated financial statements, intragroup shareholdings, debts, receivables and transactions are eliminated. Also, the results on transactions between group companies are eliminated to the extent that the results are not realised through transactions with third parties outside the group and no impairment loss is applicable.

Subsidiaries are consolidated in full, whereby the minority interest is presented separately within group equity. If losses to be allocated to the minority interest exceed the minority interest within equity of the consolidated entity, the difference, including any further losses, is fully charged to the majority shareholder, except to the extent that the minority shareholder has the obligation to, and is able to, make good the losses. The minority interest in the result is deducted from group result on a separate line item in the consolidated profit and loss account.

PRINCIPLES FOR THE TRANSLATION OF FOREIGN CURRENCY

Transactions in foreign currencies

Transactions denominated in foreign currency are translated into the functional currency of the Company at the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currency are translated at the balance sheet date into the functional currency at the exchange rate applicable on that date. Exchange differences resulting from the settlement of monetary items, or resulting from the translation of monetary items denominated in foreign currency, are recognized in the profit and loss account in the period in which they arise.

Non-monetary assets and liabilities denominated in foreign currency that are stated at historical cost are translated into euros at the exchange rates applicable on the transaction date.

Foreign operations

The assets and liabilities that are part of the net investment in a foreign operation are translated into euros at the exchange rate prevailing at the balance sheet date. The revenues and expenses of such a foreign operation are translated into euros at the exchange rate on the transaction date. Currency translation differences are recognized in the translation reserve within equity. A group Company that has received a loan from the parent recognises any translation differences in the profit and loss account, even if the loan is regarded by the parent as part of a net investment in a foreign operation. When a foreign operation is fully or partially sold, the corresponding cumulative amount is transferred from the translation reserve to the profit and loss account.

FINANCIAL INSTRUMENTS

Financial instruments include investments in shares and bonds, trade and other receivables, cash items, loans and other financing commitments, derivative financial instruments, trade payables and other amounts payable. These financial statements contain the following financial instruments: trade and other receivables, cash items, loans, trade and other amounts payables and derivative financial instruments.

Financial and non-financial contracts may contain terms and conditions that meet the definition of derivative financial instruments. An embedded derivative in these contracts is separated from the host contract if its economic characteristics and risks are not closely related to those of the host contract. A separate instrument with the same terms and conditions as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value with changes in fair value recognized in the profit and loss account.

Derivatives separated from the host contract are, in accordance with the measurement policy for derivatives for which no cost price hedge accounting is applied, measured at cost or lower fair value.

Financial instruments are initially stated at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognized in the profit and loss account at the initial recognition. After initial recognition, financial instruments are valued in the manner described below.

Financial assets and liabilities are recognized in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate. Financial instruments are derecognized if a transaction results in a considerate part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party. Financial instruments (and individual components of financial instruments) are presented in the consolidated financial statements in accordance with the economic substance of the contractual terms. Presentation of the financial instruments is based on the individual components of financial instruments as a financial asset, financial liability or equity instrument.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are carried at amortized cost on the basis of the effective interest method, less impairment losses.

NON-CURRENT AND CURRENT LIABILITIES AND OTHER FINANCIAL COMMITMENTS

Non-current and current liabilities and other financial commitments are stated after their initial recognition at amortized cost on the basis of the effective interest rate method. Redemption payments regarding non-current liabilities that are due next year are presented under current liabilities.

DERIVATIVES

After their initial recognition, FX forward and swap contracts are carried at the lower of cost or market value, except if the cost price model for hedge accounting is applied. Purchases and sales of financial assets that belong to the category derivatives are accounted for at the transaction date."

Commodity future and option contracts are carried after their initial recognition at fair value.

Cost price hedge accounting

If the cost model for hedge accounting is applied, then no revaluation of the derivative instrument takes place, as long as the derivative hedges the specific risk of a future transaction (in the case the derivative transaction is being related to financial assets or liabilities) that is expected to take place. As soon as the expected future transaction leads to recognition in the profit and loss account, then the profit or loss that is associated with the derivative is also recognized in the profit and loss account.

If the hedged position of an expected future transaction results in the recognition in the balance sheet of a non-financial asset or a non-financial liability, then at initial recognition the cost of this asset or liability is adjusted for the hedge results that have not yet been recognized in the profit and loss account.

If the hedged position of an expected future transaction results in the recognition in the balance sheet of a financial asset or a financial liability, the hedging results not yet recognized in the profit and loss account are recognized in the profit and loss account in the period(s) that the acquired asset or liability incurred affected profit or loss.

If forward exchange contracts are concluded to hedge monetary assets and liabilities in foreign currencies, cost hedge accounting is applied. This is done to ensure that the gains or losses arising from the translation of the monetary items recognized in the profit and loss account are offset by the changes in the value of forward exchange contracts arising from the difference between the exchange spot rates as at inception of the contract and the exchange spot rates as at the reporting date. The difference between the exchange spot rate at the inception of the contract and the forward rate is amortized via the profit and loss account over the term of the contract.

When a derivative expires or is sold, the accumulated profit or loss that has not yet been recognized in the profit and loss account prior to that time is included as a deferral in the balance sheet until the hedged transactions take place, consistent with the accounting policy of the initial hedged transaction in the profit and loss. If the transactions are no longer expected to take place, then the accumulated profit or loss is transferred to the profit and loss account.

If a derivative no longer meets the conditions for hedge accounting, but the financial instrument is not sold, then the hedge accounting is also terminated. Subsequent measurement of the derivative instrument is then at the lower of cost or market value.

To hedge the foreign exchange risk resulting from transactions in foreign currencies, Numidia uses derivative financial instruments such as forward foreign-exchange (FX) contracts. In addition, Numidia uses commodity forward and future contracts to offset their risk from fluctuations in commodity prices.

Numidia applies cost price hedge accounting in order to prevent an accounting mismatch in the income statement. The hedge results for the foreign-exchange (FX) contracts are recognized in the income statement within the Cost of sales.

Cash flow hedge accounting

If cash flow hedge accounting is used, the effective portion of the fair value changes of the derivatives is initially recognized in the revaluation reserve. As soon as the expected future transactions lead to the recognition of gains or losses in the profit and loss account, the respective amounts are transferred from the revaluation reserve to the profit and loss account.

If a hedged position in respect of an expected future transaction leads to the recognition in the balance sheet of a non-financial asset or a non-financial liability, the Company adjusts the cost of this asset or this non-financial liability by the hedging results. This is done through a transfer from the revaluation reserve of the results that have been deferred in this reserve until such time.

If the hedged position of an expected future transaction results in the recognition in the balance sheet of a financial asset or a financial liability, the hedging results not yet recognized in the profit and loss account are recognized by a transfer from the revaluation reserve to the profit and loss account in the period(s) that the acquired asset or liability incurred affected profit or loss.

If a derivative no longer meets the conditions for hedge accounting, expires or is sold, or if the Company has decided to no longer apply hedge accounting, the hedging relationship is terminated. The deferred gains or losses recognized at the time of the termination of the hedging relationship remain in equity until the expected future transaction takes place in the profit and loss statement. If the transaction is no longer expected to take place, the deferred gain or loss on the hedge recognized in equity is transferred to the profit and loss account.

The hedge results of the commodity forward and future contracts are recognized in the income statement within the Other operating income.

All transactions of hedged commodities contracts will be settled within a period of 1 to 12 months. There are no transactions for which previously hedge accounting was used, but will no longer be expected to occur.

Conditions for hedge accounting
The Company documents its hedging relationships in generic hedging documentation and regularly checks the effectiveness of the hedging relationships by establishing whether the hedge is effective or that there is no over-hedging.

At each balance sheet date, the Company assesses the degree of ineffectiveness of the combination of the hedge instrument and the hedged position (the hedging relationship). The degree of ineffectiveness of the hedging relationship is determined by comparing the critical features of the hedging instrument against the hedged position.

If the critical features, assessed in the context of the hedging relationship, match (or matched) each other, there is (or was) no ineffectiveness. If the critical features, assessed in the context of the hedging relationship, do not (or did not) match each other, there is (or was) ineffectiveness. In that case, the degree of ineffectiveness is determined by comparing the fair value change of the hedging instrument with the fair value change of the hedged position.

If there is a cumulative loss on the hedging relationship for FX Derivatives (cost price hedge accounting) over the period between initial recognition of the hedging instrument and the balance sheet date, the ineffectiveness (loss) is directly recognized in the profit and loss account.

Losses and gains on the hedging relationship for FX Derivatives (cash flow hedge accounting) over the period between initial recognition of the hedging instrument and the balance sheet date, the ineffectiveness (loss) is directly recognized in the profit and loss account.

