FINANCIAL REPORT 2023

STICHTING INTERNATIONAL DISPENSARY ASSOCIATION AMSTERDAM

TABLE
OF CONTENTS

REPORTS

SUPERVISORY BOARD REPORT

On 18 April 2024, the Supervisory Board adopted the 2023 Financial Report of IDA Foundation (IDA), as presented by the Executive Directors and audited by Pricewaterhouse-Coopers Accountants N.V. (PwC).

The year 2023 showed many highlights for IDA. We saw the successful transition to our new Dubai warehouse, enabling us to further improve our efficiency and reduce cycle time for our customers. We swiftly responded to numerous emergencies, with shipments to Ukraine and Gaza, as well as humanitarian aid to other regions where this was needed. In our Procurement Service programmes, we realised record breaking volumes of shipments. Our ISO14001 audit was passed without observations on our Environmental Management System. We also entered into new partnerships and deepened existing collaborations.

Our revenues increased by 11% in 2023 compared to 2022 and we managed to improve margins and to control our operating expenses. Our operating result increased compared to prior years, which allows us to make investments to support our mission, for example in IT solutions and digitalisation.

Thanks to the many collaborative efforts of our employees, our partners, and suppliers, we were able to continue working towards our mission and be a vital link providing access to medicines and medical goods to countries in need, ensuring the timely delivery of health supplies to our customers.

In 2023, we welcomed two new members to our Board, Mrs. Erica Bakkum who started in November 2023, and Mrs. Aysun Akik who will effectively join as per April 2024. Mrs. Bakkum has extensive experience in global healthcare. She took over the role of Catherine Hodgkin, who retired from the board, after a short handover period, on 14 December 2023. Mrs. Akik has vast experience in supply chain management and will take over the role of Mieke Damen, who will step down per end of April 2024, after Mrs. Akik's formal appointment. The Supervisory Board expresses its gratitude to both Catherine Hodgkin and Mieke Damen for their many years of contribution to IDA.

The Board took pleasure in the appointment of Mr. Jenno Ipema as IDA's new CFO/COO as from 1 September 2023, as successor of Mr. Paul van Ooijen. Paul Van Ooijen opted to leave IDA after he had held positions as Finance Director and subsequently as CFO/COO of IDA since 2018. The Board is grateful to Paul Van Ooijen for his contribution.

During 2023, the Board conducted six regular meetings with the Executive Directors (CEO and CFO/COO). These meetings focused on the annual financial report, quarterly financial and management reports, tenders, ESG objectives, organisational changes, the warehouse transition in Dubai, and the budget for 2024. Members of our Supervisory Board attended two meetings with the Works Council in 2023. The Supervisory Board highly values a good understanding of the perspectives of the Works Council and an open relationship. Individually, members of the Supervisory Board supported IDA management on issues related to their areas of expertise. In addition, two compliance meetings were attended, where amongst others, notice was taken of the fraud risk assessment and attention was given to the new Dutch whistleblower protection act (2023).

IDA is a financially sound organisation with no external financing, a high solvency and strong cash position. The Supervisory Board recognises that the environment in which IDA operates is competitive and full of change. Global uncertainties and crises require that IDA continues to be a responsive, agile, and well-focused organisation. We are confident that with IDA's strategic roadmap towards 2030, the organisation can meet the challenges ahead and continue to serve customers – and thereby users of health services – worldwide.

We want to take the opportunity to express our appreciation to the Executive Directors and all employees for their dedication, efforts and loyalty to IDA throughout the past year. We also thank IDA's customers and other stakeholders for their collaboration and their confidence which enables IDA to continue its work as a vital link providing access to medicines and medical goods to countries in need.

Amsterdam, 18 April 2024
The Supervisory Board

Stijn van Els (Chairman)
Erica Bakkum
Mieke Damen
Kees Romme

DIRECTORS' REPORT

On behalf of IDA Foundation, we are proud to present our Financial Report for 2023.

INTRODUCTION

IDA Foundation is an independent social enterprise providing high-quality essential medicines and medical supplies at the lowest price possible to low- and middle-income countries. IDA recognises that essential medicines remain out of reach for too many people and bridges those gaps so that healthcare providers can access quality products at a fair price.

As a foundation, we strive for a small profit each year to reinvest in the organisation. This allows us to further improve our services to customers. We do not look for, nor receive any subsidies.

IDA Foundation's strategy focuses on achieving Universal Health Coverage, Strengthened Local Capacity and Sustainable Value Chains, which we elaborate upon on in this report.

This Directors' report covers all entities of IDA Foundation as specified in the financial statement.

REFLECTING ON 2023

As always, our purpose of bridging the gap in access to medicines was a driving force for our work in 2023, a year in which we supported customers in 142 countries.

The successful transition to our new Dubai warehouse was a milestone that promises improved efficiency, faster throughput, and reduced cycle time for our valued customers. At our official opening (pictured) we shared our confidence that this strategic location will be an added benefit for our global health partners in low- and middle-income countries, enabling swift response and shipping when urgency is paramount.

This capability proved especially important for the numerous emergencies that we responded to throughout the year. This ranged from emergency shipments to Ukraine and Gaza, to the supply of humanitarian aid to regions affected by climate change.

For our global health programmes, we ensured uninterrupted access to essential, quality-assured health goods in the fight against HIV/AIDS, tuberculosis and malaria.

As a mission-driven organisation, we continuously seek opportunities to effect positive change, always in alignment with IDA's mission. We recognise the substantial gap in access to medicines non-communicable diseases (NCDs), which is an increasing burden in low-and middle-income countries. To bridge the gap in access to vital NCD products, we initiated a partnership with Solvoz through our NCDConnect initiative, and announced our collaboration with Sanofi on access programmes.

PERFORMANCE 2023

Compared to 2022, we saw our revenue increase by 11% in 2023. In 2023, we managed to improve margins and control operational expenses, subsequently increasing our operating result.

IDA continues to have a strong equity position, with no need for external funding. Within procurement services, the Global Fund grant cycle ended in 2023 and was renewed in 2024, causing a decrease in deferred positions at year end. In addition, the UNOPS/StopTB/GDF programme is gradually coming to an end in 2024, which has affected cash and accrued liabilities, and subsequently our solvency and liquidity rates.

in $ *m	2023	2022	2021
Revenue	646,2	583,0	489,2
Operating result	3,8	0,1	-1,0
Cash	61,8	145,7	113,2
External loans	0	0	0
Equity	53,6	50,0	50,3
Solvency rate	42%	17%	22%
Liquidity rate	139%	116%	119%

Solvency rate reflecting equity-debt ratio, calculated as equity / liabilities. Liquidity ratio reflecting current ratio, calculated as current assets / current liabilities.

After the year's end, no subsequent events occurred that change our view of the 2023 performance, nor of the financial strength of our foundation.

IMPACT
HIGHLIGHTS

CERTIFICATION
ISO14001

Our ISO 14001 audit was passed without observations for our Environmental Management System (EMS).

1185 SHIPMENTS OF ESSENTIAL TB MEDICINES TO 123 COUNTRIES VALUING OVER 190 MILLION USD

SINCE 2013 IDA HAS DELIVERED OVER
1 BILLION
INSECTICIDE-TREATED NETS (ITNS)

In 2023, for the **Global Fund's Pooled Procurement Mechanism Vector Control programme** (PPM VC), and the **Against Malaria Foundation**, we delivered over 190 million ITNs, which have helped to protect millions of people against malaria.

EMERGENCY
KITS
TO SUPPORT
13.000.000
PEOPLE

We supplied **IEHK, Cholera, Measles and Paediatric malnutrition kits**, with the potential to support 13 million people. It is good to know that these kits are making a big difference to **populations dealing with conflict, natural disasters, or other emergency situations**.

20
LOW- AND MIDDLE-INCOME COUNTRIES

including South Sudan, Sudan, Afghanistan, Yemen, Chad, Burkina Faso, Somalia, Ukraine and Türkiye.

OUR FIRST
CO^2 BASELINE ASSESMENT

in line with GHG Protocol was completed. This allows us to take steps forward in our CO^2 reduction journey.

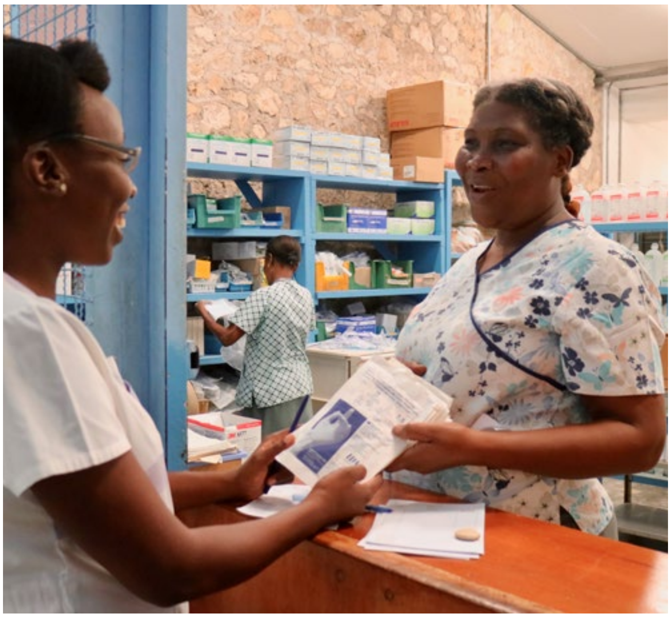
4505 SHIPMENTS TO 142 COUNTRIES

MAKING AN IMPACT

Our three long-term goals **universal health coverage, strengthened local capacity** and **sustainable value chains** shape the strategic direction of IDA Foundation and the impact made in 2022, highlighted below.

Partnerships for Universal Health Coverage

In our ongoing commitment to improving equitable access to essential medicines and medical supplies, IDA worked closely with health organisations in key markets in Africa, the Middle East and Asia. Emergency response initiatives remained vital, as we saw continued conflict in Ukraine and in the Middle East. Our teams in Amsterdam, Dubai and Mumbai worked closely together with humanitarian partners to swiftly dispatch large quantities of emergency kits to aid populations affected by conflicts and natural calamities, ensuring the provision of quality healthcare products during critical times.



