



STAATSOLIE MAATSCHAPPIJ SURINAME N.V.  
**SUMMARY ANNUAL REPORT 2021**



# PROJECTING SUCCESS

# PROJECTS FOR SUCCESS

## CONTENTS

- 1** Message from the Managing Director
- 3** Report of the Supervisory Board
- 5** Overview Performance 2021
- 6** Macro-economic Environment
- 8** Environmental, Social and Governance
- 12** Independent Auditor's Report
- 14** Summary Consolidated Statement of Profit or Loss
- 15** Summary Consolidated Statement of Financial Position
- 16** Summary Consolidated Statement of Changes in Equity
- 17** Summary Consolidated Statement of Cash Flows
- 19** Summary Notes to the Consolidated Financial Statements
- 21** General Information



## Message from the Managing Director

Staatsolie once again met annual production targets and posted a strong financial performance notwithstanding the global and local challenges we faced in 2021. Significant steps were taken in improving internal processes and recognizing our responsibility to our people and planet.

An extended strategic review took place in the first quarter of 2022, resulting in a revised vision, mission and values for Staatsolie. The revised strategy responds to Staatsolie's current reality and its aspirational path forward. The strategic objectives for the next 5 years were also adjusted.

### 2021 Results

Financial results for 2021 include consolidated gross revenues of US\$ 558 million, compared to US\$ 428 million in 2020; EBITDA of US\$ 387 million compared to US\$ 316 million in 2020, an increase of 20%; Profit after tax increased 65% in 2021 to US\$ 117 million, compared to US\$ 71 million in 2020; and a contribution to the Government of Suriname, consisting of taxes, dividend, and royalties, of US\$ 186 million, compared to US\$ 132 million in 2020. Our ability to contribute meaningful revenues to the Government is a positive for Suriname in

a time of economic stress. Historically rainfall in 2021 led to significantly higher water levels in the Afobaka hydro reservoir, allowing us to produce more cost-efficient hydro power than originally planned, which enabled Suriname to save more than US\$ 20 million on its electricity bill in 2021. Thus, the hydro power facility contributed clean energy to over 70% of Suriname's overall electricity requirement during the year.

We maintained our resolve to remain a bottom-cost quartile producer to secure our viability in the face of industry pricing volatility. Our investments in gold provided some diversification and a positive contribution to our financial position.

### Offshore Promise Deepens

In 2021, another significant discovery was made in Block 58, as well as very promising results from an appraisal well. We are still in the initial stages of exploring this basin and we believe that further hydrocarbon reserves have yet to be unlocked. This includes the potential for major natural gas finds. Although costlier to develop, we believe natural gas has a significant role to play in the global transition to cleaner energy, and thus offers lucrative investment opportunities in the Suriname-Guyana Basin.

In February 2022, TotalEnergies and APA Corporation announced another significant oil discovery at the Krabdagu-1 well in Block 58. The discovered resources at Krabdagu-1 are a significant addition to the already discovered resources at Maka, Sapakara, Kwaskwasi and Keskesi, in the central area of Block 58.



Opportunities abound also in our Shallow Offshore, as evidenced in a successful bidding round for blocks there, which generated great interest from IOCs (International Oil Companies). This led to the signing of a Production Sharing Contract (PSC) with Chevron Exploration Suriname Limited (Chevron) for Block 5. The PSC enlists Staatsolie, through subsidiary Paradise Oil Company Suriname N.V., as a joint venture non-operating partner with a 40% stake in the block. This PSC allows us to participate from day one and still be carried through the exploration and appraisal phase.

We are pursuing opportunities to raise funds and participate in the deep-water projects as they enter the appraisal and development phases. In March 2022, an amend and extend of the current corporate credit facility was closed with a consortium of banks. This has laid a solid basis for funding the participation in offshore developments.

### **Elevating ESG**

In 2021, we further stepped up our ESG commitment, including establishing a new Sustainability Policy and strong initiatives to develop local content. We are committed to pursuing the United Nations Sustainable Development Goals. The development of a greenhouse gas (GHG) emissions reduction program including long-term targets is in process. To this end we have measured for the first time our Scope 1 and 2 greenhouse gas (GHG) monthly emission (49,782 CO<sub>2</sub>eq), which was independently reviewed by Det Norske Veritas (DNV), a global independent

expert in assurance and risk management. We are undertaking initiatives to develop cleaner and renewable sources of energy. Pursuing these goals will make the world a better place and make Staatsolie a stronger company. We encourage our offshore partners in their sustainability efforts.

Following the major offshore discoveries, the opportunities for Surinamese enterprises are set to exponentially expand in the years ahead. We are taking steps to train future workers for the oil and gas sector and to help Surinamese businesses scale up to meet the potential success ahead. We motivate our international partners to live-up to their commitments to local content programs as clearly agreed upon in the PSC.

### **Looking Ahead**

With the potential for significant hydrocarbon revenues in its near future, Staatsolie will strongly continue to contribute to the establishment of a Sovereign Stability and Welfare Fund.

While factors such as oil prices are out of our control – and we are prepared for ongoing volatility as the world continues to deal with the COVID-19 pandemic – we will continue to focus on areas we can control, improving our internal processes to allow us to increase safety, cut costs and meet production targets, and execute projects.