Offsetting financial instruments
A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

If there is a transfer of a financial asset that does not qualify for derecognition in the balance sheet, the transferred asset and the associated liability are not offset.

IMPAIRMENT OF FINANCIAL ASSETS

A financial asset that is *not* stated (1) at fair value with value changes reflected in the profit and loss account, or (2) at amortized cost or lower market value, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the issuer or obligor, breach of contract such as default or delinquency in interest or principal payments, granting to the borrower a concession that the Company would not otherwise consider, indications that a debtor or issuer will enter bankruptcy or other financial restructuring, the disappearance of an active market for that financial asset because of financial difficulties or observable data indicating that there is a measurable decrease in the estimated future cash flow, including adverse changes in the payment status of borrowers or issuers, indications that a debtor or issuer is approaching bankruptcy, and the disappearance of an active market for a security. Indicators for subjective evidence are also considered together with objective evidence of impairments, such as the disappearance of an active market because an entity's financial instruments are no longer publicly traded, a downgrade of an entity's credit rating or a decline in the fair value of a financial asset below its cost or amortised cost.

The entity considers evidence of impairment for financial assets measured at amortized cost (loan and receivables) both individually and on a portfolio basis. All individually significant assets are assessed individually for impairment. Those individually significant assets found not to be individually impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of collections and the amount of loss incurred, adjusted for by the management’s judgement on whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset stated at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset’s original effective interest rate.

Losses are recognized in the profit and loss account and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognized by using the asset's original effective interest rate.

When, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

TANGIBLE FIXED ASSETS

Office equipment and buildings are stated at cost, less accumulated depreciation and impairment losses. Land is stated at cost, less impairment losses.

The costs are comprised of the price of acquisition plus, if applicable, other costs that are necessary to get the assets to their location and the conditions for their intended use.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each item of the tangible fixed assets. Depreciation starts as soon as the asset is available for its intended use and ends at decommissioning or divestment.

- For all office equipment, a depreciation rate of 20% - 33% is applied.
- For buildings, a depreciation rate of 3% is applied.
- Land is not depreciated.

IMPAIRMENTS OF FIXED ASSETS

Tangible fixed assets are assessed at each reporting date to see whether there is any indication of an impairment. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of value in use and net realisable value. If it is not possible to assess the recoverable amount for an individual asset, the recoverable amount is assessed for the cash-generating unit to which the asset belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recognized for the difference between the carrying amount and the recoverable amount. If there is an impairment loss for a cash-generating unit, the loss is first allocated to goodwill and then allocated to the cash-generating unit. Any residual loss is allocated to the other assets of the unit pro rata to their book values.

Subsequently, at each reporting date, the entity assesses whether there is any indication that an impairment loss that was recorded in previous years has decreased. If any such indication exists, then an estimate is made on the recoverable amount of the asset or cash-generating unit.

Reversal of a previously recognized impairment loss only takes place when there is a change in the assessment used to determine the recoverable amount since the recognition of the last impairment loss. In such a case, the carrying amount of the asset (or cash-generating unit) is increased to its recoverable amount, but not higher than the carrying amount that would have applied (net of depreciation) if no impairment loss had been recognized in previous years for the asset (or cash-generating unit).

FINANCIAL FIXED ASSETS

Participating interests

Participating interests where significant influence can be exercised over the business and financial policy are valued according to the equity method on the basis of net asset value. If measurement at net asset value is not possible because the information required for this cannot be obtained, the participating interest is measured according to the visible equity.

The net asset value is calculated on the basis of the Company's accounting policies.

If the Company transfers an asset or a liability to a participating interest that is measured according to the equity method, the gain or loss resulting from this transfer is recognized to the extent of the relative interests of third parties in the participating interest (proportionate determination of result). Any loss that results from the transfer of current assets or an impairment of fixed assets is fully recognized. Results on transactions involving transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests are eliminated to the extent that these cannot be regarded as having been realised.

Participating interests with a negative net asset value are valued at nil. This measurement also covers any non-current receivables on the participating interests that are, in substance, an extension of the net investment. This particularly relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognized if and to the extent that the cumulative unrecognized share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant participating interest, or if it has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognized accordingly to the amount of the estimated payments by the Company on behalf of the participating interest.

Joint ventures

Participating interests where the Company exercises control along with other participants, such as in joint ventures, are valued according to the equity method on the basis of net asset value. In case of contribution in or sale of assets by the Company to a joint venture, the Company recognizes the part of the result in the profit and loss account that corresponds to the relative share of the other participants in the joint venture. No result is recognized if the non-monetary assets contributed by the participants approximately equal each other in terms of type, use (same business activity) and fair value. Any unrecognized results are charged to the net asset value of the joint venture. Any losses on current assets or impairments of fixed assets are recognized immediately and in full. In case of sale of assets by the joint venture to the Company, the Company recognizes its share in the profit or loss of the joint venture on that sale in its profit and loss account only when the asset is (re)sold to a third party. However, the Company immediately recognizes its share in losses on current assets or impairments of fixed assets.

INVENTORIES

Goods available for sale are carried at cost of purchase or lower net realisable value. The costs of purchase include the purchase price and additional expenditure, such as import duties, transportation, and other costs directly attributable to the acquisition of inventory.

Net realisable value is based on the most reliable estimate of the amount the inventories would generate at the most, less costs still to be made.

Trade discounts, rebates and indemnities (to be) received in connection with purchasing are deducted from the costs of purchase.

TRADE AND OTHER RECEIVABLES

The accounting policies applied for the valuation of trade and other receivables are described under the heading 'Financial instruments'.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are stated at nominal value and includes bank balances. If cash is not freely disposable, this is taken into account in the valuation. Cash and cash equivalents denominated in foreign currencies are translated at the balance sheet date in the functional currency at the exchange rate applicable at that date. Reference is made to the accounting policies for foreign currencies.

SHAREHOLDERS' EQUITY

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholder's equity. Payments to holders of these instruments are deducted from the shareholder's equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognized in the profit and loss as financial income or expense.

NON-CURRENT LIABILITIES

The valuation of non-current liabilities is explained under the heading 'Financial instruments'.

CURRENT LIABILITIES

The valuation of current liabilities is explained under the heading 'Financial instruments'.

LEASING

The Company may enter into financial and operating leases. A lease agreement under which the risks and rewards of ownership of the leased object are carried entirely or almost entirely by the lessee are classified as finance leases. All other leases are classified as operating leases. For lease classification, the economic substance of the transaction is considered conclusive rather than the legal form. At the inception of an arrangement, the Company assesses whether a lease should be classified as a finance lease or operating lease.

Operating leases

If the Company acts as lessee in an operating lease, the leased property is not capitalised. Benefits received as an incentive to enter into an agreement are recognized as a reduction of rental expense over the lease term. Lease payments and benefits regarding operating leases are recognized on the profit and loss account on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the benefits from the use of the leased asset.

The Company did not enter into any financial lease agreements.

REVENUE RECOGNITION

The Company usually recognizes revenue at the level of separate contracts. If it is necessary to reflect economic reality, revenue is recognized at the level of a group of contracts, for example where the Company has entered into several separate contracts, which have been negotiated as a total, separating the individual contracts in terms of pricing and profit margin that are closely related and are performed simultaneously or immediately after each other. Amounts that the Company receives for its own account (as principal) are recognized as revenue. Amounts that the Company receives for third parties (as an agent) are not recognized as revenue. Revenues only include the gross increases in economic potential that the Company has received or has receivable for its own account.

The Company recognizes revenue for the amount to which the Company expects to be entitled in exchange for transferring promised goods or services, which is the transaction price. This amount excludes amounts received on behalf of third parties. The transaction price may consist of a fixed fee, a variable fee or a combination thereof. When determining the transaction price, the Company does not take credit risk into account. Any write-downs as a result of the credit risk are charged to the profit and loss account. In determining the transaction price, the Company assumes that the goods or services will be provided in accordance with the relevant agreement and that this agreement will not be cancelled, extended or otherwise modified. The Company measures a non-monetary consideration at fair value. When determining the transaction price, the Company takes into account, among other things, the effects of :

1. Variable fees, due to discounts, returns, refunds, price concessions, performance bonuses, penalties or other similar elements that may vary in size. The Company estimates the amount of variable compensation as part of the total compensation and applies the prudence principle in doing so;
2. Major financing components, where the Company adjusts the transaction price for the effects of the time value of money. In doing so, the Company applies an interest rate that is determined at the generally applicable interest rate for a comparable financing instrument of an issuer with a comparable credit rating or an interest rate that, when discounting the transaction price, results in the current spot selling price of the goods and services; and
3. Payments to buyers of goods and services, which are accounted for as a reduction in the transaction price and therefore as a reduction in revenue, unless the payment to the buyer is made in exchange for a distinct good or service.