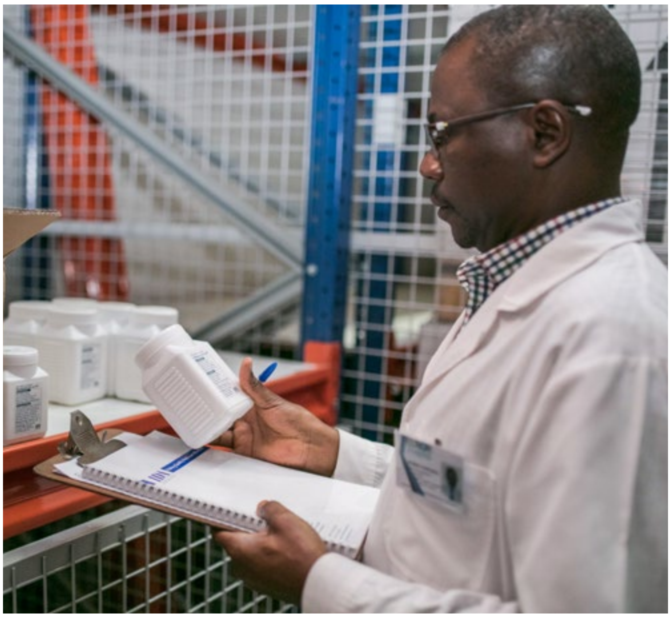
Furthermore, our contributions to various programmes underscored our significant impact on global health in 2023. In our role as Procurement Service Agent (PSA) for the UNOPS/StopTB/Global Drug Facility (GDF), we facilitated delivery of 1185 shipments of essential tuberculosis products to 123 countries, valuing over 190 million USD, ensuring uninterrupted access to vital treatments. Additionally, through our involvement in the Global Fund's Pooled Procurement Mechanism Vector Control Programme, we distributed more than 190 million insecticide-treated nets (ITNs) across 36 low- and middle-income countries to protect populations against malaria and other vector-borne diseases. We also reached a milestone; delivering our 1 billionth insecticide-treated net since we started our role as procurement agent for the Global Fund Pooled Procurement Mechanism (PPM) programme in 2013.

2023 held many successes for the USAID Global Health Supply Chain – Procurement and Supply Management (GHSC-PSM) programme, in which IDA supports essential HIV/AIDS programmes within the Chemonics consortium. We reached 86% on-time delivery; we also strengthened contracts to purchase under long-term agreements for most of the products. With the extension, GHSC-PSM is proceeding with and developing and implementing strategies to address next-gen goals. These include increased responsibility for suppliers (by making them responsible for transportation to the final destination), pilots around vendor-managed inventory, and implementing service level agreements for 43 PEPFAR (US President's Emergency Plan For AIDS Relief) countries.

Through partnerships, we can maximise our impact. In 2023, we launched NCDconnect, a groundbreaking procurement solution developed in collaboration with Solvoz. NCDconnect provides a streamlined solution for non-communicable diseases (NCDs) medicines, medical supplies, and diagnostics procurement. Many cancers are preventable and treatable, yet patients in low- and middle-income countries often face late diagnoses, and limited access to affordable treatment. Through partnerships with NCD suppliers and global health organisations focused on NCDs, we strive to change that.

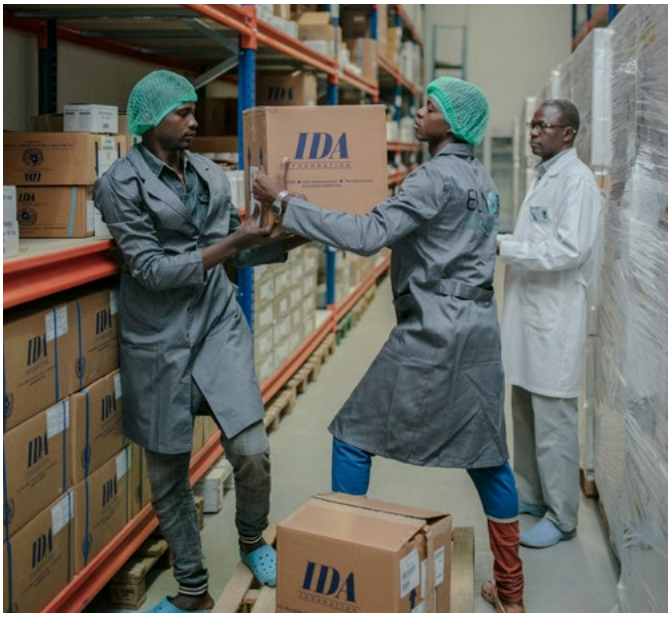
Our Quality Guarantee: Strengthened Local Capacity
At the forefront of our mission is the assurance of quality in essential medicines and medical supplies, particularly in low- and middle-income countries where access remains limited. We leverage our expertise and knowledge to bolster quality assurance efforts, including audits and comprehensive knowledge-sharing endeavours aimed at enhancing standards and practices within our supplier base, including those in low- and middle-income countries, whom we would like to add to our approved supplier list.

In November 2023, we participated in the WHO- and Dutch government-initiated World Local Production Forum in The Hague, where we met with governments, Ministries of Health, and funders, discussing the latest developments in regional production. As part of our ambition to work with local manufacturers, multiple visits by our Quality Assurance and Purchase team to identify suitable partners in the African region continued, and set the stage for adding approved suppliers to our portfolio in 2024. In addition, our agents and distributors continued to play a vital role, solidifying IDA's position and knowledge in the African market.



Sustainable value chains: continuous improvement
Our continued commitment to sustainability was shown through key achievements this past year. The first CO2 Baseline (GHG Protocol) was completed, resulting in a report with IDA's emissions for 2022 and a calculation framework to repeat this exercise yearly.

In May, we again successfully passed our audit for ISO9001/14001 without observations, indicating our commitment and focus on continuous improvement in these management systems. We also started our first Ecovadis assessment in 2023, a comprehensive sustainability rating and assessment platform that helps organisations evaluate and improve the environmental and social performance of their supply chains. These frameworks can give IDA clear guidance and tools in our sustainability journey. Additionally, together with our freight forwarding partners, we are discussing the use of biofuels, exemplifying our commitment to reducing emissions in our supply chain.



LEADERSHIP

In 2023, our organisation underwent notable leadership transitions. We welcomed Jenno Ipema as our new Chief Financial Officer, who brings with him strong experience and fresh perspectives to drive our financial strategies forward. Additionally, we bid farewell to two esteemed members of our Supervisory Board, Mieke Damen and Catherine Hodgkin. We extend our heartfelt gratitude for their invaluable contributions and dedication over the past decade. Following their departure, two other accomplished women are welcomed to our board, Aysun Akik and Dr. Erica Bakkum. They bring a wealth of knowledge and experience on supply chain and global health into the board, and we are confident they will be invaluable in strengthening IDA's strategic position going forward.

With these new appointments, our leadership and supervisory board remains gender balanced, with a 50% female, 50% male ratio. We affirm our commitment to fostering a diverse and inclusive leadership team, aligned with our strategic targets for diversity, equity, and inclusion.

OUR PEOPLE

Employee health and wellbeing remains a central focus of our People strategy. In response to feedback gathered from our 2022 employee satisfaction survey, we have introduced additional benefits in 2023 to further enhance IDA's workplace experience.

These benefits are customised to meet the needs of our diverse team of 200 staff, with over 30 nationalities, spanning various generations, and representing diverse backgrounds. Underscoring our commitment to drive progress in diversity, equity, and inclusion (DEI), we established a dedicated committee in 2023, poised to advance initiatives in this critical area.

In addition to our efforts in enhancing employee satisfaction and promoting diversity, equity, and inclusion, it is important to acknowledge the challenges we faced due to the phaseout of the GDF programme, resulting in a reduction of staff. While this transition was difficult, we are pleased to report that many affected employees were placed in alternate roles within IDA. For those unable to transition internally, we provided comprehensive support to facilitate their transition to new career opportunities, underscoring our commitment to the wellbeing and professional development of our staff.

TECHNOLOGY SOLUTIONS

IDA's digital transformation continued in 2023, with further investments in technology solutions, by integrating IT systems to support efficient collaboration with our supply chain partners. We also continued migrating to the cloud, and upgraded multiple IT tools, thereby improving our support and monitoring.

This is an area of continuous development, and an area where we work closely with (technology) partners to offer innovative solutions to support end-to-end visibility of shipments, carbon footprint calculations and efficient sourcing solutions.

In 2023, a large project to update our ERP system was started, and it was successfully launched in March 2024. We will continue to optimise our systems to offer our customers an optimal service, supporting product availability and efficient and sustainable supply chain solutions.

IDA's IT hardware and security is outsourced to the leading company for this in the Netherlands.

RISKS AND VULNERABILITIES

Strategic risk tolerance

We accept some strategic risk in the pursuit of our mission. All major risks within this area are taken on solely after the Supervisory Board's careful consideration.

Operational and Compliance risk tolerance

Operational risks relate to our ability:

- to adapt our value proposition to the changing needs of the customers;
- to adapt our organisation in capabilities, size, systems and processes to fulfil these needs efficiently and effectively;
- to attract and retain the right talent.

Compliance with laws and regulations is fundamental to the continued operation of IDA Foundation and its related entities. Therefore, we take a strict approach where compliance is concerned. Our main reference for this is our Code of Conduct, which can be found on the IDA website. This Code of Conduct is applicable to all suppliers, service providers, agents and distributors and our employees. Compliance to the Code of Conduct is enforced when onboarding and evaluating (including auditing) external partners. Compliance by employees is enforced when joining IDA and maintained through regular training. As part of the Code of Conduct, we have a whistleblower system in place: this is accessible online to internal and external stakeholders of IDA and is connected to our external compliance advisor. In line with Whistleblower regulations, it is possible to report any issue or query anonymously, if so preferred.

