

**Annual Report**

**SOCFINAF S.A.**

**2020**

**Disclaimer: This document is an English translation of the official French version. In case of divergence, the official French version prevails.**

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# Group Profile

## 1. Overview of the Group

Socfinaf S.A. is a Luxembourg company and its registered address is 4, Avenue Guillaume, L-1650, Luxembourg. It was incorporated on 22<sup>nd</sup> October 1961 and is listed on the Stock of Exchange of Luxembourg.

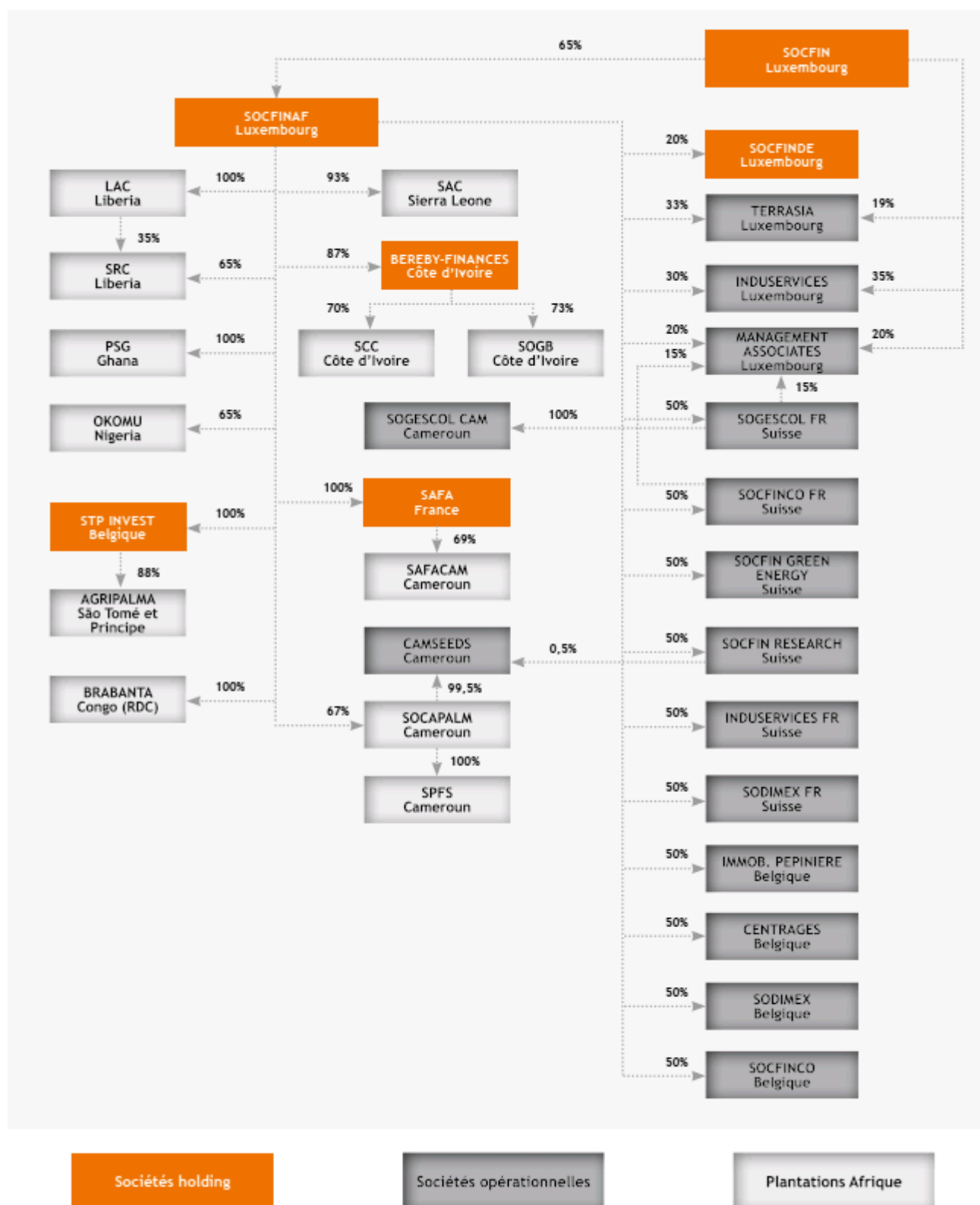
The principal activity of Socfinaf S.A. is to manage a portfolio of shares mainly focused on the operation of more than 139 300 hectares of tropical palm oil and rubber plantations in Africa. Socfinaf S.A. employs 23 291 people and has achieved a consolidated turnover of EUR 402.6 million in 2020.

## 2. History

- **22/10/1961** Incorporation of Compagnie Internationale de Cultures (Intercultures) as a Luxembourg holding company.
- **31/12/1961** Intercultures invests in two Congolese plantations named “La Compagnie Congolaise de l’Hévéa” and “Cultures Equatoriales”.
- **18/04/1966** The shares of Intercultures have been listed on the Stock Exchange of Luxembourg.
- **31/12/1974** Nationalization measures of industrial enterprises by the State of Zaire.
- **31/12/1976** Progress of negotiations with Zaire - exit of Zairian holdings from the portfolio and accounting for Zaire claim.
- **19/05/1995** Increase of the share capital of Intercultures in order to relaunch the Company's activity in the field of tropical plantations.
- **30/06/1995** Acquisition of 65% of Société des Caoutchoucs du Grand Bereby "SOGB" in Ivory Coast via Bereby Finances "Befin", an Ivory Coast holding company.
- **30/06/1997** Acquired 5% of Palmci, an Ivory Coast company producing palm oils.
- **30/06/1998** Increase of share capital and investment in Kenya in 70.8% of Red Lands Roses Ltd, producer of roses and Socfinaf Company Ltd, coffee producer.  
  
In addition, Intercultures acquired through its Luxembourg subsidiary (Indufina Luxembourg) 54% of an oil palm plantation in Nigeria, Okomu Oil Palm Company Plc.
- **31/03/1999** Intercultures continues the expansion of its investments in Africa and more specifically in Liberia: acquisition of 70% of Weala Rubber Company Ltd, owner of a rubber factory and 75% of Liberian Agricultural Company "LAC" which has a rubber concession.
- **31/03/2000** Acquisition of 89.64% of Société des Palmeraies de la Ferme Suisse "SPFS", a Cameroon company active in the production, processing and refining of palm oil.
- **31/12/2000** Through a Cameroon holding Palmcam, Intercultures continues its investments in Cameroon in Socapalm, a company active in the production and processing of palm oil.

- **31/12/2001** Further increase in share capital which allowed Intercultures to increase its stake in Okomu Oil Palm Company Plc and in Befin (parent company of SOGB).
- **31/12/2006** Restructuring of Socfinal Group's holdings, including the distribution of Intercultures shares by Socfinasia S.A. (spin-off) and repositioning of the Group's operating companies.
- **31/12/2007** Intercultures acquired 99.8% of Brabanta, a company developing a palm oil plantation in Congo (DRC).  
On the other hand, Intercultures sold its holdings Weala Rubber Company Ltd (Liberia) and Palmci (Ivory Coast).
- **31/12/2008** Constitution of Sud Comoë Caoutchouc "SCC" (Ivory Coast) via the Ivorian holding Befin.  
Intercultures sold 60% of Red Lands Roses (Kenya).
- **31/12/2009** Capital increase in Brabanta (DRC).  
Increased participation in Salala Rubber Corporation "SRC" (Liberia).
- **17/03/2010** Sale of Socfinal Company Ltd (Kenya).
- **10/01/2011** Extraordinary General Meeting which ratifies the abandonment of the status of Holding company 29 and change of the denomination to Socfinal S.A.
- **01/07/2011** Share split by 10.
- **06/10/2011** Acquisition of 32.9% of Palmcam's shares which is totally owned by Socfinal S.A.
- **31/12/2012** Acquisition of 3.4% of Okomu Oil Palm Company Plc's shares.  
Incorporation of Plantations Socfinal Ghana Ltd "PSG".
- **23/10/2013** Acquisition of 100% of STP Invest S.A.'s shares, a Belgium company which owns 88% of Agripalma Lda, benefitting from a grant of 5 000 hectares concession on the island of São Tomé.
- **31/12/2014** Capital increase with the issue of 1 474 200 new shares subscribed by Socfin in exchange for 100% of the shares of Société Anonyme Forestière et Agricole "SAFA". It owns 68.93% of Safacam S.A. (Cameroon).
- **01/01/2015** Beginning of Sogescol Cameroon and Camseeds, which were formed in 2014 by Sogescol FR S.A. and Socfin Research S.A.
- **05/10/2015** Acquisition of shares in Socapalm to increase the percentage holding to 4.57%.
- **04/11/2015** Constitution of Sodimex FR and Induservices FR.
- **01/02/2016** Liquidation of Palmcam S.A. (Cameroon).

### 3. Group Structure





#### 4. Information on Socfinaf S.A.'s holdings

Portfolio	Number of shares	Direct %
<b>Sierra Leone</b>		
Socfin Agricultural Company Ltd	119 970 000	93.00%
<b>Liberia</b>		
Liberian Agricultural Company	25 000	100.00%
Salala Rubber Corporation	516	64.91%
<b>Ivory Coast</b>		
Bereby-Finances S.A.	739 995	87.06%
<b>Ghana</b>		
Plantations Socfinaf Ghana Ltd	750 000	100.00%
<b>Nigeria</b>		
Okomu Oil Palm Company Plc	622 262 021	65.23%
<b>Cameroon</b>		
Socapalm S.A.	3 086 856	67.46%
<b>Democratic Republic of Congo</b>		
Brabanta S.A.	4 990	99.80%
<b>France</b>		
Société Anonyme Forestière and Agricole "SAFA"	577 200	100.00%
<b>Belgium</b>		
Socfinco S.A.	8 750	50.00%
Gaummes S.A.	17 670	50.00%
Centrages S.A.	7 500	50.00%
Immobilière de la Pépinière S.A.	3 333	50.00%
Sodimex S.A.	70 000	50.00%
STP Invest S.A.	1 800	100.00%
<b>Luxembourg</b>		
Socfinde S.A.	50 000	20.00%
Terrasias S.A.	3 328	33.28%
Induservices S.A.	3 000	30.00%
Management Associates S.A.	2 000	20.00%
<b>Switzerland</b>		
Sogescol FR S.A.	2 650	50.00%
Socfinco FR S.A.	650	50.00%
Socfin Green Energy S.A.	60	50.00%
Socfin Research S.A.	3 000	50.00%
Induservices FR S.A.	700	50.00%
Sodimex FR S.A.	675	50.00%

The following pages contain a summary of the activity and comments on the financial information for the past two financial years in which Socfinaf S.A 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.

## SOCFIN AGRICULTURAL COMPANY « SAC » LTD

Share Capital: USD 30 000 000

SAC is active in Sierra Leone in the production of palm oils.

### Key data

#### Area (hectares)

##### As at 31<sup>st</sup> December 2020

	<i>Mature</i>	<i>Planted area Immature</i>	<i>Total</i>
Palm plantation	12 349	0	12 349

Concessions: 18 473 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 1 554

### Production and turnover

#### As at 31<sup>st</sup> December

##### Production (tons)

	<i>Realized 2020</i>	<i>Realized 2019</i>
Palm oil	30 748	24 297
Turnover (EUR 000)	15 103	12 457
Result (EUR 000)	-1 113	-10 663
Average sale price (EUR/kilo)		
Palm oil	0.49	0.51
Average rate EUR/USD	1.15	1.12
Closing rate EUR/USD	1.23	1.12

### Key figures (USD 000)

#### As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	142 294	142 136
Current assets	10 300	5 162
Equity (*)	-2 996	-1 721
Debts, provisions and third parties (*)	155 590	149 019
Results of the year	-1 275	-11 934
Socfinaf S.A.'s holding. (%)	93.00	93.00

(\*) Before allocation.

## LIBERIAN AGRICULTURAL COMPANY « LAC »

Share Capital: USD 31 105 561

LAC is active in Liberia in the field of rubber cultivation and industrial rubber processing.

### Key data

#### Area (hectares)

As at 31<sup>st</sup> December 2020

	Planted area		
	Mature	Immature	Total
Rubber plantation	10 362	2 381	12 743

Concessions: 121 407 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 2 109

### Production and turnover

As at 31<sup>st</sup> December

#### Production (tons)

	Realized 2020	Realized 2019
Rubber	28 363	24 939
Turnover (EUR 000)	29 475	29 750
Result (EUR 000)	-841	-1 239
Average selling price (EUR/kg)		
Rubber	1.04	1.19
Average rate EUR/USD	1.15	1.12
Closing rate EUR/USD	1.23	1.12

### Key figures (USD 000)

As at 31<sup>st</sup> December

	2020	2019
Fixed assets	83 732	82 843
Current assets	18 347	16 805
Equity (*)	52 396	53 358
Debts, provisions and third parties (*)	49 684	46 290
Result for the year	-963	-1 387
Distributions (%)	100.00	100.00

(\*) Before allocation.

## SALALA RUBBER CORPORATION « SRC »

Share Capital: USD 49 656 328

SRC is active in Liberia in the rubber sector.

### Key data

#### Area (hectares)

##### As at 31<sup>st</sup> December 2020

	<i>Mature</i>	<i>Planted area Immature</i>	<i>Total</i>
Rubber plantation	1 762	2 683	4 445

Concessions: 8 000 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 249

### Production and turnover

#### As at 31<sup>st</sup> December

##### Production (\*) (tons)

	<i>Realized 2020</i>	<i>Realized 2019</i>
Rubber	327	2 208
Turnover (EUR 000)	287	1 846
Result (EUR 000)	-2 951	-2 303
Average selling price (EUR/kg)		
Rubber	0.88	0.84
Average rate EUR/USD	1.15	1.12
Closing rate EUR/USD	1.23	1.12

### Key figures (USD 000)

#### As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	47 231	45 939
Current assets	1 471	1 792
Equity	3 282	6 661
Debts, provisions and third parties	45 419	41 070
Results for the year	-3 379	-2 577
Socfinaf S.A.'s holding (%)	64.91	64.91

(\*) Agricultural production fully sold to LAC.

## BEREBY-FINANCES « BEFIN » S.A.

Share Capital: CFA 8 500 000 000

This Ivory Coast holding company holds 73.16% of SOGB and 70.01% of SCC.

## SOCIETE DES CAOUTCHOUC DU GRAND BEREBY « SOGB » S.A.

Capital: CFA 21 601 840 000

SOGB is active in Ivory Coast in the production and processing of palm oil and rubber.

### Key data

#### Area (hectares)

##### As at 31<sup>st</sup> December 2020

	<i>Mature</i>	<i>Planted area Immature</i>	<i>Total</i>
Rubber plantation	11 491	4 686	16 177
Palm plantation	7 471	18	7 489
	<b>18 962</b>	<b>4 704</b>	<b>23 666</b>

Concessions: 34 712 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 6 008

### Production and turnover

#### As at 31<sup>st</sup> December

##### Production (tons)

	<i>Realized 2020</i>	<i>Realized 2019</i>
Rubber	67 594	62 678
Palm oil	36 228	38 579
Turnover (EUR 000)	101 350	93 588
Result (EUR 000)	11 666	6 891
Average selling price (EUR/kg)		
Rubber	1.10	1.14
Palm oil	0.70	0.53
Closing rate EUR/CFA	655.957	655.957

### Key figures (CFA millions)

#### As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	65 810	66 438
Current assets	26 252	20 961
Equity (*)	57 503	52 875
Debts, provisions and third parties (*)	34 559	34 524
Result for the year	7 653	4 520
Distribution	3 024	3 024
Socfinaf S.A.'s indirect holding (%)	63.69	63.69

(\*) Before allocation.

## SUD COMOË CAOUTCHOUC «SCC»

Share Capital: CFA 964 160 000

SCC is active in Ivory Coast in the industrial rubber processing sector.

### Key data

Permanent staff as at 31<sup>st</sup> December 2020: 364

### Production and turnover

#### As at 31<sup>st</sup> December

#### Production (tons)

Rubber

35 882

38 233

Turnover (EUR 000)

40 466

44 950

Result (EUR 000)

4 379

4 169

Average selling price (EUR/kg)

Rubber

1.12

1.17

Rate EUR/CFA

655.957

655.957

### Key figures (CFA millions)

#### As at 31<sup>st</sup> December

Fixed assets

4 502

4 455

Current assets

8 220

8 189

Equity (\*)

7 297

5 925

Debts, provisions and third parties (\*)

5 425

6 720

Result for the year

2 873

2 735

Socfinaf S.A.'s indirect holding (%)

60.95

60.95

(\*) Before allocation.

## PLANTATIONS SOCFINAF GHANA « PSG »

Share Capital: GHS 150 000 000

PSG is active in Ghana in the production of palm oil and rubber.

### Key figures

#### Area (hectares)

As at 31 <sup>st</sup> December 2020	Planted area		Total
	Mature	Immature	
Rubber plantation	0	942	942
Palm plantation	5 560	580	6 140
	5 560	1 522	7 082

Concessions: 18 303 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 723

### Production and turnover

#### As at 31<sup>st</sup> December

#### Production (tons)

	Realized 2020	Realized 2019
Palm oil	18 892	1 523
Turnover (EUR 000)	12 792	2 887
Result (EUR 000)	-3 608	-7 357
Average selling price (EUR/kg)		
Palm oil	0.67	1.87
Average rate EUR/GHS	6.42	5.87
Closing rate EUR/GHS	7.07	6.22

### Key figures (GHS 000)

#### As at 31<sup>st</sup> December

	2020	2019
Fixed assets	487 593	505 333
Current assets	29 725	23 081
Equity (*)	147 879	171 034
Debts, provisions and third parties (*)	369 438	357 380
Result for the year	-23 155	-43 204
Socfinaf S.A.'s holding (%)	100.00	100.00

(\*) Before allocation.

## OKOMU OIL PALM COMPANY PLC

Share Capital: NGN 476 955 000

Okomu is active in Nigeria in the production and processing of palm oil and rubber.

### Key figures

#### Area (hectares)

##### As at 31<sup>st</sup> December 2020

	<b>Planted area</b>		
	<b>Mature</b>	<b>Immature</b>	<b>Total</b>
Rubber plantation	5 143	2 192	7 335
Palm plantation	18 880	181	19 061
	<b>24 023</b>	<b>2 373</b>	<b>26 396</b>

Concessions: 33 113 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 448

### Production and turnover

#### As at 31<sup>st</sup> December

##### Production (tons)

	<b>Realized 2020</b>	<b>Realized 2019</b>
Rubber	7 341	7 248
Palm oil	45 445	42 204
Turnover (EUR 000)	57 309	55 045
Result (EUR 000)	18 084	16 255
Average selling price (EUR/kg)		
Rubber	0.97	1.21
Palm oil	1.10	1.09
Average rate EUR/NGN	408	343
Closing rate EUR/NGN	466	344

### Key figures (NGN 000)

#### As at 31<sup>st</sup> December

	<b>2020</b>	<b>2019</b>
Fixed assets	38 918 444	32 128 678
Current assets	15 672 994	11 068 291
Equity (*)	34 588 973	29 109 408
Debts, provisions and third parties (*)	20 002 466	14 087 561
Result for the year	7 387 384	5 571 766
Distributed profit	1 907 820	4 769 550
Gross dividend per share (NGN)	2.00	5.00
Socfinaf S.A.'s holding (%)	65.23	64.97

(\*) Before allocation.



## SOCAPALM S.A.

Share Capital: CFA 45 757 890 000

Socapalm is active in Cameroon in the production and processing of palm oil and the cultivation of rubber trees.

### Key figures

#### Area (hectares)

As at 31<sup>st</sup> December 2020

	<i>Planted area</i>		
	<i>Mature</i>	<i>Immature</i>	<i>Total</i>
Palm plantation	30 626	1 948	32 574
Rubber plantation	1 939	140	2 079
	<b>32 565</b>	<b>2 088</b>	<b>34 653</b>

Concessions: 58 063 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 2 293

### Production and turnover

As at 31<sup>st</sup> December

#### Production (tons)

	<i>Realized 2020</i>	<i>Realized 2019</i>
Palm oil	145 898	140 349
Rubber	308	2 442
Turnover (EUR 000)	108 245	106 417
Result (EUR 000)	17 959	18 668
Average selling price (EUR/kg)		
Palm oil	0.74	0.74
Rubber	0.99	0.93
Rate EUR/CFA	655.957	655.957

### Key figures (CFA millions)

As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	73 508	73 255
Current assets	22 400	22 848
Equity (*)	75 098	74 597
Debts, provisions and third parties (*)	20 810	21 505
Result for the year	11 780	12 245
Distributed profit	11 279	10 250
Socfinaf S.A.'s holding (%)	67.46	67.46

(\*) Before allocation.

## SOCIETE ANONYME FORESTIERE ET AGRICOLE « SAFA »

Share Capital: EUR 4 040 400

This French company owns 68.93% of Safacam S.A.

### SAFACAM S.A.

Capital: CFA 6 210 000 000

Safacam is active in Cameroon in the production and processing of palm oil and the cultivation of rubber trees.

#### Key figures

##### Surface (hectares)

##### As at 31<sup>st</sup> December 2020

	<i>Planted area</i>		
	<i>Mature</i>	<i>Immature</i>	<i>Total</i>
Palm plantation	5 071	254	5 325
Rubber plantation	3 169	1 256	4 425
	<b>8 240</b>	<b>1 510</b>	<b>9 750</b>

Owned agricultural land : 17 690 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 2 257

#### Production and turnover

##### As at 31<sup>st</sup> December

##### Production (tons)

	<i>Realized 2020</i>	<i>Realized 2019</i>
Palm oil	16 543	16 065
Palm kernel oil	9 510	8 190
Rubber	5 276	7 393
Turnover (EUR 000)	25 490	26 731
Result (EUR 000)	1 037	1 230
Average selling price (EUR/kg)		
Palm Products	1.20	1.12
Rubber	1.07	1.18
<b>Rate EUR/CFA</b>	<b>655.957</b>	<b>655.957</b>

#### Key figures (CFA millions)

##### As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	23 154	23 915
Current assets	6 552	7 666
Equity (*)	19 628	19 599
Debts, provisions and third parties (*)	10 078	11 983
Result for the year	680	807
Distributed profit	651	571
Socfinaf S.A.'s indirect holding (%)	69.05	69.05

(\*) Before allocation.

## SOCIETE DES PALMERAIES DE LA FERME SUISSE « SPFS » S.A.

Share Capital: CFA 2 601 690 000

SPFS is a 100% subsidiary of Socapalm. SPFS is a palm oil refining company.

### Key data

Permanent staff as at 31<sup>st</sup> December 2020: 33

#### Production and turnovers

As at 31<sup>st</sup> December

Production (tons)

Olein

Turnover (EUR 000)

Result (EUR 000)

Average selling price (EUR/kg)

Refined packaged oil

Refined oil in bulk

**Realized  
2020**

**Realized  
2019**

5 405

5 500

8 587

8 794

16

-133

1.44

1.28

1.06

1.09

Rate EUR/CFA

655.957

655.957

#### Key figures (CFA millions)

As at 31<sup>st</sup> December

Fixed assets

Current assets

Equity

Debts, provisions and third parties

Result for the year

Socfinaf S.A.'s indirect holding (%)

**2020**

**2019**

1 215

1 307

1 861

1 820

2 506

2 496

569

631

10

-87

67.46

67.46

## AGRIPALMA Lda

Share Capital: STN 156 094 090

Agripalma is a company active in the production of palm oil on the island of São Tomé and Príncipe.

### Key figures

#### Area (hectares)

As at 31<sup>st</sup> December 2020

	<i>Mature</i>	<i>Planted area Immature</i>	<i>Total</i>
Palm plantation	2 100	0	2 100

Concessions: 4 917 hectares

Permanent staff as at 31<sup>st</sup> December 2020: 243

### Production and turnover

As at 31<sup>st</sup> December

	<i>Realized 2020</i>	<i>Realized 2019</i>
Production (tons)		
Palm oil	5 097	1 075
Turnover (EUR 000)	3 828	143
Result (EUR 000)	-2 175	-1 355
Average selling price (EUR/kg)		
Palm oil	0.75	0.13
Average rate EUR/STN	24.50	24.50
Closing rate EUR/STN	24.50	24.50

### Key Figures (STN millions)

As at 31<sup>st</sup> December

	<i>2020</i>	<i>2019</i>
Fixed assets	766	806
Current assets	34	51
Equity	70	123
Debts, provisions and third parties	730	734
Result for the year	-53	-33
Socfinaf S.A.'s indirect holding (%)	88.00	88.00

## BRABANTA S.A.

Share Capital: CDF 34 243 622 100

Brabanta is a Congolese company (DRC) active in the production of palm oil.