- The impact of these effects is limited as it is not common practice to apply these kind of arrangements.

No revenue is recognized for all amounts received – or receivable – to which the Company does not expect to be entitled. The Company treats these received – or receivable – amounts in these cases as a repayment obligation . For the goods that are expected to be returned, the Company recognises a return asset, which is presented as an accrual.

Sale of goods

Revenue from the sale of goods is accounted for in net turnover at the fair value of the consideration received or receivable, net of returns and allowances. Revenue from the sale of goods is recognized in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer, the amount of the revenue can be determined reliably, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing involvement with the goods.

The transfer of risks and rewards varies according to the conditions of the relevant sales contract. For the sale of dairy products, transfer of risk and rewards usually occurs upon shipment of the products to the customer's warehouse. For certain international shipments transfer of risk and rewards occurs upon receipt by the customer. Cost price of the goods is allocated to the same period as the related turnover.

The Company does not recognise revenue from services rendered.

Commissions

Revenue from transactions is recognised for the amounts received by the Company on its own account. Amounts received by the Company on behalf of third parties are not recognised as revenue. When the group acts in a transaction in the capacity of an agent rather than of a principal, the revenue recognised in the profit and loss account is the net amount of commission received by the group in respect of the transaction.

COST OF SALES

Cost of sales consist of the purchase costs of goods available for sale, commission fees, transportation costs, storage and other costs. All these costs are directly attributable to the goods sold.

SELLING EXPENSES, AND GENERAL AND ADMINISTRATIVE EXPENSES

Selling expenses and general and administrative expenses comprise of costs incurred during the financial year and are not directly attributable to the cost of the goods sold.

EMPLOYEE BENEFITS

Employee benefits are charged to the profit and loss account in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Company.

For benefits with accumulating rights, sabbatical leave, profit-sharing and bonuses, the projected costs are taken into account during the period of employment. An expected payment resulting from profit-sharing and bonus payments is recognized if the obligation for that payment has arisen on or before the balance sheet date and a reliable estimate of the liabilities can be made.

If a benefit is paid in the case of non-accumulating rights (e.g. continued payment in the case of sickness or disability), the projected costs are recognized in the period in which such benefit is payable.

Pension plan

The basic principle is that the pension charge to be recognized for the reporting period is equal to the pension contributions payable to the pension provider over the period. Insofar as the payable contributions have not yet been paid as at the balance sheet date, a liability is recognized. If the contributions already paid at the balance sheet date exceed the payable contributions, a receivable is recognized to account for any repayment by the fund or settlement with contributions payable in future.

If there are adjustments to rights accrued as at the balance sheet date arising from future salary increases that are already committed to at the balance sheet date and which shall be paid by the Company, a provision is recognized.

In addition, a provision is included as at the balance sheet date for existing additional commitments to the fund and the employees, provided that it is probable that there will be an outflow of funds for the settlement of the commitments and it is possible to reliably estimate the amount of said commitments. The existence or non-existence of additional commitments is assessed on the basis of the administration agreement concluded with the fund, the pension agreement with the employees and other (explicit or implicit) commitments to the employees. The provision is stated as a best estimate of the present value of the anticipated costs of settling the commitments as at the balance sheet date. The pre-tax discount rate reflects the market interest rate at the balance sheet date of high-quality corporate bonds/yield on government bonds. Risks that have already been taken into account in estimating future expenditure are not included in the discount rate. As at the balance sheet date, no such additional commitment exists.

For any surplus at the pension provider as at the balance sheet date, a receivable is recognized if the Company has the power to withdraw this surplus, if it is likely that the surplus will flow to the Company and if the receivable can be reliably determined.

INTEREST RECEIVABLE, SIMILAR INCOME AND INTEREST PAYABLE, AND SIMILAR CHARGES

Interest income is recognized in the profit and loss account on an accrual basis, using the effective interest rate method. Interest expenses and similar charges are recognized in the period to which they belong.

Premium, discount and redemption premiums are recognized as interest expense in the period to which they belong. The allocation of these interest expenses and the interest income on the loan is the effective interest rate that is recognized in the profit and loss account. On the balance sheet, the amortized value of the debt(s) is recognized (on balance). The amounts of the premium that are not yet recognized in the profit and loss account and the redemption premiums already recognized in the profit and loss account are recognized as an increase in the debt(s) to which they relate. Amounts of the discount that are not yet recognized in the profit and loss account are recognized as a reduction of the debt(s) to which they relate.

Additional costs associated with the use of more than customary supplier credit are recognized as an interest expense.

TAXATION

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognized in the profit and loss account, except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity, or to business combinations.

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years. If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences.

For taxable temporary differences, a provision for deferred tax liabilities is recognized.

For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognized, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the Company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

SHARE IN RESULT OF PARTICIPATING INTERESTS

The share in the result of participating interests consists of the share of the group in the results of these participating interests, determined on the basis of the accounting principles of the group. Results on transactions where the transfer of assets and liabilities between the group and the non-consolidated participating interests, and mutually between the non-consolidated participating interests themselves, are not recognized as they can be deemed as not realised.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method. Cash flows in foreign currency are translated into euros using the weighted average exchange rates at the dates of the transactions.

Cash flows from derivative financial instruments that are accounted for as fair value hedges or cash flow hedges are classified in the same category as the cash flows from the hedged balance sheet items. Cash flows from derivative financial instruments from which hedge accounting is no longer applied are classified in accordance with the nature of the instrument, from the date at which the hedge accounting ended.

DETERMINATION OF FAIR VALUE

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are properly informed of the matter, willing to enter into a transaction and independent of each other.

- The fair value of listed financial instruments is determined on the basis of the exit price.
- The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value and applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges.
- The fair value of derivatives involving the exchange of collateral is determined by discounting the cash flows to present value. This is done using the (Eonia) swap curve, because the credit and liquidity risk is mitigated by the collateral exchange.
- The fair value of derivatives that do not involve an exchange of collateral is determined by discounting the cash flows to present value, taking into account its own and counterparty spread.

RELATED PARTIES

Transactions with related parties are disclosed if they have not been entered into at arm’s length. To be disclosed are the nature and amounts involved with such transactions, and other information deemed necessary for an insight into the transactions.

SUBSEQUENT EVENTS

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are prepared are recognized in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and estimated financial effects of the events are disclosed in the financial statements.

NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

1. TANGIBLE FIXED ASSETS

In thousands of euros	Office Equipment	Land	Building	Total
Balance as at 1 January 2023				
- Purchase price	2,507	601	2,906	6,014
- Accumulated depreciation and impairment	(1,603)	-	(456)	(2,059)
- Carrying amount	904	601	2,450	3,955
Changes in carrying amount:				
- Investments	486	-	58	544
- Disposals	(12)	-	-	(12)
- Depreciation	(368)	-	(97)	(465)
-Translation differences	12	-	-	12
- Balance	118	-	(39)	79
Balance as at 31 December 2023				
- Purchase price	2,683	601	2,964	6,248
- Accumulated depreciation and impairment	(1,661)	-	(553)	(2,214)
- Carrying amount	**1,022**	**601**	**2,411**	**4,034**
	%	%	%	
Depreciation rates	20 - 33	0	3	

Building has been pledged in full to the mortgage loan under note 8.
Land has been pledged for an amount EUR 282 thousand to the mortgage loan under note 8.

2. FINANCIAL FIXED ASSETS

In thousands of euros	Participating interests	Long term loans	Total
Balance as at 1 January 2023	-	194	194
Repayment of long term loans	-	(104)	(104)
Investment in financial fixed assets	500	-	500
Loan to participating interest	1,300	-	1,300
Less provision	(956)	-	(956)
Result participating interest	(841)	-	(841)
Balance as at 31 December 2023	**3**	**90**	**93**

The investment in financial fixed assets of EUR 500 thousand relates to a capital contribution in NV Vonk Culinary Cheese. The long term loan, for an amount of EUR 1,300 thousand, relates to a subordinated loan issued to NV Vonk Culinary Cheese.

The provision relates to 50% share in the negative equity position of NV Vonk Culinary Cheese.

The group has the following capital interests:

Name	Seated	Country	Shareholding
NV Vonk Culinary Cheese	Zonhoven	Belgium	50% interest

The participation in NV Vonk Culinary Cheese is classified as a joint venture in light of the cooperative agreement that the Company has concluded with the other shareholder of NV Vonk Culinary Cheese. In this joint venture, the Company is entitled to 50% of the profits and losses (constructive obligation).

The long term loan had been provided to a certificate holder for a tenure of 10 years. 3.5% interest is being charged on this loan. No collateral has been provided.