Fraud risk

We performed a fraud risk assessment. Key risks identified relate to reporting, bribery and corruption, kickbacks and theft. For this reason, IDA operates in a controlled environment where management is performing periodic reviews on e.g. access rights, approval flows and monthly reporting. Tenders for suppliers and selection of agents and distributors follow strict procedures. Agent fees are restricted. In addition, IDA has put in place a compliance committee consisting of representatives of senior management and headed by a member of the supervisory board, discussing various topics on internal ethics and compliance standards. The findings of this committee are reported to the Supervisory Board.

Related to this risk, we refer to the compliance part in this report as well.

No material, nor immaterial (suspicion of) fraud was identified. Neither of non-compliance with laws nor regulations.

IT risk
In today's world, cyber security has become a high risk. As mentioned, IDA has outsourced its IT hardware and security to the leading company for this in the Netherlands. All IDA staff follows awareness training on IT security.

Climate change risk
Although IDA foresees that climate changes will lead to increasingly severe crises situations in the world and thus a greater need for medicines and supplies, we do expect the impact on our own operations to be limited.

Specific operational risks
Freight and transport prices remained relatively stable in the first half of 2023. In the second half, our supply chain was affected by disruptions in the Red Sea. Through close monitoring, IDA mitigates these risks by working with multiple freight forwarders and applying surcharges for transport.

Financial risk tolerance
Acceptable risk levels are minimised where financial risks are concerned. The following section outlines a few financial risks that IDA incurred.

Currency risk
Most sales and purchases are made in US dollars, resulting in limited currency exposure. The main currency risk for IDA concerns our Dutch operations: labour costs, office, and warehouse costs, as these are paid in Euros. Management has decided to mitigate this currency risk for 2024 to offset the related fluctuations in business costs when translated into US dollars, our reporting currency. This is done by hedging 80% of its exposure with Ebury and ABN AMRO.

Price risk
Our price risk is related to sales versus purchase contracts with fixed prices for a different period. We manage this risk by bringing periods of fixed purchase and sales prices closer to each other. Further price correction possibilities are built into longer-term contracts.

Credit risk
Most of our revenue is from the Global Fund Pooled Procurement Mechanism and the Global Drug Facility. This is without credit risk. In the Wholesale business, sales are made partly to international institutions with a good credit reputation, but partly to governments and companies with a higher credit risk. We have a tight credit policy in place. In the past few years, only a small additional provision was needed for bad debt. The credit policy will remain solid in the year ahead.

Liquidity risk
Our bank balances are mainly held at ABN AMRO, a bank with a credit A rating. This bank also provides us with a bank guarantee facility. IDA has no external funding, and this is also not considered necessary in 2024.

GOING CONCERN RISK

We performed an assessment on going concern. We have a solid financial position with high equity and cash (see Financial Statements), and we have no external funding. Last year's result showed a moderate profit, and we project similar results in the coming years. We have high quality and experienced staff as well as long and good relationships with our suppliers and with our customers. That is why we have full trust in the future of IDA and our Financial Statements are based on the Going Concern assumption.

LOOKING AHEAD

We have built decades of expertise in working on global health programmes in communicable diseases such as HIV/AIDS, TB and malaria. While our dedication to these critical areas remains unwavering, we acknowledge the evolving healthcare landscape and shifting priorities.

In 2023, our TB programme shipped out substantial quantities of essential supplies and we ensured uninterrupted provision to those in need. As we transition into 2024, our focus will pivot towards maintaining this seamless provision while facilitating a smooth transition to the next PSA for the TB programme.

Simultaneously, we recognise the escalating prevalence of non-communicable diseases (NCDs) in low- and middle-income countries, such as cancer and diabetes. Leveraging our extensive experience, we are increasingly strategically addressing the pressing gaps in access to essential NCD products.

Collaboration lies at the heart of our mission, and we want to express our sincere appreciation to all our customers, suppliers, and partners for their unwavering support over the past year.

At IDA, our people are our greatest asset, driving our mission forward with their dedication and hard work. We are incredibly grateful for their contributions.

As we set our sights on 2024, we do so with confidence and a steadfast commitment to global health. We remain dedicated to adapting and evolving to meet the ever-changing healthcare needs of communities worldwide.

Amsterdam, 18 April 2023
The Board of Directors

Wendy Eggen CEO	Jenno Ipema CFO/COO

CONSOLIDATED
FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

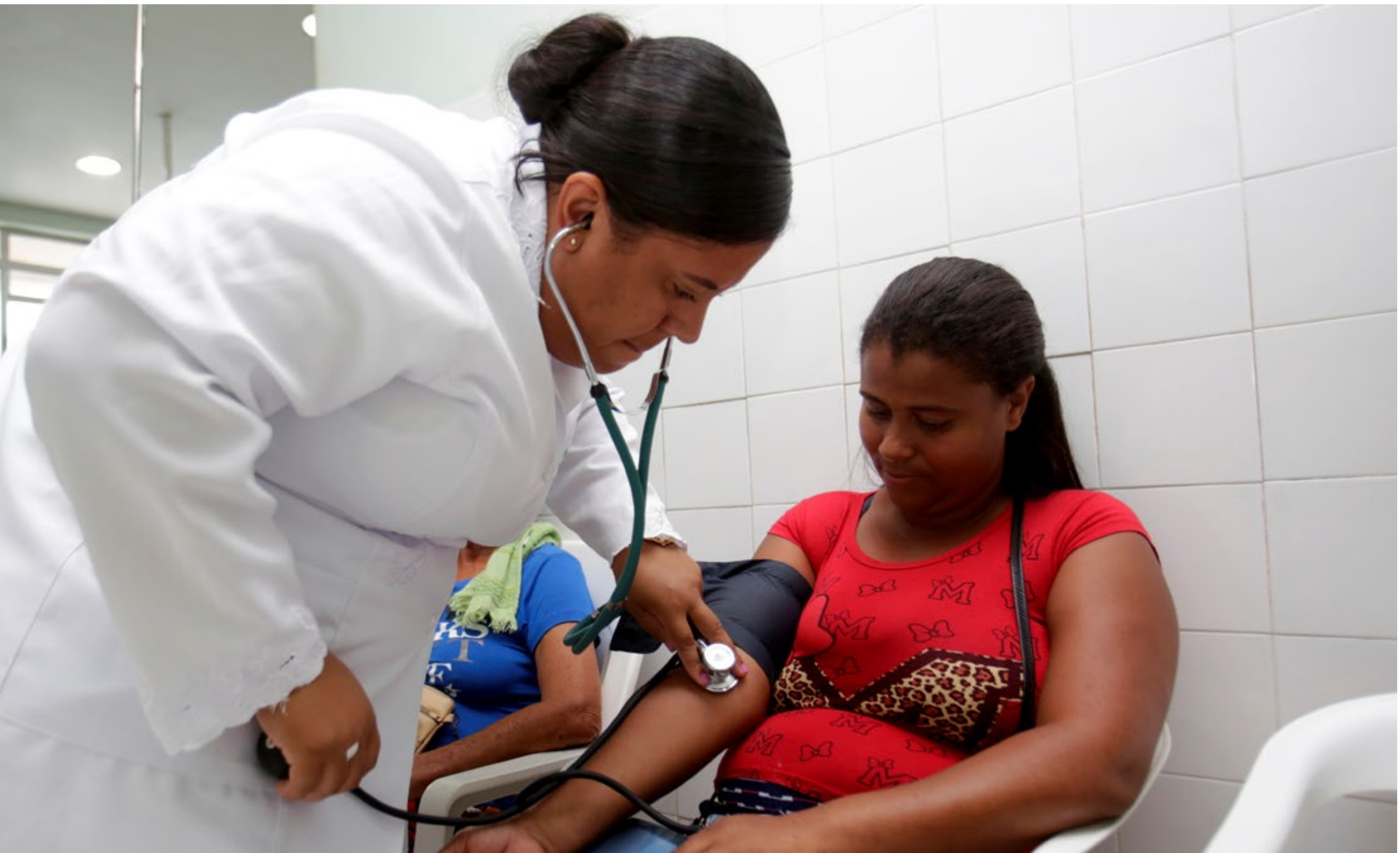
After proposal appropriation of result

		31 December 2023		31 December 2022	
X 1000	NOTE	USD	USD	USD	USD
ASSETS					
FIXED ASSETS					
INTANGIBLE ASSETS	1				
Software development		1.722		1.143	
Software in progress		693		625	
			2.415		1.768
PROPERTY, PLANT AND EQUIPMENT	2		3.151		3.444
CURRENT ASSETS					
INVENTORIES	3		86.873		149.950
RECEIVABLES					
Trade receivables	4	20.631		34.554	
Taxes and social security charges	5	311		280	
Other receivables, prepayments and accrued income	6	6.770		3.711	
			27.712		38.545
CASH AND CASH EQUIVALENTS	7		61.783		145.747
TOTAL ASSETS			**181.934**		**339.454**

		31 December 2023		31 December 2022	
x 1000	NOTE	USD	USD	USD	USD
GROUP EQUITY AND LIABILITIES					
GROUP EQUITY	8		53.600		50.029
PROVISIONS	9		1.057		80
CURRENT LIABILITIES					
Trade payables		31.346		51.716	
Payables relating to taxes and social security contributions	10	391		233	
Other liabilities and accrued expenses	11	95.540		237.396	
			127.277		289.345
TOTAL GROUP EQUITY AND LIABILITIES			**181.934**		**339.454**

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2023

		2023		2022	
x 1000	NOTE	USD	USD	USD	USD
NET TURNOVER	12		646.218		583.016
Cost of sales		619.609		559.182	
Wages and salaries		9.622		8.348	
Social security charges		1.173		1.258	
Pension contributions		546		541	
Amortisation of intangible assets		511		454	
Depreciation of property, plant and equipment		298		359	
Other operating expenses	13	10.676		12.751	
TOTAL OF SUM OF EXPENSES			**642.435**		**582.893**
TOTAL OF OPERATING RESULT			**3.783**		**123**
Financial income credit/(expense)	14		1.122		178
TOTAL OF RESULT OF ACTIVITIES BEFORE TAX			**4.905**		**301**
Income tax credit/(expense)	15		(1.261)		(188)
TOTAL OF RESULT AFTER TAX			**3.644**		**113**



