

**INTERIM FINANCIAL REPORT**  
**HALF YEAR ENDED 30 JUNE 2019**

**Disclaimer:**

The English version is a translation of the original in French for information purposes only. In case of any misunderstanding or discrepancy, the French original will prevail.

For the purpose intended of the reader of this Interim Financial Report, only the financial statements and the accompanying notes have been translated from its original French version.

**Consolidated income statement**  
**For the period from 1 January to 30 June**  
**(Unaudited)**

	Note	<b><u>30/06/2019</u></b> <b><u>EUR</u></b> (6 months)	<b><u>30/06/2018</u></b> <b><u>EUR</u></b> (6 months)
Revenue		179,827,232	169,105,560
Other work performed by entity and capitalized		7,468,130	17,134,282
Changes in inventories of finished goods and work in progress		32,517,802	18,110,590
Other operating income		1,313,415	1,355,554
Raw materials and consumables used		-73,907,918	-62,824,751
Other external charges		-49,830,288	-55,184,683
Labor costs		-31,206,745	-30,477,685
Depreciation, amortization and impairment	11	-23,873,980	-20,010,057
Other operating costs		-4,719,837	-8,643,796
<b>Operating profit</b>		<b>37,587,811</b>	<b>28,565,014</b>
Other financial income	12	1,135,786	1,527,411
Gain on disposal of assets		29,385	9,197
Loss on disposal of assets		-295,068	-281,917
Other financial expenses	13	-6,723,186	-5,469,678
<b>Profit before tax</b>		<b>31,734,728</b>	<b>24,350,027</b>
Income tax expense		-18,660,877	-12,143,341
Deferred tax expense		-3,144,120	-832,750
Group's share of income from associates	5	2,310,110	1,936,871
<b>Profit for the period</b>		<b>12,239,841</b>	<b>13,310,807</b>
<b>Profit attributable to non-controlling interests</b>		<b>9,408,841</b>	<b>10,620,088</b>
<b>Profit attributable to owners of the Parent</b>		<b>2,831,000</b>	<b>2,690,719</b>
<b>Basic earnings per share</b>		<b>0.16</b>	<b>0.15</b>
<b>Number of Socfinaf S.A. shares</b>		<b>17,836,650</b>	<b>17,836,650</b>
Basic earnings per share		0.16	0.15
Diluted earnings per share		0.16	0.15

*The accompanying notes form an integral part of these consolidated financial statements*

**Consolidated statement of other comprehensive income**  
**For the period from 1 January to 30 June**  
**(Unaudited)**

	<b><u>30/06/2019</u></b>	<b><u>30/06/2018</u></b>
	<b><u>EUR</u></b> (6 months)	<b><u>EUR</u></b> (6 months)
<b><i>Profit for the period</i></b>	<b>12,239,841</b>	<b>13,310,807</b>
<b><i>Other comprehensive income</i></b>		
Gains (losses) on exchange differences on translation of subsidiaries	-3,797,904	7,539,265
Share of other comprehensive income related to associates	243,551	213,182
<i>Sub-total of items that can be reclassified to profit or loss</i>	-3,554,353	7,752,447
<b><i>Total other comprehensive income/(loss)</i></b>	<b>-3,554,353</b>	<b>7,752,447</b>
<b><i>Total comprehensive income</i></b>	<b>8,685,488</b>	<b>21,063,254</b>
<b><i>Comprehensive income attributable to non-controlling interests</i></b>	<b>9,521,604</b>	<b>11,772,454</b>
<b><i>Comprehensive income attributable to owners of the Parent</i></b>	<b>-836,116</b>	<b>9,290,800</b>

*The accompanying notes form an integral part of these consolidated financial statements*

**Consolidated statement of financial position**  
**at 30 June 2019**  
**(unaudited)**

<b>ASSETS</b>	<b>Note</b>	<b><u>30/06/2019</u></b> <b><u>EUR</u></b>	<b><u>31/12/2018</u></b> <b><u>EUR</u></b>
<b><i>Non-current assets</i></b>			
Intangible assets		2,217,738	2,591,158
Property, plant and equipment	3	265,880,865	263,790,558
Bearer plants	3	400,625,108	401,784,792
Right-of-use assets	4	14,065,183	0
Investments in associates	5	21,466,626	24,205,267
Financial assets at fair value through other comprehensive income		91,902	91,902
Long-term advances		1,578,636	1,542,050
Deferred tax assets		7,367,971	8,926,034
Other non-current assets		14,030	80,693
		<b>713,308,059</b>	<b>703,012,454</b>
<b><i>Current assets</i></b>			
Inventories	6	84,017,557	58,974,220
Trade receivables		16,940,375	17,394,515
Other receivables		23,576,093	15,695,035
Current tax assets		12,134,141	13,442,815
Cash and cash equivalents		47,279,104	34,700,835
		<b>183,947,270</b>	<b>140,207,420</b>
<b>TOTAL ASSETS</b>		<b>897,255,329</b>	<b>843,219,874</b>

*The accompanying notes form an integral part of these consolidated financial statements*

**Consolidated statement of financial position**  
**at 30 June 2019**  
**(unaudited)**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b><u>30/06/2019</u></b> <b><u>EUR</u></b>	<b><u>31/12/2018</u></b> <b><u>EUR</u></b>
<b><i>Equity attributable to the equity holders of the Parent</i></b>			
Share capital	7	35,673,300	35,673,300
Share premium		87,453,866	87,453,866
Legal reserve		3,567,330	3,570,840
Consolidated reserves		182,445,673	178,626,421
Translation differences		-40,708,896	-36,798,229
Profit for the period/year		2,831,000	4,763,789
		<b>271,262,273</b>	<b>273,289,987</b>
<b><i>Non-controlling interests</i></b>			
		<b>107,665,846</b>	<b>109,818,019</b>
<b><i>Total equity</i></b>			
		<b>378,928,119</b>	<b>383,108,006</b>
<b><i>Non-current liabilities</i></b>			
Deferred tax liabilities		10,493,054	9,707,343
Employee benefit obligations		13,081,321	9,849,311
Long term debt, net of current portion	8	132,418,687	109,878,039
Lease liabilities due more than one year	4	15,272,915	0
Trade payables due more than one year		289,283	0
Other payables		7,914,480	7,739,836
		<b>179,469,740</b>	<b>137,174,529</b>
<b><i>Current liabilities</i></b>			
Short term debt and current portion of long term debt	8	83,410,804	104,120,025
Lease liabilities due within one year	4	975,892	0
Trade payables		48,080,256	44,786,254
Current tax liabilities		25,863,303	19,718,139
Provisions		2,788,861	2,856,665
Other payables	9	177,738,354	151,456,256
		<b>338,857,470</b>	<b>322,937,339</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>897,255,329</b>	<b>843,219,874</b>

