



Report on the Audited Financial Statements for year ended 31 December 2023

The Board of Directors is pleased to report to its shareholders on the performance of Derrimon Trading Company Limited (Group Consolidated) and Derrimon Trading Company Limited (Company) for the year ended December 31, 2023.

The diversified strategies employed by the Group ensured that there was balance within our operating outcome despite adversities within our core operations. The year saw many changes within the local and international distribution and retail space which included restructuring of our distribution contract with one of our major partners, stricter management of our credit terms given to our customers, and a focused approach to the build out of our proprietary brands, Delect & Refresh, which provided excellent results to both our revenue and gross profit. Our Company also continued with the execution of its various strategies, which included solidifying the performance of each operation and the full integration of the various acquisitions both locally and internationally within DTL's culture. The focus on efficiencies continued and the acceleration of the full roll out of our upgraded retail technology platform commenced in Q4 2023.

The strategy of building a diversified Group of Companies continues to positively impact the financial performance of the Group as is outlined in the attached financial statements for this reporting period.

The Consolidated Group and Company's financial performance shows the following:

- Consolidated total assets of \$16.648 billion which represents 8.29% or \$1.274 billion growth over the \$15.372 billion reported for the similar period ending December 31, 2022.
- Consolidated revenue of \$18.743 billion, a \$0.322. billion or 1.75% increase over the 2022 reporting period
- Consolidated Gross Profit of \$4.677 billion, which is flat when compared to financial year 2022.
- Consolidated profit before tax of \$181.987 million, a \$435.642 million or 70.53 % decrease over the 2022 reporting period.
- Total comprehensive income of \$523.050 million, a \$94.579 million or 15.31% decrease from the \$617.629 million reported for the similar period in 2023.

The operating environment and adjustments made in 2023 will ensure that the rebound that is required in the core business is realized in the ensuing financial period. The need to write off uncollectible debts, negative impacts of expected credit losses, and high levels of demurrages on imports were costly experiences in 2023. Notwithstanding our financial results, the operations of our Group of companies in several markets continue to expose us to various risks and challenges. However, given the

diversification strategies and continuous improvement of our team, we remain confident that our Group will continue to improve and produce positive results to create and maintain value for our shareholders.

The Board wishes to thank our loyal management team and employees for their commitment and dedication during this year, as well as our shareholders, customers and other stakeholders for their continued support.



Derrick Cotterell
Chairman and Chief Executive Officer