Our aspiration to participate in future deep offshore developments and to become an operator in the Shallow Offshore is driving us to enhance our capabilities by learning from our international partners.

The future is bright, both for Staatsolie and Suriname. I would like to thank all our stakeholders, including our shareholder the Government of Suriname, the people of Suriname, our employees, contractors and suppliers, our international partners (IOCs) and our investors for contributing to the successes in 2021.

**Annand Jagesar**  
*Managing Director/CEO*

# REPORT OF THE SUPERVISORY BOARD

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Staatsolie is an important company for Suriname, which is moving towards an exciting future. The Supervisory Board provides maximum support to the Board of Executive Directors in this process.

The Supervisory board is accountable to report annually on its activities, based on the governance code of Staatsolie. These activities are governed by the articles of association and the governance code.

The Supervisory Board is responsible for the supervision of the functioning of the Board of Executive Directors, its policies pursued and the execution of the approved plans and budgets with the associated financial and economic contribution to Suriname. In addition, the Supervisory Board acts as an advisor and sparring partner for the Board of Executive Directors. Members for the Board of Executive Directors are nominated by the Supervisory Board and appointed by the General Meeting of Shareholders.

The articles of association and the charter of the Supervisory Board outline the tasks, responsibilities, and authority. These documents outline the positioning, authority, responsibilities, composition, appointment procedures and procedures for resignation. The Supervisory Board evaluates its own performance annually, at least once every three years under the supervision of an external expert.

## **Independence**

In 2021, there was no conflict of interest related to the Supervisory Board; the Supervisory Board members are independent and have no close personal or business relation with fellow supervisory board members, executive board members, employees, staff members or important external stakeholders. They also have no interests in Staatsolie in any way.

## **Committees**

The Supervisory Board has established three committees to carry out a number of required tasks: the Audit Committee, the Risk & Compliance Committee and the Nomination & Remuneration Committee. Each committee focuses on specific themes in preparation for decision-making by the entire Supervisory Board. All committees report their findings to the meeting of the Supervisory Board.

## **Meetings**

The Supervisory Board meets based on a predetermined meeting schedule and furthermore as often as deemed necessary. The Supervisory Board also meets regularly with the Board of Executive Directors. In 2021, 32 regular meetings were held of which 9 with the Board of Executive Directors. Due to the Covid-19 pandemic, the Supervisory Board was only able to complete two of the five planned on-site visits to Staatsolie company locations in 2021.

## **Evaluation**

In August 2021, the Supervisory Board conducted a self-evaluation comprised of an individual and collective perspective. This evaluation initiates the promotion of self-reflection, internal culture and provides insight into group dynamics. The Supervisory Board has worked on upgrading skills and is on a trajectory to promote cohesion supported by external experts with the aim of improved supervision. The self-evaluation also resulted in the recruitment of a corporate governance coach to actively work on creating and shaping a future oriented corporate governance, also addressing issues related to climate change.

## Professional development

Supervisory Board members regularly participate in meetings and courses to increase their level of knowledge in relation to the oil & gas e.g., a series of master classes in petroleum geology. Several members of the Supervisory Board also attended a series of master classes on compliance regarding financial transactions.

## Important themes and actions in 2021

The Supervisory Board took various actions in 2021, namely:

1. Nominate executive board members for appointment ensuring the continuity in governance of the company, in view of the positive future development for the company and the financial and economic impact for the country.
2. Establishment of committees, i.e., the audit committee, risk and compliance committee and nomination & remuneration committee. Some notable activities of these committees:
  - a) Review of procurement transactions and contracts since 2015.
  - b) Recommendations on strengthening the Internal Audit Department.
  - c) Provide support to the company in getting Enterprise Risk Management fully operational, whereby the company operates risk-based and makes decisions thereon.
  - d) Initiate a new remuneration policy.
  - e) Increasing Executive Board approval limits for financial transactions and agreements.
  - f) Adopt corporate governance charters and active measures to better implement corporate governance.
3. Actions regarding the supervision of subsidiaries and the relationship between the supervisory boards of those companies and the supervisory board of the corporate.
4. Advising on visible incorporation of environmental measures and realistic targets in company goals and annual and long-term plans. This includes advice to focus on becoming a green business and improving efficiency and effectiveness in operations.
5. Active contribution of the Supervisory Board with regard to identifying business risks.
6. Clarification of the relationship between the Executive Board, the Supervisory Board and the shareholder, who does what and who is allowed to do what.
7. The Supervisory Board intends to encourage the Executive Board to develop the corporate vision for the future, e.g., a vision 2050 that explicitly includes Staatsolie's role, scenario-driven strategic choices, success-determining factors and diversification of the corporate portfolio.