### Key data

#### Area (hectares)

##### As at 31<sup>st</sup> December 2020

	Mature	Concerned area Immature	Total
Palm plantation	6 169	0	6 169

Concessions: 8 689 hectares

Permanent staff as at 31<sup>st</sup> December 2020 : 2 782

As at 31 <sup>st</sup> December	Realized 2020	Realized 2019
<b>Production (tons)</b>		
Palm oil	20 438	16 243
Turnover (EUR 000)	12 050	9 265
Result (EUR 000)	-350	-4 246
<b>Average selling price (EUR/kg)</b>		
Palm oil	0.59	0.57
<b>Average rate EUR/CDF</b>	2 117	1 845
<b>Closing rate EUR/CDF</b>	2 420	1 879

### Key figures (CDF millions)

#### As at 31<sup>st</sup> December

	2020	2019
Fixed assets	113 254	115 730
Current assets	78 161	72 623
Equity (*)	43 168	43 909
Debts, provisions and third parties (*)	148 246	144 443
Result for the year	-741	-7 834
Socfinaf S.A.'s holding (%)	99.80	99.80

(\*) Before allocation.

## SOGESCOL FR S.A.

Share Capital: CHF 5 300 000

Sogescol FR is a Swiss company that sells rubber and palm oil.

The fiscal year ends on 31<sup>st</sup> December 2020 with a profit of USD 3 758 811. The Board of Directors will propose to the General Meeting of Shareholders a profit distribution of USD 4 600 000.

	2020	2019
Average rate EUR/USD	1.15	1.12
Closing rate EUR/USD	1.23	1.12

### Key figures (USD 000)

#### As at 31<sup>st</sup> December

	2020	2019
Fixed assets	1 088	1 125
Current assets	36 307	38 511
Equity (*)	13 484	16 725
Debts, provision and third parties (*)	23 911	22 912
Result for the year	3 759	7 412
Detailed result	7 000	6 000
Gross Unit Dividend (USD)	1 321	1 132
Socfinaf S.A.'s holding (%)	50.00	50.00

(\*) Before allocation.

## SOCFINCO FR S.A.

Share Capital: CHF 1 300 000

Socfinco FR is a Swiss company which provides services, studies and management of agro-industrial plantations. Socfinco FR covers the agro-industrial sector of palm oil and rubber.

The financial year ended 31<sup>st</sup> December 2020 shows a profit of EUR 1 535 347. The Board of Directors will propose to the General Meeting of Shareholders a profit distribution of EUR 1,000,000.

### *Key Figures (EUR millions)*

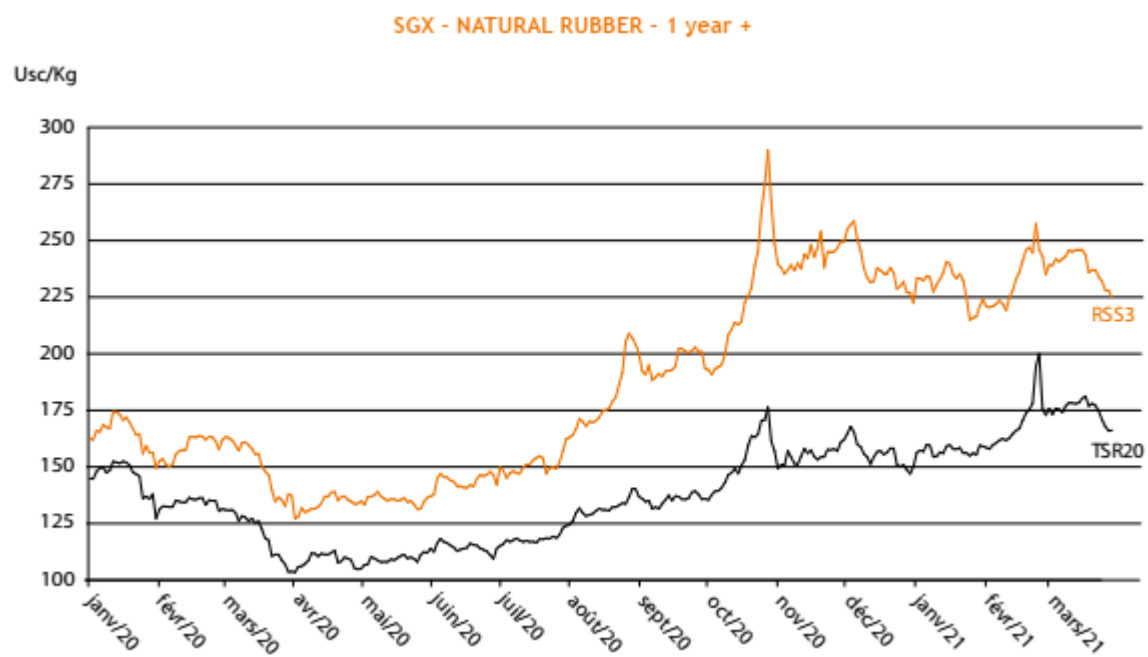
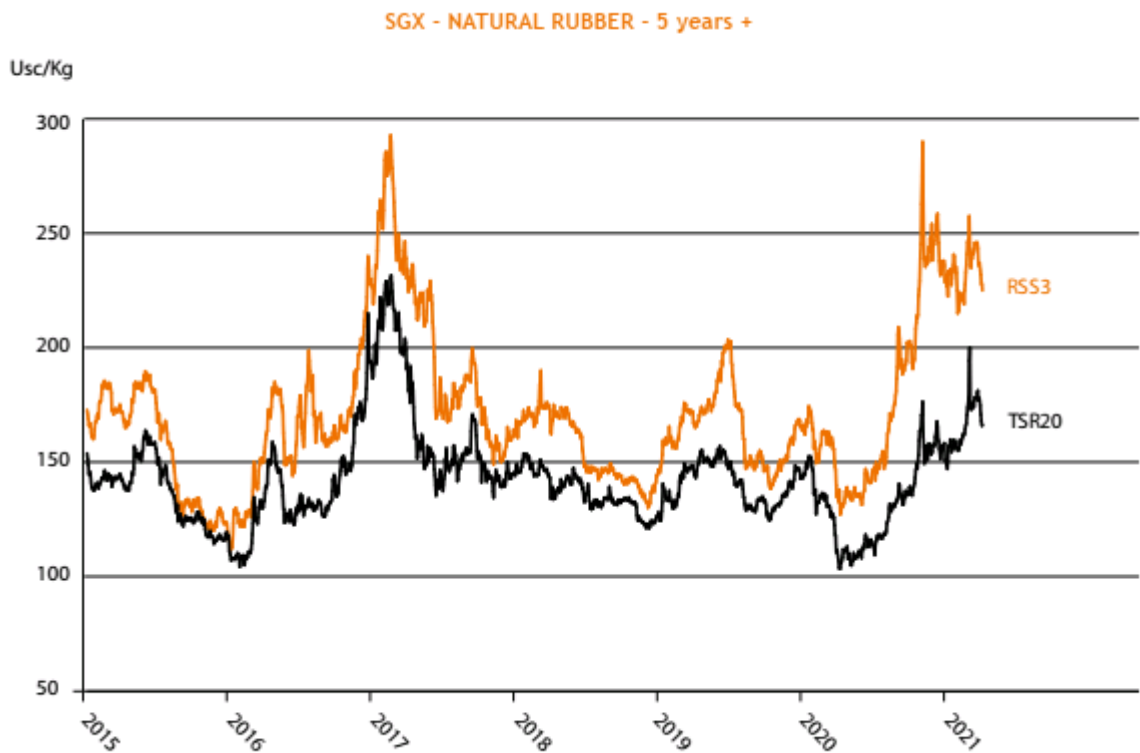
#### *As at 31<sup>st</sup> December*

	<b>2020</b>	<b>2019</b>
Fixed assets	7 087	3 911
Current assets	12 579	10 801
Equity (*)	11 310	9 775
Debts, provisions and third parties (*)	8 356	4 937
Sales and services	19 933	20 876
The result for the year	1 535	4 227
Distributed results	0	4 000
Gross unitary dividend (EUR)	0	3,077
Socfinaf S.A.'s holding (%)	50.00	50.00

(\*) Before allocation.

# 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 1<sup>st</sup> 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 1<sup>st</sup> 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.

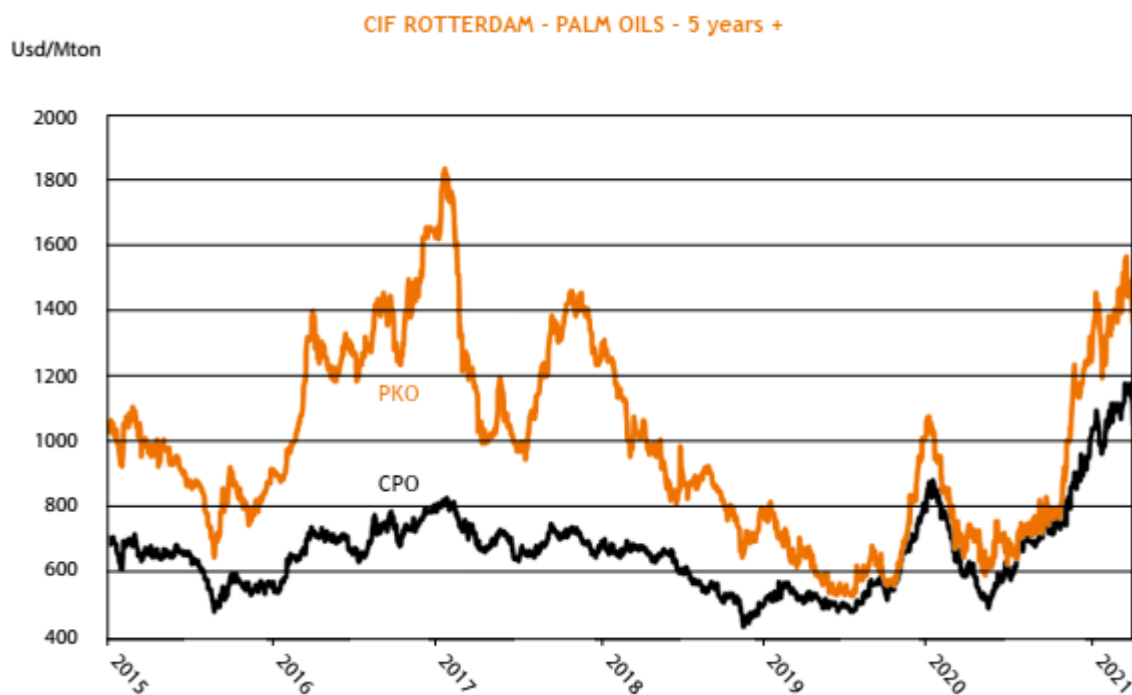
While tire manufacturers seem to be gradually returning to their pre-COVID-19 production levels, many uncertainties remain regarding the evolution of the natural rubber market. The evolution of the global sanitary situation is still very uncertain.

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.

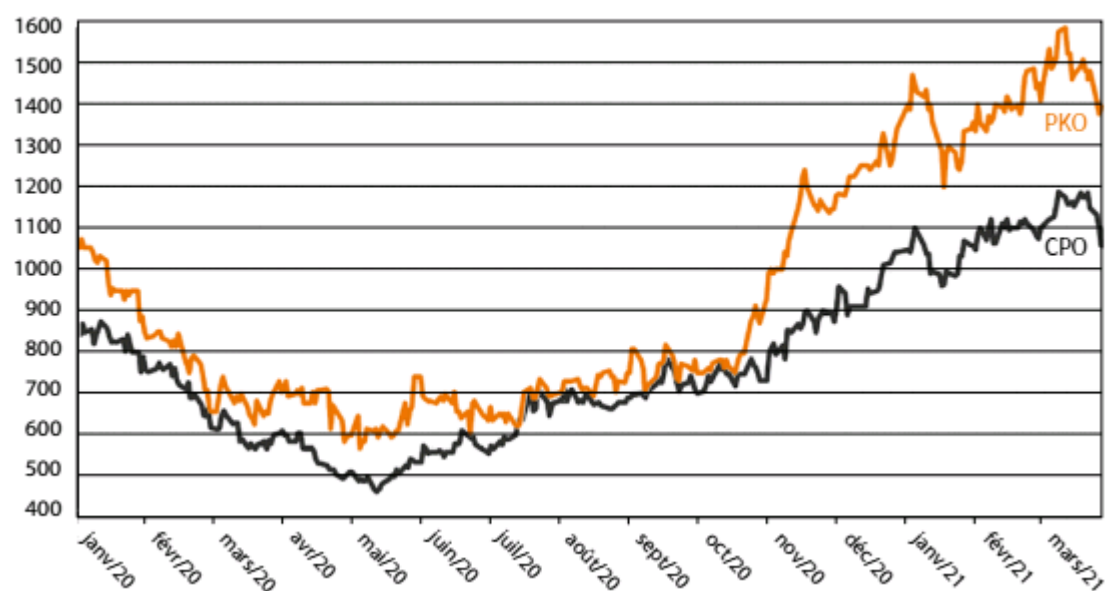
The IRSG estimates global natural rubber production at 13.51 million tons in 2021 and global consumption at 13.41 million tons.

TSR20 1<sup>st</sup> FOB Singapore on SGX is quoted at USD 1 783 per ton as of 11<sup>th</sup> March 2021.

## 2. Palm oil



Usd/Mton



**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
<b>TOTAL</b>	<b>77.0</b>	<b>73.8</b>	<b>76.5</b>	<b>73.0</b>	<b>67.9</b>	<b>58.9</b>	<b>62.5</b>	<b>33.9</b>	<b>15.2</b>

(\*) Estimate.

**Production of main types of 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
<b>TOTAL</b>	<b>201.1</b>	<b>197.3</b>	<b>198.2</b>	<b>193.7</b>	<b>184.2</b>	<b>168.7</b>	<b>170.8</b>	<b>110.1</b>	<b>68.4</b>

(\*) 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 31<sup>st</sup> 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 11<sup>th</sup> March 2021 was around USD 1 125 per ton.

## Environment and Social Responsibility

On 22<sup>nd</sup> 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)

As at 31<sup>st</sup> December 2020

Immature (by year of planting)

	<i>Rubber</i>	<i>Palm</i>
2019	613	1 123
2019	1 373	213
2018	2 189	1 645
2017	1 873	0
2016	1 515	0
2015	1 813	0
2014	2 382	0
2013	1 371	0
2012	657	0
2011	164	0
<b>Total immature</b>	<b>13 950</b>	<b>2 981</b>
Young (8 to 11 years)	11 363	32 519
Mature (12 to 22 years)	13 333	31 340
Old (above 22 years)	9 500	24 367
<b>Total in production</b>	<b>34 196</b>	<b>88 226</b>
<b>TOTAL</b>	<b>48 146</b>	<b>91 207</b>

### Area (hectares)

	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
Palm	91 207	91 220	91 099	88 994	85 925
Rubber	48 146	48 361	48 071	47 890	48 273
<b>TOTAL</b>	<b>139 353</b>	<b>139 581</b>	<b>139 170</b>	<b>136 884</b>	<b>134 198</b>

### Production

	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
<b>Palm oil (tons)</b>	<b>321 348</b>	<b>278 979</b>	<b>262 075</b>	<b>235 656</b>	<b>195 391</b>
Own production	285 726	244 551	231 522	210 927	174 765
Third party purchases	35 622	34 428	30 554	24 730	20 626
<b>Rubber (tons)</b>	<b>144 456</b>	<b>147 851</b>	<b>129 703</b>	<b>114 969</b>	<b>110 054</b>
Own production	48 972	53 749	47 753	48 672	45 004
Third party purchases	95 484	94 102	81 920	66 297	65 050

### Turnover (millions EUR)

	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
Palm	241.5	209.9	206.1	191.7	168.2
Rubber	156.5	163.5	135.4	155.0	119.3
Others	4.6	2.8	3.1	3.0	3.4
<b>TOTAL</b>	<b>402.6</b>	<b>376.1</b>	<b>344.6</b>	<b>349.7</b>	<b>290.9</b>

### Staff

	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
Average workforce	23 291	24 166	22 707	22 113	19 154

## 2. Key figures in the consolidated income statement and the cash flow statement

<i>(millions EUR)</i>	<i>2020</i>	<i>2019</i> <i>Restated (**)</i>	<i>2018</i> <i>Restated (**)</i>	<i>2017</i>	<i>2016</i>
Turnover	403	376	345	350	291
Operating income	56	47	42	75	36
Result for the year attributable to the Group	-4	4	4	22	5
Operating cash flow	91	65	91	123	51
Free cash flow (*)	30	9	6	44	-30

(\*) 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

<i>(millions EUR)</i>	<i>2020</i>	<i>2019</i> <i>Restated (*)</i>	<i>2018</i> <i>Restated (*)</i>	<i>2017</i>	<i>2016</i>
Bearer biological assets	364	405	405	379	387
Other non-current assets	290	304	302	280	291
Current assets	171	169	140	128	134
Total equity	334	385	383	371	400
Non-current liabilities	182	197	142	151	161
Current liabilities	310	298	323	265	251

(\*) Refer to Note 3.

## Stock market data

(EUR)	2020	2019 Restated (**)	2018 Restated (**)	2017	2016
Number of shares	17 836 650	17 836 650	17 836 650	17 836 650	17 836 650
Equity attributable to the Group	224 895 455	272 328 281	272 815 410	263 538 857	296 419 644
Consolidated net earnings per share attributable to the Group	-0.22	0.22	0.27	1.23	0.30
Dividend per share	0.00	0.00	0.10	0.10	0.10
Share price					
minimum	7.00	8.20	10.90	15.61	11.76
maximum	12.60	12.20	16.90	19.75	15.85
closing	11.10	12.00	11.40	16.10	15.61
Market capitalization *	197 986 815	214 039 800	203 337 810	287 170 065	278 430 107
Dividends paid / consolidated net profit	n/a	n/a	37.44%	8.13%	33.33%
Dividends / market capitalization	n/a	n/a	0.88%	0.62%	0.64%
Share price / net profit per share	-51.03	55.60	42.68	13.09	52.03

(\*) Market capitalisation is calculated by multiplying the number of shares by the closing share price.

(\*\*) Refer to Note 3.

## Financial highlights of the year

- Sale of 2 464 922 Okomu shares.



# Corporate governance statement

## 1. Introduction

Socfinasia S.A. 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 Chart on 21<sup>st</sup> November 2018. It was updated on 17<sup>th</sup> March 2021 and is available on the Group's website.

## 3. Board of Directors

### Composition of the Board of Directors

<i><b>Name</b></i>	<i><b>Nationality</b></i>	<i><b>Year of Birth</b></i>	<i><b>Position</b></i>	<i><b>First nomination</b></i>	<i><b>Term of office</b></i>
Mr. Luc Boedt	Belgian	1955	Chairman <sup>(b)</sup>	AGM 2007	AGM 2025
Mr. Hubert Fabri	Belgian	1952	Director <sup>(a)</sup>	AGM 1981	AGM 2022
Mr. Vincent Bolloré	French	1952	Director <sup>(a)</sup>	AGM 1993	AGM 2023
Mr. Philippe de Taux	Belgian	1951	Director <sup>(b)</sup> and General secretary	AGM 1997	AGM 2021
Bolloré Participations SE represented by Mr. Cyrille Bolloré	French	1985	Director <sup>(a)</sup>	AGM 2018	AGM 2024
Mr. Fulgence Koffy	Ivorian	1935	Director <sup>(a)</sup>	AGM 2011	AGM 2023
Mr. Gbenga Oyeboode	Nigerian	1959	Director <sup>(a)</sup>	AGM 2011	AGM 2023
Mr. François Fabri	Belgian	1984	Managing Director <sup>(b)</sup>	AGM 2014	AGM 2020
Mr. Philippe Fabri	Belgian	1988	Director <sup>(b)</sup>	AGO 2020	AGO 2026
Mr. Frederic Lemaire	Belgian	1970	Director <sup>(c)</sup>	AGM 2019	AGM 2025

<sup>(a)</sup> Non-Executive Dependent Director

<sup>(b)</sup> Executive Dependent Director

<sup>(c)</sup> Independent Director

Mr. Philippe de Taux, the outgoing Director, is eligible for re-election. It will be proposed at the Annual General Meeting to renew his mandate for a term of six years.

## Other mandates held by the Directors in listed companies

### **Luc Boedt** *Chairman*

#### *Positions and offices held in Luxembourg companies*

- Chairman and Director of Socfinaf;
- Director of Socfinasia».

#### *Positions and offices held in foreign companies*

- Chairman of S.A.F.A. Cameroun «Safacam»;
- Director of Okomu Oil Palm Company and Société des Caoutchoucs du Grand Bereby «SOGB»;
- Permanent representative Socfinaf on the Board of Directors of Société Camerounaise de Palmeraies « Socapalm ».

### **Hubert Fabri** *Director*

#### *Positions and offices held in Luxembourg companies*

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

#### *Positions and offices 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 Financière de l'Odete SE, 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'Odete SE;
- Vice-Chairman of Société des Caoutchoucs du Grand Bereby "SOGB";
- Member of the Supervisory Board of Vivendi;
- Director of Financière de l'Odete 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.

## **Philippe de Traux**

### *Director*

#### *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 ».

## **Bolloré Participations**

### *Director*

#### *Positions and offices held in Luxembourg companies*

- Director of Socfinasaf.

#### *Positions and offices held in foreign companies*

- Member of the Supervisory Board of Compagnie du Cambodge;
- Director of Bolloré SE, Compagnie des Tramways de Rouen, Financière de l'Odé SE, Société des Chemins de Fer et Tramways du Var et du Gard, Société des Caoutchoucs du Grand Bereby « SOGB », Société Industrielle et Financière de l'Artois, Financière Moncey, S.A.F.A. Cameroun « Safacam » and Société Camerounaise de Palmeraies « Socapalm ».

## **Fulgence Koffy**

### *Director*

#### *Positions and offices held in Luxembourg companies*

- Director of Socfinaf.

#### *Positions and offices held in foreign companies*

- Director of Société des Caoutchoucs du Grand Bereby « SOGB ».

## **Gbenga Oyebo**

### *Director*

#### *Positions and offices held in Luxembourg companies*

- Director of Socfinaf.

#### *Positions and offices held in foreign companies*

- Chairman of Okomu Oil Palm Company and PZ Cussons Nigeria;
- Director of Nestlé Nigeria and Lafarge Africa.

## **François Fabri**

### *Managing Director*

#### *Positions and offices held in Luxembourg companies*

- Director of Société Financière des Caoutchoucs "Socfin", Socfinaf and Socfinasia.
- Managing 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 Palmeraies de Mopoli, S.A.F.A. Cameroon "Safacam" and Société Camerounaise de Palmeraies "Socapalm".

#### **Philippe Fabri**

##### *Director*

#### *Positions and offices held in Luxembourg companies*

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

#### *Positions and offices held in foreign companies*

- Member of the Supervisory Board of Mopoli.

#### **Frédéric Lemaire**

##### *Director*

#### *Positions and offices held in Luxembourg companies*

- Director of Socfinaf.

### **Appointments of Directors**

The Board of Directors proposes the appointment of the Directors at the Annual General Meeting of shareholders. It specifies the term of service and verifies that the Director meets the criteria for independence.

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 year-end and mid-year evaluations. During the 2020 financial year, the Board of Directors met 3 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 : 85%
- 2019: 71%
- 2018: 84%
- 2017: 78%
- 2016: 81%

## 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 1<sup>st</sup> 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:

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

The appointment of the non-executive members will be confirmed at the General Meeting of Shareholders on 25<sup>th</sup> 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 Socfinaf 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 Socfinaf S.A. for the financial year 2020 amounts to EUR 890 630 compared to EUR 982 916 for the financial year 2019.

The Directors of Socfinaf S.A. did not receive any other payment in shares (stock options).

## 6. Shareholding status

On 31<sup>st</sup> December 2014, Socfinaf S.A. issued 1 474 200 new shares which brings to a total of 17 854 200 number of shares issued. All statements filed between 1<sup>st</sup> July 2011 and 31<sup>st</sup> December 2014 relate to the previous number of shares in place and the previous number of voting rights, i.e. 16 380 000.

Shareholder	Number of shares held = Number of voting rights	Percentage holding	Date of notification
Socfin L-1650 Luxembourg	10 497 046	58.85	01/02/2017
Bolloré (a) F-29500 Ergué Gaberic	80 642	0.49 (b)	03/09/2014
Compagnie du Cambodge (a) F-92800 Puteaux	1 157 929	7.07 (b)	03/09/2014
Société Industrielle et Financière de l'Artois (a) F-92800 Puteaux	176 636	1.08 (b)	03/09/2014
Compagnie des Glénans (a) F-29500 Ergué Gaberic	58 993	0.36 (b)	03/09/2014
Total Bolloré (all categories combined, based on aggregate voting rights)	1 474 200	9.00 (b)	

(a) = entities controlled by Vincent Bolloré.

(b) = before increase in share capital on 31<sup>st</sup> December 2014

## 7. Financial calendar

25 <sup>th</sup> May 2021	Ordinary Annual General Meeting at 10 a.m.
End of September 2021	Holding and consolidated half yearly results as at 30 <sup>th</sup> June 2021
Mid-November 2021	Interim statement of the Board for Q3 2021
End of March 2022	Annual results of the holding company as at 31 <sup>st</sup> December 2021
End of April 2022	Consolidated annual results as at 31 <sup>st</sup> December 2021
Mid-May 2022	Interim statement of the Board for Q1 2022
31 <sup>th</sup> May 2022	Ordinary Annual General Meeting at 10 a.m.