3. INVENTORIES

In thousands of euros	31-12-2023	31-12-2022
Goods for sale	71,229	42,776
Less: Provision for obsolescence	(424)	-
	70,805	**42,776**

Goods for sale are pledged to credit institutions for the amount of EUR 27 million (2022: EUR 9 million). The pledged amount to credit institutions is determined by the pledging conditions of the asset-based facility.

In thousands of euros	Provision for obsolete inventory
Balance as at 1 January 2023	-
Additions	(424)
Release to income statement	-
Balance as at 31 December 2023	**(424)**

4. TRADE AND OTHER RECEIVABLES

In thousands of euros	31-12-2023	31-12-2022
Trade receivables	117,577	142,920
Receivables from related parties	5,905	1,319
Prepayments and accrued income	624	546
Collateral at brokers	20,372	6,439
Unrealized gain on commodity derivatives	37,550	36,240
Other receivables	4,538	3,670
	186,566	**191,134**

All trade and other receivables are due within one year.

The carrying values of the recognised receivables approximate their respective fair values, given the short maturities of the positions and the fact that allowances for doubtful debts have been recognised, if necessary.

Trade receivables EUR 44 million (2022: EUR 55 million) have been pledged as collateral for current liabilities to credit institutions as part of the asset-based facility. The pledged amount to credit institutions is determined by the pledging conditions of the asset-based facility.

StoneX, Marex, Macquarie and Rabobank are the Company's brokers for commodity futures, options and over-the-counter instruments. In order to eliminate the variability of cash flows in commodity contracts, the Company hedges its exposures with the aforementioned derivatives. (Cash flow hedge accounting is applied.) The amount included in the current account serves as collateral for margin calls.

Numidia B.V. has a credit insurance agreement with Credendo as a coverage for non-payment by customers. With this insurance, 90% of the risk with debtors is covered.

Other receivables

In thousands of euros	**31-12-2023**	**31-12-2022**
VAT	2,942	2,139
Security Deposits	135	92
Claim Receivables	-	1,439
Unrealized currency revaluation	237	-
Prepayments	1,224	-
	4,538	**3,670**

5. CASH AND CASH EQUIVALENTS

In thousands of euros	**31-12-2023**	**31-12-2022**
Credit balances on bank accounts	169	541

All credit balances on bank accounts are at the free disposal of the Company. The Company maintains a minimum cash position, as the asset-based facility allows the Company to withdraw from the amount available within the facility.

6. SHAREHOLDERS' EQUITY

For disclosure of the shareholders' equity reference is made to note 26 on the Company financial statements.

7. PROVISIONS

In thousands of euros	**Provision for onerous contracts**
Balance as at 1 January 2023	-
Additions	518
Release to income statement	-
Balance as at 31 December 2023	**518**

The provision for onerous contracts is recognised for the negative difference between the value of the performance to be received from third parties after reporting date and the value of the performance to be delivered by the Company after the reporting date. The provision is determined based on the expected and unavoidable costs that will have to be incurred at a minimum to settle the related sales agreements. All related sales agreement are due within 1 year.

8. NON-CURRENT LIABILITIES

In thousands of euros	31-12-2023	31-12-2022
Subordinated loan Nilina Holding B.V.	250	250
Subordinated loan Loma Holding B.V.	250	250
Mortgage loan	1,185	1,275
	1,685	**1,775**
Outstanding principal amount as at 1 January	2,865	3,455
Take up mortgage loan in	-	-
Repayment mortgage loan in	(90)	(90)
Repayment subordinated loan in	(1,000)	(500)
Outstanding principal amount as at 31 December	1,775	2,865
Current as at 31 December	90	1,090
Non-current as at 31 December	**1,685**	**1,775**

Subordinated loans

Nilina Holding B.V. and Loma Holding B.V. are the shareholders of Numidia Holding B.V. Repayment of the subordinated loans totalling EUR 500 thousand will commence from 29 September 2026 linear onwards over a period of ten years. 4.5% interest is being charged on this loan. No security has been provided. The loans are subordinated to the ING Bank.

The subordinated loan originally amounted to EUR 2000 thousand, to be repaid in four instalments of EUR 500 thousand. The last two instalments have been paid in March and June of 2023.

Mortgage loans

In 2016, the Company entered into a mortgage agreement with the ING Bank for the financing of the Company building in the Netherlands. The building and land will act as security for this mortgage. The loan consists out of 2 components of EUR 900 thousand each.

Repayment of the mortgage loan began on 1 March 2018 and will continue up to 1 August 2026. Repayment will be made through monthly instalments of EUR 7,500 thousand and a one-time repayment of the remaining debt (EUR 1,042 thousand) on 1 August 2026. 2.46% interest is being charged on the first part of this loan. The fixed interest rate period on the second part expired in August 2023. 5.58% interest is being charged as of August 2023.

9. CURRENT LIABILITIES

In thousands of euros	31-12-2023	31-12-2022
Debts to credit institutions	71,133	63,899
Short-term part of long-term loans	90	1,090
Accounts payables to suppliers and trade creditors	84,492	72,378
Payables to related parties	20	140
Income tax liability	1,780	6,133
Other taxes and social security contributions due	521	84
Customer prepayments	1,182	886
Unrealized loss on commodity derivatives	38,567	32,658
Accruals and deferred income	4,598	8,427
	202,383	**185,695**

The current liabilities all have a remaining term shorter than 1 year.

The carrying values of the recognised current liabilities approximate their respective fair values, given the short maturities of the positions.

Debt to credit institutions

On 9 October 2023, the Company amended and extended the working capital financing facility with Deutsche Bank and ING Bank. Rabobank participates as a new lender in the amended facility. The amended and extended facility has a tenure of 4 years (up to August 2027) and consists of:

- A committed asset-based lending facility of EUR 180 million, of which EUR 30 million conditional.
- A bilateral bank guarantee facility of EUR 10 million.

The credit facility bears an effective interest rate of 6.2% per 31 December 2023. The effective interest rate is calculated on the one-month EURIBOR (for EUR utilisations), SOFOR (for USD utilisations) or SONIA (for GBP utilisations) plus a fixed mark-up.

In connection with the asset-based facility, the following securities are provided:

- Joint and several liability.
- Pledge of accounts receivable amounting to EUR 44 million (2022: EUR 55 million).
- Pledge of stocks amounting to EUR 27 million (2022: EUR 9 million).
- Security by Intercreditor Agreement with Numidia Holding B.V. Numidia B.V. ,Cheese and More B.V., Deutsche Bank AG, ING Commercial Finance and Coöperatieve Rabobank U.A.

At year-end, all debt covenants were met.

Accruals and deferred income

In thousands of euros	31-12-2023	31-12-2022
Accrual for leave hours and holiday pay	397	319
Employee bonus	2,560	4,202
Audit fee	153	140
Interest and bank charges	-	17
Credit and transport insurances	750	1,729
Unrealized currency revaluation	237	-
Other	501	2,020
	4,598	**8,427**

10. OFF-BALANCE SHEET ASSETS AND LIABILITIES

Rental commitments for immovable property

The Company has entered into a long-term financial commitment with regard to the rental of business premises. The rental costs are recognised on a straight-line basis in the profit and loss account over the lease period. The remaining term can be specified as follows:

Overview of movements in rental commitments	
In thousands of euros	
< 1 year	340
1 - 5 year	663
> 5 year	-

Lease commitments with regard to movable property

The Company has entered into long-term financial commitments with regard to lease cars, printers and office supplies. The related costs are recognised on a straight-line basis in the profit and loss account over the lease period. The remaining term can be specified as follows:

Remaining term lease commitments	
In thousands of euros	
< 1 year	238
1 - 5 year	393
> 5 year	-

The Company does not make any use of contingent lease payments.

In addition to this, bank guarantees in the form of performance bonds were issued to customers at year-end 2023, on behalf of consolidated participating interests, for EUR 2.7 million (2022: EUR 8.5 million).

11. FINANCIAL INSTRUMENTS

General

During the normal course of business, the Company uses various financial instruments that expose it to market, currency, interest, cash flow, credit, and liquidity risks. To control these risks, the Company has instituted a policy, including a code of conduct and procedures, that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the financial performance of the Company.

The Company uses derivatives, including forward, future and option commodity contracts and forward exchange contracts, to control its risks.