*The accompanying notes form an integral part of these consolidated financial statements*

**Consolidated statement of cash flows**  
**For the period from 1 January to 30 June**  
**(Unaudited)**

	Note	<b><u>30/06/2019</u></b> <b><u>EUR</u></b> (6 months)	<b><u>30/06/2018</u></b> <b><u>EUR</u></b> (6 months)
<b>OPERATING ACTIVITIES</b>			
Profit attributable to owners of the Parent		2,831,000	2,690,719
Profit attributable to non-controlling shareholders		9,408,835	10,620,086
Income from associates	5	-2,310,110	-1,936,871
Dividends received from associates	5	5,046,264	7,670,517
Fair value of agricultural production		-11,731,052	-3,044,000
Other adjustments having no impact on the cash position (IFRS or other)		-1,267,572	-1,379,215
Depreciation and amortization and provisions and allowances		25,215,792	20,765,285
Net loss on disposal of assets		265,684	272,720
Income tax expense		21,805,207	12,976,089
<b>Cash flow from operating activities</b>		<b>49,264,048</b>	<b>48,635,330</b>
<b>Interest received</b>		<b>5,606,704</b>	<b>4,319,360</b>
<b>Income tax paid</b>		<b>-18,660,877</b>	<b>-12,143,340</b>
Change in inventory		-14,743,522	-13,250,040
Change in trade and other receivables		-4,614,821	-3,169,437
Change in trade and other payables		35,228,161	53,713,295
Accruals and prepayments		731,484	-2,397,729
<b>Change in working capital requirement</b>		<b>16,601,302</b>	<b>34,896,089</b>
<b>Net cash flows from operating activities</b>		<b>52,811,177</b>	<b>75,707,439</b>
<b>INVESTING ACTIVITIES</b>			
Acquisitions/disposals of intangible assets		138,086	285,261
Acquisitions of property, plant and equipment		-26,693,342	-45,325,783
Disposals of property, plant and equipment		1,071,321	711,536
Acquisitions/disposals of financial assets		-36,791	-121,647
<b>Net cash flows from investing activities</b>		<b>-25,520,726</b>	<b>-44,450,633</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid to owners of the Parent		0	-1,783,665
Dividends paid to non-controlling shareholders		-11,378,877	-13,737,812
Proceeds from borrowings		34,663,196	14,175,112
Repayment of borrowings		-20,472,209	-9,452,675
Lease payments		-757,097	0
Interest received		-5,606,704	-4,319,360
<b>Net cash flows from financing activities</b>		<b>-3,551,691</b>	<b>-15,118,400</b>
Effect of exchange rate changes		144,521	613,486
Effect of ongoing transfer of funds		-439,368	0
<b>Net increase in cash and cash equivalents</b>		<b>23,443,913</b>	<b>16,751,892</b>
Cash and cash equivalents at 1 January		-4,241,485	7,362,106
Cash and cash equivalents at 30 June		19,202,428	24,113,998
<b>Net increase in cash and cash equivalents</b>		<b>23,443,913</b>	<b>16,751,892</b>

The accompanying notes form an integral part of these consolidated financial statements

**Consolidated statement of changes in equity**  
**For the period from 1 January to 30 June**  
**(Unaudited)**

EUR	Share capital	Share premium	Legal reserve	Translation differences	Consolidated reserves	Equity attributable to the equity holders of the Parent	Non-controlling interests	TOTAL
<b>Balance at 1 January 2018</b>	<b>35,708,400</b>	<b>87,453,866</b>	<b>3,570,840</b>	<b>-43,710,124</b>	<b>180,515,875</b>	<b>263,538,857</b>	<b>107,642,899</b>	<b>371,181,756</b>
Profit/(loss) for the financial period					2,690,719	<b>2,690,719</b>	10,620,088	<b>13,310,807</b>
Foreign currency translation adjustments				6,386,899	0	<b>6,386,899</b>	1,152,366	<b>7,539,265</b>
Change in other comprehensive income from associates				213,182	0	<b>213,182</b>	0	<b>213,182</b>
<b>Comprehensive income</b>				<b>6,600,081</b>	<b>2,690,719</b>	<b>9,290,800</b>	<b>11,772,454</b>	<b>21,063,254</b>
Dividends					-1,783,665	<b>-1,783,665</b>	-13,651,061	<b>-15,434,726</b>
Other changes					434	<b>434</b>	-839	<b>-404</b>
<b>Transactions with owners</b>					<b>-1,783,231</b>	<b>-1,783,231</b>	<b>-13,651,899</b>	<b>-15,435,130</b>
<b>Balance at 30 June 2018</b>	<b>35,708,400</b>	<b>87,453,866</b>	<b>3,570,840</b>	<b>-37,110,043</b>	<b>181,423,363</b>	<b>271,046,426</b>	<b>105,763,454</b>	<b>376,809,880</b>
Profit/(loss) for the financial period					2,073,070	<b>2,073,070</b>	3,810,354	<b>5,883,424</b>
Actuarial gains and losses					-265,339	<b>-265,339</b>	-251,545	<b>-516,884</b>
Foreign currency translation adjustments				188,002	0	<b>188,002</b>	493,300	<b>681,302</b>
Change in other comprehensive income from associates				123,812	104,771	<b>228,583</b>	0	<b>228,583</b>
<b>Comprehensive income</b>				<b>311,814</b>	<b>1,912,502</b>	<b>2,224,316</b>	<b>4,052,109</b>	<b>6,276,425</b>
Cancellation of shares	-35,100				55,828	<b>20,728</b>		<b>20,728</b>
Other movements					-1,483	<b>-1,483</b>	2,457	<b>973</b>
<b>Transactions with owners</b>	<b>-35,100</b>				<b>54,345</b>	<b>19,245</b>	<b>2,456</b>	<b>21,701</b>
<b>Balance at 31 December 2018</b>	<b>35,673,300</b>	<b>87,453,866</b>	<b>3,570,840</b>	<b>-36,798,229</b>	<b>183,390,210</b>	<b>273,289,987</b>	<b>109,818,019</b>	<b>383,108,006</b>