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2023

			2023		2022
x 1000	NOTE	USD	USD	USD	USD
TOTAL OF CASH FLOWS GENERATED FROM OPERATIONS					
Operating result			3.783		123
ADJUSTMENTS FOR:					
Depreciation and amortisation			809		813
Increase (decrease) in provisions	9		977		(13)
CHANGES IN WORKING CAPITAL:					
Decrease (increase) in inventories	3	63.077		(29.501)	
Movements accounts receivables		10.833		3.232	
Increase (decrease) in other payables		(162.068)		58.856	
			(88.158)		32.587
TOTAL OF CASH FLOWS (USED IN) /GENERATED FROM OPERATIONS			**(82.589)**		**33.510**
Interest received		1.122		178	
Income tax paid	15	(1.261)		(188)	
Other movements		(73)		(369)	
			(212)		(379)
TOTAL OF CASH FLOWS FROM (USED IN) / GENERATED FROM OPERATIONS (TRANSPORT)			**(82.801)**		**33.131**
TOTAL OF CASH FLOWS (USED IN) INVESTMENT ACTIVITIES					
Purchase of intangible assets	1	(1.158)		(560)	
Purchase of property, plant and equipment	2	(6)		(38)	
Proceeds from sales of property, plant and equipment	2	1		36	
TOTAL OF CASH FLOWS (USED IN) INVESTMENT ACTIVITIES			**(1.163)**		**(562)**
TOTAL OF (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			**(83.964)**		**32.569**

	2023	2022
x 1000	USD	USD
MOVEMENT IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	145.747	113.178
(Decrease)/increase cash and cash equivalents	(83.964)	32.569
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**61.783**	**145.747**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ENTITY INFORMATION

Registered address and registration number trade register

The registered and actual address of Stichting International Dispensary Association is Slochterweg 35, 1027 AA in Amsterdam. Stichting International Dispensary Association is registered at the Chamber of Commerce under number 33170905.

GENERAL NOTES

The most important activities of the entity

The operations of Stichting International Dispensary Association and its group companies ('the Group') are mainly comprised a not for profit supplier of essential, quality-assured medicines and medical supplies to low and medium income countries.

Disclosure of going concern

Based on the strong financial position of IDA and outlook for the coming years, the 2023 financial statements are based on a going concern assumption.

Disclosure of group structure

Stichting International Dispensary Association ("Stichting IDA" or "IDA Foundation") is the head of the IDA organisation.

Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of Stichting International Dispensary Association make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Management has reviewed all items of the balance sheet and the P&L of IDA. A few of these items require estimates and judgement. These are:

- Debtors, with risk to become bad debt
- Inventory, with risk to become obsolete and
- a small part of the revenue, as for the Procurement Services execution of some orders can take multiple years and progress of execution is to be estimated.

Estimation is initially made based on rules. Periodically management reviews and signs off items based on its judgement.

Disclosure of consolidation

The consolidation includes the financial information of IDA Foundation and its group companies in which it exercises control or whose central management it conducts. Group companies are entities in which IDA Foundation exercises direct or indirect control based on a shareholding of more than one half of the voting rights, or of which it has the authority to govern otherwise their financial and operating policies. Potential voting rights that can be exercised directly from the balance sheet date are also taken into account.

Group companies in which IDA Foundation exercises control or whose central management it conducts are consolidated in full.

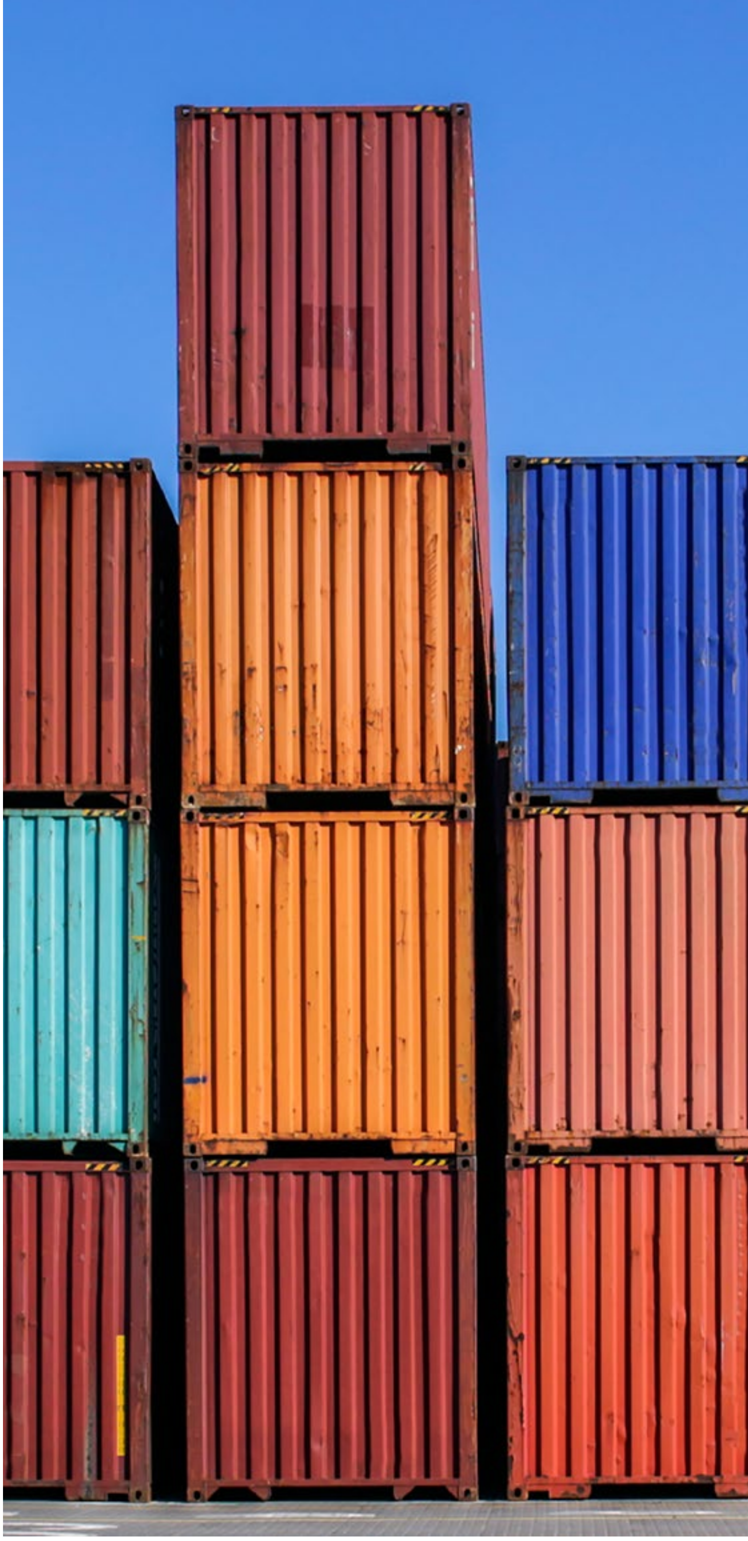
Intercompany transactions, profits and balances among group companies are eliminated, unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are also eliminated, unless such a loss qualifies as an impairment. The accounting policies of group companies and other consolidated entities have been changed where necessary, in order to align them to the prevailing group accounting policies.

The consolidated companies are listed below:

- IDA International Holding BV, Amsterdam, The Netherlands (100%)
- IDA International Services BV, Amsterdam, The Netherlands (100%)
- IDA International Participation BV, Amsterdam, The Netherlands (100%)
- IDA Trading Foundation Pvt Ltd, Mumbai, India (100%)
- IDA Foundation Ltd. By Guarantee, Lagos, Nigeria (100%)
- IDA Foundation Delaware, Delaware, USA (100%)

Financial information relating to the group companies and other legal entities and companies included in the consolidation are fully included in the consolidated annual accounts, eliminating the intercompany relationships and transactions. Investments in third parties and results of group companies are separately disclosed in the consolidated annual accounts.

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also entities which can control IDA Foundation are considered to be a related party. In addition, statutory directors, other key management of IDA Foundation or the ultimate parent company and close relatives are regarded as related parties. Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.



The application of Article 402
Since the consolidated profit and loss account for 2023 of Stichting International Dispensary Association is included in the consolidated financial statements, an abridged profit and loss account has been disclosed (in the company financial statements) in accordance with Section 402, Book 2 of the Dutch Civil Code.

GENERAL ACCOUNTING PRINCIPLES

The accounting standards used to prepare the financial statements
The consolidated financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet, profit and loss account and cash flow statement include references to the notes.

Conversion of amounts denominated in foreign currency
Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in US dollars, which is the functional and presentation currency of IDA Foundation.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

Basis of conversion and processing of exchange rate differences relating to foreign currency transactions for the balance sheet
Receivables, liabilities and obligations denominated in foreign currencies are translated at the exchange rate prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rate prevailing at the transaction date. The exchange differences resulting from the translation at the balance sheet date, are recorded in the profit and loss account unless hedge accounting applies.

Foreign currency translation and the processing of foreign currency translation differences with regard to business activities abroad
Assets and liabilities of consolidated subsidiaries with a functional currency different from the presentation currency are translated at the applicable rate of exchange prevailing at the balance sheet date; income and expenses are translated at average exchange rates during the financial year. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of these subsidiaries and translated at the closing rate, translation differences are processed in a legal reserve.

Operating leases
Lease contracts for which a large part of the risks and rewards incidental to ownership of the assets does not lie with IDA Foundation, are recognised as operating leases. Lease payments are recognised on a straight line basis in the profit and loss account over the term of the contract, taking into account reimbursements received from the lessor.

FINANCIAL INSTRUMENTS

Financial instruments
Financial instruments are understood to mean both primary financial instruments, such as receivables and liabilities, as well as financial derivatives. Securities included in financial and current assets are stated at cost. All other on balance financial instruments are carried at (amortised) cost. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and/or option pricing models, making allowance for entity specific inputs.

