ANNUAL REPORT

SOCFIN S.A.

2020

Table of contents

Group Profile

1. Overview of the Group

Société Financière des Caoutchoucs S.A., abbreviated "Socfin" is a Luxembourgish entity (the “Company”), with registered office at 4, avenue Guillaume, L-1650 Luxembourg. It was incorporated on 5th December 1959 and is listed on the Luxembourg Stock Exchange.

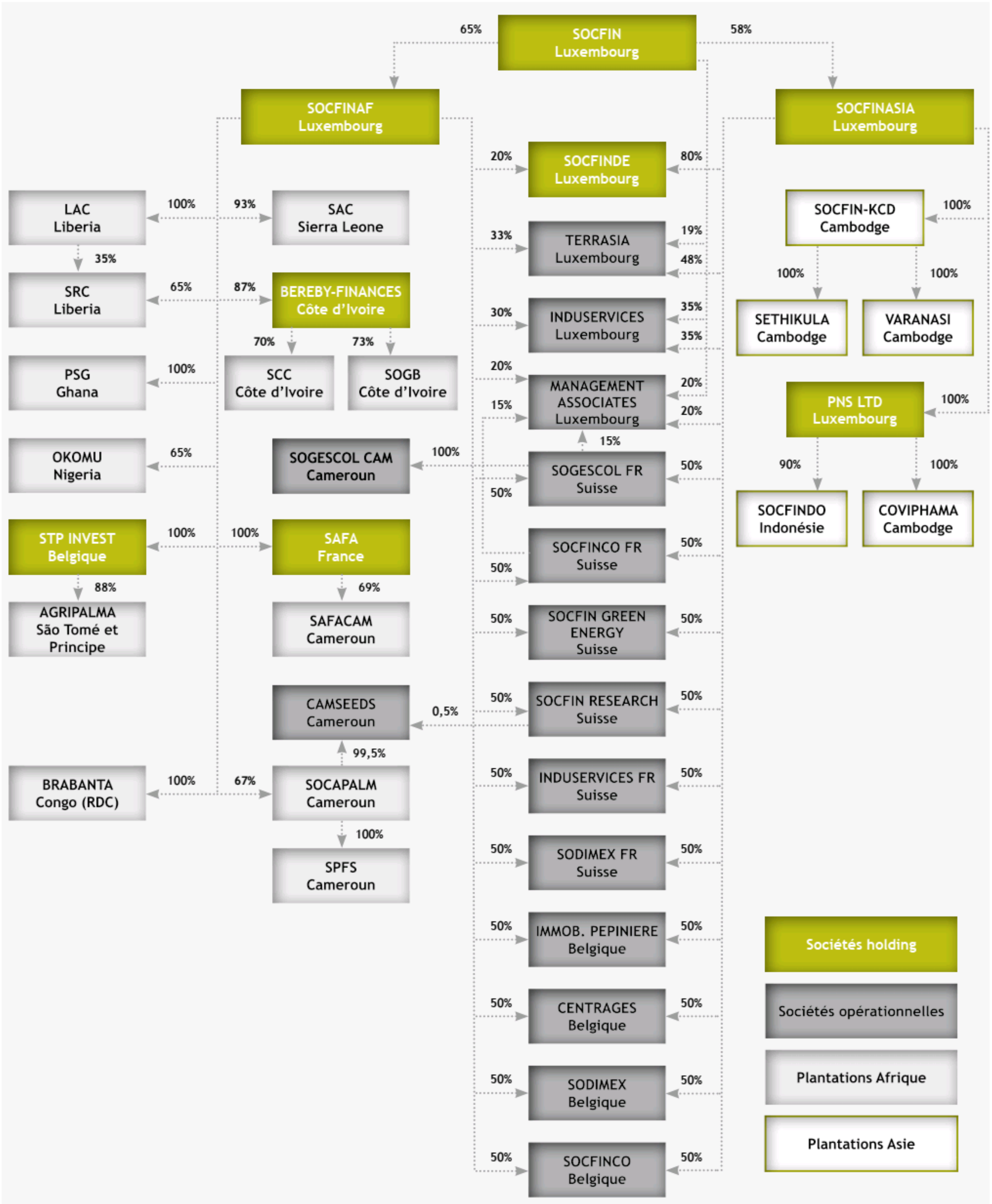
The principal activity of Socfin S.A. is to manage a portfolio of shares mainly focused on the exploitation of more than 192 000 hectares of tropical palm oil plantations and rubber trees located in Africa and Southeast Asia. Socfin employs 33 834 people and achieved a consolidated revenue of EUR 605.3 million in 2020.

2. History

- **05/12/1959** Constitution of the Société Financière Luxembourgeoise S.A., abbreviated as "Socfinal" in the form of a holding company
- **09/06/1960** The Socfinal shares have been listed on the Luxembourg Stock Exchange.
- **31/12/1960** Since its formation, Socfinal has invested, among others, in: Société Financière des Caoutchoucs "Socfin" S.A. (Belgium); Plantations Nord-Sumatra (Belgium); Selangor Plantations Company Berhad (Malaysia); Sennah Rubber Company Ltd (England) and various societies of Congolese equatorial cultures.
- **31/12/1965** The portfolio includes new investments in Indonesia: Société de Cultures Asahan S.A. ; Société de Cultures Batangara S.A; Huileries de Deli S.A. and Société de Cultures Sungei Liput S.A.
- **31/12/1971** Socfinal invests in the Compagnie Internationale de Cultures "Intercultures" S.A., a Luxembourg company listed on the Luxembourg Stock Exchange; Socfin Industrial Development "Socfinde" S.A. (Luxembourg) and in Compagnie du Cambodge (France).
- **31/12/1972** Socfinal participates in the formation of Socfinasia S.A. (Luxembourg) in exchange for the shares of Indonesian companies Asahan, Batangara, Huileries de Deli and Sungei Liput. Socfinasia S.A. will be listed on the Luxembourg Stock Exchange in 1973.
- **31/12/1975** Disposal of Socfin (Belgium) shares from the portfolio.
- **31/12/1980** Acquisition of Selangor Holding S.A. shares, a Luxembourg company listed on the Luxembourg Stock Exchange.
- **31/12/1994** Socfinal invests 60% in the capital of SOGB (Ivory Coast) following the privatization of this Ivorian plantation. This participation will be transferred to Intercultures.
- **31/12/1999** Sale of holdings Selangor Holding and Plantations Nord-Sumatra S.A.
- **31/12/2000** Sale of Sennah Rubber Company Ltd shares following the public tender on these shares.
- **15/11/2006** Following the distribution of Intercultures shares by Socfinasia S.A. (spin-off), Socfinal directly holds, on one side Socfinasia S.A. (Asia) and on the other Intercultures (Africa).
- **30/06/2008** Constitution of Management Associates (Luxembourg).

- **10/01/2011** Extraordinary General Meeting which ratified to abandon the holding 29 status and the change of the name to Société Financière des Caoutchoucs, abbreviated "Socfin". Change of the name of Intercultures to Socfinaf S.A.
- **01/06/2011** Share split by 20
- **29/08/2014** Socfin exchanged 9% of Socfinaf S.A. shares against 100% of the shares of the company incorporated under French law, Société Anonyme Forestière and Agricole SAFA. The latter owns 68.93% of Safacam S.A., a Cameroon plantation company that exploits 5,400 hectares of palm oil trees and 4,400 hectares of rubber trees. Following this exchange, Socfin still holds 55.08% of Socfinaf S.A.
- **31/12/2014** The SAFA participation was brought to Socfinaf S.A. through a capital increase by contribution in kind. Socfin holds 56.48% of the capital of Socfinasia S.A. and 58.79% of the capital of Socfinaf S.A

3. Group Structure



4. Information on the holdings of Socfin

Portfolio	Number of shares	Direct %
1) Listed Shares		
Luxembourg		
Socfinasia S.A.	11 382 328	58.09%
Socfinaf S.A.	11 506 599	64.51%
2) Non-listed Shares		
Luxembourg		
Terrasia S.A.	1 891	18.91%
Induservices S.A.	3 500	35.00%
Management Associates S.A.	2 000	20.00%

The following pages contain a summary of the activity and comments on the financial information for the past two financial years of the main companies in which Socfin holds a direct or indirect participation.

Unless indicated otherwise, equity includes capital, reserves and the results brought forward before allocation of current year results.

Corporate data refers to consolidated data.

The balance sheet figures are presented in the functional currency of the respective entities.

SOCFINASIA S.A.

SOCFINASIA S.A. is a Luxembourgish entity which holds stakes in companies that operate directly or indirectly in South-East Asia in the rubber and palm-oil sectors.

Share Capital: EUR 24 492 825.

The profit for the year ended 31st December 2020 amounts to EUR 32 138 586. The Board of Directors will propose to the Annual General Meeting on 25th May 2021 the payment of a dividend of EUR 0.50 per share. EUR 0.30 has already been paid at the end of 2020 as an interim payment for the financial year 2020.

Key figures (thousands of EUR)

As of 31st December	***2020***	***2019***
Fixed assets	314 839	314 805
Current assets	110 955	96 084
Equity (*)	421 368	406 646
Borrowings, provisions and third parties	4 126	4 242
Profit for the year	32 139	17 436
Distributions	17 417	17 417
Share price (Euro)	14.50	16.30
Dividend per share (Euro)	0.80	0.80
Dividend / market capitalisation (%)	5.52	4.91
Socfin's stake (%)	58.09	57.81

(*) Before allocation of the final dividend but considering the interim dividends.

SOCFINAF S.A.

SOCFINAF S.A. is a Luxembourgish entity holding stakes in companies that operate directly or indirectly in tropical Africa, mainly in the rubber and palm oil sectors.

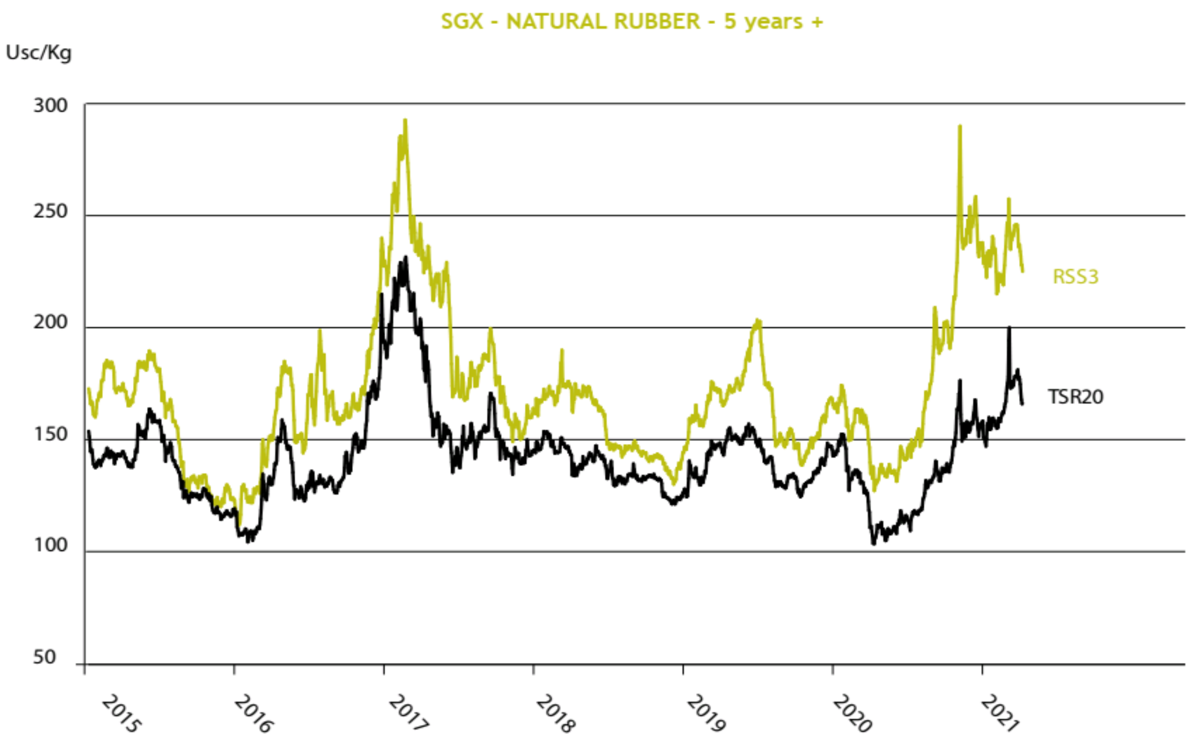
Share Capital: EUR 35 673 300.

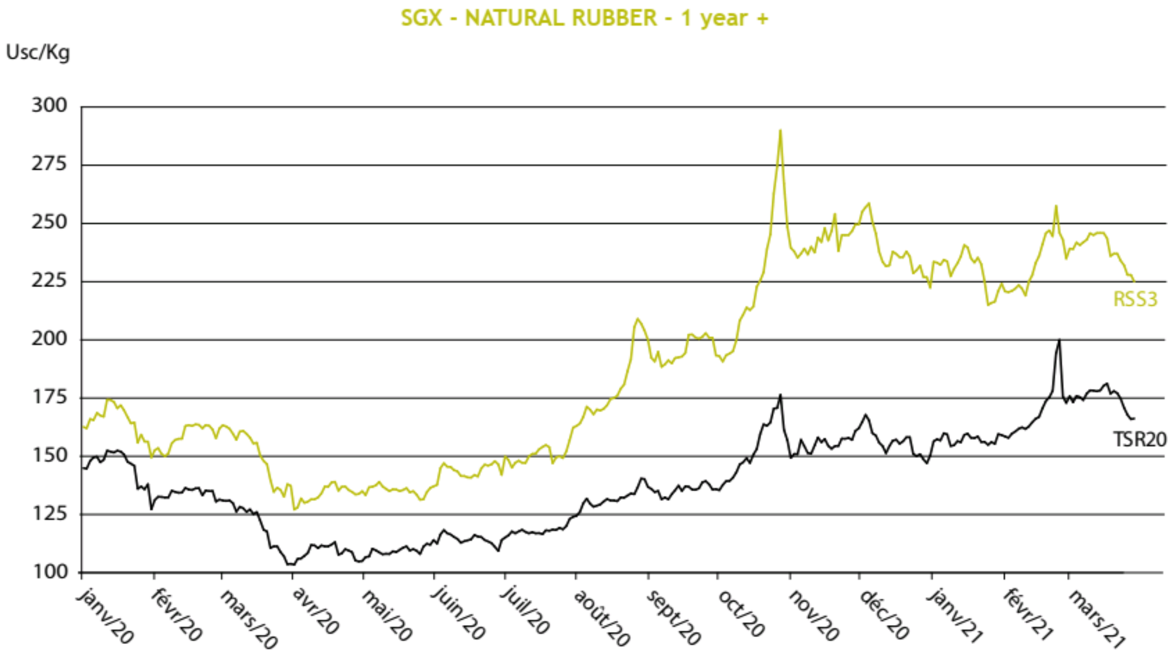
The loss for the year ended 31st December 2020 amounts to EUR 28 649 334. The Board of Directors will propose to the Annual General Meeting of 25th May 2021 not to pay any dividend for the financial year 2020.

Key figures (thousands of EUR)		
As of 31st December	*2020*	*2019*
Fixed assets	513 290	543 124
Current assets	4 824	5 346
Equity	252 297	280 947
Borrowings, provisions and third parties	265 821	267 524
Profit for the year	-28 649	21 577
Share price (Euro)	11.10	12.00
Socfin's stake (%)	64.51	62.00

International market for rubber and palm oil

1. Rubber





The International Market in 2020

The average price of natural rubber (TSR20 1st position on SGX) was USD 1 317 per ton FOB Singapore in 2020 against USD 1 406 per ton in 2019.

Converted in Euro, the average rate in 2020 is EUR 1 154 per ton against EUR 1 256 per ton in 2019.

The prices of natural rubber experienced an upward turn since beginning of the year and has briefly come over USD 1 500 per ton by mid-January. Several factors contributed to the market confidence, including the approach of the winter season, the concerns about the development of a rubber tree disease in several regions of Southeast Asia and the announcement of a first trade agreement between China and the United States.

The rise in prices suddenly came to end following the Covid-19 outbreak in China and then globally. The lockdown measures and the shutdown of industrial activity in many countries caused a drop in demand and prices for raw materials.

Natural rubber prices were not spared. The TSR20 1st position on SGX went from USD 1 520 per ton in mid-January to a level close to USD 1 000 per ton FOB Singapore towards the end of March.

All sectors linked to the automotive industry are suffering the full impact of the crisis. As a result of the lockdown measures and the sudden halt in demand, almost all car and tire factories around the world have been shut down and/or at best have been producing at very reduced capacity.

Car and tire manufacturers gradually restarted their plants at the end of the initial lockdown measures, leading to a recovery in demand in the third quarter that accelerated significantly in the fourth quarter.

In this context of recovery, natural rubber prices started to rise again in July. The prospects for improved demand and the fall in the US dollar had an upward effect on prices.

The recovery in demand, particularly in China, coincided with a slowdown in natural rubber production in Southeast Asia, which was also affected by the Covid-19 restrictions.

Government sanitary measures also disrupted tappers' access to major producing countries such as Thailand and Malaysia. Low prices have also led to a contraction in supply from certain origins. In addition, the "La Niña" climatic factor has also impacted natural rubber production in South East Asia.

Natural rubber prices reached their highest level of the year at 1 764 USD per ton at the end of October, driven by speculative funds, just before unwinding their positions in the run-up to the US elections, causing the market to correct to levels close to 1 500 USD per ton.

The TSR20 1st FOB Singapore position on SGX closed at 1 503 USD per ton for the year 2020.

Outlook 2021

Natural rubber prices continued to rise at the beginning of the year and are currently above 1 700 USD per ton.

World demand is currently sustained in a context of reduced supply as the winter season approaches in the producing countries.

The beginning of this year is also characterized by major logistical difficulties from Asia, which are creating supply problems for natural rubber, particularly in Europe and the United States, and are pushing prices up.

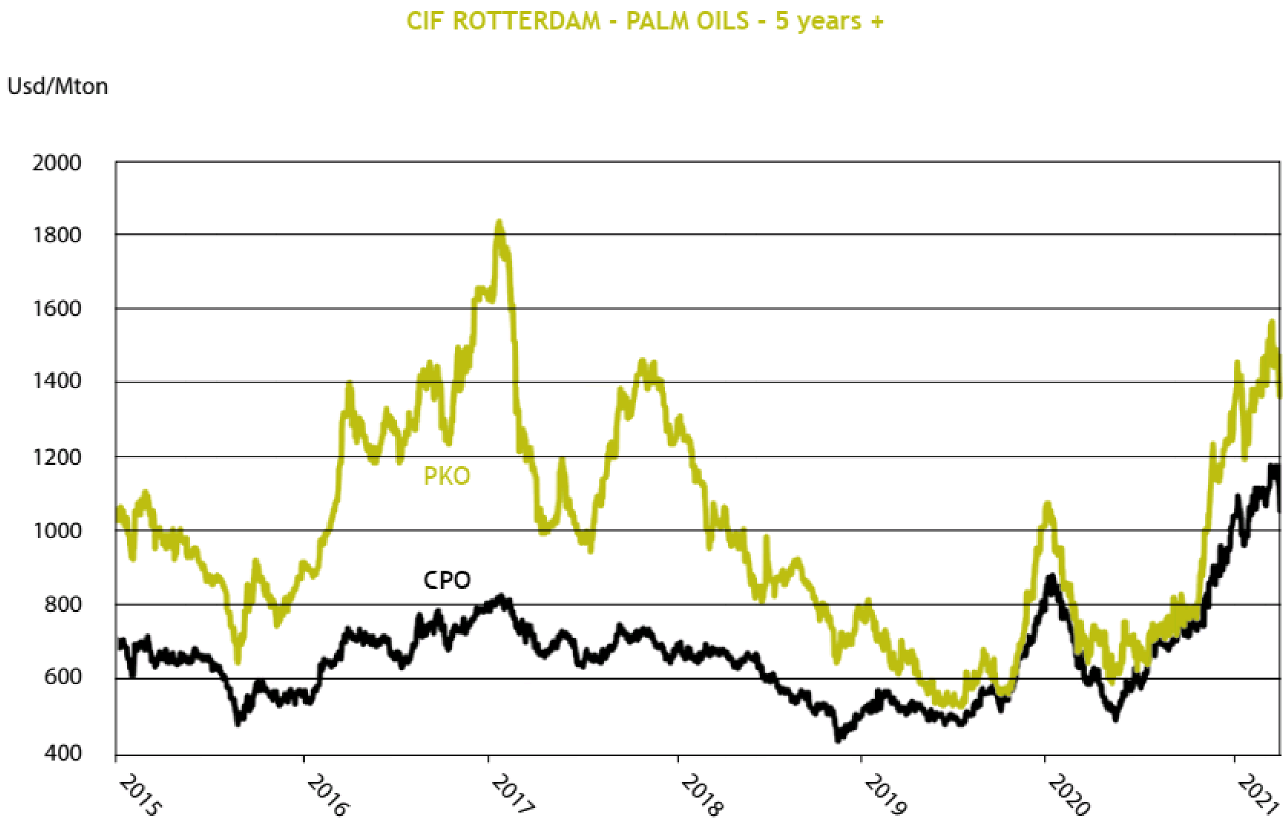
While tire manufacturers seem to be gradually returning to their pre-COVID-19 production levels, many uncertainties remain regarding the evolution of the natural rubber market. The evolution of the global sanitary situation is still very uncertain.

In its latest forecast dated December 2020, the IRSG (International Rubber Study Group) now estimates world natural rubber production at 12.94 million tons in 2020, down by more than 5% compared to 2019, and world consumption at 12.70 million tons, down by almost 7% compared to 2019.

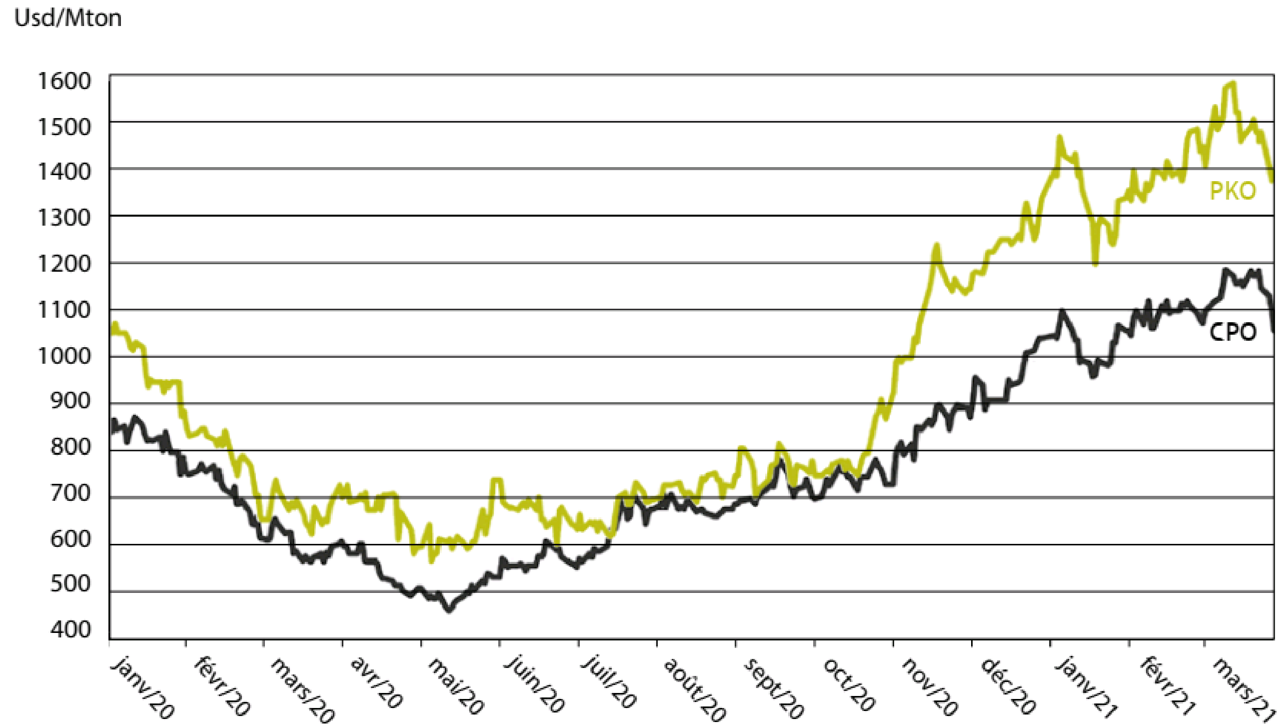
The IRSG estimates global natural rubber production at 13.51 million tons in 2021 and global consumption at 13.41 million tons.

TSR20 1st FOB Singapore on SGX quotes at USD 1 783 per ton as of 11th March 2021.

2. Palm Oil



CIF ROTTERDAM - PALM OILS - 1 year +



World palm oil production in millions of tons
(source: Oil World)

	2021 (*)	2020 (*)	2019 (*)	2018	2017	2016	2015	2005	1995
Indonesia	45.4	42.3	44.2	41.6	36.8	32.1	33.4	14.1	4.2
Malaysia	18.8	19.1	19.9	19.5	19.9	17.3	20.0	15.0	7.8
Other	12.8	12.4	12.4	11.9	11.2	9.5	9.1	4.8	3.2
TOTAL	***77.0***	***73.8***	***76.5***	***73.0***	***67.9***	***58.9***	***62.5***	***33.9***	***15.2***

(*) Estimate.

Production of main oils in millions of tons
(source: Oil World)

	Oct 2020 to Sep 2021 (*)	2020 (*)	2019	2018	2017	2016	2015	2005	1995
Palm	77.0	73.8	76.5	73.0	67.9	58.9	62.5	33.9	15.2
Soy	60.0	58.0	56.8	56.8	53.9	51.5	48.8	33.6	20.2
Colza	25.9	25.2	24.9	25.6	25.4	25.0	26.3	16.2	10.8
Sunflower	18.9	21.4	20.7	19.0	19.0	16.4	15.1	9.7	8.7
Cotton	4.4	4.6	4.6	4.7	4.2	4.1	4.7	5.0	3.9
Peanut	4.0	3.9	3.7	4.0	4.2	3.7	3.7	4.5	4.3
Palm kernel	8.1	7.8	8.1	7.7	7.2	6.4	6.8	4.0	2.0
Coconut	2.8	2.6	2.9	2.9	2.4	2.7	2.9	3.2	3.3
TOTAL	***201.1***	***197.3***	***198.2***	***193.7***	***184.2***	***168.7***	***170.8***	***110.1***	***68.4***

(*) Estimate.

The International Market 2020

The average price of CIF Rotterdam crude palm oil in 2020 is USD 715 per ton against USD 566 per ton in 2019.This is the lowest annual average price since 2006.

2019 had been obviously remembered due to the trade war between the United States and China, which severely disrupted most commodity markets. At the same time, world vegetable oil stocks remained at high level for most of the year, weighing negatively on prices.

However, palm oil prices rebounded sharply at the end of 2019 (beginning of 2020), driven in particular by the announcements made by Malaysia and Indonesia to increase their consumption of palm oil for the manufacturing of biodiesel as from 2020 (B20 in Malaysia and B30 in Indonesia). These announcements coincided with a slowdown in supply in the producing countries.

CIF Rotterdam crude palm oil prices were trading around USD 850 per tonne in mid-January 2020. The rise in prices came to a halt when India, the world's largest importer of palm oil, announced to boycott palm oil imports from Malaysia against the background of geopolitical tensions between both countries.

Shortly afterwards, the emergence of the Covid-19 in China and the rest of the world led to a downward spiral in palm oil prices.

The falling oil prices from nearly USD 70 per barrel in early January to temporarily below USD 30 per barrel in April also impacted the demand for palm oil for biodiesel production.

CIF Rotterdam crude palm oil prices hit their lowest level of the year in mid-May and briefly fell below USD 500 per ton.

Demand for palm oil recovered with the end of the lockdown measures. At the same time, Covid-19 also impacted palm oil supply. Restrictions on movement have led to labor problems in some parts of Southeast Asia, hampering the harvesting process. In addition, yields have fallen due to a reduction in the use of fertilizers and the possible aging of certain orchards, a direct consequence of the low price levels of the past three years.

Southeast Asian producing countries have also been affected by heavy rainfall in the last quarter of 2020, following the El Niño climate factor which has caused a slowdown in palm oil production.

Oil World estimated, in its latest February 2021 forecast, that global palm oil production, after having increased by 5 million tons in 2018, and more than 3 million tons in 2019, would have declined by about 2.7 million tons in 2020.

Since September, palm oil has also benefited from higher soybean prices, driven by very strong demand from China for US soybeans and unfavourable weather conditions in South America.

At the same time, palm oil exports to India, China and Pakistan have intensified, putting further pressure on the stocks of producing countries.

CIF Rotterdam crude palm oil prices have thus experienced a spectacular rebound since June 2020 and closed on 31st December 2020 at around 1 050 USD per ton, being an increase of almost 110% compared to their annual low level in May.

Outlook 2021

According to Oil World, world palm oil production, is expected to significantly reach 77 million tons in 2021.

However, the current pressure on stocks, at their lowest level in 3 years, remains strong and should continue to give support to palm oil prices in the coming months. Added to this is the rise in oil prices and weather problems that are disrupting the ongoing soybean harvest in South America.

The price of crude palm oil CIF Rotterdam quotes on 11th March 2021 was around USD 1 125 per ton.

Environment and Social Responsibility

On 22nd March 2017, the Group adopted its new policy on corporate responsibility. It is based on the four principles of responsible development, improvement of management practices, respect for human rights and transparency.

An implementation plan for this policy has been defined and executed throughout the 2020 financial year.

The efforts and actions undertaken by the Socfin Group in this area are detailed in a dashboard regularly updated as well as in a separate annual report ("Sustainable Development Report").
The corporate responsibility policy, the dashboard and the annual sustainable development report are available on the Group's website.

The annual sustainability report is also available from the Company's head office upon request.