<b>EUR</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Translation differences</b>	<b>Consolidated reserves</b>	<b>Equity attributable to the equity holders of the Parent</b>	<b>Non-controlling interests</b>	<b>TOTAL</b>
<b>Balance at 1 January 2019</b>	<b>35,673,300</b>	<b>87,453,866</b>	<b>3,570,840</b>	<b>-36,798,229</b>	<b>183,390,210</b>	<b>273,289,987</b>	<b>109,818,019</b>	<b>383,108,006</b>
Profit/(loss) for the financial period					2,831,000	<b>2,831,000</b>	9,408,841	<b>12,239,841</b>
Foreign currency translation adjustments				-3,910,667	0	<b>-3,910,667</b>	112,763	<b>-3,797,904</b>
Impact of IFRS 16 application: Leases (Note 4)					-1,193,217	<b>-1,193,217</b>	-404,762	<b>-1,597,979</b>
Transfer between reserves			-3,510		3,510	<b>0</b>	0	<b>0</b>
Change in other comprehensive income from associates				0	243,551	<b>243,551</b>	0	<b>243,551</b>
<b>Comprehensive income</b>			<b>-3,510</b>	<b>-3,910,667</b>	<b>1,884,844</b>	<b>-2,029,333</b>	<b>9,116,842</b>	<b>7,087,509</b>
Dividends					0	<b>0</b>	-11,269,015	<b>-11,269,015</b>
Other movements					1,619	<b>1,619</b>	0	<b>1,619</b>
<b>Transactions with owners</b>					<b>1,619</b>	<b>1,619</b>	<b>-11,269,015</b>	<b>-11,267,396</b>
<b>Balance at 30 June 2019</b>	<b>35,673,300</b>	<b>87,453,866</b>	<b>3,567,330</b>	<b>-40,708,896</b>	<b>185,276,673</b>	<b>271,262,273</b>	<b>107,665,846</b>	<b>378,928,119</b>

	<b>2019</b>	<b>2018</b>
Dividends and interim dividends paid during the period	0	1,783,665
Number of shares	17,836,650	17,836,650
Dividend per share paid during the period	0.00	0.10

The accompanying notes form an integral part of these consolidated financial statements

## Notes to the IFRS consolidated financial statements at 30 June 2019

### **Note 1. General information and accounting methods**

#### **1.1. General information**

Socfinaf S.A. (formerly Compagnie Internationale de Cultures "Intercultures"), ("the Company") was incorporated on 22 October 1961. The registered office is located at 4, avenue Guillaume, 1650, Luxembourg.

The Company holds participations in companies that operate directly or indirectly in Tropical Africa, in the production of rubber and palm oil.

The Board of Directors was held on 18 September to examine and approve the consolidated financial statements for the half-year ending 30 June 2019.

#### **1.2. Accounting framework**

The interim financial report for the period to 30 June 2019 has been prepared in accordance with IAS 34. This financial report does not include all of the information required by the revised IAS 1 concerning the annual financial report.

The accounting and calculation methods adopted in the interim financial statements are identical to those used in the annual financial statements for the year ending 31 December 2019.

On 1 January 2019, the new IFRS 16 - Leases replaced IAS 17 - Leases. The new standard describes how to recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying assets has a low value. An examination and valuation of the Group's leases indicates that most of these contracts meet the definition of a lease under IFRS 16. The Group applies the modified retrospective approach to transition, and will therefore not restate comparative data. The impact of adopting this new further been explained in Note 4.

#### **1.3. Use of estimates**

These financial statements must be read in conjunction with the consolidated financial statements for 2017 and, in particular, note 1.26 concerning the use of estimates in preparing the consolidated financial statements according to IFRS. The Group's management has had to use assumptions based on its best estimates, which affect the book value of assets and liabilities, as well as the book value of income and expenses recognised during the period. Depending on changes of these assumptions, or changing economic conditions, the amounts that will appear in the Group's future consolidated financial statements may differ from current estimates. Sensitive accounting methods, under which the Group has used estimates, mainly concern the application of IAS 19, IAS 2/IAS 41, IAS 16 and IAS 36.

In the absence of observable data within the scope of IFRS 13, the Group has considered an alternative model model for measuring the fair value of agricultural production based on local production conditions and costs. By its very nature, this method is more volatile than measurement at historical cost.

#### 1.4. Seasonal nature of the business

The Company's revenue and operating income are seasonal. Palm oil and rubber production is influenced by external factors such as climate, location and the biological nature of the palm and rubber trees. The palm activity is more productive in the first half of the calendar year, whereas the rubber business is more productive in the second half. The extent of this seasonality can vary between years.

#### 1.5. Exchange rates

The following exchange rates have been used to convert the consolidated interim accounts:

1 euro is equal to:	Closing rate		Average rate	
	06/2019	12/2018	06/2019	06/2018
CFA franc	655.957	655,957	655.957	655,957
Ghanaian cedi	5.9847	5.5189	5.7977	5.3487
Nigerian naira	348.62	350.76	346.03	368.40
São Tomé dobra	25	24,498	25	24,498
Congolese franc	1,872	1,873	1,856	1,951
US dollar	1.1380	1.1450	1.1313	1.2064
New São Tomé dobra	24.5000	24.5000	24.5000	24.5000

#### Note 2. Subsidiaries and affiliates

There were no change in the scope during the first half of 2019.