Hedge accounting
IDA Foundation applies hedge accounting. At the time of entering into a hedging relationship, this is documented by the company. These derivative financial instruments are not quoted in an open market and are stated at cost if unsettled. The company periodically establishes the effectiveness of the hedging relationship by means of a test. This can be done by comparing the critical characteristics of the hedging instrument with those of the hedged item and / or by comparing the change in fair value of the hedging instrument and the hedged item. If there is an indication of ineffectiveness, the company determines this possibly ineffective part by means of a quantitative ineffectiveness measurement. When applying cost price hedge accounting, the initial measurement and the determination of the result of the hedge instrument depend on the measurement principle of the hedged item.

This means the following:
- if the hedged item is measured in the balance sheet at cost, the derivative is also valued at cost;
- as long as the hedged item in the cost price hedge relationship is not yet recognised in the balance sheet, the hedge instrument is not revalued. This applies, for example, in the case of the hedge of the currency risk of a future transaction.
- the ineffective part of the hedge relationship is recognised directly in the profit and loss account. Applying cost price hedge accounting is terminated if:
- the hedge instrument expires or is sold, terminated or exercised;
- the hedge no longer meets the conditions for hedge accounting.

IDA Foundation applies cost hedge accounting to forward exchange contracts to partly hedge the value of its salary, warehousing and other costs in Euros.

ACCOUNTING PRINCIPLES

Intangible assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value. With regard to the determination as to whether an intangible fixed asset is subject to an impairment, please refer to note Impairment of fixed assets. Intangible fixed assets consist of external development cost for the ERP system and licenses paid for computer software.

The development costs are capitalised when the development is completed and it is likely from both a commercial and technical perspective that the project will be successful and the costs can be determined reliably. Development costs are amortised by the straight line method over the economic life time of a period of five years.

The license costs are capitalised and amortised by the straight line method over the economic life time, generally not exceeding 5 years.

Property, plant and equipment

Land and buildings are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight line depreciation over their estimated useful lives. Land is not depreciated, assets under construction are not yet depreciated. Allowance is made for any impairment losses expected at the balance sheet date. For details on how to determine whether property, plant or equipment is impaired, please refer to the respective note.

Other non-current assets are valued at historical cost or manufacturing price including directly attributable expenditure, less straight line depreciation over their estimated useful lives and impairment losses. The manufacturing price is comprised of the cost of raw materials and consumables, and also includes expenditure directly attributable to an asset's manufacturing, including installation costs.

Costs of major maintenance are capitalised in the carrying amount of the asset (components approach).

Financial assets

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of financial assets

As at each balance sheet date, the IDA Foundation tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The fair value is initially determined based on a binding sales agreement. If such an agreement is not available, the fair value is determined based on the active market. An impairment loss is directly expensed in the profit and loss account. The discounted rate should not include any considerations with regard to risks which have already been reflected in the future cash flows.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised. Impairments with regard to goodwill are not reversed.

IDA Foundation assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the profit and loss account.

The amount of an impairment loss incurred on financial assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised through profit or loss.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

Inventories

Inventories (stocks) are valued at historical purchase price, including inbound transport costs based on the FIFO method (first in, first out) or lower realisable value. The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken in account.

Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.

Provisions

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent can be reliably estimated.

Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, other provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset.

Provision for jubilee benefits

A provision for jubilee benefits at 12,5 and 25 year employment is calculated, based on RJ 271 employee benefits.

The calculation of the provision is time proportional and takes into account the probability that an employee leaves before reaching jubilee employment.

Current liabilities
On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result
The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Net revenue
Net turnover comprises the income from delivering goods and delivering services. Most of the activities are about delivering goods.

The contract price for goods sold to customers is based on contracts entered into with customers. In broad terms the price includes purchase price of the goods, cost of outbound freight, quality control and (if applicable) costs of storage, kitting and of inbound freight.

In some activities, prices are firm once the order is accepted. In other activities, customers can choose to either fix the price via a firm quote or to adapt the price for some cost elements to actual costs instead of the assumed costs of the quote. The preliminary invoiced amounts are recognised as revenue upon delivery. At reporting date an assessment is made for the assumed quoted costs versus estimated actual costs and the differences are recognised.

For the significant streams, control of the goods only transfers to the customer at the final destination, and accordingly, revenue is recognised.
Revenues from the procurement services are recognised when (substantially) all significant risk and significant rights to the goods subject to the services have been transferred to the customers. This is when the control of goods has been transferred at the final destination. Accordingly, the revenue is recognized for the service fee. Based on IDA's assessment goods, freight, quality control and (if applicable) costs of storage and kitting are considered one performance obligation as all is contributing to the delivery of the goods. Based on the applicable reporting standards, IDA is considered principal and recognizing revenue related to most of its activities, except for deliveries for which important risks are not with IDA. In those cases IDA is considered agent and revenue recognition is based on service fees only.

Key indicators for IDA being principal:
- IDA has primary responsibility towards the customer for the delivered goods or services;
- IDA, immediately prior to the delivery of goods or services to the customer, has control over the goods or services;
- IDA has inventory risk.

Cost of sales
Cost of sales represents the direct and indirect expenses attributable to revenue. Costs are recognised based on the historical cost convention and are allocated to the reporting year to which they relate.

Short-term employee benefits
Salaries, wages and social security contributions are taken to the profit and loss account based on the terms of employment, where they are due to employees and the tax authorities respectively.

Applied policy of pension costs
IDA has a number of pension schemes for its employees. The most important characteristics of these schemes are:

Pension type: Defined Contribution Pension Scheme 1 (2023):
- Build up percentage: Table 2 (100%) based on 4% interest
- Pension age: 68
- Franchise: EUR 16,322
- Maximum salary: EUR 128,810
- Pension base: Salary minus franchise
- Surviving Relatives Pension: 1.16% of pension base per achievable years employed, paid out lifelong, plus EUR 17,859 per year, paid out until surviving partner is 68

Pension type: Defined Contribution Pension Scheme 2 (2023):
- Build up percentage: Table 2 (100%) based on 2% interest
- Pension age: 68
- Franchise: EUR 16,322
- Maximum salary: EUR 128,810
- Pension base: Salary minus franchise
- Surviving Relatives Pension: 1.16% of pension base per achievable years employed, paid out lifelong, plus EUR 17,859 per year, paid out until surviving partner is 68

IDA Foundation has 2 pension schemes to which the provisions of the Dutch Pension Act ('Pensioenwet') are applicable. IDA Foundation pays premiums based on (legal) requirements, a contractual or voluntary basis to an insurance company. Premiums are recognised as employee cost when they are due. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not yet been paid are presented as liabilities. There are no other obligations in addition to the premiums paid.

Amortisation of intangible assets and depreciation of property, plant and equipment
Intangible assets, including goodwill, are amortised and property, plant and equipment are depreciated over the expected future useful life as from the inception of their use. Land and investment property are not depreciated. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant and equipment are included in depreciation.

Other operating expenses
Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses
Interest paid and received is recognised on a time weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the profit and loss account in the period that they arise, unless they are hedged.

Income tax expense
Income tax is calculated on the profit/(loss) before tax in the profit and loss account, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax exempt items and nondeductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

Cash flow statement
The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received, and income taxes are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Under the investments only the investments are included for which in cash was paid, investments in and disposals of (in-)tangible fixed assets are recognised as cash flows from investing activities.

Financial instruments and risk management

- *Currency risk*
  Most sales and purchases are made in US dollars, resulting in limited currency exposure. The main currency risk for IDA concerns our Dutch operations: labour costs, office, and warehouse costs, as these are paid in Euros. Management has decided to mitigate this currency risk for 2024 to offset the related fluctuations in business costs when translated into US dollars, our reporting currency. This is done by hedging 80% of its exposure with Ebury and ABN AMRO.

- *Price risk*
  Our price risk is related to sales versus purchase contracts with fixed prices for a different period. This risk became more important in the last two years, particularly with the general increase in inflation worldwide and the recent surge in energy prices. 2024 will probably not be different. We manage this risk by bringing periods of fixed purchase and sales prices closer to each other. Further price correction possibilities are built into longer term contracts.

- *Credit risk*
  Most of our revenue is from the Global Fund Pooled Procurement Mechanism and the Global Drug Facility. This is without credit risk as all payments to vendors are prefinanced. In the Wholesale business, sales are made partly to international institutions with a good credit reputation, but partly to governments and companies with a higher credit risk. IDA therefore has a tight credit policy in place with customers and receivables are regularly monitored. In recent years only a small additional to the provision for bad debt was needed.

- *Liquidity risk*
  Our bank balances are mainly held at ABN AMRO, a bank with a credit A rating. This bank also provides us with a bank guarantee facility. IDA has no external funding, and this is also not considered necessary in 2024.

NOTES TO THE CONSOLIDATED BALANCE SHEET

1. INTANGIBLE ASSETS

	Software development	Software in progress	Total
x 1000	USD		USD
BALANCE AS AT 1 JANUARY 2023			
Cost or manufacturing price	3.786	625	4.411
Accumulated amortisation	(2.643)	0	(2.643)
BOOK VALUE AS AT 1 JANUARY 2023	**1.143**	**625**	**1.768**
MOVEMENTS			
Additions	1.090	47	1.137
Reclass	0	21	21
Amortisation	(511)	0	(511)
BALANCE MOVEMENTS	**579**	**68**	**647**
BALANCE AS AT 31 DECEMBER 2023			
Cost or manufacturing price	4.876	693	5.569
Accumulated amortisation	(3.154)	0	(3.154)
BOOK VALUE AS AT 31 DECEMBER 2023	**1.722**	**693**	**2.415**

Disclosure of intangible assets
The development costs mainly relate to software costs for the ERP system. Capitalised costs for software in progress are amortised once taken into use.