## Supervisory Board

L. Brunswijk, *Chair*

M. Santokhi, *Deputy chair*

N. Nannan, *Secretary*

G. Asadang, *Member*

J. Bousaid, *Member*

D. Caffé, *Member*

H. Dorinnie, *Member*

# OVERVIEW PERFORMANCE 2021



## KEY FINANCIALS

**US\$ 558 M**  
*Gross Revenues  
Consolidated*

**US\$ 120 M**  
*Net Cash Gold Income*

**US\$ 213 M**  
*Profit Before Tax*

**US\$ 387 M**  
*EBITDA Consolidated*

**US\$ 186 M**  
*Contribution to Government of  
Suriname (taxes, dividend and royalties)*



## KEY RATIOS

**1.67**  
*Leverage Ratio*

**1.64**  
*Debt to EBITDA*

**3.29**  
*Debt Service Coverage*

**69%**  
*EBITDA Margin*



## CRUDE PRODUCTION

**6 MMbbls**



## HIGH-END REFINERY PRODUCTION

**2.98 MMbbls**  
*Gasoline and Diesel*



## TOTAL SALES

**2,416 Kbbbls**  
*Fuel Oil & Crude*

**1,903 Kbbbls**  
*Premium Diesel*

**632 Kbbbls**  
*Premium Gasoline*

**32 Kbbbls**  
*Bitumen*

**143 Kbbbls**  
*Other*



## AVERAGE OIL PRICE

**US\$ 70 per barrel**

**US\$ 44 per barrel**  
*2020*



## AVERAGE GOLD PRICE

**US\$ 1,798 per troy ounce**

**US\$ 1,770 per troy ounce**  
*2020*

# MACRO-ECONOMIC ENVIRONMENT

In 2021, the world economy experienced a notable turnaround in its performance. Following an estimated 3.1% decline in global output in 2020, growth rebounded to an impressive 5.9% according to recent estimations of the International Monetary Fund (IMF). This turnaround was mainly caused by a tentative reopening of the advanced economies after the preceding Great Lockdown. The effects of the Covid-19 pandemic receded. Fiscal and monetary policies remained quite relaxed and supported spending.

Consumer demand and international trade surged. However, this surge collided with supply and transport disruptions. Crude oil and non-fuel commodity prices increased on average by respectively 67% and 27%. Upward price pressures were accentuated by higher freight rates. The rise in the consumer price index in the advanced economies accelerated to 3.1% in 2021 up from a mere 0.7% in 2020. In the emerging and developing markets inflation fluctuated around higher levels, but the rise was less pronounced, the index increased from 5.2% to 5.9%, putting extra pressure on the purchasing power, and on household poverty. The performance of Latin America and the Caribbean was slightly weaker compared to the world economy, where output grew by 2.8% on balance during the past two years. The region succeeded in compensating for the 6.9% output decline in 2020, but on balance its level remained virtually unchanged. The performance of Suriname lagged the regional average, due to persistent difficult social and economic



conditions, exacerbated by the effects of the pandemic. Suriname's economy is facing major challenges to recover from the sharp output decline during 2020 and 2021, which amounted to an estimated 20% on a cumulative basis.

Encouraging progress has been made with implementing the country's homegrown recovery program. Gradually, existing safety net programs are being strengthened to protect vulnerable households and individuals. Efforts by Surinamese authorities and their staff are supported by the providing of technical assistance and a conditional loan of US\$ 688 million in the framework of a 36-months Extended Fund Facility. A first quarterly review conducted by

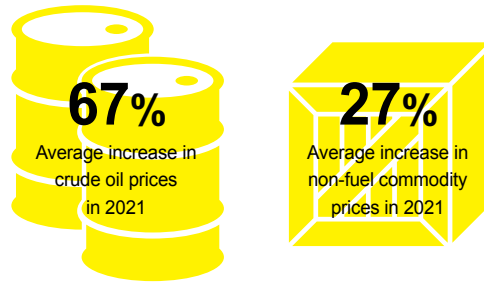


the IMF and Surinamese authorities in February 2022, indicates that the recovery program is on track.

The annual average inflation rate accelerated to an ample 59% in 2021 up from 35% in 2020, following the introduction of a free-floating market determined exchange rate and of some other policy measures which induce initial price effects. The official exchange rate of the US dollar depreciated to about SRD 21.30 at the end of 2021 up from SRD 7.52 around the first quarter of 2020. Inflation got an additional impetus from supply and transport distortions referred to earlier. This was reflected in higher prices for imported goods and services, and subsequently in the local costs of living.

The uncertain external environment may create interesting opportunities for Suriname, as prices of its main export products have been rising

sharply. The further execution of the recovery plan is expected to bear more noticeable fruits. The aim is to bring inflation on a firm downward path, also by maintaining a stable market-determined exchange rate. As described in the National Multi Annual Development Plan 2022-2026, more projects will be implemented to boost production and exports. Therefore, it is expected that in 2022, output growth will again turn positive, while the inflation rate will further decelerate.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE

**2021  
KEY FOCUS**

Promoting COVID vaccination efforts and launching Staatsolie's Sustainability Policy.

**2022  
KEY FOCUS**

Further implementing our Sustainability Policy, starting initiatives to pursue five UN

In 2021, Staatsolie formalized its commitment to strong Environmental, Social and Governance (ESG) principles by establishing an ESG Committee. Comprised of leaders from multiple directorates, including the HSE & Communication Division, Finance Directorate, Offshore Directorate and our subsidiary Staatsolie Hydrocarbon Institute (SHI), this body is tasked with ensuring that ESG concerns remain a top priority of the company's highest leadership.