#### Note 3. Property, plant and equipment

EUR	<i>Land and nurseries</i>	<i>Buildings</i>	<i>Machinery and equipment</i>	<i>Furniture, motor vehicles and others</i>	<i>Assets in progress</i>	<i>Down-payments</i>	<i>Bearer plants</i>	<i>TOTAL</i>
<b>From 01/01/2018</b>								
<b>To 30/06/2018</b>								
Acquisitions	698,437	2,188,758	1,934,972	7,083,948	12,830,556	2,493,557	18,095,555	45,325,783
Disposals	-13,001	0	0	-478,356	0	-684,878	-4,447,724	-5,623,959
<b>From 01/01/2019</b>								
<b>To 30/06/2019</b>								
Acquisitions	315,978	1,068,503	1,366,758	2,921,497	9,955,019	445,193	10,620,394	26,693,342
Disposals	0	0	0	-1,569,905	0	0	-1,342,345	-2,912,250

At 30 June 2019, the change in the net book value of property, plant and equipment, as compared to 31 December 2018, also comprised of depreciation of EUR 23 million, and translation differences of EUR -2.4 million.

#### **Note 4. Recognised adjustments when applying IFRS 16 - Leases**

The group adopted IFRS 16 - Leases retrospectively on 1 January 2019, without restating comparative figures, as permitted under the standard's transitional measures. Reclassifications and adjustments arising from the new rules on the treatment of leases have been adopted at the opening of the period beginning 1 January 2019.

Following the adoption of IFRS 16, the group has recognised user rights and lease liabilities in the Statement of Financial Position, having previously recognised them as standard leases under the principles of IAS 17.

Lease liabilities have been measured at the present value of outstanding payments, discounted at the incremental borrowing rate as at 1 January 2019.

Right-of-use assets have been measured retrospectively, as if the new rules had always been applied.

For leases previously treated as finance leases, the right-of-use assets has been recognised at the net book value of the leased asset on the initial date on which the new standard was applied, and the lease liability at the amortised cost of the finance lease liability on this same date.

The change of accounting method affected the following items on the Statement of Financial Position at 1 January 2019:

- property, plant and equipment: reduction of EUR 0.3 million
- right-of-use assets: increase of EUR 17.3 million
- deferred tax assets: increase of EUR 0.9 million
- financial debts: reduction of EUR 0.3 million
- lease liabilities: increase of EUR 20 million

The net impact on profit and loss reported at 1 January 2019 was a decrease of EUR 1.8 million.

In applying IFRS 16 for the first time, the group has used the following simplifications, as permitted by the standard:

- use of a single discount rate for a portfolio of similar contracts
- treatment of leases with a remaining term of less than 12 months at 1 January 2019 as short-term leases
- exclusion of initial direct costs from the valuation of the right-of-use assets on the date of implementation

## Note 5. Investments in associates

	30/06/2019	31/12/2018
	EUR	EUR
<b>Situation at 1 January</b>	<b>24,205,267</b>	<b>26,386,023</b>
Income from associates	2,310,110	4,934,657
Dividends	-5,046,264	-7,670,517
Fair value change for financial assets measured at fair value through other comprehensive income	243,551	104,771
Other movements	-246,038	450,333
<b>Situation at 30 June/31 December</b>	<b>21,466,626</b>	<b>24,205,267</b>

	Value of investment in associates	Income from associates	Value of investment in associates	Income from associates
	30/06/2019	30/06/2019	31/12/2018	30/06/2018
	EUR	EUR	EUR	EUR
Centrages S.A.	3,140,599	4,126	3,236,473	37,456
Immobilière de la Pépinière S.A.	1,998,792	-49,426	2,048,326	-77,941
Induservices S.A.	258,322	190,434	67,888	-124,039
Induservices FR S.A.	-824,794	-140,207	-497,977	-109,029
Management Associates S.A.	5,161	15,390	-10,229	-52,850
Socfin Green Energy S.A.	674,578	23,088	651,490	12,825
Socfin Research S.A.	1,871,093	-99,505	1,970,598	-138,140
Socfinco S.A.	833,269	63,860	1,069,408	142,990
Socfinco FR S.A.	3,673,134	919,146	4,760,965	1,295,415
Socfinde S.A.	2,052,167	24,963	2,027,204	26,511
Sodimex S.A.	106,408	-3,729	210,137	729
Sodimex FR S.A.	1,731,321	-8,164	1,739,486	379,632
Sogescol FR S.A.	5,695,441	1,366,768	6,683,730	539,335
Terrasias S.A.	251,135	3,366	247,768	3,977
Socfinaf	0	0	0	0
<b>TOTAL</b>	<b>21,466,626</b>	<b>2,310,110</b>	<b>24,205,267</b>	<b>1,936,871</b>

At 30 June 2019, the accounting of Centrages S.A. under the equity method included goodwill on acquisition of EUR 736,086, which was identical to that of the previous year.