Key figures

1. Activity Indicators

Area (hectares)		*Rubber*		*Palm*
As at 31st December 2020				
Immatures (by year of planting)				
2020		802		2.337
2019		1.528		2.085
2018		2.405		3.576
2017		1.953		0
2016		1.684		0
2015		2.789		0
2014		3.447		0
2013		1.582		0
2012		666		0
2011		490		0
Total immatures		***17 346***		***7 998***
Young	(from 8 to 11 years)	17.885	(from 4 to 7 years)	38.310
Matured	(from 12 to 22 years)	17.472	(from 8 to 18 years)	43.400
Old	(above 22 years)	9.857	(above 18 years)	40.225
Total in production		***45.213***		***121.936***
TOTAL		**62.560**		**129.934**

Area (hectares)	*2020*	*2019*	*2018*	*2017*	*2016*
Palm	129 933	129 667	130 575	128 188	124 595
Rubber	62 560	63 190	63 726	63 885	64 797
TOTAL	**192 493**	**192 857**	**194 301**	**192 073**	**189 392**

Production	*2020*	*2019*	*2018*	*2017*	*2016*
Palm Oil (tons)	**503 926**	**468 441**	**456 781**	**432 470**	**376 810**
Own production	468 303	434 013	426 227	407 741	356 012
Third party purchases	35 623	34 428	30 554	24 730	20 798
Rubber (tons)	**160 411**	**162 975**	**144 845**	**129 672**	**123 645**
Own production	64 082	68 873	62 895	63 374	58 595
Third party purchases	96 329	94 102	81 950	66 297	65 050
Seeds (thousands)					
Own production	9 454	6 308	14 875	14 149	16 064

Turnover (millions EUR)	*2020*	*2019 Restated (*)*	*2018 Restated (*)*	*2017*	*2016*
Palm	346.5	308.5	306.0	315.2	281.8
Rubber	182.7	200.3	162.8	191.8	148.6
Other agricultural products	4.5	3.8	9.4	8.5	10.6
Trading activities	64.5	72.4	56.2	100.8	68.8
Other	7.1	6.8	6.9	9.4	7.5
TOTAL	**605.3**	**591.9**	**541.3**	**625.8**	**517.3**

(*) Refer to Note 3

Staff	*2020*	*2019*	*2018*	*2017*	*2016*
Average workforce	33 834	34 916	33 780	31 312	30 608

2. Key figures in the consolidated income statement

(millions EUR)	*2020*	*2019 Restated (**)*	*2018 Restated (**)*	*2017*	*2016*
Turnover	605	592	541	626	517
Operating income	88	81	91	132	78
Result of the year attributable to the Group	6	9	17	26	11
EBITDA *	168	152	153	198	144
Operating cash flow	141	93	87	172	99
Free cash flow (*)	59	20	-20	70	13

* EBITDA = Earnings before interest, taxes, depreciation and amortization.
(*) Free Cash Flow = Cash flow from operating activities + cash flow from investing activities.
(**) Refer to Note 3.

3. Key figures in the consolidated statement of financial position

(millions EUR)	*2020*	*2019 Restated (*)*	*2018 Restated (*)*	*2017*	*2016*
Bearer biological assets	468	520	512	480	504
Other non-current assets	339	361	356	331	353
Current assets	224	227	209	228	277
Total equity	576	640	642	624	662
Non-current liabilities	144	237	171	183	242
Current liabilities	311	229	263	232	230

(*) Refer to Note 3.

Stock market data

(EUR)	*2020*	*2019 Restated (**)*	*2018 Restated (**)*	*2017*	*2016*
Number of shares	14 159 720	14 159 720	14 159 720	14 159 720	14 159 720
Equity attributable to the owners of the Company	284 874 406	317 582 175	316 147 225	304 236 433	327 128 087
Undiluted net profit per share	0.33	0.64	0.98	1.81	0.81
Dividend per share	0.00	0.55	0.55	0.60	0.60
Share price					
Minimum	18.20	23.20	23.80	23.31	21.16
Maximum	27.00	29.00	30.40	32.50	26.13
Closing	23.20	26.60	28.00	31.00	24.23
Market capitalization (*)	328 505 504	376 648 552	396 472 160	438 951 320	343 090 016
Dividend paid/net profit attributable to the owners of the Company	N/A	85.94%	56.12%	33.15%	74.07%
Dividends/market capitalization	N/A	2.07%	1.96%	1.94%	2.48%
Market price/undiluted net profit per share	70.30	41.56	28.57	17.13	29.91

(*) Market capitalization is the product of the number of shares multiplied by the closing market price.
(**) Refer to Note 3.

Highlights of the year

- Acquisition of 55 649 shares of Socfinasia S.A. to increase the holding percentage to 58.09%.
- Acquisition of 448 089 shares of Socfinaf S.A. to increase the holding percentage to 64.51%.

Corporate governance statement

1. Introduction

Socfin pays close attention to the evolution of the ten principles of corporate governance of the Luxembourg Stock Exchange. It commits to provide the necessary explanations for a comprehensive understanding on how the Company functions.

Corporate governance is a set of principles and rules whose main objective is to contribute to long-term value creation. It allows the Board to promote the interests of the Company and its shareholders while putting in place effective control systems, management of risks and conflicts of interests.

2. Corporate Governance Chart

The Board of Directors adopted the corporate governance charter on 21st November 2018. It has been updated on 17th March 2021 and is available on the Group's website.

3. Board of Directors

Composition of the Board of DIrectors

Name	Nationality	Year of Birth	Position	First nomination	Term of Office
Mr. Hubert Fabri	Belgian	1952	Chairman [(a)]	AGO 1981	AGO 2022
Mr. Vincent Bolloré	French	1952	Director [(a)]	AGE 1990	AGO 2025
Administration and Finance Corporation « AFICO » Represented by M. Luc Boedt	Belgian	1955	Director [(b)]	AGO 2014	AGO 2023
Mr. Philippe de Traux	Belgian	1951	Director [(b)] and General Secretary	AGO 1998	AGO 2024
Mr. François Fabri	Belgian	1984	Director [(b)]	AGO 2014	AGO 2020
Mr. Philippe Fabri	Belgian	1988	Executive Director [(b)]	AGO 2020	AGO 2026

[(a)] Non-Executive Dependent Director
[(b)] Executive Dependent Director

Mr Hubert Fabri, the outgoing Director, is eligible for re-election. It will be proposed at the Annual General Meeting on 25th May 2021 to renew his mandate.

Other mandates held by the directors in listed companies

Hubert Fabri
Chairman

Positions and offices held in Luxembourg companies

- Chairman and director of the Board of Directors of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.

Offices and positions held in foreign companies

- Chairman and Director of the Board of Directors of Palmeraies de Mopoli;
- Vice-Chairman of Société des Caoutchoucs du Grand Bereby "SOGB";
- Vice-Chairman and member of the Supervisory Board of Compagnie du Cambodge;
- Director of Bolloré, Financière Moncey, Okomu Oil Palm Company, S.A.F.A. Cameroon "Safacam", Société Industrielle et Financière de l'Artois and La Forestière Equatoriale;
- Permanent representative of Administration and Finance Corporation "AFICO" at the Board of Société Camerounaise de Palmeraies "Socapalm".

Vincent Bolloré
Director

Positions and offices held in Luxembourg companies

- Director of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.

Positions and offices held in foreign companies

- Chairman of the Board of Directors (Separate Management) of Financière de l'Odet SE;
- Vice-Chairman of Société des Caoutchoucs du Grand Bereby "SOGB";
- Member of the Supervisory Board of Vivendi;
- Director of Financière de l'Odet SE;
- Permanent representative of Bolloré Participations SE on the Boards of Directors of Société Industrielle et Financière de l'Artois, Financière Moncey, S.A.F.A. Cameroon "Safacam", Société des Caoutchoucs du Grand Bereby "SOGB" and Société Camerounaise de Palmeraies "Socapalm";
- Permanent representative of Bolloré Participations SE on the Supervisory Board of Compagnie du Cambodge.

Administration and Finance Corporation « AFICO »
Director

Positions and offices held in Luxembourg companies

- Director of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.

Offices and positions held in foreign companies

- Director of Palmeraies de Mopoli, Société des Caoutchoucs du Grand Bereby « SOGB », Société Industrielle et Financière de l'Artois and Société Camerounaise de Palmeraies « Socapalm ».

Philippe de Traux
Director and General Secretary

Positions and offices held in Luxembourg companies

- Director and General Secretary of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.

Positions and offices held in foreign companies

- Director of Société Camerounaise de Palmeraies « Socapalm », Okomu Oil Palm Company and Société des Caoutchoucs du Grand Bereby « SOGB »;
- Permanent representative of Administration and Finance Corporation « AFICO » on the Board of Société Industrielle et Financière de l'Artois ;
- Permanent representative of Société Anonyme Forestière et Agricole « SAFA » on the board of S.A.F.A. Cameroun « Safacam ».

François Fabri
Director

Positions and offices held in Luxembourg companies

- Director of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.
- Executive Director of Socfinaf

Positions and offices held in foreign companies

- Permanent Representative of Administration and Finance Corporation "AFICO" on the Board of Société des Caoutchoucs du Grand Bereby "SOGB";
- Director of S.A.F.A. Cameroon "Safacam", Société Camerounaise de Palmeraies "Socapalm" and Palmeraies de Mopoli.

Philippe Fabri
Executive Director

Positions and offices held in Luxembourg companies

- Director of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia;
- Executive Director of Société Financière des Caoutchoucs « Socfin ».

Positions and offices held in foreign companies

- Member of the Supervisory Board of Mopoli.

Appointments of Directors

The Board of Directors proposes the appointment of the Directors at the Annual General Meeting of shareholders.

In the event of a vacancy due to death or following the resignation of one or more Directors, the remaining Directors will proceed to temporary co-optations. These co-optations will be subject to the approval of the Annual General Meeting at its next meeting. The director appointed to replace another will complete the term of his predecessor.

Role and powers of the Board of Directors

The Board of Directors is the body which is responsible for the management of the Company and the control of day-to-day management. It acts in the interest of the Company.

The Board of Directors ensures that all financial and human resources are available and ensures that all the necessary structures are in place to achieve its objectives and ensure long-term value creation.

The Company's by-laws confer on the Board of Directors the power to perform all acts necessary to achieve the corporate purpose.

Activity report of the meetings of the Board of Directors

Number of annual meetings

At least two for the end and mid-year evaluations. During the 2020 financial year, the Board of Directors met 2 times.

Points generally discussed
Periodic accounting situations;
Portfolio movements;
Inventory and valuation of the portfolio;
Evolution of significant holdings;
Management report;
Investment projects;
Corporate, social and environmental responsibility.

Average attendance rate of Directors
- 2020: 92%
- 2019: 92%
- 2018: 97%
- 2017: 96%
- 2016: 97%

4. Committees of the Board of Directors

4.1. Audit Committee

The Committee is composed of three members, of which 2 are independents and one of them assigned as President of the Audit Committee. The term of service of this Audit Committee is for one year and members are eligible for re-election. This Audit Committee is effective as of 1st January 2021 and has been in charge of the supervision of the preparation of the financial information for the year 2020.

The Board of Directors has proposed that it will be constituted as follows:

- ✓ Mrs. Valérie Hortefeux (Independent Member)
- ✓ Mr. Frédéric Lemaire (Independent Member)
- ✓ Mr. Philippe Fabri (Director)

The appointment of the non-executive members will be confirmed at the General Meeting of Shareholders on 25th May 2021.

The Audit Committee will assist the Board of Directors in its supervisory function and is responsible of the monitoring of the financial reporting, the audit process, the analysis and control of financial risks.

The Audit Committee shall meet three times a year.

4.2. Appointment and Remuneration Committee

The remuneration of the operational management of Socfin S.A is set by the principal shareholders. The Board of Directors does not consider it necessary to set up a Remuneration Committee. Similarly, for practical reasons and due to the size of the Company, the Board of Directors has chosen not to set up a Nomination Committee.

5. Remunerations

The remuneration allocated to the members of the Board of Directors of Socfin for the financial year 2020 amounts to EUR 7 549 913 compared to EUR 6 963 195 for the financial year 2019. The Directors of Socfin did not receive any other payment in shares (stock options).

6. Shareholding Status

Shareholder	Number of Shares held = Number of Voting Rights (*)	Percentage holding	Date of notification
Geselfina S.A. FL-9490 Vaduz		24.25	02/01/2017
AFICO S.A. L-1650 Luxembourg	2 596 352	18.33	02/01/2017
Twosun Fin. Establishment CH-1201 Geneva		11.65	02/01/2017
Hubert Fabri	1 000	0.01	02/01/2017
Total Hubert Fabri interests (direct and indirect)		54.24	
Bolloré Participations S.A. F-29500 Ergué Gaberic	50	0.007	10/03/2008
Bolloré F-29500 Ergué Gaberic	120 338	16.901	10/03/2008
Compagnie du Cambodge F-92800 Puteaux	82 111	11.532	10/03/2008
Technifin CH-1705 Fribourg	56 000	7.865	10/03/2008
Plantations des Terres Rouges L-1724 Luxembourg	13 404	1.883	10/03/2008
Compagnie des Glénans F-29500 Ergué Gaberic	4 000	0.562	10/03/2008
Total Bolloré interests (direct and indirect)	275 903	38.750	

(*) All notifications filed before 1st July 2011, the effective date of the share split by 20, relate to the previous number of shares and the previous number of voting rights, that is 712 000.

7. Financial Calendar

25th May 2021	Ordinary Annual General Meeting at noon.
End of September 2021	Half year stand alone and consolidated results as at 30th June 2021
Mid-November 2021	Interim Management statement for 3rd quarter of 2021
End of March 2022	Annual stand alone results as at 31st December 2021
Mid-April 2022	Consolidated annual results as at 31st December 2021
Mid-May 2022	Interim Management statement for the 1st quarter of 2022
31th May 2022	Ordinary Annual General Meeting at noon.

The results of the Company are published on the website of the Luxembourg Stock Exchange www.bourse.lu under the heading "OAM" and on the website of the Company www.socfin.com.

8. External Audit

Independent statutory auditor (Réviseur d'entreprises agréé)
Ernst & Young "EY"
35E Avenue John F. Kennedy
L-1855 Luxembourg.

In 2020, the audit fees amount to EUR 735 695 VAT included.

The audit fees include all fees paid to the independent statutory auditor of the Group, as well as those paid to member firms within their network for the year. No consulting work or other non-audit services have been performed by those companies in 2020.

9. Corporate, social and environmental responsibility

On 22nd March 2017, the Group adopted its new responsible management policy. It is based on the four principles of responsible development, improvement of management practices, respect for human rights and transparency.

An annual implementation plan for this policy has been defined and executed throughout the 2019 financial year.
The efforts and actions undertaken by the Socfin Group in this area are detailed in a dashboard regularly updated as well as in a separate annual report ("Sustainable Development Report"). The responsible management policy, the dashboard and the annual sustainable development report are available on the Group's website.

10. Other information

Pursuant to the Regulation 2016/347 of the European Commission of 10th March 2016 specifying the modalities for updating insider lists, a list of insiders has been drawn up and is kept continuously up to date. The persons concerned have been informed of their inclusion on this list.

Statement of compliance

Mr. Philippe Fabri, Director and Mr. Daniel Haas, Chief Financial Officer, indicate that, to their knowledge:

(a) the consolidated financial statements prepared for the year ended at 31 December 2020, in accordance with the international accounting standards adopted by the European Union, provide a true and fair view of the assets and liabilities, the financial position and the profits or losses attributable to Socfin and all of the entities included in consolidation; and

(b) the management report fairly presents the evolution and results of the Company, the financial position of the Group and all the entities included in the consolidation and a description of the main risks and uncertainties they face.

Consolidated management report

Directors' report on the consolidated financial statements

presented by the Board of Directors to the
Ordinary Annual General Meeting of the Shareholders of 25th May 2021

Ladies and Gentlemen,

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as at 31st December 2020 comprise the financial statements of Socfin, all subsidiaries and direct and indirect associate companies, the details of which are given in Note 2 of the Notes to the consolidated financial statements.

As indicated in Note 1 of the notes to the consolidated financial statements, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards or IFRS as adopted by the European Union. Socfin S.A. (the Group) adopted IFRS standards for the first time in 2005 and all the standards applicable to the Group as of 31 December 2020 have been implemented.

Consolidated results

For the 2020 financial year, the result attributable to the Group of the parent company amounted to EUR 4.7 million compared to EUR 9.0 million in 2019. This resulted in net earnings of EUR 0.33 per share against EUR 0.64 in 2019.

Consolidated revenue at 31st December 2020 amounted to EUR 605.3 million compared to EUR 591.9 million in 2019 (EUR +13.4 million). This change in revenue is mainly due to increase in the price (EUR +28.1 million), increase in the quantities sold (EUR +18.5 million), depreciation of transactional currency versus Euro (EUR -23.3 million), as well as the decrease in the turnover of non-manufactured products (EUR -9.9 million).

Operating income amounted to EUR 88.1 million compared to EUR 80.7 million at 31st December 2019.

Other financial income increased to EUR 6.2 million compared to EUR 5.9 million at 31st December 2019. They mainly consisted of foreign exchange gains of EUR 5.3 million.

Financial expenses amounted to EUR 32.9 million compared to EUR 20.0 million at 31st December 2019. They mainly consist of foreign exchange losses of EUR 15.7 million, interest expense of EUR 12.6 million and impairment loss of EUR 2.4 million.

The tax expense has decreased. Income taxes amounted to EUR 32.7 million compared to EUR 35.7 million in 2019. Deferred income tax amounted to EUR 1.6 million compared to EUR 1.3 million in 2019.

Consolidated statement of financial position

The assets of Socfin consist of:

- non-current assets of EUR 807.0 million compared to EUR 880.2 million as of 31st December 2019; a decrease of EUR 73.2 million mainly due to the decrease in biological assets of EUR 52.0 million and the decrease of the net amount of other tangible assets for EUR 15.5 million;
- current assets amounting to EUR 284.9 million compared with EUR 226.7 million at 31st December 2019 mainly due to the decrease in the trade receivables of EUR 7.1 million, offset by a slight increase in treasury of EUR 2.8 million.

Shareholders' equity amounted to EUR 284.9 million compared to EUR 317.6 million at 31st December 2019. The decrease in shareholders' equity of EUR 32.7 million was mainly due to the variation of translation reserve (EUR -32.6 million), the allocation of the net results (EUR -7.1 million, balance from 2019 and interim dividends for 2020 included) and the profit for the year (EUR 4.7 million).

On the basis of the consolidated shareholders' equity, the net value per share before distribution of dividend is EUR 20.12 against EUR 22.43 the previous year. At 31st December 2020, the share price stands at EUR 23.20.

Current and non-current liabilities decreased to EUR 455.2 million compared to EUR 466.4 million the previous year. The difference is mainly due to the variation of EUR 18.4 million in net borrowing.

Consolidated cash flow

At 31st December 2020, net cash flow amounts to EUR 54.2 million, an increase of EUR 8.5 million for the year (compared to an increase of EUR 24.7 million in the previous financial year).

Net cash flow from operating activities amounts to EUR 140.9 million in financial year 2020 (EUR 93.0 million in 2019) and cash flow from operations amounts to EUR 156.0 million compared to EUR 134.7 million in the previous financial year.

Cash flow from investing activities amounts to EUR -81.4 million (compared to EUR -73.4 million in 2019).

Cash flow from financing activities amounts to EUR -46.4 million (compared to EUR +4.5 million in 2019). It relates primarily to the payment of dividends of EUR 12.3 million and to the decrease in net borrowing of EUR 4.4 million.

At 31st December 2020, EBITDA amounts to EUR 168.0 million compared to EUR 151.6 million at 31 December 2019.

FINANCIAL INSTRUMENTS

Financial risk management policies are described in the notes to the consolidated financial statements of the Company (refer to Notes 23 and 35).

OUTLOOK 2021

The results for the next financial year will depend, to a large extent, on factors which are external to the Group management, namely the political and economic conditions in the countries where the subsidiaries are established, the changes in the price of rubber and palm oil, and the price of the Indonesian rupiah and the US dollar against the Euro. The Group, for its part, pursues its policy of keeping cost prices as low as possible and improving its production capacity.

POLITICAL AND ECONOMIC ENVIRONMENT

The Company holds interests in subsidiaries which operate indirectly in Africa and Southeast Asia.

Given the economic and political instability in some of these countries, these holdings present a risk in terms of exposure to political and economic changes.

EVENTS AFTER THE CLOSING DATE

There are no significant events post balance sheet date concerning the Group.

IMPACT OF THE COVID-19 CRISIS

In addition to the sanitary measures taken and described in the Sustainable Development Report, the Group limited the tapping of rubber trees of the most productive plots at the beginning of the Covid-19 crisis. As a result, own rubber production resulted negatively in 14% below budget prediction. This decrease in production was compensated by an increase in purchase from 3rd parties.

This health crisis had no impact on the palm oil business.

The financial forecasts of the Company for the years 2021 and 2022, the sustained levels of market prices in this first tranche of the year indicate that the activity will generate sufficient cash to meet the Group's obligations and ensure the going concern of the operations.

CORPORATE GOVERNANCE

The Board of Directors implements the corporate governance rules applicable in the Grand Duchy of Luxembourg in the Group's financial structure and reports.

Further information on how the rules are implemented is available in the corporate governance statement in the annual report and in the management report on the Company's stand alone financial statements.

GENERAL INTERNAL CONTROL SYSTEM ADAPTED TO THE GROUP'S SPECIFIC ACTIVITIES

Segregation of functions

The segregation of operational, commercial and financial functions implemented at each level of the Group reinforces the independence of internal control.

These different functions ensure the completeness and reliability of the information which is within their areas of responsibility. They provide regular updates of the completeness of information to local managers and to the Group's headquarters (agricultural and industrial production, trade, human resources, finance, etc)

Autonomy and accountability of subsidiaries

The operational entities enjoy a large degree of autonomy in their management due to geographical distances. They are, in particular, responsible for the implementation of an internal control system adapted to the nature and extent of their activity, the optimisation of their operations and financial performances, the protection of their assets and management of their risks.

This autonomy makes it possible for the entities to be more accountable and to ensure the adequacy between their practices and the legal framework of their host country.

Centralised control

The Human Resources Management policy of the top management of the entities within the Group is centralized at the Group's headquarters. It contributes to the smooth running of an effective internal control system through the independence of recruitment, the harmonization of the segregated functions, annual evaluations and training programs.
The operational, commercial and financial functions centrally define a set of standard reports which ensure the homogeneity of the presentation of information originating from the subsidiaries.

Treasury reporting process

The treasury department organises, supervises and controls the reporting of daily information and weekly indicators of the subsidiaries and, in particular, the cash flow position, the evolution of net debt and the expenses related to the investments.

Financial reporting process

The financial department organises, supervises and controls the reporting of monthly accounting, budgetary and financial information and distributes condensed reports for use by the Group's operational management. Twice per year, it includes this information in the long-term development plan of the subsidiaries. It also ensures the implementation of the financial decisions taken by the Board of Directors of the subsidiaries.

Preparation of consolidated accounts

The consolidated financial statements are prepared on a half-yearly basis. They are audited annually by the external auditors as part of a financial audit of subsidiaries, which covers both the statutory accounts of the entities in the scope of consolidation and the consolidated financial statements.

Once approved by the Board of Directors, they are published.

The consolidation department of the Group guarantees homogeneity and treatment monitoring for all companies within the scope of consolidation. It strictly adheres to the accounting standards in force relating to consolidation operations. It uses a standard consolidation tool to ensure the secure processing of information feedback from subsidiaries, the transparency and relevance of automatic consolidation processes and the consistency of presentation of accounting aggregates in the annual report. Lastly, due to the complexity of the accounting standards in force and the many specificities related to their implementation, the consolidation service centralises the adjustments specific to the valuation rules applicable to the consolidated financial statements.

ENVIRONMENT AND SOCIAL RESPONSIBILITY

The Group has published its responsible management policy in 2017. This complements the Group's sustainable development commitments formalised since 2012.

An annual report on these aspects (Sustainable Development Report) is available to shareholders on the Group's website or upon request at the Company's registered office.

The Board of Directors

Auditor's report on the consolidated financial statements

To the Shareholders
Société Financière des Caoutchoucs S.A.
Abbreviated, **Socfin**
4, Avenue Guillaume
L - 1650 Luxembourg

The consolidated financial statements (French version) of the Group and its subsidiaries as at 31 December 2020 have been audited by an independent auditor who expressed on them an unmodified audit report as at 19 May 2021. These consolidated financial statements (English version) have not been audited but constitute an official English translation of the audited French version.

Consolidated Financial Statements

1. Consolidated statement of financial position

ASSETS	*Note*	*31/12/2020*	*31/12/2019 Restated (*)*	*01/01/2019 Restated (*)*
		EUR	*EUR*	*EUR*
Non-Current Assets				
Goodwill	4	4 951 057	4 951 057	4 951 057
Right-of-use assets	5	10 967 008	10 934 472	11 927 639
Intangible assets	6	3 317 296	4 034 412	3 761 830
Property, plant and equipment	7	297 094 657	312 637 182	321 018 727
Biological assets	8	467 571 358	519 541 938	512 116 924
Investment properties	9	4 059 355	4 223 095	4 505 864
Financial assets at fair value through other comprehensive income	11	847 018	896 015	929 476
Long-term advances		1 843 046	4 577 585	4 473 170
Deferred tax assets	12	14 640 684	16 685 305	16 425 585
Other non-current assets		1 741 740	1 749 253	160 680
		807 033 219	***880 230 314***	***880 270 952***
Current Assets				
Inventories	13	102 336 152	102 984 208	90 467 278
Trade receivables	14	34 081 813	41 198 788	26 833 767
Other receivables	15	14 342 461	13 394 936	16 456 127
Current tax assets	16	14 317 805	13 014 084	14 878 461
Cash and cash equivalent	17	58 911 453	56 069 031	59 941 616
		223 989 684	***226 661 047***	***208 577 249***
TOTAL ASSETS		***1 031 022 903***	***1 106 891 361***	***1 088 848 201***

(*) Refer to Note 3.

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

EQUITY AND LIABILITIES	Note	31/12/2020	31/12/2019 Restated (*)	01/01/2019 Restated (*)
		EUR	EUR	EUR
Equity attributable to the owners of the Parent				
Share capital	18	24 779 510	24 779 510	24 779 510
Share premium	18	501 847	501 847	501 847
Legal reserve	19	2 477 951	2 477 951	2 492 000
Consolidated reserves		376 520 345	372 347 328	365 132 613
Translation reserves		-124 110 578	-91 541 253	-91 390 585
Profit for the year		4 705 333	9 016 793	13 836 174
		284 874 408	***317 582 176***	***315 351 559***
Non-controlling interests	10	***290 923 286***	***322 894 136***	***325 227 913***
Total Equity		***575 797 694***	***640 476 312***	***640 579 472***
Non-Current Liabilities				
Deferred tax liabilities	12	11 392 298	14 046 713	15 476 383
Employee Benefits Obligations	20	50 928 284	54 621 645	48 366 281
Long term debt, net of current portion	21	63 397 224	148 727 610	99 607 945
Long term lease liabilities	5, 21	11 081 167	11 958 683	12 877 380
Other payables	22	7 685 924	8 001 208	7 739 836
		144 484 897	***237 355 859***	***184 067 825***
Current Liabilities				
Short term debt and current portion of long term debt	21	151 311 847	84 417 308	115 354 215
Short term lease liabilities		1 623 082	1 381 083	1 454 756
Trade payables		43 265 314	41 943 416	43 798 785
Current tax liabilities	16	32 208 682	22 182 525	23 999 047
Provisions		743 489	1 145 768	2 958 980
Other payables	22	81 587 898	77 989 090	76 635 121
		310 740 312	***229 059 190***	***264 200 904***
TOTAL EQUITY AND LIABILITIES		***1 031 022 903***	***1 106 891 361***	***1 088 848 201***

(*) Refer to Note 3.

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

2. Consolidated income statement

	Note	2020 EUR	2019 Restated (*) EUR
Revenue	34	605 326 130	591 902 922
Work performed by entity and capitalized		16 898 231	23 867 471
Change in inventories of finished products and work in progress		2 101 456	-7 028 127
Other operational income		11 285 961	18 254 919
Raw materials and consumables used		-226 536 322	-226 813 736
Other expenses		-81 097 097	-88 665 386
Staff costs	24	-142 494 346	-140 392 789
Depreciation and impairment expense	25	-74 913 425	-63 067 815
Other operating expenses		-22 490 390	-27 309 176
Operating profit		***88 080 198***	***80 748 283***
Other financial income	27	6 154 633	5 895 571
Gain on disposals		194 675	1 141 473
Impairment on disposals of assets		-1 117 435	-720 555
Financial expenses	28	-32 855 631	-19 984 526
Profit before taxes		***60 456 440***	***67 080 246***
Income tax expense	29	-32 735 899	-35 690 288
Deferred tax income	29	1 591 001	1 274 061
Profit for the period		***29 311 542***	***32 664 019***
Profit attributable to non-controlling interests		***24 606 210***	***23 647 226***
Profit attributable to the owners of the Parent		***4 705 332***	***9 016 793***
Basic earnings per share undiluted	30	***0.33***	***0.64***

Number of Socfin shares	**14 159 720**	**14 159 720**
Basic earnings per share	0.33	0.64
Diluted earnings per share	0.33	0.64

(*) Refer to Note 3.