## Environment

One of the ESG Committee's most important actions in 2021 was the announcement of Staatsolie's Sustainability Policy. A bedrock foundation of the Sustainability Policy is Staatsolie's support of the United Nations Sustainable Development Goals. In particular, the ESG Committee has honed in on five of these goals to pursue most aggressively in the years ahead, selected because these five will



enable us to help make the world a better place while making Staatsolie a stronger company.

Measures we are taking to pursue these goals include:

- Increasing the amount of hydroelectricity we produce with more energy efficient equipment and developing new sustainable energy sources.
- Measuring for the first time Scope 1 and 2 greenhouse gas (GHG) monthly emission (49,782 CO<sub>2</sub>eq), and independently reviewed by DNV. This as part of our commitment to reducing GHG emissions from production operations, including partially replacing crude oil in heater treaters with produced methane gas.

- Reducing greenhouse gas emissions from production operations, including partially replacing crude oil in heater treaters with produced gas methane gas.
- Supporting initiatives to maintain Suriname's carbon negative status.
- Conducting an ESIA for Shallow Offshore projects.



Staatsolie plans to publish its first Sustainability Report in 2022, outlining in greater detail our approach to implementing our Sustainability Policy. Additionally, we continue to promote our sustainability principles to other leading Surinamese companies through our participation in the Suriname Conservation Foundation's Green Partnership Program and Conservation International Suriname's Friends of Green Suriname initiative. Our Finance Director, Agnes Moensi-Sokowikromo, currently chairs the Suriname Conservation Foundation Green Partnership Program.

**Social**

Our company's commitment to enhancing social well-being begins with our own employees and extends to all the citizens of Suriname. Internal social endeavors include the company-wide rollout of a new Development HR process that helps our people realize their full potential with progression models, gap analyses, certified assessments, and other tools. We also provide employees with training relating to HSE, ERT, qualifications and technical skills. Steps to enhance safety include implementing an HSE data management system to improve our ability to analyze safety data and continuing the process of ISO 14001 and 45001 certification.

Staatsolie and Staatsolie Foundation spent a total of  
**US\$ 880,000**  
 on donations in 2021  
**US\$ 680,000**  
 went to Social Responsibility projects  
 by our PSC partners

Our efforts to address external social well-being in 2021 were mostly focused on promoting coronavirus vaccination efforts across the country. We assisted the Ministry of Healthcare by helping to provide food, facilities, volunteers, transportation, signage, information, and other support for numerous vaccination events.

To help prepare the citizens of Suriname for the economic opportunities that will come with offshore oil and gas development, Staatsolie pledged US\$ 200,000 in 2021 to support the technical college NATIN (Natuur Technisch Instituut/the Institute for Natural Resources & Engineering Studies), with a focus on updating the institution's equipment.

Staatsolie encourages the growth of Surinamese businesses through measures such as a web portal highlighting opportunities for local suppliers, as well as webinars and other educational events. We also strongly encourage our IOC partners to work with Surinamese vendors and utilize local content whenever possible.





Staatsolie's local content initiatives include:

- Helping to implement a new Offshore Oil & Gas stream at NATIN.
- Establishing an Enterprise Development Center to help build up capacities of local businesses to compete for IOC contracts.
- Accelerating the development of a T-BOSIET training facility for the offshore industry.
- Encouraging IOC and main contractors to use local shore bases.

To advance healthcare, grants were made in 2021 to support renovation of the National Dialysis Center and the CT-scan building of the local Academic Hospital.

Many of the external social projects we typically assist were temporarily halted by the pandemic, but projects the company provided support for in 2021 include Talking Prints, which promotes handcrafts produced by Indigenous women,

and the Tuhka oil project, which helps the Trio community sell and market oil produced from its Brazil nuts.

The institutional task of Staatsolie is geared to optimize the value of petroleum activities for Suriname and its people through prudent resource management, while maintaining the utmost respect for the environment and safety. This task is delegated to SHI, who manages the execution of the PSCs that Staatsolie has concluded. This role includes the monitoring of the Social Responsibility Investments of the contractor. Based on the active PSCs, the contractor annually allocates an agreed amount for Social Responsibility projects and activities to contribute to the sustainable development, health, and welfare of Suriname's society.

The Social Responsibility projects approved and carried out in 2021 were focused on the following 4 areas:

- **HEALTHCARE**, by promoting healthcare including preventive healthcare, water, and sanitation
- **EDUCATION**, by promoting (special) education, enhancing vocational skills especially among children, women and elderly and renovation of schools.
- **INFRASTRUCTURE**, through the set-up of basic structures and facilities (e.g., buildings) needed for the sustainable support of socially vulnerable groups.
- **ENVIRONMENT**, by ensuring environmental sustainability, ecological balance, and the protection of flora and fauna, animal welfare, conservation of natural resources and maintaining quality of soil, air, and water.

In 2021, US\$ 686,989 was spent on Social Responsibility projects, the majority of which invested in educational projects (38%) and healthcare (34%).