	<b>Total assets</b>	<b>Revenue</b>	<b>Total assets</b>	<b>Revenue</b>
	<b>30/06/2019</b>	<b>30/06/2019</b>	<b>31/12/2018</b>	<b>30/06/2018</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Centrages S.A.	3,704,937	1,355,212	3,611,666	1,333,728
Immobilière de la Pépinière S.A.	4,658,526	227,123	4,647,630	206,569
Induservices S.A.	1,707,287	2,462,500	1,631,490	3,015,100
Induservices FR S.A.	5,221,506	971,013	4,721,333	836,684
Management Associates S.A.	12,583,869	1,982,182	12,300,416	1,389,518
Socfin Green Energy S.A.	1,369,820	180,948	1,339,394	92,686
Socfin Research S.A.	4,203,600	36,018	4,362,396	34,055
Socfinco S.A.	2,421,585	812,233	2,266,813	1,072,440
Socfinco FR S.A.	13,180,673	10,219,620	10,707,280	11,167,964
Socfinde S.A.	134,140,638	0	118,197,858	0
Sodimex S.A.	565,012	0	576,266	36,601
Sodimex FR S.A.	17,323,782	7,710,162	17,154,484	15,721,047
Sogescol FR S.A.	30,857,556	123,768,728	34,878,909	108,134,619
Terrasia S.A.	522,396	65,987	506,551	74,885
<b>TOTAL</b>	<b>232,461,187</b>	<b>149,791,726</b>	<b>216,902,486</b>	<b>143,115,896</b>

## **Note 6. Inventories**

	<b>30/06/2019</b>	<b>31/12/2018</b>
	<b>EUR</b>	<b>EUR</b>
Raw materials	11,347,047	19,506,032
Consumables	25,381,407	22,884,294
Production in progress	923,192	768,161
Finished products	45,537,484	14,966,661
Down-payments and orders in progress	2,249,533	2,170,573
<b>Gross amount before impairment</b>	<b>85,438,663</b>	<b>60,295,721</b>
Inventory write-downs	-1,421,106	-1,321,501
<b>Net amount</b>	<b>84,017,557</b>	<b>58,974,220</b>

### **\* Reconciliation of inventories**

	<b>2019</b>	<b>2018</b>
	<b>EUR</b>	<b>EUR</b>
<b>Situation at 1 January</b>	<b>60,295,721</b>	<b>56,541,907</b>
Change in inventory	13,431,319	6,493,294
Fair value of agricultural production	11,731,052	-3,414,137
Foreign exchange	-19,429	674,657
<b>Gross amount at 30 June / 31 December before impairment</b>	<b>85,438,663</b>	<b>60,295,721</b>
Inventory write-downs	-1,421,106	-1,321,501
<b>Net amount at 30 June / 31 December</b>	<b>84,017,557</b>	<b>58,974,220</b>

### **\* Quantity of inventories per category**

<b>2018</b>	<b>Raw materials</b>	<b>Production in progress</b>	<b>Finished products</b>
Palm oil (tons)	0	0	8,819
Rubber (tons)	25,099	0	8,678
Others (units)	0	0	2,139,537
<b>30/06/2019</b>	<b>Raw materials</b>	<b>Production in progress</b>	<b>Finished products</b>
Palm oil (tons)	176	0	54,455
Rubber (tons)	15,317	0	7,301
Others (units)	0	305,761	2,441,549

## **Note 7. Share capital**

Fully paid-up share capital amounted to EUR 35,673,300 at 30 June 2019. This is represented by 17,836,650 shares.

## **Note 8. Financial debts**

<b>31/12/2018</b>			
<b>EUR</b>	<b>&lt; 1 year</b>	<b>&gt; 1 year</b>	<b>TOTAL</b>
Loans held by financial institutions	14,558,570	19,603,161	34,161,731
Short-term bank loans	38,942,320	0	38,942,320
Other debts	50,619,135	90,274,878	140,894,013
	<b>104,120,025</b>	<b>109,878,039</b>	<b>213,998,064</b>

  

<b>30/06/2019</b>			
<b>EUR</b>	<b>&lt; 1 year</b>	<b>&gt; 1 year</b>	<b>TOTAL</b>
Loans held by financial institutions	17,801,369	42,418,687	60,220,056
Short-term bank loans	28,076,675	0	28,076,675
Other debts	37,532,760	90,000,000	127,532,760
	<b>83,410,804</b>	<b>132,418,687</b>	<b>215,829,491</b>

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

<b>31/12/2018</b>					
<b>EUR</b>	<b>Fixed rate</b>	<b>Rate</b>	<b>Variable rate</b>	<b>Rate</b>	<b>TOTAL</b>
<b><i>Loans held by financial institutions</i></b>					
Ivory Coast	1,548,538	5.50% to 6.00%	0	-	1,548,538
Nigeria	5,816,243	9.00% to 10.00%	0	-	5,816,243
Liberia	163,755	8.00%	0	-	163,755
Cameroon	12,074,625	4.90% to 6.00%	0	-	12,074,625
	<b>19,603,161</b>		<b>0</b>		<b>19,603,161</b>
<b><i>Other loans</i></b>					
Europe	90,000,000	4.80%	0	-	90,000,000
Nigeria	105,947	-	0	-	105,947
Ivory Coast	168,931	-	0	-	168,931
	<b>90,274,878</b>		<b>0</b>		<b>90,274,878</b>
<b>TOTAL</b>	<b>109,878,039</b>		<b>0</b>		<b>109,878,039</b>

30/06/2019					
EUR	Fixed rate	Rate	Variable rate	Rate	TOTAL
<b>Loans held by financial institutions</b>					
Ivory Coast	8,339,958	5.50% to 6.00%	0	-	8,339,958
Nigeria	4,610,127	9.00% to 10.00%	0	-	4,610,127
Liberia	164,763	8.00%	0	-	164,763
Cameroon	16,103,337	5.00% to 7.09%	0	-	16,103,337
Ghana	11,629,073	4.00%	0	-	11,629,073
Sao Tomé	1,571,429	8.00%	0	-	1,571,429
	<b>42,418,687</b>		<b>0</b>		<b>42,418,687</b>
<b>Other loans</b>					
Europe	90,000,000	4.80%	0	-	90,000,000
	<b>90,000,000</b>		<b>0</b>		<b>90,000,000</b>
<b>TOTAL</b>	<b>132,418,687</b>		<b>0</b>		<b>132,418,687</b>

**\* Net debt**

	30/06/2019	31/12/2018
	EUR	EUR
Cash and cash equivalents	47,279,104	34,700,835
Long term debt, net of current portion	-132,418,688	-109,878,039
Short term debt and current portion of long term debt	-83,410,804	-104,120,025
<b>Net debt</b>	<b>-168,550,388</b>	<b>-179,297,229</b>
Cash and cash equivalents	47,279,104	34,700,835
Loan bearing interest at fixed rates	-215,829,491	-213,998,064
<b>Net debt</b>	<b>-168,550,387</b>	<b>-179,297,229</b>