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

3. Consolidated statement of other comprehensive income

	Note	2020 EUR	2019 Restated (*) EUR
Profit of the year		***29 311 542***	***32 664 019***
Other comprehensive income			
Actuarial losses and gains	20	-1 212 016	-964 145
Deferred tax on actuarial losses and gains		405 642	111 009
Fair value changes of securities measured at fair value through other comprehensive income, before taxes	11	-48 997	-33 461
Deferred tax on fair value changes of securities measured at fair value through other comprehensive income		12 220	9 062
Subtotal of items that cannot be reclassified to profit or loss		*-843 151*	*-877 535*
Fair value changes of financial instruments of subsidiaries, before taxes		0	-7 831
Deferred tax on fair value changes of financial instruments of subsidiaries		0	2 121
Gains (losses) on exchange differences on translation of subsidiaries		-58 716 274	2 374 367
Subtotal of items eligible for reclassification to profit or loss		*-58 716 274*	*2 368 657*
Total Other Comprehensive Income		***-59 559 425***	***1 491 122***
Comprehensive income		***-30 247 883***	***34 155 141***
Comprehensive income attributable to non-controlling interests		***-3 428 140***	***25 427 046***
Comprehensive income attributable to the owners of the Parent		***-26 819 743***	***8 728 095***

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

4. Consolidated statement of cash flows

	Note	2020	2019 Restated (*)
		EUR	EUR
Operating activities			
Profit attributable to the owners of the Parent		4 705 329	9 016 793
Profit attributable to non-controlling shareholders		24 606 210	23 647 216
Fair value of agricultural production	13	7 798 959	2 898 149
Other adjustments having no impact on cash position		9 185 979	-2 756 727
Depreciation and amortization	25	74 913 425	63 067 815
Provisions and allowances		2 458 094	4 855 096
Net loss on disposals of assets		930 351	-420 918
Income tax expense	29	31 144 898	34 416 227
Cash flow from operating activities		***156 047 797***	***134 723 660***
Interest received	27, 28	***12 483 274***	***10 947 426***
Income tax paid	29	***-32 735 899***	***-35 690 288***
Change in inventory		-13 954 328	-517 590
Change in trade and other receivables		-1 850 729	-9 579 730
Change in trade and other payables		16 613 632	-8 405 115
Accruals and prepayments		4 263 236	1 498 680
Change in working capital requirement		***5 071 811***	***-17 003 755***
Net cash from operating activities		***140 866 983***	***92 977 041***
Investing activities			
Acquisition of additional interests in subsidiaries		-6 547 548	-3 918 957
Acquisitions / disposals of intangible assets		235 567	-394 757
Acquisitions of property, plant and equipment and biological assets	7, 8	-77 215 552	-70 866 790
Disposals of property, plant and equipment		2 216 083	537 263
Acquisitions / disposals of financial fixed assets		-56 818	1 271 990
Net cash flows from investing activities		***-81 368 268***	***-73 371 251***
Financing activities			
Dividends paid to the owners of the Parent		-7 079 860	-7 787 846
Dividends paid to non-controlling shareholders		-20 080 163	-22 960 936
Proceeds from borrowings		23 410 733	83 992 571
Repayment of borrowings		-27 766 069	-36 251 125
Repayment of lease liabilities		-2 382 735	-1 591 544
Interest paid	27, 28	-12 483 275	-10 947 426
Net cash flows from financing activities		***-46 381 369***	***4 453 694***
Effect of exchange rate change		-4 619 938	597 668
Net cash flow		***8 497 408***	***24 657 154***
Cash and cash equivalent on 1st January	17	45 657 888	21 000 735
Cash and cash equivalent on 31st December	17	54 155 296	45 657 888
Net increase/(decrease) in cash and cash equivalents		***8 497 408***	***24 657 153***
EBITA	36	***167 970 649***	***151 569 155***

(*) Refer to Note 3.

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

5. Consolidated statement of changes in equity

EUR	*Share capital*	*Share premium*	*Legal reserve*	*Translation reserve*	*Consolidated reserves*	*Equity attributable to the owners of the parent*	*Non-controlling interests*	*TOTAL EQUITY*
Balance at 1st January 2019	***24.779.510***	***501.847***	***2.492.000***	***-91.405.853***	***382.183.355***	***318.550.859***	***327.637.345***	***646.188.204***
Impact on application of IFRS 16 : Leases (Note 5)					-795.664	***-795.664***	-904.120	***-1.699.784***
Balance at 1st January 2019- Adjusted	***24.779.510***	***501.847***	***2.492.000***	***-91.405.853***	***381.387.691***	***317.755.195***	***326.733.225***	***644.488.420***
Restatement of Opening Balances (Note 3)				15.268	-2.418.904	***-2.403.636***	-1.505.312	***-3.908.948***
Balance at 1st January 2019- Restated (*)	***24.779.510***	***501.847***	***2.492.000***	***-91.390.585***	***378.968.787***	***315.351.559***	***325.227.913***	***640.579.472***
Profit/(loss) of the period					9.016.793	***9.016.793***	23.647.226	***32.664.019***
Actuarial losses and gains					-572.596	***-572.596***	-280.540	***-853.136***
Change in fair value of financial instruments					-5.710	***-5.710***	0	***-5.710***
Change in fair value of securities at fair value through other comprehensive income					-14.296	***-14.296***	-10.103	***-24.399***
Foreign currency translation adjustments				303.904	0	***303.904***	2.070.463	***2.374.367***
Transfer between reserves			-14.049		14.049	***0***	0	***0***
Other comprehensive income			***-14.049***	***303.904***	***8.438.240***	***8.728.095***	***25.427.046***	***34.155.141***
Dividends (Note 31)					-7.079.860	***-7.079.860***	-20.800.888	***-27.880.748***
Interim dividends (Note 31)					-707.986	***-707.986***	-2.160.047	***-2.868.033***
Other movements				-454.572	1.744.940	***1.290.368***	-4.799.888	***-3.509.520***
Transactions with shareholders				***-454.572***	***-6.042.906***	***-6.497.478***	***-27.760.823***	***-34.258.301***
Balance at 31st December 2019 - Restated (*)	***24.779.510***	***501.847***	***2.477.951***	***-91.541.253***	***381.364.121***	***317.582.176***	***322.894.136***	***640.476.312***

(*) Refer to Note 3.

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

EUR	Share capital	Share premium	Legal reserve	Translation reserve	Consolidated reserves	Equity attributable to the owners of the parent	Non-controlling interests	TOTAL EQUITY
Balance at 1st January 2020	***24 779 510***	***501 847***	***2 477 951***	***-91 541 253***	***381 364.121***	***317 582 176***	***322 894 136***	***640 476 312***
Profit/(loss) for the period					4 705 332	***4 705 332***	24 606 210	***29 311 542***
Actuarial losses and gains					-254 132	***-254 132***	-552 242	***-806 374***
Changes in fair value of securities at fair value through Other comprehensive income					-21 815	***-21 815***	-14 956	***-36 771***
Foreign currency translation adjustments				-31 249 125	0	***-31 249 125***	-27 467 149	***-58 716 274***
Other comprehensive income				***-31 249 125***	***4 429 385***	***-26 819 740***	***-3 428 137***	***-30 247 877***
Dividends (Note 31)					-7 079 860	***-7 079 860***	-16 433 522	***-23 513 382***
Interim dividends (Note 31)					0	***0***	-4 369 377	***-4 369 377***
Other movements				-1 320 200	2 512 032	***1 191 832***	-7 739 814	***-6 547 982***
Transactions with shareholders				***-1 320 200***	***-4 567 828***	***-5 888 028***	***-28 542 713***	***-34 430 741***
Balance at 31st December 2020	***24 779 510***	***501 847***	***2 477 951***	***-124 110 578***	***381 225 678***	***284 874 408***	***290 923 286***	***575 797 694***

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

6. Notes to the consolidated financial statements

Note 1. Overview and accounting policies

1.1. Overview

The Société Financière des Caoutchoucs, abbreviated Socfin ("the Company") was incorporated on 5th December 1959. Its corporate purpose qualifies it as a soparfi since the Annual General Meeting of 10th January 2011. The registered office is established at 4, avenue Guillaume, L-1650 in Luxembourg.

The main activity of the Company and its subsidiaries (the "Group") is the management of a portfolio of interests mainly focused on the operation of tropical palm oil and rubber plantations in Africa and Southeast of Asia.

The Company is listed on the Luxembourg Stock Exchange under ISIN LU0027967834 and is registered in the commercial register under number B 5937.

1.2. Statement of compliance

The consolidated financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the consolidated financial statements is presented in euros and rounded to the nearest whole number, the euro being the functional currency of the parent company Socfin and of the Group's presentation.

On 19th May 2021, the Board of Directors approved the consolidated financial statements.

In conformity with the current legislation existing in the Grand Duchy of Luxembourg, the financial statements have been approved by the shareholders during the Ordinary General Meeting.

New standards and amendments applicable on 1st January 2021:

- <u>Amendment to IFRS 4 "Insurance contract":</u>
On 25st June 2020, the IASB issued amendments to IFRS 4 that provide for an extension of the temporary exemption from IFRS 9 "Financial Instruments" until 1st January 2023 to align with the effective date of IFRS 17 "Insurance Contracts".

<u>- Amendments to IFRS 9 "Financial Instruments"; IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures”:</u>
On 27th August 2020, the IASB issued Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) of the "IBOR" interest rate benchmark reform. The amendments complement those issued in 2019 described above and focus on the effects on the financial statements when a company replaces the old interest rate benchmark with another interest rate benchmark as a result of the reform.

The changes in this final phase relate to:

- *changes in contractual cash flows:* a company will not have to derecognize or adjust the carrying amount of financial instruments to reflect the changes required by the reform, but instead will update the effective interest rate to reflect the change in the alternative interest rate benchmark;

- *Hedge accounting:* a company will not have to abandon its hedge accounting solely because it is making the changes required by the reform, if the hedge meets other hedge accounting criteria; and
- *disclosures:* a company will be required to disclose information about the new risks arising from the reform and how it is managing the transition to the alternative interest rate benchmark.

The amendments apply to financial years beginning on or after 1st January 2021; earlier adoption is permitted. The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

New IFRS standards, amendments and interpretations not yet endorsed by the European Union:

On 18th May 2017, the IASB issued IFRS 17 "Insurance Contracts", which establishes principles for the recognition, measurement and presentation of contracts. Under IFRS 17, insurance performance should be measured at its current execution value and provide a more consistent measurement and presentation method for all insurance contracts. IFRS 17 replaces IFRS 4 “Insurance contracts” and its interpretations. It is effective as of 1st January 2023 and early adoption is permitted if IFRS 15 "Revenue from Contracts with Customers" and IFRS 9 "Financial Instruments" have been applied. The Group does not expect that the adoption of this interpretation will have a material impact on its consolidated financial statements.

On 23rd January 2020, the IASB published amendments to IAS 1 "Presentation of Financial Statements" on the classification of liabilities as current and non-current in order to establish a more general approach to the classification of liabilities under IAS 1, based on an analysis of contracts existing at the balance sheet date. The amendments include clarification of the requirements for classifying liabilities that a company could settle by converting them into equity. On 15th July 2020, the IASB deferred the effective date of the amendments. The amendments are effective for financial periods beginning on or after 1st January 2023 and must be applied retroactively with early adoption permitted.

On 12th February 2021, the IASB issued amendments to IAS 1 and the IFRS 2 Practice Statement "Making Judgments about Materiality". The amendments are intended to assist preparers in determining the accounting policies to be presented in their financial statements and to further enhance the importance in determining the accounting policies. They are effective for financial years beginning on or after 1st January 2023 and are to be applied prospectively, with early adoption permitted. The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

On 14th May 2020, the IASB issued the following restrictive application amendments:

- The amendments to IFRS 3 "Business Combinations" updated the reference to the Conceptual Framework for Financial Reporting, without changing the accounting requirements for business combinations.

- The amendments to IAS 16 "Property, Plant and Equipment" prohibit the deduction from the cost of an item of property, plant and equipment of revenue from the sale of manufactured goods while the item is being brought to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, entities should recognise the revenue from the sale and the cost of production of such goods in net profit or loss.

- The amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" specify that the costs of fulfilling a contract include costs directly related to the contract, which may be incremental costs of performing the contract or an allocation of other costs directly associated with performing the contract.

- Minor changes under the annual improvements to IFRS - 2018-2020 cycle for:

  - IFRS 1 "First-time Adoption of IFRS" regarding a subsidiary that is a first-time adopter of IFRS 1 that will now be able to measure the cumulative translation adjustment amount using the amounts reported by its parent.

  - IFRS 9 "Financial Instruments" concerning the fees that an entity must consider when applying the 10% test to determine whether a financial liability has to be reversed or not.

  - IFRS 16 "Leases" consist of removing any reference to the reimbursement of leasehold improvements by the landlord, from illustrative example 13 accompanying IFRS 16, in order to avoid any confusion about the treatment of inducements that might arise from this example.

  - IAS 41 "Agriculture" to remove the requirement to exclude cash flows for tax purpose when measuring the fair value of biological assets using a discounting technique. The amendment aligns the standard with the requirements of IFRS 13.

The Group does not expect the adoption of these amendments, which will be effective for financial years beginning on or after 1st January 2022, to have a material impact on its consolidated financial statements.

- On 12th February 2021, the IASB issued amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" to assist entities to distinguish accounting policies and accounting estimates. The amendments apply to financial years beginning on or after 1st January 2023 and to changes in accounting policies and accounting estimates that occur on or after that date. Earlier application is permitted. The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

The Group does not anticipate early adoption of new accounting standards, amendments and interpretations.

1.3. Presentation of consolidated financial statements

The consolidated financial statements are presented in Euros (EUR or €).
They are prepared on the basis of historical cost with the exception of the following assets:

- Biological assets (IAS 2, IAS 41), derivative instruments and securities measured at fair value through other comprehensive income are recognized at fair value;
- property, plant and equipment acquired as part of a business combination (IFRS 3) are measured initially at their fair value at the date of acquisition.

The accounting principles and rules are applied in a consistent and permanent way in the Group. The consolidated financial statements are prepared for the accounting year ending 31st December 2020 and are presented before allocation of the parent company's income to the Annual Meeting of Shareholders

As of 1st January 2020, the Group adopted the following amendments without any material impact on the Group's consolidated financial statements:

- <u>Publication of the revised Conceptual Financial Reporting Framework:</u>
  On 29th March 2018, the International Accounting Standards Board (IASB) published its revised “Conceptual Financial Reporting Framework”, which contains revised definitions of an asset and a liability, as well as new guidance on measurement, derecognition, presentation and disclosure and is to be applied retrospectively unless retrospective application would be impracticable or would result in undue cost or effort.

- Amendments to IFRS 3 "Business Combinations"
  On 22nd October 2018, the IASB published amendments to IFRS 3 relating to the definition of a business, which aim to resolve the difficulties encountered by businesses in determining whether they have acquired a business or a group of assets.

- Amendments to IAS 1 “Presentation of financial statements” and to IAS 8 “Accounting policies, changes in accounting estimates and errors”:
  On 31st October 2018, the IASB published amendments to IAS 1 and IAS 8 to clarify the definition of “material” and to align the definitions given in the Conceptual Framework for Financial Reporting and in the standards themselves.

- Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial instruments: recognition and measurement" and IFRS 7 "Financial Instruments: Disclosures":
  On 26th September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7 in the context of the benchmark interest rate reform as an initial measure of the potential financial reporting implications of the reform of interbank offered rates "IBOR". The adoption of these amendments does not have a material impact on its consolidated financial statements as it mitigates the potential effects of the uncertainty due to the reform of the benchmark interest rate "IBOR".

- On 28th May 2020, the IASB issued "Covid-18-Related Rent Concessions (Proposed Amendment to IFRS 16)", which amends IFRS 16 "Leases." The 2020 amendment relieves lessees of the requirement to assess whether rent relief granted directly in connection with Covid-19 constitutes a modification of the lease agreement and therefore allows them to recognize rent relief without a modification of the lease agreement.

1.4. Consolidation principles

The consolidated financial statements include the financial statements of the parent company Socfin as well as those of the companies controlled by the parent ("subsidiaries"), all of which constitute the Group ".

All companies included in the scope of consolidation as of 31st December 2020 close their accounts on 31st December.

Subsidiaries

In accordance with IFRS 10, an investor has control when three conditions are fulfilled:
1) he holds power over the entity;
2) he is entitled to or is exposed to variable returns from its involvement;
3) It has the ability to use its power over the entity to affect returns.

Currently, the Group holds the majority of the voting rights in the entities.

Income from subsidiaries acquired or sold during the year is included in the consolidated income statement, respectively, from the date of acquisition to the date of disposal.

Where appropriate, restatements are made to the financial statements of the subsidiaries to align the accounting principles used with those of other companies in the scope of consolidation.

All intra-group balances and transactions are eliminated upon consolidation.

The list of subsidiaries of the Group is presented in Note 2.

1.5. Changes in Accounting Policies, Errors and Changes in Estimates

A change in accounting policy is applied only if it meets the requirements of a standard or interpretation or permits more reliable and relevant information. Changes in accounting policies are accounted for retrospectively, except in the case of transitional provisions specific to the standard or interpretation. An error, when discovered, is also adjusted retrospectively.

Uncertainties inherent in the activity require the use of estimates when preparing financial statements. The estimates are based on judgments intended to give a reasonable assessment of the latest reliable information available. An estimate is revised to reflect changes in circumstances, new information available and the effects of experience.

1.6. Goodwill

Goodwill is the difference on the date of acquisition between the fair value of the elements given in exchange for taking control, the value of minority interests, the fair value of previous equity investments and the fair value of assets, identifiable liabilities and contingent liabilities of the acquiree.

When disposing of a subsidiary or an associated enterprise, the residual amount of goodwill attributable to the subsidiary is included in the calculation of the result of disposal.

1.7. Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of identifiable assets and liabilities and the contingent liabilities of a subsidiary or associate on the cost of acquisition on the acquisition date.

To the extent that negative goodwill remains after considering and reassessing the fair value of identifiable assets and liabilities and contingent liabilities of a subsidiary or associate, it is recognized directly as a product in the income statement.

1.8. Foreign currency conversion

In the financial statements of Socfin and of each subsidiary, transactions in foreign currency are recorded, upon initial recognition, in the reference currency of the company concerned by applying the exchange rate in force on the transaction date. At closing, monetary assets and liabilities denominated in foreign currencies are converted on the last day of the year. Gains and losses arising from the realization or translation of monetary items denominated in foreign currencies are recorded in the income statement for the year.

To hedge its exposure to certain foreign exchange risks, the Group uses forward exchange contracts. These financial instruments do not qualify for hedge accounting. They are classified in other instruments (see Note 1.18).

On consolidation, the assets and liabilities of companies whose accounts are held in a currency other than the euro are translated into euros at the exchange rate prevailing on the closing date. Income and expenses are converted into euros at the average exchange rate for the year. Any exchange differences are classified as equity under "Translation differences". In the event of a disposal, the translation differences relating to the company concerned are recognized in the income statement for the year in which the sale took place.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

The following exchange rates have been used for the conversion of the consolidated annual accounts:

1 euro equals to :	*Closing rate*		*Average Rate*	
	2020	*2019*	*2020*	*2019*
CFA franc	655.957	655.957	655.957	655.957
Ghanaian cedi	7.0683	6.2166	6.4179	5.8724
Indonesian rupiah	17 308	15 615	16 725	15 815
Cambodian riel	4 964	4 578	4 672	4 539
Nigerian naira	465.87	344.26	408.50	342.76
Dobra of São Tomé	24.50	24.50	24.50	24.50
Congolese franc	2 420	1 879	2 117	1 845
American dollar	1.2271	1.1234	1.1451	1.1192

1.9. Intangible assets

Intangible assets are stated at their acquisition cost less accumulated depreciation and any impairment losses.

Amortisation is applied on a straight-line basis based on an estimate of the useful life of the asset in question. Intangible assets are not subject to revaluation. When the recoverable value of an asset is lower than its book value, the latter is reduced to reflect this loss in value.

The estimated useful lives are as follows:

Patents	3 to 5 years old
Other intangible assets	3 to 5 years old
Software	3 to 5 years old
Concessions	Length of the concessions

Amortisation starts from the date of bringing the asset into use.

1.10. Property, plant and equipment

Tangible fixed assets are recorded at their acquisition cost less accumulated amortisation and any impairment losses.

Property, plant and equipment in progress is carried at cost less any identified impairment.

Depreciation is applied on a straight-line basis based on an estimate of the useful life for each significant component of the asset in question. When the recoverable value of an asset is lower than its book value, the latter is reduced to reflect this loss in value.

The estimated useful lives are as follows:

Buildings	20 to 50 years
Technical installations	3 to 20 years
Furniture, vehicles and others	3 to 20 years

Depreciation starts from the date that the assets are brought into use.

Land is not subject to depreciation.

1.11. Investment properties

Investment properties are real estate (land and buildings or part of buildings) held for rental or capital appreciation.

Investment properties are recorded at cost less accumulated depreciation and any impairment charges.

Depreciation is determined on a straight-line basis over the useful life of the asset. The depreciation period for investment properties is set at 50 years.

1.12. Bearer biological assets

The Group has biological assets in Africa and Asia. These biological assets, mainly consisting of palm oil and rubber plantations, are valued according to the principles defined in IAS 16 "Tangible fixed assets".

Biological assets at the time of harvest, in particular for palm bunches, palm oil and rubber, is evaluated according to the principles defined by IAS 41 "Agriculture".

Bearer biological assets

Producer biological assets are recorded at acquisition cost, less accumulated amortization and any impairment losses.

Depreciation is applied according to the straight-line method based on an estimate of the useful life. When the recoverable amount of an asset is less than its carrying amount, the carrying amount is reduced to reflect that impairment.

The estimated useful lives are as follows:

Bearer plants – Palm	20 to 26 years
Bearer plants - Rubber	20 to 33 years

Depreciation start date is the date of transfer of biological assets in production (maturity). This transfer takes place in the third year after palm oil tree planting in Asia, in the fourth year after palm oil tree planting in Africa and in the seventh year after rubber tree planting. For each entity, the operating period can be adapted according to the particular circumstances.

Agricultural production

Agricultural production at harvest is valued at fair value less estimated costs necessary to complete the sale.

There are no observable data for agricultural production (palm harvest, latex). The World Bank publishes price forecasts for dry rubber (finished product). These forecasts are based on the RSS3 grade (smoked sheet) that is not produced by the Group. Lastly, and even more so, there are no observable prospective data relating to the Group's agricultural production. The price of a standard product in a global market is not sufficiently representative of the economic reality in which the various entities of the Group intervene. This price cannot be used as a reference for valuation.

As a result, each entity determines the fair value of agricultural production based on actual market prices obtained over the past year.

The Group does not evaluate standing agricultural production (before harvest). In fact, by nature this notion is not applicable to the rubber tree whose agricultural production (latex) is located inside the tree itself. The Group also considers that the harvesting of palms cannot be reliably assessed with sufficient certainty without incurring costs disproportionate to the usefulness of the information collected.

The change in fair value is included in income in the period in which it occurs.

1.13. Leases

The Group has adopted IFRS 16 "Leases" retrospectively from 1st January 2019, without restatement of comparative figures as permitted by the transition provisions of the standard. Reclassifications and adjustments arising from the new leasing rules have been recognized at the opening of the period starting on 1st January 2019.

Following the adoption of IFRS 16, the Group has recognized in the statement of financial position right-of-use assets and lease liabilities for leases that were previously treated as operating leases under the principles of IAS 17. Lease liabilities were measured at the value of the remaining lease payments discounted at the incremental borrowing rate at 1st January 2019.

The right-of-use assets have been measured on a retrospective basis as if the new rules had always been applied.

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- use of a single discount rate for contracts with similar characteristics;
- non-recognition of right-of-use assets and lease liabilities for leases with a remaining lease term of less than 12 months on 1st January 2019. The corresponding expenses have been recognized with the expenses related to short-term leases;
- exclusion of initial direct costs for the initial valuation of rights-of-use of assets;
- non-separation of the non-leasing component in vehicles leases.

The change in accounting policy impacted the following items in the statement of financial position on 1st January 2019:

- property, plant and equipment: decrease by EUR 0.3 million
- rights of use of assets: increase by 11.9 million euros
- deferred tax assets: increase by EUR 0.7 million
- borrowings: decrease by EUR 0.3 million
- lease labilities: increase by EUR 14.3 million.

The net impact on retained earnings at 1st January 2019 was a decrease of EUR 1.7 million.

For leases previously treated as finance leases, the right-of-use assets and the lease liability were recognized on 1st January 2019 at their carrying amount measured in accordance with IAS 17 immediately prior to that date.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and recognizes any impairment loss as described in Note 26: Impairment of assets.

1.14. Impairment of assets

Goodwill is not amortized but is tested for impairment at least once a year and whenever there is an indication of impairment.

In addition, at each reporting date, the Group reviews the carrying amounts of its intangible and tangible assets, including its organic producing assets, in order to assess whether there is any indication that its assets may have lost value. If there is such an index, the recoverable amount of the asset is estimated to determine, if applicable, the amount of the loss or impairment. The recoverable amount is the higher of the fair value less costs to sell the asset and the value in use.

The fair value of property, plant and equipment and intangible assets is the present value of estimated future cash flows expected from the use of an asset or cash-generating unit. When it is not possible to estimate the recoverable amount of an isolated asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are immediately recognized as expenses in the income statement.

When an impairment loss recognized in a prior period no longer exists or needs to be written down, the carrying amount of the asset (cash-generating unit) is increased to the extent of the revised estimate of its recoverable amount. However, this increased carrying amount may not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in income in the income statement.

An impairment loss recorded on goodwill cannot be subsequently reversed.

1.15. Inventories

Inventories are recorded at their lowest cost and net realizable value. Cost includes direct material costs and, if applicable, direct labour costs and directly attributable overhead costs.

Where specific identification is not possible, the cost is determined on the basis of the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to complete the sale (primarily selling expenses).

Impairment or loss on inventory to net realizable value is recognized as an expense in the period in which the impairment or loss occurred.

As explained in Note 1.12. Biological assets, agricultural production is measured at fair value less estimated costs necessary to make the sale.

1.16. Trade receivables

Trade receivables are valued at their nominal value and do not bear interest. Following the amendments to IFRS 9 "Financial Instruments", the Group applies a simplified approach and records a provision for expected losses over the life of the receivables. This provision for losses is an amount that the Group considers a reliable estimate of the inability of its customers to make the required payments. (Refer to Note 35)

1.17. Cash and cash equivalents

This item includes cash, demand deposits, short-term deposits of less than 3 months, as well as investments easily convertible into a known amount of cash and which are subject to a negligible risk of change in value.

1.18. Financial instruments

Financial assets and liabilities are recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments derivatives
Financial instruments derivatives are measured at fair value at each reporting date.
The accounting treatment depends on the qualification of the instrument concerned:

- *Hedging instruments:*

The Group refers to certain hedging instruments, including foreign exchange risk and interest rate risk derivatives, as cash flow hedges. Foreign currency hedges related to firm commitments are accounted for as cash flow hedges.

At the inception of the hedging relationship, the entity prepares documentation describing the relationship between the hedging instrument and the hedged item as well as its risk management objectives and strategy for performing various hedging transactions. In addition, when the hedge is created and regularly thereafter, the Group indicates whether the hedging instrument is highly effective in offsetting changes in the fair value or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges and qualify for such designation is recognized in other comprehensive income and accumulated in the hedging reserve, cash flow. The gain or loss related to the ineffective portion is recognized immediately in profit or loss, in other gains and losses.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to net income in the periods in which the hedged item affects net income, to the same account as the recognized hedged item. However, if a hedged forecast transaction results in the recognition of a non-financial asset or liability, the gains and losses that were previously recognized in other comprehensive income and accumulated in equity are taken out of equity to be recognized in equity, taken into account in the initial measurement of the cost of the non-financial asset or liability.

For the periods under review, the hedging instruments were used by the Group up to January 2019.

- *Other instruments:*

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the income statement when they occur.

For the periods under review, forward exchange contracts were used by the Group.

Loans
Loans bearing interest are recorded for the amounts given, net of direct costs of issue. Financial income is added to the carrying amount of the instrument to the extent that it is not received in the period in which it occurs. Interest is calculated using the effective interest rate method.

The Group's business model for financial assets management refers to the way it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from the collection of contractual cash flows, the disposal of financial assets or both. Financial assets classified and measured at amortized cost are held in a business model with the objective of holding financial assets to collect contractual cash flows. Long-term advances and other receivables are held for the sole purpose of collecting principal and interest. As such, they comply with the "Solely Payments of Principal and Interest" (SPPI) model. They are accounted for using the amortized cost method.

Interest-bearing borrowings and overdrafts are recorded for amounts received, net of direct issue costs. Financial expenses are accounted for using the relevant accounting method and are added to the carrying amount of the instrument to the extent that they are unpaid in the year in which they occur.

The carrying amount is a reasonable approximation of fair value in the case of financial instruments such as borrowings and debts with short-term financial institutions.

The fair value measurement of borrowings and debts with financial institutions, other than in the short term, depends both on the specifics of the loans and on current market conditions. The fair value was calculated by discounting the expected future cash flows at the re-estimated interest rates prevailing at the balance sheet date over the remaining term of repayment of the loans (Refer to Note 23).

The majority of long-term loans and debts with financial institutions come from institutions located in Europe, which is why the Group relied on the evolution of the interest rate of the European Central Bank adjusted for the specific risk inherent in each financial instrument, as a reasonable benchmark for estimating the fair value of such borrowings.

Equity instruments
Equity instruments are recognized for the amounts received, net of direct costs generated by the issue.

Securities available for sale
This item includes shares held by the Group in companies in which it does not exercise control or significant influence or in unconsolidated companies.

Upon initial recognition, these assets are recognized at fair value, which is generally at their acquisition cost.

In accordance with the transitional provisions in IFRS 9, the Group has chosen to show securities that are available for sale as financial assets at fair value through comprehensive income, as these investments are held as strategic investments in long term that should not be sold in the short term.

For equities of listed companies, the fair value is the market value at the closing date (Level 1). For unlisted securities, the fair value is determined on the basis of revalued net assets (Level 3).

At each reporting date, the Group reviews the carrying amounts of its securities in order to assess whether there is any indication that they may have lost value. No profit or loss related to these instruments can be reclassified to income even at the time of derecognition.

The impairment criteria applied by the Group, for unlisted securities, are a 40% depreciation compared to the acquisition cost and a loss recognized over a period of more than one year. For listed securities, a definitive impairment loss is recognized in profit or loss if the closing market price is more than 30% lower than its acquisition cost over a period of more than one year.

Other financial assets and liabilities
Other financial assets and liabilities are recorded at their acquisition cost. The fair value of other financial assets and liabilities is estimated to be close to the carrying amount.

The receivables are valued at their nominal value (atl cost) less any write-downs covering amounts considered as non-recoverable if the Group deems it necessary. Depreciation of assets is recognized in the income statement under "Other operating income/expenses". The Group has established a provision matrix based on its historical credit loss experience, adjusted for prospective factors specific to the debtors and the economic environment. The carrying amount of the asset is reduced through the use of a provision account and the amount of the loss is recognised in the consolidated income statement. The Board of Directors of each subsidiary evaluates the receivables individually. Value adjustments are determined taking into account the local economic reality of each country. They are reviewed at the reception of new events and at least annually.

