

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of  
Sustainable Agriculture Network and Red de Agricultura Sostenible AC and Subsidiary

### *Opinion*

We have audited the accompanying combined financial statements of Asociación SAN Sustainable Agriculture Network and Red de Agricultura Sostenible AC and Subsidiary (the "Group"), which comprise the combined statement of financial position as of December 31, 2022 and the combined statements of activities of net assets, the combined statements of changes in net assets and the combined statements of cash flows for the year then ended, and the notes to the combined financial statements, including a summary of the significant accounting policies.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the consolidated financial position of Asociación SAN Sustainable Agriculture Network and Red de Agricultura Sostenible AC and subsidiary as of December 31, 2022, their consolidated financial performance and their combined cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

### *Basis for Opinion*

We conducted our audits in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Combined Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics of the Association of Certified Public Accountants of Costa Rica and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis on Matter*

Restatement of Financial Statements - Without qualifying our opinion, the combined financial statements of the Group as of December 31, 2021 and for the period then ended, which were audited by the predecessor auditor, were restated to appropriately reflect the accounts receivable and revenue for 2021 (Note 16). We have only reviewed the restatement adjustment and consider it to be fair.

## *Other Matter*

Predecessor Auditor Opinion - The combined financial statements of the Group as of December 31, 2021, and for the year then ended, were audited by other independent auditors, who in their report expressed a clean opinion on June 17, 2022.

## *Responsibilities of Management and Those Charged with Governance of the Group for the Combined Financial Statements*

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

In preparing the combined financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern principle and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Group.

## *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these combined financial statements.

As part of an audit in accordance with the International Standards of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence about the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. We are responsible for the management, oversight and performance of the Group's audit. We are solely responsible for our audit opinion.

We communicate with those charged with governance of the Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, as well as any significant deficiencies in internal control that we identify during our audit.

Deloitte & Touche, S.A.  
Member of Deloitte Touche Tohmatsu Limited



C.P.A. Jesús Cervantes Pérez

November 1, 2023

**ASOCIACIÓN SAN SUSTAINABLE AGRICULTURE NETWORK AND  
RED DE AGRICULTURA SOSTENIBLE AC AND SUBSIDIARY**

**COMBINED STATEMENTS OF FINANCIAL POSITION**

**AS OF DECEMBER 31, 2022 AND 2021**

(Expressed in US Dollars)

	Notes	2022	2021 (Restated)	2020
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and cash equivalents	4	US\$6,504,136	US\$1,257,306	US\$2,758,853
Investments in certificates of deposit		37,500		
Accounts receivable	5	118,159	2,344,654	160,206
Prepayments			26,201	31,550
Total current assets		<u>6,659,795</u>	<u>3,628,161</u>	<u>2,950,609</u>
NON-CURRENT ASSETS:				
Furniture and equipment - net	6	20,922	16,374	28,729
Software - net			264	132
Security deposits		3,371	3,371	2,834
Deferred expenses		<u>30,642</u>	<u>119,793</u>	
Total non-current assets		<u>54,935</u>	<u>139,802</u>	<u>31,695</u>
TOTAL ASSETS		<u>US\$6,714,730</u>	<u>US\$3,767,963</u>	<u>US\$2,982,304</u>
<b>NET LIABILITIES AND ASSETS</b>				
SHORT-TERM LIABILITIES:				
Suppliers		US\$ 42,778	US\$ 169,385	US\$ 16,161
Taxes and accrued expenses	7	50,454	42,987	54,745
Deferred income	1n, 8	<u>5,134,877</u>	<u>1,526,695</u>	
Total liabilities		<u>5,228,109</u>	<u>1,739,067</u>	<u>70,906</u>
NET ASSETS:				
Net accrued assets		1,562,698	2,870,303	3,651,524
Translation effects		<u>(76,077)</u>	<u>(841,407)</u>	<u>(740,126)</u>
Total net assets		<u>1,486,621</u>	<u>2,028,896</u>	<u>2,911,398</u>
TOTAL NET LIABILITIES AND ASSETS		<u>US\$6,714,730</u>	<u>US\$3,767,963</u>	<u>US\$2,982,304</u>

The accompanying notes are an integral part of the financial statements.