## Governance

Corporate Governance at Staatsolie aims to support and protect the company and its stakeholders. It allows Staatsolie to work efficiently by establishing clear understanding of the distribution of roles, responsibilities, rights, and accountabilities for everyone, and it also gives meaning to the following principles: long-term value creation, good governance and effective oversight, integrity, transparency, and risk management. It allows Staatsolie to help build an environment of trust, transparency, and accountability necessary for fostering long-term investment, financial stability, and business integrity, thereby supporting stronger growth.

Our values - HSEC focused, Integrity, People Focused, Excellence, Accountability - underpin how we work and are reflected in our culture. The Executive Board recognizes that continual efforts need to be put into investing in the workforce, and for this reason it has conducted a BBetter2gether survey in the first quarter of 2022 as part of the Staatsolie Engagement Program (STEP).

The following Corporate Governance charters were established in 2020 and will be reviewed

and updated where needed in 2022: (1) Supervisory Board, (2) Audit, Risk & Compliance, (3) Nomination & Remuneration, (4) Executive Board, and (5) Integrity Committee.

In 2021, the Corporate Governance structure of Staatsolie was solidified by the installment of the following subcommittees of the Supervisory Board: (1) Audit Committee, (2) Risk and Compliance Committee, and (3) Nomination and Remuneration Committee. For the first time a report of the Supervisory Board is included in the Annual Report of 2021.

The Code of Conduct and the Whistleblower Policy are key policies associated with Corporate Governance. We have an online annual sign-off for the Code of Conduct, which supplies the thread for the desired behavior. As an improvement, we have made the Code of Conduct more visual, by introducing a short video followed by an online test.

The Whistleblower Policy in practice is facilitated by the Integrity Committee. Through our intranet, 'Barreltje', this Policy was highlighted. The Committee receives and investigates complaints. In 2021, four cases were reported and completed by the Committee. Action resulting from these cases is also well monitored.



## Independent Auditor's Report

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2021, the summary consolidated statement of profit or loss, summary consolidated statement of other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the complete audited consolidated financial statements of Staatsolie Maatschappij Suriname N.V. ("the Group"), for the year ended December 31, 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with International Financial Reporting Standards ("IFRSs").

#### SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by IFRS. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

#### THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated April 27, 2022 in accordance with International Standards on Auditing ("ISAs"). That report also includes the communication of Key Audit Matters ("KAMs").

#### OTHER INFORMATION INCLUDED IN THE GROUP'S 2021 SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

In addition to the summary consolidated financial statements and our auditor's report thereon, the summary annual report contains the other information. Management is responsible for the other information. Our opinion on the summary consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the summary consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the summary consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS** (Continued)


**MANAGEMENT AND SUPERVISORY BOARD'S  
RESPONSIBILITY FOR THE SUMMARY  
CONSOLIDATED FINANCIAL STATEMENTS**

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRS.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Consolidated Financial Statements.

Yours sincerely



Andrew Tom  
Partner for and behalf of  
Ernst & Young Suriname

Paramaribo 5 May, 2022

## Summary Consolidated Statement of Profit or Loss

FOR THE YEAR ENDED DECEMBER 31, 2021

(X US\$ 1,000)	2021	2020
		Restated
<b>Continuing operations</b>		
Revenue	557,855	427,936
Cost of sales	(276,239)	(285,029)
<b>Gross profit</b>	<b>281,616</b>	<b>142,907</b>
Other income (net)	49,472	14,267
Expensed projects	(65,577)	(10,113)
Impairment of other non-current assets	15,874	(16,787)
Offshore expenses	(239)	(151)
Selling and distribution expenses	(11,424)	(18,899)
Other operating expenses	(11,623)	(2,206)
General and administrative expenses	(37,378)	(39,161)
<b>Operating profit</b>	<b>220,721</b>	<b>69,857</b>
Finance income	1,751	2,761
Finance costs	(55,051)	(59,194)
Share of profit of Suriname Gold Project CV	79,338	85,411
Monetary loss (net)	(34,054)	-
<b>Profit before income tax from continuing operations</b>	<b>212,705</b>	<b>98,835</b>
Income tax expense	(93,207)	(26,818)
<b>Profit for the year from continuing operations</b>	<b>119,498</b>	<b>72,017</b>
<b>Discontinued operations</b>		
Loss after tax for the year from discontinued operations	(2,143)	(831)
<b>Profit for the year</b>	<b>117,355</b>	<b>71,186</b>
Attributable to: Equity holders of the parent	117,355	71,186
	117,355	71,186
<b>Earnings per share</b>		
Basic earnings per ordinary share (US\$ per share)	23.47	14.24
<b>Earnings per share for continuing operations</b>		
Basic earnings per ordinary share (US\$ per share)	23.90	14.40