The results of the Company are published on the website of the Luxembourg Stock Exchange [www.bourse.lu](http://www.bourse.lu) under the heading "OAM" and on the website of the Company [www.socfin.com](http://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 amounted to EUR 378 402 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 22<sup>nd</sup> 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 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.

## 10. Other information

Pursuant to the Regulation 2016/347 of the European Commission of 10<sup>th</sup> 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 as at 31<sup>st</sup> December 2020, in accordance with the International Financial Reporting Standards as 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 Socfinaf 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

This consolidated management report is an update of the consolidated management report dated 30<sup>th</sup> April 2021.

## **Directors' Report on the Consolidated Financial Statements presented by the Board of Directors to the Ordinary Annual General Meeting of the Shareholders of 25<sup>th</sup> May 2021**

Ladies and Gentlemen,

### **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements as at 31<sup>st</sup> December 2020 comprise the financial statements of Socfinaf S.A., 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. Socfinaf S.A. (the Group) adopted IFRS standards for the first time in 2005 and all the standards applicable to the Group 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 -3.9 million compared to EUR 3.8 million in 2019. This results in earnings per share of EUR -0.22 compared to EUR 0.22 in 2019.

Consolidated revenue amounted to EUR 402.6 million in 2020 compared to EUR 376.1 million in 2019 (increase of EUR 26.5 million). This increase in revenue is mainly due to the increase in quantities sold for EUR 29.5 million and in price for EUR 8.4 million. However the increase is netted off by the exchange differences for EUR -15.0 million..

Likewise, the operating profit increased to EUR 55.8 million, compared to EUR 47.1 million in 2019.

Other financial income amounted to EUR 3.0 million compared to EUR 2.9 million in 2019 and consisted mainly of foreign exchange gains of EUR 2.7 million compared to EUR 2.4 million in 2019.

Financial expenses amounted to EUR 27.7 million compared to EUR 16.7 million in 2019 and consisted mainly of interest expense of EUR 16.9 million (EUR 12.3 million in 2019) and foreign exchange losses of EUR 9.6 million (EUR 3.1 million in 2019).

The tax expense decreased. Income taxes amounted to EUR 19.8 million euros compared to EUR 23.9 million in 2019.

Profit for the year from associates attributable to the Group decreased to EUR 1.3 million compared to EUR 6.1 million in 2019.

## Consolidated statement of financial position

The assets of Socfinaf S.A. consist of:

- Non-current assets of EUR 654.6 million compared to EUR 710.7 million in 2019, a decrease of EUR 56.1 million mainly due to the depreciations of EUR 41.8 million on biological assets;
- current assets amounted to EUR 171.4 million compared to EUR 169.3 million in 2019.

The value of inventory increased by EUR 2.8 million. Cash flows also decreased by EUR 3.7 million.

Shareholders' equity amounted to EUR 224.9 million compared to EUR 272.3 million in 2019. This decrease in shareholder's equity of EUR 47.4 million was mainly due to the change in the translation reserve (EUR -40.8 million) and in the profit for the year: EUR -3.9 million (2019: EUR 3.8 million)

On the basis of consolidated shareholders' equity, the net value per share attributable to the Group was EUR 12.61 compared to EUR 15.27 a year earlier. As at 31<sup>st</sup> December 2020, the share price stood at EUR 11.10.

Current and non-current liabilities decreased to EUR 492.0 million compared to EUR 495.1 million a year earlier.

Financial debts increased to EUR 305.1 million in 2020 compared to EUR 235 million in 2019. This mainly consist of loans to Socfinaf S.A. from Socfin S.A. for EUR 126.3 million, loans to Socfinaf S.A. from Socfinasia S.A. for EUR 80.8 million, as well as the advances from subsidiaries for an amount of EUR 98.0 million.

Deferred tax liabilities decreased to EUR 9.8 million compared to EUR 12.4 million in 2019 as did current tax liabilities to EUR 20.9 million from EUR 18.5 million in 2019.

Other liabilities include short-term advances from shareholders amounted to EUR 40.4 million as well as cash pooling advances of EUR 17.3 million.

## Consolidated cash flows

As at 31<sup>st</sup> December 2020, net cash flows amounted to EUR 31.3 million, an increase of EUR 2.4 million for the year compared to an increase of EUR 33.1 million in the previous financial year.

Net cash flow from operating activities amounted to EUR 91.4 million during the financial year 2020 (EUR 64.8 million in 2019). It resulted mainly from self-financing capacity of EUR 102.9 million (EUR 87.7 million in 2019), EUR 10.3 million decrease in inventories and EUR 8.8 decrease in trade and other receivables.

Net cash flow from investing activities amounted to EUR 61.1 million (EUR 56.2 million in 2019). These activities are largely influenced by acquisitions of tangible fixed assets amounting to EUR 62.0 million (EUR 57.1 million in 2019).

Cash flow from financing activities generated EUR 24.8 million (EUR 24.3 million in 2019)

## FINANCIAL INSTRUMENTS

Financial risk management policies are described in the notes to the consolidated financial statements of the Company (see notes 22 and 34).

## OUTLOOK FOR 2021

The results for the next financial year will depend to a large extent on factors external to the management of the Group, namely the political and economic conditions in the countries where the subsidiaries are established, the development of the price of rubber and palm oil and the evolution of 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 operating in Africa. Given the economic and political instability in some of the African countries (Sierra Leone, Liberia, Ivory Coast, Ghana, Nigeria, Cameroon, São Tomé and DRC), these holdings present a risk in terms of exposure to political and economic changes.

## EVENTS AFTER THE CLOSING DATE

There are no significant post balance sheet events 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 13% below budget prediction.

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, and 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 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

On 22<sup>nd</sup> March 2017, the Group has published its responsible management policy. It is based on the four principles of responsible development, improvement of management practices, respect for human rights and transparency.

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

Luxembourg, 19<sup>th</sup> May 2021,

**The Board of Directors**

## Audit report on the consolidated financial statements

To the Shareholders  
**SOCFINAF S.A.**  
4, avenue Guillaume  
L-1650 Luxembourg

The consolidated financial statements (French version) of the Group and its subsidiaries as at 31<sup>st</sup> December 2020 have been audited by an independent auditor who expressed on them an unmodified audit report dated 19<sup>th</sup> 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

<b>ASSETS</b>	<b>Note</b>	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>01/01/2019</b>
			<i>Restated (*)</i>	<i>Restated (*)</i>
		<i>EUR</i>		<i>EUR</i>
<b>Non-Current Assets</b>				
Right-of-use of assets	4	7 796 257	7 206 479	7 890 271
Intangible assets	5	2 176 612	2 812 101	2 591 158
Property, plant and equipment	6	246 991 466	257 005 979	263 814 262
Biological assets	7	363 692 548	405 485 175	405 204 429
Investments in associates	9	22 149 858	24 631 982	23 744 644
Financial assets measured at fair value through other comprehensive income	10	91 902	91 902	91 902
Long-term advances		1 416 590	1 944 777	1 542 050
Deferred tax assets	11	8 639 695	9 887 177	10 392 010
Other non-current assets		1 661 749	1 669 262	80 693
		<b>654 616 677</b>	<b>710 734 834</b>	<b>715 351 419</b>
<b>Current Assets</b>				
Inventories	12	82 571 321	79 773 790	58 974 220
Trade receivables	13	27 031 366	24 173 479	17 394 515
Other receivables	14	13 619 891	14 684 340	15 695 035
Current tax assets	15	12 802 007	11 631 085	13 442 815
Cash and cash equivalents	16	35 372 991	39 056 804	34 700 835
		<b>171 397 576</b>	<b>169 319 498</b>	<b>140 207 420</b>
<b>TOTAL ASSETS</b>		<b>826 014 253</b>	<b>880 054 332</b>	<b>855 558 839</b>

(\*) 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**   **01/01/2019**  
**Restated (\*)**   **Restated (\*)**  
**EUR**   **EUR**

**Equity attributable to the owners of the Parent**

Share capital	17	35 673 300	35 673 300	35 673 300
Share premium	17	87 453 866	87 453 866	87 453 866
Legal reserve	18	3 567 330	3 567 330	3 570 840
Consolidated reserves		182 482 314	181 338 336	177 929 865
Translation reserves		-80 401 590	-39 554 509	-36 746 758
Profit for the year		-3 879 770	3 849 959	3 876 856
		<b>224 895 450</b>	<b>272 328 282</b>	<b>271 757 969</b>

**Non-controlling interests**   **8**   **109 141 208**   **112 579 038**   **109 745 632**

**Total equity**   **334 036 658**   **384 907 320**   **381 503 600**

**Non-current liabilities**

Deferred tax liabilities	11	9 757 571	12 360 124	14 232 444
Employee Benefits Obligations	19	13 211 378	9 729 372	9 849 311
Long term debt, net of current portion	20	143 179 333	158 935 834	109 878 039
Long term lease liabilities	4	8 245 089	7 903 924	8 593 421
Other payables	21	7 685 924	8 001 208	7 739 836
		<b>182 079 295</b>	<b>196 930 462</b>	<b>150 293 051</b>

**Current liabilities**

Short term debt and current portion of long-term debt	20	161 970 563	76 067 913	103 847 907
Short term lease liabilities	4	1 354 035	1 099 533	1 096 967
Trade payables		48 492 731	47 655 803	44 786 253
Current tax liabilities	15	20 857 243	18 520 497	19 718 139
Provisions		646 902	623 064	2 856 665
Other payables	21	76 576 826	154 249 740	151 456 256
		<b>309 898 300</b>	<b>298 216 550</b>	<b>323 762 187</b>

**TOTAL EQUITY AND LIABILITIES**   **826 014 253**   **880 054 332**   **855 558 839**

(\*) Refer to Note 3.

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



## 2. Consolidated Income Statement

	<i>Note</i>	<i>2020</i> <i>EUR</i>	<i>2019</i> <i>Restated (*)</i> <i>EUR</i>
Revenue	33	402 564 812	376 123 734
Work performed by entity and capitalized		15 100 184	21 667 081
Change in inventories of finished products and work in progress		2 647 322	1 128 219
Other operational income		3 931 391	6 979 343
Raw materials and consumables used		-133 596 378	-133 509 832
Other external charges		-95 312 306	-96 911 833
Staff costs	23	-68 590 979	-67 410 520
Depreciation and impairment expense	24	-59 412 147	-49 349 527
Other operating expenses		-11 485 484	-11 663 418
<b>Operating profit</b>		<b>55 846 415</b>	<b>47 053 247</b>
Other financial income	26	2 960 823	2 940 302
Gain on disposals		136 205	1 110 618
Impairment on disposals of assets		-677 671	-197 683
Financial expenses	27	-27 706 483	-16 698 697
<b>Profit before taxes</b>		<b>30 559 289</b>	<b>34 207 787</b>
Income tax expense	28	-19 821 451	-23 936 077
Deferred income / tax expense	28	1 131 780	1 696 384
Group's share of income from associates	9	1 259 361	6 134 449
<b>Profit for the period</b>		<b>13 128 979</b>	<b>18 102 543</b>
<b>Profit attributable to non-controlling interests</b>		<b>17 008 748</b>	<b>14 252 584</b>
<b>Profit attributable to the owners of the Parent</b>		<b>-3 879 769</b>	<b>3 849 959</b>
<b>Basic earnings per share</b>	29	<b>-0.22</b>	<b>0.22</b>
<b>Number of Socfinaf S.A. shares</b>		<b>17 836 650</b>	<b>17 836 650</b>
Basic earnings per share		-0.22	0.22
Diluted earnings per share		-0.22	0.22

(\*) Refer to Note 3.

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

### 3. Consolidated Statement of Other Comprehensive Income

	<i>Note</i>	<i>2020</i> <i>EUR</i>	<i>2019</i> <i>Restated (*)</i> <i>EUR</i>
<b>Profit of the year</b>		<b>13 128 979</b>	<b>18 102 543</b>
<b>Other comprehensive income</b>			
Actuarial losses and gains	19	-4 360 992	1 325 367
Deferred tax on actuarial losses and gains		1 147 891	-349 415
<i>Subtotal of items that cannot be reclassified to profit or loss</i>		<i>-3 213 101</i>	<i>975 952</i>
Gains (losses) on exchange differences on translation of subsidiaries		-49 713 250	-2.001.314
Share of other comprehensive income related to associates		-256.766	-187 760
<i>Subtotal of items that can be reclassified to profit or loss</i>		<i>-49 970 016</i>	<i>-2 189 074</i>
<b>Total other comprehensive income/(loss)</b>		<b>-53 183 117</b>	<b>-1 213 122</b>
<b>Comprehensive income</b>		<b>-40 054 138</b>	<b>16 889 421</b>
<b>Comprehensive income attributable to non-controlling interests</b>		<b>7 165 981</b>	<b>15 341 931</b>
<b>Comprehensive income attributable to the owners of the Parent</b>		<b>-47 220 119</b>	<b>1 547 490</b>

(\*) Refer to Note 3.

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

#### 4. Consolidated statement of cash flows

	Note	2020 EUR	2019 Restated (*) EUR
<b>Operating activities</b>			
Profit attributable to the owners of the Parent		-3 879 770	3 849 962
Profit attributable to non-controlling shareholders		17 008 748	14 252 584
Income from associates	9	-1 259 361	-6 134 449
Dividends received from associates	9	3 302 248	5 046 264
Fair value of agricultural production	12	2 992 208	-762 313
Other adjustments having no impact on cash position (IFRS and others)		5 384 264	-2 136 706
Depreciation, amortization and provisions and allowances	24	59 421 147	49 349 528
Provisions and other expenses		710 938	2 926 394
Net loss on disposals of assets		541 467	-912 934
Income tax expense	28	18 689 670	23 239 692
<b>Cash flows from operating activities</b>		<b>102 902 561</b>	<b>87 718 022</b>
<b>Interest received</b>	26,27	<b>16 783 864</b>	<b>11 915 659</b>
<b>Income tax paid</b>	28	<b>-19 821 451</b>	<b>-23 936 077</b>
Change in inventory		-10 339 842	-6 472 456
Change in trade and other receivables		-8 808 239	-5 704 429
Change in trade and other payables (*)		5 955 653	967 249
Change in accruals and prepayments		4 765 540	308 442
<b>Change in working capital requirement</b>		<b>-8 426 888</b>	<b>-10 901 194</b>
<b>Net cash flows from operating activities</b>		<b>91 438 086</b>	<b>64 796 410</b>
<b>Investing activities</b>			
Acquisitions / disposals of intangible assets		264 385	-135 076
Acquisitions of property, plant and equipment and biological assets	6,7	-62 042 911	-57 086 687
Disposals of property, plant and equipment		1 139 130	95 405
Acquisitions / disposals of financial fixed assets		-443 700	975 401
<b>Net cash flows from investing activities</b>		<b>-61 083 096</b>	<b>-56 150 957</b>
<b>Financing activities</b>			
Dividends paid to non-controlling shareholders		-10 061 332	-13 452 604
Proceeds from borrowings (*)		23 906 695	79 714 483
Repayment of borrowings		-20 252 331	-28 854 945
Repayment of lease liabilities		-1 622 570	-1 229 380
Interest paid	26,27	-16 783 864	-11 915 659
<b>Net cash flows from financing activities</b>		<b>-24 813 402</b>	<b>24 261 895</b>
Effect of exchange rate change		-3 099 477	206 697
<b>Net cash flows</b>		<b>2 442 111</b>	<b>33 114 044</b>
Cash and cash equivalents as at 1 <sup>st</sup> January	16	28 872 559	-4 241 485
Cash and cash equivalents as at 31 <sup>st</sup> December	16	31 314 670	28 872 559
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2 442 111</b>	<b>33 114 044</b>

(\*) Refer to Note 3.

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

## 5. Consolidated statement of changes in equity.

<b>EUR</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Translation reserves</b>	<b>Consolidated reserves</b>	<b>Equity attributable to owners of the Parent</b>	<b>Non-controlling interests</b>	<b>TOTAL</b>
<b>Balance as at 1<sup>st</sup> 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>
Impact of adoption of IFRS 16 “lease” (Note 4)					-1 057 439	-1 057 439	-358 168	-1 415 607
<b>Adjusted balance as at 1<sup>st</sup> January 2019</b>	<b>35 673 300</b>	<b>87 453 866</b>	<b>3 570 840</b>	<b>-36 798 229</b>	<b>182 332 771</b>	<b>272 232 548</b>	<b>109 459 851</b>	<b>381 692 399</b>
Adjustment on correction of errors (net of tax) (Note 3)				51 471	-526 500	-474 579	285 781	-188 798
<b>Balance as at 1<sup>st</sup> January 2019 - Restated (*)</b>	<b>35 673 300</b>	<b>87 453 866</b>	<b>3 570 840</b>	<b>-36 746 758</b>	<b>181 806 721</b>	<b>271 757 969</b>	<b>109 745 632</b>	<b>381 503 601</b>
Profit/(loss) for the period					3 849 959	<b>3 849 959</b>	14 252 584	<b>18 102 543</b>
Actuarial losses and gains					693 042	<b>693 042</b>	282 910	<b>975 952</b>
Foreign currency translation adjustment				-2 807 751		-2 807 751	806 437	-2 001 314
Transfer between reserves			-3 510		3 510			
Change in other comprehensive income from associates					-187 760	-187 760		-187 760
<b>Other comprehensive income</b>			<b>-3 510</b>	<b>-2 807 751</b>	<b>4 358 751</b>	<b>1 547 490</b>	<b>15 341 931</b>	<b>16 889 421</b>
Dividends (Note 30)							-11 503 075	-11 503 075
Interim dividends (Note 30)							-1 885 865	-1 885 865
Other movements					-977 177	-977 177	880 415	-96 761
<b>Transactions with shareholders</b>					<b>-977 177</b>	<b>-977 177</b>	<b>-12 508 525</b>	<b>-13 485 702</b>
<b>Balance as at 31<sup>st</sup> December 2019 - Restated (*)</b>	<b>35 673 300</b>	<b>87 453 866</b>	<b>3 567 330</b>	<b>-39 554 509</b>	<b>185 188 295</b>	<b>272 328 282</b>	<b>112 579 038</b>	<b>384 907 320</b>

(\*) Refer to Note 3.

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

<b>EUR</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Translation reserves</b>	<b>Consolidated reserves</b>	<b>Equity attributable to the owners of the Parent</b>	<b>Non- Controlling Interests</b>	<b>TOTAL</b>
<b>Balance as at 1<sup>st</sup> January 2020</b>	<b>35 673 300</b>	<b>87 453 866</b>	<b>3 567 330</b>	<b>-39 554 509</b>	<b>185 188 295</b>	<b>272 328 282</b>	<b>112 579 038</b>	<b>384 907 320</b>
Profit/(loss) for the period					-3 879 769	-3 879 769	17 008 748	13 128 979
Actuarial losses and gains					-2 336 185	-2 336 185	-876 916	-3 213 101
Foreign currency translation adjustments				-40 747 399		-40 747 399	-8 965 851	-49 713 250
Change in comprehensive income of associates					-256 766	-256 766		-256 766
<b>Other comprehensive income</b>				<b>-40 747 399</b>	<b>-6 472 720</b>	<b>-47 220 119</b>	<b>7 165 981</b>	<b>-40 054 138</b>
Dividends (Note 30)							-10 387 152	-10 387 152
Change in scope of consolidation				-99 682	-113 031	-212 713	-216 659	-429 372
<b>Transactions with shareholders</b>				<b>-99 682</b>	<b>-113 031</b>	<b>-212 713</b>	<b>-10 603 811</b>	<b>-10 816 524</b>
<b>Balance as at 31<sup>st</sup> December 2020</b>	<b>35 673 300</b>	<b>87 453 866</b>	<b>3 567 330</b>	<b>-80 401 590</b>	<b>178 602 545</b>	<b>224 895 451</b>	<b>109 141 208</b>	<b>334 036 658</b>

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

Socfinaf S.A. (the "Company") was incorporated on 22<sup>nd</sup> October 1961. Its corporate purpose qualifies it as a holding company "soparfi" since the Annual General Meeting of 10<sup>th</sup> 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 holdings mainly focused on the exploitation of tropical oil palm and rubber plantations mainly in South-East of Asia.

Socfinaf S.A. is controlled by Société Financière des Caoutchoucs, abbreviated as "Socfin" which is the largest entity that consolidates. The registered office of the latter company is also located at 4, avenue Guillaume, L-1650 in Luxembourg.

The Company is listed on the Luxembourg Stock Exchange under ISIN code: LU0056569402 and is registered in the commercial register under the number B 6225.

#### 1.2. Statement of compliance

The consolidated financial statements have been prepared 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 Socfinaf and of the Group's presentation.

On 30<sup>th</sup> April 2021, the Board of Directors approved the consolidated financial statements.

*New standards and amendments applicable on 1<sup>st</sup> January 2021:*

- Amendment to IFRS 4 "Insurance contract":

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

- Amendments to IFRS 9 "Financial Instruments"; IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures":

On 27<sup>th</sup> 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 1<sup>st</sup> 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 18<sup>th</sup> 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 1<sup>st</sup> 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 23<sup>rd</sup> 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 15<sup>th</sup> July 2020, the IASB deferred the effective date of the amendments. The amendments are effective for financial periods beginning on or after 1<sup>st</sup> January 2023 and must be applied retroactively with early adoption permitted.

On 12<sup>th</sup> 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 1<sup>st</sup> 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 14<sup>th</sup> 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 1<sup>st</sup> January 2022, to have a material impact on its consolidated financial statements.

- On 12<sup>th</sup> 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 1<sup>st</sup> 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 the 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 recognised 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 31<sup>st</sup> December 2020 and are presented before allocation of the parent company's income to the Annual Meeting of Shareholders



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

- Publication of the revised Conceptual Financial Reporting Framework:  
On 29<sup>th</sup> 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 22<sup>nd</sup> 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 31<sup>st</sup> 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 26<sup>th</sup> 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 28<sup>th</sup> 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 Socfinaf as well as those of the companies controlled by the parent ("subsidiaries") and those of the companies in which Socfinaf has exercised significant influence ("associates"), all of which constitute the "Group".

All companies included in the scope of consolidation as at 31<sup>st</sup> December 2020 close their accounts on 31<sup>st</sup> December.

##### ***a) 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.

#### ***b) Investments in associates***

An associate is a company over which the Group exercises significant influence through its participation in the financial and operational decisions of this company, but over which it has no control. Significant influence is presumed when the Group holds, directly or indirectly through its subsidiaries, between 20% and 50% of the voting rights. Associates are accounted for using the equity method. Under this method, the Group's interest in the associate is initially recognised at cost in the statement of financial position and subsequently adjusted to recognize the Group's share of movements in other comprehensive income.

Investments in associates are included in the consolidated financial statements using the equity method from the date on which significant influence begins until the date when this influence ceases. The carrying amount of positive goodwill that results from the acquisition of associates is included in the carrying amount of the investment. An impairment test is performed if an objective index of impairment is identified. Depreciation is recognised, if necessary, in the income statement under the heading "Share in the net income of companies consolidated using the equity method".

The list of subsidiaries and associated companies 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 recognised directly as a product in the income statement.

### 1.8. Foreign currency conversion

In the financial statements of Socfinaf and of each subsidiary or associated company, 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 1.17).

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 recognised 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:

<i>1 Euro equals to:</i>	<i>Closing rate</i>		<i>Average rate</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
CFA franc	655.957	655.957	655.957	655.957
Ghanaian Cedi	7.0683	6.2166	6.4179	5.8724
Nigerian Naïra	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
US 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
Other intangible assets	3 to 5 years
Software	3 to 5 years
Concessions	Length of the concession

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

### 1.10. Property, Plant, Equipment

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

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 10 years

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

Land is not subject to depreciation.

### 1.11. Bearer biological assets

The Group has biological assets in Africa. 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 fourth year after palm oil tree planting and in the seventh year after rubber tree planting in Africa. 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.

### **1.12. Leases**

The Group has adopted IFRS 16 "Leases" retrospectively from 1<sup>st</sup> 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 recognised at the opening of the period starting on 1<sup>st</sup> January 2019.

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

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

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 right-of-use assets and lease liabilities for leases with remaining lease term of less than 12 months on 1<sup>st</sup> January 2019. The corresponding expenses have been recognised 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 1<sup>st</sup> January 2019:

- property, plant and equipment: decrease by EUR 0.3 million
- rights of use of assets: increase by EUR 7.9 million
- deferred tax assets: increase by EUR 0.6 million
- borrowings: decrease by EUR 0.3 million
- liabilities related to lease contracts: increase by EUR 9.7 million.

The net impact on retained earnings at 1<sup>st</sup> January 2019 was a decrease of EUR 1.4 million.

For leases previously treated as finance leases, the right-of-use assets and the lease liability were recognised on 1<sup>st</sup> 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 an asset with a right-of-use asset is impaired and recognises any impairment loss as described in Note 25: Impairment of assets.

### **1.13. 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 recognised as expenses in the income statement.

When an impairment loss recognised 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 recognised for the asset (cash-generating unit) in prior years. The reversal of an impairment loss is recognised immediately in income in the income statement.

An impairment loss recorded on goodwill cannot be subsequently reversed.

### **1.14. 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 recognised as an expense in the period in which the impairment or loss occurred.

As explained in Note 1.11. Biological assets, agricultural production is measured at fair value less estimated costs necessary to make the sale.