**ASOCIACIÓN SAN SUSTAINABLE AGRICULTURE NETWORK AND  
RED DE AGRICULTURA SOSTENIBLE AC AND SUBSIDIARY**

**COMBINED STATEMENTS OF NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in US Dollars)

	Notes	2022	2021 (Restated)
PROJECTS	9	US\$ 3,462,217	US\$1,037,259
OTHER INCOME		<u>1,647</u>	<u>10,595</u>
TOTAL INCOME		<u>3,463,864</u>	<u>1,047,854</u>
OPERATING EXPENSES	10	3,739,666	1,924,127
INTEREST INCOME		(8,713)	(7,104)
EXCHANGE RATE DIFFERENCE - Net		<u>1,040,516</u>	<u>(87,948)</u>
		<u>4,771,469</u>	<u>1,829,075</u>
NET ASSET LOSS BEFORE TAXES		<u>(1,307,605)</u>	<u>(781,221)</u>
NET LOSS OF THE YEAR		(1,307,605)	(781,221)
NET ASSETS AT THE BEGINNING OF THE YEAR		<u>2,870,303</u>	<u>3,651,524</u>
NET ACCRUED ASSETS		<u>US\$ 1,562,698</u>	<u>US\$2,870,303</u>
ITEMS THAT CAN BE RECLASSIFIED SUBSEQUENTLY TO INCOME:			
Effect of translation of financial statements		<u>US\$ 765,330</u>	<u>US\$ (101,281)</u>

The accompanying notes are an integral part of the financial statements.

**ASOCIACIÓN SAN SUSTAINABLE AGRICULTURE NETWORK AND  
RED DE AGRICULTURA SOSTENIBLE AC AND SUBSIDIARY**

**COMBINED STATEMENTS OF CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in US Dollars)

	<b>Undistributed Net Assets</b>	<b>Translation Effects</b>	<b>Total Net Assets</b>
BALANCES AS OF DECEMBER 31, 2020	US\$ 3,651,524	US\$(740,126)	US\$ 2,911,398
Variation in translation effects 2021		(101,281)	(101,281)
Net surplus or loss 2021	<u>(781,221)</u>	<u>                    </u>	<u>(781,221)</u>
BALANCES AS OF DECEMBER 31, 2021 (Restated)	2,870,303	(841,407)	2,028,896
Variation in translation effects 2022		765,330	765,330
Net loss 2022	<u>(1,307,605)</u>	<u>                    </u>	<u>(1,307,605)</u>
BALANCES AS OF DECEMBER 31, 2022	<u>US\$ 1,562,698</u>	<u>US\$ (76,077)</u>	<u>US\$ 1,486,621</u>

The accompanying notes are an integral part of the financial statements.

**ASOCIACIÓN SAN SUSTAINABLE AGRICULTURE NETWORK AND  
RED DE AGRICULTURA SOSTENIBLE AC AND SUBSIDIARY**

**COMBINED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

(Expressed in US Dollars)

	<b>2022</b>	<b>2021 (Restated)</b>
<b>OPERATING ACTIVITIES</b>		
Net loss of the year	US\$(1,307,605)	US\$ (781,221)
Items related to investment activities:		
Depreciation	3,593	6,014
Interest credit	<u>(8,713)</u>	<u>(7,104)</u>
	(1,312,725)	(782,311)
Accounts receivable	2,226,495	(2,184,448)
Prepayments, security deposits	26,201	4,812
Investments in certificates of deposit	(37,500)	
Interest receivable on investments	(780)	
Suppliers	(126,607)	153,224
Taxes, accrued expenses	7,467	(11,758)
Deferred expenses	<u>89,151</u>	<u>(119,793)</u>
Cash provided by operating activities	871,702	(2,940,274)
Interest received	<u>8,713</u>	<u>7,104</u>
Cash provided by (used in) operating activities	<u>880,415</u>	<u>(2,933,170)</u>
<b>INVESTMENT ACTIVITIES</b>		
Acquisition of furniture and equipment, net	(7,361)	6,055
Net software	<u>264</u>	<u>154</u>
Net cash (used in) provided by investment activities	<u>(7,097)</u>	<u>6,209</u>
<b>FINANCING ACTIVITIES</b>		
Deferred income	<u>3,608,182</u>	<u>1,526,695</u>
Net cash used in financing activities	<u>3,608,182</u>	<u>1,526,695</u>
NET INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS	4,481,500	(1,400,266)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,257,306	2,758,853
TRANSLATION EFFECTS OF CHANGES IN VALUE OF CASH, FROM TRANSLATION OF BALANCES AND CASH FLOWS OF FOREIGN OPERATIONS TO THE CURRENCY OF THE REPORT	<u>765,330</u>	<u>(101,281)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>US\$ 6,504,136</u>	<u>US\$ 1,257,306</u>

The accompanying notes are an integral part of the financial statements.