## Summary Consolidated Statement of Financial Position

AS AT DECEMBER 31, 2021

(X US\$ 1,000)	2021	2020
		Restated
<b>Assets</b>		
<b>Non-current assets</b>		
Oil, exploration and producing properties	679,309	705,850
Refining properties	842,492	884,319
Other property, plant and equipment	157,049	149,818
Investment properties	18,836	16,882
Goodwill	5,447	5,447
Other intangible assets	6,849	5,965
Right-of-use assets	2,911	4,324
Lease receivable (non-current)	15,430	15,682
Investments in Joint Ventures	241,949	260,877
Restricted cash	8,410	14,983
Other long term assets	877	1,177
Deferred tax asset	15,740	12,712
<b>Total non-current assets</b>	<b>1,995,299</b>	<b>2,078,036</b>
<b>Current assets</b>		
Inventories	102,413	110,455
Trade receivables	110,508	102,414
Prepayments and other current assets	14,037	13,069
Loan receivable short-term	-	3,669
Lease receivable (current)	132	-
Short-term investments	1,326	1,952
Restricted cash	29,017	19,567
Cash and short-term deposits	66,838	18,681
	324,271	269,807
Assets held for sale	2,323	-
<b>Total current assets</b>	<b>326,594</b>	<b>269,807</b>
<b>Total assets</b>	<b>2,321,893</b>	<b>2,347,843</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Common stock	12,104	12,104
Retained earnings	1,277,480	1,234,217
Other capital reserves	26,898	26,398
Reserves of a disposal group held for sale	1,580	-
<b>Total equity</b>	<b>1,318,062</b>	<b>1,272,719</b>
<b>Non-current liabilities</b>		
Bond	193,208	192,839
Term loans	342,455	452,063
Revolver loan	6,000	6,000
Provisions	89,679	88,320
Employee defined benefit liabilities	115,027	71,714
Lease liabilities (non-current)	1,387	2,473
Other long term liabilities	38,958	30,145
<b>Total non-current liabilities</b>	<b>786,714</b>	<b>843,554</b>
<b>Current liabilities</b>		
Bank overdraft	-	3,420
Trade payables	84,981	82,392
Accruals and other liabilities	31,850	69,636
Lease liabilities (current)	1,687	2,219
Income tax payable	-	1,047
Current portion of loans and bonds	97,856	72,856
	216,374	231,570
Liabilities directly associated with the assets held for sale	743	-
<b>Total current liabilities</b>	<b>217,117</b>	<b>231,570</b>
<b>Total liabilities</b>	<b>1,003,831</b>	<b>1,075,124</b>
<b>Total equity and liabilities</b>	<b>2,321,893</b>	<b>2,347,843</b>

## Summary Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED DECEMBER 31, 2021

(X US\$ 1,000)	Retained earnings			Other capital reserves			Reserves of a disposal group held for sale	Total Equity
	Common Stock	Retained Earnings	Translation Adjustment GOw2 & Hyperinflation	Non-Distributable Reserve Hydro dam	Appropriated reserve for environmental risk	Appropriated reserve for committee of sports facilities		
<b>Balance at January 1, 2020</b>	<b>12,104</b>	<b>1,259,153</b>	<b>(15,663)</b>	-	<b>9,500</b>	<b>3,065</b>	-	<b>1,268,159</b>
Profit for the year	-	71,186	-	-	-	-	-	71,186
Other comprehensive income/(loss)	-	445	(22,983)	-	-	-	-	(22,538)
<b>Total comprehensive income/(loss) 2020</b>	-	<b>71,631</b>	<b>(22,983)</b>	-	-	-	-	<b>48,648</b>
Non-Distributable Reserve Hydrodam	-	-	-	16,398	-	-	-	16,398
Equity Adjustment Staatsolie Admin for Alignment GOw2	-	349	-	-	-	-	-	349
Dividend 2019 (settled)	-	(45,136)	-	-	-	-	-	(45,136)
Allocation/(withdrawal) (WB 2019 Dividend for Sports reserve)	-	(800)	-	-	-	-	-	(800)
Allocation/(withdrawal) (WB 2019 Dividend for Environmental reserve)	-	(500)	-	-	500	-	-	-
Reclass "Reserve Sportfund" from Equity to Accruals & other liab.	-	-	-	-	-	(3,065)	-	(3,065)
<b>Balance at December 31, 2020</b>	<b>12,104</b>	<b>1,284,697</b>	<b>(38,646)</b>	<b>16,398</b>	<b>10,000</b>	-	-	<b>1,284,553</b>
Pikin Saramacca UJV provisional accounting adjustment	-	(11,834)	-	-	-	-	-	(11,834)
<b>Restated Balance at December 31, 2020</b>	<b>12,104</b>	<b>1,272,863</b>	<b>(38,646)</b>	<b>16,398</b>	<b>10,000</b>	-	-	<b>1,272,719</b>
Profit for the year	-	117,355	-	-	-	-	-	117,355
Other comprehensive (loss)	-	(25,371)	(5,371)	-	-	-	-	(30,742)
<b>Total comprehensive income 2021</b>	-	<b>91,984</b>	<b>(5,371)</b>	-	-	-	-	<b>86,613</b>
Dividend 2020 reserved as dividend payable per AGM 2021	-	(35,593)	-	-	-	-	-	(35,593)
Dividend 2021 pre-payment (cash)	-	(22,500)	-	-	-	-	-	(22,500)
Reclassification of reserves of a disposal group held for sale	-	(1,580)	-	-	-	-	1,580	-
Hyperinflation GOw2	-	-	16,823	-	-	-	-	16,823
Allocation/(Withdrawal) (WB 2020 Dividend for Environmental reserve)	-	(500)	-	-	500	-	-	-
<b>Balance at December 31, 2021</b>	<b>12,104</b>	<b>1,304,674</b>	<b>(27,194)</b>	<b>16,398</b>	<b>10,500</b>	-	<b>1,580</b>	<b>1,318,062</b>