**\* Reconciliation of net debt**

	<b>Cash and cash equivalents</b>	<b>Long term debt, net of current portion</b>	<b>Short term debt and current portion of long term debt</b>	<b>Total</b>
<b>As of 1 January 2018</b>	<b>23,800,263</b>	<b>-123,654,846</b>	<b>-60,500,905</b>	<b>-160,355,488</b>
Cash flows	10,404,986	-13,029,558	-16,089,037	-18,713,609
Foreign exchange	495,586	-210,138	-513,580	-228,132
Transfers	0	27,016,503	-27,016,503	0
<b>As of 31 December 2018</b>	<b>34,700,835</b>	<b>-109,878,039</b>	<b>-104,120,025</b>	<b>-179,297,229</b>
Cash flows	12,453,103	-35,316,521	33,110,281	10,246,863
Foreign exchange	125,166	334,626	40,187	499,979
Transfers	0	12,441,247	-12,441,247	0
<b>As of 30 June 2019</b>	<b>47,279,104</b>	<b>-132,418,687</b>	<b>-83,410,804</b>	<b>-168,550,387</b>

**Note 9. Other payables**

	<b>30/06/2019</b>	<b>31/12/2018</b>
	<b>EUR</b>	<b>EUR</b>
Staff cost liabilities	6,754,280	5,465,894
Other payables (*)	177,449,904	152,886,126
Accruals	1,448,650	844,072
<b>Value at 30 June/31 December</b>	<b>185,652,834</b>	<b>159,196,092</b>

(\*) "Other payables" consist mainly of shareholder advances in the amount of EUR 40.2 million (EUR 40.4 million at 31 December 2018), as well as debt relating to cash pooling at Socfinaf S.A. in the amount of EUR 112.2 million (EUR 99.1 million at 31 December 2018).

## **Note 10. Financial instruments**

31/12/2018	<i>Loans and borrowings</i>	<i>Financial assets measured at fair value through other comprehensive income (*)</i>	<i>Other financial assets and liabilities</i>	<i>TOTAL</i>	<i>Loans and borrowings</i>	<i>Other financial assets and liabilities</i>
<i>EUR</i>	<i>at cost</i>	<i>at fair value</i>	<i>at cost</i>		<i>at fair value</i>	<i>at fair value</i>
<b>Assets</b>						
Financial assets measured at fair value through other comprehensive income	0	91,902	0	91,902	0	0
Long-term advances payments	1,244,975	0	297,075	1,542,050	1,244,975	297,075
Other non-current assets	0	0	80,693	80,693	0	80,693
Trade receivables	0	0	17,394,515	17,394,515	0	17,394,515
Other receivables	0	0	15,695,035	15,695,035	0	15,695,035
Cash and cash equivalents	0	0	34,700,835	34,700,835	0	34,700,835
<b>Total assets</b>	<b>1,244,975</b>	<b>91,902</b>	<b>68,168,153</b>	<b>69,505,030</b>	<b>1,244,975</b>	<b>68,168,153</b>
<b>Liabilities</b>						
Long term debts	109,878,039	0	0	109,878,039	109,886,483	0
Other non-current payables	0	0	7,739,836	7,739,836	0	7,739,836
Short term debts	65,177,705	0	38,942,320	104,120,025	65,177,705	38,942,320
Trade payables (current)	0	0	44,786,254	44,786,254	0	44,786,254
Other payables (current)	0	0	151,456,256	151,456,256	0	151,456,256
<b>Total liabilities</b>	<b>175,055,744</b>	<b>0</b>	<b>242,924,666</b>	<b>417,980,410</b>	<b>175,064,188</b>	<b>242,924,666</b>

31/12/2018

<i>EUR</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>TOTAL</i>
Securities measured at fair value through other comprehensive income	0	0	91,902	<b>91,902</b>

(\*) Changes recognised under other comprehensive income.

30/06/2019	<i>Loans and borrowings</i>	<i>Financial assets measured at fair value through other comprehensive income (*)</i>	<i>Other financial assets and liabilities</i>	<i>TOTAL</i>	<i>Loans and borrowings</i>	<i>Other financial assets and liabilities</i>
<i>EUR</i>	<i>at cost</i>	<i>at fair value</i>	<i>at cost</i>		<i>at fair value</i>	<i>at fair value</i>
<b>Assets</b>						
Financial assets measured at fair value through other comprehensive income	0	91,902	0	91,902	0	0
Long-term advances payments	1,341,990	0	236,646	1,578,636	1,341,990	236,646
Other non-current assets	0	0	14,030	14,030	0	14,030
Trade receivables	0	0	16,940,375	16,940,375	0	16,940,375
Other receivables	0	0	23,576,093	23,576,093	0	23,576,093
Cash and cash equivalents	0	0	47,279,104	47,279,104	0	47,279,104
<b>Total assets</b>	<b>1,341,990</b>	<b>91,902</b>	<b>88,046,248</b>	<b>89,480,140</b>	<b>1,341,990</b>	<b>88,046,248</b>
<b>Liabilities</b>						
Long term debts	132,418,687	0	0	132,418,687	132,415,525	0
Other non-current payables	0	0	7,914,480	7,914,480	0	7,914,480
Short term debts	55,334,129	0	28,076,675	83,410,804	55,334,129	28,076,675
Trade payables (current)	0	0	48,080,256	48,080,256	0	48,080,256
Other payables (current)	0	0	177,738,354	177,738,354	0	177,738,354
<b>Total liabilities</b>	<b>187,752,816</b>	<b>0</b>	<b>261,809,765</b>	<b>449,562,581</b>	<b>187,749,654</b>	<b>261,809,765</b>

30/06/2019		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>TOTAL</i>
<i>EUR</i>					
Securities measured at fair value through other comprehensive income		0	0	91,902	91,902

(\*) Changes recognised under other comprehensive income.