### 1.15. 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. (see Note 34)

### 1.16. 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.

### 1.17. Financial instruments

Financial assets and liabilities are recognised 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 recognised in other comprehensive income and accumulated in the cash flow hedge reserve. The gain or loss related to the ineffective portion is recognised immediately in profit or loss, in other gains and losses.

Amounts previously recognised 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 recognised 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 recognised in other comprehensive income and accumulated in equity are taken out of equity taken into account in the initial measurement of the cost of the non-financial asset or liability.

For the periods under review, no hedging instruments were used by the Group.

#### *- Other instruments:*

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

### ***Loans and borrowings***

Long-term advances and other interest-bearing borrowings 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 other debts 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.

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 (refer to Note 2).

### ***Equity instruments***

Equity instruments are recognised 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 recognised 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.



***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.

Receivables are measured at their nominal value at amortised cost less any write-downs to amounts considered as non-recoverable where the Group considers this necessary. Impairment of assets is recognised in the income statement under "Other operating expenses/income". 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 when new events occur and at least annually.

**1.18. Provisions**

Provisions are recognised 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 recognised when the Group has a formal and detailed plan for the restructuring that has been notified to the affected parties.

**1.19. 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 recognised 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.

Since the end of 2020, 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 restated version of IAS 19 requires all changes in the amount of defined benefit pension obligations to be recognised as they occur.

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

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

The amount recognised 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.

#### **1.20. 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 regard to the Group's activities, the recognition criteria are generally met:

(a) for export sales, where the products are made available to the carrier, as per the incoterms deed;

(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 recognised on a straight-line basis, depending on the outstanding amount of principal and the applicable interest rate.

As at 31<sup>st</sup> December 2020, revenue from a Group customer accounted for approximately EUR 35.4 million (2019: EUR 43.6 million) of total Group revenue.

### **1.21. 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 recognised 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 recognised 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 recognised 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 recognised in the income statement unless it relates to items that have been directly recognised, either in equity or in other comprehensive income.

### **1.22. 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 of this difference is described in points 1.6 and 1.7.**

### **1.23. 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.

### **1.24. 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 19), IAS 41 / IAS 2 (Notes 7 and 12), IAS 16 (Note 5), IAS 36 (Notes 6, 7 and 25), IFRS 9 (Note 22) and IFRS 16 (Note 4).

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 local sales. (refer to Note 1.15).

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

### **1.25. Going concern and Impact of the COVID-19 pandemic**

As of 31<sup>st</sup> December 2020, the working capital requirement is negative at EUR 138 500 724, with liabilities due within 12 months (EUR 309 898 300) exceeding assets due within 12 months (EUR 171 397 576).

The Company has taken the necessary steps to reschedule the repayment of its debt by:

- amending by an addendum signed on 17<sup>th</sup> March 2021 the cash agreement of 9<sup>th</sup> December 2016 signed with Société Financière des Caoutchoucs S.A. in the amount of EUR 90 000 000. Under the terms of this addendum, the repayment term is extended from 9<sup>th</sup> December 2021 to 31<sup>st</sup> December 2022;
- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Société Financière des Caoutchoucs S.A., which undertakes not to request the repayment of the advances granted under the treasury agreements of 7<sup>th</sup> May 2018 and 23<sup>rd</sup> July 2018, for a total amount of EUR 35 000 000, before 30<sup>th</sup> June 2022;
- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Socfinde S.A., which undertakes not to request the repayment of the outstanding cash pooling amount of EUR 17 341 476 as at 31<sup>st</sup> December 2020 before 30<sup>th</sup> June 2022;
- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Palmboomen Cultuur Maatschappij, abbreviated to MOPOLI, which undertakes not to request repayment of the advance granted to the Company under the agreement dated 20<sup>th</sup> November 2014, in the amount of EUR 20 000 000, before 30<sup>th</sup> June 2022;

Furthermore, Management believes that there are no elements that would indicate that the EUR 20 000 000 loan due to Bolloré Participations S.E. will not be extended by 31<sup>st</sup> December 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, the Company has prepared a cash flow plan assessing its liquidity position based on Management's best estimates. Considering the dividends to be received from subsidiaries during the financial year 2021 and the Company's ability to draw on the Group's cash pooling (Socfinde), this cash flow plan shows sufficient liquidity to meet its obligations and confirms the going concern assumption for at least the twelve months following the date of approval of its 2020 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
<b>AFRICA</b>						
<b>Rubber and Palm</b>						
SOGB S.A.	63.69	73.16	FI	63.69	73.16	FI
PLANTATIONS SOCFINAF GHANA « PSG » LTD	100.00	100.00	FI	100.00	100.00	FI
OKOMU OIL PALM COMPANY PLC	65.23	65.23	FI	64.97	64.97	FI
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM S.A. »	69.05	69.05	FI	69.05	69.05	FI
SOCIETE CAMEROUNAISE DE PALMERAIES « SOCAPALM S.A »	67.46	67.46	FI	67.46	67.46	FI
<b>Rubber</b>						
LIBERIAN AGRICULTURAL COMPANY « LAC »	100.00	100.00	FI	100.00	100.00	FI
SALALA RUBBER CORPORATION « SRC »	100.00	100.00	FI	100.00	100.00	FI
SUD COMOË CAOUTCHOUC « SCC »	60.95	70.01	FI	60.95	70.01	FI
<b>Palm</b>						
SOCFIN AGRICULTURAL COMPANY « SAC » LTD	93.00	93.00	FI	93.00	93.00	FI
SOCIETE DES PALMERAIES DE LA FERME SUISSE «SPFS»	67.46	100.00	FI	67.46	100.00	FI
AGRIPALMA LDA	88.00	88.00	FI	88.00	88.00	FI
BRABANTA S.A.	99.80	99.80	FI	99.80	99.80	FI
<b>Other Activities</b>						
BEREBY-FINANCES « BEFIN » S.A.	87.06	87.06	FI	87.06	87.06	FI
CAMSEEDS S.A.	67.38	99.54	FI	67.15	99.54	FI

	<i>% Group Interest 2020</i>	<i>% Group Control 2020</i>	<i>Consolidation Method (*) 2020</i>	<i>% Group Interest 2019</i>	<i>% Group Control 2019</i>	<i>Consolidation Method (*) 2019</i>
<b>EUROPE</b>						
<b>Other Activities</b>						
CENTRAGES S.A.	50.00	50.00	EM	50.00	50.00	EM
IMMOBILIERE DE LA PEPINIERE S.A.	50.00	50.00	EM	50.00	50.00	EM
INDUSERVICES S.A.	30.00	30.00	EM	30.00	30.00	EM
INDUSERVICES FR S.A.	50.00	50.00	EM	50.00	50.00	EM
MANAGEMENT ASSOCIATES S.A.	20.00	20.00	EM	20.00	20.00	EM
SOCIETE ANONYME FORESTIERE AGRICOLE « SAFA »	100.00	100.00	FI	100.00	100.00	FI
SOCFIN GREEN ENERGY S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFIN RESEARCH S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFINCO S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFINCO FR S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFINDE S.A.	20.08	20.08	EM	20.00	20.00	EM
SODIMEX S.A.	50.00	50.00	EM	50.00	50.00	EM
SODIMEX FR S.A.	50.00	50.00	EM	50.00	50.00	EM
SOGESCOL FR S.A.	50.00	50.00	EM	50.00	50.00	EM
STP INVEST S.A.	100.00	100.00	FI	100.00	100.00	FI
TERRASIA S.A.	33.28	33.28	EM	33.28	33.28	EM

(\*) Consolidation method: FI: Full Integration - EM: Equity Method.

### List of subsidiaries and associated companies

- \* AGRIPALMA LDA is a company located on the island of São Tomé and Príncipe 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 company under Congolese law 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 owning three floors of office space in Brussels.
- \* IMMOBILIERE DE LA PEPINIERE S.A. is a company under Belgian law owning 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, organizations and companies, including all services relating to documentation, bookkeeping and register services, as well as all representation, study and consultation activities. 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.
- \* PLANTATIONS SOCFINAF GHANA « PSG » LTD is a company under Ghanaian law specialized in the production of palm and rubber products.
- \* SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN « SAFACAM S.A. » is a company under Cameroonian law active in the production of palm oil and the cultivation of rubber trees.
- \* SALALA RUBBER CORPORATION « SRC » is a company under Liberian law active in the production of palm oil and the cultivation of rubber trees.
- \* 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.
- \* SOCFINCO FR S.A. is a Swiss company providing services, studies and management of agro-industrial plantations.
- \* SOCIETE ANONYME FORESTIERE AGRICOLE « SAFA » is a company under French law holding a stake in a plantation in Cameroon, Safacam S.A.
- \* SOCFINDE S.A. is a finance holding company under Luxembourg law.
- \* SOCIETE DES PALMERAIES DE LA FERME SUISSE « SPFS » S.A. is active in Cameroon in the production, processing and marketing of palm oil.
- \* SODIMEX S.A. is a company incorporated under Belgian law active in the field of purchase and sale of planting material.
- \* SODIMEX FR S.A. is a company under Swiss law active in the field of purchase and sale of planting material.
- \* 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.
- \* 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 activity is the processing and marketing of rubber.
- \* TERRASIA S.A is a company under Luxembourg law owning office spaces.

### Note 3. Adjustments.

The Group has restated its previously issued consolidated financial statements for the years ended 31<sup>st</sup> December 2019 and 1<sup>st</sup> January 2019. The Group 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	Impact of the adjustments										Restated Balances
	Published on 31/12/2018	Impact of IFRS 16 adoption	Opening balance as at 01/01/2019	(a)	(b)	(c)	(d)	(e)	(f)	Minority change following the adjustment	
Rights-of-use assets	0	7 890 271	7 890 271								
Property, plant and machinery	263 790 558	-272 118	263 518 440	295 822							263 814 262
Biological assets	401 784 792		401 784 792	1 791 924	1 627 715						405 204 431
Investment in associates	24 205 267	-194 619	24 010 648			-763 981		497 977			23 744 644
Deferred tax assets	8 926 034	579 128	9 505 162		-549 254		1 436 101				10 392 010
<b>Total assets</b>	<b>698 706 651</b>	<b>8 002 662</b>	<b>706 709 314</b>	<b>2 087 745</b>	<b>1 078 462</b>	<b>-763 981</b>	<b>1 436 101</b>	<b>497 977</b>			<b>711 045 618</b>
Deferred tax liabilities	9 707 343		9 707 343	730 711	-211 565				4 005 955		14 232 444
Long term lease liabilities	0	8 593 421	8 593 421								8 593 421
Financial debt due within one year	104 120 026	-272 118	103 847 908								103 847 908
Short term lease liabilities	0	1 096 967	1 096 967								1 096 967
<b>Total liabilities</b>	<b>113 827 369</b>	<b>9 418 270</b>	<b>123 245 639</b>	<b>730 711</b>	<b>-211 565</b>				<b>4 005 955</b>		<b>127 770 740</b>
Consolidated reserves	178 626 421	-1 057 439	177 568 982			-137 094		497 977			177 929 865
Foreign currency translation	-36 798 229		-36 798 229	29 201	22 976					-706	-36 746 758
Profit for the year	4 763 789		4 763 789	1 327 834	1 267 050	-626 888	1 436 101		-4 005 955	-285 075	3 876 856
Subsidiaries that hold non-controlling interests	109 818 020	-358 168	109 459 852		0					285 780	109 745 632
<b>Total equity</b>	<b>256 410 001</b>	<b>-1 415 608</b>	<b>254 994 393</b>	<b>2 087 745</b>	<b>1 078 462</b>	<b>-763 981</b>	<b>1 436 101</b>	<b>497 977</b>	<b>0</b>	<b>-1</b>	<b>254 805 595</b>

31st December 2019	Previously published	(a)	(b)	(c)	(d)	(e)	(f)	Minority change following the adjustment	Restated Balances
Property, plant and machinery	256 711 200	294 779							257 005 979
Biological assets	401 537 304	1 785 608	2 162 264						405 485 176
Investment in associates	24 839 331			-1 097 662		890 313			24 631 982
Deferred tax assets	9 008 775		-709 820		1 588 223				9 887 178
<b>Total assets</b>	<b>692 096 610</b>	<b>2 080 387</b>	<b>1 452 443</b>	<b>-1 097 662</b>	<b>1 588 223</b>	<b>890 313</b>			<b>697 010 315</b>
Deferred tax liabilities	9 129 790	728 135	-314 698				2 816 897		12 360 125
<b>Total liabilities</b>	<b>9 129 790</b>	<b>728 135</b>	<b>-314 698</b>						<b>12 360 125</b>
Consolidated reserves	182 186 079	1 327 834	1 267 050	-1 085 675	1 436 101	497 977	-4 005 955	-285 075	181 338 336
Foreign currency translation	-39 538 678	24 418	-39 205					-1 043	-39 554 509
Profit for the year	1 577 834		539 297	-11 988	152 122	392 336	1 189 058	11 301	3 849 960
Subsidiaries that hold non-controlling interests	112 304 219							274 818	112 579 038
<b>Total equity</b>	<b>256 529 454</b>	<b>1 352 252</b>	<b>1 767 141</b>	<b>-1 097 663</b>	<b>1 588 223</b>	<b>890 313</b>	<b>-2 816 897</b>		<b>1 258 212 825</b>

## ii. Statement of the net income and other comprehensive income

For the year ended at 31 December 2019	Previously published	(a)	(b)	(c)	(d)	(e)	(f)	Minority change following the adjustment	Restated Balances
Depreciation and impairment	-49 951 736		602 210						-49 349 526
Deferred tax income	418 118		-62 913		152 122		1 189 058		1 696 385
Income from associates	5 754 101			-11 988		392 336			6 134 449
<b>Profit for the year</b>	<b>15 841 716</b>		<b>539 297</b>	<b>-11 988</b>	<b>152 122</b>	<b>392 336</b>	<b>1 189 058</b>		<b>18 102 541</b>
<b>Comprehensive income attributable to non-controlling interest</b>	<b>14 263 879</b>							<b>-11 301</b>	<b>14 252 578</b>
<b>Comprehensive income attributable to owner of parent</b>	<b>1 577 837</b>	<b>0</b>	<b>539 297</b>	<b>-11 988</b>	<b>152 122</b>	<b>392 336</b>	<b>1 189 058</b>	<b>11 301</b>	<b>3 849 963</b>
Gains (losses) on exchange differences on translation of subsidiaries	-1 934 351			-72 991				6 028	-2 001 314
Share of other comprehensive income related to associates	133 933			-321 694					-187 761
<b>Comprehensive income</b>	<b>15 017 253</b>	<b>0</b>	<b>539 297</b>	<b>-406 672</b>	<b>152 122</b>	<b>392 336</b>	<b>1 189 058</b>	<b>6 028</b>	<b>16 889 422</b>

The adjustments are described below:

- (a) 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 1<sup>st</sup> January 2019.
- (b) 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.
- (c) The defined benefit pension plans of the Swiss subsidiaries had not been recognised in prior years.
- (d) The deferred tax asset of one of the associates in Africa was overstated in prior years.
- (e) The change in the share of profit of associates due to the recognition of negative equity in prior years.
- (f) Non-recognition of deferred tax on dividends from subsidiaries in future periods.

Undiluted earnings per share for the year ended 31<sup>st</sup> December 2019 have also been adjusted. The amount of the adjustment to undiluted earnings per share is a decrease of EUR 0.31 per share

## Note 4. Leases

The Group leases office space and agricultural land for terms ranging from 1 to 99 years, as well as vehicle 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 Group 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 entity 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 recognised 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 recognised 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 computer equipment.

Extension and termination options have been included in the determination of 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 improvement 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 recognised in the balance sheet related to leases are as follows:

**\* Right-to-use assets:**

<b>EUR</b>	<b>Furniture, vehicle and others</b>	<b>Buildings</b>	<b>Land and concession of agricultural area</b>	<b>Total</b>
Impact of adoption of IFRS 16	4 738 135	672 574	7 309 803	12 720 512
Additions of the year	467 578	0	37 376	504 954
Foreign currency translation	34 699	41	23 051	57 791
<b>Gross value as at 31<sup>st</sup> December 2019</b>	<b>5 240 412</b>	<b>672 615</b>	<b>7 370 230</b>	<b>13 283 257</b>
Impact of adoption of IFRS 16	-2 488 950	-368 342	-1 972 949	-4 830 241
Depreciation of the year	-1 053 723	-38 394	-126 314	-1 218 431
Foreign currency translation	-19 391	-9	-8 706	-28 106
<b>Accumulated depreciation as at 31<sup>st</sup> December 2019</b>	<b>-3 562 064</b>	<b>-406 745</b>	<b>-2 107 969</b>	<b>-6 076 778</b>
<b>Net book value as at 31<sup>st</sup> December 2019</b>	<b>1 678 348</b>	<b>265 870</b>	<b>5 262 261</b>	<b>7 206 479</b>
<b>Gross value as at 1<sup>st</sup> January 2020</b>	<b>5 240 412</b>	<b>672 615</b>	<b>7 370 230</b>	<b>13 283 257</b>
Additions of the year	2 639 259	0	0	2 639 259
Disposal of the year	0	-136 602	-76 549	-213 151
Foreign currency translation	-541 783	-582	-173 387	-715 752
<b>Gross value as at 31<sup>st</sup> December 2020</b>	<b>7 337 888</b>	<b>535 431</b>	<b>7 120 294</b>	<b>14 993 613</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2020</b>	<b>-3 562 064</b>	<b>-406 745</b>	<b>-2 107 969</b>	<b>-6 076 778</b>
Depreciation of the year	-1 508 973	-38 391	-143 992	-1 691 356
Disposal of the year	0	40 980	76 549	117 529
Foreign currency translation	402 396	143	50 710	453 249
<b>Accumulated depreciation as at 31<sup>st</sup> December 2020</b>	<b>-4 668 641</b>	<b>-404 013</b>	<b>-2 124 702</b>	<b>-7 197 356</b>
<b>Net book value as at 31<sup>st</sup> December 2020</b>	<b>2 669 247</b>	<b>131 418</b>	<b>4 995 592</b>	<b>7 796 257</b>

**\* Lease liabilities**

<b>EUR</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
Long-term lease liabilities	8 245 089	7 903 924
Short-term lease liabilities	1 354 035	1 099 533
<b>Total</b>	<b>9 599 124</b>	<b>9 003 457</b>

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

<b>EUR</b>	<b>2020</b>	<b>2019</b>
Depreciation of right-of-use assets	1 691 356	1 218 431
Expenses related to short-term leases and low-value assets	1 080 856	703 869
Interest expense (included in the financial expenses)	952 679	910 029
<b>Total</b>	<b>3 724 891</b>	<b>2 832 329</b>

**Agricultural land and concessions**

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

<b>Company</b>	<b>Date of the initial lease or its renewal/extension</b>	<b>Term of the initial lease</b>	<b>Granted area</b>	
SOCFIN AGRICULTURAL COMPANY « SAC » LTD	2013/2014	50 years	18 473 hectares	(1)
LIBERIAN AGRICULTURAL COMPANY « LAC »	1959	77 years	121 407 hectares	
SALALA RUBBER CORPORATION « SRC »	1960	70 years	8 000 hectares	(3)
SOGB S.A.	1995	99 years	34 712 hectares	
PLANTATIONS SOCFINAF GHANA	2013/2016	50 years 92 to 99	18 303 hectares	
OKOMU OIL PALM COMPANY PLC	1986/2001/2013	years	33 113 hectares	
SOCAPALM S.A.	2000	60 years	58 063 hectares	
AGRIPALMA LDA	2009	25 years	4 252 hectares	(2)
BRABANTA S.A.	2015/2018/2019	25 years	8 689 hectares	

(1) Concessions renewable for 25 years.

(2) Concessions automatically renewable for 25 years.

AGRIPALMA LDA owns 665 hectares.

(3) Concessions extendable up to 40 000 hectares.

(\*) SAFACAM S.A. owns 17 690 hectares.

## Note 5. Intangible assets

<b>EUR</b>	<b>Concessions and patents</b>	<b>Software</b>	<b>Other intangible assets</b>	<b>TOTAL</b>
<b>Cost as at 1<sup>st</sup> January 2019</b>	<b>2 416 175</b>	<b>750 584</b>	<b>1 754 751</b>	<b>4 921 510</b>
Additions of the year	0	9 578	282 685	292 263
Disposals of the year	0	0	-157 187	-157 187
Reclassifications to other asset classes	278 087	8 686	-241 677	45 096
Foreign currency translation	-300 156	-2 841	1 270	-301 727
<b>Cost as at 31<sup>st</sup> December 2019</b>	<b>2 394 106</b>	<b>766 007</b>	<b>1 639 842</b>	<b>4 799 955</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2019</b>	<b>-180 165</b>	<b>-474 389</b>	<b>-1 675 798</b>	<b>-2 330 352</b>
Depreciation of the year	-50 271	-9 824	-22 367	-82 462
Depreciation reversals of the year	0	-130	0	-130
Reclassifications to other asset classes	0	0	-36 410	-36 410
Foreign currency translation	20 792	7 623	433 085	461 500
<b>Accumulated depreciation as at 31<sup>st</sup> December 2019</b>	<b>-209 644</b>	<b>-476 720</b>	<b>-1 301 490</b>	<b>-1 987 854</b>
<b>Net book value as at 31<sup>st</sup> December 2019</b>	<b>2 184 462</b>	<b>289 287</b>	<b>338 352</b>	<b>2 812 101</b>
<b>Cost as at 1<sup>st</sup> January 2020</b>	<b>2 394 106</b>	<b>766 007</b>	<b>1 639 842</b>	<b>4 799 955</b>
Additions of the year	0	0	137 143	137 143
Disposals of the year	0	-7 339	-994 000	-1 001 339
Foreign currency translation	-286 133	-28 771	-17 917	-332 821
<b>Cost as at 31<sup>st</sup> December 2020</b>	<b>2 107 973</b>	<b>729 897</b>	<b>765 068</b>	<b>3 602 938</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2020</b>	<b>-209 644</b>	<b>-476 720</b>	<b>-1 301 490</b>	<b>-1 987 854</b>
Depreciation of the year	-45 999	-25 988	-18 543	-90 530
Depreciation reversals of the year	0	7 263	592 472	599 735
Foreign currency translation	27 125	7 281	17 917	52 323
<b>Accumulated depreciation as at 31<sup>st</sup> December 2020</b>	<b>-228 518</b>	<b>-488 164</b>	<b>-709 644</b>	<b>-1 426 326</b>
<b>Net book value as at 31<sup>st</sup> December 2020</b>	<b>1 879 455</b>	<b>241 733</b>	<b>55 424</b>	<b>2 176 612</b>

## Note 6. Property, plant and equipment

<b>EUR</b>	<b>Land and nurseries</b>	<b>Buildings</b>	<b>Technical Installations</b>	<b>Furniture, vehicles and others</b>	<b>Work in progress</b>	<b>Advances and prepayments</b>	<b>TOTAL</b>
<b>Cost as at 1<sup>st</sup> January 2019 - Restated</b>	<b>11 657 772</b>	<b>208 162 514</b>	<b>101 349 326</b>	<b>206 797 586</b>	<b>30 866 951</b>	<b>916 467</b>	<b>559 750 616</b>
Additions of the year	993 061	846 950	2 995 586	4 842 490	27 196 972	190 569	37 065 628
Disposals of the year	0	0	-34 201	-3 004 712	0	0	-3 038 913
Reclassifications to other asset classes	-617 584	9 756 608	21 569 431	-6 367 072	-38 350 686	-961 025	-14 970 328
Foreign currency translation	110 769	264 130	135 526	459 730	-489 215	-1 698	479 242
<b>Cost as at 31<sup>st</sup> December 2019 - Restated</b>	<b>12 144 018</b>	<b>219 030 202</b>	<b>126 015 668</b>	<b>202 728 022</b>	<b>19 224 022</b>	<b>144 313</b>	<b>579 286 245</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2019 - Restated</b>	<b>-1 263 394</b>	<b>-98 047 417</b>	<b>-55 313 622</b>	<b>-141 311 921</b>	<b>0</b>	<b>0</b>	<b>-295 936 354</b>
Depreciation of the year	-26 437	-9 804 190	-6 528 724	-12 426 025	0	0	-28 785 376
Depreciation reversals of the year	0	0	34 201	2 998 106	0	0	3 032 307
Reclassifications to other class of assets	0	11 856	-17 390	1 669	0	0	-3 865
Foreign currency translation	128	-165 461	-194 592	-227 053	0	0	-586 978
<b>Accumulated depreciation as at 31<sup>st</sup> December 2019 - Restated</b>	<b>-1 289 703</b>	<b>-108 005 212</b>	<b>-62 020 127</b>	<b>-150 965 224</b>	<b>0</b>	<b>0</b>	<b>-322 280 266</b>
<b>Net book value as at 31<sup>st</sup> December 2019 - Restated</b>	<b>10 854 315</b>	<b>111 024 990</b>	<b>63 995 541</b>	<b>51 762 798</b>	<b>19 224 022</b>	<b>144 313</b>	<b>257 005 979</b>



<b>EUR</b>	<b>Land and nurseries</b>	<b>Buildings</b>	<b>Technical installations</b>	<b>Furniture, vehicles and others</b>	<b>Work in progress</b>	<b>Advances and prepayments</b>	<b>TOTAL</b>
<b>Cost as at 1<sup>st</sup> January 2020</b>	<b>12 144 018</b>	<b>219 030 202</b>	<b>126 015 668</b>	<b>202 728 022</b>	<b>19 224 022</b>	<b>144 313</b>	<b>579 286 245</b>
Additions of the year	242 298	8 659 488	10 174 256	3 898 583	23 212 303	134 103	46 321 031
Disposals of the year	-150 664	-1 607 458	-4 867 047	-5 461 848	0	0	-12 087 017
Reclassifications to other asset classes	-1 711 413	4 755 179	-324 407	7 857 424	-12 628 984	-28 640	-2 080 841
Foreign currency translation	-1 690 673	-12 323 511	-11 129 811	-8 850 507	-3 029 939	-908	-37 025 349
<b>Cost as at 31<sup>st</sup> December 2020</b>	<b>8 833 566</b>	<b>218 513 900</b>	<b>119 868 659</b>	<b>200 171 674</b>	<b>26 777 402</b>	<b>248 868</b>	<b>574 414 069</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2020</b>	<b>-1 289 703</b>	<b>-108 005 212</b>	<b>-62 020 127</b>	<b>-150 965 224</b>	<b>0</b>	<b>0</b>	<b>-322 280 266</b>
Depreciation of the year	-15 278	-11 204 067	-7 787 366	-12 148 359	0	0	-31 155 070
Depreciation reversals of the year	135 990	1 130 088	4 248 872	5 139 505	0	0	10 654 455
Reclassifications to other asset classes	0	0	2 233 697	-1 864 268	0	0	369 429
Foreign currency translation	5 449	4 124 249	3 985 834	6 873 317	0	0	14 988 849
<b>Accumulated depreciation as at 31<sup>st</sup> December 2020</b>	<b>-1 163 542</b>	<b>-113 954 942</b>	<b>-59 339 090</b>	<b>-152 965 029</b>	<b>0</b>	<b>0</b>	<b>-327 422 603</b>
<b>Net book value as at 31<sup>st</sup> December 2020</b>	<b>7 670 024</b>	<b>104 558 958</b>	<b>60 529 569</b>	<b>47 206 645</b>	<b>26 777 402</b>	<b>248 868</b>	<b>246 991 466</b>

As at 31<sup>st</sup> December 2020, the Group has technical installations and professional equipment pledged as guarantees for borrowings of the Group for an amount of EUR 15 million. Details of these guarantees are provided in Note 32.