## Summary Consolidated Statement of Cash Flows

FOR THE YEAR ENDED DECEMBER 31, 2021

(X US\$ 1,000)	2021	2020
<b>Operating activities</b>		
Profit before income tax from continued operations	212,705	98,835
Loss from discontinued operations	(2,143)	(831)
<b>Profit before tax</b>	<b>210,562</b>	<b>98,004</b>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of Property, plant and equipment (PPE)	104,987	111,019
Depreciation of right-of-use assets	2,252	2,806
Fair value gain investment properties	(1,954)	-
Impairment of non-current assets	(15,875)	16,787
Expensed projects	65,566	10,113
Amortization of intangible assets	1,643	1,072
Amortization of debt arrangement fee	2,508	2,051
Accretion expense	5,903	9,542
Accretion of lease liability	540	825
Hyperinflation and Currency translation adjustment	22,393	(16,146)
Disposal of PPE	1,271	(1,451)
Finance income	(1,631)	(2,619)
Finance costs (excluding accretion expenses and amortization of debt arrangement fees)	46,760	43,087
Share of profit in Suriname Gold Project CV	(79,338)	(85,411)
Movements employee defined benefit liabilities	6,383	330
Movement in Provisions	(25)	(784)
<b>Cash from operations before working capital changes</b>	<b>371,945</b>	<b>189,225</b>
<i>Working capital adjustments:</i>		
Change in Inventories	7,910	4,181
Change in Trade receivables	(34,629)	2,401
Change in Prepayments and other current assets	4,452	7,873
Change in Trade payables	2,589	(59,305)
Change in Accruals and other liabilities	(32,669)	37,670
<b>Cash generated from operations</b>	<b>319,598</b>	<b>182,045</b>
Interest received	22	1,486
Interest paid	(53,373)	(46,221)
Income taxes paid/settled	(19,930)	(6,500)
<b>Net cash flows from operating activities</b>	<b>246,317</b>	<b>130,810</b>
<b>Investing activities</b>		
Expenditures on PPE (Purchase)	(114,801)	(162,979)
Expenditures on Other Intangible assets	335	(361)
Investment in joint ventures (Pikin Saramacca)	-	(34,000)
Cash distributions received from Suriname Gold Project CV	199,628	198,079
Cash calls paid to Suriname Gold Project CV	(101,362)	(109,585)
Investment in shares of local companies	-	(24)
Movement of loan receivables	-	3,759
<b>Net cash flows used in investing activities</b>	<b>(16,200)</b>	<b>(105,111)</b>

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2021

(X US\$ 1,000)	2021	2020
<b>Financing activities</b>		
Movement of Bonds	-	(2,515)
Issue of New Local Bond	-	195,067
Repayment of Local Bond (Exchange with new bonds)	-	(80,531)
Repayment of Local Bond (Paid back)	-	(16,550)
Repayment of Term loans	(87,920)	(62,500)
Refinancing of Term loans	-	(2,200)
Proceeds from Revolver loan	-	6,000
Dividends settled/paid to equity holders of the parent	(82,030)	(45,136)
Movements in Other long term liabilities	(2,712)	(1,687)
Payment of principal portion of lease liabilities	(2,968)	(3,216)
Movement in restricted cash	(2,876)	(18,265)
<b>Net cash flows used in financing activities</b>	<b>(178,506)</b>	<b>(31,533)</b>
<b>Change in cash and cash equivalents</b>	<b>51,611</b>	<b>(5,834)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>15,261</b>	<b>21,095</b>
<b>Cash and cash equivalents, end of year</b>	<b>66,872</b>	<b>15,261</b>



# Summary Notes to the Summarized Consolidated Financial Statements

## SECTION 1. CORPORATE AND GROUP INFORMATION

### 1.1 CORPORATE INFORMATION

The consolidated financial statements of the Group, which comprise Staatsolie Maatschappij Suriname N.V. (Staatsolie, as the parent) and all its subsidiaries, for the year ended December 31, 2021, were authorized for issue in accordance with a resolution of the Supervisory Board on April 20, 2022.

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

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

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

Staatsolie's vision is:

- Energizing a bright future for Suriname.

Staatsolie's mission is:

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

### 1.2 GROUP INFORMATION

Staatsolie has five (5) subsidiaries of which four (4) are wholly owned: Paradise Oil Company N.V. (POC) and GOw2 Energy Suriname N.V. (GOw2), both companies incorporated in the Republic of Suriname, Ventrin Petroleum Company Limited (Ventrin), a bunkering company incorporated in the Republic of Trinidad and Tobago and Staatsolie Hydrocarbon Institute N.V.(SHI), a company mandated to perform the institutional role of Staatsolie.

Staatsolie holds 102,999 out of 103,000 shares of the Staatsolie Power Company Suriname N.V. (SPCS), incorporated in the Republic of Suriname, and the local electricity company Energie Bedrijven Suriname N.V. (N.V. EBS) holds one share.

POC is, now, a dormant company. In June 2015, POC's operations were put on hold and the company did not have any activity during the reporting period of 2021.