## **Note 11. Depreciation, amortization and impairment**

	30/06/2019	30/06/2018
	EUR	EUR
<b><i>Depreciation, amortization and impairment</i></b>		
For intangible assets	41,952	325,358
For property, plant and equipment excluding bearer plants	13,709,106	12,102,810
For bearer plants	9,371,469	7,581,889
For leases	751,453	0
<b>TOTAL</b>	<b>23,873,980</b>	<b>20,010,057</b>

## **Note 12. Other financial income**

	30/06/2019	30/06/2018
	EUR	EUR
<b><i>On current assets/liabilities</i></b>	<b>1,135,786</b>	<b>1,527,411</b>
Interest on receivables and cash	71,998	498,747
Exchange gains	1,041,468	891,202
Others	22,320	137,462
<b>TOTAL</b>	<b>1,135,786</b>	<b>1,527,411</b>

## **Note 13. Financial expenses**

	30/06/2019	30/06/2018
	EUR	EUR
<b><i>On non-current assets/liabilities</i></b>	<b>4,701,023</b>	<b>3,864,859</b>
Interest and financial expenses	4,388,773	3,864,859
Interest expense on leases	312,250	0
<b><i>On current assets/liabilities</i></b>	<b>2,022,163</b>	<b>1,604,819</b>
Interest and financial expenses	977,680	953,248
Exchange losses	355,412	191,260
Others	689,071	460,311
<b>TOTAL</b>	<b>6,723,186</b>	<b>5,469,678</b>

## **Note 14. Leases**

Lease expenses for the period, which have been accounted as per IFRS 16 Leases framework, amounted to EUR 1,069,347. The impact of this treatment on profit before tax was offset by the recognition of depreciation on right-of-use assets of EUR 751,453, and an interest expense of EUR 312,250.

## **Note 15. Dividends**

The shareholders decided not to pay a dividend at their general meeting on 28 May 2019.

## **Note 16. Information on related parties**

### **\* Director's remuneration**

	30/06/2019	30/06/2018
	EUR	EUR
Short-term benefits	336,995	712,456
Post-employment benefits	0	0
Other long-term benefits	0	0
Termination benefits	0	0
Share-based payments	0	0

### **\* Related party transactions**

EUR	31/12/2018			
	Parent	Associates	Other related parties	TOTAL
<b>Non-current assets</b>				
Long-term advances	0	230,000	0	230,000
	<b>0</b>	<b>230,000</b>	<b>0</b>	<b>230,000</b>
<b>Current assets</b>				
Trade receivables	0	11,153,256	0	11,153,256
Other receivables	0	1,485,853	7,892	1,493,745
	<b>0</b>	<b>12,639,109</b>	<b>7,892</b>	<b>12,647,001</b>
<b>Non-current liabilities</b>				
Financial debts	90,000,000	0	0	90,000,000
	<b>90,000,000</b>	<b>0</b>	<b>0</b>	<b>90,000,000</b>
<b>Current liabilities</b>				
Financial debts	50,619,135	0	0	50,619,135
Trade payables	0	20,632,872	1,803	20,634,675
Other payables	0	101,405,614	40,442,307	141,847,921
	<b>50,619,135</b>	<b>122,038,486</b>	<b>40,444,110</b>	<b>213,101,731</b>

## TRANSACTIONS BETWEEN RELATED PARTIES

	Parent	Associates	Other related parties	TOTAL
Services provided and goods delivered	0	68,820,016	0	<b>68,820,016</b>
Services and goods received	0	20,299,598	55,109	<b>20,354,707</b>
Financial income	0	0	0	<b>0</b>
Financial expenses	2,722,354	325,270	793,424	<b>3,841,048</b>

EUR

30/06/2019

	Parent	Associates	Other related parties	TOTAL
<b>Non-current assets</b>				
Long-term advances	0	230,000	0	230,000
	<b>0</b>	<b>230,000</b>	<b>0</b>	<b>230,000</b>
<b>Current assets</b>				
Trade receivables	0	18,641,788	0	18,641,788
Other receivables	0	7,005,264	12,804	7,018,068
	<b>0</b>	<b>25,647,052</b>	<b>12,804</b>	<b>25,659,856</b>
<b>Non-current liabilities</b>				
Financial debts	90,000,000	0	0	90,000,000
Other payables	0	0	0	0
	<b>90,000,000</b>	<b>0</b>	<b>0</b>	<b>90,000,000</b>
<b>Current liabilities</b>				
Financial debts	37,532,760	0	0	37,532,760
Trade payables	0	17,963,086	1,803	17,964,889
Other payables	0	119,151,346	40,199,452	159,350,798
	<b>37,532,760</b>	<b>137,114,432</b>	<b>40,201,255</b>	<b>214,848,447</b>

## TRANSACTIONS BETWEEN RELATED PARTIES

Services provided and goods delivered	0	80,746,579	0	<b>80,746,579</b>
Services and goods received	0	14,357,607	28,992	<b>14,386,599</b>
Financial income	0	75,275	0	<b>75,275</b>
Financial expenses	2,567,093	326,804	793,424	<b>3,687,321</b>

Related party transactions are carried out at arm's length.

Other related party transactions were carried out with Bolloré Participations and Palmboomen Cultuur Maatschappij (in short Mopoli).

Mopoli is a Dutch company held by Afico, which also owns Socfin.

Bolloré Participations is one of the directors of Socfinaf as well as Socfin.

In 2014, Socfinaf agreed a cash advance of EUR 35 million from Mopoli. Annual interest of 4%, net of tax, is payable on this advance. Interest is payable in arrears at the end of each calendar quarter. The amount of interest accounted for in 2019 amounts to EUR 0.4 million. As at 30 June 2019, the outstanding balance was EUR 20.2 million.

In 2016, Socfinaf borrowed EUR 20 million from Bolloré Participations. Annual interest of 4% is payable on the loan. The amount of interest accounted for in for 2019 amounts to EUR 0.4 million. As at 30 June 2019, the outstanding balance was EUR 20 million.