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 at 1<sup>st</sup> January 2019, the inventory of spare parts presented as tangible assets amounted to EUR 14.2 million.

## Note 7. Biological assets

EUR	Palm		Rubber		Others	TOTAL
	Mature	Immature	Mature	Immature		
<b>Cost as at 1<sup>st</sup> January 2019 - Restated</b>	<b>272 030 799</b>	<b>110 322 437</b>	<b>125 417 887</b>	<b>83 528 497</b>	<b>14 348</b>	<b>591 313 968</b>
Additions of the year	0	9 772 022	82 688	10 166 350	0	20 021 060
Disposals of the year	-124 050	-4 539	-2 649 722	0	0	-2 778 311
Reclassifications to other asset classes	107 241 214	-107 359 666	19 478 190	-18 427 473	0	932 265
Foreign currency translation	-2 640 407	764 124	926 529	-134 062	0	-1 083 816
<b>Cost as at 31<sup>st</sup> December 2019 - Restated</b>	<b>376 507 556</b>	<b>13 494 378</b>	<b>143 255 572</b>	<b>75 133 312</b>	<b>14 348</b>	<b>608 405 166</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2019 - Restated</b>	<b>-86 224 326</b>	<b>0</b>	<b>-47 442 671</b>	<b>0</b>	<b>-10 153</b>	<b>-133 677 150</b>
Depreciation of the year	-13 122 909	0	-6 140 294	0	-56	-19 263 259
Depreciation reversals of the year	6 232	0	2 585 956	0	0	2 592 188
Reclassifications to other asset classes	0	0	-314 681	0	0	-314 681
Foreign currency translation	77 704	0	-392 179	0	0	-314 475
<b>Accumulated depreciation as at 31<sup>st</sup> December 2019 - Restated</b>	<b>-99 263 299</b>	<b>0</b>	<b>-51 703 869</b>	<b>0</b>	<b>-10 209</b>	<b>-150 977 377</b>
<b>Accumulated impairment as at 1<sup>st</sup> January 2019 - Restated</b>	<b>-21 874 106</b>	<b>-3 240 151</b>	<b>-8 091 961</b>	<b>-19 226 170</b>	<b>0</b>	<b>-52 432 388</b>
Reclassifications to other asset classes	-3 111 747	3 111 747	-3 854 913	3 854 913	0	0
Foreign currency translation	683 408	453	-123 358	-70 727	0	489 774
<b>Accumulated impairment as at 31<sup>st</sup> December 2019 - Restated</b>	<b>-24 302 445</b>	<b>-127 951</b>	<b>-12 070 232</b>	<b>-15 441 984</b>	<b>0</b>	<b>-51 942 614</b>
<b>Net book value as at 31<sup>st</sup> December 2019 - Restated</b>	<b>252 941 812</b>	<b>13 366 427</b>	<b>79 481 471</b>	<b>59 691 328</b>	<b>4 139</b>	<b>405 485 175</b>

<b>EUR</b>	<b>Palm</b>		<b>Rubber</b>		<b>Others</b>	<b>Total</b>
	Mature	Immature	Mature	Immature		
<b>Cost as at 1<sup>st</sup> January 2020</b>	<b>376 507 556</b>	<b>13 494 378</b>	<b>143 255 572</b>	<b>75 133 312</b>	<b>14 348</b>	<b>608 405 166</b>
Additions of the year	210 174	6 913 533	81 726	8 516 447	0	15 721 880
Disposals of the year	-3 432 626	0	-1 369 948	0	-7 217	-4 809 791
Reclassifications to other asset classes	13 341 873	-11 835 465	3 354 014	-3 149 009	0	1 711 413
Foreign currency translation	-30 772 003	-1 254 892	-6 986 219	-5 989 342	0	-45 002 456
<b>Cost as at 31<sup>st</sup> December 2020</b>	<b>355 854 974</b>	<b>7 317 554</b>	<b>138 335 145</b>	<b>74 511 408</b>	<b>7 131</b>	<b>576 026 212</b>
<b>Accumulated depreciation as at 1<sup>st</sup> January 2020</b>	<b>-99 263 299</b>	<b>0</b>	<b>-51 703 869</b>	<b>0</b>	<b>-10 209</b>	<b>-150 977 377</b>
Depreciation for the year	-14 961 245	0	-6 176 906	0	-56	-21 138 207
Depreciation reversals of the year	3 432 626	0	1 117 483	0	7 217	4 557 326
Foreign currency translation	3 585 528	0	2 695 266	0	0	6 280 794
<b>Accumulated depreciation as at 31<sup>st</sup> December 2020</b>	<b>-107 206 390</b>	<b>0</b>	<b>-54 068 026</b>	<b>0</b>	<b>-3 048</b>	<b>-161 277 464</b>
<b>Accumulated impairments as at 1<sup>st</sup> January 2020</b>	<b>-24 302 445</b>	<b>-127 951</b>	<b>-12 070 232</b>	<b>-15 441 984</b>	<b>0</b>	<b>-51 942 612</b>
Impairment of the year	-271 036	0	-509 870	-4 556 078	0	-5 336 984
Reclassifications to other asset classes	-113 583	113 583	0	0	0	0
Foreign currency translation	3 592 271	14 368	933 585	1 683 173	0	6 223 396
<b>Accumulated impairments as at 31<sup>st</sup> December 2020</b>	<b>-21 094 793</b>	<b>0</b>	<b>-11 646 517</b>	<b>-18 314 889</b>	<b>0</b>	<b>-51 056 200</b>
<b>Net book value as at 31<sup>st</sup> December 2020</b>	<b>227 553 791</b>	<b>7 317 554</b>	<b>72 620 602</b>	<b>56 196 519</b>	<b>4 083</b>	<b>363 692 548</b>

On 31<sup>st</sup> 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 32.

## Note 8. Non-wholly owned subsidiaries in which non-controlling interests are significant

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

Name of subsidiary	Main location	Percentage of equity shares of non-controlling interests		Percentage of voting rights of non-controlling interests	
		2020	2019	2020	2019
<i>Production of palm oil and rubber</i>					
SOGB S.A.	Ivory Coast	36%	36%	27%	27%
OKOMU OIL PALM COMPANY PLC	Nigeria	35%	34%	35%	34%
SAFACAM S.A.	Cameroon	31%	31%	31%	31%
SOCAPALM S.A.	Cameroon	33%	33%	33%	33%

Name of subsidiary	Net income attributed to non-controlling interests in the subsidiary during the financial period		Accumulation of non-controlling interests in the subsidiary	
	2020 EUR	2019 EUR	2020 EUR	2019 EUR
SOGB S.A.	4 047 308	2 426 308	32 407 267	30 158 631
OKOMU OIL PALM COMPANY PLC	6 597 953	5 516 491	26 065 397	30 701 118
SAFACAM S.A.	63 023	-276 930	13 989 613	14 238 468
SOCAPALM S.A.	5 928 062	6 320 142	32 570 920	32 247 117
Subsidiaries that hold non-controlling interests not significant individually			4 108 011	5 233 705
<b>Non-controlling interests</b>			<b>109 141 208</b>	<b>112 579 038</b>

### 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	2019 EUR	2019 EUR	2019 EUR
SOGB S A	31 954 534	101 284 416	35 386 831	17 245 405
OKOMU OIL PALM COMPANY PLC	32 150 890	93 326 564	9 544 570	31 376 618
SAFACAM S.A.	11 686 609	36 458 781	11 669 912	6 597 491
SOCAPALM S.A.	34 831 115	111 676 899	26 308 558	6 476 317
<b>2020</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
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
SAFACAM S.A.	9 988 293	35 298 471	10 601 283	4 763 103
SOCAPALM S.A.	34 148 638	112 062 872	28 625 313	3 099 446

Name of the subsidiary	Revenue	Net Income for the year	Comprehensive income for the year	Dividend 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
SAFACAM S.A.	26 730 831	1 229 630	1 229 630	270 349
SOCAPALM S.A.	106 416 554	18 667 650	18 667 650	5 084 392
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
SAFACAM S.A.	25 489 988	1 036 538	1 036 538	307 960
SOCAPALM S.A.	108 244 754	17 958 810	17 958 810	5 595 101

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.	8 980 789	-5 826 749	16 961 069	20 115 109
OKOMU OIL PALM COMPANY PLC	4 442 022	-12 868 510	4 206 880	-4 219 608
SAFACAM S.A.	4 073 546	-2 464 880	7 912 104	9 520 770
SOCAPALM S.A.	38 583 692	-10 086 097	-22 219 467	6 278 128
2020	EUR	EUR	EUR	EUR
SOGB S.A.	18 235 177	-8 094 545	-2 391 962	7 748 669
OKOMU OIL PALM COMPANY PLC	25 629 989	-22 258 792	1 220 468	4 591 664
SAFACAM S.A.	3 582 099	-2 172 371	-4 103 182	-2 693 455
SOCAPALM S.A.	28 811 505	-12 241 938	-21 591 792	-5 022 224

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 9. Investments in associates

	2020 EUR	2019 EUR
<b>Value as at 1<sup>st</sup> January</b>	<b>24 631 982</b>	<b>23 744 644</b>
Income from associates	1 259 361	6 134 449
Dividends	-3 302 248	-5 046 264
Fair value change for financial assets measured at fair value through other comprehensive income (loss)	-256 759	-187 761
Other movements	-182 478	-13 086
<b>Value as at 31<sup>st</sup> December</b>	<b>22 149 858</b>	<b>24 631 982</b>

	Value of investment in associates	Income from associates	Value of investment in associates	Income from associates
	2020	2020	2019	2019
	EUR	EUR	EUR	EUR
Centrages S.A.	3 193 473	111 847	3 156 626	20 153
Immobilière de la Pépinière S.A.	1 911 465	-10 063	1 921 744	-126 366
Induservices S.A.	70 840	1 181	69 658	1 770
Induservices FR S.A.	0	0	0	194 620
Management Associates S.A.	0	-283 098	-2 382	7 847
Socfin Green Energy S.A.	690 433	-62 402	752 833	101 343
Socfin Research S.A.	1 688 497	-86 438	1 774 935	-195 663
Socfinco S.A.	879 575	106 997	872 578	103 170
Socfinco FR S.A.	3 979 744	485 331	3 711 935	2 003 080
Socfinde S.A.	1 579 390	-501 529	2 080 919	53 714
Sodimex S.A.	151 817	-15 630	167 446	57 309
Sodimex FR S.A.	2 034 941	-148 878	2 183 819	444 333
Sogescol FR S.A.	5 704 929	1 652 820	7 686 340	3 461 377
Terrasias S.A.	264 754	9 223	255 531	7 762
<b>TOTAL</b>	<b>22 149 858</b>	<b>1 259 361</b>	<b>24 631 982</b>	<b>6 134 449</b>

	Total assets	Revenue	Total assets	Revenue
	2020	2020	2019	2019
	EUR	EUR	EUR	EUR
Centrages S.A.	3 561 650	2 800 921	3 541 811	2 781 074
Immobilière de la Pépinière S.A.	4 146 061	475 678	4 390 218	449 334
Induservices S.A.	2 673 288	3 925 673	2 554 004	3 817 000
Induservices FR S.A.	6 168 015	2 032 070	5 507 277	2 007 530
Management Associates S.A.	12 615 725	2 632 406	14 582 030	4 375 932
Socfin Green Energy S.A.	1 440 953	80 031	1 537 392	488 823
Socfin Research S.A.	3 712 948	8 820	3 975 939	50 922
Socfinco S.A.	1 905 106	1 625 471	1 874 612	1 627 536
Socfinco FR S.A.	19 665 969	19 932 749	14 712 139	20 876 086
Socfinde S.A.	54 070 655	0	120 673 505	0
Sodimex S.A.	390 466	0	555 407	0
Sodimex FR S.A.	13 585 753	19 828 809	13 474 446	22 146 453
Sogescol FR S.A.	30 474 004	253 824 637	35 282 616	276 101 249
Terrasias S.A.	555 055	33 238	527 223	33 005
<b>TOTAL</b>	<b>154 965 648</b>	<b>307 200 503</b>	<b>223 188 619</b>	<b>334 754 944</b>

*Main data of significant associates accounted for using the equity method*

Name of the associate	Main location	Main activity	Dividend received 2020 EUR	Dividend received 2019 EUR
Management Associates S.A.	Luxembourg	Transport	0	0
Socfinco FR S.A.	Switzerland	Rendering of services	0	2 000 000
Socfinde S.A.	Luxembourg	Financial Holding	0	0
Sodimex FR S.A.	Belgium	Purchase and sale of equipment	0	0
Sogescol FR S.A.	Switzerland	Trade of tropical products	3 142 960	2 690 342

*Summary financial information of interests held in associates - Statement of financial position*

Name of the associate	Current assets 2019 EUR	Non-Current assets EUR	Current liabilities EUR	Non-current liabilities EUR
Management Associates S.A.	3 583 984	10 998 045	3 777 023	8 200 000
Socfinco FR S.A.	10 800 684	3 911 455	2 173 231	2 763 958
Socfinde S.A.	109 597 805	11 075 700	108 237 979	6 494 599
Sodimex FR S.A.	13 453 609	20 837	9 745 075	0
Sogescol FR S.A.	34 280 953	1 001 663	20 394 982	0
<b>TOTAL</b>	<b>171 717 035</b>	<b>27 007 700</b>	<b>144 328 290</b>	<b>17 458 557</b>
Name of the associate	Current assets 2020 EUR	Non-Current assets EUR	Current liabilities EUR	Non-current liabilities EUR
Management Associates S.A.	615 220	12 000 505	2 578 637	7 600 000
Socfinco FR S.A.	12 579 220	7 086 748	3 264 021	5 091 650
Socfinde S.A.	43 559 068	10 511 587	41 702 773	6 494 599
Sodimex FR S.A.	13 571 469	14 284	9 450 637	0
Sogescol FR S.A.	29 587 310	886 694	19 485 837	0
<b>TOTAL</b>	<b>99 912 287</b>	<b>30 499 818</b>	<b>76 481 905</b>	<b>19 186 249</b>

*Summary financial information of interests held in associates - Income statement*

Name of the associate	Profit from operations	Net income for the year	Comprehensive income for the year
<b>2019</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Management Associates S.A.	39 235	39 235	39 235
Socfinco FR S.A.	4 227 405	4 227 405	4 227 405
Socfinde S.A.	268 572	268 572	268 572
Sodimex FR S.A.	389 115	389 115	389 115
Sogescol FR S.A.	6 622 199	6 622 199	6 622 199
<b>TOTAL</b>	<b>11 546 526</b>	<b>11 546 526</b>	<b>11 546 526</b>
<b>2020</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Management Associates S.A.	-167 918	-167 918	-167 918
Socfinco FR S.A.	1 535 347	1 535 347	1 535 347
Socfinde S.A.	-67 644	-67 644	-67 644
Sodimex FR S.A.	405 746	405 746	405 746
Sogescol FR S.A.	3 282 437	3 282 437	3 282 437
<b>TOTAL</b>	<b>4 987 968</b>	<b>4 987 968</b>	<b>4 987 968</b>

*Reconciliation of the financial information summarised above to the carrying amount of the investments in the consolidated financial statements*

Name of the associate company	Net assets of the associate	% stake held by the Group	Other IFRS adjustments	Value of stake held by the Group
<b>2019</b>	<b>EUR</b>		<b>EUR</b>	<b>EUR</b>
Management Associates S.A.	2 605 006	20%	-523 383	-2 382
Socfinco FR S.A.	9 774 950	50%	-1 175 540	3 711 935
Socfinde S.A.	5 940 927	20%	892 734	2 080 919
Sodimex FR S.A.	3 729 371	50%	319 134	2 183 819
Sogescol FR S.A.	14 887 634	50%	242 523	7 686 340
<b>TOTAL</b>	<b>36 937 888</b>		<b>-244 532</b>	<b>15 660 631</b>
<b>2020</b>	<b>EUR</b>		<b>EUR</b>	<b>EUR</b>
Management Associates S.A.	2 437 088	20%	-487 418	0
Socfinco FR S.A.	11 310 297	50%	-1 675 405	3 979 744
Socfinde S.A.	5 873 283	20%	400 035	1 579 390
Sodimex FR S.A.	4 135 116	50%	-32 617	2 034 941
Sogescol FR S.A.	10 988 167	50%	210 846	5 704 929
<b>TOTAL</b>	<b>34 743 951</b>		<b>-1 584 559</b>	<b>13 299 004</b>

There is no goodwill attributed to the above associates.



### Aggregated information relating to associates that are not significant individually

	2020 EUR	2019 EUR
Share of profit from continued operations attributable to the Group	-78 533	551 122
Share of other comprehensive income attributable to the Group	-78 533	551 122
Total book value of investments in associates held by the Group	8 850 854	8 971 351

After tax profit from discontinued operations and other comprehensive income for the year for 2020 and 2019 are nil for all associate companies of the Group.

The nature, extent and financial impact of the interests held in associates by the Group, including the nature of relationships with other investors, remained stable over the financial period compared to the previous year.

### Note 10. Financial assets at fair value through other comprehensive income

	2020 EUR	2019 EUR
<i>Fair value as of 1<sup>st</sup> January</i>	91 902	91 902
Change in fair value	0	0
<i>Fair value as of 31<sup>st</sup> December</i>	91 902	91 902

EUR	Cost (historical)		Fair value	
	2020	2019	2020	2019
Financial assets at fair value through other comprehensive income	47 570	47 570	91 902	91 902

## Note 11. Deferred taxes

### \* Components of deferred tax assets

	2020	2019
	EUR	Restated EUR
IAS 2/IAS 41: Agricultural Produce	-58 802	-923 690
IAS 12: Tax latencies	-1 982 172	1 441 708
IAS 16: Tangible assets	-3 939 963	-6 264 726
IAS 19: Pension obligations	2 746 718	2 113 790
IAS 21: Translation differences	14 909	-61 118
IAS 37: Provisions for risks and charges	-22 230	-1 291 250
IAS 38: Formation expenses	994 430	1 280 930
IAS 38: Research costs	368 563	410 690
IFRS 9: Financial assets measured at fair value through other comprehensive income	40 127	40 127
IFRS 16: Leases	476 211	583 185
IFRS 3: Fair value of building	-14 384	-110 169
Others	258 717	307 577
<b>Balance as at 31<sup>st</sup> December</b>	<b>-1 117 876</b>	<b>-2 472 946</b>
<b>Of which:</b>		
<i>Deferred tax assets</i>	8 639 695	9 887 177
<i>Deferred tax liabilities</i>	-9 757 571	-12 360 124

### \* Contingent tax assets and liabilities

Some of the subsidiaries have accumulated tax losses that are limited or not over time 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 and PSG have unused tax losses which recoverability is uncertain of EUR 17.3 million, EUR 15.4 million, EUR 15.6 million and EUR 6.5 million respectively as at 31<sup>st</sup> December 2020.

Socfinaf has unused tax losses of EUR 60.3 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 these tax latencies.

## Note 12. Inventory

### Carrying value of inventories by category

	2020 EUR	2019 EUR
Raw materials	21 464 125	22 328 310
Consumables	15 629 107	23 211 146
Spare parts	25 597 340	17 967 576
Production in progress	865 520	1 046 693
Finished products	17 176 189	15 206 058
Down-payments and orders in progress	5 269 278	4 840 303
<b>Gross amount before impairment as at 31<sup>st</sup> December</b>	<b>86 001 559</b>	<b>84 600 086</b>
Inventory write-downs	-3 430 238	-4 826 296
<b>Net amount as at 31<sup>st</sup> December</b>	<b>82 571 321</b>	<b>79 773 790</b>

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

### \* Reconciliation of inventories

	2020 EUR	2019 EUR
<b>Balance as at 1<sup>st</sup> January</b>	<b>84 600 086</b>	<b>60 295 722</b>
Change in inventory	9 960 496	23 422 854
Fair value of agricultural products	-2 992 208	762 313
Foreign exchange	-5 566 815	119 197
<b>Gross amount (before impairment) as at 31<sup>st</sup> December</b>	<b>86 001 559</b>	<b>84 600 086</b>
Inventory write-downs	-3 430 238	-4 826 296
<b>Net amount as at 31<sup>st</sup> December</b>	<b>82 571 321</b>	<b>79 773 790</b>

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

\* Quantity of inventory by category

	<i>Raw Materials</i>	<i>Production-in- progress</i>	<i>Finished goods</i>
<b>2019</b>			
Palm oil (tons)	751	0	7 987
Rubber (tons)	27 973	0	8 621
Others (units)	0	0	1 814 353
	<i>Raw Materials</i>	<i>Production-in- progress</i>	<i>Finished goods</i>
<b>2020</b>			
Palm oil (tons)	1 374	0	11 720
Rubber (tons)	28 728	0	10 464
Others (units)	0	0	806 304

**Note 13. Trade receivables (Current assets)**

	<i>2020 EUR</i>	<i>2019 EUR</i>
Trade receivables	12 775 954	10 618 023
Advances and prepayments	14 255 412	13 555 456
<b>Net total as at 31<sup>st</sup> December</b>	<b>27 031 366</b>	<b>24 173 479</b>

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 1.8 million in 2020 (same amount in 2019).

**Note 14. Other receivables (current assets)**

	<i>2020 EUR</i>	<i>2019 EUR</i>
Social security	1 229 915	959 154
Other receivables	11 040 263	13 158 805
Prepayments	1 349 713	566 381
<b>As at 31<sup>st</sup> December</b>	<b>13 619 891</b>	<b>14 684 340</b>

The accounting and risk management policies related to receivables are detailed in Notes 1 and 34.

## Note 15. Current tax assets and liabilities

### \* Components of current tax assets

	2020 EUR	2019 EUR
<i>As at 1<sup>st</sup> January</i>	<b>11 631 085</b>	<b>13 442 815</b>
Tax income	952 924	1 188 709
Other taxes	1 982 029	-284 274
Taxes paid or recovered	35 610	-1 958 222
Tax adjustments	-852 544	-738 339
Foreign exchange	-947 097	-19 604
	<hr/>	<hr/>
<i>Current tax assets as at 31<sup>st</sup> December</i>	<b>12 802 007</b>	<b>11 631 085</b>

### \* Components of current tax liabilities

	2020 EUR	2019 EUR
<i>As at 1<sup>st</sup> January</i>	<b>18 520 497</b>	<b>19 718 139</b>
Tax expense	20 741 401	23 468 291
Other taxes	26 038 612	23 272 001
Taxes paid or recovered	-42 975 770	-45 583 520
Tax adjustments	-455 657	-2 500 592
Foreign exchange	-1 011 840	146 178
	<hr/>	<hr/>
<i>Current tax liabilities as at 31<sup>st</sup> December</i>	<b>20 857 243</b>	<b>18 520 497</b>

## Note 16. Cash and cash equivalent

*\* Reconciliation with the amounts in the statement of financial positions*

	2020 EUR	2019 EUR
Current account	35 372 991	39 056 804
<b>Balance as at 31<sup>st</sup> December</b>	<b>35 372 991</b>	<b>39 056 804</b>

*\* Reconciliation with the cash flow statement*

	2020 EUR	2019 EUR
Current account	35 372 991	39 056 804
Bank overdrafts	-4 058 321	-10 184 245
<b>Balance as at 31<sup>st</sup> December</b>	<b>31 314 670</b>	<b>28 872 559</b>

## Note 17. Share capital and share premium

Subscribed and fully paid-up capital amounted to EUR 35.67 million as at 31<sup>st</sup> December 2020 (no change compared to 2019). There is a share premium of EUR 87.5 million added to the subscribed capital.