During the year the following amortisation rates are used:
Development costs: 20%

2. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Office inventory	Vehicles	Property, plant and equipment in progress	Total
x 1000	USD	USD	USD		USD
BALANCE AS AT 1 JANUARY 2023					
Cost or manufacturing price	3.636	1.595	28	21	5.280
Accumulated depreciation	(549)	(1.269)	(18)	0	(1.836)
BOOK VALUE AS AT 1 JANUARY 2023	**3.087**	**326**	**10**	**21**	**3.444**
MOVEMENTS					
Additions	0	27	0	(21)	6
Depreciation	(123)	(172)	(3)	0	(298)
Disposals	0	(8)	0	0	(8)
Depreciation on disposals	0	7	0	0	7
BALANCE MOVEMENTS	**(123)**	**(146)**	**(3)**	**(21)**	**(293)**
BALANCE AS AT 31 DECEMBER 2023					
Cost or manufacturing price	3.636	1.614	28	0	5.278
Accumulated depreciation	(672)	(1.434)	(21)	0	(2.127)
BOOK VALUE AS AT 31 DECEMBER 2023	**2.964**	**180**	**7**	**0**	**3.151**

Disclosure of property, plant and equipment
During the year the following depreciation rates are used:

Land and buildings: 0-10%
Office inventory: 10-20%
Vehicles: 10-20%
Property, plant and equipment in progress: 0%

3. INVENTORIES

Disclosure of inventories

The write down on stocks amounted USD 1.0 million (2022: USD 2.4 million) in 2023, this is related to a book value of USD 78 million (2022: USD 150 million). IDA management validated that the net realisable value of our goods in inventory is above the inventory value.

FINISHED PRODUCTS AND GOODS FOR RESALE

	31-12-2023	31-12-2022
x 1000	USD	USD
Inventories	**86.873**	**149.950**

Total goods in transit (outbound) amount to USD 46.3M (2022: USD 108.2M), whereas inbound goods are carrying a value of USD 9.6M (2022: USD 2.3M). Total goods held in IDA warehouse amount to USD 22.4M (2022: USD 24.7M), total goods held at suppliers USD 8.6M (2022: USD 14.7M).

The significant decline is related to the Global Fund grant cycle ended in 2023 and renewed in 2024, which has caused a decrease in deferred positions at year end.

DISCLOSURE OF RECEIVABLES

Receivables all have a remaining term to maturity of less than one year, unless stated otherwise. The fair value of the accounts receivable is close to the carrying amount, given the current nature of the accounts receivable and the fact that, where necessary, provisions for bad debt have been recognised.

4. TRADE RECEIVABLES

	31-12-2023	31-12-2022
x 1000	USD	USD
Trade receivables	22.018	35.462
Provisions for doubtful debts	(1.387)	(908)
	20.631	**34.554**

The decline in trade receivables is related to the GDF contract closure, causing a decrease in multiple balance sheet positions including receivables.

5. TAXES AND SOCIAL SECURITY CHARGES

	31-12-2023	31-12-2022
x 1000	USD	USD
Value added tax	247	222
Pension contributions	64	58
	311	**280**

6. OTHER RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME

	31-12-2023	31-12-2022
x 1000	USD	USD
Advance payment to suppliers	6.690	1.095
Miscellaneous prepaid expenses	80	2.616
	6.770	**3.711**

7. CASH AND CASH EQUIVALENTS

Disclosure of cash and cash equivalents
The cash and bank balances include bank balances of an amount of USD 36.6 million (2022: USD 123.2 million), which are restricted for financing the large programmes.
The decline in total cash balance is related to the GDF contract closure, causing a decrease in multiple balance sheet positions including cash.

8. GROUP EQUITY

The group equity is detailed in the notes to the company financial statements.

9. PROVISIONS

	31-12-2023	31-12-2022
x 1000	USD	USD
Other provisions	1.057	80

DISCLOSURE OF PROVISIONS

The other provisions relate to restructuring costs and to jubilee benefits, whereas fair value equals book value.

DISCLOSURE OF RESTRUCTURING PROVISION

As per end of 2023 a restructuring provision of USD 980K was created to cover reorganisation costs and project losses due to onerous contract with GDF which gradually closes in 2024. Most of the provision is expected to be settled within one year.

DISCLOSURE OF CURRENT LIABILITIES

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short term character.

Trade payables are amounts due mainly to suppliers within procurement services. IDA receives payment from the Global Fund before paying these suppliers, therefore IDA's ability to pay suppliers is robust. Fluctuations of the amount is inherent to the nature of the procurement services business.

10. PAYABLES RELATING TO TAXES AND SOCIAL SECURITY CONTRIBUTIONS

	31-12-2023	31-12-2022
x 1000	USD	USD
Wage tax	152	233
Corporate income tax	239	0
	391	233

11. OTHER LIABILITIES AND ACCRUED EXPENSES

	31-12-2023	31-12-2022
x 1000	USD	USD
Advanced payments received from clients / large programmes	55.519	208.080
Deferred income and miscellaneous accruals	31.876	7.841
Prepayments for buffer stock	8.145	21.475
	95.540	**237.396**

The large amounts of advance payments relate to the setup of the large programmes executed by IDA.

The significant decline is mainly explained by the Global Fund grant cycle ending in 2023 and renewed in 2024, as well as the GDF contract gradually closing in 2024. Both contracts are affecting multiple balance sheet positions including advanced payments received.

CONTINGENT ASSETS AND LIABILITIES

Disclosure of contingent arrangements
To mitigate the currency risk for payments in euro IDA Foundation has hedged the risk for approximately 80% of the currency exposure, amounting to EUR 9,800,000 until December 2024. All hedges are considered effective.

The hedge accounting at cost price for forward contracts means that gains and losses on the forward contracts are recognised on settlement of each contract each month. The fair value adjustment of all open hedging contracts if recorded at fair value (mark to market) at year end would have been an adjustment to profit and loss of USD 165,570 at the balance sheet date.

Disclosure of off-balance sheet commitments
IDA Foundation has long term commitments relating to (lease) agreements for the total amount of USD 3,191,962 which is mainly related to warehouse activities. The commitment within one year amounts to USD 1,155,633.
The commitment with a maturity exceeding one year but within three years amounts to USD 1,002,162. Total commitment exceeding three years amounts to USD 1,034,167.

Off-balance sheet commitments relating to guarantees
The ABN AMRO Bank N.V. gave the following guarantees at 31 December 2023: EUR 170,932 (2022: EUR 7,587) and USD 1,722,339 (2022: USD 1,287,506) on behalf of clients in connection with advance payments received, or guarantees related to commitments that have been undertaken. The bank guarantee facility at ABN AMRO Bank N.V. is EUR 8,000,000 (2022: EUR 8,000,000).

NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

12. NET TURNOVER

	2023	2022
x 1000	USD	USD
Turnover from the sale of goods	640.832	578.835
Turnover from services	5.386	4.181
	646.218	**583.016**

Disclosure of net revenue
IDA operates in two units, wholesale activities and procurement services.

For wholesale activities, IDA operates fully at own risk and is therefore considered as principal. Also for most of the procurement services activities, IDA operates as a principal. The presented net turnover related to these procurement services consists of the revenue for the goods delivered, for the external services rendered (like transport and QC), as well as for the procurement fees. However, for the activities related to the Strategic Rotating Stockpile of GDF, part of the operational risks (including inventory risk) is not with IDA and therefore IDA operates as an agent and only the procurement fee is included in the turnover.

GEOGRAPHIC SEGMENTATION TURNOVER

	2023	2022
x 1000	USD	USD
Europe	14.546	23.860
Asia	139.881	92.815
America	14.201	21.363
Africa	477.590	444.978
	646.218	**583.016**

13. OTHER OPERATING EXPENSES

	2023	2022
x 1000	USD	USD
Other expenses of employee benefits	2.619	2.546
Housing expenses	381	365
Selling expenses	404	471
Office expenses	1.089	1.083
General expenses	2.372	3.847
Warehouse costs	3.811	4.439
	10.676	**12.751**

14. FINANCIAL INCOME CREDIT/(EXPENSE)

	2023	2022
x 1000	USD	USD
Interest and similar income	**1.122**	**178**

15. INCOME TAX CREDIT/(EXPENSE)

	2023	2022
x 1000	USD	USD
Income tax expense from current financial year	(1.261)	(188)
Total of income tax expense	**(1.261)**	**(188)**
Effective tax rate %	25,70	62,50
Applicable tax rate %	25,80	25,80

Disclosure of income tax expense
The applicable tax rate is based on the relative proportion of the group companies' contribution to profit and the tax rates ruling in the countries concerned.

In 2022, as in 2021, the only taxes payable were local income tax in India. No corporate income tax was payable for the 2022 financial year in the Netherlands due to compensable loss.

OTHER NOTES

	2023	2022
AVERAGE NUMBER OF EMPLOYEES		
Average number of employees over the period working in the Netherlands	95	105
Average number of employees over the period working outside the Netherlands	101	102
AVERAGE NUMBER OF EMPLOYEES OVER THE PERIOD	**196**	**207**

REMUNERATION OF MANAGING DIRECTORS AND SUPERVISORY BOARD MEMBERS

	2023	2022
x 1000	USD	USD
Remuneration of managing directors	434	427
Remuneration of supervisory board members	83	78
TOTAL OF REMUNERATION OF MANAGING DIRECTORS AND SUPERVISORY BOARD MEMBERS	**517**	**505**

Disclosure of remuneration of managing directors

The Management Board of IDA Foundation consisted of two persons in 2023. The total remuneration of managing directors for 2023 amounts to USD 434,242 (2022: USD 426,810).

The directors' remuneration includes periodically paid remuneration, such as salaries, holiday allowance and social premiums, remuneration to be paid after a certain term, such as pensions, allowances on termination of employment, profit sharing, transitional benefits in so far as related to directors, bonus payments to the extent that these items were charged to the IDA Foundation and all subsidiaries.

.

INDEPENDENT AUDITOR'S FEES

	2023	2022
x 1000	USD	USD
Audit of financial statements	229	210
Audit related services	0	0
Other non-audit services	0	0
TOTAL OF INDEPENDENT AUDITOR'S FEES	**229**	**210**

Disclosure of independent auditor's fees
The fees listed above relate to the procedures applied to the company and its consolidated group entities by accounting firms and independent auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act (Wet toezicht accountantsorganisaties Wta) as well as by Dutch and foreign based accounting firms, including their tax services and advisory groups.

These fees relate to the audit of the 2023 financial statements, regardless of whether the work was performed during the financial year. The audit was performed by PricewaterhouseCoopers Accountants N.V.

SUBSEQUENT EVENTS

Disclosure of subsequent events
There are no subsequent events that materially affect the reporting of the results for the year ending 31st December 2023.