1.19. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) resulting from a past event which will probably lead to an outflow of economic benefits that can be reasonably estimated.

Restructuring provisions are recognized when the Group has a formal and detailed plan for the restructuring that has been notified to the affected parties.

1.20. Pension obligations

Definition of contribution plans
These plans designate the post-employment benefit plans under which the Group pays defined contributions to external insurance companies for certain categories of employees. Payments made under these pension plans are recognized in the income statement in the year in which they are due.

As these plans do not generate future commitments for the Group, they do not give rise to provisions.

Benefit plans defined
These plans refer to post-employment benefit plans that provide additional income to certain categories of employees for services rendered during the year and prior years.

This guarantee of additional resources is a future benefit for the Group for which a commitment is calculated by independent actuaries at the end of each financial year.

The actuarial assumptions used to determine the liabilities vary according to the economic conditions prevailing in the country in which the plan is located.

The discount rates applicable to discount post-employment benefit obligations should be determined by reference to the market yields on high quality corporate bonds that are appropriate to the estimated timing of benefit payments at the balance sheet date. .

The Group decided to calculate discount rates using an economic approach for high-quality corporate corresponding to the terms of the employee benefits in the countries concerned. In the countries where there is no active market for such obligation, the Group refers to the market yields (at the end of the reporting period) of government bonds. The currency and duration of these corporate or government bonds must correspond to the currency and estimated duration of the post-employment benefit obligations.

In the absence of available and reliable data in Sierra Leon’s market, since the end of December 2014 the Group decided to calculate discount rates using an economic approach that better reflects the value of money and the timing of benefit payments.

The cost of corresponding commitments is determined using the projected unit credit method, with a discounted value calculation at the balance sheet date in accordance with the principles of IAS 19 "Employee Benefits".

The revised version of IAS 19 requires all changes in the amount of defined benefit pension obligations to be recognized as they occur.

Remeasurements of defined benefit pension obligations, including actuarial gains and losses, should be recognized immediately in "Other comprehensive income".

The costs of services rendered during the period, past service costs (plan amendment) and net interest are recognized as an expense immediately.

The amount recognized in the statement of financial position is the present value of the pension obligations of the defined benefit plans adjusted for actuarial gains and losses and less the fair value of plan assets.

1.21. Revenue recognition

The Group's revenues derive from the performance obligation of transferring control of products under arrangements. According to these arrangements, the transfer of control and the fulfilment of the performance obligation occur at the same time.

The point of control of the asset by the customer depends on when the goods are made available to the carrier or when the buyer takes possession of the goods, depending on the delivery conditions. With regards to the Group's activities, the recognition criteria are generally met:
(a) for export sales, where the time of the transfer of deed based on the incoterms;
(b) for local sales, depending on the delivery conditions, either when the goods leave the premises or when the customer takes possession of the goods.
This is the moment when the Group has fulfilled its performance obligations.
Revenues are valued at the transaction price of the consideration received or receivable, which the Company expects to be entitled to.

The selling price is determined at the market price and in a few cases the selling price is contractually determined on a provisional basis, based on a reliable estimate of the selling price. In the latter case, price adjustments can then take place depending on the movements between the reference price and the final price, as recognised.

Interest income is recognized on a straight-line basis, depending on the outstanding amount of principal and the applicable interest rate.

As at 31st December 2020, revenue from a customer within the Group accounted for approximately EUR 45.4 million (2019: EUR 43.6 million) of total Group revenue.

1.22. Taxes

Current tax is the amount of tax payable or recoverable on the profit or loss of a financial year.

Temporary differences between the book values of assets and liabilities and their tax bases give rise to the recognition of a deferred tax using the tax rates whose application is provided for when reversing the temporary differences, as adopted on the closing date.

Deferred taxes are recognized for all temporary differences unless the deferred tax is generated by goodwill or by the initial recognition of an asset or a liability that is not acquired through a business combination and does not affect the accounting profit or the taxable profit on the transaction date.

A deferred tax liability is recognized for all taxable temporary differences related to investments in subsidiaries and associates, unless the date on which the temporary difference will be reversed can be checked and it is likely that it will not reverse in the foreseeable future.

A deferred tax asset is recognized to carry forward unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available on which these unused tax losses and tax credits can be charged.

Deferred tax is recognized in the income statement unless it relates to items that have been directly recognized, either in equity or in other comprehensive income.

1.23. Business combinations

IFRS 3 "Business Combinations" provides the accounting basis for recognizing business combinations and changes in interests in subsidiaries after obtaining control.

This standard makes it possible, at each grouping, to opt for the recognition of a positive goodwill (corresponding to majority and minority interests) or a partial positive goodwill (based on the percentage of vested interests).

The accounting treatment of this difference is described in points 1.6 and 1.7.

Changes in interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

1.24. Segment information

IFRS 8 "Operating Segments" requires operating segments to be identified based on the internal reporting analysed by the entity's chief operating decision-maker to assess performance and make resource decisions for the segments.

The identification of these operational sectors follows from the information analysed by the Management which is based on the geographic distribution of political and economic risks and on the analysis of individual social accounts at historical cost.

1.25. Use of estimates

For the preparation of consolidated financial statements in accordance with IFRS, Group Management has had to make assumptions based on its best estimates that affect the carrying amount of assets and liabilities, information on assets and liabilities, contingent liabilities and the carrying amount of income and expenses recorded during the period. Depending on the evolution of these assumptions or different economic conditions, the amounts that will appear in the Group's future consolidated financial statements may differ from current estimates. Significant accounting policies, for which the Group has made estimates, mainly concern the application of IAS 19 (Note 20), IAS 2 / IAS 41 (Notes 8 and 13), IAS 16 (Note 7), IAS 36 (Notes 7 and 26), IFRS 9 (Note 23) and IFRS 16 (Note 5).

In the absence of observable data within the scope of IFRS 13, the Group makes use of a model developed to assess the fair value of agricultural production based on local production costs and conditions and local sales (Refer to Note 1.15).

This method is inherently more volatile than assessment at historical cost.

1.26. Going concern and Impact of the COVID-19 pandemic

As of 31st December 2020, the current liabilities exceed current assets for an amount of EUR 86 705 628:

- the current assets amount to EUR 223 989 684, and
- the current liabilities amount to EUR 310 740 312 mainly due to the maturity of the non-convertible debts on the 9th of December 2021 for an amount of EUR 80 000 000 (Note 21) as well as current debts from financial institutions for an amount of EUR 30 000 000 (Note 21).

The Company has taken the necessary steps to find the necessary financial resources to adhere to it financial obligations and is:

- in negotiations with several financial institutions in order to finalise financial contracts. The Company continues to evaluate the reasonableness of the offers being presented;
- in the meantime, and to guarantee its capacity to continue its activity on a going-concern basis, the Company benefits from the terms of a Letter of Comfort from the shareholders

which guarantees the financial support which will enable the Company to comply with its financial obligations in a limit of EUR 110 000 000 until 30th June 2022;

Furthermore, during 2020, though the impact of the COVID-19 pandemic on the activities of the Company and its subsidiaries was limited, the Management has adapted to the new constraints and is permanently monitoring the risks related to this health crisis. The spread of the virus is still active and unpredictable, which brings uncertainty to economic development on one side and to the course of business affairs on the other side.

Taking into account the impact of the COVID-19 outbreak based on the information available to date (March 2021), the Company has prepared a cash flow plan assessing a liquidity position of the Company and its subsidiaries based on Management's best estimates. Considering the partial activation of above shareholder’s engagement, this cash flow plan shows sufficient liquidity for the Company to meet its obligations and confirms the going concern assumption for at least the twelve months following the date of approval of the current financial statements.

Note 2. Subsidiaries and associates

	% Group Interest 2020	% Group Control 2020	Consolidation Method (*) 2020	% Group Interest 2019	% Group Control 2019	Consolidation Method (*) 2019
AFRICA						
Rubber and palm						
SOGB S.A.	41.09	73.16	FI	39.49	73.16	FI
PLANTATIONS SOCFINAF GHANA « PSG » LTD	64.51	100.00	FI	62.00	100.00	FI
OKOMU OIL PALM COMPANY PLC	42.08	65.23	FI	40.28	64.97	FI
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	44.55	69.05	FI	42.81	69.05	FI
SOCIETE CAMEROUNAISES DE PALMERAIES « SOCAPALM » S.A.	43.52	67.46	FI	41.82	67.46	FI
Rubber						
LIBERIAN AGRICULTURAL COMPANY « LAC »	64.51	100.00	FI	62.00	100.00	FI
SALALA RUBBER CORPORATION « SRC »	64.51	100.00	FI	62.00	100.00	FI
SUD COMOË CAOUTCHOUC « SCC »	39.32	70.01	FI	37.79	70.01	FI
Palm						
SOCFIN AGRICULTURAL COMPANY « SAC » LTD	60.00	93.00	FI	57.66	93.00	FI
SOCIETE DES PALMERAIES DE LA FERME SUISSE « SPFS »	43.52	100.00	FI	41.82	100.00	FI
AGRIPALMA LDA	56.77	88.00	FI	54.56	88.00	FI
BRABANTA S.A.	64.58	100.00	FI	62.07	100.00	FI
Other activities						
BEREBY-FINANCES « BEFIN » S.A.	56.16	87.06	FI	53.98	87.06	FI
CAMSEEDS S.A.	43.60	100.00	FI	41.91	100.00	FI
ASIA						
Rubber and Palm						
PT SOCFIN INDONESIA « SOCFINDO »	52.28	90.00	FI	52.03	90.00	FI
Rubber						
SETHIKULA CO LTD	58.09	100.00	FI	57.81	100.00	FI
SOCFIN-KCD CO LTD	58.09	100.00	FI	57.81	100.00	FI
VARANASI CO LTD	58.09	100.00	FI	57.81	100.00	FI
COVIPHAMA CO LTD	58.09	100.00	FI	57.81	100.00	FI

	% Group Interest 2020	% Group Control 2020	Consolidation Method (*) 2020	% Group Interest 2019	% Group Control 2019	Consolidation Method (*) 2019
EUROPE						
Other Activities						
CENTRAGES S.A.	61.30	100.00	FI	59.90	100.00	FI
IMMOBILIERE DE LA PEPINIERE S.A.	61.30	100.00	FI	59.90	100.00	FI
INDUSERVICES S.A.	74.68	100.00	FI	73.83	100.00	FI
INDUSERVICES FR S.A.	61.30	100.00	FI	59.90	100.00	FI
MANAGEMENT ASSOCIATES S.A.	62.91	90.00	FI	61.93	90.00	FI
PLANTATION NORD-SUMATRA LTD « PNS Ltd » S.A.	58.09	100.00	FI	57.81	100.00	FI
SOCIETE ANONYME FORESTIERE AGRICOLE « SAFA »	64.51	100.00	FI	62.00	100.00	FI
SOCFIN RESEARCH S.A.	61.30	100.00	FI	59.90	100.00	FI
SOCFIN GREEN ENERGY S.A.	61.30	100.00	FI	59.90	100.00	FI
SOCFINAF S.A.	64.51	64.51	FI	62.00	62.00	FI
SOCFINASIA S.A.	58.09	58.09	FI	57.81	57.81	FI
SOCFINCO S.A.	61.30	100.00	FI	59.90	100.00	FI
SOCFINCO FR S.A.	61.30	100.00	FI	59.90	100.00	FI
SOCFINDE S.A.	59.33	99.92	FI	58.60	99.92	FI
SODIMEX S.A.	61.30	100.00	FI	59.90	100.00	FI
SODIMEX FR S.A.	61.30	100.00	FI	59.90	100.00	FI
SOGESCOL CAMEROUN « SOGESCOL CAM » S.A.R.L.	61.30	100.00	FI	59.90	100.00	FI
SOGESCOL FR S.A.	61.30	100.00	FI	59.90	100.00	FI
STP INVEST S.A.	64.51	100.00	FI	62.00	100.00	FI
TERRASIA S.A.	68.15	100.00	FI	67.18	100.00	FI

(*) Consolidation Method : FI : Full integration

Other entities not consolidated due to their low materiality : Gaummes, Socficom et Soggai.

List of subsidiaries and associates

* AGRIPALMA LDA is a company located on the island of São Tomé and Principe specialized in the production of palm oil.

* BEREBY-FINANCES « BEFIN » S.A. is a holding company under Ivorian law owning the Ivorian companies SOGB S.A. and SCC.

* BRABANTA S.A. is a Congolese company specialized in the production of palm oil.

* CAMSEEDS S.A. is a company under Cameroonian law specialized in research, development and production of seeds (palm).

* CENTRAGES S.A. is a company under Belgian law providing administrative and accounting services and owns three floors of office space in Brussels.

* COVIPHAMA CO LTD is a company under Cambodian law involved in rubber.

* IMMOBILIERE DE LA PEPINIERE S.A. is a company under Belgian law with three floors of office space in Brussels.

* INDUSERVICES S.A. is a company under Luxembourg law whose purpose is to provide all administrative services to all companies and organizations, including all services relating to documentation, bookkeeping and register services, as well as all representation, study and consultation activities and assistance.

* INDUSERVICES FR S.A. is a company under Swiss law whose purpose is to provide all administrative services to all companies and organizations, including all services relating to documentation, bookkeeping and register services, as well as all representation, study and consultation activities. and assistance. In addition, it provides all Group companies with access to the common IT platform.

* LIBERIAN AGRICULTURAL COMPANY « LAC » is a company under Liberian law specializing in the production of rubber.

* MANAGEMENT ASSOCIATES S.A. is a company under Luxembourg law active in the transport sector.

* OKOMU OIL PALM COMPANY PLC is a company under Nigerian law specialized in the production of palm and rubber products.

* PLANTATION NORD-SUMATRA LTD “PNS Ltd" S.A. is a holding company under Luxembourg law which holds stakes in PT Socfindo and Coviphama CO LTD.

* SOCFINAF PLANTATIONS GHANA "PSG" LTD is a Ghanaian company specialized in the production of palm and rubber products.

* PT SOCFIN INDONESIA "SOCFINDO" is a company under Indonesian law active in the production of palm oil and rubber.

* SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM S.A. » is a company under Cameroon law active in the production of palm oil and the cultivation of rubber trees.

* SALALA RUBBER CORPORATION « SRC » is a company under Cameroon law active in the production of palm oil and the cultivation of rubber trees.

* SETHIKULA CO LTD is a company under Cambodian law holding concessions of agricultural land.

* SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM S.A. » is active in Cameroon in the production of palm oil and rubber cultivation.

* SOCFIN AGRICULTURAL COMPANY « SAC » LTD is a company located in Sierra Leone specialized in the production of palm oil.

* SOCFIN CONSULTANT SERVICES « SOCFINCO » S.A. is a company established in Belgium providing technical assistance, agronomic and financial services.

* SOCFIN GREEN ENERGY S.A. is a Swiss company in the realization and maintenance studies of energy production units.

* SOCFIN RESEARCH S.A. is a Swiss research and agricultural project company.

* SOCFIN-KCD CO LTD is a company under Cambodian law active in the production of rubberwood.

* SOCFINAF S.A. is a holding company incorporated under Luxembourg law whose activity is mainly focused on the management of a portfolio of active participations in plantations located in Africa.

* SOCFINASIA S.A. is a holding company under Luxembourg law whose activity is focused on the management of a portfolio of interests involved in plantations located in Southeast Asia.

* SOCFINCO FR S.A. is a Swiss company providing services, studies and management of agro-industrial plantations.

* SOCFINDE S.A. is a finance holding company under Luxembourg law.

* SOCIETE ANONYME FORESTIERE AGRICOLE « SAFA » is a company under French law holding a stake in a plantation in Cameroon, Safacam S.A.

* SOCIETE DES PALMERAIES DE LA FERME SUISSE « SPFS » S.A. is a company incorporated under the Cameroon law in the production and marketing of palm oil.

* SODIMEX S.A. is a Belgian company active in the field of buying and selling equipment for plantations.

* SODIMEX FR S.A. is a Swiss company active in the purchase and sale of equipment for plantations.

* SOGB S.A. is a company under Ivorian law specialized in the production of palm and rubber products.

* SOGESCOL FR S.A. is a Swiss company active in the tropical products trade.

* SOGESCOL CAMEROON "SOGESCOL CAM" S.A R.L. is a company under Cameroonian law active in the trading of palm oil in Cameroon.

* STP INVEST S.A. is a company under Belgian law with a stake in Agripalma LDA.

* SUD COMOË CAOUTCHOUC « SCC » is a company under Ivorian law whose business is the processing and marketing of rubber.

* TERRASIA S.A. is a company under Luxembourg law set up for office ownerships.

* VARANASI CO LTD is a company under Cambodian law holding concession of agricultural land.

Note 3. Adjustments

The Group has restated its previously issued consolidated financial statements for the years ended 31st December 2019 and 1st January 2019. The Group has identified misstatements relating to prior years. These misstatements have been corrected by restating each of the relevant line items in the prior years' financial statements. The following tables summarize the impact of these corrections on the Group's financial statements.

i. Statement of the financial position

1st January 2019	*Previously published as at 31/12/2018*	*Impact of IFRS 16 adoption*	*Opening balance as at 01/01/2019*	*Impact of the adjustment* (a)	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*Minority change following the adjustment*	*Restated Balances*
Rights-of-use assets		11 927 639	11 927 639									11 927 639
Property, plant and equipment	320 995 026	-272 118	320 722 908		295 822							321 018 730
Biological assets	508 460 019		508 460 019		1 791 924				1 864 982			512 116 925
Deferred tax assets	14 240 147	704 713	14 944 860	46 238		392 823	154 815	1 436 101	-549 254			16 425 583
Inventories	86 580 724		86 580 724	3 886 554								90 467 278
Trade receivables	31 418 502		31 418 502	-4 584 734								26 833 768
Other receivables	16 260 532		16 260 532	195 596								16 456 128
Total assets	***977 954 950***	***12 360 234***	***990 315 184***	***-456 346***	***2 087 745***	***392 823***	***154 815***	***1 436 101***	***1 315 729***	***0***	***0***	***995 246 051***
Deferred tax liabilities	9 890 639		9 890 639		730 711				-133 266	4 988 300		15 476 384
Employee benefit obligations	45 112 202		45 112 202			1 571 292	1 682 777					48 366 271
Long term lease liabilities		12 877 380	12 877 380									12 877 380
Current financial debts	115 626 332	-272 118	115 354 215									115 354 215
Short term lease liabilities		1 454 756	1 454 756									1 454 756
Total liabilities	***170 629 173***	***14 060 018***	***184 689 192***	***0***	***730 711***	***1 571 292***	***1 682 777***	***0***	***-133 266***	***4 988 300***	***0***	***193 529 005***
Consolidated reserves	366 089 726	-795 664	365 294 062				-274 187				112 738	365 132 613
Foreign currency translation	-91 405 853		-91 405 853	-12 858	29 201	-15 632			22 976		-8 419	-91 390 585
Profit for the period/year	16 093 629		16 093 629	-443 488	1 327 834	-1 162 837	-1 253 775	1 436 101	1 426 019	-4 988 300	1 400 991	13 836 174
Subsidiaries that hold non-controlling interests	327 637 345	-904 120	326 733 225								-1 505 312	325 227 913
Total equity	***618 414 847***	***-1 699 784***	***616 715 063***	***-456 346***	***1 357 035***	***-1 178 469***	***-1 527 962***	***1 436 101***	***1 448 995***	***-4 988 300***	***0***	***612 806 115***

31st December 2019	*Previously published*	*(a)*	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*Minority change following the adjustment*	*Restated Balances*
Property, plant and equipment	312 342 403		294 779							312 637 182
Biological assets	515 251 088		1 785 608				2 505 241			519 541 937
Deferred tax assets	15 119 822	44 751		419 897	222 433	1 588 223	-709 820			16 685 305
Inventories	98 099 755	4 884 453								102 984 208
Trade receivables	46 847 599	-5 648 811								41 198 788
Other receivables	13 117 000	277 938								13 394 938
Total assets	***1 000 777 667***	***-441 669***	***2 080 387***	***419 897***	***222 433***	***1 588 223***	***1 795 420***	***0***	***0***	***1 006 442 358***
Deferred tax liabilities	9 079 416		728 135				-184 205	4 423 367		14 046 713
Employee benefit obligations	50 524 301			1 679 586	2 417 758					54 621 645
Total liabilities	***59 603 717***	***0***	***728 135***	***1 679 586***	***2 417 758***	***0***	***-184 205***	***4 423 367***	***0***	***68 668 359***
Consolidated reserves	375 175 037	-443 488	1 327 834	-1 162 837	-2 171 349	1 436 101	1 426 019	-4 988 300	1 748 311	372 347 328
Foreign currency translation	-91 472 394	-21 720	24 418	-88 623			-39 205		56 272	-91 541 253
Profit for the period/year	8 185 721	23 539		-8 230	-23 976	152 122	592 812	564 933	-470 128	9 016 793
Subsidiaries that hold non-controlling interests	324 228 591								-1 334 455	322 894 136
Total equity	***616 116 955***	***-441 669***	***1 352 252***	***-1 259 690***	***-2 195 325***	***1 588 223***	***1 979 626***	***-4 423 367***	***0***	***612 717 004***

ii. Income Statement and Statement of Other Comprehensive income

For the year ended 31st December 2019	*Previously published*	*(a)*	*(b)*	*(c)*	*(d)*	*(e)*	*(f)*	*(g)*	*Minority change following the adjustment*	*Reclassi-fication*	*Restated Balance*
							Impact of the adjustment				
Revenue	592 882 514	-979 591									591 902 923
Change in inventories of finished products and work in progress	-7 954 767	926 640									-7 028 127
Other operational income	17 326 081				928 838						18 254 919
Raw materials and consumables used	-213 519 282	78 876								-13 373 330	-226 813 736
Other expenses	-102 038 716									13 373 330	-88 665 386
Staff costs	-128 489 140									-11 903 649	-140 392 789
Depreciation and impairment expense	-63 775 734						707 920				-63 067 814
Other operating expenses	-38 347 515			-10 974	-854 337					11 903 649	-27 309 177
Financial expenses	-19 883 622				-100 906						-19 984 528
Deferred tax income	669 327	-2 385		2 743	2 429	152 122	-115 107	564 933			1 274 062
Profit for the period	***31 362 818***	***23 539***	***0***	***-8 230***	***-23 976***	***152 122***	***592 812***	***564 933***	***0***	***0***	***32 664 018***
Actuarial losses and gains	-255 569				-708 576						-964 145
Deferred tac on actuarial losses and gains	45 820				65 189						111 009
Gains (losses) on exchange differences on translation of subsidiaries	2 523 185								-148 817		2 374 368
Comprehensive income	***33 646 145***	***0***	***0***	***0***	***-643 387***	***0***	***0***	***0***	***-148 817***	***0***	***34 185 250***

The adjustments are described below:

(a) The Turnover for the month of December linked to incoterms DAP (Delivery At Place) has been accounted under the financial statements "upon shipment" of the goods. As a consequence of same, Turnover and trade receivables have been overestimated and inventories have been underestimated on the Opening balance,
(b) Following the conclusions of the expert appointed to carry out a physical inventory of the fixed assets of the subsidiary in Congo, it was found that the property, plant and equipment and the producing biological assets were understated in the financial statements as at 1st January 2019.
(c) Other long-term employee benefits of the subsidiary in Indonesia had not been recognized in prior years,
(d) The defined benefit pension plans of the Swiss subsidiaries had not been accounted for in previous years.
(e) The deferred tax asset of one of the subsidiaries in Africa (Socapalm) was overstated in prior years.
(f) As a result of the impairment losses recorded on the biological assets of the African and Asian subsidiaries in prior years, the Group realised that the amortization of mature biological assets was overstated.

(g) Non-recognition of deferred tax liabilities on dividends from subsidiaries in future periods.

For comparison purposes of 2020 and 2019 balances, the Group has conducted a reclassification for an amount of EUR 13.4 million between the raw materials and consumables used and other external charges and for EUR 11.9 million between the staff costs and other operating expenses in the income statement for the year ended 31 December 2019.

Undiluted earnings per share for the year ended 31st December 2019 have also been adjusted. The amount of the adjustment to undiluted earnings per share is an increase of EUR 0.06 per share

Note 4. Goodwill

	2020	2019
	EUR	EUR
Acquisition costs as of 1st January	*16 297 341*	*16 297 341*
Acquisition costs as of 31st December	*16 297 341*	*16 297 341*
Impairment as of 1st Januaryr	*-11 346 284*	*-11 346 284*
Impairment as of 31st December	*-11 346 284*	*-11 346 284*
Net balance as of 31st December	*4 951 057*	*4 951 057*

Note 5. Leases

The Group leases offices and agricultural land for terms ranging from 1 to 99 years, as well as vehicles and equipment for terms ranging from 1 month to 5 years.

The Group's lease contracts are standard contracts that do not include additional non-leasing components, except for some vehicle lease contracts that include a maintenance service. The Group has used the practical expedient that allows not separating the lease component from the non-lease component for these contracts

Assets and liabilities related to lease contracts are initially measured at the present value of the fixed payments including in-substance fixed payments less any lease incentives receivable.
Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

As the implicit interest rate is not known for all the Group's contracts, the incremental borrowing rate was used to discount the lease payments. The incremental borrowing rate is the rate that the lessee would have to pay to borrow, for a similar term and with a similar guarantee, the funds necessary to acquire an asset of similar value to the asset under the right-of-use in a similar economic environment.

In determining the incremental borrowing rate, the Group:

- where possible, uses the most recent financing received by the lessee as a starting point, adjusted to reflect the change in financing conditions since the financing was received;
- uses a build-up approach starting with a risk-free rate adjusted for credit risk for leases for entities with no recent external financing;
- makes lease specific adjustments (such as term, country, currency and collateral).

The discount rates used by the Group range between 2.4% and 19.9%.

Lease payments are allocated between the repayment of the principal amount of the lease liabilities and interest expense. Interest expense is recognized in the income statement for the period over the term of the lease.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life and the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense in the income statement on a straight-line basis. Short-term leases are those with a term of 12 months or less. Low value assets consist mainly of IT equipment.

Extension and termination options have been included in the term of certain leases. To this purpose, management takes into account all facts and circumstances that may create an incentive to exercise a renewal option or not to exercise an early termination option.

For land, office and other real estate leases, the most important factors considered are as follows:

- the obligation to pay significant penalties for early termination of a contract;
- the residual value of leasehold improvements at the time the Group has the option to renew a contract;
- the cost of replacing leased assets and the disruption to operating activities that could result from replacement.

Extension options of equipment and vehicles leases have not been included the lease liability, because the Group could replace the assets without significant cost or business disruption.

The amounts recognized in the balance sheet, related to leases are as follows:

Right to use assets:

EUR	Furniture, vehicles and other	Buildings	Land and concession of agricultural area	TOTAL
Impact of adoption of IFRS 16	**4 763 598**	**4 490 245**	**8 735 515**	**17 989 358**
Additions of the year	467 578	0	38 392	**505 970**
Foreign exchange differences	34 699	3 393	96 013	**134 105**
Gross value at 31st December 2019	***5 265 875***	***4 493 638***	***8 869 920***	***18 629 433***
Impact of adoption of IFRS 16	**-2 499 862**	**-1 191 023**	**-2 370 834**	**-6 061 719**
Depreciation of the year	-1 060 998	-299 484	-219 772	**-1 580 254**
Foreign exchange differences	-19 392	-1 908	-31 688	**-52 988**
Accumulated depreciation at 31st December 2019	***-3 580 252***	***-1 492 415***	***-2 622 294***	***-7 694 961***
Net book value at 31st December 2019	**1 685 623**	**3 001 223**	**6 247 626**	**10 934 472**
Gross value at 1st January 2020	***5 265 875***	***4 493 638***	***8 869 920***	***18 629 433***
Additions of the year	2 639 259	0	479 135	**3 118 394**
Disposals of the year	0	-288 649	-882 807	**-1 171 456**
Reclassification to other categories	0	0	136 505	**136 505**
Foreign exchange differences	-541 783	-26 059	-308 243	**-876 085**
Gross value at 31st December 2020	***7 363 351***	***4 178 930***	***8 294 510***	***19 836 791***
Accumulated depreciation at 1st January 2020	***-3 580 252***	***-1 492 415***	***-2 622 294***	***-7 694 961***
Depreciation of the year	-1 516 247	-298 731	-243 201	**-2 058 179**
Disposals of the year	0	127 258	246 164	**373 422**
Foreign exchange differences	402 398	9 855	97 682	**509 935**
Accumulated depreciation at 31st December 2020	***-4 694 101***	***-1 654 033***	***-2 521 649***	***-8 869 783***
Net book value at 31st December 2020	**2 669 250**	**2 524 897**	**5 772 861**	**10 967 008**

Lease liabilities

EUR	31/12/2019	31/12/2019
Long-term lease liabilities	11 081 167	11 958 683
Short-term lease liabilities	1 623 082	1 381 083
Total	***12 704 249***	***13 339 766***

The amounts recognized in the income statement in relation with lease contracts are detailed as follows:

EUR	*2020*	*2019*
Depreciation of right-of-use assets	2 058 179	1 580 254
Expenses related to short term leases and leases of low-value assets	1 261 396	801 190
Interest expense (included in the financial expenses)	1 065 813	1 060 868
Total	***4 385 388***	***3 442 312***

Information relating to leases where the Group is the lessor is provided in note 9.

Agricultural concessions

The Group does not own all the land on which the biological assets are planted. In general, these lands are subject to very long-term concessions from the local public authority. These concessions are renewable.