As at 31<sup>st</sup> December 2020, the share capital is represented by 17 836 650 shares with no designation of par value.

In accordance with the law passed on 28<sup>th</sup> July 2014 on the immobilization of bearer shares, 17 550 shares (i.e. 0.10% of the capital) have been cancelled, the holders of these shares having not registered with the depositary. The proceedings with the *Caisse de Consignation* are still in progress to date.

	Ordinary shares	
	2020	2019
Number of shares as at 31 <sup>st</sup> December	17 836 650	17 836 650
Number of fully paid shares issued, with no designation of par value	17 836 650	17 836 650

## **Note 18. Legal reserves**

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 19. Pension obligations**

### **Defined benefit pension plan and post-employment sickness**

Besides the legislation on social security applicable locally, most of the employees of the Group in Africa enjoy a defined benefit pension plan. The subsidiaries pay benefits in the event of retirement and depending on countries, also in case of dismissal. The benefits paid are calculated 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 staff of the Cameroonian subsidiary Socapalm are financed by assets that include insurance contracts whose price is not quoted on active markets.

			2020 EUR			2019 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
<b>Assets and liabilities recognised in the statement of financial position</b>						
Present value of obligations	14 593 998	-1 382 636	13 211 362	10 720 072	-990 700	9 729 372
<b>Net amount recognised in the statement of financial position for defined benefit plans</b>	<b>14 593 998</b>	<b>-1 382 636</b>	<b>13 211 362</b>	<b>10 720 072</b>	<b>-990 700</b>	<b>9 729 372</b>
<b>Components of net charge</b>						
Current service costs	635 299	0	635 299	625 925	0	625 925
Financial costs	1 124 313	23 443	1 147 756	1 312 420	23 485	1 335 905
Actuarial gains and losses recognised during the year	0	-81 539	-81 539	132 644	-48 812	83 832
Past service costs	4 952	0	4 952	0	0	0
<b>Defined benefit plan costs</b>	<b>1 764 564</b>	<b>-58 096</b>	<b>1 706 468</b>	<b>2 070 988</b>	<b>-25 326</b>	<b>2 045 662</b>
<b>Movements in liabilities / net assets recognised in the statement of financial position</b>						
As at 1 <sup>st</sup> January	10 720 072	-990 700	9 729 372	10 535 119	-685 808	9 849 311
Costs as per income statement	1 764 564	-58 096	1 706 468	2 070 988	-25 326	2 045 662
Contributions	-529 622	-669 804	-1 199 426	-289 441	-671 009	-960 450
Costs of services rendered	-275 798	275 798	0	-355 940	355 940	0
Actuarial gains and losses of the year recognised in other comprehensive income	4 300 826	60 166	4 360 992	-1 360 870	35 503	-1 325 367
Foreign exchange transactions	-1 386 044	0	-1 386 044	120 216	0	120 216
<b>As at 31<sup>st</sup> December</b>	<b>14 593 998</b>	<b>-1 382 636</b>	<b>13 211 362</b>	<b>10 720 072</b>	<b>-990 700</b>	<b>9 729 372</b>

Provisions have been calculated based on actuarial valuation reports prepared in February 2020.



*Actuarial gains and losses recognised in other comprehensive income*

	<b>2020</b>			<b>2019</b>		
	<b>EUR</b>			<b>EUR</b>		
	<b>Present value of obligations</b>	<b>Fair value of the benefit plans</b>	<b>Net amount recognised</b>	<b>Present value of obligations</b>	<b>Fair value of the benefit plans</b>	<b>Net amount recognised</b>
Adjustments of liabilities related to experience	491 737	0	491 737	508 947	0	508 947
Changes in financial assumptions related to recognised liabilities	-4 623 006	0	-4 623 006	994 493	0	994 493
Changes in demographic assumptions related to recognised liabilities	-169 557	0	-169 557	-142 570	0	-142 570
Return on assets in the plan	0	-60 166	-60 166	0	-35 503	-35 503
<b>Actuarial gains and losses recognised during the period in other comprehensive income</b>	<b>-4 300 826</b>	<b>-60 166</b>	<b>-4 360 992</b>	<b>1 360 870</b>	<b>-35 503</b>	<b>1 325 367</b>

*Actuarial valuation assumptions*

**AFRICA**

	<b>2020</b>	<b>2019</b>
Average discount rate	1% to 15.30%	6.92 to 20.96%
Future salary increases	2 to 15.66%	2 to 20%
Weighted average duration of defined benefit plan obligations (in years)	19.60	19.80

### *Sensitivity analysis of the Present Value of Defined Benefit Obligations*

	<b>2020</b> <b>EUR</b>	<b>2019</b> <b>EUR</b>
<b>Actuarial value of the obligation</b>		
Pension Schemes	13 211 362	9 729 372
Other long-term benefits	1 382 635	990 700
<b>Total as at 31<sup>st</sup> December</b>	<b>14 593 997</b>	<b>10 720 072</b>
<b>Actuarial rate (on pension schemes)</b>		
Increase of 0.5%	12 790 728	9 428 484
Decrease of 0.5%	13 636 623	10 027 286
<b>Expected future salary increases (on pension schemes)</b>		
Increase of 0.5%	13 687 774	10 017 706
Decrease of 0.5%	12 739 642	9 435 313

The sensitivity analyses are 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*

	<b>2021</b>	<b>2020</b>
Estimated contributions for the next financial year (in Euro)	1 321 009	1 101 231
	<b>2020</b>	<b>2019</b>
Weighted average duration of defined benefit plan obligations (in years)	5.8	6.1

### *Pension scheme with defined benefit obligations*

	<b>2020</b> <b>EUR</b>	<b>2019</b> <b>EUR</b>
Expenses recognised for pension scheme with defined Benefit Obligations	729 908	1 387 411

## Note 20. Financial debts

**2019**  
**EUR**

	<i>Due within 1 year</i>	<i>Due later than 1 year</i>	<i>TOTAL</i>
Loans held by financial institutions	13 030 173	64 189 292	77 219 465
Lease liabilities	1 099 533	7 903 924	9 003 457
Short term bank loans	10 184 245	0	10 184 245
Other loans	52 853 495	94 746 542	147 600 037
<b>TOTAL</b>	<b>77 167 446</b>	<b>166 839 758</b>	<b>244 007 204</b>

**2020**  
**EUR**

	<i>Due within 1 year</i>	<i>Due later than 1 year</i>	<i>TOTAL</i>
Loans held by financial institutions	13 446 944	56 641 214	70 088 158
Short term bank loans	1 354 035	8 245 088	9 599 123
Bank overdrafts	144 465 298 (*)	86 538 120	231 003 418
Other loans	4 058 321	0	4 058 321
<b>TOTAL</b>	<b>163 324 598</b>	<b>151 424 422</b>	<b>314 749 020</b>

Most of the consolidated borrowings are 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 4.80% and 6.00%.

As explained in Note 34, interest rate management is the subject of ongoing management attention.

(\*) This balance includes an amount of EUR 126.5 million payable to Socfin S.A. (Note 31).

**\* Analysis of Long-term debt by interest rate**

**2019**

<b>EUR</b>	<b>Fixed rate</b>	<b>Rate</b>	<b>Variable rate</b>	<b>Rate</b>	<b>TOTAL</b>
<b>Loans held by financial institutions</b>					
Ivory Coast	12 978 252	5.50% to 6.50%	0	-	12 978 252
Nigeria	23 862 284	8.00% to 10.00%	0	-	23 862 284
Liberia	1 335 232	8.00%	0	-	1 335 232
Ghana	12 498 473	5.00% to 7.09%	0	-	12 498 473
Cameroon	13 000 003	4.00%	0	-	13 000 003
Sao Tomé	515 048	8.00%	0	-	515 048
	<b>64 189 292</b>				<b>64 189 292</b>
<b>Other loans</b>					
Europe	90 000 000	4.80%	0	-	90 000 000
Sierra Leone	2 713 888	3.00%	0	-	2 713 888
Cameroon	2 032 655	6.00%	0	-	2 032 655
	<b>94 746 543</b>				<b>94 746 543</b>
<b>TOTAL</b>	<b>158 935 835</b>				<b>158 935 835</b>

**2020**

<b>EUR</b>	<b>Fixed Rate</b>	<b>Rate</b>	<b>Variable Rate</b>	<b>Rate</b>	<b>TOTAL</b>
<b>Loans held by financial institutions</b>					
Ivory Coast	11 302 096	5.50% to 6.50%	0	-	11 302 096
Nigeria	23 485 314	5.00% to 10.00%	0	-	23 485 314
Liberia	2 680 222	7.60%	0	-	2 680 222
Cameroon	7 451 008	5.75% to 6.80%	0	-	7 451 008
Ghana	11 374 997	4.00%	0	-	11 374 997
Sao Tomé	347 577	8.00%	0	-	347 577
	<b>56 641 214</b>				<b>56 641 214</b>
<b>Other loans</b>					
Europe	80 000 000	4.80%	0	-	80 000 000
Sierra Leone	5 521 791	3.00%	0	-	5 521 791
Cameroon	1 016 329	6.00%	0	-	1 016 329
	<b>86 538 120</b>				<b>86 538 120</b>
<b>TOTAL</b>	<b>143 179 334</b>				<b>143 179 334</b>

*\* Long-term debt analysis by currency*

<b>2019</b>	<b>EUR</b>	<b>CFA</b>	<b>NGN</b>	<b>STN</b>	<b>USD</b>	<b>GHS</b>	<b>CDF</b>	<b>TOTAL EUR</b>
Loans held by financial institutions	13 000 003	25 476 725	23 862 284	515 048	1 335 232	0	0	64 189 293
Other loans	90 000 000	2 032 655	0	0	2 713 888	0	0	94 746 542
Lease liabilities	0	5 955 517	285 681	309 896	1 251 400	52 527	48 902	7 903 923
<b>TOTAL</b>	<b>103 000 003</b>	<b>33 464 897</b>	<b>24 147 965</b>	<b>824 944</b>	<b>5 300 520</b>	<b>52 527</b>	<b>48 902</b>	<b>166 839 758</b>
<b>2020</b>	<b>EUR</b>	<b>CFA</b>	<b>NGN</b>	<b>STN</b>	<b>USD</b>	<b>GHS</b>	<b>CDF</b>	<b>TOTAL EUR</b>
Loans held by financial institutions	11 374 997	18 753 103	23 485 314	347 577	2 680 223	0	0	56 641 214
Other loans	80 000 000	1 016 329	0	0	5 521 791	0	0	86 538 120
Lease liabilities	0	6 337 409	444 374	309 268	1 071 012	46 191	36 834	8 245 088
<b>TOTAL</b>	<b>91 374 997</b>	<b>26 106 841</b>	<b>23 929 688</b>	<b>656 845</b>	<b>9 273 026</b>	<b>46 191</b>	<b>36 834</b>	<b>151 424 422</b>

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

**2019**

**EUR**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025 and later</b>	<b>TOTAL</b>
Loans held by financial institutions	13 416 719	12 549 036	13 798 354	8 701 982	15 723 202	64 189 293
Lease liabilities	820 639	236 320	109 015	113 716	6 624 234	7 903 924
Other loans	3 730 214	91 016 327	0	0	0	94 746 541
<b>TOTAL</b>	<b>17 967 572</b>	<b>103 801 683</b>	<b>13 907 369</b>	<b>8 815 698</b>	<b>22 347 436</b>	<b>166 839 758</b>

**2020**

**EUR**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026 and later</b>	<b>TOTAL</b>
Loans held by financial institutions	14 796 138	13 378 774	9 977 662	5 192 668	13 295 972	56 641 214
Lease liabilities	846 892	612 862	342 686	99 040	6 343 609	8 245 089
Other loans	1 016 327	20 000 000	20 000 000	20 000 000	25 521 792	86 538 119
<b>TOTAL</b>	<b>16 659 357</b>	<b>33 991 636</b>	<b>30 320 348</b>	<b>25 291 708</b>	<b>45 161 373</b>	<b>151 424 422</b>

**\* Net debt**

	2020 EUR	2019 EUR
Cash and cash equivalents	35 372 991	39 056 804
Long term debt net of current portion	-143 179 333	-158 935 834
Short term debt and current portion of long-term debt	-161 970 563	-76 067 913
Lease liabilities	-9 599 124	-9 003 456

**Net debt** **-279 376 029** **-204 950 399**

Cash and cash equivalents	35 372 991	39 056 804
Fixed interest rate bearing loans	-305 149 897	-235 003 747
Variable interest rate bearing loans	0	0
Lease liabilities	-9 599 124	-9 003 456

**Net debt** **-279 376 029** **-204 950 399**

**\* Reconciliation of net debt**

EUR	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
<b>As at 1<sup>st</sup> January 2019</b>	<b>34 700 835</b>	<b>-109 878 039</b>	<b>-104 120 025</b>	<b>0</b>	<b>-179 297 229</b>
Cash flow	4 198 042	-78 045 260	57 555 206	-8 461 007	-24 753 019
Foreign exchange	157 927	744 600	-7 856	-37 495	857 176
Transfers	0	27 970 748	-29 495 238	0	-1 524 490
Other movements with no impact on cash flow	0	272 118	0	-504 954	-232 836
<b>As at 31<sup>st</sup> December 2019</b>	<b>39 056 804</b>	<b>-158 935 834</b>	<b>-76 067 913</b>	<b>-9 003 456</b>	<b>-204 950 399</b>
Cash flow	-535 614	-7 420 943	8 634 199	1 622 570	2 300 212
Foreign exchange	-3 148 200	7 675 734	442 379	320 520	5 290 433
Transfers	0	15 501 713	-94 979 229	-3	-79 477 516
Other movements with no impact on cash flow	0	0	0	-2 538 758	-2 538 758
<b>As at 31<sup>st</sup> December 2020</b>	<b>35 372 991</b>	<b>-143 179 333</b>	<b>-161 970 563</b>	<b>-9 599 124</b>	<b>-279 376 029</b>

## Note 21. Other payables

	2020 EUR	2019 EUR
Staff cost liabilities	4 738 243	5 304 994
Other payables (*)	73 668 080	155 788 204
Accruals	5 856 427	1 157 750
<b>Balance as at 31<sup>st</sup> December</b>	<b>84 262 750</b>	<b>162 250 948</b>
Of which non-current liabilities	7 685 924	8 001 207
Of which current liabilities	76 576 826	154 249 741

- (\*) Other payables consist mainly of shareholder loans amounting to EUR 40.4 million (EUR 40.4 million in 2019) as well as debt of EUR 17.3 million (EUR 100.5 million in 2019) relating to the cash pooling at the level of Socfinaf S.A.



## Note 22. Financial Instruments

	<i>Loans and borrowings</i>	<i>Financial assets at fair value through other comprehensive income</i>	<i>Other financial assets and liabilities</i>	<i>TOTAL</i>	<i>Loans and borrowing (*)</i>	<i>Other financial assets and liabilities (*)</i>
<b>2019</b>						
<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 at fair value through other comprehensive income	0	91 902	0	<b>91 902</b>	0	0
Long-term advance payments	1 623 672	0	321 105	<b>1 944 777</b>	1 623 672	321 105
Other non-current assets	0	0	1 669 262	<b>1 669 262</b>	0	1 669 262
Trade receivables	0	0	24 173 479	<b>24 173 479</b>	0	24 173 479
Other receivables	0	0	14 684 340	<b>14 684 340</b>	0	14 684 340
Cash and cash equivalent	0	0	39 056 804	<b>39 056 804</b>	0	39 056 804
<b>Total assets</b>	<b>1 623 672</b>	<b>91 902</b>	<b>79 904 990</b>	<b>81 620 564</b>	<b>1 623 672</b>	<b>79 904 990</b>
<b>Liabilities</b>						
Long term debts	158 935 834	0	0	<b>158 935 834</b>	158 938 040	0
Long term leases	7 903 924	0	0	<b>7 903 924</b>	7 903 924	0
Other non-current payables	0	0	8 001 208	<b>8 001 208</b>	0	8 001 208
Short term debts	65 883 668	0	10 184 245	<b>76 067 913</b>	65 883 668	10 184 245
Short term leases	1 099 533	0	0	<b>1 099 533</b>	1 099 533	0
Trade payables (current)	0	0	47 655 804	<b>47 655 804</b>	0	47 655 804
Other payables (current)	0	0	154 249 740	<b>154 249 740</b>	0	154 249 740
<b>Total liabilities</b>	<b>233 822 959</b>	<b>0</b>	<b>220 090 997</b>	<b>453 913 956</b>	<b>233 825 165</b>	<b>220 090 997</b>
<b>2019</b>		<b>Fair Value</b>				
<i>EUR</i>		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>TOTAL</i>	
Financial assets at fair value through other comprehensive income		0	0	91 902	<b>91 902</b>	

(\*) For information.

2020	Loans and borrowings	Financial assets at fair value through other comprehensive income	Other financial assets and liabilities	TOTAL	Loans and borrowing (**)	Other financial assets and liabilities (**)
	At cost	At fair value	At cost		At fair value	At fair value
<b>EUR</b>						
<b>Assets</b>						
Financial assets at fair value through other comprehensive income	0	91 900	0	<b>91 900</b>	0	0
Long term advance payments	1 093 041	0	323 549	<b>1 416 590</b>	1 093 041	323 549
Other non-current assets	0	0	1 661 752	<b>1 661 752</b>	0	1 661 752
Trade receivables	0	0	27 031 366	<b>27 031 366</b>	0	27 031 366
Other receivables	0	0	13 619 891	<b>13 619 891</b>	0	13 619 891
Cash and cash equivalent	0	0	35 372 991	<b>35 372 991</b>	0	35 372 991
<b>Total Assets</b>	<b>1 093 041</b>	<b>91 900</b>	<b>78 009 549</b>	<b>79 194 490</b>	<b>1 093 041</b>	<b>78 009 549</b>
<b>Liabilities</b>						
Long term debts	143 179 333	0	0	<b>143 179 333</b>	143 181 606	0
Long term debt related to leases	8 245 089	0	0	<b>8 245 089</b>	8 245 089	0
Other non-current payables	0	0	7 685 924	<b>7 685 924</b>	0	7 685 924
Short term debts	157 912 242	0	4 058 321	<b>161 970 563</b>	157 912 242	4 058 321
Short term debt related to leases	1 354 035	0	0	<b>1 354 035</b>	1 354 035	0
Trade payables (current)	0	0	48 492 731	<b>48 492 731</b>	0	48 492 731
Other payables (current)	0	0	76 576 826	<b>76 576 826</b>	0	76 576 826
<b>Total Liabilities</b>	<b>310 690 699</b>	<b>0</b>	<b>136 813 802</b>	<b>447 504 501</b>	<b>310 692 972</b>	<b>136 813 802</b>
<b>2020</b>		<b>Fair Value</b>				
<b>EUR</b>		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>TOTAL</b>	
Financial assets at fair value through other comprehensive income		0	0	91 900	<b>91 900</b>	

(\*) Changes recognised in other comprehensive income.

(\*\*) For information.

## Note 23. Staff costs and average number of staff

	2020 EUR	2019 EUR
<b>Staff Costs</b>		
Remuneration	61 365 306	61 140 236
Social security and pension expenses	7 225 673	6 270 284
<b>Total as at 31<sup>st</sup> December</b>	<b>68 590 979</b>	<b>67 410 520</b>
<b>Average number of employees in the year</b>		
Directors	105	108
Employees	3 826	3 951
Workers (including temporary workers)	19 360	20 107
<b>TOTAL</b>	<b>23 291</b>	<b>24 166</b>

## Note 24. Depreciation and impairment expense

	2020 EUR	2019 Restated EUR
<b>Depreciation</b>		
Of right-of-use assets (Note 3)	1 691 356	1 218 431
Of intangible Assets (Note 4)	90 530	82 462
Of property, plant and equipment excluding biological assets (Note 5)	31 155 070	28 785 376
Of biological assets (Note 6)	21 138 207	19 263 259
<b>Impairment</b>		
Of biological assets (Note 6)	5 336 984	0
<b>Total as at 31<sup>st</sup> December</b>	<b>59 412 147</b>	<b>49 349 528</b>

## Note 25. 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 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.

As at 31<sup>st</sup> December 2020, no impairment was recognised on above mentioned assets.

### 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 31<sup>st</sup> 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 of palm oil 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 Brabanta revealed that some planted areas suffered damages. The examination of the impact of significant changes in cash flows, let 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 “CGU” 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.

In 2020, the pre-tax discount rate ranges 6.01% at SRC. 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 discount rates.

#### *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 agricultural activities. 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. An indexing factor is not taken into account.

Based on the existence of an impairment loss index for the palm sector and following subsequent impairment tests, no impairment loss was considered necessary for SOGB.

At 31<sup>st</sup> 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 SAC and EUR 3.1 million for Agripalma. For the rubber segment, the accumulated impairment losses are EUR 1.8 million for PSG, EUR 1.4 million for Safacam and EUR 27.2 million for SRC (Note 7).

## Note 26. Other financial products

	2020 EUR	2019 EUR
Interest on receivables and cash flows	101 110	381 723
Exchange gains	2 678 112	2 372 777
Others	181 601	185 802
<b>As at 31<sup>st</sup> December</b>	<b>2 960 823</b>	<b>2 940 302</b>

## Note 27. Finance charges

	2020 EUR	2019 EUR
Interest and finance charges	15 932 295	11 387 352
Interest expense linked to leased contracts	952 679	910 029
Exchange losses	9 628 886	3 092 607
Others	1 192 623	1 308 709
<b>As at 31<sup>st</sup> December</b>	<b>27 706 483</b>	<b>16 698 697</b>

## Note 28. Tax expense

### \* Components of the tax expense

	2020 EUR	2019 Restated EUR
Current income tax expense	19 821 451	23 936 077
Deferred tax expense/(income)	-1 131 780	-1 696 384
<b>Tax expense as at 31<sup>st</sup> December</b>	<b>18 689 671</b>	<b>22 239 693</b>

**\* Components of the deferred tax expense**

	<b>2020</b>	<b>2019</b>
	<b>EUR</b>	<b>Restated EUR</b>
IAS 19: Retirement commitments	362 236	-458 944
IAS 38: Intangible assets	67 353	235 362
IAS 2 / IAS 41: Fair value of agricultural produce	-872 143	229 975
IFRS 3: Fair valuation buildings	-92 662	-27
IAS 12: Tax latencies	3 422 776	-704 594
IAS 16: Tangible assets	-2 798 648	-1 060 581
IAS 37: Provisions for risks and charges	-1 265 337	45 348
IAS 21: Foreign exchange differences	-76 027	12 761
IFRS 16: Leases	87 889	-2 012
Others	32 783	6 328
<b>Deferred tax expense as at 31<sup>st</sup> December</b>	<b>-1 131 780</b>	<b>-1 696 384</b>

**\* Reconciliation of income tax expense**

	<b>2020</b>	<b>2019</b>
	<b>EUR</b>	<b>Restated EUR</b>
<b>Profit before tax from continuing operations</b>	<b>30 559 289</b>	<b>34 207 787</b>
Normal tax rate of the parent company	24.94%	24.94%
Normal tax rate of subsidiaries	24.9 to 38.5%	24.9 to 38.5%
Income tax at normal tax rates of subsidiaries	12 498 606	13 462 877
Non-provisioned taxes	639 874	18 863
Income definitively taxed	206 499	196 744
Investment-friendly measures	-7 737 940	-11 077 000
Specific tax regimes in foreign countries	4 848 363	6 527 810
Non-taxable income	-734 058	-58 928
Non-deductible expenses	3 303 703	2 826 800
Losses carried forward	6 684 089	6 741 578
Other tax benefits	-291 178	-510 704
Tax reminders	164 325	4 270 879
Impact of change in tax rate	-878 711	-155 778
Other adjustments	-13 901	-3 448
<b>Tax expense as of 31<sup>st</sup> December</b>	<b>18 689 671</b>	<b>22 239 693</b>

#### **\* Change of rate for the subsidiaries**

Following the 2017 reform, Socfinaf's tax rate decreased to 24.94% in 2019.

In 2019, Safacam's tax rate decreased from 33% to 27.5%. This rate applies in Cameroon to companies issuing bonds over the term of the bonds, i.e. 3 years for Safacam.

From 2021, companies listed in Cameroon will be eligible for a reduced tax rate of 27.5%. This rate has been used to value the deferred taxes of Socapalm and Safacam as at 31<sup>st</sup> December 2020.