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

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

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

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

## SECTION 2. BASIS OF PREPARATION

### 2.1 BASIS OF PREPARATION

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

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

**SUMMARY NOTES TO THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE YEAR ENDED DECEMBER 31, 2021** (Continued)

**SECTION 3.  
EVENTS AFTER THE REPORTING PERIOD**

**3.1 NEW SURINAME TAX MEASURES**

Based on the results of the Tripartite consultation (government, business and unions) and in anticipation of the introduction of the Value Added Tax (VAT), the brackets for the payroll tax and personal income tax are adjusted as per January 1st, 2022.

The tax-free sum is increased from SRD 220.50 per month to SRD 4,000 per month. The tax credit of SRD 750 therefore expires on the same date. The increase in the tax-free sum also means that amounts from the various tax brackets also increased by SRD 4,000.

Furthermore, as of January 1, 2022, the exemption from the holiday allowance and bonus or gratuity also increased from 1 month's gross salary with a maximum of SRD 4,000 per year to one month's gross salary with a maximum of SRD 6,516 per year.

The temporary solidarity levy of 10% extra, which was introduced in February 2021, expired on January 1, 2022.

It is expected that the turnover tax will be replaced by the VAT as of July 2022.

**3.2 TOTALENERGIES ANNOUNCES ANOTHER  
SIGNIFICANT DISCOVERY IN BLOCK 58**

On February 21, 2022, TotalEnergies and APA Corporation announced that they have made a significant new oil and associated gas discovery at the Krabdagu-1 well, in the central area of Block 58, offshore Suriname. This follows previous discoveries at Maka, Sapakara, Kwaskwasi and Keskesi, and the successfully tested Sapakara South-1 appraisal well.

Located 18 kilometers south-east of Sapakara South, Krabdagu-1 was drilled at a water depth of 780 meters and encountered approximately 90 meters of net oil pay in good quality Maastrichtian and Campanian reservoirs.

"This successful exploration well at Krabdagu-1 is a significant addition to the discovered resources in the central area of Block 58. This result encourages us to continue the exploration and appraisal strategy of this prolific Block 58 in order to identify sufficient resources by year end 2022 for a first oil development" said Kevin McLachlan, Senior Vice President, Exploration at TotalEnergies.

Drilling and logging operations will continue, using the Maersk Valiant drillship. DST operations will be carried out on Krabdagu-1 to appraise the resources and productivity, and at least three further exploration and appraisal wells are planned to be drilled in 2022 on the block.

TotalEnergies is the operator of Block 58, with a 50% working interest, while APA Corporation holds the remaining 50%.

**3.3 AMENDMENT OF CREDIT FACILITY**

On March 31, 2022, Staatsolie amended its existing credit facility with a syndicate of lenders. The outstanding amount of the term loan as of that date was US\$ 422 million, and a maturity date of May 25, 2025. With this amendment, effective on the aforementioned date, the outstanding amount remained at US\$ 422 million. The new maturity date is on January 25, 2028. The aim of this amendment is to free-up liquidity to support the financing of our investment program including the first development in Offshore Block 58.

**3.4 PREPAID DIVIDEND**

In the first quarter of 2022 interim dividend over the fiscal year 2022 of US\$ 15,769 was paid to the shareholder.

**3.5 IMPACT OF COVID-19 PANDEMIC**

Looking ahead, following the outbreak of the COVID-19 pandemic, the Group sees increased uncertainties and economic disruption because of the outbreak. In the event of a prolonged pandemic there may be a negative effect on our customers and overall business activity which may negatively impact the financial performance of the Group. The Group has taken measures to ensure that its employees and partners continue to be safe while interacting together. Measures have been taken to minimize the impact of the pandemic and to continue operations.

Given the evolving nature of COVID-19, uncertainties will remain and currently it is not possible to accurately estimate the future impact of the pandemic on the future financial performance of the Group. We continue to monitor this situation and its potential impact on our operations and will take further action as necessary in response to the economic disruption.

# General Information

AS AT DECEMBER 31, 2021

## SOLE SHAREHOLDER

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

## SUPERVISORY BOARD

L. Brunswijk  
*Chair*

M. Santokhi-Seenacherry  
*Deputy Chair*

N. Nannan  
*Secretary*

G. Asadang  
*Member*

J. Bousaid  
*Member*

D. Caffé  
*Member*

H. Dorinnie  
*Member*

## BOARD OF EXECUTIVE DIRECTORS

A. Jagesar  
*Managing Director/CEO*

A. Moensi Sokowikromo  
*Finance Director/CFO*

R. Bissumbar  
*Upstream Director*

## DEPUTY DIRECTORS

E. Fränkel  
*Deputy Director Power  
& Sustainable Energy*

G. Corrie  
*Vice President Offshore*

## ASSET MANAGERS

S. Sabiran  
*Production Asset Manager*

R. Vlaming  
*Refinery Asset Manager*

M. Refos  
*Marketing Asset Manager*

K. Raghosing  
*Controller*

P. Brunings  
*Exploration and  
Non-Operated Ventures*

F. Habieb  
*SPCS Manager Power  
Reliability & Maintenance*

## CONTACT INFORMATION

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Paramaribo 5 May 2022