Currency risk

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than Euro. The main currencies in which these transactions are denominated are USD and GBP. The net currency position (EUR) as of 31 December 2023 is presented below:

2023

In thousands of euros	**Assets**	**Liabilities**	**Hedging Instruments**	**Forecasted transactions hedged**	**Net position**
USD	75,721	(82,362)	(35,377)	57,485	15,467
GBP	1,827	(98)	(4,752)	985	(2,038)
NZD	1,421	(2,907)	-	-	(1,486)
	78,969	**(85,367)**	**(40,129)**	**58,470**	**11,943**

2022

In thousands of euros	**Assets**	**Liabilities**	**Hedging Instruments**	**Forecasted transactions hedged**	**Net position**
USD	80,107	(78,057)	(43,852)	57,911	16,109
GBP	2,217	(2,882)	(2,279)	2,656	(288)
NZD	927	(4,233)	-	-	(3,306)
	83,251	**(85,172)**	**(46,131)**	**60,567**	**12,515**

The contracted transactions that have been hedged cover the period 1 January 2024 – 27 December 2024.

In the case of the exchange rate of the Euro against USD and GBP strengthening by 10 percent and leaving all other variables constant, the pre-tax result as of 31 December 2023 would be EUR 1,194 thousand higher.

In the case of the exchange rate of the Euro against USD and GBP weakening by 10 percent and leaving all other variables constant, the pre-tax result as of 31 December 2023 would be EUR 1,327 thousand lower.

As per 31 December 2023 the outstanding foreign exchange contracts are:

	Bought	**Sold**	**Net**	**EUR 1)**	**Fair value 2)**
	£/$ 000	£/$ 000	£/$ 000	€ 000	€ 000
GBP forwards	0	(4,122)	(4,122)	(4,752)	(119)
USD forwards	0	(39,073)	(39,073)	(35,377)	528
					409

1) Contract values

2) Delta Fair Value FX contracts per currency per end of year

All outstanding foreign exchange contracts have a remaining duration of less than one year and mature in 2024.

Commodity risk: futures and options

Numidia uses future and option commodity contracts in order to hedge the risk of commodity price fluctuations on commodity purchase contracts. The fair value of these commodity contracts is EUR 8,490 thousand (2022: EUR 8,908 thousand) as a result of more advantageous commodity market prices than agreed upon with the derivative commodity contracts. Future and option commodity contracts for which no hedge accounting is applied have a total fair value of EUR 8,192 thousand (2022: EUR 8,520 thousand) and are fully accounted for in the profit and loss account. This accounts for 96% of the net position (2022: 96%).

The total fair value of the futures and option contracts for which hedge accounting is applied amounts negative EUR 89 thousand (2022: positive EUR 388 thousand). There are no contractual provisions that affect the value, timing and certainty of future cash flows.

The mark-to-market of FX derivatives and commodity derivatives are calculated based on observable market date (on the reporting date) for the derivatives, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

2023

In thousands of euros	**Hedged**	**Unhedged**	**Net position**
CME	20	(156)	(136)
EEX	279	7,312	7,591
SGX	-	1,035	1,035
	299	**8,191**	**8,490**

Credit risk

Credit risk arises principally from the receivables presented under trade and other receivables, cash, and the positive fair value of derivatives. The Company has drawn up guidelines for limiting the credit risk associated with each financial institution and debtor. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which those customers operate, as these factors may have an influence on credit risk. There is no concentration of credit risk.

The company has a risk management policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount without requiring approval from the management, and these limits are reviewed every quarter. Customers who fail to meet the Company's benchmark of creditworthiness may only transact with the Company on the basis of prepayment.

The maximum amount of credit risk that the Company incurs is 6.3% of trade receivables. Trade receivables are covered by a credit insurance company and the use of open letters of credit and documentary credits on behalf of third parties which are not credit insured. Numidia B.V. has a credit insurance agreement with Credendo to cover non-payment by customers. This insurance covers 90% of the risk with debtors and 95% of the political risk.

Interest rate and cash flow risks

The Company runs an interest rate risk on interest bearing liabilities and on the refinancing of existing loans. For liabilities with variable interest rate agreements, the Group runs a risks of future cash flows and for fixed interest rate loans, a fair value risk. The Company does not use any interest rate derivatives to reduce the interest risk of variable interest rate loans. The interest rate risk is presented by the interest payment schedule presented below:

In thousands of euros	Base amount	1 year or less	1-3 years	3-5 years	Total position
Fixed interest rate loans payable	500	23	45	45	113
Variable interest rate credit facility	71,133	4,417	8,835	8,835	22,087
Fixed interest rate mortgage	1,275	53	106	106	265
Net interest position	**72,908**	**4,493**	**8,986**	**8,986**	**22,465**

In the case of interest rates rising by 1% as of 31 December 2023 and assuming all other variables are constant, interest expenses would rise by EUR 712 thousand in 2023 (2022: EUR 640 thousand).

Liquidity risk

The Company monitors its cash position by using successive liquidity budgets. The management ensures that the cash position is sufficient to meet the Company's financial obligations towards creditors and to stay within the limits of its loan covenants. The loan covenants apply to the working capital financing facility with Deutsche Bank, ING Bank and Rabobank.

The financial obligations as at 31 December 2023 are:

In thousands of euros	1 year or less	1 - 2 years	2 - 5 years	More than 5 years
Loans	0	-	112	388
Mortgage	90	90	270	825
Lease obligations	238	209	184	-
Rental obligations	340	249	414	-
Trade and other payables	201,111	-	-	-
Guarantees	2,731	-	-	-
Total	204,510	548	980	1,213
Trade and other receivables	184,718	-	-	-
Cash and cash equivalents	169	-	-	-
Total	184,887	-	-	-
Net amount as at 31 December 2023	**19,623**	**548**	**980**	**1,213**

Of trade receivables, EUR 18.2 million is not freely available to the Company due to collateral obligations at the Company's brokers for commodity futures and options. This obligation consists of security for possible future negative value developments outside the agreed bandwidth (initial margin) and coverage for actual negative value developments outside the agreed bandwidth at year end (maintenance margin).

The Company shall ensure that sufficient balances are available to cover the expected operational costs, including meeting its financial obligations. The potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters, are not taken into account. In addition, the Company has a working capital credit facility of EUR 180 million, of which the Company used EUR 71.1 million as per 31 December 2023.

Fair value

The fair value of most of the financial instruments stated on the balance sheet, including receivables, cash and cash equivalents, long term liabilities and current liabilities, is approximately equal to their carrying amount. The fair value of derivatives that do not involve an exchange of collateral is determined by discounting the cash flows to present value, applying the relevant swap curve, and making our own and counterparty value adjustments.

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2023

12. SALES – SEGMENTATION BY REGION

In thousands of euros	2023	2022
Deliveries within the Netherlands	64,795	73,670
Deliveries within other EU countries	374,543	306,854
Deliveries within Asia	122,201	91,005
Deliveries within Africa	103,341	195,321
Deliveries within Americas	213,742	247,168
Deliveries to rest of the world	38,465	25,128
	917,087	**939,146**

12. SALES - SEGMENTATION BY PRODUCT

In thousands of euros	2023	2022
Fat	166,627	126,643
Powders	565,525	691,165
Cheese	174,599	98,758
Liquids	10,336	22,580
	917,087	**939,146**

13. SELLING AND DISTRIBUTION EXPENSES

The selling and distribution expenses include expenses relating to trade and logistical employees, travelling and representation expenses, fair expenses and other publicity expenses.

14. GENERAL AND ADMINISTRATIVE EXPENSES

The general and administrative expenses include expenses related to finance and support employees. Operating costs are distributed between selling and general expenses according to the nature of the costs.

15. PERSONNEL EXPENSES

During the financial year 2023, the average number of staff employed in the group, converted to full-time equivalents amounted to 96.3 FTE (2022: 77 FTE), of which 21 (2022: 19) were employed outside the Netherlands. This increase was mainly caused by the growth of the company. This staffing level (average number of staff) can be divided into the following staff categories:

Average number FTE

FTE	2023	2022
Trade	34.1	28.2
Logistics	43.3	34.7
Finance	9.9	8.2
Support	9.0	5.9
	96.3	**77.0**

Wages and salaries

Wages and salaries are included in selling and distributions expenses and general and administrative expenses.

In thousands of euros	2023	2022
Wages and salaries	9,769	10,521

Social security and pension charges

In thousands of euros	2023	2022
Social security charges	875	714
Pension charges	825	632
	1,700	**1,346**

Emoluments of statutory directors

In thousands of euros	2023	2022
Board Remuneration	1,812	1,562

The emoluments, including pension costs as referred to in Section 2:383(1) of the Netherlands Civil Code, charged in the financial year to the Company amounted to EUR 1,812 thousand (2022: EUR 1,562 thousand) for statutory directors. There were no loans, advances or guarantees granted by the Company to the statutory directors. The Company does not have a Supervisory Board.