Company(*)	Date of initial lease or renewal extension	Duration of the initial lease	Area conceded	
SOCFIN AGRICULTURAL COMPANY « SAC » LTD	2013/2014	50 years	18 473 ha	(1)
LIBERIAN AGRICULTURAL COMPANY « LAC »	1959	77 years	121 407 ha	
SALALA RUBBER CORPORATION « SRC »	1960	70 years	8 000 ha	(3)
SOGB S.A.	1995	99 years	34 712 ha	
PLANTATIONS SOCFINAF GHANA	2013/2016	50 years	18 303 ha	
OKOMU OIL PALM COMPANY PLC	1986/2001/2013	92 to 99 years	33 113 ha	
SOCAPALM S.A.	2000	60 years	58 063 ha	
AGRIPALMA LDA (**)	2009	25 years	4 252 ha	(2)
BRABANTA S.A.	2015/2018/2019	25 years	8 689 ha	
SETHIKULA CO LTD	2010	99 years	4 273 ha	
VARANASI CO LTD	2009	70 years	2 386 ha	
COVIPHAMA CO LTD	2008	70 years	5 345 ha	
PT SOCFINDO	1995/2015/2019	25 to 35 ans	47 695 ha	

(1) Renewable concessions for a term of 25 years.

(2) Concessions renewable tacitly for periods of 25 years.

(3) Extensible concessions up to 40 000 ha

(*) SAFACAM S.A. owns 17 690 ha

(**)AGRIPALMA LDA owns 665 ha.

Note 6. Intangible assets

EUR	*Concessions & patents*	*Software*	*Other intangible assets*	*TOTAL*
Cost at 1st January 2019	***2 468 597***	***3 128 746***	***2 411 702***	***8 009 045***
Additions of the year	0	188 304	363 640	551 944
Disposals of the year	0	-32 382	-223 221	-255 603
Reclassifications to other asset classes	278 087	-1 740	-231 251	45 096
Foreign currency translation	-299 896	90 903	1 272	-207 721
Cost at 31st December 2019	***2 446 788***	***3 373 831***	***2 322 142***	***8 142 761***
Accumulated depreciation at 1st January 2019	***-232 582***	***-1 782 093***	***-2 232 540***	***-4 247 215***
Depreciation of the year	-50 271	-102 156	-157 483	-309 910
Depreciation reversals of the year	0	32 252	66 033	98 285
Reclassifications to other asset classes	0	0	-36 410	-36 410
Foreign currency translation	20 532	-66 716	433 085	386 901
Accumulated depreciation at 31st December 2019	***-262 321***	***-1 918 713***	***-1 927 315***	***-4 108 349***
Net book value at 31st December 2019	***2 184 467***	***1 455 118***	***394 827***	***4 034 412***
Cost at 1st January 2020	***2 446 788***	***3 373 831***	***2 322 142***	***8 142 761***
Additions of the year	0	26 952	139 009	165 961
Disposals of the year	-8 182	-7 339	-993 999	-1 009 520
Reclassifications to other asset classes	0	0	-78 325	-78 325
Foreign currency translation	-289 769	-189 089	-19 350	-498 208
Cost at 31st December 2020	***2 148 837***	***3 204 355***	***1 369 477***	***6 722 669***
Accumulated depreciation at 1st January 2020	***-262 321***	***-1 918 713***	***-1 927 315***	***-4 108 349***
Depreciation of the year	-45 999	-93 593	25 660	-113 932
Depreciation reversals of the year	8 182	7 263	592 472	607 917
Reclassifications to other asset classes	0	0	17 395	17 395
Foreign currency translation	30 754	141 486	19 356	191 596
Accumulated depreciation at 31st December 2020	***-269 384***	***-1 863 557***	***-1 272 432***	***-3 405 373***
Net book value at 31st December 2020	***1 879 453***	***1 340 798***	***97 045***	***3 317 296***

Note 7. Property, plant and equipment

EUR	Land and nurseries	Buildings	Technical installations	Furniture, vehicles and others	Work in progress	Advances and prepayments	TOTAL
Cost at 1st January 2019 - Restated	***15 975 528***	***281 712 281***	***162 854 354***	***230 709 366***	***32 054 183***	***1 838 958***	***725 144 670***
Additions of the year	1 682 637	1 481 237	4 662 241	6 168 776	27 797 028	190 569	41 982 488
Disposals of the year	0	-124 124	-1 460 235	-4 101 082	0	-243 962	-5 929 403
Reclassifications to other asset classes	-1 288 009	11 608 201	21 587 632	-6 314 733	-40 272 820	-961 025	-15 640 754
Foreign currency translation	169 383	3 615 178	3 744 189	518 941	-463 987	52 231	7 635 935
Cost at 31st December 2019 – Restated	***16 539 539***	***298 292 773***	***191 388 181***	***226 981 268***	***19 114 404***	***876 771***	***753 192 936***
Accumulated depreciation at 1st January 2019 - Restated	***-1 284 533***	***-144 608 854***	***-102 559 018***	***-151 208 029***	***0***	***0***	***-399 660 432***
Depreciation of the year	-26 437	-12 251 598	-8 828 420	-14 919 161	0	0	-36 025 616
Depreciation reversals of the year	0	90 987	1 371 978	4 084 989	0	0	5 547 954
Reclassifications to other asset classes	0	11 856	-31 808	16 086	0	0	-3 866
Foreign currency translation	21	-2 626 779	-3 041 001	-280 522	0	0	-5 948 281
Accumulated depreciation at 31st December 2019 - Restated	***-1 310 949***	***-159 384 388***	***-113 088 269***	***-162 306 637***	***0***	***0***	***-436 090 243***
Accumulated impairment at 1st January 2019	***0***	***0***	***0***	***-4 465 511***	***0***	***0***	***-4 465 511***
Accumulated impairment at 31st December 2019	***0***	***0***	***0***	***-4 465 511***	***0***	***0***	***-4 465 511***
Net book value at 31st December 2019 - Restated	***15 228 590***	***138 908 385***	***78 299 912***	***60 209 120***	***19 114 404***	***876 771***	***312 637 182***

EUR	Land and nurseries	Buildings	Technical installations	Furniture, vehicles and others	Work in progress	Advances and prepayments	TOTAL
Cost at 1st January 2020	***16 539 539***	***298 292 773***	***191 388 179***	***226 981 268***	***19 114 404***	***876 771***	***753 192 934***
Additions of the year	1 342 832	9 501 914	11 873 132	6 877 610	23 941 272	175 950	53 712 710
Disposals of the year	-163 688	-1 833 639	-6 806 749	-6 560 984	0	-341 935	-15 706 995
Reclassifications to other asset classes	-2 363 493	5 022 226	-189 589	7 847 458	-13 163 680	-28 640	-2 875 718
Foreign currency translation	-2 040 959	-19 061 984	-17 445 948	-9 031 765	-3 052 169	-62 437	-50 695 262
Cost at 31st December 2020	***13 314 231***	***291 921 290***	***178 819 025***	***226 113 587***	***26 839 827***	***619 709***	***737 627 669***
Accumulated depreciation at 1st January 2020	***-1 310 949***	***-159 384 388***	***-113 088 269***	***-162 306 635***	***0***	***0***	***-436 090 241***
Depreciation of the year	-15 278	-13 388 717	-9 918 238	-14 605 950	0	0	-37 928 183
Depreciation reversals of the year	135 990	1 292 720	6 073 210	6 228 054	0	0	13 729 974
Reclassifications to other asset classes	0	0	2 227 092	-1 851 373	0	0	375 719
Foreign currency translation	7 105	8 699 191	8 959 901	7 052 056	0	0	24 718 253
Accumulated depreciation at 31st December 2020	***-1 183 132***	***-162 781 194***	***-105 746 304***	***-165 483 848***	***0***	***0***	***-435 194 478***
Accumulated impairment at 1st January 2020	***0***	***0***	***0***	***-4 465 511***	***0***	***0***	***-4 465 511***
Impairment of the year	0	0	0	-873 022	0	0	*-873 022*
Accumulated impairment at 31st December 2020	***0***	***0***	***0***	***-5 338 533***	***0***	***0***	***-5 338 533***
Net book value at 31st December 2020	***12 131 099***	***129 140 096***	***73 072 721***	***55 291 206***	***26 839 827***	***619 709***	***297 094 657***

On 31st December 2019, the Group has technical installations and professional equipment pledged as guarantees for borrowings of the Group for an amount of EUR 15 million (2019: EUR 16 million). Details of these guarantees are provided in Note 33.

In 2019, the Group reclassified spare parts that were presented as tangible assets. A review of spare parts inventories showed that these parts are interchangeable and do not meet the criteria for classification as tangible assets. As of 1st January 2019, the inventory of spare parts presented as tangible assets amounted to EUR 14.2 million.

The accounting policies adopted for Property, plant and equipment are detailed under Notes 1 and 26.

Note 8. Biological assets

EUR	Palm		Rubber		Others	TOTAL
	Mature	Immature	Mature	Immature		
Cost at 1st January 2019 - Restated	***321 247 074***	***121 629 670***	***189 253 562***	***112 440 398***	***14 348***	***744 585 052***
Additions of the year	0	15 994 990	82 688	12 806 624	0	28 884 302
Disposals of the year	-1 188 888	-4 539	-3 737 761	0	0	-4 931 188
Reclassifications to other asset classes	110 971 561	-110 524 144	21 342 896	-20 187 624	0	1 602 689
Foreign currency translation	505 621	1 502 627	2 360 045	170 061	0	4 538 354
Cost at 31st December 2019 - Restated	***431 535 368***	***28 598 604***	***209 301 430***	***105 229 459***	***14 348***	***774 679 209***
Accumulated depreciation at 1st January 2019	***-108 110 940***	***0***	***-59 543 698***	***0***	***-10 153***	***-167 664 791***
Depreciation of the year	-15 665 313	0	-9 160 710	0	-56	-24 826 079
Depreciation reversals of the year	810 956	0	3 331 891	0	0	4 142 847
	0	0	-314 681	0	0	-314 681
Foreign currency translation	-1 295 687	0	-839 642	0	0	-2 135 329
Accumulated depreciation at 31st December 2019	***-124 260 984***	***0***	***-66 526 840***	***0***	***-10 209***	***-190 798 033***
Accumulated impairment at 1st January 2019	***-21 874 106***	***-3 240 148***	***-13 615 008***	***-26 074 074***	***0***	***-64 803 336***
Reclassifications to other asset classes	-3 111 747	3 111 747	-5 918 090	5 918 090	0	0
Foreign currency translation	683 408	452	-120 100	-99 662	0	464 096
Accumulated impairment at 31st December 2019	***-24 302 445***	***-127 949***	***-19 653 198***	***-20 255 646***	***0***	***-64 339 240***
Net book value at 31st December 2019	***282 971 939***	***28 470 655***	***123 121 392***	***84 973 813***	***4 139***	***519 541 938***

EUR	Palm		Rubber		Others	Total
	Mature	Immature	Mature	Immature		
Cost at 1st January 2020	***431 535 368***	***28 598 604***	***209 301 430***	***105 229 459***	***14 348***	***774 679 209***
Additions of the year	210 174	12 727 398	81 726	10 483 544	0	23 502 842
Disposals of the year	-4 065 662	-11 322	-2 175 947	-558 531	-7 217	-6 818 679
Reclassifications to other asset classes	19 410 380	-17 340 500	8 908 400	-8 614 787	0	2 363 493
Foreign currency translation	-36 445 352	-2 742 346	-12 147 752	-8 146 838	0	-59 482 288
Cost at 31st December 2020	***410 644 908***	***21 231 834***	***203 967 857***	***98 392 847***	***7 131***	***734 244 577***
Accumulated depreciation at 1st January 2020	***-124 260 984***	***0***	***-66 526 840***	***0***	***-10 209***	***-190 798 033***
Depreciation of the year	-17 669 742	0	-9 110 797	0	-56	-26 780 595
Depreciation reversals of the year	3 879 910	0	1 686 359	0	7 217	5 573 486
Foreign currency translation	6 113 352	0	3 825 810	0	0	9 939 162
Accumulated depreciation at 31st December 2020	***-131 937 464***	***0***	***-70 125 468***	***0***	***-3 048***	***-202 065 980***
Accumulated impairment at 1st January 2020	***-24 302 445***	***-127 949***	***-19 653 198***	***-20 255 646***	***0***	***-64 339 240***
Impairment of the year	-271 036	0	-509 870	-6 211 313	0	-6 992 219
Reclassifications to other asset classes	-113 583	113 583	3 559 524	-3 559 524	0	0
Foreign currency translation	3 592 276	14 366	1 095 990	2 021 586	0	6 724 218
Accumulated impairment at 31st December 2020	***-21 094 788***	***0***	***-15 507 554***	***-28 004 897***	***0***	***-64 607 241***
Net book value at 31st December 2020	***257 612 656***	***21 231 834***	***118 334 835***	***70 387 950***	***4 083***	***467 571 358***

On 31st December 2020, the Group has biological assets pledged as guarantees for borrowings of the Group for an amount of EUR 21 million. Details of these guarantees are provided in Note 33.

Note 9. Investment properties

	EUR
Cost at 1st January 2019	***9.809.861***
Additions of the year	43.186
Cost at 31st December 2019	***9.853.047***
Accumulated depreciation at 1st January 2019	***-5.303.997***
Depreciation of the year	-325.955
Accumulated depreciation at 31st December 2019	***-5.629.952***
Net book value at 31st December 2019	***4.223.095***
Cost at 1st January 2020	***9.853.047***
Additions of the year	3.555
Cost at 31st December 2020	***9.856.602***
Accumulated depreciation at 1st January 2020	***-5.629.952***
Depreciation of the year	-167.295
Accumulated depreciation at 31st December 2020	***-5.797.247***
Net book value at 31st December 2020	***4.059.355***

The leases are in the form of a 9-year renewable lease (first expiry on 14th January 2022). Premises rented of the Champ de Mars building generated rental income of EUR 0.5 million. The direct operating expenses incurred by this property amounted to EUR 0.3 million.

The 1st and 4th floors of the building located at 2, Place du Champ de Mars, in Brussels were revalued by an independent appraiser during the acquisition of Immobilière de la Pépinière SA in December 2006. This value was used as means for the valuation of the building when entering the consolidation scope. The ground floor acquired in 2007 has been valued at its acquisition cost.

As of 31st December 2020, the fair value of the Ground floor, as well as the 1st and 4th floors of the building amounts to EUR 4.2 million. This value has been estimated by an independent assessor.

As stipulated in the loan agreement, the eventual sale of the property is subject to prior approval of the creditor.

Note 10. Non-wholly owned subsidiaries in which non-controlling interests are significant

Interests of non-controlling interests in the activities of the Group

Name of the subsidiary	Main location	Percentage of equity shares of non-controlling interests 2020	2019	Percentage of voting rights of non-controlling interests 2020	2019
Production of palm oil and rubber					
SOGB S.A.	Ivory Coast	58.91%	60.51%	26.84%	26.84%
OKOMU OIL PALM COMPANY PLC	Nigeria	57.92%	59.72%	34.77%	36.03%
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	Cameroon	55.45%	57.19%	30.95%	30.95%
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	Cameroon	56.48%	58.18%	32.54%	32.54%
PT SOCFIN INDONESIA « SOCFINDO »	Indonesia	47.72%	47.97%	10.00%	10.00%
Production of rubber					
LIBERIAN AGRICULTURAL COMPANY « LAC »	Liberia	35.49%	38.00%	0.00%	0.00%
Investment portfolio management					
SOCFINASIA S.A.	Luxembourg	41.91%	42.19%	41.91%	42.19%
SOCFINAF S.A.	Luxembourg	35.49%	38.00%	35.49%	38.00%

Name of the subsidiary	Net income attributed to non-controlling interests in the subsidiary during the financial period 2020	2019 Restated	Accumulated non-controlling interests in the subsidiary 2020	2019 Restated
	EUR	EUR	EUR	EUR
SOGB S.A.	6 566 980	4 043 743	52 582 568	50 263 104
OKOMU OIL PALM COMPANY PLC	10 991 337	9 405 298	43 999 962	52 944 265
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	-163 831	-680 306	23 641 489	25 126 170
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	10 289 683	11 299 407	57 043 361	58 184 438
PT SOCFIN INDONESIA « SOCFINDO »	14 923 085	10 599 800	24 096 671	28 602 027
LIBERIAN AGRICULTURAL COMPANY « LAC »	-310 025	-428 065	8 675 899	10 838 945
SOCFINASIA S.A.	-1 527 405	-2 080 220	53 912 393	48 578 869
SOCFINAF S.A.	-7 384 833	-3 372 262	15 539 267	15 830 905
Subsidiaries that hold non-controlling interests that are not significant individually			11 431 676	32 525 413
Non-controlling interests			***290 923 286***	***322 894 136***

Summary financial information concerning subsidiaries whose interests of non-controlling interests are significant for the Group excluding intragroup eliminations

Name of the subsidiary	Current assets	Non-current assets	Current liabilities	Non-Current Liabilities
2019	***EUR***	***EUR***	***EUR***	***EUR***
SOGB S.A.	31 954 538	101 284 429	35 386 836	17.245.408
OKOMU OIL PALM COMPANY PLC	32 150 890	93 326 564	9 544 570	31.376.618
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	11 686 610	36 458 786	11 669 913	6.597.492
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	34 831 119	111 676 914	26 308 562	6.476.318
PT SOCFIN INDONESIA « SOCFINDO »	24 211 165	94 725 931	21 271 634	40.794.919
LIBERIAN AGRICULTURAL COMPANY « LAC »	14 959 113	73 743 031	14 259 696	26.945.165
SOCFINASIA S.A.	96 084 016	316 012 891	4 242 376	0
SOCFINAF S.A.	5 097 975	544 673 741	177 523 956	90.000.000

2020	***EUR***	***EUR***	***EUR***	***EUR***
SOGB S.A.	40 020 783	100 326 199	39 002 709	13 681 716
OKOMU OIL PALM COMPANY PLC	33 642 117	83 538 525	12 854 812	30 080 524
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	9 988 293	35 298 471	10 601 283	4 763 103
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	34 148 638	112 062 872	28 625 313	3 099 446
PT SOCFIN INDONESIA « SOCFINDO »	28 637 540	85 874 710	28 628 385	35 114 903
LIBERIAN AGRICULTURAL COMPANY « LAC »	14 951 857	68 235 985	14 363 246	26 125 905
SOCFINASIA S.A.	110 955 167	316 012 891	4 126 309	0
SOCFINAF S.A.	4 579 869	549 824 639	175 820 665	90 000 000

Name of the subsidiary	Revenue from ordinary activities	Net income for the year	Comprehensive income for the year	Dividends paid to non-controlling interests
2019	*EUR*	*EUR*	*EUR*	*EUR*
SOGB S.A.	93 587 546	6 891 236	6 891 236	1 237 431
OKOMU OIL PALM COMPANY PLC	55 044 697	16 255 460	16 255 460	5 191 694
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	26 730 831	1 229 630	1 229 630	270 349
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	106 416 554	18 667 650	18 667 650	5 084 392
PT SOCFIN INDONESIA « SOCFINDO »	118 230 566	25 502 860	25 502 860	2 467 389
LIBERIAN AGRICULTURAL COMPANY « LAC »	29 750 036	-1 239 328	-1 239 328	0
SOCFINASIA S.A.	0	18 644 261	18 644 261	6 614 065
SOCFINAF S.A.	0	22 878 447	22 878 447	0
2020	*EUR*	*EUR*	*EUR*	*EUR*
SOGB S.A.	101 349 845	11 666 285	11 666 285	1 237 431
OKOMU OIL PALM COMPANY PLC	57 308 888	18 084 173	18 084 173	1 728 013
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	25 489 988	1 036 538	1 036 538	307 960
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	108 244 754	17 958 810	17 958 810	5 595 101
PT SOCFIN INDONESIA « SOCFINDO »	121 354 132	36 586 206	36 586 206	3 714 377
LIBERIAN AGRICULTURAL COMPANY « LAC »	29 475 396	-840 853	-840 853	0
SOCFINASIA S.A.	0	32 404 338	32 404 338	6 597 370
SOCFINAF S.A.	0	6 336 083	6 336 083	0

Name of the subsidiary	Net cash inflows (outflows)			Net cash inflows (outflows)
	Operating activities	Investing activities	Financing activities	
2019	*EUR*	*EUR*	*EUR*	*EUR*
SOGB S.A.	8 980 788	-5 826 748	16 961 067	20 115 106
OKOMU OIL PALM COMPANY PLC	4 442 022	-12 868 510	4 206 880	-4 219 608
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	4 073 545	-2 464 880	7 912 103	9 520 769
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	38 583 687	-10 086 096	-22 219 464	6 278 127
PT SOCFIN INDONESIA « SOCFINDO »	36 221 468	-10 588 804	-24 673 891	958 773
LIBERIAN AGRICULTURAL COMPANY « LAC »	6 413 193	-3 904 724	-2 121 745	386 724
SOCFINASIA S.A.	11 751 275	-360 000	-11 538 842	-147 567
SOCFINAF S.A.	18 315 867	-4 100 687	-14 331 765	-116 585
2020	*EUR*	*EUR*	*EUR*	*EUR*
SOGB S.A.	18 235 177	-8 094 546	-2 391 963	7 748 668
OKOMU OIL PALM COMPANY PLC	25 629 989	-22 258 792	1 220 468	4 591 664
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM » S.A.	3 582 099	-2 172 371	-4 103 183	-2 693 455
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM » S.A.	28 811 509	-12 241 939	-21 591 795	-5 022 225
PT SOCFIN INDONESIA « SOCFINDO »	56 649 530	-11 101 593	-37 143 768	8 404 169
LIBERIAN AGRICULTURAL COMPANY « LAC »	2 246 443	-3 530 282	1 562 183	278 343
SOCFINASIA S.A.	12 987 158	0	-17 417 102	-4 429 944
SOCFINAF S.A.	6 227 728	-5 398 367	195 465	1 024 826

The nature and evolution of the risks associated with the interests held by the Group in the subsidiaries remained stable over the financial period compared to the previous year.

Note 11. Financial assets at fair value through other comprehensive income

	2020 EUR	2019 EUR
Fair value as of 1st January	***896.015***	***929.476***
Change in fair value (*)	-48.997	-33.461
Fair value as of 31st December	***847.018***	***896.015***

(*) The variation in the fair value of the available for sale investments are accounted under the Other Comprehensive Income.

EUR	Cost (historical)		Fair value	
	2020	2019	2020	2019
Financial assets at fair value through other comprehensive income	695 180	695 180	896 015	929 476

Note 12. Deferred taxes

**** Components of deferred tax assets***

	2020 EUR	2019 Restated EUR
IAS 2/IAS 41: Agricultural production	-617 092	-2 908 090
IAS 12: Tax latencies	-3 230 043	-458 960
IAS 16: Property, plant and equipment	-5 530 594	-6 502 026
IAS 19: Pension obligations	10 231 453	11 970 140
IAS 21: Translation differences	14 909	-61 118
IAS 37: Provisions for risks and charges	-144 528	-1 526 442
IAS 38: Formation expenses	994 428	1 280 931
IAS 38: Research costs	891 311	985 383
IFRS 9: Financial assets measured at fair value through other comprehensive income	17 428	5 208
IFRS 9: Forward exchange contract	-84 846	-21 410
IFRS 16: Leases	562 394	710 137
IFRS 3: Fair value of investment property	-14 384	-110 169
Others	229 336	-585 928
Balance at 31st December	***3 248 386***	***2 638 592***
Of which Deferred Tax Asset	*14 640 684*	*16 685 305*
Of which Deferred Tax Liability	*-11 392 298*	*-14 046 713*

***** Contingent tax assets and liabilities**

Some of the subsidiaries have accumulated tax losses that are limited or not over time or capital allowances limited or not over time. Due to the instability which may exist in these countries with regards to the evolution of tax legislation or its application, no deferred tax assets have been booked related to these tax latencies.

Brabanta, SRC, SAC, PSG and Immobilière de la Pépinière have unused tax losses which recoverability is uncertain of EUR 17.3 million, EUR 15.4 million, EUR 10.8 million, EUR 6.5 million and EUR 2.7 million respectively at 31st December 2020.

Socfinaf has unused tax losses of EUR 60.3 million, PNS Ltd of EUR 10.1 million, Socfinasia of EUR 18.7 million and Socfin of EUR 9.6 million.

PSG have unused capital allowances as part of investment incentives for EUR 1 million.

No deferred tax assets have been booked in respect of tax latencies.

Note 13. Inventories

***** Carrying value of inventories by category**

	2020	*2019*
		Restated
	EUR	*EUR*
Raw materials	21 696 351	22 907 990
Consumables	18 814 147	28 915 408
Spare parts	26 929 320	17 967 577
Production in progress	3 075 099	9 796 669
Finished products	30 238 452	23 660 083
Down-payments and orders in progress	5 269 275	4 853 418
Gross amount before impairment as at 31st December	***106 022 644***	***108 101 145***
Inventory write-downs	-3 686 492	-5 116 937
Net amount as at 31st December	***102 336 152***	***102 984 208***

In 2019, the Group reclassified spare parts that were presented as fixed tangible assets. A review of spare parts inventories showed that these parts are interchangeable and do not meet the criteria for classification as fixed tangible assets. In 2018, the inventory of spare parts presented as fixed tangible assets amounted to EUR 14.2 million.

**** Reconciliation of inventories***

	2020	2019
		Restated
	EUR	EUR
Situation 1st January	***108 101 145***	***92 128 450***
Change in inventory	13 560 200	17 470 112
Fair value of agricultural products	-7 798 959	-2 898 149
Foreign exchange translation	-7 839 742	1 400 732
Gross amount (before impairment) as at 31st December	***106 022 644***	***108 101 145***
Inventory write-downs	-3 686 492	-5 116 937
Net amount as at 31st December	***102 336 152***	***102 984 208***

The variation in inventories reflects the reclassification of spare parts for EUR 14.2 million in 2019.

**** Quantity of inventory by category***

2019	*Raw materials*	*Production in progress*	*Finished products*
Palm oil (tons)	751	0	9 776
Rubber (tons)	28 457	0	10 965
Others (units)	0	15 414 927	2 122 838

2020	*Raw materials*	*Production in progess*	*Finished products*
Palm oil (tons)	1 374	0	15 869
Rubber (tons)	29 043	0	20 661
Others (units)	0	11 004 801	1 275 571

Note 14. Trade receivables (current assets)

	2020 EUR	2019 Restated EUR
Trade receivables	18 922 729	23 828 262
Advances and prepayments	15 159 084	17 370 526
Net total as at 31st December	***34 081 813***	***41 198 788***

Advances and down-payments mainly comprise of Okomu's down-payments for the construction of an oil mill amounting to EUR 12 million in 2020.

The value adjustments on trade receivables amounted to EUR 3.96 million as of 31st December 2020 (2019: EUR 4.07 million).

Note 15. Other receivables (current assets)

	2020 EUR	2019 Restated EUR
Social security	1 238 716	968 387
Other receivables	10 090 528	11 235 443
Prepayments	3 013 217	1 191 106
As at 31st December	***14 342 461***	***13 394 936***

The accounting principles applied and the risk management for other receivables are detailed under Notes 1 and 35.

Note 16. Current tax assets and liabilities

*** Components of current tax assets**

	2020 EUR	2019 EUR
As at 1st January	***13 014 084***	***14 878 461***
Tax income	1 111 085	5 542 436
Other taxes	2 190 815	-105 714
Taxes paid or recovered	-198 055	-6 861 511
Tax adjustments	-783 725	-429 459
Foreign exchange	-1 016 399	-10 129
Current tax assets as at 31st December	***14 317 805***	***13 014 084***

*** Components of current tax liabilities**

	2020 EUR	2019 EUR
As at 1st January	***22 182 525***	***23 999 047***
Tax expense	41 192 925	39 496 739
Other taxes	25 994 668	23 029 071
Taxes paid or recovered	-55 587 986	-62 814 416
Tax adjustments	-291 363	-1 787 744
Foreign exchange	-1 282 086	259 828
Current tax liabilities as at 31st December	***32 208 682***	***22 182 525***

Note 17. Cash and cash equivalents

**** Reconciliation with the amounts in the financial statements***

	2020 EUR	2019 EUR
Current account	58 213 617	55 842 135
Financial instruments	697 836	226 896
Balance at 31st December	***58 911 453***	***56 069 031***

**** Reconciliation with the cash flow statement***

	2020 EUR	2019 EUR
Current account	58 213 617	55 842 135
Bank overdrafts	-4 058 321	-10 184 247
Balance at 31st December	***54 155 296***	***45 657 888***

Note 18. Share capital and share premium

Subscribed and fully paid up capital amounted to EUR 24.8 million as of 31st December 2020 (No change compared to 2019). There is a share premium of EUR 0.5 million added to the subscribed capital.

In accordance with the law passed 28th July 2014 on the cancellation of treasury shares, 80 280 shares have been cancelled, the holders of these shares having not registered with the depositary.

To-date, the "Caisse de Consignation" has not yet opened a claim file.

At 31st December 2020, the Company's share capital is represented by 14 159 720 shares.

	Ordinary Shares	
	2020	2019
Number of Shares at 31st December	14 159 720	14 159 720
Number of fully paid shares issued without designation of par value	14 159 720	14 159 720

Note 19. Legal reserve

According to the legislation in force, an allocation to a legal reserve of 5% must be done annually from the net profits of the parent company after absorption of any losses carried forward. This allocation to the legal reserve ceases to be mandatory when the reserve reaches 10% of the share capital.

Note 20. Pension obligations

Defined benefit pension plan and post-employment sickness

The Group provides a defined benefit pension plan to its employees in its Indonesian subsidiaries. The latter pay benefits which are payable in the event of retirement or voluntary resignation. The benefits paid are calculated as a percentage of salary and are based on the number of years of service. The plan is based on the employment contract for the employees and on the collective agreements for the labourers. The benefits payable to the employees are not financed by any specific asset against the provisions.

Apart from the local applicable social security provisions, most of the Group's employees in Indonesia benefit from a defined benefit pension plan. The subsidiaries pay benefits which are payable in the event of retirement and in case of dismissal in some countries. Allowances paid are expressed as a percentage of salary and are based on the number of years of service. The plans are governed by the local collective agreements in force in each country.

The benefits payable to the employees are not financed by a specific asset in return for provisions.