#### **\* Tax adjustments**

In 2019, the tax authorities adjusted Okomu's tax expense by EUR 3.7 million following the carry forward of deductions relating to investments imputed against the tax base of prior years. These investments are deductible from the tax base when the related assets come into production.

Okomu has deducted from the taxable base in 2019, EUR 28.2 million in respect of investments made in previous financial years.

### **Note 29. 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.

	<b>2020</b>	<b>2019</b>
Net profit for the year (in Euro)	-3 879 769	3 849 959
Average number of shares	17 836 650	17 836 650
<b>Undiluted net earnings per share (in Euro)</b>	<b>-0.22</b>	<b>0.22</b>

### **Note 30. Dividends and directors' fees**

The Board will propose to the Annual General Meeting of 25<sup>th</sup> May 2021 not to pay any dividend.

	<b>2020</b>	<b>2019</b>
Dividend and interim dividend distributed during the period	0	0
Number of shares	17 836 650	17 836 650
Dividend per share distributed during the year	0	0



## Note 31. Information on related party

### \*Directors' remuneration

	2020 EUR	2019 EUR
Short term benefits	890 630	982 916
Post-employment benefits	0	0
Other long-term benefits	0	0
Termination benefits	0	0
Share-based payment	0	0

### \* Other related party transactions 2019

EUR	Parent	Associates	Other related parties	TOTAL
<b>Non-Current Assets</b>				
Long-term advances	0	590 000	0	590 000
<b>Current Assets</b>				
Trade receivables	0	8 429 182	1 083	8 430 265
Other receivables	0	3 306 710	7 695	3 314 405
	<b>0</b>	<b>11 735 892</b>	<b>8 778</b>	<b>11 744 670</b>
<b>Non-Current Liabilities</b>				
Financial debts	90 000 000	2 713 886	0	92 713 886
<b>Current Liabilities</b>				
Financial debts	36 287 369	0	0	36 287 369
Trade payables	0	19 347 048	0	19 347 048
Other payables	0	104 230 494	40 403 288	144 633 782
	<b>36 287 369</b>	<b>123 577 542</b>	<b>40 403 288</b>	<b>200 268 199</b>

### TRANSACTIONS BETWEEN RELATED PARTIES

Services and goods delivered	0	167 813 011	0	<b>167 813 011</b>
Services and goods received	0	29 395 707	28 810	<b>29 424 517</b>
Financial income	0	22 843	0	<b>22 843</b>
Finance expense	5 141 833	794 581	1 600 000	<b>7 536 414</b>

**2020**

<b>EUR</b>	<b>Parent</b>	<b>Associates</b>	<b>Other related parties</b>	<b>TOTAL</b>
<b>Non-current assets</b>				
Long-term advances	0	590 000	0	590 000
<b>Current assets</b>				
Trade receivables	0	11 591 055	4 975	11 596 030
Other receivables	0	2 145 213	5 636	2 150 849
	<b>0</b>	<b>13 736 268</b>	<b>10 611</b>	<b>13 746 879</b>
<b>Non-current liabilities</b>				
Financial debts	0	5 521 787	80 000 000	85 521 787
<b>Current liabilities</b>				
Financial debts	126 482 801	0	806 575	127 289 376
Trade payables	0	18 204 450	0	18 204 450
Other payables (Note 21)	0	22 098 034	40 403 942	62 501 976
	<b>126 482 801</b>	<b>40 302 484</b>	<b>41 210 517</b>	<b>207 995 802</b>

**TRANSACTIONS BETWEEN RELATED PARTIES**

Services and goods delivered	0	157 982 096	0	<b>157 982 096</b>
Services and goods received	0	32 706 077	0	<b>32 706 077</b>
Financial income	0	2 520	0	<b>2 520</b>
Finance expense	5 825 712	362 645	4 808 767	<b>10 997 124</b>

Related party transactions are made on commercial terms.

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

Mopoli is a Dutch company which is majority owned by Financière Privée Holding 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 recognised for the year 2020 is EUR 0.8 million. As at 31<sup>st</sup> 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 recognised for the year 2020 is EUR 0.8 million euros. As at 31<sup>st</sup> December 2020, the outstanding balance amounts to EUR 20.2 million.

As at 31<sup>st</sup> December 2020, Socfinaf had a debt of EUR 80 million to Socfinasia. This debt bears interest at 4%. The amount of interest recognised for the year 2020 is EUR 3.2 million. As at 31<sup>st</sup> December 2020, the outstanding balance amounts to EUR 80.8 million.

Socfinaf S.A. did not pay any dividend in 2020 to its parent company Socfin (2019: nil). Socfinaf has borrowed an amount EUR 126.4 million from Socfin (2019: EUR 126.3 million). An annual interest at rates ranging from 2.25% to 4.8% is payable on these loans. As such, Socfinaf S.A has paid an interest of EUR 5.8 million in 2020 compared to EUR 5.1 million in 2019.

## Note 32. Off balance sheet commitments

In 2009, a subsidiary of Socfinaf S.A., Salala Rubber Corporation (SRC), obtained a loan of USD 10 million which 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. As at 31<sup>st</sup> December 2020, the was fully repaid and pledge released (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 pledge as mortgage guarantee, up to the amount of loan granted, the 11 000 ha plantation financed by the loan. As at 31<sup>st</sup> December 2020, the loan has been fully repaid. (2019: EUR 1 million).

In 2019, Okomu obtained a loan of 10 billion Naira, which contract stipulates that Okomu will pledge the 11 416 ha plantation financed by the loan as mortgage guarantee, up to the amount the loan granted. As at 31<sup>st</sup> 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), which contract stipulates that Agripalma pledges the professional facilities and equipment as mortgage guarantee, up to the amount of the loan granted. As at 31<sup>st</sup> 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., Plantantion 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 pledges the oil mill as mortgage guarantee, up to the amount of the loan granted. As at 31<sup>st</sup> December 2020, the balance of the loan amounts to EUR 13 million (2019: EUR 13 million) and the overdraft to nil (2019: EUR 1 million).

## Note 33. 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, Nigeria, Cameroon, São Tomé and Príncipe and Congo (DRC).

Products from the Ivory Coast, Nigeria and Cameroon operating sectors come from the palm oil and rubber sales, those from the Liberia sector are only from the rubber sales, those from Sierra Leone, Ghana, São Tomé and Príncipe and Congo (DRC) come solely from the palm oil sales. 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) as at 31<sup>st</sup> December 2019 (Restated)**

<b>EUR</b>	<b><i>Revenue from ordinary business with external customers</i></b>	<b><i>Revenue from ordinary business between segments</i></b>	<b><i>Sector profit/(loss)</i></b>
Europe	0	0	-3 719 977
Sierra Leone	12 457 250	0	-9 786 311
Liberia	29 750 036	0	-1 468 935
Ivory Coast	138 361 953	0	15 173 778
Ghana	2 886 587	0	-1 420 684
Nigeria	55 044 697	0	23 777 291
Cameroon	128 215 070	0	29 973 108
São Tomé and Príncipe	143 499	0	-1 186 795
Congo (RDC)	9 264 642	0	-4 185 777
<b><i>TOTAL</i></b>	<b><i>376 123 734</i></b>	<b><i>0</i></b>	<b><i>47 155 700</i></b>

Depreciation, amortization and impairment of biological assets	-3.668.239
Fair value of agricultural produce	762 313
Other IFRS adjustments	-359 839
Consolidation adjustments (intragroup and others)	3 163 312
Financial income	4 050 920
Finance expense	-16 896 380
Group share of income from associates	6 134 449
Income tax expense	-22 239 693

***Net profit for the year*** ***18 102 543***

**\* Segmental breakdown of profit/(loss) as at 31<sup>st</sup> December 2020**

<b>EUR</b>	<b>Revenue from ordinary business with external customers</b>	<b>Revenue from ordinary business between segments</b>	<b>Sector profit/(loss)</b>
Europe	0	0	-3 350 897
Sierra Leone	15 103 389	0	86 071
Liberia	29 475 396	0	-1 903 422
Ivory Coast	141 938 986	69 616	22 172 685
Ghana	12 791 521	0	497 660
Nigeria	57 308 888	0	20 899 568
Cameroon	130 068 460	0	27 179 267
São Tomé and Príncipe	3 828 024	0	-1 968 995
Congo (DRC)	12 050 148	0	-125 900
<b>TOTAL</b>	<b>402 564 812</b>	<b>69 616</b>	<b>63 486 035</b>

Elimination of the revenue inter-segment	-69 616
Depreciation, amortization and impairment of biological assets	-3 642 721
Fair value of agricultural produce	-3 163 007
Other IFRS adjustments	2 195 000
Consolidation adjustments (intragroup and others)	-2 959 276
Financial income	3 097 028
Finance expense	-28 384 154
Group share of income from associates	1 259 361
Income tax expense	-18 689 671

**Net profit for the year** **13 128 979**

**\* Total segmental assets as at 31<sup>st</sup> December 2020**

	<b>2020</b>	<b>2019</b>
	<b>EUR</b>	<b>Restated EUR</b>
Europe	1 289 439	238 046
Sierra Leone	123 527 792	130 429 641
Liberia	102 262 017	108 821 884
Ivory Coast	154 069 517	147 428 103
Ghana	72 516 209	84 091 394
Nigeria	116 371 568	124 071 435
Cameroon	181 476 836	190 480 436
São Tomé and Príncipe	28 473 479	30 829 959
Congo (RDC)	52 212 692	67 171 884
<b>Total as at 31<sup>st</sup> December</b>	<b>832 199 549</b>	<b>883 562 782</b>
IFRS 3/IAS 16: Biological assets	-20 031 118	-16 751 589
IAS 2/IAS 41: Agricultural produce	206 021	3 342 885
Other IFRS adjustments	-5 855 220	-6 465 146
Consolidation adjustments (intragroup and others)	-48 682 927	-55 381 605
<b>Total consolidated segmental assets</b>	<b>757 836 305</b>	<b>808 307 327</b>
<b>Consolidated assets not included in segment assets</b>		
Right-of-use assets	7 796 257	7 206 480
Investments in associates	21.864.378	24 631 982
Titres valorisés à la juste valeur par le biais du compte de résultat étendu	91 900	91 902
Long term debt	1 702 070	1 944 777
Deferred tax	8 639 695	9 887 176
Other current assets	1 661 751	1 669 263
<b>Consolidated non-current assets</b>	<b>41 756 050</b>	<b>45 431 580</b>
Other debtors	13 619 891	14 684 340
Receivable tax	12 802 007	11 631 085
<b>Consolidated current assets</b>	<b>26 421 898</b>	<b>26 315 425</b>
<b>Total of consolidated assets in the segment liabilities</b>	<b>68 177 948</b>	<b>71 747 005</b>
<b>Total liabilities</b>	<b>826 014 253</b>	<b>880 054 332</b>

Segment assets are not part of internal reporting, they are included to meet the requirements of IFRS 8. They are derived from internal reporting and do not take into account any consolidation or IFRS restatements. The segmental assets include fixed assets, biological assets, trade receivables, inventories, cash and cash equivalents. The segmental liabilities include trade payables and other payables.

<i>* Total segmental liabilities</i>	<b>2020</b>	<b>2019</b>
	<b>EUR</b>	<b>Restated EUR</b>
Europe	57 949 838	141 254 816
Sierra Leone	6 196 389	5 489 175
Liberia	14 540 667	14 581 944
Ivory Coast	16 466 700	19 597 816
Ghana	912 474	1 602 209
Nigeria	9 559 987	3 812 768
Cameroon	23 304 990	17 841 896
São Tomé and Príncipe	2 382 718	2 459 231
Congo (DRC)	2 689 124	2 909 108
<b><i>Total as at 31<sup>st</sup> December</i></b>	<b>134 002 887</b>	<b>209 548 963</b>
Other IFRS restatements	-52 271	-58 054
Consolidation adjustments (intragroup and others)	-8 881 065	-7 585 373
<b><i>Total consolidated segmental liabilities</i></b>	<b>125 069 551</b>	<b>201 905 536</b>
<b><i>Consolidated liabilities not included in segment liabilities</i></b>		
Total equity	334 036 663	384 907 319
Non-current liabilities	182 079 295	196 930 470
Current financial debts	161 970 563	76 067 912
Current lease liabilities	1 354 035	1 099 533
Current tax liabilities	20 857 243	18 520 497
Provisions	646 902	623 065
<b><i>Total consolidated liabilities not included in segment liabilities</i></b>	<b>700 944 701</b>	<b>678 148 796</b>
<b><i>Total equity and liabilities</i></b>	<b>826 014 253</b>	<b>880 054 332</b>

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

<b>EUR</b>	<b>Intangible assets</b>	<b>Property, plant and equipment</b>	<b>Biological assets</b>	<b>TOTAL</b>
Sierra Leone	0	4 723 487	0	4 723 487
Liberia	0	1 207 820	5 393 720	6 601 540
Ivory Coast	24 534	4 512 806	2 395 829	6 933 169
Ghana	0	7 635 217	2 158 921	9 794 138
Nigeria	0	5 478 630	7 448 259	12 926 889
Cameroon	267 729	11 525 497	1 247 116	13 040 342
São Tome and Principe	0	1 684 598	1 376 850	3 061 448
Congo (DRC)	0	297 574	364	297 938
<b>TOTAL</b>	<b>292 263</b>	<b>37 065 629</b>	<b>20 021 059</b>	<b>57 378 951</b>

**\* Costs incurred for acquisition of segmental assets during 2020**

<b>EUR</b>	<b>Intangible assets</b>	<b>Property, plant and equipment</b>	<b>Biological assets</b>	<b>TOTAL</b>
Sierra Leone	0	7 668 558	210 174	7 878 732
Liberia	0	1 113 036	4 261 794	5 374 830
Ivory Coast	2 561	6 513 437	2 746 614	9 262 612
Ghana	0	515 524	521 316	1 036 840
Nigeria	0	17 153 521	5 046 892	22 200 413
Cameroon	134 582	12 066 579	2 935 090	15 136 251
São Tomé and Príncipe	0	68 175	0	68 175
Congo (RDC)	0	1 222 201	1	1 222 202
<b>TOTAL</b>	<b>137 143</b>	<b>46 321 031</b>	<b>15 721 881</b>	<b>62 180 055</b>

**\* Information by category of revenue**

Revenue from external customers

	<b>2020</b>	<b>2019</b>
	<b>EUR</b>	<b>Restated EUR</b>
Palm	241 510 084	209 870 679
Rubber	156 525 381	163 502 189
Other agricultural products	678 970	0
Others	3 850 377	2 750 866
<b>TOTAL</b>	<b>402 564 812</b>	<b>376 123 734</b>



**\* Information by geographical region**

Revenue from external customers by country and by geographical area

<b>EUR</b>									<b>2019</b>
									<b>Restated</b>
<b>Geographical location</b>									
<b>Origin</b>	<b>Europe</b>	<b>Ivory Coast</b>	<b>Nigeria</b>	<b>Cameroon</b>	<b>Congo</b>	<b>Sierra Leone</b>	<b>Other African countries</b>	<b>Rest of the world</b>	<b>TOTAL</b>
Sierra Leone	673 235	0	0	332 537	0	9 427 621	2 023 857	0	12 457 250
Liberia	29 750 036	0	0	0	0	0	0	0	29 750 036
Ivory Coast	93 407 626	17 199 120	3 191 957	0	0	0	1 437 230	23 126 019	138 361 952
Ghana	0	0	0	0	0	0	2 886 587	0	2 886 587
Nigeria	0	0	55 044 697	0	0	0	0	0	55 044 697
Cameroon	8 721 082	10 500	0	119 443 181	0	0	40 308	0	128 215 070
São Tomé and Príncipe	0	0	0	0	0	0	143 500	0	143 500
Congo (DRC)	0	0	0	0	9 264 642	0	0	0	9 264 642
<b>TOTAL</b>	<b>132 551 979</b>	<b>17 209 620</b>	<b>58 236 653</b>	<b>119 775 718</b>	<b>9 264 642</b>	<b>9 427 621</b>	<b>6 531 481</b>	<b>23 126 019</b>	<b>376 123 734</b>

<b>EUR</b>									<b>2020</b>
<b>Geographical location</b>									
<b>Origin</b>	<b>Europe</b>	<b>Ivory Coast</b>	<b>Nigeria</b>	<b>Cameroon</b>	<b>Congo</b>	<b>Sierra Leone</b>	<b>Other African countries</b>	<b>Rest of the world</b>	<b>TOTAL</b>
Sierra Leone	377 308	0	0	0	0	13 051 964	1 313 141	360 979	15 103 392
Liberia	29 475 396	0	0	0	0	0	0	0	29 475 396
Ivory Coast	81 031 287	25 891 579	0	0	0	0	2 740 694	32 275 428	141 938 988
Ghana	0	0	0	0	0	0	12 791 521	0	12 791 521
Nigeria	0	0	57 308 887	0	0	0	0	0	57 308 887
Cameroon	5 910 149	0	0	123 889 238	0	0	269 073	0	130 068 460
São Tomé et Príncipe	3 043 100	0	0	565 323	0	0	219 601	0	3 828 024
Congo (DRC)	0	0	0	0	12 050 145	0	0	0	12 050 145
<b>TOTAL</b>	<b>119 837 241</b>	<b>25 891 579</b>	<b>57 308 887</b>	<b>124 454 561</b>	<b>12 050 148</b>	<b>13 051 964</b>	<b>17 334 030</b>	<b>32 636 406</b>	<b>402 564 812</b>

## Note 34. 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 risks

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.

### **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 0.7 million.

Where the currency from sale is not the functional currency of the company and that currency is linked to a strong currency, the conversion is ensured at the time of the conclusion of the contract. Local turnover in local currency in 2020 amounted to EUR 241.5 million.

#### **\* Interest rate risk**

The breakdown of fixed rate loans and variable rate loans is described in Note 20. As at 31<sup>st</sup> December 2020, there are no loans associated with floating rates.

### \* Credit risk

As at 31<sup>st</sup> December 2020, the trade receivables from local customers amount to EUR 27 million. Accounts receivable from global customers are mainly receivables related to the sale of rubber. Palm oil is sold locally to local players (wide range of customers). The marketing of rubber is entrusted to Sogescol FR (equity accounted company). It intervenes either on the physical markets or directly with end customers.

	2020 EUR	2019 EUR
Trade receivables	28 809 811	25 964 060
Provision under lifetime expected credit loss model (IFRS 9)	-1 778 445	-1 790 581
Other receivables	13 619 891	14 684 340
<b>Total net receivables</b>	<b>40 651 257</b>	<b>38 857 819</b>
Amount not due	40 241 499	38 554 104
Amount due less than 6 months	291 321	112 045
Amount due for more than 6 months and less than one year	106 543	165 096
Amount due for more than one year	11 894	26 574
<b>Total net receivables</b>	<b>40 651 257</b>	<b>38 857 819</b>

### \* Liquidity risk

The financial liabilities and cash position as mentioned in Notes 16 and 20 respectively are maintained with low credit risk institutions.

## Note 35. Contingent liabilities

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 1<sup>st</sup> January 2010 to 31<sup>st</sup> 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 request, 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 36. Political and economic environment

The Company holds interests in subsidiaries operating in Africa.

Given the economic and political instability in some of the related African countries (Sierra Leone, Liberia, Ivory Coast, Ghana, Nigeria, Cameroon, São Tomé and Príncipe and Congo DRC), these holdings pose a risk in terms of exposure to political and economic changes.

### Note 37. Events after the closing date

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

### Note 38. Auditor's fees

	2020 EUR	2019 EUR
Audit (VAT included)	378 402	281 015

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 39. Corrections as of 19th May 2021

The consolidated financial statements were initially drawn up and approved on 30<sup>th</sup> 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 19<sup>th</sup> 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
9	Table " Main data of significant associates accounted for using the equity method " :		
	Socfinco FR S.A. - Dividends received 2020 (EUR)	100 000	586 288
29	Table "Net earnings per share":		
	Net profit for the year 2020 (EUR)	-2 532 492	-3 879 769
	Undiluted net earnings per share 2020 (EUR)	-0.14	-0.22
	Net profit for the year 2019 (EUR)	2 268 565	3 849 959
	Undiluted net earnings per share 2019 (EUR)	0.13	0.22

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 25<sup>th</sup> 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 31<sup>st</sup> December 2020.

## Activities

Socfinaf S.A. holds financial interests in portfolio companies which operate directly or indirectly in tropical Africa in the rubber and palm oil sectors.

## The result of the exercise

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

<i>(million EUR)</i>	<i>2020</i>	<i>2019</i>
<b>INCOME</b>		
Income from financial fixed assets	24.7	37.0
<b>Total income</b>	<b>24.7</b>	<b>37.0</b>
<b>EXPENSES</b>		
<b>Impairment:</b>		
On financial assets	35.0	1.3
On current assets	0.7	0.0
Other external charges	3.4	3.7
Interest payable and other financial expenses	11.5	7.5
Income tax	2.7	2.9
<b>Total expenses</b>	<b>53.3</b>	<b>15.4</b>
<b>PROFIT OF THE PERIOD</b>	<b>-28.6</b>	<b>21.6</b>

## Revenue from financial assets

<i>(EUR million)</i>	<i>2020</i>	<i>2019</i>
<b>Dividends</b>		
Socapalm	11.6	10.5
Befin	4.1	8.7
Sogescol FR	3.2	2.7
Okomu	2.9	7.8
Safa	0.6	1.2
Socfinco FR	0.0	2.0
Autres	0.2	0.5
<b>Total of dividends</b>	<b>22.6</b>	<b>33.4</b>



Interest income on long term loan receivables amounted to EUR 2.1 million.

Loss for the year amounted to EUR 28.6 million compared to EUR 21.6 million in 2019.

### Balance sheet

As at 31<sup>st</sup> December 2020, Socfinaf S.A.'s total assets amounted to EUR 518.1 million compared to EUR 548.5 million as at 31<sup>st</sup> December 2019.

Socfinaf S.A.'s assets mainly consist of financial fixed assets of EUR 204.5 million, long term loan receivables of EUR 308.8 million, amounts owed by affiliated undertaking and other receivables for EUR 3.4 million, and cash and equivalent EUR 1.2 million.

Equity amounted to EUR 252.3 million before appropriation of results.

### Portfolio

#### Movements

During the year 2020, Socfinaf bought 2 464 922 (0.26%) Okomu shares for an amount of EUR 0.4 million. Impairment losses on Salala Rubber Corporation, Brabanta, Socfinco, Immobilière de la Pépinière and Socfin Research investments were recorded for a total amount of EUR 35 million.

#### Valuation

The investments are estimated at a total value of EUR 449.6 million and includes an unrealized gain of EUR 245.2 million compared to their acquisition costs, potentially adjusted.