Socfinaf S.A. did not pay a dividend to its parent company, Socfin, in 2019 (versus EUR 1.1 million paid in 2018). Socfinaf borrowed EUR 127.5 million from Socfin. These loans bear annual interest at rates of between 2.25% and 4.8%. In this regard, Socfinaf has paid interest of EUR 2.6 million in 2019, compared with EUR 2.7 million over the same period of 2018.

### **Note 17. Off-balance sheet commitments**

Off-balance sheet commitments existing at 31 December 2018 were similar as of 30 June 2019, given that as repayments fall due, the debts for which these collaterals were provided are reduced by the repayments made.

However, Agriplama agreed a bank loan which represents a commitment.

Agripalma LDA signed a credit agreement for 49 million dobras (EUR 2 million), which stipulates that Agripalma pledges as collateral machinery and equipment up to the amount of the loan granted. At 30 June 2019, the outstanding balance of the loan was EUR 1.6 million.

## **Note 18. Segment information**

In accordance with IFRS 8, the information analysed by the management is based on the geographical distribution of political and economic risks. As such, the segments presented are as follows: Europe, Sierra Leone, Liberia, Ivory Coast, Ghana, Nigeria, Cameroon, São Tomé and Príncipe, and Congo (DRC).

Income from Ivory Coast, Nigeria and Cameroon is derived from sales of palm oil and rubber, whereas income from Liberia and Cambodia comes only from the sale of rubber, and income from Sierra Leone, Ghana, São Tomé and Príncipe and Congo (DRC) comes only from the sale of palm oil. Income from Europe results from the provision of administrative and management support services for plantations, and the marketing of products outside the Group. The Group's segmental income represent the operating income.

The figures presented are taken from internal reports. They do not take into account any consolidation adjustments or IFRS restatements, and are therefore not directly comparable with the amounts shown on the consolidated balance sheet and income statement.

### **\* Segmental breakdown of profit/(loss) at 30 June 2018**

<b>EUR</b>	<b>Revenue from ordinary business with external customers</b>	<b>Revenue from ordinary business between segments</b>	<b>Segments profit/(loss)</b>
Europe	0	0	-2,321,343
Sierra Leone	3,730,550	0	-2,767,780
Liberia	10,864,583	0	-3,929,225
Ivory Coast	60,178,144	0	6,038,657
Ghana	1,269,058	0	-1,327,963
Nigeria	34,480,150	0	18,775,694
Cameroon	54,884,671	0	16,886,034
São Tomé and Príncipe	90,942	0	-787,158
Congo (DRC)	3,607,462	0	-2,209,436
Other	0	0	-1,527,802
<b>TOTAL</b>	<b>169,105,560</b>	<b>0</b>	<b>26,829,678</b>

Depreciation, amortisation and impairment of bearer plants	-1,661,290
Fair value of agricultural production	3,044,000
Other IFRS restatements	83,797
Consolidation adjustments (intragroup and others)	268,830
Financial income	1,536,608
Financial expenses	-5,751,595
Group share of income from associates	1,936,871
Income tax expense	-12,976,091
<b>Net profit for the period</b>	<b>13,310,807</b>

**\* Segmental breakdown of profit/(loss) at 30 June 2019**

<b>EUR</b>	<b>Revenue from ordinary business with external customers</b>	<b>Revenue from ordinary business between segments</b>	<b>Segmental profit/(loss)</b>
Europe	0	0	-1,914,104
Sierra Leone	5,266,231	0	-3,839,240
Liberia	15,129,630	0	-1,434,737
Ivory Coast	63,938,525	0	8,107,954
Ghana	2,102,213	0	-2,348,136
Nigeria	24,460,924	0	10,265,514
Cameroon	65,704,367	0	22,804,515
São Tomé and Príncipe	78,577	0	82,251
Congo (DRC)	3,146,765	0	-2,516,321
Other	0	0	0
<b>TOTAL</b>	<b>179,827,232</b>	<b>0</b>	<b>29,207,696</b>
Depreciation, amortisation and impairment of bearer plants			-1,849,351
Fair value of agricultural production			11,731,052
Other IFRS restatements			-106,437
Consolidation adjustments (intragroup and others)			-1,395,149
Financial income			1,165,171
Financial expenses			-7,018,254
Group share of income from associates			2,310,110
Income tax expense			-21,804,997
<b>Net profit for the period</b>			<b>12,239,841</b>

### **\* Total segmental assets**

Segmental assets are not intergral to the internal reports, but are presented to meet the requirements of IFRS 8. They include fixed assets, bearer plants, trade receivables, inventories, cash and cash equivalents. They do not take into account any consolidation adjustments or IFRS restatements.

	<b>30/06/2019</b>	<b>31/12/2018</b>
	<b>EUR</b>	<b>EUR</b>
Europe	4,342,309	369,956
Sierra Leone	131,993,399	131,297,574
Liberia	108,095,784	105,107,735
Ivory Coast	150,652,766	146,305,465
Ghana	63,102,746	64,824,210
Nigeria	108,910,899	105,880,433
Cameroon	202,413,353	189,377,986
São Tomé and Príncipe	29,702,092	27,621,793
Congo (DRC)	68,407,508	70,637,792
<b>TOTAL</b>	<b>867,620,856</b>	<b>841,422,944</b>
IFRS 3/IAS 16: Bearer plants	-13,143,185	-11,801,101
IAS 2/IAS 41: Agricultural production	13,984,461	2,593,502
Other IFRS restatements	-6,733,418	-6,681,519
Consolidation adjustments (intragroup and other)	-44,767,967	-46,297,748
<b>Total consolidated segmental assets</b>	<b>816,960,747</b>	<b>779,236,078</b>

### **Note 19. Post Balance Sheet events**

There is no material event to report. However, it should be noted that the Group's investments in Africa may be subject to political and economic risks. Local directors and managers monitor changes in the situation on a daily basis. Production potential of plantations remains intact, and cost prices are kept as low as reasonably achievable.