	Present value of obligations	Fair value of the benefit plans	2020 EUR Net amount recognised	Present value of obligations	Fair value of the benefit plans	2019 Restated EUR Net amount recognised
Net amount recognised in the statement of financial position for defined benefit plans	***62.078.976***	***-11.150.694***	***50.928.282***	***63.848.360***	***-9.226.715***	***54.621.645***
Components of net charge						
Current service costs	3.761.695		**3.761.695**	3.980.478		**3.980.478**
Financial costs	3.979.784	-2.858	**3.976.926**	4.030.559	-34.932	**3.995.627**
Actuarial gains and losses recognised during the year		-81.539	**-81.539**	132.644	-48.812	**83.832**
Past service costs	4.952		**4.952**	-130.078		**-130.078**
Defined benefit plan costs	***7.746.431***	***-84.397***	***7.662.034***	***8.013.603***	***-83.744***	***7.929.859***
Movements in liabilities / net assets recognised in the statement of financial position						
As at 1st January	***63.848.361***	***-9.226.715***	***54.621.645***	***55.826.509***	***-7.460.228***	***48.366.281***
Costs as per income statement	7.746.431	-84.397	**7.662.034**	8.013.603	-83.744	**7.929.859**
Contributions by employer	-5.470.731	-1.613.170	**-7.083.901**	-3.580.528	-1.599.847	**-5.180.375**
Contributions by employees	787.454	-787.454		586.288	-586.288	
Costs of services rendered	-557.428	557.428		-725.945	725.945	
Actuarial gains and losses of the year recognised in other comprehensive income	1.171.313	40.703	**1.212.016**	926.377	37.768	**964.145**
Foreign exchange transactions	-5.446.422	-37.088	**-5.483.511**	2.802.057	-260.321	**2.541.736**
As at 31st December	***62.078.977***	***-11.150.694***	***50.928.284***	***63.848.361***	***-9.226.715***	***54.621.645***

Provisions have been calculated based on actuarial valuation reports prepared in February and April 2021.

Actuarial gains and losses recognised in other comprehensive income

			2020			2019
			EUR			EUR
	Present value of obligations	**Fair value of the benefit plans**	**Net amount recognised**	**Present value of obligations**	**Fair value of the benefit plans**	**Net amount recognised**
Adjustments of liabilities related to experience	7.518.671	0	7.518.671	-160.337	0	-160.337
Changes in financial assumptions related to recognised liabilities	-8.763.743	19.463	-8.744.279	-429.237	-2.264	-431.501
Changes in demographic assumptions related to recognised liabilities	-101.242	0	-101.242	-336.804	0	-336.804
Return on assets in the plan	0	-60.166	-60.166	0	-35.503	-35.503
Actuarial gains and losses recognised during the period in other comprehensive income	***-1.171.312***	***-40.703***	***-1.212.016***	***-926.378***	***-37.767***	***-964.145***

Actuarial valuation assumptions	*2019*	*2018*
EUROPE		
Average discount rate	0.20%	0.30%
Expected long-term returns of plan assets	106,422	99,405
Future salary increases	1.50%	1.50%
Average remaining active life of employees (in years)	9.3	9.5
AFRICA		
Average discount rate	1 to 15.30%	6.92 to 20.96%
Expected long-term returns of plan assets	N/A	N/A
Future salary increases	2 to 15.66%	2 to 20%
Average remaining active life of employees (in years)	19.60	19.80
ASIA		
Average discount rate	6.53%	7.35%
Expected long-term returns of plan assets	N/A	N/A
Future salary increases	6.50%	6.50%
Average remaining active life of employees (in years)	13.33	13.05

Sensitivity analysis of the actuarial value of Defined Benefit Obligations

	2020 EUR	2019 Restated EUR
EUROPE		
Valeur actualisée de l'obligation	**12 370 070**	**10 653 793**
Taux d'actualisation		
Augmentation de 0,5%	11 714 153	10 028 036
Diminution de 0,5%	13 138 622	11 381 427
Augmentations futures attendues des salaires		
Augmentation de 0,5%	12 470 329	10 738 226
Diminution de 0,5%	12 274 841	10 573 775
AFRICA		
Actuarial value of the obligation		
- Pension plan	13 211 362	9 729 363
- Fair value of plan assets	1 382 635	990 700
Total as of 31st December	**14 593 997**	**10 720 063**
Actuarial rate (on pension plan)		
Increase of 0.5%	12 790 728	9 428 484
Decrease of 0.5%	13 636 623	10 027 286
Expected future salary increases (on pension plan)		
Increase of 0.5%	13 687 774	10 017 706
Decrease of 0.5%	12 739 642	9 435 313
ASIA		
Actuarial value of the obligation		
- Pension plan	33 536 327	40 794 919
- Fair value of plan assets	1 578 583	1 679 586
Total as of 31st December	**35 114 910**	**42 474 505**
Actuarial rate (on pension plan)		
Increase of 0.5%	32 295 702	39 255 850
Decrease of 0.5%	35 038 385	42 553 352
Expected future salary increases (on pension plan)		
Increase of 0.5%	34 912 355	42 590 672
Decrease of 0.5%	32 401 453	39 199 292

The sensitivity analysis is based on the same actuarial method used to determine the value of the obligations of the defined benefit plans.

Impact of the defined benefit pension plan on future cash flows

	2021	2020
Estimated contributions for the next financial year (in euros)	6 360 899	5 051 216

	2019	2018
Weighted average duration of defined benefit plan obligations (in years)		
EUROPE	5.1	4.7
AFRICA	5.8	6.1
ASIA	14.0	15.4

Defined contribution pension scheme

	2020 EUR	2019 EUR
Accounted expense for the defined contribution pension plan	1.045.677	1.690.457

Note 21. Financial debts

2019 EUR	< 1 year	> 1 year	TOTAL
Loans held by financial institutions	54 331 945	67 229 650	121 561 595
Short term bank loans	10 184 246	0	10 184 246
Other loans	19 901 117	81 497 960	101 399 077
Lease liabilities	1 381 083	11 958 683	13 339 766
TOTAL	***85 798 391***	***160 686 293***	***246 484 684***

2020 EUR	< 1 year	> 1 year	TOTAL
Loans held with financial institutions (*)	49 875 832	62 380 893	112 256 725
Short term bank loans	4 058 321	0	4 058 321
Other loans (**)	97 377 694	1 016 331	98 394 025
Lease liabilities	1 623 082	11 081 167	12 704 249
TOTAL	***152 934 929***	***74 478 391***	***227 413 320***

(*) This balance includes a short-term revolving credit facility of EUR 30 million (2019: EUR 40 million) for which in 2019 the Group has committed to obtain within 3 years the RSPO (Roundtable on Sustainable Palm Oil) certification for all its palm plantations. The Group is continuing its efforts in this direction in coordination with the bank.
(**) The balance includes a Bond loan of EUR 80 million as of 31st December 2020.

Most of the consolidated borrowings is denominated in Euros or CFA francs, whose parity is linked to the Euro. The fixed interest rates from financial institutions and which are pegged to the Euro vary between 5.50% and 6.80%. As explained in Note 35, interest rate management is the subject of ongoing management attention.

*** Analysis of long-term debt by interest rate**

2019

EUR	Fixed Rate	Rate	Floating rate	Rate	TOTAL
Loans held by financial institutions					
Switzerland	3 040 354	1.75% to 2.65%	0	-	3 040 354
Ivory Coast	12 978 253	5.50% to 6.50%	0	-	12 978 253
Nigeria	23 862 284	8.00% to 10.00%	0	-	23 862 284
Liberia	1 335 232	8.00%	0	-	1 335 232
Cameroon	12 498 476	5.00% to 7.09%	0	-	12 498 476
Ghana	13 000 003	4.00%	0	-	13 000 003
Sao Tomé	515 048	8.00%	0	-	515 048
	67 229 650		***0***		***67 229 650***
Other loans					
Cameroon	2 032 654	6.00%	0	-	2 032 654
Luxembourg (*)	79 465 306	4.00%	0	-	79 465 306
	81 497 960		***0***		***81 497 960***
TOTAL	***148 727 610***		***0***		***148 727 610***

(*) This rate relates only to the portion of the bond issue for a balance of EUR 80 million at 31st December 2020.

2020

EUR	Fixed Rate	Rate	Floating rate	Rate	TOTAL
Loans held by financial institutions					
Switzerland	5 739 678	1.55% à 2.65%	0	-	5 739 678
Ivory Coast	11 302 096	5.50% à 6.50%	0	-	11 302 096
Nigeria	23 485 314	5.00% à 10.00%	0	-	23 485 314
Liberia	2 680 222	7.60%	0	-	2 680 222
Cameroon	7 451 009	5.75% à 6.80%	0	-	7 451 009
Ghana	11 374 998	4.00%	0	-	11 374 998
Sao Tomé	347 576	8.00%	0	-	347 576
	62 380 893		***0***		***62 380 893***
Other loans					
Cameroon	1 016 331	6.00%	0	-	1 016 331
	1 016 331		***0***		***1 016 331***
TOTAL	***63 397 224***		***0***		***63 397 224***

**** Long-term debts analysis by currency***

2019	EUR	XAF	NGN	USD	STN	KHR	IDR	GHS	CDF	CHF	TOTAL EUR
Loans held by financial institutions	13 000 003	25 476 730	23 862 284	1 335 232	515 048	0	0	0	0	3 040 354	67 229 650
Other loans and derivatives	79 465 306	2 032 654	0	0	0	0	0	0	0	0	81 497 960
Lease liabilities	0	6 134 503	285 681	1 251 400	309 896	453 906	841 788	52 527	48 902	2 580 080	11 958 683
TOTAL	***92 465 309***	***33 643 887***	***24 147 965***	***2 586 632***	***824 944***	***453 906***	***841 788***	***52 527***	***48 902***	***5 620 433***	***160 686 293***

2020	EUR	XAF	NGN	USD	STN	KHR	IDR	GHS	CDF	CHF	TOTAL EUR
Loans held by financial institutions	11 374 998	18 753 105	23 485 314	2 680 222	347 576	0	0	0	0	5 739 678	62 380 893
Other loans and derivatives	0	1 016 327	0	4	0	0	0	0	0	0	1 016 331
Lease liabilities	0	6 430 155	444 378	1 071 011	309 269	394 600	0	46 194	36 835	2 348 725	11 081 167
TOTAL	***11 374 998***	***26 199 587***	***23 929 692***	***3 751 237***	***656 845***	***394 600***	***0***	***46 194***	***36 835***	***8 088 403***	***74 478 391***

**** Long-term debt analysis by maturity***

2019 EUR	2021	2022	2023	2024	2025 and above	*TOTAL*
Loans held by financial institutions	13 693 116	12 549 037	13 798 355	8 701 982	18 487 160	67 229 650
Other loans and derivatives	80 481 633	1 016 327	0	0	0	81 497 960
Lease liabilities	1 192 948	607 257	489 379	592 750	9 076 349	11 958 683
TOTAL	***95 367 697***	***14 172 621***	***14 287 734***	***9 294 732***	***27 563 509***	***160 686 293***

2020 *EUR*	*2022*	*2023*	*2024*	*2025*	*2026 and above*	*TOTAL*
Loans held by financial institutions	16 832 797	15 415 435	11 551 445	5 285 244	13 295 972	62 380 893
Other loans and derivatives	1 016 327	0	0	0	4	1 016 331
Lease liabilities	1 122 092	894 364	630 647	393 619	8 040 445	11 081 167
TOTAL	***18 971 216***	***16 309 799***	***12 182 092***	***5 678 863***	***21 336 421***	***74 478 391***

**** Net debt***

	2020 EUR	2019 EUR
Cash and cash equivalents	58 911 453	56 069 031
Long term debt net of current portion	-63 397 224	-148 727 610
Short term debt and current portion of long-term debt	-151 311 847	-84 417 308
Lease liabilities	-12 704 249	-13 339 766
Net debt	***-168 501 867***	***-190 415 653***
Cash and cash equivalents	58 911 453	56 069 031
Loan bearing interest at a fixed rate	-184 708 942	-193 144 918
Loan bearing interest at a variable rate	-30 000 129	-40 000 000
Lease liabilities	-12 704 249	-13 339 766
Net debt	***-168 501 867***	***-190 415 653***

**** Reconciliation of net debt***

	Cash and cash equivalents	Long term debt, net of current portion	Short term debt and current portion of long term debt	Debt related to leases	Total
As at 1st January 2019	***59 941 616***	***-99 607 945***	***-115 354 215***	***-14 332 136***	***-169 352 680***
Cash Flow	-4 420 377	-82 027 535	64 801 323	1 591 544	-20 055 045
Foreign exchange	547 792	658 437	-82 664	-93 205	1 030 360
Transfers	0	31 985 147	-33 509 634	0	-1 524 487
Other movements with no impact on cash flow	0	264 286	272 118	-505 969	30 435
As at 31st December 2019	***56 069 031***	***-148 727 610***	***-84 417 308***	***-13 339 766***	***-190 415 653***
Cash Flow	7 565 321	-9 506 968	18 508 549	2 382 733	18 949 635
Foreign exchange	-4 722 899	7 252 254	657 519	412 152	3 599 028
Transfers	0	87 585 101	-86 060 607	0	1 524 494
Other movements with no impact on cash flow	0	0	0	-2 159 375	-2 159 375
As at 31st December 2020	***58 911 453***	***-63 397 224***	***-151 311 847***	***-12 704 256***	***-168 501 872***

Note 22. Other payables

	2020 EUR	2019 EUR
Staff cost liabilities	6 194 607	6 337 652
Other payables (*)	62 378 921	62 362 548
Accruals	20 700 294	17 290 098
Balance at 31st December	***89 273 822***	***85 990 298***
Non-current liabilities	7 685 924	8 001 208
Current liabilities	81 587 898	77 989 090

(*) Other payables mainly consist of shareholder loans from Socfinaf S.A. for EUR 40.4 million (EUR 40.4 million in 2019).

Note 23. Financial Instruments

2019	*Derivatives(*)*	*Loans and borrowings*	*Financial assets at fair value through other comprehensive income*	*Other financial assets and liabilities*	*TOTAL*	*Loans and borrowings (**)*	*Other financial assets and liabilities (**)*
EUR	*At fair value*	*At cost*	*At fair value*	*At cost*		*At fair value*	*At fair value*
Assets							
Financial assets at fair value through other comprehensive income	0	0	896 015	0	***896 015***	0	0
Long-term advances	0	3 520 136	0	1 057 449	***4 577 585***	3 520 136	1 057 449
Other non-current assets	0	0	0	1 749 253	***1 749 253***	0	1 749 253
Trade receivables	0	0	0	41 198 788	***41 198 788***	0	41 198 788
Other receivables	0	0	0	13 394 937	***13 394 937***	0	13 394 937
Cash and cash equivalent	0	0	0	56 069 031	***56 069 031***	0	56 069 031
Total Assets	***0***	***3 520 136***	***896 015***	***113 469 458***	***117 885 609***	***3 520 136***	***113 469 458***
Liabilities							
Long term debts	0	148 727 610	0	0	***148 727 610***	148 729 812	0
Long term debts related to leases	0	11 958 683	0	0	***11 958 683***	11 958 683	0
Other non-current liabilities	0	0	0	8 001 208	***8 001 208***	0	8 001 208
Short term debts	0	74 233 062	0	10 184 246	***84 417 308***	74 233 062	10 184 246
Short term debts related to leases	0	1 381 083	0	0	***1 381 083***	1 381 083	0
Trade payables (current)		0	0	41 943 416	***41 943 416***	0	41 943 416
Other payables (current)		0	0	77 989 090	***77 989 090***	0	77 989 090
Total Liabilities	***0***	***236 300 438***	***0***	***138 117 960***	***374 418 398***	***236 302 640***	***138 117 960***

2019	*Fair Value*			
EUR	*Level 1*	*Level 2*	*Level 3*	*TOTAL*
Financial assets at fair value through other comprehensive income	0	0	896 015	***896 015***

(*) Changes recognised in the income statement.
(**) For information purposes

2020	Derivatives (*)	Loans and borrowings	Financial assets at fair value through other comprehensive income	Other financial assets and liabilities	TOTAL	Loans and borrowings (**)	Other financial assets and liabilities (**)
EUR	At fair value	At cost	At fair value	At cost		At fair value	At fair value
Assets							
Financial assets at fair value through other comprehensive income	0	0	847 018	0	***847 018***	0	0
Long term advances	0	788 521	0	1 054 525	***1 843 046***	788 521	1 054 525
Other non-current assets	0	0	0	1 741 740	***1 741 740***	0	1 741 740
Trade receivables	0	0	0	34 081 813	***34 081 813***	0	34 081 813
Other receivables	0	0	0	14 342 460	***14 342 460***	0	14 342 460
Cash and cash equivalent	0	0	0	58 911 453	***58 911 453***	0	58 911 453
Total Assets	***0***	***788 521***	***847 018***	***110 131 991***	***111 767 530***	***788 521***	***110 131 991***
Liabilities							
Long term debts	0	63 397 224	0	0	***63 397 224***	63 399 497	0
Long term debts related to leases	0	11 081 167	0	0	***11 081 167***	11 081 167	0
Other non-current liabilities	0	0	0	7 685 924	***7 685 924***	0	7 685 924
Short term debts	0	147 253 526	0	4 058 321	***151 311 847***	147 253 526	4 058 321
Short term debts related to leases	0	1 623 082	0	0	***1 623 082***	1 623 082	0
Trade payables (current)	0	0	0	43 265 314	***43 265 314***	0	43 265 314
Other payables (current)	0	0	0	81 587 898	***81 587 898***	0	81 587 898
Total Liabilities	***0***	***223 354 999***	***0***	***136 597 457***	***359 952 456***	***223 357 272***	***136 597 457***

2019	Fair Value			
EUR	Level 1	Level 2	Level 3	TOTAL
Financial assets at fair value through other comprehensive income	0	0	847 018	***847 018***

(*) Changes recognised in the income statement.
(**) For information purposes

Note 24. Staff costs and average number of staff

Average number of employees in the year	*2020*	*2019*
Directors	309	310
Employees	6 444	6 528
Workers (including temporary workers)	27 081	28 078
TOTAL	***33 834***	***34 916***

	2020	*2019*
		Restated
	EUR	*EUR*
Staff costs		
Remuneration	123 564 656	125 627 785
Social security and pension expenses	18 929 690	14 765 004
Total at 31st December	***142 494 346***	***140 392 789***

Note 25. Depreciation and impairment expense

	2020	*2019*
		Restated
	EUR	*EUR*
Depreciation		
Of intangible assets (Note 6)	113 932	309 910
Of property, plant and equipment excluding biological assets (Note 7)	37 928 183	36 025 617
Of biological assets (Note 8)	26 780 595	24 826 079
Of investment properties (Note 9)	167 295	325 955
Of right-of-use assets	2 058 179	1 580 254
Impairment		
Of property, plant and equipment excluding biological assets (Note 7)	873.022	0
Of biological assets (Note 8)	6 992 219	0
Total at 31st December	***74 913 425***	***63 067 815***

Note 26. Impairment of assets

Goodwill

Impairment tests on goodwill are performed at least once a year to assess whether the carrying amount is still appropriate.

Intangible and tangible assets and right-of-use of assets

Every closing date, the Group reviews the carrying amount of its intangible and tangible assets and right-of-use assets in order to assess whether there is any indication of impairment at each reporting date.
If such indication exists, the recoverable amount of the asset is estimated to determine the amount of the impairment loss.

At 31st December 2020, an impairment loss of EUR 0.9 million was recognised on Property, plant and equipment.

Bearer biological assets

Each reporting date, the Group assesses if there is any indication that its biological assets may be impaired.

For this purpose, the Group assesses several indicators:

The significant and sustained decreasing trend in the prices of natural rubber (TSR20 1st position on SGX) and crude palm oil (CIF Rotterdam) was considered an observable sign that the biological assets may have been impaired. A decrease in these prices at reporting date greater than 15% compared to an average of 5-year value has been set by the Group to be an impairment sign.

At 31st December 2020, the decrease in prices does not exceed 15% of the average price over the past 5 years for the Rubber and Palm segment.

The Group considers, as well, average prices over the six months before reporting date and average prices over the last twelve months instead of only closing prices to avoid seasonal fluctuations in the prices of supply materials.

The Group reviews also the prices observed on local market and considers a decrease in these prices at the closing date of more than 15% compared to an average of values over 5 years as an impairment indication.

Based on these criteria, for the Rubber segment, the fall in prices observed during the financial year 2020 does not exceed 15% of the average prices over the past 5 years. For the Palm segment, the review of global and local prices do not indicate any sign of impairment.

In addition to these external indicators, the Group considers the following indicators:

- Internal performance indicators;
- Criteria relating to the local market;
- Physical indicators of impairment;
- Significant changes in plantations that could have a material impact on their future cash flows.

The examination of the physical loss indicators at Coviphama, Socfin KCD and Brabanta revealed that some planted areas suffered damages. As such, the planted areas were impaired by EUR 1.5 million as of 31st December 2020. The examination of the impact of significant changes in cash flows, led the Group to conclude that an indication of impairment also exists at SRC.
If an indication of impairment is identified, the recoverable amount of the bearer biological assets is determined.

Impairment tests must be performed on the smallest identifiable group of assets which generates cash flows independently of other assets or groups of assets and for which the Group prepares financial information for the Board of Directors.

The identification of CGUs depends, in particular, on:

- how the Group manages the activities of the entity;
- the way in which decisions are made with regards to the pursuit or the disposal of its activities and;
- the existence of an active market for all or part of the production.

The CGU consists of the operating segment within each entity. In fact, decisions related to daily activities such as sales, purchases, planting, replanting and human resources management are taken directly by the company itself, independently of other companies within the Group which operates in the same country and within the same operating segment as defined by IFRS 8.

The recoverable amount of bearer biological assets is determined from the calculation of value in use using the most recent information approved by the local management. The Group uses the discounted value of expected net cash flows which are discounted at a pre-tax rate. At reporting date, the financial projection incorporates the full exploitation of the younger bearer biological assets. The operational life ranges between 25 and 30 years for both crops. This period can be adapted according to the particular circumstances for each entity.

The discount rate used in 2020 for cash flow forecasts at SRC amounted to 6.01%. This rate reflects market interest rates, the company's capital structure taking into account the operating segment and the specific risk profile of the business.

The value in use calculation has been very sensitive to:

- changes in the margins achieved by the entity and,
- changes related to the discount rate.

Changes in realized margins

Initially, the Group determines separately the expected production of each category of bearer biological assets within the entity over their remaining life. This expected production is estimated on the basis of the surface areas planted at reporting date as well as the actual crop yield recorded during the financial year which depends on the maturity of the bearer biological asset. Production is then valued on average basis of five-year of the margins achieved by the entity in relation to the agricultural activity. The value in use of the bearer biological asset is then obtained by discounting these cash flows. Average margins are considered constant over the duration of the financial projection. No indexing factor is taken into account.

Based on the existence of an impairment indication internally and following subsequent impairment tests, impairment losses for EUR 0.3 million for Brabanta, EUR 0.4 million for Coviphama EUR 1.2 million for Socfin KCD and EUR 5.6 million for SRC have been accounted for in 2020 (Notes 7 and 8).

At 31st December 2020, accumulated impairment losses in the palm business segment amounted to EUR 9 million for Brabanta, EUR 5 million for PSG, EUR 3.9 million for Socfin Agricultural Company and EUR 3.1 million for Agripalma. For the Rubber segment, the accumulated impairment losses are EUR 5.1 million for Coviphama, EUR 1.2 million for Socfin KCD, EUR 1.8 million for PSG, EUR 8.6 million for Safacam and EUR 27.2 million for Salala Rubber Company (Note 8).

Note 27. Other financial income

	2020 EUR	2019 EUR
On current assets / liabilities	***6 154 633***	***5 895 571***
Interest from receivables and cash	113 143	393 447
Change in terms	525 198	375 193
Exchange gains	4 767 244	4 574 417
Others	749 048	552 514
As at 31st December	***6 154 633***	***5 895 571***

Note 28. Finance expense

	2020 EUR	2019 Restated EUR
Interest and finance expense	11 530 604	10 280 004
Interest expense on lease liabilities	1 065 813	1 060 868
Exchange losses	8 074 626	6 103 112
Foreign exchange	7 571 499	643 708
Exchange contracts	25 944	0
Impairment of receivables	2 440 000	0
Others	2 147 145	1 896 834
At 31st December	***32 855 631***	***19 984 526***

Note 29. Income tax

**** Components of the income tax***

	2020	2019 Restated
	EUR	EUR
Current income tax expense	32 735 899	35 690 288
Deferred tax expense/(income)	-1 591 001	-1 274 061
Tax expense at 31st December	***31 144 898***	***34 416 227***

**** Components of the deferred tax expense/(income)***

	2020	2019 Restated
	EUR	EUR
IAS 12: Deferred taxes	3 153 377	-588 345
IAS 19: Pension obligations	2 035 193	-500 833
IAS 38: Intangible assets	119 300	136 375
IAS 2 / IAS 41: Fair value of agricultural produce	-2 148 126	-672 610
IFRS 9: Forward exchange contracts	2 432	-33 083
IFRS 3: Fair valuation of buildings	-92 662	-27
IAS 16: Tangible assets	-3 401 427	201 757
IFRS 16: Leases	134 011	-2 318
IAS 37: Provisions for risks and charges	-1 372 655	112 654
IAS 21: Foreign exchange differences	-76 027	14 027
Others	55 583	58 342
Deferred tax expense/(income) at 31st December	***-1 591 001***	***-1 274 061***

* Reconciliation of income tax expense	2020	2019
		Restated
	EUR	EUR
Profit before tax from continuing operations	***60.456.440***	***67.080.246***
Normal tax rate of the parent company	24.94%	24.94%
Normal tax rate of subsidiaries	De 14% à 38.5%	De 9.19% à 38.5%
Income tax at normal tax rates of subsidiaries	18 431 504	19 711 407
Unfunded taxes	1 248 410	209 479
Definitively taxed income	206 499	196 744
Use of capital allowances	-8 363 570	-11 833 593
Specific tax regimes in foreign countries	6 562 028	8 496 892
Non-taxable income	-1 287 427	-146 163
Non-deductible expenses	7 227 816	5 666 367
Use of accumulated tax losses	0	-4 826
Losses carried forward	7 845 638	9 715 845
Other tax benefits	-291 178	-510 704
Additional tax assessment	183 066	4 273 632
Impact of change in tax rate	-618 025	-184 369
Other adjustments	137	-1 174 484
Tax expense as of 31st December	***31 144 898***	***34 416 227***

**** Change of rate for the subsidiaries***

Following the 2017 reform, the tax rate for Socfin and the Luxembourg subsidiaries changed to 24.94% in 2019 for Socfin, Socfinaf, Socfinasia, Socfinde and PNS, to 17% for Terrasia, and to 15% for Management and 24.94% in 2020 for Induservices, Management and Terrasia.

SAFA's tax rate has gone from 33% to 28%.

During 2019, Safacam's tax rate dropped from 33% to 27.5%. This rate applies in Cameroon to companies that issue bonds over the duration of the bonds, i.e. 3 years for Safacam.

In 2020, the income tax rate for Swiss entities has gone from 9,2% to 14% for Socfin Green Energy, Socfin Reasearch, Socfinco FR, Sogescol FR and Sodimex FR and from 19.86% to 14% for Induservices FR.
The income tax rate for belgian entities has dropped from 29,58% to 25%.
That of Socfindo has dropped from 25% to 22%.

As from 2021, the listed entities in Cameroon can benefit from a beneficial income tax rate of 27.5%. This rate has been used in the computation of the deferred taxes for Socapalm and Safacam as of 31st December 2020.

**** Tax adjustments***

In 2019, the tax authorities have made an upward adjustment to Okomu's income tax expense by EUR 3.7 million following a deferral of deductions related to investment expenditures charged against the tax base in previous years. These investment expenditures are deductible from the tax base when the related assets start production.

Okomu deducted EUR 28.2 million from the tax base for the 2019 financial year in respect of investments made in previous financial years.

Note 30. Net earnings per share

Undiluted net earnings per share (basic) is the profit for the year attributable to ordinary shareholders divided by the average number of common shares outstanding during the year. As there are no potential dilutive ordinary shares, the diluted net earnings per share is identical to the undiluted net earnings per share.

In accordance with the law passed on 28th July 2014 on the immobilization of bearer shares, 80 280 shares have been cancelled in 2018, the holders of these shares having not been registered with the depositary.

To-date, the “Caisse de Consignation” has not yet opened a claim file.

	2020	***2019***
Net profit for the year (in euro)	4 705 332	9 016 793
Average number of shares	14 159 720	14 159 720
Net earnings per share undiluted (in euros)	***0.33***	***0.64***

Note 31. Dividends and directors’ fees

The Board will propose to the Annual General Meeting on 25th May 2021, to not pay any dividend.

	2020	***2019***
Dividends and interim dividends distributed during the period	7 079 860	7 787 846
Number of shares	14 159 720	14 159 720
Dividend per share distributed during the period	0.50	0.55

Note 32. Information on related party

****Directors’ remuneration***

	2020 EUR	***2019 EUR***
Short term benefits	7 549 913	6 963 195
Post-employment benefits	315 726	322 463
Other long-term benefits	0	0
Termination benefits	0	0
Share-based payment	0	0

**** Related party transactions***

Related party transactions are made at arm's length.

	2020 EUR	2019 EUR
Current liabilities		
Other payables	40 402 186	40 403 288
	40 402 186	***40 403 288***
TRANSACTIONS BETWEEN RELATED PARTIES		
Finance expense	1 602 192	1 600 000

Related party transactions are made on commercial terms.

Transactions relating to other related parties are carried out with Bolloré Participations, Palmboomen Cultuur Maatschappij (Mopoli).

Mopoli is a Dutch company which is majority owned by Geselfina and Afico, which also owns Socfin.

Bolloré Participations is a shareholder and director of Socfinaf.

In 2014, Socfinaf obtained a cash advance of EUR 35 million from Mopoli. This advance bears an annual interest (net of tax) of 4%. Interest is payable in arrears at the end of each calendar quarter. The amount of interest recognized for the year 2020 is EUR 0.8 million. As of 31st December 2020, the outstanding balance amounts to EUR 20.2 million.

In 2016, Socfinaf obtained a loan of EUR 20 million from Bolloré Participations. The loan has an annual interest rate of 4%. The amount of interest recognized for the year 2020 is EUR 0.8 million euros. As of 31st December 2020, the outstanding balance amounts to EUR 20.2 million.