COMPANY-ONLY
FINANCIAL STATEMENTS

COMPANY-ONLY BALANCE SHEET AS AT 31 DECEMBER 2023

After proposal distribution of result

		31 December 2023		31 December 2022	
X 1000	NOTE	USD	USD	USD	USD
ASSETS					
FIXED ASSETS					
INTANGIBLE ASSETS	16				
Software development		1.721		1.143	
Software in progress		693		625	
			2.414		1.768
PROPERTY, PLANT AND EQUIPMENT	17				
Land and buildings		2,943		3.057	
Office inventory		124		191	
Property, plant and equipment in progress		0		21	
			3.067		3.269
FINANCIAL ASSETS	18				
Participations in group companies			756		874
CURRENT ASSETS					
INVENTORIES	3		86.873		149.950
RECEIVABLES					
Trade receivables		20.631		34.554	
Taxes and social security charges	19	311		280	
Other receivables, prepayments and accrued income	20	6.665		1.789	
			27.607		36.623
CASH AND CASH EQUIVALENTS	21		61.141		145.161
TOTAL ASSETS			**181.858**		**337.645**

		31 December 2023		31 December 2022	
x 1000	NOTE	USD	USD	USD	USD
EQUITY AND LIABILITIES					
EQUITY	22		53.600		50.029
PROVISIONS	9		1.057		80
CURRENT LIABILITIES					
Trade payables		31.332		50.123	
Liabilities to group companies		330		267	
Payables relating to taxes and social security contributions	23	391		233	
Other liabilities and accrued expenses	24	95.148		236.913	
			127.201		287.536
TOTAL GROUP EQUITY AND LIABILITIES			**181.858**		**337.645**

COMPANY-ONLY ABRIDGED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2023

			2023		2022
x 1000	NOTE	USD	USD	USD	USD
Income from participations in group and other investments		454		458	
Company result after taxes		3.190		(345)	
NET RESULT AFTER TAXATION			**3.644**		**113**

NOTES TO THE COMPANY-ONLY FINANCIAL STATEMENTS

GENERAL ACCOUNTING PRINCIPLES

The accounting standards used to prepare the financial statements

The company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards as issued by the Dutch Accounting Standards Board.

The accounting policies for the company financial statements and the consolidated financial statements are the same. Group companies are stated at net asset value in accordance with the consolidated financial statements.

For the accounting policies for the company balance sheet and profit and loss account, reference is made to the notes to the consolidated balance sheet and profit and loss account.

ACCOUNTING PRINCIPLES

Financial assets

Financial fixed assets are stated at net asset value, based on group accounting policies.

Majority interests and other participating interests in which significant influence may be exerted are stated at net asset value, using the equity method. Significant influence is assumed to be present if the shareholder's interest is 20% or more.

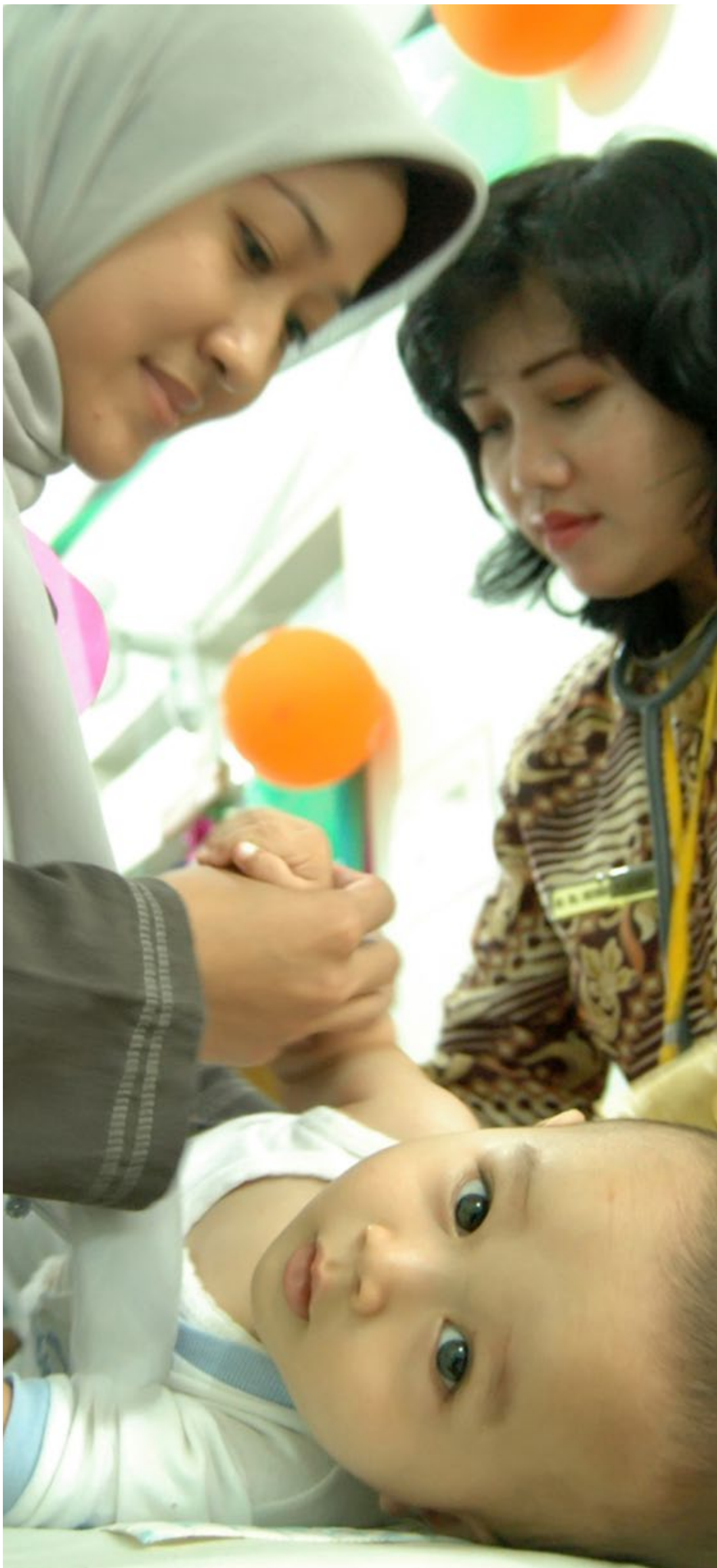
The net asset value is calculated on the basis of the accounting policies used in these consolidated financial statements. Participating interests with an equity deficit are carried at nil. If and insofar as Stichting International Dispensary Association fully or partially guarantees the debts of the participating interest or has the firm intention to allow the participating interest to pay its debts, a provision is formed.

Participating interests in which no significant influence can be exercised, are stated at acquisition price or a lower value, should this be necessary.

Reference is made to the accounting policies disclosed in the consolidated financial statements regarding the determination of potential impairment.

Share in results of participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Stichting International Dispensary Association.



NOTES TO THE COMPANY-ONLY BALANCE SHEET

16. INTANGIBLE ASSETS

	Sofware development	Software in progress	Total
x 1000	USD	USD	USD
BALANCE AS AT 1 JANUARY 2023			
Cost or manufacturing price	3.782	625	4.407
Accumulated amortisation	(2.639)	0	(2.639)
BOOK VALUE AS AT 1 JANUARY 2023	**1.143**	**625**	**1.768**
MOVEMENTS			
Additions	1.089	47	1.136
Reclass	0	21	21
Amortisation	(511)	0	(511)
BALANCE MOVEMENTS	**578**	**68**	**646**
BALANCE AS AT 31 DECEMBER 2023			
Cost or manufacturing price	4.871	693	5.564
Accumulated amortisation	(3.150)	0	(3.150)
BOOK VALUE AS AT 31 DECEMBER 2023	**1.721**	**693**	**2.414**

Disclosure of intangible assets
The development costs mainly relate to software costs for the ERP system.

During the year the following amortisation rates are used:
Development costs: 20%

17. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Office inventory	Property, plant and equipment in progress	Total
x 1000	USD	USD		USD
BALANCE AS AT 1 JANUARY 2023				
Cost or manufacturing price	3.597	1.035	21	4.653
Accumulated depreciation	(540)	(844)	0	(1.384)
BOOK VALUE AS AT 1 JANUARY 2023	**3.057**	**191**	**21**	**3.269**
MOVEMENTS				
Additions	0	21	(21)	0
Depreciation and disposals	(114)	(88)	0	(202)
BALANCE MOVEMENTS	**(114)**	**(67)**	**(21)**	**(202)**
BALANCE AS AT 31 DECEMBER 2023				
Cost or manufacturing price	3.597	1.055	0	4.652
Accumulated depreciation	(654)	(931)	0	(1.585)
BOOK VALUE AS AT 31 DECEMBER 2023	**2.943**	**124**	**0**	**3.067**

Disclosure of property, plant and equipment
During the year the following depreciation rates are used:

Land and buildings: 0 - 10%
Office inventory: 10 - 20%
Property, plant and equipment in progress: 0%

18. FINANCIAL ASSETS

	Participations in group companies
x 1000	USD
BALANCE AS AT 1 JANUARY 2023	874
Result of participations	454
Correction	(73)
Dividends	(499)
BALANCE AS AT 31 DECEMBER 2023	**756**

REGISTER OF PARTICIPATIONS

	Share in issued capital
	in %
IDA International Holding B.V., Amsterdam, The Netherlands	100
IDA International Services B.V., Amsterdam, The Netherlands	100
IDA International Participation B.V., Amsterdam, The Netherlands	100
IDA Trading Foundation Pvt Ltd, Mumbai, India	100
IDA Foundation Ltd. By Guarantee, Lagos, Nigeria	100
IDA Foundation Delaware, Delaware, USA	100

19. TAXES AND SOCIAL SECURITY CHARGES

	31-12-2023	31-12-2022
x 1000	USD	USD
Value added tax	247	222
Pension contributions	64	58
	311	**280**

20. OTHER RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME

	31-12-2023	31-12-2022
x 1000	USD	USD
Advance payment to suppliers	6.665	1.075
Miscellaneous prepaid expenses	0	714
	6.665	**1.789**

21. CASH AND CASH EQUIVALENTS

Disclosure of cash and cash equivalents
The cash and bank balances include bank balances of an amount of USD 36.6 million (2022: USD 123.2 million), which are restricted for financing the large programmes.