16. OTHER OPERATING INCOME

In thousands of euros	2023	2022
Result on commodity derivatives	13,477	22,853

The 2023 result is a sum total of EUR 104.7 million profit on commodity derivative contracts and of EUR 91.2 million in losses on commodity derivative contracts.

17. INTEREST RECEIVABLES AND SIMILAR INCOME

In thousands of euros	2023	2022
Interest	5	7
Result on FX	419	-
	424	**7**

18. INTEREST PAYABLE AND SIMILAR CHARGES

In thousands of euros	2023	2022
Bank charges	338	325
Interest on Subordinated loans	28	89
Interest paid to bank	5,071	1,790
Result on FX	-	12
Other financial expenses	4	7
	5,441	**2,223**

19. TAX ON RESULT

In thousands of euros	2023	2022
Result before tax	22,759	29,379
Tax effect of:		
- Results under the participation exemption	(841)	(1,050)
-Tax allowance for investments	(12)	-
- Non-deductible expenses	27	28
Taxable amount	**21,933**	**28,357**
Tax rate abroad	14	2
Tax rate 15%	59	59
Tax rate 25.8%	5,799	7,458
Income tax expense	**5,872**	**7,519**
The applicable weighted average tax rate	25.8%	25.6%

20. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes the relationship between the Company, its shareholders, and affiliated companies, among others. Transactions are transfers of resources, services or obligations, regardless of whether anything has been charged.

There were no transactions with related parties that were not on a commercial basis. On a commercial basis, there were the following transactions with related parties:

In thousands of euros	2023	2022
Subordinated loan Nilina Holding B.V.	(250)	(250)
Subordinated loan Loma Holding B.V.	(250)	(250)
Subordinated loans	1,300	(1,000)
Receivables as at 31-12	5,905	1,319
Payables as at 31-12	(20)	(140)
Sales	8,794	1,458
Purchases	25,249	23,180

The remuneration of the managing directors is included in note 15.

21. AUDITOR'S FEES

The following fees were charged by KPMG Accountants N.V. to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a(1) and (2) of the Netherlands Civil Code.

The fees mentioned in the table for the audit of the financial statements 2023 (2022) relate to the total fees for the audit of the financial statements 2023 (2022), irrespective of whether the activities were performed during the financial year 2023 (2022).

In thousands of euros	KPMG Accountants N.V.	Other KPMG network	Total KPMG
2023			
Audit of the financial statements 2023	264	-	264
	264	**-**	**264**
2022			
Audit of the financial statements 2022	180	-	180
	180	**-**	**180**

22. SUBSEQUENT EVENTS

For the disclosure of subsequent events reference is made to note 30 to the Company financial statements.

SEPARATE BALANCE SHEET AS AT 31 DECEMBER 2023

(before profit appropriation)

In thousands of euros		31 December 2023		31 December 2022	
Fixed assets					
Financial fixed assets	(23)		58,623		52,120
Current assets					
Trade and other receivables	(24)	285		387	
Cash and cash equivalents	(25)	88		75	
			373		462
			58,996		**52,582**
Shareholders' equity	(26)				
Issued capital		36		36	
Share premium reserve		583		583	
Other reserves		40,096		29,285	
Revaluation Reserve		299		388	
Foreign currency translation reserve		21		27	
Unappropriated profit		16,046		20,811	
			57,081		51,130
Non-current liabilities			-		-
Current liabilities	(27)		1,915		1,452
			58,996		**52,582**

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

SEPARATE PROFIT AND LOSS ACCOUNT FOR 2023

In thousands of euros		**2023**	**2022**
Share of result of participating interests after tax	(28)	15,857	21,235
Other result after tax		189	(424)
Net result		**16,046**	**20,811**

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

NOTES TO THE 2023 SEPARATE FINANCIAL STATEMENTS

General

The Company's financial statements are part of the 2023 financial statements of the group. For the Company profit and loss account, use has been made of the exemption pursuant to Section 2:402 of the Netherlands Civil Code. Insofar as no further explanation is provided of items in the Company balance sheet and the Company profit and loss account, please refer to the notes to the consolidated balance sheet and profit and loss account.

Accounting policies

The principles for the valuation of assets and liabilities and the determination of the result are the same as those applied to the consolidated profit and loss account, with the exception of the following principles:

FINANCIAL INSTRUMENTS

In the Company financial statements, financial instruments are presented on the basis of their legal form.

PARTICIPATING INTERESTS IN GROUP COMPANIES

Participating interests in group companies are accounted for in the separate financial statements according to the equity accounting method on the basis of net asset value. For details we refer to the accounting policy for financial fixed assets in the consolidated financial statements.

SHARE OF RESULT OF PARTICIPATING INTERESTS

This item concerns the Company's share of the profit or loss of these participating interests. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are eliminated to the extent that they can be considered as unrealised.

23. FINANCIAL FIXED ASSETS

Participating interests and long term loans

In thousands of euros	Consolidated companies	Other participating interests	Long term loans	Total
Balance as at 1 January 2023	51,926	-	194	52,120
Payback long term loan	-	-	(104)	(104)
Share in result of participating interests	16,699	(841)	-	15,858
Investment in financial fixed assets	-	500	-	500
Loan to participating interest	-	1,300	-	1,300
Less provision	-	(956)	-	(956)
Dividend	(10,000)	-	-	(10,000)
Impact hedge accounting	(89)	-	-	(89)
Currency translation	(6)	-	-	(6)
Balance as at 31 December 2023	**58,530**	**3**	**90**	**58,623**

Consolidated companies:

Name	Seated	Country	Shareholding
Numidia Holding B.V.	Roermond	Netherlands	100% interest
Numidia B.V.	Roermond	Netherlands	100% interest
Numidia Services B.V.	Roermond	Netherlands	100% interest
Cheese and more B.V.	Roermond	Netherlands	100% interest
Numidia Charity foundation	Roermond	Netherlands	100% interest
Numidia Americas S.A.	Montevideo	Uruguay	100% interest
Numidia Inc.	Dallas	USA	100% interest
Numidia Singapore Ltd. Pte.	Singapore	Singapore	100% interest

Numidia Uruguay S.A. has been liquidated in 2023. This was a dormant entity with no operations.

Other participating interest:

Name	Seated	Country	Shareholding
NV Vonk Culinary Cheese	Zonhoven	Belgium	50% interest

Pursuant to Section 2:403 of the Netherlands Civil Code, a liability declaration has been issued by Numidia Holding B.V. regarding the following companies:

- Numidia B.V.
- Numidia Services B.V.
- Cheese and more B.V.

24. TRADE AND OTHER RECEIVABLES

In thousands of euros	31-12-2023	31-12-2022
Accounts Receivable from Numidia B.V.	274	-
VAT	-	82
Prepaid Costs	11	305
	285	**387**

All trade and other receivables are due within one year.

The carrying values of the recognised receivables approximate their respective fair values, given the short maturities of the positions and the fact that allowances for doubtful debts have been recognised, if necessary.

25. CASH AND CASH EQUIVALENTS

In thousands of euros	31-12-2023	31-12-2022
Credit balances on bank accounts	88	75

All credit balances on bank accounts are at the free disposal of the Company.

26. SHAREHOLDERS' EQUITY

In thousands of euros	Issued capital	Share Premium Reserve	Other reserves	Revaluation reserve	FX translation reserves	Unappropriated profit	Total
Balance as at 1 January 2022	36	-	26,921	49	(4)	3,544	30,546
Charges in financial year 2022							
- Dividend	-	-	(1,180)	-	-	-	(1,180)
- Appropriation of result	-	-	3,544	-	-	(3,544)	-
- Translation differences	-	-	-	-	31	-	31
- Result for the year	-	-	-	-	-	20,811	20,811
- Share Premium	-	583	-	-	-	-	583
- Release to income statement *	-	-	-	(180)	-	-	(180)
- Gain (loss) on derrivate financial instrument*	-	-	-	519	-	-	519
Balance as at 31 December 2022	**36**	**583**	**29,285**	**388**	**27**	**20,811**	**51,130**
Charges in financial year 2023							
- Dividend	-	-	(10,000)	-	-	-	(10,000)
- Appropriation of result	-	-	20,811	-	-	(20,811)	-
- Translation differences	-	-	-	-	(6)	-	(6)
- Result for the year	-	-	-	-	-	16,046	16,046
- Release to income statement *	-	-	-	(1,505)	-	-	(1,505)
- Gain (loss) on derrivate financial instrument*	-	-	-	1,416	-	-	1,416
Balance as at 31 December 2023	**36**	**583**	**40,096**	**299**	**21**	**16,046**	**57,081**

*) Cash flow hedge accounting is applied for the Company commodity derivatives. The effective portion of the fair value changes of the derivatives is initially recognized in the consolidated revaluation reserve. As soon as the expected future transactions lead to the recognition of gains or losses in the profit and loss account, the respective amounts are transferred from the consolidated revaluation reserve to the consolidated profit and loss account. As at 31 December 2023, the consolidated revaluation reserve amounts to negative EUR 299 thousand (2022: 388 thousand).