Note 33. Off Balance Sheet Commitments

In 2016, Socfin obtained a EUR 80 million bond which stipulates that as long as any bonds remain outstanding, none of Socfin's subsidiaries' signatories may provide any guarantee or provision of any other security or arrangement to other creditors without granting them on the same terms to the bondholders. In addition, dividends may not be paid when the ratio of net financial debt to earnings before interest, taxes, depreciation and amortization is greater than 2. In addition, the contract also stipulates that in the event of a change in the Company's shareholding, the change of control would result in the early repayment of the bond issue.

In 2009, a subsidiary of Socfinaf S.A., Salala Rubber Corporation (SRC), obtained a loan of USD 10 million whose contracts stipulate that Socfinaf S.A. must pledge 123 shares it holds in the Company in favour of the bank. In 2012, Liberian Agricultural Company (LAC) purchased 99 shares of SRC from Agrifinal that are also pledged to the bank under this loan. At 31st December 2020, the debt has been repaid and the pledge has been terminated (2019: EUR 0.2 million).

In 2015, a subsidiary of Socfinaf S.A., Okomu Palm Oil Company Plc obtained a loan of 2 billion Naira, whose contract stipulates that Okomu will use as mortgage guarantee, up to the loan granted, the 11 000 ha plantation. At 31st December 2020, the loan has been repaid (2019: EUR 1 million).

In 2019, a subsidiary of Socfinaf S.A., Okomu Palm Oil Company Plc obtained a loan of 10 billion Naira, whose contract stipulates that Okomu will use as mortgage guarantee, up to the loan granted, the 11 416 ha plantation. At 31st December 2020, the balance of the loan amounts to EUR 21 million (2019: EUR 20 million).

In 2019, a subsidiary of Socfinaf S.A., Agripalma LDA entered into a credit agreement of 49 million Dobra (EUR 2 million), whose contract stipulates that Agripalma will use as mortgage guarantee, up to the loan granted, the professional facilities and equipment. At 31st December 2020, the balance of the loan amounts to EUR 1.8 million (2019: EUR 2 million).

In 2019, a subsidiary of Socfinaf S.A., Plantations Socfinaf Ghana (“PSG), obtained a loan of EUR 16.5 million for the construction of an oil mill. This loan consists of a credit line of EUR 15 million and a bank overdraft of EUR 1.5 million. The contract stipulates that PSG will use the oil mill as mortgage guarantee, up to the loan granted. At 31st December 2020, the balance of the loan amounts to EUR 13 million (2019: EUR 13 million) and the overdraft is nil (2019: EUR 1 million).

Note 34. Segment Information

In accordance with IFRS 8, the information analysed by management is based on the geographical distribution of political and economic risks. As a result, the sectors presented are Europe, Sierra Leone, Liberia, Ivory Coast, Ghana, Nigeria, Cameroon, São Tomé and Principe, Congo (DRC), Cambodia and Indonesia.

Products from the Ivory Coast, Nigeria, Cameroon and Indonesia operating sectors come from palm oil and rubber sales, those from the Liberia and Cambodia sectors only from rubber sales, those from Sierra Leone, Ghana, São Tomé and Principle and Congo come solely from sales of palm oil. Those in the Europe segment come from the provision of administrative services, assistance in managing the areas under plantation and the marketing of products outside the Group. The segment result of the Group is the profit from operations.

The stated figures originate from internal reporting. They do not include any consolidation or IFRS adjustments or restatements and are therefore not directly comparable to amounts reported in the consolidated statement of financial position and income statement.

*** Segmental breakdown of profit/(loss) at 31st December 2019**

EUR	*Restated* Revenue from ordinary business with external customers	*Restated* Revenue from ordinary business between segments	*Restated* Sector profit/(loss)
Europe	94 255 249	42 276 185	5 330 879
Sierra Leone	12 457 250	0	-9 786 311
Liberia	28 904 460	0	-1 468 935
Ivory Coast	139 053 108	0	15 173 778
Ghana	2 886 587	0	-1 420 684
Nigeria	54 970 374	0	23 777 291
Cameroon	128 333 222	0	29 991 370
São Tomé and Principe	143 500	0	-1 186 795
Congo (DRC)	9 264 642	0	-4 185 777
Cambodia	3 507 881	0	-2 217 924
Indonesia	118 126 649	103 999	35 104 382
TOTAL	***591 902 923***	***42 380 184***	***89 111 273***
Elimination of revenue from intra-group activities			-42 380 184
Depreciation, amortization and impairment of bearer plants			-3 205 108
Fair value of agricultural production			-2 898 149
Other IFRS restatements			790 586
Consolidation adjustments (intra-group and others)			39 329 864
Financial income			7 037 044
Finance expense			-20 705 081
Income tax expense			-34 416 227
Net profit for the period			***32 664 019***

*** Segmental breakdown of profit/(loss) at 31st December 2020**

EUR	*Revenue from ordinary business with external customers*	*Revenue from ordinary business between segments*	*Sector profit/(loss)*
Europe	79 138 623	33 938 413	-710 758
Sierra Leone	15 103 389	0	86 071
Liberia	29 152 353	0	-1 903 422
Ivory Coast	139 457 865	69 616	22 172 685
Ghana	12 791 521	0	497 660
Nigeria	57 577 422	0	20 899 568
Cameroon	129 865 123	0	27 179 273
São Tomé and Principe	3 828 024	0	-1 968 995
Congo (DRC)	12 050 148	0	-125 900
Cambodia	5 165 870	0	-1 157 165
Indonesia	121 195 793	158 388	49 023 412
TOTAL	***605 326 130***	***34 166 417***	***113 992 427***

Elimination of revenue from intra-group activities	-34 166 399
Depreciation, amortization and impairment of bearer plants	-10 557 262
Fair value of agricultural production	-9 267 399
Other IFRS restatements	-2 306 281
Consolidation adjustments (intragroup and others)	30 385 113
Financial income	6 349 308
Finance expense	-33 973 066
Income tax expense	-31 144 898
Net profit for the period	***29 311 542***

**** Total segmental assets***

	2020	2019
		Restated
	EUR	EUR
Europe	89 778 487	94 995 453
Sierra Leone	123 527 792	130 429 641
Liberia	102 262 020	108 821 884
Ivory Coast	154 069 516	147 428 119
Ghana	72 516 210	84 091 394
Nigeria	116 371 568	124 071 435
Cameroon	181 476 829	190 640 333
São Tomé and Principe	28 473 478	30 829 959
Congo (DRC)	52 212 694	67 171 884
Cambodia	64 305 823	70 247 437
Indonesia	106 618 394	107 666 177
Total as at 31st December	***1 091 612 811***	***1 156 393 716***
IFRS 3/IAS 16 : Bearer plants	-30 217 399	-24 006 506
IAS 2/IAS 41 : Agricultural production	2 727 773	11 281 001
Other IFRS restatements	-7 145 649	-7 056 527
Consolidation adjustments (intra-group and others)	-89 605 454	-95 923 028
Total consolidated segmental assets	***967 372 083***	***1 040 688 656***
Consolidated assets not included in segment assets		
Right-of-use assets	4 951 057	4 951 057
Investments in associates	10 967 008	10 934 472
Titres valorisés à la juste valeur par le biais du compte de résultat étendu	847 018	896 015
Long term debt	1 843 047	4 577 584
Deferred tax	14 640 683	16 685 304
Other current assets	1 741 739	1 749 253
Consolidated non-current assets	***34 990 552***	***39 793 685***
Other debtors	14 342 463	13 394 936
Current tax assets	14 317 805	13 014 084
Consolidated current assets	***28 660 268***	***26 409 020***
Total of consolidated assets in the segmental assets	***63 650 820***	***66 202 705***
Total assets	***1 031 022 903***	***1 106 891 361***

Segmental assets are not part of internal reporting, they are included to meet the requirements of IFRS 8. They include fixed assets, biological assets, trade receivables, inventories, cash and cash equivalents. They do not include any consolidation or IFRS adjustments.

Segmental assets include fixed assets, biological assets, trade receivables, inventories, cash and cash equivalents. Segmental liabilities include only trade payables and other payables.

**** Total segmental liabilities***

	2020 EUR	2019 Restated EUR
Europe	138 126 998	291 128 987
Sierra Leone	6 196 387	5 489 175
Liberia	14 540 668	14 581 944
Ivory Coast	16 466 701	19 597 819
Ghana	912 473	1 602 209
Nigeria	9 559 988	3 811 315
Cameroon	23 304 992	17 885 295
São Tomé and Principe	2 382 716	2 459 231
Congo (DRC)	2 689 124	2 909 108
Cambodia	890 695	1 198 667
Indonesia	19 292 109	19 418 844
Total as at 31st December	***234 362 851***	***380 082 595***
Other IFRS restatements	-52 269	-58 054
Consolidation adjustments (intra-group and others)	-109 457 368	-260 092 035
Total consolidated segmental liabilities	***124 853 214***	***119 932 507***
Consolidated liabilities not included in segment liabilities		
Total equity	575 797 694	640 476 312
Non-current liabilities	144 484 897	237 355 859
Current financial debts	151 311 847	84 417 307
Current lease liabilities	1 623 082	1 381 083
Current tax liabilities	32 208 682	22 182 525
Provisions	743 488	1 145 768
Total consolidated liabilities not included in segment liabilities	***906 169 689***	***986 958 854***
Total equity and liabilities	***1 031 022 903***	***1 106 891 361***

**** Costs incurred for the acquisition of segmental assets during 2019 (Restated)***

EUR	*Intangible assets*	*Tangible assets*	*Investment properties*	*Biological assets*	*TOTAL*
Europe	798 314	289 902	43 188	0	1 131 404
Sierra Leone	0	4 723 487	0	0	4 723 487
Liberia	0	1 207 820	0	5 393 720	6 601 540
Ivory Coast	24 534	4 512 806	0	2 395 829	6 933 169
Ghana	0	7 635 217	0	2 158 921	9 794 138
Nigeria	0	5 478 630	0	7 448 259	12 926 889
Cameroun	267 729	11 525 497	0	1 247 116	13 040 342
São Tomé et Principe	0	1 684 598	0	1 376 849	3 061 447
Congo (DRC)	0	297 574	0	364	297 938
Cambodia	0	651 056	0	1 841 632	2 492 688
Indonesia	29 309	3 975 900	0	7 021 611	11 026 820
TOTAL	***1 119 886***	***41 982 487***	***43 188***	***28 884 301***	***72 029 862***

**** Costs incurred in acquiring segment assets during 2020***

EUR	*Intangible Assets*	*Tangible assets*	*Investment Properties*	*Biological assets*	*TOTAL*
Europe	10 933	1 929 038	3 555	0	1 943 526
Sierra Leone	0	7 668 557	0	210 174	7 878 731
Liberia	0	1 113 036	0	4 261 794	5 374 830
Ivory Coast	2 561	7 071 684	0	2 746 614	9 820 859
Ghana	0	515 525	0	521 316	1 036 840
Nigeria	0	17 153 521	0	5 046 892	22 200 413
Cameroon	134 582	12 066 580	0	2 935 090	15 136 251
São Tomé et Principe	0	68 175	0	0	68 175
Congo (DRC)	0	1 222 201	0	0	1 222 201
Cambodia	0	483 274	0	1 064 256	1 547 530
Indonesia	17 885	4 421 120	0	6 716 707	11 155 713
TOTAL	***165 961***	***53 712 711***	***3 555***	***23 502 842***	***77 385 069***

**** Information by sector of activity***

Revenue from external customers

	2020	2019 Restated
	EUR	EUR
Palm	346 526 757	308 549 447
Rubber	182 697 075	200 298 850
Other agricultural activities	4 464 319	3 818 392
Trading activities	64 494 381	72 433 846
Others	7 143 598	6 802 387
TOTAL	**605 326 130**	**591 902 922**

**** Information by geographical region***

Revenue from external customers by origin and geographical location:

EUR — 2019 (Restated)

Origin \ Geographical location	Europe	Africa	Asia	America	TOTAL
Europe	16 843 525	1 399 272	53 318 064	4 988 061	76 548 922
Africa	9 447 576	212 709 988	163 893 398	7 275 964	393 326 925
Asia	6 966 201	0	112 794 440	2 266 434	122 027 075
TOTAL	***33 257 302***	***214 109 259***	***330 005 902***	***14 530 459***	***591 902 922***

EUR — 2020

Origin \ Geographical location	Europe	Africa	Asia	America	TOTAL
Europe	2 473 306	1 734 617	3 087 370	794 645	8 089 938
Africa	27 605 251	240 392 008	194 542 929	8 801 844	471 342 032
Asia	6 786 875	5 323 781	110 994 202	2 789 302	125 894 160
TOTAL	***36 865 433***	***247 450 405***	***308 624 501***	***12 385 792***	***605 326 130***

**** Information by business segment and revenue category***

Revenue from external customers by business segment and geographic area:

EUR					2019 (Restated)
Business segment \ Category	Palm	Rubber	Other agricultural products	Service and other commercial business	TOTAL
Sierra Leone	12 297 304	0	0	159 947	12 457 250
Liberia	0	28 904 459	0	0	28 904 459
Ivory Coast	20 299 230	116 858 662	0	1 895 216	139 053 109
Ghana	2 848 255	0	0	38 332	2 886 587
Nigeria	46 092 422	8 660 894	0	217 057	54 970 373
Cameroon	118 925 326	8 839 234	0	568 662	128 333 222
São Tomé and Principe	143 500	0	0	0	143 500
Congo (DRC)	9 264 642	0	0	0	9 264 642
Indonesia	98 450 158	15 856 309	3 818 392	0	118 124 859
Cambodia	0	3 507 881	0	0	3 507 881
Europe	228 610	17 671 410	0	76 357 020	94 257 039
TOTAL	***308 549 447***	***200 298 850***	***3 818 392***	***79 236 234***	***591 902 923***

EUR					2020
Business segment \ Category	Palm	Rubber	Other agricultural products	Service and other commercial business	TOTAL
Sierra Leone	14 445 401	0	0	657 988	15 103 389
Liberia	0	29 152 353	0	0	29 152 353
Ivory Coast	25 184 319	111 922 781	0	2 350 765	139 457 865
Ghana	12 701 391	0	0	90 130	12 791 521
Nigeria	50 010 800	7 387 999	0	178 623	57 577 422
Cameroon	123 187 430	5 425 851	678 970	572 871	129 865 123
São Tomé and Principe	3 828 024	0	0	0	3 828 024
Congo (DRC)	12 050 148	0	0	0	12 050 148
Indonesia	104 521 962	12 888 483	3 785 349	0	121 195 793
Cambodia	0	5 165 870	0	0	5 165 870
Europe	597 283	10 753 739	0	67 787 601	79 138 622
TOTAL	***346 526 757***	***182 697 076***	***4 464 319***	***71 637 978***	***605 326 129***

Note 35. Risk Management

Capital Management

The Group manages its capital and adjusts accordingly in response to changes in economic conditions and investment opportunities. To maintain or adjust the capital structure, the Group may issue new shares, repay part of the capital or adjust the payment of dividends to shareholders.

The Group regularly monitors its financial ratios, in particular the net debt to equity ratio.

Financial risk

The financial risk for the companies within the Group comes mainly from changes in the selling price of agricultural commodities, foreign exchange and to a lesser extent, interest rate movements.

Potential risk:

None of the countries in which the Group operates has a hyperinflationary economy or suffers from an immediate threat of price devaluation. Nevertheless, in a minority of countries in which the Group operates, the political system and economic stability remain fragile and could lead to currency devaluation or hyperinflation

Risk management and opportunities:

The Group regularly reviews its sources of financing as well as currency movements and its decisions are based on a variety of risks and opportunities which are themselves based on several factors including interest rates, currency and counterparties.

Market risk

**** Price risk in commodities market***

Potential risk:

The Group markets its finished products at prices which may be influenced by commodity prices in international markets. It therefore faces the risk of volatility in the prices of these commodities

Risk management and opportunities:

The main policy of the Group's companies has always been to control its production costs in order to generate margins for the viability of structures in the event of a significant drop in the selling prices of raw materials and conversely to generate profit margins during the market downturns.

In parallel with this main policy, secondary policies have also been implemented to improve or consolidate profit margins:

- production of agricultural products of superior quality and branded, in particular for rubber and;
- use of the Group's expertise in the commercial sector.

**** Foreign currency risk***

Potential risk:

The Group carries out transactions in local currencies. In addition, financial instruments hedging against exchange rate fluctuations may not be available for certain currencies. This creates exposure to interest rate fluctuations which may have an impact on the financial result denominated in euro.

Risk Management and Opportunities

Apart from the current currency hedging instruments for operational transactions - which remain relatively limited, the main policy of the Group to finance its development projects in local currencies in the region given the significant investments made in the plantations and wherever possible, to reduce borrowings.

**** Interest rate risk***

Potential risk:

This risk includes a change in cash flows relating to short-term borrowings - often on a variable rate and the relatively high level of base interest rates on cash and cash equivalents and developing markets when borrowing in local currency.

Risk Management and Opportunities:

The first risk is put under control by an active policy of monitoring the evolution of local financial markets and sometimes short-term debt consolidation in the long term, if necessary. The second risk is taken into account by a systematic policy of putting local and international banks in competition with international lenders who can offer real investment and development opportunities at attractive rates.

Until 24th January 2019, a hedging instrument was in place at Group level to limit its exposure to interest rate risk.

Credit Risk

Potential risk:

Credit risk arises from the potential inability of clients to meet their contractual obligations.

Risk Management and Opportunities

To manage this risk, the Group ensures the payment of local sales in cash or the guarantee of the receivables by obtaining approved bills of exchange. The export sales of the plantations are centralized in the Group's sales structure, which applies either a cash payment policy or a commercial credit policy whose limits are defined by its Board of Directors.

Liquidity risk

Potential risk:

Liquidity risk is defined as the risk that the Group cannot meet its obligations on time or at a reasonable price. This risk is mainly impacting plantations which are both the main source of cash and financing needs.

Risk Management and Opportunities:

Given the specific economic and technological environment of each plantation, the Group manages this risk in a decentralized manner. However, both the cash available and the implementation of the financing are supervised by the Group Management.

Emerging Market Risks

Potential Risk:

Current or future political instability in certain countries in which the Group operates may affect the ability to do business, generate revenue and impact the Group's profitability.

The political system in some of the Group's markets remains relatively fragile and remains potentially threatened by cross-border conflicts or wars between rival groups.

Risk Management and Opportunities

The Group's activities contribute to improving the quality of life in the countries in which the Group operates while improving the stability of its markets may lead to an appreciation of the value of the Group's companies located locally.
Diversifying the geographic mix of countries, economies and currencies in which the Group generates its revenues and cash flows reduces its exposure to emerging market risk.
The Group is aware of the environmental and social responsibility it has towards the local population and is implementing initiatives to this end.

Risk of expropriation

Potential Risk

Certain countries in which the Group operates have political regimes that may call into question foreign commercial interests by limiting their activities and may attempt to impose control over the Group's assets.

Risk Management and Opportunities

The diversification of the geographical distribution of the countries in which the Group generates its revenues and its cash flows reduces its exposure to this risk.

Credibility risk

Potential risk

The Group is exposed to the risk of loss of confidence of the financial markets in relation to its ability to maintain a sound financial health considering:
- its environmental impact,
- its social responsibility and
- the economic and geopolitical risks that certain Group entities may face.

Risk Management and Opportunities:

The Group has published its responsible management policy in 2017. This complements the Group's sustainable development commitments, formalized in 2012.

The Group's initiatives to take this risk into account are detailed in the information provided in the annual sustainable development report available on request at Group headquarters.

Risk sensitivity

**** Exchange rate Risk***
The Group is exposed to changes in value arising from fluctuations in exchange rates generated by its operating activities. However, as local turnover were made in the local currency and export sales are made in US dollar, the Group's exposure to fluctuations in dollar against the euro is limited. The impact on the result of a 5% increase or decrease (EUR/USD) in foreign currency financial instruments amounts to EUR 1.0 million.

In the case where the currency of sale is not the functional currency of the Company, and it is linked to a strong currency, the conversion is ensured at the time of the conclusion of the contract. The local sales concluded in the local currency in 2020 amounted to EUR 346.2 million.
financial year.

PT Socfindo has a cash position of USD 0.5 million.

**** Interest rate risk***

The breakdown of fixed rate loans and variable rate loans is described in Note 21. Following the variable rate loan arrangement entered into by Socfin on 23rd January 2014, the Group was exposed to interest rate risk. To control this risk, the loan was covered by a fixed rate swap for the same amount and the same maturity date up to 24th January 2019.

*** Credit risk**

At 31st December 2020, the trade receivables from global customers and local customers amounted to EUR 12.4 million and EUR 25.6 million respectively. Accounts receivable from global customers are mainly receivables related to the sale of rubber. Raw palm oil is sold locally to local players (wide range of customers). The marketing of refined palm oil and rubber is entrusted to Sogescol FR. It intervenes either on the physical markets or directly with end customers.

	2019 *EUR*	*2018* *Restated* *EUR*
Trade receivables	38 038 835	45 264 532
Provision incurred under expected life-cycle credit loss model	-3 957 022	-4 065 744
Other receivables	14 342 460	13 394 937
Total net receivables	***48 424 273***	***54 593 725***
Amount not due	47 255 163	52 357 860
Amount due less than 6 months	579 734	388 981
Amount due for more than 6 months and less than one year	396 725	1 010 530
Amount due for more than one year	192 651	836 354
Total net receivables	***48 424 273***	***54 593 725***

**** Liquidity risk***
The financial liabilities and cash position as mentioned in Notes 17 and 21 respectively are maintained with low credit risk institutions.

Note 36. Profit before interest, taxes, depreciation and amortisation

Reconciliation of EBITDA	***2020***	***2019***
		Restated
	EUR	***EUR***
Profit after tax (Group's share)	4 705 332	9 016 793
Profit share of non-controlling interests	24 606 210	23 647 226
Fair value of biological assets (Note 13)	7 798 959	2 898 149
Depreciation, amortization and provisions (Note 25)	75 268 141	67 922 911
Gains and losses on disposals of assets	930 351	-420 918
Tax charge (Note 29)	31 144 898	34 416 225
Other financial income (Note 27)	-6 154 633	-5 895 571
Other financial income included in depreciation write-backs	678	5 570
Financial expenses (Note 28)	32 855 631	19 984 526
Financial expenses included in amortisation and provisions	-3 184 918	-5 756
TOTAL	***167 970 649***	***151 569 155***
Impact of lease restatement on EBITDA	-3 123 992	-2 641 123
EBITDA excluding the impact of lease restatement	***164 846 657***	***148 928 032***

Note 37. Contingent liabilities

1 Litigation against the Belgian Federal Public Service Finance (Corporate Tax)

The company SOCFICOM S.A. ("Socficom"), a public limited company incorporated under Liechtenstein law and a subsidiary of the Group, was the subject of criminal proceedings initiated by the Belgian Public Prosecutor's Office.

The main accusation against Socficom was that the Belgian Public Prosecutor's Office considered that Socficom was a "Belgian resident company", subject to Belgian corporate income tax.

Socficom was acquitted, following a ruling by the 11th Chamber of the Brussels Court of Appeal, sitting in correctional matters, dated 23rd October 2018. The Court ruled that "it is clear from all these elements that the real seat of the defendant Socficom is indeed established in Liechtenstein and that nothing allows it to be located in Brussels". The Public Prosecutor's Office did not appeal against this judgement and this decision is therefore final.

However, the Federal Public Service Finance, relying itself exclusively on the investigation file submitted by the Belgian Public Prosecutor's Office in criminal matters, maintains that Socficom meets the conditions for it to be liable to corporate income tax in Belgium (the Federal Public Service Finance considers that Socficom is effectively managed from Belgium and that all its activities were carried out there).

Socficom was therefore automatically assessed with corporate income tax, on 4th January 2012, for the tax years 2004 to 2009 for an amount of EUR 77 343 783 excluding late payment interest at an annual rate of 7% reduced to 4% as from 1st January 2018.

On 5th April 2013, Socficom filed a tax claim against these 6 ex officio tax assessments. These 6 claims were declared admissible, but were rejected.

Socficom filed an action before the “Tribunal de première instance francophone” of Brussels.

The “Tribunal de première instance francophone” of Brussels, by judgment dated 26th April 2019, declared the claim admissible and partially founded insofar as it ordered the partial relief of the disputed taxes.
Socficom considers that this decision, although partly favourable to the argument it defended before the Court, is not satisfactory, given the acquittal decision referred to above.

The tax authorities want to tax Socficom exclusively on the basis of the elements of the criminal file, as the tax file does not contain any "new claims" in relation to the criminal proceedings. The facts judged in the tax proceedings have already been decided by the Court of Appeal (correctional chamber) which acquitted Socficom and the other defendants.

The Court could therefore not agree with the tax office on the basis of documents, observations or findings, without taking into considerations the judgment of the Court of Appeal of 23 October 2018. The Brussels Tax Court has "re-heard" the criminal case ignoring the acquittal of the 11th Chamber of the Brussels Court of Appeal.

Socficom has therefore decided to appeal against the tax judgement in order to request that the Court grants the request initially formulated by the company, i.e. to order the complete cancellation of the relief of the disputed taxes.

Tax judgements that are appealed against are not enforceable until the Court has ruled on them.

The amounts initially claimed by the tax authorities from Socficom amounted to EUR 77 343 783, excluding interest (see above), from which it must be deducted the relief granted by the Court amounting to EUR 50 000 000.

The company's counsel and Group Management are of the opinion that the Court of Appeal should fully cancel these taxes, based on the acquittal decision of the Court of Appeal, Correctional Chamber, dated 23rd October 2018 which confirms: "that the real seat of the defendant Socficom is indeed established in Liechtenstein and that there is no reason to locate it in Brussels". Based on these elements, the management is of the opinion that no provision should be recorded as the probability of an outflow of financial resources by the Group is low. The findings of the Court of Appeal are not expected before 2024.

2. <u>Litigation against the Belgian Federal Public Service Finance (VAT)</u>

As described above, the Federal Public Service Finance maintains that Socficom is a Belgian resident company. The tax authorities are claiming VAT of EUR 3 054 160.15 for the years 2006, 2007, 2008 and 2009, adding to this tax fines and interest at a rate of 0.8% per month as from 20th January 2010.

The amounts claimed amount to EUR 10 310 844.61, split as follows

- EUR 3 054 160 for VAT
- EUR 1 148 364 in interest
- EUR 6 108 320 in fines
- plus interest for late payment to be calculated on the VAT due from 21st December 2013.

Socficom contested this tax before the Brussels Court of First Instance.

The Court declared the claim admissible and partially founded insofar as it cancelled the fines of EUR 6 108 320 and the interest charged on this amount.

Socficom considers that this decision, although partially favorable to the case it defended before the Court, is not satisfactory since it was granted the acquittal following the judgment rendered by the 11th Chamber of the Brussels Court of Appeal dated 23rd October 2018.

In order to claim the disputed VAT from Socficom, the tax authorities based themselves exclusively on the criminal file. However, the Brussels Court could not ignore the acquittal decision and condemn Socficom without taking into account the final and res judicata judgment of the Brussels Court of Appeal.

In the absence of new elements brought by the tax authorities and having an impact on the outcome of the trial, the decision of the Court of Appeal of 23rd October 2018 could not be challenged and is binding on the Court.

Socficom therefore decided to appeal the tax ruling in order to request that the Court to grant the request initially made by the company, i.e. to order the complete cancellation of the relief of the disputed taxes.

The Company's counsel and the Group's Management are of the opinion that the Court of Appeal should fully cancel these taxes, based on the acquittal decision of the Court of Appeal, Correctional Chamber, dated 23rd October 2018, which confirms: "that the real seat of the defendant Socficom is indeed established in Liechtenstein and that there is no reason to locate it in Brussels". Based on these elements, management is of the opinion that no provision should be recorded as the probability of an outflow of financial resources by the Group is low. The findings of the Court of Appeal are not expected before 2024.

3. Claim against “Caisse Nationale de Prévoyance Sociale”

Société des Caoutchoucs du Grand Bereby ("SOGB"), a public limited company incorporated under Ivorian law and subsidiary of the Group, is involved in a dispute with the Caisse Nationale de Prévoyance Sociale ("CNPS") of the Ivory Coast. This dispute concerns the tax audit of the benefits in kind that SOGB should have paid to CNPS for having provided housing to its employees.

Following an initial analysis for the period from 1st January 2010 to 31st December 2013, CNPS estimated an amount due of CFA 182 million, equivalent to EUR 277 000. Based on SOGB's calculations, the amount owed is CFA 32 million, equivalent to EUR 48 000.

Following a contestation, the case was brought before the Court of Sassandra. The latter invited the two parties to reach an amicable settlement of the dispute between them and to submit a transactional agreement, if necessary.

In the absence of an amicable settlement of the dispute, it would be up to the Sassandra Court to rule on the merits.

The CNPS carried out a second analysis covering the years 2014 through 2018. The CNPS added to the previous amount a sum of CFA 1 650 million, equivalent to EUR 2.5 million. The SOGB has recorded a provision of CFA 250 million, equivalent to EUR 381 000, which corresponds to the amount it considers to be effectively due.

The issue of housing on plantations in rural areas is a general one and concerns most agricultural and forestry companies, particularly those in the rubber, oil palm and banana sectors.

For this reason, actions have been taken by companies in the sector, supported by the Union of Agricultural and Forestry Companies ("UNEMAF") and the General Confederation of Companies of Ivory Coast ("CGECI"), to obtain a clear position from the CNPS on this issue.

The CNPS had always granted a tolerance concerning the determination of benefits in kind constituted by the provision of housing in rural areas.

A proposal for arbitration was submitted to the Ministry of Employment and Social Protection by a working group comprising members of CGECI and UNEMAF. Working group meetings were scheduled to take place in the course of 2020, but these were postponed due to the health situation and have not been resumed to date.

At the date of the closing of the accounts, the amicable procedure is therefore still in progress. Its outcome will determine whether or not the case is referred to the Sassandra Court, which alone has the power to enforce the parties. Insofar as there is no legal constraint to date, and based on the above, management is of the opinion that no provision should be recorded because the probability of a claim is very low.

Note 38. Political and economic environment

The Company holds interests in subsidiaries that operate indirectly in Africa and Southeast Asia.

Given the economic and political instability in some of these countries, these holdings pose a risk in terms of exposure to political and economic changes.