The decline in total cash balance is related to the GDF contract closure, causing a decrease in multiple balance sheet positions including cash.

22. EQUITY

	31-12-2023	31-12-2022
x 1000	USD	USD
Other reserve	**53.600**	**50.029**

OTHER RESERVE

	2023	2022
x 1000	USD	USD
BALANCE AS AT 1 JANUARY	50.029	50.284
Appropriation of result	3.644	113
Revaluations	(73)	(368)
BALANCE AS AT 31 DECEMBER	**53.600**	**50.029**

Disclosure of other reserves
The entity in India was revaluated mainly due to currency and local tax differences. The total valuation difference amounts to USD 73K, recorded as a direct equity movement.

Disclosure of result after tax for the year
Following the appropriation of result proposed by the board of directors and pursuant to article 4 of the articles of association, the profit of USD 3,644K will be added to the reserves.

23. PAYABLES RELATING TO TAXES AND SOCIAL SECURITY CONTRIBUTIONS

	31-12-2023	31-12-2022
x 1000	USD	USD
Wage tax	**152**	**233**
Corporate income tax	**239**	**0**
	391	**233**

24. OTHER LIABILITIES AND ACCRUED EXPENSES

	31-12-2023	31-12-2022
x 1000	USD	USD
Advanced payments received from clients / large programmes	55.519	208.080
Prepayments for buffer stock	8.145	21.475
Deferred income and miscellaneous accruals	31.283	7.358
Miscellaneous prepaid expenses	201	0
	95.148	**236.913**

The significant decline is mainly explained by the Global Fund grant cycle ending in 2023 and renewed in 2024, as well as the GDF contract gradually closing in 2024. Both contracts are affecting multiple balance sheet positions including advanced payments received.

NOTES TO THE COMPANY-ONLY PROFIT AND LOSS ACCOUNT

SHARE IN RESULT OF PARTICIPATIONS

	2023	2022
x 1000	USD	USD
Result of participations	**454**	**458**

OTHER NOTES

	2023	2022
AVERAGE NUMBER OF EMPLOYEES		
Average number of employees over the period working in the Netherlands	95	105
Average number of employees over the period working outside the Netherlands	0	0
AVERAGE NUMBER OF EMPLOYEES OVER THE PERIOD	**95**	**105**

Amsterdam, 18 April 2024
Stichting International Dispensary Association

W.M.W. Eggen CEO	J. Ipema CFO/COO	A.C.C. van Els (Chairman) Supervisory board
E.A. Bakkum Supervisory board	C.J.A.M Romme Supervisory board	M.R. Damen Supervisory board

OTHER
INFORMATION

REFERENCE TO THE INDEPENDENT AUDITOR'S OPINION

INDEPENDENT AUDITOR'S REPORT

To: the board of directors and the supervisory board of Stichting International Dispensary Association

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2023

Our opinion
In our opinion, the financial statements of Stichting International Dispensary Association ('the Foundation') give a true and fair view of the financial position of the Foundation and the Group (the foundation together with its subsidiaries) as at 31 December 2023, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited
We have audited the accompanying financial statements 2023 of Stichting International Dispensary Association, Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The financial statements comprise:

- the consolidated and company-only balance sheet as at 31 December 2023;
- the consolidated profit and loss account and the company-only abridged profit and loss account for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

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

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

Independence
We are independent of Stichting International Dispensary Association in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (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).

INFORMATION IN SUPPORT OF OUR OPINION

We designed our audit procedures with respect to fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks
We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Stichting International Dispensary Association and its environment and the components of the internal control system. This included the board of directors' risk assessment process, the board of directors' process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to the section 'Fraud risk' of the directors' report for the director's fraud risk assessment and the seventh alinea of the supervisory board report in which the supervisory board reflects on this fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistle-blower procedures and the existence of the compliance committee. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the board of directors as well as the compliance department and the members of the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.
As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
Fraud due to management override of controls	Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries and making estimates. We performed our audit procedures primarily substantive-based. We verified that there is an appropriate fraud risk assessment, code of conduct, whistle-blower procedures and a compliance committee available. We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation. We also paid particular attention to consolidation and elimination entries, focusing on testing entries that affect revenue and results in the relevant fiscal year. We performed substantive audit procedures on significant transactions outside the normal course of business. We also performed specific audit procedures related to important estimates of the directors, including inventory provision, allowance for doubtful accounts, estimates in revenue, and the restructuring provision. We specifically paid attention to the inherent risk of bias of the directors in estimates. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.
Fraud in revenue recognition due to overstating revenue and shifting revenues between the business lines	We evaluated the design and implementation of the internal control system in the processes related to revenue reporting. We performed our audit procedures primarily substantive-based. We performed data analyses to identify potential notable revenue entries in the fiscal year and performed specific substantive audit procedures on these entries, including determining whether these entries are based on deliveries that actually took place in the financial year. Furthermore, we analysed back-dated journals and journals where revenue may have shifted between the business lines. We tested, on a sample basis, the delivery performance condition based on sales agreements, delivery documents, sales invoices and cash receipts. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence, occurrence and presentation and disclosure of the revenue reporting.
Risk of bribery and corruption – Use of Agents	We evaluated the design and implementation of the internal control system in the processes related to entering contracts with agents and the monitoring and reviewing of the work performed by agents. We performed our audit procedures in a mix of controls- and substantive procedures. In addition, we selected agent contracts in high-risk countries and analysed the commissions paid to these agents. For each agent in the selection, we determined whether: • A background investigation was conducted and whether the outcomes of this investigation are assessed before a contract is signed. • Contracts have been reviewed and signed by an authorised official. • The agreed commission is calculated and paid accurately and completely to a bank account held by the agent. • The agreed commission matches the work performed by the agent based on a benchmark of the commission percentage used in the industry and at the Foundation. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to paying bribes by and at the initiative of agents.

Identified fraud risks	Our audit work and observations
Risk of bribery and corruption - Kickbacks due to procurement activities abroad	We evaluated the design and implementation of controls in the processes related to the contract negotiations with new suppliers. We performed our audit procedures in a mix of controls and substantive procedures. We performed testing over the purchase tender process of the Foundation and verified that the internal control procedures were followed. Furthermore, we selected purchase orders during the year and verified that the purchase prices were in line with the purchase agreements. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the tendering of new suppliers

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

As disclosed in the section 'going concern' in the directors' report, and the section 'general notes – disclosure of going concern' in the financial statements, the board of directors performed their assessment of the Foundation's ability to continue as a going concern for at least twelve months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern (hereafter: going concern risks).

Our procedures to evaluate the board of directors' going concern assessment included, amongst others:

- considering whether the board of directors' going-concern assessment includes all relevant information of which we are aware as a result of our audit, by establishing that the overall view of our audit is in line with the going-concern assessment and inquiring with the board of directors regarding the board of directors' most important assumptions underlying its going- concern assessment;
- evaluating the board of directors' current budget including cash flows for at least twelve months from the date of preparation of the financial statements taken into account current developments in the industry and all relevant information of which we are aware as a result of our audit;
- analysing the cash position, bank guarantee facility and equity positions of the foundation per year end to enable the continuation of the foundation's operations;
- performing inquiries of the board of directors as to its knowledge of going-concern risks beyond the period of the board of directors' assessment.

Based on our procedures performed, we concluded that the board of directors' use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern.

Report on the other information included in the financial report

The financial report contains other information. This includes all information in the financial report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

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

By performing our 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 such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the board of directors and the supervisory board 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; and 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.

In preparing the financial statements, the board of directors is responsible for assessing the Foundation'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 Foundation or to cease operations or has no realistic alternative but to do so. The board of directors should disclose in the financial statements any event and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Foundation's financial reporting process.

Our responsibilities for the audit of the financial statements
Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They 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.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 18 April 2024
PricewaterhouseCoopers Accountants N.V.

J. van Weezenbeek RA

APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2023 OF STICHTING INTERNATIONAL DISPENSARY ASSOCIATION

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, 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 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional 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 Foundation'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, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Foundation'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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Foundation to cease 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.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

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

PROVISIONS OF THE ARTICLES OF ASSOCIATION RELATING TO PROFIT APPROPRIATION

Article 3 and article 4 of the articles of association states the following regarding objective and resources and capital.

In accordance Objective and resources.
Article 3
1. The Foundation's objective is to improve access to, and to deliver high quality essential medicines and medical supplies at the lowest possible price to low and middle income countries, and to perform all such further acts as may be related or conducive to the foregoing in the broadest sense.

2. The Foundation preferably supplies the medicines and supplies referred to in paragraph 1 to institutions and organisations for humanitarian aid, and other institutions and organisations that focus on the provision of regular access to health care and on conditions that are in accordance with the Foundation's humanitarian objective.

3. The Foundation tries to achieve its objectives, inter alia, by:

A. importing, exporting, selling, distributing, trading in, marketing of, and consultancy with respect to medicines, dressings and bandages, pharmaceutical raw materials, medical devices and related products, as well as other products that are or may be relevant to realisation of the Foundation's objectives;

B. checking the quality of the products referred to under a.;

C. providing education, advice, training and assistance in respect of local or regional initiatives in the field of production and distribution of the products referred to under a.;

D. collaborating with institutions and organisations within and outside the Netherlands with objectives similar to those of the Foundation or active in a field related to the Foundation's objectives, as well as with all such legitimate means as may be conducive to realisation of the Foundation's objectives, all in the broadest sense.

4. The Foundation does not seek to make any profit. The available resources shall be spent efficiently and effectively, in accordance with the Foundation's objective.

Capital.
Article 4
1. The Foundation's capital shall consist of the operating surplus in respect of the activities carried out by the Foundation, as well as other income.

2. Testamentary dispositions may be accepted only subject to the benefit of inventory.

3. The Foundation's capital serves to realise the Foundation's objectives.

BRANCH OFFICES

IDA Foundation has a branch office in the United Arab Emirates with a trade license from the Jebel Ali Free Zone (Jafza). The branch office is structured as a permanent establishment in Dubai.