Issued capital

The Company's authorised capital, amounting to EUR 90 thousand (2022: EUR 90 thousand), consists of 90,000 ordinary shares of EUR 1 each. As at 31 December 2023, 36,270 ordinary shares were issued and fully paid-up (2022: 36,270).

Appropriation of profit from 2022

The 2022 financial statements were adopted on 18 April 2023. In accordance with the shareholders' resolution of 18 April 2023, EUR 10,811 thousand was added to the other reserves and a dividend of EUR 10,000 thousand was paid.

Foreign currency translation reserve

Exchange gains and losses arising from the translation of the functional currency of foreign operations to the reporting currency of the parent company are accounted for in this statutory reserve. In the case of the sale of a participating interest, the associated accumulated exchange differences are taken to other reserves.

The foreign currency translation legal reserve of EUR 21 thousand positive (2022: EUR 27 thousand positive) relates to the Company's foreign investments.

Unappropriated profit

The result after tax for 2023 is included in the item 'unappropriated profit'.

Proposal for profit appropriation

The General Meeting will be proposing to appropriate the profit after tax for 2023, of EUR 16,046 thousand, to the other reserves. The 2023 result after tax is presented as unappropriated profit in shareholders' equity.

27. CURRENT LIABILITIES

In thousands of euros	**31-12-2023**	**31-12-2022**
Accounts payables to Numidia BV	-	495
Income tax liability	1,763	-
Accruals and deferred income	152	957
	1,915	**1,452**

The carrying values of the recognised current liabilities approximate their respective fair values, given the short maturities of the positions.

Numidia Holding B.V. is the head of a fiscal unity for income tax with:

- Numidia B.V.
- Numidia Services B.V.
- Cheese and more B.V.

The income tax position therefore includes the tax liability of the whole fiscal unity.

28. RESULT IN GROUP COMPANIES

In thousands of euros	**31-12-2023**	**31-12-2022**
Result fiscal year Cheese and more B.V.	81	43
Result fiscal year Numidia B.V.	16,603	22,245
Result fiscal year Numidia Charity Foundation	-	-
Result fiscal year Numidia Uruguay SA	15	(3)
Result fiscal year Numidia Services B.V.	-	-
Result fiscal year NV Vonk Culinary Cheese	(841)	(1,050)
	15,858	**21,235**

29. NUMBER OF FTE'S

During the 2023 financial year, the average number of staff employed in the company, converted in to full-time equivalents, amounted to 3 FTE (2022: 0 FTE).

30. SUBSEQUENT EVENTS

No events occurred after the balance sheet date that required an adjustment or disclosure.

Roermond, April 8, 2024

The statutory Board of Directors:

A. Mahnin

M.H.G. Daamen

J.A.H. van Hagen

7 Other information

INDEPENDENT AUDITOR'S REPORT

To: the General Meeting of shareholders of Numidia Holding B.V.

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements 2023 of Numidia Holding B.V., (or 'the Company') based in Roermond. In our opinion the accompanying financial statements give a true and fair view of the financial position of Numidia Holding B.V. as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the consolidated and separate balance sheet as at 31 December 2023;
2. the consolidated and separate profit and loss account for 2023;
3. the consolidated cash flow statement for 2023;
4. the consolidated statement of comprehensive income for 2023; and
5. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Numidia Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, 'Audit firms supervision act'), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, 'Code of Ethics for Professional Accountants, a regulation with respect to independence') and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, 'Dutch Code of Ethics').

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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

Audit response to the risk of fraud and non-compliance with laws and regulations

In the chapter 'Risk Management' of the annual report, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the the Company's Staff Handbook which contains the Code of conduct and whistleblowing policy.

Furthermore, we performed relevant inquiries with the Board of Directors and other relevant functions, including the CEO and CFO. We have also incorporated elements of unpredictability in our audit such as performing testing procedures over goods in transit, and involved forensic specialists in our audit procedures.

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- bribery and corruption laws and anti-money laundering laws and regulations (reflecting the Company's international business footprint); and
- consumer product law, including product safety and product liability claims (reflecting the nature of the Company's diverse product base).

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Risk:
Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:
  - We evaluated the Company's policies and procedures and the design and the implementation of controls regarding journal entries.
- We made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.
- We performed data analyses of high-risk journal entries. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk. These procedures also included testing of transactions back to source documentation.
- We verified the appropriateness of material post-closing entries recorded in the general ledger.
- We evaluated key estimates and judgments for bias by the Company's management, such as the valuation of the derivatives.

Revenue recognition (a presumed risk)

Risk:
We identified a fraud risk in relation to the recognition of revenue. This risk inherently includes the fraud risk that management deliberately understates revenue, in the cut off period after balance sheet date, as management may feel pressure to achieve planned results for the next year.

Responses:
- We evaluated the design and implementation of the controls set up by management surrounding the determination of the transfer of control at year-end (cut-off procedures implemented by management).
- We used data analytics to identify unexpected 'account pairings' and journal entries in the revenue account at year-end and inspected the underlying accounting records to evaluate the appropriateness of these journal entries.
- We performed test of details on revenues after year-end (cut-off) by tracing revenues back to underlying details, which included invoices, contracts, customer orders, shipping documents and when considered relevant debtor payments, to ensure that revenue was recognized in the appropriate period.

We communicated our risk assessment, audit responses and results to the Board of Directors. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Board of Directors has performed its going concern assessment and has not identified any going concern risks. To assess the Board of Directors' assessment, we have performed, inter alia, the following procedures:

- we considered whether the Board of Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we inspected the financing agreement in terms of conditions that could lead to going concern risks, including the term of the agreement and any covenants;
- we analyzed whether the headroom of the ratios included in the financing agreement is sufficient or if it gives rise to the risk of the covenants in the financing agreement being breached; and
- we analyzed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on the Board of Directors' going concern assessment.

Report on the other information included in the annual report

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

Based on the following procedures performed, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the Board of Directors' report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

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

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the Board of Directors' report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

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

Maastricht-Airport, 8 April 2024
KPMG Accountants N.V.

M.E.H. Smeets RA

PROFIT APPROPRIATION PROVISIONS IN THE ARTICLES OF ASSOCIATION

Pursuant to Article 19 of the articles of association, the profit is at the disposal of the General Meeting of Shareholders. This article reads as follows:

- The profit is at the free disposal of the general meeting.
- The Company can only make distributions to the shareholders and other persons entitled to the profit available for distribution insofar as the equity exceeds the paid up and called up portion of the capital increased by the reserves required to be held in accordance with the law.
- Distributions from the profit shall take place after the adoption of the annual accounts showing that they are permitted.
- Shares held by the Company in its own capital do not count for the purpose of calculating the profit allocation.
- Depositary receipts held by the Company or to which the Company has a limited right on the basis of which it is entitled to the profit distribution likewise do not count for calculating the profit allocation.
- The Company can only make interim distributions if the requirements of subsection 2 have been met.

ABOUT THIS REPORT

This annual report integrates the financial performance, as reported in the financial statements, with our operational and sustainability performance in 2023. Next to that it also contains an outlook with ambitions and goals for 2024 and beyond. The reporting scope of the non-financial information is in line with the financial statements and covers the operations of all consolidated companies. Reference is made to note 23 of the separate financial statements

The financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. The assurance statement for the financial statements can be found in the Independent auditor's report.

The non-financial information has been prepared with reference to the applicable GRI standards. No external assurance is given with respect to non-financial information. Going forward, it's foreseen that the CSRD standards will become dominant over the GRI standards. Numidia is preparing itself for this, but expects that GRI will stay relevant in the years to come due to its global scope and high adoption rate in the existing sustainability reporting landscape.