Note 39. Events after the closing date

There are no significant post balance sheet events to report concerning the Group.

Note 40. Auditor's fees

	2020 *EUR*	*2019* *EUR*
Audit (VAT included)	735.695	549.488

The audit fees include all fees paid to the independent statutory auditor of the Group namely EY for 2020 and C-Clerc S.A. (member of Crowe Global network) for 2019, as well as those paid to member firms within their network for the relevant years. No consulting work or other non-audit services have been performed by those firms in 2020 or in 2019.

Note 41. Corrections as of 19th May 2021

The consolidated financial statements were initially drawn up and approved on 30th April 2021 by the Board of Directors. Following the identification of certain errors which did not in any way impact the consolidated financial position, the consolidated income statement, the consolidated statement of comprehensive income and the consolidated cash flow statement, the consolidated financial statements were again established and approved by the Board of Directors on 19th May 2021. The errors identified and corrected are presented in the table below:

Note	Reference	Version as of 30th April 2021	Version as of 19th May 2021
20	Table "Movements in liabilities / net assets recognised in the statement of financial position ":		
	Employee contributions 2019 – Fair value of plan assets	787 454	586 288
20	Inclusion of table "Defined contribution pension plan":		
	Costs accounted for the Defined contribution pension plan for 2019	Nil	1 690 457
	Costs accounted for the Defined contribution pension plan for 2020	Nil	1 045 677
20	Table "Actuarial gains and losses recognised in other comprehensive income" – Net amount accounted in 2020:		
	Changes in demographic assumptions	-161 409	-101 242
	Return on plan assets	0	-60 166
	Table "Actuarial gains and losses recognised in other comprehensive income" – Net amount accounted in 2019:		
	Changes in demographic assumptions	-372 307	-336 804
	Return on plan assets	0	-35 503
29	Table "Profit before tax from continuing operations":		
	Losses carried forward – 2019	10 904 903	9 715 845
31	The Board will propose to the Annual General Meeting on 25th May 2021 for the payment of a dividend of:	EUR 0.50 /share	EUR 0.00 /share
34	Table "Total of segmental liabilities" 2020:		
	Total equity	582 226 826	575 797 694
	Non current liabilities	138 055 764	144 484 897
	Table "Total of segmental liabilities" 2019:		
	Total equity	644 899 679	640 476 312
	Non current liabilities	232 932 491	237 355 859

Minor grammatical, spelling and rounding errors have also been corrected.

Company's Management Report

Presented by the Board of Directors at the Annual General Meeting of 25th May 2021

Ladies and gentlemen,

We have the honour to present to you our annual report and to submit for your approval the annual accounts of our Company as at 31st December 2020.

Activities

Socfin mainly holds financial interests in portfolio companies which operate indirectly in Southeast Asia and/or tropical Africa in the rubber and palm oil sectors.

Result of the year

The profit and loss account for the year, compared to that of the previous year, is as follows:

(EUR millions)	*2020*	*2019*
INCOME		
Income from participating interests		
from affiliated undertakings		
- Dividends	9.1	9.1
- Interest on receivables	5.8	5.1
Total income	***14.9***	***14.2***
EXPENSES		
Other external charges	1.4	1.3
Interest payable and other financial expenses		
other interest and other financial expenses	4.8	4.0
Tax on results	0.0	0.1
Total expenses	***6.2***	***5.4***
RESULTS FOR THE FINANCIAL YEAR	**8.7**	**8.8**

At 31st December 2020, net profit amounted to EUR 8.7 million compared to EUR 8.8 million at the end of the previous year.

Revenue amounted to EUR 14.9 million (EUR 14.2 million at 31st December 2019).

Total expenses amounted to EUR 6.2 million compared to EUR 5.4 million at 31st December 2019.

Balance sheet

At 31st December 2020, Socfin's total assets amounted to EUR 313.6 million compared to EUR 307.3 million at 31st December 2019.

Socfin's assets consist of investments of EUR 186.4 million, fixed financial assets of EUR 90.6 million, and other receivables of EUR 36.6 million.

Equity amounted to EUR 187.5 million.

Porfolio

Movements

During the financial year 2020, Socfin acquired 448 089 shares in Socfinaf for a total amount of EUR 5.3 million and 55 649 shares in Socfinasia for a total amount of EUR 0.8 million.

Revaluations

At 31st December 2020, the unrealised capital gains on the investment portfolio are estimated at EUR 107.2 million compared to EUR 137.9 million in previous year.

Holdings

The main holdings have evolved as follows during the last months:

Socfinasia S.A. (Luxembourg) - 58.09%
The Company holds stakes in Southeast Asian companies active in the rubber and palm oil sector.

At 31st December 2020, net profit amounted to EUR 32.1 million compared to EUR 17.4 million at 31st December 2019.

The net value of Socfinasia S.A.'s investments amounted to EUR 291.8 million at 31st December 2020 and the valuation of the portfolio shows unrealised gains of EUR 53.8 million.

At the next General Assembly, the Board of Directors of Socfinasia S.A. will propose the payment of a final dividend of EUR 0.50 per share, an interim dividend of EUR 0.30 has already been distributed in November 2020.

Figures of Socfinasia S.A. (millions of Euros)	2020	2019
Assets	***425.5***	***410.9***
Fixed assets	314.5	314.8
Current assets	111.0	96.1
Equity and Liabilities	***425.5***	***410.9***
Equity	421.4	406.6
Liabilities	4.1	4.3

Socfinaf S.A. (Luxembourg) - 64.51%
This company has interests in entities in tropical Africa which are active in the rubber and palm oil sector.

At 31st December 2020, net loss amounted to EUR 28.6 million compared to a net income of EUR 21.6 million at 31st December 2019. This decrease is mainly due to the non-recurrent impairment which has been accounted on the investment in SRC (EUR 24 million) and Brabanta (EUR 9.9 million), combined with a decrease in the dividend income and the increase in financial expenses.

The net asset value of financial assets amounted to EUR 204.5 million at 31st December 2020 and the valuation of the portfolio generated unrealized gains of EUR 245.2 million.

The Board of Directors of Socfinaf S.A. will propose at the next General Assembly not to pay a dividend for the financial year 2020.

Figures of Socfinaf S.A. (millions of EUR)	**2020**	**2019**
Assets	***518.1***	***543.3***
Fixed assets	513.3	538.0
Current assets	4.8	5.3
Liabilities	***518.1***	***543.3***
Equity	252.3	275.8
Liability	265.8	267.5

Allocation of profit

The profit for the year for Socfin amounting to EUR 8 665 140.70 increased by the retained earnings of EUR 93 782 497.98 result in total earnings of EUR 102 447 638.68 which will be proposed to be carried forward.

Reserves

After this distribution of profit, all reserves will amount to EUR 162 203 270.83 and will be as follows:

	EUR
Legal reserve	2 477 951.00
Other reserves	57 277 681.15
Retained earnings	102 447 638.68
	162 203 270.83

Treasury shares

The Company did not buy back its own shares during the 2020 financial year.

Research and development

During the financial year 2020, Socfin did not incur any expenses for research and development.

Financial instruments

Financial risk management policies are described in the notes to the Company's consolidated financial statements.

Branch

The Company has a permanent establishment in Fribourg (CH).

Mentions required by Art. 11 (1) points a) to k) of the law of 19th May 2006 concerning Public Takeover Bids

a) b) f) The subscribed share capital of the Company is set at EUR 24 779 510 represented by 14 159 720 shares without par value, fully paid up. Each share entitles the holder to one vote without limitation or restriction.

c) On 02/01/2017, Mr. Hubert Fabri declared that it held a direct and indirect stake of 54.24% in Socfin.

On 10/03/2008, Bolloré Participations declared that it held a direct and indirect interest of 38.75% in the Socfin.

h) Art. 13. of the statutes: *"The Company is administered by a Board composed of at least three members, whether natural or legal persons. The Directors are appointed for a period of six years by the General Meeting of Shareholders. They are eligible for re-election. The Directors are renewed by lottery, so that at least one Director will be leaving each year*."

Art. 22. of the statutes: *"In the event of vacancy of one or more director's seat, it may be provisionally replaced by complying with the formalities provided for by law."*

Art. 31. of the statutes: *"The present statutes can be modified by decision of the General Assembly specially convened for this purpose, in the forms and conditions prescribed by articles 450-1 and 450-8 of the law of 10 August 1915 on the commercial companies, as amended."*

i) The powers of the members of the Board of Directors are defined in Art. 17 et seq. of the statutes of the Company. They provide in particular that: *"The Board of Directors is vested with the broadest powers for the administration of the Company. All matters not expressly reserved to the General Meeting by the statutes or the law fall within the competence of the Board ".*

In addition, the statutes provide in Art. 6: *"In the event of a capital increase, the Board of Directors shall determine the conditions of issue of the shares.*

The new shares to be paid up in cash shall be offered in preference to the current shareholders, in accordance with the law. The General Assembly called to deliberate, under the conditions required for the amendment of the Articles of Association, on the increase in the share capital or on the authorization to increase the capital in accordance with Article 420-23 of the law of commercial companies, may limit or cancel the preferential subscription right or authorize the Board to do so in the manner and under the conditions provided for by law."

j) The terms and conditions of the 9th December 2016 bond issue and the 11th June 2019 revolving credit facility provide that in the event of a change of control of the Company (i.e. Socfin), creditors have the right to demand immediate repayment of their loans.

The other points of Art. 11 (1) are not applicable, namely:

- holding of shares giving special control rights;
- the existence of a staff shareholding system;
- shareholder agreements that may result in restrictions on the transfer of securities or voting rights;
- the indemnities provided in the event of the resignation or dismissal of members of the Board of Directors or staff following a takeover bid.

Corporate responsibility policy

On 22nd March 2017, the Group adopted its new corporate responsibility policy. It is based on the four principles of responsible development, improvement of management practices, respect for human rights and transparency.

An implementation plan for this policy has been defined and implemented throughout the 2020 financial year.

The efforts and actions undertaken by the Socfin Group in this area are detailed in a dashboard regularly updated as well as in a separate annual report ("sustainable development report").
The responsible management policy, the dashboard and the annual sustainable development report are available on the Group's website.

Estimated value of the share (company accounts)

The estimated value of Socfin at 31st December 2020 amounts to EUR 294.9 million (EUR 20.81 per share). This valuation includes unrealised gains on the portfolio.

As a reminder, the share price was EUR 23.20 at the end of the 2020 financial year compared to EUR 26.60 one year earlier.

Significant events after the end of the year

There are no significant post balance sheet events to report concerning the Company.

Impact of the Covid-19 crisis

In addition to the sanitary measures taken and described in the sustainable development report, the Group limited the tapping of rubber trees to the most productive plots at the beginning of the Covid-19 crisis. As a result, clean rubber production was 14% below budget. The decrease in production was compensated by an increase in 3rd party purchases.

This health crisis had no impact on the palm oil business.

The financial forecasts of the Company and its direct and indirect subsidiaries for the years 2021 and 2022, the sustained levels of market prices in this first part of the year, indicate that the business will generate sufficient cash to meet the Group's obligations and ensure the going concern of the operations.

Key risks and uncertainties

It must be emphasized that the Group's investments in Africa and Southeast Asia may be subject to political and economic risks. On-site executives and managers follow the day-to-day evolution of the situation.

Perspectives

The result for the 2021 financial year will depend to a large extent on the dividend distributions of the subsidiaries.

Statutory appointments

The term served as director by Mr. Hubert Fabri expires this year. At the next General Meeting, the Board of Directors will propose to renew his mandate for another six years until the Annual General Meeting of 2027.

The Board of Directors

Audit report on the Company's financial statements

To the Shareholders of
Société Financière des Caoutchoucs
Abbreviated SOCFIN
4, Avenue Guillaume
L-1650, Luxembourg

The standalone financial statements (French version) of the Company as at 31st December 2020 have been audited by an independent auditor who expressed on them an unmodified audit report dated 30th April 2021. These standalone financial statements (English version) have not been audited but constitute an official English translation of the audited French version.

Company financial statements

1. Balance sheet as at 31 December 2020

ASSETS	*Note*	*2020 EUR*	*2019 EUR*
FIXED ASSETS			
Financial fixed assets	3		
Shares in affiliated undertakings		186 370 890.33	180 252 467.00
Loans to affiliated undertakings		90 592 500.00	90 592 500.00
		276 963 390 33	***270 844 967.00***
CURRENT ASSETS			
Receivables			
Amounts owed by affiliated undertakings becoming due and payable within one year	4	36 602 375.37	36 456 245.00
Other receivables becoming due and payable within one year		51 846.24	653.38
		36 654 221.61	***36 456 898.38***
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		12 383.73	22 147.69
		36 666 605.34	***36 479 046.07***
TOTAL ASSETS		**313 629 995.67**	***307 324 013.07***

The accompanying notes forms an integral part of the annual accounts.

LIABILITIES	*Note*	*2020 EUR*	*2019 EUR*
SHAREHOLDERS' EQUITY	5		
Share capital		24 779 510 00	24 779 510.00
Share premium		501 846 51	501 846.51
Reserves			
Legal reserve		2 477 951 00	2 477 951.00
Other reserves, including the fair value reserve			
Other available reserves		57 277 681 15	57 277 681.15
		59 755 632 15	***59 755 632.15***
Retained earnings		93 782 497.98	93 602 025.95
Profit for the year		8 665 140.70	8 833 634.25
Interim dividends		0.00	-786 651.11
		187 484 627.34	***186 685 997.75***
LIABILITIES			
Non-convertible bond loan			
Becoming due and payable after more than one year	6	0 00	80 000 000.00
Becoming due and payable within one year		80 195 555.56	195 555.56
Amount due to credit institutions	7		
Becoming due and payable within one year		30 000 128.50	40 000 459.56
Amount due to trade creditors			
Becoming due and payable within one year		106 627.25	84 121.30
Amounts owed to affiliated undertakings			
Becoming due and payable within one year	8	15 542 697.62	90 000.00
Other debts			
Tax debts		32 370.00	0.00
Other debts due and payable within one year		267 989 40	267 878.90
		126 145 368.33	***120 638 015.32***
TOTAL LIABILITIES		***313 629 995.67***	***307 324 013.07***

The accompanying notes form an integral part of the annual accounts.

2. Income statement for the year ended 31 December 2020

	Note	2019 EUR	2018 EUR
Raw materials and consumables			
Other external charges		-1 407 327 42	-1 361 483.81
Other operating expenses		-11 131.99	-15 114.53
Income from participating interests			
from affiliated undertakings	9	14 930 975.66	14 203 177.37
Other interest receivable and other financial income			
other interest and financial income		117.47	20 409.58
Interest payable and other financial expenses			
relating to affiliated undertakings		-30 689.32	-27 948.59
other interest and financial expenses		-4 784 513.47	-3 934 137.76
Tax on results		79.77	-190.39
Results after taxation		**8 697 510.70**	**8 884 644.25**
Other taxes not disclosed under posts 1 till 16		-32 370.00	-51 010.00
Results for the financial year		***8 665 140.70***	***8 833 634.25***

Beneficiary distribution proposal

	2019 EUR	*2018 EUR*
Retained earnings	102 447 638.68	93 782 497.98
From the balance:		
10% on the Board of Directors	0.00	865 316.22
90% to 14 159 720 shares	0.00	7 787 846.00
	102 447 638.68	***102 435 660.20***
Dividend per share	***EUR 0.00***	***EUR 0.55***

The accompanying notes form an integral part of the annual accounts.

3. Notes to the financial statements for the year 2020

Note 1. Overview

The Company was incorporated on 5 December 1959 as a public limited company and adopted the status of "Soparfi" on 10th January 2011.

The duration of the Company is unlimited, and its registered office is established in Luxembourg. The Company is registered in the Register of Commerce and Companies under number B 5937 and is listed on the Luxembourg Stock Exchange under ISIN number LU0027967834.

The Company's purpose is to acquire equity interests, in any form whatsoever, in other Luxembourg or foreign companies, as well as to manage, control and develop these equity interests.

It may, in particular, acquire by way of contribution, subscription, option, purchase or any other manner securities of any kind and realize them by way of sale, transfer, exchange or otherwise.

The Company may also acquire and develop any patents and other rights related to or complementary to such patents.

The Company may borrow and grant to companies in which it has a direct or indirect interest, any assistance, loans, advances or guarantees.

It will take all measures to safeguard its rights and will carry out all operations of any kind that are related to or promote its purpose.

The Company also prepares consolidated financial statements which are published in accordance with the law and which are available at the Company's registered office (4, avenue Guillaume, L-1650 Luxembourg) or on the Internet site: www.socfin.com.

The financial year begins on 1st January and ends on 31st December.

Note 2. Accounting principles, rules and methods

Going concern and Impact of the COVID-19 pandemic

As of 31st December 2020, the current liabilities exceed current assets for an amount of EUR 124 478 763:

- Considering the terms of the loan (Note 3) and the terms of the advance (Note 4) made towards Socfinaf S.A., the current assets amount to EUR 1 666 605, and

- the current liabilities amount to EUR 126 112 998 mainly due to the maturity of the non-convertible debts on the 9th of December 2021 for an amount of EUR 80 000 000 (Note 6) as well as current debts from financial institutions for an amount of EUR 30 000 000 (Note 7).

The Company has taken the necessary steps to find the necessary financial resources to adhere to it financial obligations and is in negotiations with several financial institutions in order to finalise financial contracts. The Company continues to evaluate the reasonableness of the offers being presented.

in the meantime, and to guarantee its capacity to continue its activity on a going-concern basis, the Company benefits from the terms of a Letter of Comfort from the shareholders which guarantees the financial support which will enable the Company to comply with its financial obligations in a limit of EUR 110 000 000 until 30th June 2022.

Furthermore, during 2020, though the impact of the COVID-19 pandemic on the activities of the Company and its subsidiaries was limited, the Management has adapted to the new constraints and is permanently monitoring the risks related to this health crisis. The spread of the virus is still active and unpredictable, which brings uncertainty to economic development on one side and to the course of business affairs on the other side.

Taking into account the impact of the COVID-19 outbreak based on the information available to date (March 2021), the Company has prepared a cash flow plan assessing a liquidity position of the Company and its subsidiaries based on Management's best estimates. Considering the partial activation of above shareholder’s engagement, this cash flow plan shows sufficient liquidity for the Company to meet its obligations and confirms the going concern assumption for at least the twelve months following the date of approval of the current financial statements.

General principals

The annual financial statements are prepared in accordance with Luxembourg legal and regulatory requirements in force in Luxembourg under the historical cost convention.

The accounting policies and valuation principles are, apart from the rules imposed by the law of 19th December 2002, determined and implemented by the Board of Directors.

The preparation of the annual financial statements involves the use of a number of critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the application of accounting principles. Any change in assumptions may have a significant impact on the annual accounts for the period in which the assumptions are changed. The Board of Directors believes that the underlying assumptions are appropriate and that the financial statements give a true and fair view of the financial position and results of the Company.

The figures for the year ended 31st December 2019 for certain asset, liability and profit and loss items have been reclassified to ensure comparability with the figures for the year ending 31st December 2020. These reclassifications have no impact on the result for the year ended 31st December 2019.

Currency conversion

The Company keeps its accounts in euros (EUR); the annual accounts are expressed in the same currency.

Transactions in a currency other than the balance sheet currency are converted into the balance sheet currency at the exchange rate prevailing on the date of the transaction.

At the balance sheet date:

- the purchase price of the equity securities included in the financial fixed assets and the associated receivables, expressed in a currency other than the currency of the balance sheet, remain converted at the historical exchange rate, with the exception of the current portion of receivables, which is valued individually at the lower of their historical exchange rate value or their value determined on the basis of the exchange rate prevailing at the balance sheet date;
;

- bank accounts expressed in a currency other than the currency of the balance sheet are valued on the basis of the exchange rate prevailing on the balance sheet date or at the rate included in the hedging contract for items covered by a foreign exchange forward contract. Unrealized gains and losses are recognized in the current period;

- all other assets, expressed in a currency other than the currency of the balance sheet, are valued individually at the lower of their value at the historical exchange rate or their value determined on the basis of the exchange rate prevailing at the balance sheet date;

- all liability items, expressed in a currency other than the currency of the balance sheet, are valued individually at the highest of their value at the historical exchange rate or their value determined on the basis of the exchange rate prevailing on the balance sheet.

Realized foreign exchange gains and losses are recognized in the profit and loss account. At the balance sheet date, by applying the precautionary principle, only unrealised translation adjustments on foreign currency items are recognized in profit or loss.

If there is an economic link between two transactions, unrealized exchange differences are recognized at the corresponding unrealized exchange loss.

Revaluation of financial assets

Shares in affiliated undertakings are valued at historical cost, which includes incidental expenses. Receivables from affiliated companies are valued at their nominal value, which includes incidental expenses.

In the event of an impairment that, in the opinion of the Board of Directors, is of a lasting nature, these financial fixed assets are subject to value adjustments in order to give them the lower value that should be attributed to them on the balance sheet date, as determined by the Board of Directors.

In order to determine the value adjustments that are permanent at the balance sheet date, the Board of Directors carries out the following analyses for each investment on an individual basis:

1/ For listed investments, the Board of Directors compares the net book value of the investment with the market value based on the stock market price on the closing date. When the market value is greater than or equal to the net book value, the Board of Directors considers that no value adjustment needs to be recorded at the closing date. However, when the market value is lower than the net book value, the Board of Directors tests the net book value against the share in the revalued net assets of the investment.

2/ If the net book value to market value test is inconclusive, as well as for unlisted investments, the Board of Directors compares the net book value of the investment with the share held in the revalued net assets of the investment, as well as in the consolidated net assets (i.e. equity attributable to owners of the parent company) if the subsidiary subject to the test prepares consolidated accounts.

If one of these values is greater than or equal to the net book value of the investment, no value adjustment is recognised.

3/ On the other hand, when both values are lower than the net book value of the investment:

- for support companies (other than plantations or industrial companies), the Board of Directors records the value adjustment resulting from the smaller difference between the net book value of the investment and the share held in the revalued net assets or in the consolidated net assets;

- for investments in plantations or industrial companies, the Board of Directors makes a value adjustment to bring the value of the investments into line with the share of the enterprise value calculated on the basis of the discounted future cash flows available to the shareholders, which take into account the foreseeable development of the business of the investments under test.

However, the Board of Directors may take other factors into consideration and, in particular, in view of the very long period of immaturity of young plantation, it considers that the value adjustment is not sustainable for a plantation where more than half of the planted area is not being used.

Receivables from affiliated companies are subject to a value adjustment in the event that the net book value test by discounting future cash flows to shareholders does not support the full repayment of the receivable.

These value adjustments are not maintained when the reasons for which they were established have ceased to exist.

Receivables

Receivables are recorded at their nominal value. They are subject to value adjustments when their recovery is compromised. Value adjustments are not maintained if the reasons for their negotiations have ceased to exist.

Liabilities

Debts are recorded at their repayment value. When the amount to be repaid on the debts exceeds the amount received, the difference is taken to the profit and loss account when the debt is issued.

Note 3. Financial fixed assets

	Shares in affiliated undertakings		Receivables from affiliated undertakings		TOTAL	
	2020 EUR	2019 EUR	2020 EUR	2019 EUR	2020 EUR	2019 EUR
Buying price/ nominal value at the beginning of the year	***180 252 467.00***	***176 333 533.04***	***90 592 500.00***	***90 232 500.00***	***270 844 967.00***	***266 566 033.04***
Increases	6 118 423.33	3 918 933.96	0.00	360 000.00	6 118 423.33	4 278 933.96
Buying price/ nominal value at the end of the year	***186 370 890.33***	***180 252 467.00***	***90 592 500.00***	***90 592 500.00***	***276 963 390.33***	***270 844 967.00***
Value adjustments at the beginning and at the end of the year	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***	***0.00***
Net book value at the end of the year	***186 370 890.33***	***180 252 467.00***	***90 592 500.00***	***90 592 500.00***	***276 963 390.33***	***270 844 967.00***

Information on movements during the year

During the year, the Company has acquired :

- 55,649 shares of Socfinasia, resulting in a change of percentage holding from 57.81% to 58.09% ;
- 448,089 shares of Socfinaf, resulting in a change of percentage holding from 62% to 64.51%.

Information on companies in which the Company holds at least 20% of the capital

Entity	Country	% held	Net book value EUR	Year end	Currencies of the annual accounts	Equity in foreign currency (including net profit)	Net income in foreign currencies
Socfinaf S.A.(**)	Luxembourg	64.51	137 245 816	31.12.2020	EUR	252 297 336	-28 649 334
Socfinasia S.A.(**)	Luxembourg	58.09	48 579 664	31.12.2020	EUR	421 367 605	32 138 586
Induservices S.A. (*)	Luxembourg	35.00	35 000	31.12.2020	EUR	236 129	3 936
Management Associates S.A. (*)	Luxembourg	20.00	400 000	31.12.2020	EUR	2 437 089	-167 918
			180 260 480				

(*) Based on Unaudited financial figures.
(**) Based on Audited financial figures as of 31st December 2020

Valuation of shares in affiliated undertakings:

As of 31st December 2020, the Board of Directors is of the opinion that the fair value of each investment is higher than the net book value and as such, no impairment has been accounted for.

Information and valuation of receivables from affiliated undertakings

As of 31st December 2020, the receivables from affiliated undertakes are mainly comprised of receivables from Socfinaf S.A. for a nominal amount of EUR 90 000 000.00 (2019: EUR 90 000 000.00) and which bear a fixed interest rate of 4.80%. Early 2021, the maturity of the receivable which was initially to be reimbursed by 9th December 2021, has been extended till 31st December 2022.

As of 31st December 2020, the Board of Directors are of the opinion that these receivables do not show any sign of impairment and are of a durable ongoing nature and as such no impairment loss has been accounted for.

Note 4. Receivables from affiliated entities

The receivables from the affiliated entities are mainly comprised of an advance granted to Socfinaf S.A. for an amount of EUR 35 000 000 (2019: EUR 35 000 000). The Company has engaged itself to not seek for any reimbursement of this advance granted before the 30th of June 2022.

As of 31st December 2020, the Board of Directors is of the opinion that the receivable is fully recoverable and as a consequence, no impairment has been accounted for.

Note 5. Equity

	Capital subscribed EUR	Share premium EUR	Legal reserve EUR	Other reserves EUR	Retained earnings EUR	Profit for the year EUR	Interim dividends EUR
Situation as of 1st January 2019	***24 779 510.00***	***501 846.51***	***2 492 000.00***	***57 277 681.15***	***91 456 809.10***	***10 784 330.07***	***-786 651.11***
Distribution of the result for the 2018 financial year following decision of the General Assembly Meeting held on 28th May 2019							
• Retained earnings			-14 049.00		2 145 216.85	-2 131 167.85	
• Dividends						-7 079 860.00	
• Directors' fees						-786 651.11	
• 2018 interim dividend						-786 651.11	786 651.11
Interim dividends as per decision of the Board of Directors of 28th October 2019							-786 651.11
Financial year profit for 2019						8 833 634.25	
Situation as of 31st December 2019	***24 779 510.00***	***501 846.51***	***2 477 951.00***	***57 277 681.15***	***93 602 025.95***	***8 833 634.25***	***-786 651.11***
Allocation of the result for the 2019 financial year following decision of the General Assembly Meeting held on 26th May 2020:							
• Retained earnings					180 472.03	-180 472.03	
• Dividends						-7 079 860.00	
• Directors' fees						-786 651.11	
• 2019 interim dividend						-786 651.11	786 651.11
Financial year profit						8 665 140.70	
Situation as of 31st December 2020	***24 779 510.00***	***501 846.51***	***2 477 951.00***	***57 277 681.15***	***93 782 497.98***	***8 665 140.70***	***0.00***

Subscribed capital

As of 31st December 2020 and 2019, the subscribed and fully paid-up capital is EUR 24 779 510.00 represented by 14 159 720 shares without par value.

Share premium

As of 31st December 2020 and 2019, the share premium amounts to EUR 501 846.51.

Legal reserve

The annual profit is subject to a levy of 5% to be allocated to a legal reserve. This deduction ceases to be compulsory as soon as the reserve reaches 10% of the capital. The legal reserve cannot be distributed.

Note 6. Non-convertible bonds

On the 9th of December 2016, the Company has issued 800 bonds at a nominal value of EUR 100 000.00 bearing a annual fixed interest rate of 4%, with a maturity date of 9th December 2021. These bonds are quoted on the EURO MTF market under the ISIN XS1531558440.

Note 7. Loan from credit institutions

As of 31st December 2020, loan from credit institutions are mainly comprised of a Revolving Credit Facility for an amount of EUR 30 000 000 (2019: EUR 40 000 000).

This credit bears an engagement from the Company to obtain an RSPO certification for the whole of its palm plantations by 31/12/2021. The Company and its subsidiaries continue their efforts in this direction in coordination with the Bank.

Note 8. Loan with affiliated entities

As of 31st December 2020, the loans with affiliated entities mainly comprise of a cash pooling with Socfinde S.A. for an amount of EUR 15 539 714.12 (2019: EUR -13 265.14).

Note 9. Income from equity investments

	2020 EUR	2019 EUR
Dividends received	9 105 263.33	9 061 343.80
Interest on related companies' receivables	5 825 712.33	5 141 833.57
	14 930 975.66	***14 203 177.37***

Note 10. Taxation

The Company is subject to all taxes to which Luxembourg commercial companies are subject to.

Note 11. Remuneration of the Board of Directors

During the 2020 financial year, the remuneration of members of the Board of Directors amounted to EUR 5 938 (2019: EUR 10 312) as attendance fees and EUR 786 651 (2019: EUR 865 316) as directors' fees.

During 2020, no advances or loans were granted to members of the management or supervisory boards.

Note 12. Political and economic environment

The Company holds interests in companies that operate indirectly in Africa and Southeast Asia.

Given the economic and political instability in these African countries (Sierra Leone, Liberia, Ivory Coast, Ghana, Nigeria, Cameroon, São Tomé and Democratic Republic of Congo) and South-East Asia (Cambodia and Indonesia), these holdings are exposed to political and economic fluctuations risks.

Note 13. Off-balance sheet commitments

As at 31st December 2020 and 2019, the Company had no significant off-balance sheet commitments.

Note 14. Significant events after the year end

There are no significant post balance sheet events to report which impact the Company.