MATERIAL TOPICS

ESG	*Material topic*	*Impact Material*	*Financial material*	*Stakeholder relevance*	*Relevant ESRS*
E	Climate change	Yes	Yes	Medium	E1
S	Human rights in the value chain	Yes	No	Medium	S2
S	Diversity, equity & inclusion	Yes	No	Medium	S1
S	Human capital	Yes	Yes	High	S1
S	Product safety & quality	Yes	Yes	High	S4
S	Healthy dairy products	Yes	Yes	Medium	S4
S	Access to products	Yes	Yes	Low	S4
S	Economic inclusion of workers in the value chain	Yes	No	Low	S2
S	Community stewardship	Yes	No	Low	n/a
G	Business ethics & conduct	Yes	Yes	High	G1
G	Supply chain transparency	Yes	Yes	Medium	G1

SHORT LIST OF POTENTIAL MATERIAL TOPICS

#	*Topic*	*Definition*
1	Anti-corruption	The business performed within Numidia shall be conducted in compliance with applicable anti-corruption laws and anti-bribery laws in each relevant jurisdiction and institute and maintain policies and procedures designed to promote and achieve compliance with such laws.
2	Anti-competitive activities	The actions of Numidia aimed at avoiding collusion with potential competitors, in order to prevent limitations on the effects of market competition.
3	Procurement/sales practices	The procurement practices applied by Numidia, such as lead times or the purchasing prices we negotiate, will not lead to negative impacts in the supply chain.
4	Human rights	Align the approach with international human rights standards in order to prevent the use of child labor, forced/bonded labor and harsh or inhumane treatment of workers, and protect the right to freedom of association, both in the operations and wider supply chain.
5	Non-discrimination & diversity	Numidia will ensure that no discriminatory practices of any kind with regards to recruitment, compensation, access to training, promotion, termination of the employment agreement or retirement is applied based on race, caste, creed, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or union membership or political affiliation.
6	Occupational H&S	Create a healthy and safe work environment for our employees to prevent physical and mental harm and promote overall well-being.
7	Market presence	Contribution to economic development in the dairy market.
8	Indirect economic impact	Keep track of the additional consequences of the direct impact of financial transactions performed by Numidia.
9	Risk & compliance	Assessing applicable risks on an ongoing basis by implementing measures and controls to reduce risk as much as possible, within a reasonable costs-benefit trade-off.
10	Climate change	Reducing, minimizing and compensating energy consumption and greenhouse gas emissions resulting from Numidia's operations.
11	Emission management	All efforts to reduce greenhouse gases where possible shall be made. Renewable energy sources shall be used where possible and affordable.
12	Biodiversity	Maintaining and enhancing biodiversity in our supply chain by defining policies and clear expectations with our suppliers.
13	Waste	Minimize waste generation to reduce scarcity of resources and waste pollution.
14	Water & effluents	Effective water management and identification of water-related impacts resulting from our operations.
15	Product safety, quality & supply chain performance	Ensure that the products we offer are of high quality and meet the requirements of our stakeholders and own safety and quality requirements, and with this manage the supply chain performance.
16	Healthy products (Customer H&S)	Offer nutritious products to our customers.

17	Knowledge of Numidians (Development of our people)	The approach of Numidia to upgrade the skills, performance and career development of our employees.
18	Animal welfare	Treat dairy animals with care in order to ensure animals' health and welfare, including the responsible use of antibiotics and the five freedoms (freedom from hunger and thirst, from discomfort, from pain, injury, and disease, to express normal and natural behavior, from fear and distress).
19	Local communities (Charity foundations)	With our Charity Foundation we support children in need by giving them access to better living conditions and a proper education.
20	Market predictions (algorithm)	Numidia uses Artificial Intelligence in which Machine Learning algorithms are trained on large amounts of market-related data to predict the future market prices of various dairy commodities. This information is mirrored to the insights that traders have about the future dairy market. Purchase/sale decisions are made based on the combination of algorithmic predictions and trader insights.

GRI CONTENT INDEX

Numidia has reported the information cited in this GRI content index for the period 01 January trough 31 December 2023 with reference to the GRI Standards.

"For the Content Index – Advanced With Reference option Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting with reference to the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders."

GRI 1 used	GRI 1: Foundation 2021	
Applicable GRI Sector Standard(s)	GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	GRI CONTENT INDEX ADVANCED SERVICE WITH REFERENCE OPTION 2024

GRI Standard	Disclosure	Reference to the location in the report and/or direct answers	GRI Sector standard Ref. No.
GRI 2: General Disclosures 2021	2-1 Organizational details	Organizational structure	
	2-2 Entities included in the organization's sustainability reporting	Consolidated companies About this report Consolidation method	
	2-3 Reporting period, frequency and contact point	1 January through 31 December 2022 (both sustainability & finance) Publication date Annually If you have any questions or comments, please send an e-mail to: esg@numidia.nl	
	2-4 Restatements of information	First GRI report.	
	2-5 External assurance	Independent auditor's report	
	2-6 Activities, value chain and other business relationships	Numidia at a glance Value Chain Value Creation Model	
	2-7 Employees	Employees	
	2-9 Governance structure and composition	Board of Directors	
	2-13 Delegation of responsibility for managing impacts	Board of Directors Structure	
	2-14 Role of the highest governance body in sustainability reporting	Prioritize	
	2-15 Conflicts of interest	Board of Directors Structure	
	2-16 Communication of critical concerns	Undesirable Behavior Diversity, Equity & Inclusion	
	2-19 Remuneration policies	Remuneration	
	2-22 Statement on sustainable development strategy	Message from the CEO	
	2-23 Policy commitments	Human rights in the value chain	

	2-24 Embedding policy commitments	Business ethics and conduct	
	2-25 Processes to remediate negative impacts	Undesirable Behavior	
	2-26 Mechanisms for seeking advice and raising concerns	Undesirable Behavior	
	2-27 Compliance with laws and regulations	Diversity, equity & inclusion	
	2-28 Membership associations	Sustainability Dairy Partnership	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement Strategy	
	2-30 Collective bargaining agreements	Remuneration	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality and Stakeholders	
	3-2 List of material topics	Material topics	
	3-3 Management of material topics	Material topics	
Diversity, equity & inclusion			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Gender Diversity of Management Diversity, Equity & Inclusion	13.15.2
13.15 Non-discrimination and equal opportunity	Additional Sector Disclosures: Describe any differences in employment terms and approach to compensation based on workers' nationality or migrant status, by location of operations.	Remuneration	13.15.5
Climate Change			
GRI 201: Economic Performance 2016	Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Climate Change	
	201-2 Additional sector recommendation: Describe the climate change-related scenarios used for identifying the risks and opportunities posed by climate change.	Climate Change	13.2.2
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Change	
	302-2 Energy consumption outside of the organization	Climate Change	
	302-4 Reduction of energy consumption	Environmental results	
	302-5 Reductions in energy requirements of products and services	Environmental results	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change	13.1.2
	305-1 Additional sector recommendation: When reporting on gross direct (Scope 1) GHG emissions in metric tons of CO_2 equivalent, include land use change emissions.	Climate Change	13.1.2

	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change	13.1.3
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change	13.1.4
	305-3 Additional sector recommendation: When reporting on gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalent, include land use change emissions	Climate Change	13.1.4
	305-5 Reduction of GHG emissions	Environmental results	13.1.6
Human capital			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Hiring: 41 new Numidians	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social	13.19.2
	403-6 Promotion of worker health	Healthy and safe work environment	13.19.7
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital	
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital	
	404-3 Percentage of employees receiving regular performance and career development reviews	Personal and professional development	
Human rights in the value chain			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Valuable partnerships	
Product safety & quality			
13.10 Food Safety	Additional Sector Disclosures: Report the percentage of production volume from sites certified to internationally recognized food safety standards, and list these standards.	Product Safety & Quality	13.10.4
	Additional Sector Disclosures: Report the number of recalls issued for food safety reasons and the total volume of products recalled.	Non-conformities	13.10.5
Healthy dairy products			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Non-conformities	
Access to products			
	Access to products	Best products	

	Customers servced	Access to healthy dairy products	
	Delivery of products	Access to healthy dairy products	
Economic inclusion of workers in the value chain			
	Product suppliers utilized	Product suppliers	
	Opportunities for workers	Economic inclusion of workers in the value chain	
Community stewardship			
	Numidia Charity Foundation	Community stewardship	
	Net income spend	Financing and related requirements	
Business ethics & conduct			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corruption, Bribery & Fraud	13.26.2
	205-2 Communication and training about anti-corruption policies and procedures	Corruption, Bribery & Fraud	13.26.3
	205-3 Confirmed incidents of corruption and actions taken	0 incidents of corruption	13.26.4
Supply chain transparancy			
13.23 Supply Chain traceability	Additional Sector Disclosures: Describe the level of traceability in place for each product sourced, for example, whether the product can be traced to the national, regional, or local level, or a specific point of origin (e.g., farms, hatcheries, and feed mill levels).	Supply chain transparency	13.23.2
	Additional Sector Disclosures: Report the percentage of sourced volume certified to internationally recognized standards that trace the path of products through the supply chain, by product and list these standards	Supply chain transparency	13.23.3
	Additional Sector Disclosures: Describe improvement projects to get suppliers certified to internationally recognized standards that trace the path of products through the supply chain to ensure that all sourced volume is certified.	Supply chain transparency	13.23.4