### Investments

The main direct and indirect investments have evolved during the last months as follows:

## Projets en exploitation au 31 décembre 2020

		AFRIQUE										TOTAL AFRIQUE
		Sierra Leone	Liberia	Cote d'Ivoire		Nigeria	Ghana	Sao Tomé	Cameroun		RDC	
		SAC	LAC & SRC	SOGB	SCC	OKOMU	PSG	AGRIPALMA	SAFACAM	SOCAPALM	BRABANTA	
CHIFFRE D'AFFAIRES	Réalisé 2019	12 294	29 929	91 841	44 732	54 819	2 846	143	26 744	106 194	9 263	378 807
	Réalisé 2020	14 994	29 310	99 304	40 288	56 520	12 655	3 828	25 490	108 245	11 923	402 556
	Budget 2020	18 761	35 094	101 906	43 783	60 282	10 238	6 886	28 475	105 504	11 672	422 600
	Budget 2021	22 092	31 501	93 160	40 533	62 181	13 535	6 205	28 288	109 176	11 815	418 486
RESULTAT NET	Réalisé 2019	-10 660	-3 541	6 891	4 169	16 057	-7 459	-1 355	1 221	18 668	-4 245	19 746
	Réalisé 2020	-1 105	-3 764	11 666	4 379	17 891	-3 482	-2 175	1 037	17 624	-346	41 725
	Budget 2020	-2 620	-969	11 989	3 893	10 439	-4 748	1 040	2 262	18 386	-1 656	38 017
	Budget 2021	-719	-1 882	7 477	2 470	15 600	540	-543	2 230	17 473	406	43 052
PALMIER												
SURFACES (HA)	Mature	12 349	-	7 471	-	18 879	5 560	2 100	5 072	30 626	6 169	88 226
	Immature	-	-	-	-	181	580	-	257	1 948	-	2 966
	Total	12 349	-	7 471	-	19 060	6 140	2 100	5 329	32 574	6 169	91 192
PRODUCTION FFB	Réalisé 2019	110 106	-	162 053	-	190 529	51 121	5 986	73 943	484 028	67 723	1 145 490
	Réalisé 2020	144 455	-	154 427	-	214 281	70 754	22 640	72 182	490 591	81 630	1 250 960
	Budget 2020	134 104	-	151 918	-	236 719	74 317	44 769	73 608	476 219	83 138	1 274 792
	Budget 2021	150 338	-	152 409	-	270 081	88 893	31 500	76 308	474 744	87 841	1 332 114
PRODUCTION HPB	Réalisé 2019	24 297	-	38 579	-	42 204	1 523	1 075	16 068	140 349	16 243	280 338
	Réalisé 2020	30 748	-	36 228	-	45 445	18 892	5 097	16 539	145 898	20 438	319 284
	Budget 2020	30 039	-	36 014	-	48 527	16 350	9 000	16 208	139 222	17 950	313 310
	Budget 2021	34 578	-	35 597	-	56 447	22 223	7 245	17 264	146 122	20 255	339 730
TAUX D' EXTRACTION	Réalisé 2019	22.37	-	22.51	-	22.19	22.32	18.25	21.64	22.43	23.50	22.38
	Réalisé 2020	22.77	-	22.44	-	21.28	26.70	0.22	22.77	22.03	24.48	22.11
	Budget 2020	22.40	-	22.52	-	20.50	22.00	22.50	21.90	22.14	22.00	21.89
	Budget 2021	23.00	-	22.50	-	20.90	25.00	23.00	22.50	22.21	22.80	22.33
CHIFFRE D'AFFAIRES	Réalisé 2019	12 294	-	20 299	-	46 086	2 846	143	18 023	103 914	9 263	212 869
	Réalisé 2020	14 994	-	25 287	-	49 476	12 655	3 828	19 861	107 939	11 923	245 962
	Budget 2020	18 761	-	23 639	-	50 108	10 100	6 886	18 961	102 799	11 672	242 925
	Budget 2021	22 092	-	22 195	-	51 391	13 319	6 205	19 862	107 172	11 815	254 052
CAOUTCHOUC												
SURFACES (HA)	Mature	-	12 511	11 491	-	5 143	-	-	3 202	1 883	-	34 230
	Immature	-	4 679	4 686	-	2 192	942	-	1 322	196	-	14 016
	Total	-	17 190	16 177	-	7 335	942	-	4 524	2 079	-	48 247
PRODUCTION CTC	Réalisé 2019	-	24 939	62 678	38 241	7 248	-	-	7 393	-	-	140 499
	Réalisé 2020	-	28 363	67 594	35 882	7 341	-	-	5 276	-	-	144 456
	Budget 2020	-	29 000	66 000	38 000	8 504	-	-	8 257	-	-	149 761
	Budget 2021	-	29 532	66 500	38 000	8 925	-	-	7 899	-	-	150 856
CHIFFRE D'AFFAIRES	Réalisé 2019	-	29 929	71 543	44 732	8 734	-	-	8 721	-	-	163 659
	Réalisé 2020	-	29 310	74 017	40 288	7 043	-	-	5 629	-	-	156 288
	Budget 2020	-	35 094	78 267	43 783	10 174	138	-	9 514	-	-	176 969
	Budget 2021	-	31 501	70 965	40 533	10 790	216	-	8 426	-	-	162 431

The production data correspond to the quantities in tons of Milled Rubber and Crude Palm Oil. This table does not include refined oil production data (SPFS). Rubber production and sales are presented after elimination of intercompany transactions. Consolidated figures may however differ.

The above table has not been translated and kept in its original French version. The key translation keys are as follows:

<b><i>French</i></b>	<b><i>English</i></b>
Projets en exploitation	Projects in operation
Réalisé	Realised
Chiffre d’Affaires	Turnover
Resultat Net	Net Result
Palmier	Palm product
Surfaces	Surface area
Production HPB	Crude Production
Caoutchouc	Rubber

### Allocation of profit

The loss for the year of EUR 28 649 333.76 increased by retained earnings of EUR 153 563 826.44, give total retained earnings of EUR 124 914 492.68 which it is proposed to carry forward again.

After this allocation of loss, total reserves will amount to EUR 129 170 169.60 and is detailed as follows:

<b>Reserves</b>	<b>EUR</b>
Legal reserve	3 567 330.00
Other reserves	628 717.42
Available reserve	59 629.50
Retained earnings	<u>124 914 492.68</u>
	<b>129 170 169.60</b>

### Treasury shares

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

### Research and development

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

### Financial instruments

During the financial year 2020, the Company did not make use of any 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 19 May 2006 concerning Public Takeover Bids

a) b) f) The subscribed share capital of the Company is set at EUR 35 673 300 represented by 17 836 650 shares without par value, fully paid up. Each share entitles the holder to one vote without limitation or restriction.

c) On 1<sup>st</sup> February 2017, Socfin declared that it holds a 58.85% direct stake in Socfinaf S.A.

On 3<sup>rd</sup> September 2014, Compagnie du Cambodge declared that it holds a direct and indirect stake of 9% in the capital of Socfinaf SA. 7.07% is held by Compagnie du Cambodge, 1.08% by Société Industrielle et Financière de la Artois, 0.49% by Bolloré SA and 0.36% by Compagnie des Glénans.

- 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. 23. of the statutes: *"In the event of the death or resignation of a Director, he may be provisionally replaced by observing in this respect the formalities provided for by law. In this case the General Assembly at its first meeting shall proceed to the final election."*

Art. 32. 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 450-3 and 450-8 of the law of 10<sup>th</sup> 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 Articles of Incorporation or the law fall within the competence of the Board."*

In addition, the statutes provide in Art. 5 §3 and 4: *"The authorized capital and the subscribed capital may be increased or reduced by decision of the Extraordinary General Meeting in a similar way as to the amendments to the articles of association."*

*The Company may, to the extent and subject to the conditions permitted by law, repurchase its own shares."*

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

- title holding including 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 agreements to which the Company is party, and which take effect are modified or terminated in the event of a change of control of the Company following a takeover bid;
- 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 22<sup>nd</sup> 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 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.

### Estimated value of the share (company accounts)

The estimated value of Socfinaf SA as at 31<sup>st</sup> December 2020 before allocation of the result for the financial year amounts to EUR 497.5 million, being EUR 27.89 per share compared to EUR 29.53 in the previous financial year. This valuation incorporates the unrealized capital gains of the portfolio.

As a reminder, the market share price was EUR 11.10 at the end of 2020 against EUR 12.00 a year earlier.

### Significant events after the reporting date

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

### Main risks and uncertainties

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

In addition, the Company may be exposed to foreign exchange risks on long-term advances to subsidiaries. The assessment of this risk is described in the notes to the Company's statutory financial statements.

### 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 13% below budget. This decrease in production was offset by an increase in purchases from third parties.

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 prospect of continued operation.

### Perspectives

The result for the 2021 financial year will depend to a large extent on the dividend distributions of the subsidiaries; these are not yet fixed.

### Statutory appointments

The term served as director by Mr. Philippe de Traux expires this year. It will be proposed at the next Annual General Meeting to renew this mandate for 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  
**Socfinaf S.A.**  
4, Avenue Guillaume  
L-1650 Luxembourg

The standalone financial statements (French version) of the Company as at 31<sup>st</sup> December 2020 have been audited by an independent auditor who expressed on them an unmodified audit report dated 19<sup>th</sup> May 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<sup>st</sup> December 2020

<i>ASSETS</i>	<i>Note</i>	<i>2020 EUR</i>	<i>2019 EUR</i>
<b>FIXED ASSETS</b>			
Financial fixed assets	3		
Shares in affiliated undertakings		204 471 182.44	239 027 474.05
Loans to affiliated undertakings		308 818 543.42	304 096 770.27
		<b>513 289 725.86</b>	<b>543 124 244.32</b>
<b>CURRENT ASSETS</b>			
Receivables			
Amounts owed by affiliated undertakings becoming due and payable within one year		1 642 810.47	2 813 410.86
Other receivables			
becoming due and payable after one year		1 260 052.43	1 376 366.69
becoming due and payable within one year		484 160.00	739 054.17
		<b>3 383 022.90</b>	<b>4 928 831.72</b>
Investments			
Shares in affiliated undertakings		248 406.09	248 406.09
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		1 192 846.04	169 132.36
<b>TOTAL ASSETS</b>		<b>518 118 000.89</b>	<b>548 470 644.49</b>

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



<b>LIABILITIES</b>	<b>Note</b>	<b>2020 EUR</b>	<b>2019 EUR</b>
<b>SHAREHOLDERS 'EQUITY</b>	<b>4</b>		
Share capital		35 673 300.00	35 673 300.00
Share premium		87 453 866.21	87 453 866.21
<b>Reserves</b>			
Legal reserve		3 567 330.00	3 567 330.00
Other reserves, including the fair value reserve			
Other available reserves		688 346.92	688 346.92
		<b>4 255 676.92</b>	<b>4 255 676.92</b>
Retained earnings		153 563 826.44	131 986 469.61
Results for the financial year		-28 649 333.76	21 577 356.83
		<b>252 297 335.81</b>	<b>280 946 669.57</b>
<b>LIABILITIES</b>			
Amounts owed to credit institutions becoming due and payable within one year		33.70	19.20
Trade liabilities becoming due and payable within one year		98 280.00	93 565.00
Amounts owed to affiliated undertakings becoming due and payable after more than one year becoming due and payable within one year	<b>5</b>	80 000 000.00 144 632 022.78	90 000 000.00 137 019 083.12
Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests becoming due and payable within one year	<b>6</b>	40 402 185.84	40 403 287.84
Other debts			
Tax liabilities		600 395.00	0.00
Other debts becoming due and payable within one year		87 747.76	8 019.76
		<b>265 820 665.08</b>	<b>267 523 974.92</b>
<b>TOTAL LIABILITIES</b>		<b>518 118 000.89</b>	<b>548 470 644.49</b>

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

## 2. Income statement for the year ended 31<sup>st</sup> December 2020

	Note	2020 EUR	2019 EUR
<b>Raw materials and consumables and others external charges</b>			
Other external charges		-2 768 190.30	-3 168 562.91
<b>Value adjustments on current assets</b>		-739 054.17	0.00
<b>Other operating expenses</b>		-645 045.99	-644 149.53
<b>Income from participating interests from affiliated undertakings</b>	7	24 688 942.04	36 999 400.78
<b>Other interest receivable and other financial income</b>			
Other interests and financial income		2 639.72	22 906.60
<b>Impairment losses on financial assets and securities held as current assets</b>	3	-34 985 416.74	-1 301 090.27
<b>Interest and other financial expenses</b>			
Concerning affiliated undertakings		-9 140 689.59	-5 686 345.89
Other interest and financial charges		-2 325 238.41	-1 698 468.51
<b>Income tax</b>		<u>-2 136 885.32</u>	<u>-2 462 173.44</u>
<b>Results after taxation</b>		-28 048 938.76	22 061 516.83
<b>Other taxes not shown above</b>		<u>-600 395.00</u>	<u>-484 160.00</u>
<b>Results for the financial year</b>		<b>-28 649 333.76</b>	<b>21 577 356.83</b>

### Proposed distribution of profits

	2020 EUR	2019 EUR
<i>Retained earnings</i>	124 914 492.68	153 563 826.44
<i>From the balance:</i>		
10% to the Board of Directors	0.00	0.00
90% to 17 836 650 shares	<u>0.00</u>	<u>0.00</u>
	<b>124 914 492.68</b>	<b>153 563 826.44</b>
<b>Dividend per share</b>	<b>0.00</b>	<b>0.00</b>

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

### 3. Notes to the parent company financial statements for the 2020 financial year

#### Note 1. Overview

SOCFINAF S.A., (the "Company") was incorporated on 20 November 1972 as a public limited company and adopted the status of "Soparfi" on 10 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 6225, and is listed on the Luxembourg Stock Exchange under ISIN number LU0056569402.

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.

Although the Company is included in the consolidated financial statements of Société Financière des Caoutchoucs, abbreviated as "Socfin", which is the largest entity in which the Company is consolidated, 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](http://www.socfin.com).

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

#### Note 2. Accounting principles, rules and methods

##### **Going concern and Impact of the COVID-19 pandemic**

As of 31<sup>st</sup> December 2020, the working capital requirement is negative at EUR 182 985 009, with liabilities due within 12 months (EUR 185 820 631) exceeding assets due within 12 months (EUR 2 835 657).

The Company has taken the necessary steps to reschedule the repayment of its debt by:

- amending by an addendum signed on 17<sup>th</sup> March 2021 the cash agreement of 9<sup>th</sup> December 2016 signed with Société Financière des Caoutchoucs S.A. in the amount of EUR 90 000 000. Under the terms of this addendum, the repayment term is extended from 9<sup>th</sup> December 2021 to 31<sup>st</sup> December 2022;
- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Société Financière des Caoutchoucs S.A., which undertakes not to request the repayment of the advances granted under the treasury agreements of 7<sup>th</sup> May 2018 and 23<sup>rd</sup> July 2018, for a total amount of EUR 35 000 000, before 30<sup>th</sup> June 2022;
- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Socfinde S.A., which undertakes not to request the repayment of the outstanding cash pooling amount of EUR 17 341 476 at 31<sup>st</sup> December 2020, before 30<sup>th</sup> June 2022;

- obtaining a comfort letter dated 17<sup>th</sup> March 2021 from Palmboomen Cultuur Maatschappij, abbreviated to MOPOLI, which undertakes not to request repayment of the advance granted to the Company under the agreement dated 20<sup>th</sup> November 2014, in the amount of EUR 20 000 000, before 30<sup>th</sup> June 2022;

Furthermore, Management believes that there are no elements that would indicate that the EUR 20 000 000 loan due to Bolloré Participations S.E. will not be extended by 31<sup>st</sup> December 2022.

During 2020, following the impact of the COVID-19 pandemic on the activities of the Company's direct and indirect subsidiaries, the Management has adapted to the new restrictions and is constantly monitoring the evolution of the risk related to this health crisis. The spread of the virus is still active and unpredictable, which means that economic development will be uncertain in the future.

Taking into account the impact of the COVID-19 outbreak based on the information available to date, the Company has prepared a cash flow plan assessing its liquidity position based on Management's best estimates. Considering the dividends to be received from subsidiaries during the financial year 2021 and the Company's ability to draw on the Group's cash pooling (Socfinde), this cash flow plan shows sufficient liquidity to meet its obligations and confirms the going concern assumption for at least the twelve months following the date of approval of its 2020 financial statements.

### **General principles**

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

### **Currency conversion**

The Company keeps its accounts in euros (EUR); the annual accounts are expressed in this 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 balance sheet currency, are 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 balance sheet currency are valued at the the exchange rate prevailing at the balance sheet date or at the rate included in the hedging contract for items covered by a forward exchange contract. Unrealized gains and losses are recognised 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 closing date.

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

If there is an economic link between two transactions, unrealized exchange differences are recognised 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.

### **Securities**

Securities are valued at the lower of cost, including incidental costs or market value. A value adjustment is recorded when the market price is lower than the purchase price. 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		Loans to affiliated undertakings		Total	
	2020 EUR	2019 EUR	2020 EUR	2019 EUR	2020 EUR	2019 EUR
<i>Acquisition cost/nominal value at the beginning of the year</i>	244 349 925.24	244 708 284.16	304 096 770.27	298 619 716.61	548 446 695.51	543 328 000.77
<i>Increases</i>	429 125.13	0.00	4 969 241.68	6 706 263.75	5 398 366.81	6 706 263.75
<i>Decreases</i>	0.00	-358 358.92	-247 468.53	-1 229 210.09	-247 468.53	-1 587 569.01
<i>Acquisition cost/nominal value at the end of the year</i>	244 779 050.37	244 349 925.24	308 818 543.42	304 096 770.27	553 597 593.79	548 446 695.51
<i>Value adjustments at the beginning of the year</i>	-5 322 451.19	-4 021 360.92	0.00	0.00	-5 322 451.19	-4 021 360.92
<i>Impairments</i>	-34 985 416.74	-1 301 090.27	0.00	0.00	-34 985 416.74	-1 301 090.27
<i>Value adjustments at the end of the year</i>	-40 307 867.93	-5 322 451.19	0.00	0.00	-40 307 867.93	-5 322 451.19
<i>Net book value at the end of the year</i>	204 471 182.44	239 027 474.05	308 818 543.42	304 096 770.27	513 289 725.86	543 124 244.32

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

Dénomination	Country	% held	Net book value EUR	Year end	Currencies of the annual accounts	Equity in foreign currency (including net income)	Net income in foreign currencies
Plantations Socfinaf Ghana (*)	Ghana	100.00	32 503 775	31 December 2020	GHS	147 879 004	-23 154 560
Socfin Agricultural Company Ltd (*)	Sierra Leone	93.00	20 445 954	31 December 2020	USD	-2 995 999	-1 274 591
Liberian Agricultural Company (*)	Liberia	100.00	13 793 904	31 December 2020	USD	52 395 563	-962 884
Salala Rubber Corporation (*)	Liberia	64.91	0	31 December 2020	USD	3 282 306	-3 378 868
Bereby-Finances S.A. « BEFIN » (*)	Ivory Coast	87.06	13 604 405	31 December 2020	XAF	13 924 027 112	2 762 233 104
Socapalm S.A. (*)	Cameroon	67.46	40 640 840	31 December 2020	XAF	74 878 876 513	11 560 698 984
Okomu Oil Palm Company Plc (*)	Nigeria	65.23	20 785 984	31 December 2020	NGN	34 588 972 594	7 387 384 328
Brabanta S.A. (*)	Congo (DRC)	99.80	17 805 468	31 December 2020	CDF	43 168 421 431	-741 103 082
Induservices S.A.	Luxembourg	30.00	30 000	31 December 2020	EUR	236 129	3 936
Management Associates S.A.	Luxembourg	20.00	400 000	31 December 2020	EUR	2 437 089	-167 918
Socfinde S.A. (*)	Luxembourg	20.00	801 000	31 December 2020	EUR	5 873 284	-67 644
Terrasias S.A.	Luxembourg	33.28	246 705	31 December 2020	EUR	554 920	27 710
SAFA	France	100.00	26 535 600	31 December 2020	EUR	20 240 876	565 637
Induservices FR S.A.	Switzerland	50.00	642 202	31 December 2020	EUR	693 576	-69 105
Socfinco FR S.A. (*)	Switzerland	50.00	486 891	31 December 2020	EUR	11 811 775	2 036 824
Sogescol FR S.A. (*)	Switzerland	50.00	1 985 019	31 December 2020	USD	13 483 580	3 758 811
Socfin Green Energy S.A.	Switzerland	50.00	48 780	31 December 2020	EUR	1 442 784	-62 881
Socfin Research S.A.	Switzerland	50.00	1 852 020	31 December 2020	EUR	3 704 031	-232 212
Sodimex FR S.A. (*)	Switzerland	50.00	621 424	31 December 2020	EUR	4 112 846	385 143
Centrages S.A.	Belgium	50.00	4 074 577	31 December 2020	EUR	3 114 504	243 749
Gaummes S.A.	Belgium	50.00	47 532	31 December 2020	EUR	95 029	-8 026
Immobilière de la Pépinière S.A.	Belgium	50.00	3 015 798	31 December 2020	EUR	3 771 678	-129 786
Socfinco S.A.	Belgium	50.00	879 550	31 December 2020	EUR	1 759 151	219 821
Sodimex S.A. (*)	Belgium	50.00	102 200	31 December 2020	EUR	172 921	-31 259
STP Invest S.A.	Belgium	100.00	3 000 090	31 December 2020	EUR	1 776 044	-965
			<b>204 349 718</b>				

(\*) Based on non-audited financial statements



### Valuation of shares in affiliated undertakings:

As at 31<sup>st</sup> December 2020, the Board of Directors is of the opinion that:

- the acquisition cost of Socfin Research of EUR 2 828 922 is higher than its share in the shareholders' equity, which amounts to EUR 1 852 020. An additional write-down of EUR 116 100 has therefore been recorded, bringing the total write-down to EUR 976 902;
- the acquisition cost of Immobilière de la Pépinière of EUR 4 261 650 is higher than its share in the shareholders' equity, which amounts to EUR 3 015 798. An additional write-down of EUR 149 652 was therefore recorded, bringing the total write-down to EUR 1 245 952;
- the acquisition cost of Socfinco of EUR 1 680 763 is higher than its share in shareholders' equity of EUR 879 550. A write-down of EUR 801 213 has therefore been recorded;
- the acquisition cost of Salala Rubber Corporation of EUR 23 977 984 is higher than its share in the shareholder's equity with value calculated on discounted future cash flows. In view of the lasting nature of the depreciation estimated by the Board of Directors, a write-down of EUR 23 977 984 has been recorded;
- the acquisition value of Brabanta of EUR 27 745 936 is higher than its share in shareholders' equity with value calculated on discounted future cash flows. In view of the lasting nature of depreciation estimated by the Board of Directors, a write-down of EUR 9,940,468 has been recorded.

The Board of Directors is of the opinion that there are no indicators of permanent impairment of the other shares in affiliated undertakings.

### Valuation of receivables from affiliated undertakings:

As at 31<sup>st</sup> December 2020, receivables from affiliated undertakings are as follows :

Related parties	Currency	Balance in currency	Balance in EUR	Unrealised exchange gains / (losses) * EUR
Induservices S.A.	EUR	130 000	130 000	0
Management Associates S.A.	EUR	460 000	460 000	0
Salala Rubber Corporation	USD	42 364 218	35 324 868	(801 017)
Brabanta S.A.	USD	87 110 525	67 939 644	3 049 293
Socfin Agricultural Company Ltd	USD	132 007 470	108 231 749	(654 967)
Liberian Agricultural Company	USD	35 283 333	31 319 084	(2 565 406)
Plantations Socfinaf Ghana	USD	47 000 000	39 925 633	(1 623 946)
Agripalma LDA	EUR	25 487 565	25 487 565	0
<b>Situation as at 31st December 2020</b>			<b>308 818 543</b>	<b>(2 596 043)</b>

\* In accordance with Luxembourg legal and regulatory provisions and generally accepted accounting practices, receivables from affiliated undertakings are translated at the historical exchange rate and the unrealized foreign exchange gain or loss is not recognised in the profit and loss account, 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.

As at 31<sup>st</sup> December 2020, the Board of Directors is of the opinion that these receivables do not show any permanent impairment losses and consequently no impairment has been recorded.

#### Note 4. Equity

	Share capital EUR	Share premium EUR	Legal reserves EUR	Other Reserves EUR	Retained earnings EUR	Results for the year EUR
<b>Balance as at 1<sup>st</sup> January 2019</b>	<b>35 673 300.00</b>	<b>87 453 866.21</b>	<b>3 570 840.00</b>	<b>688 346.92</b>	<b>111 698 916.51</b>	<b>20 284 043.10</b>
Allocation of the result for the 2018 financial year following decision of the General Assembly held on 28 <sup>th</sup> May 2019						
• Retained earnings			-3 510.00		20 287 553.10	-20 284 043.10
Results for the financial year						21 577 356.83
<b>Balance as at 31<sup>st</sup> December 2019</b>	<b>35 673 300.00</b>	<b>87 453 866.21</b>	<b>3 567 330.00</b>	<b>688 346.92</b>	<b>131 986 469.61</b>	<b>21 577 356.83</b>
Allocation of the result for the 2019 financial year following decision of the General Assembly held on 26 <sup>th</sup> May 2020						
• Retained earnings					21 577 356.83	-21 577 356.83
Results for the financial year						-28 649 333.76
<b>Balance as at 31<sup>st</sup> December 2020</b>	<b>35 673 300.00</b>	<b>87 453 866.21</b>	<b>3 567 330.00</b>	<b>688 346.92</b>	<b>153 563 826.44</b>	<b>-28 649 333.76</b>

## Subscribed capital

As at 31<sup>st</sup> December 2020 and 2019, the subscribed and fully paid up share capital is EUR 35 673 300.00 represented by 17 836 650 shares without nominal value.

## Share premium

As at 31<sup>st</sup> December 2020 and 2019, the share premium amounted to EUR 87 453 866.21.

## Legal reserve

According to the legislation in force, it must be done annually on the net profits of the Company after absorption of any losses carried forward, an allocation to a legal reserve of 5%. This allocation to the legal reserve ceases to be mandatory when the reserve reaches 10% of the share capital. The legal reserve cannot be distributed.

## Note 5. Amounts owed to affiliated undertakings

As at 31 December 2020, this item consists mainly of:

- a debt to Socfin S.A. for a nominal amount of EUR 35 000 000.00 (2019: EUR 35 000 000.00), and accrued interest amounted EUR 405 760.27 (2019: EUR 198 493.15). This debt bears interest at a fixed rate of 4.65% per annum from 1<sup>st</sup> March 2020 (2.25% prior to 1<sup>st</sup> March 2020). Although they are for an indefinite period, Socfin S.A. has undertaken not to request repayment of these advances before 30<sup>th</sup> June 2022.
- a debt to Socfin S.A. for a nominal amount of EUR 90 000 000.00 (2019: EUR 90 000 000.00), and accrued interest amounted EUR 1 077 041.10 (2019: EUR 1 088 876.71). This debt is repayable on 9<sup>th</sup> December 2021 and bears interest at a fixed rate of 4.80%. The repayment date originally scheduled for 9<sup>th</sup> December 2021 has been postponed to 31<sup>st</sup> December 2022.
- a debt to Socfinasia S.A. for a nominal amount of EUR 80 000 000.00 (2019: EUR 0.00), and accrued interest of EUR 806 575.34 (2019: EUR 0.00). This debt bears interest at a fixed rate of 4.00% per annum and is repayable in four annual instalments of EUR 20 000 000.00 from 31<sup>st</sup> December 2023.
- debts to the subsidiary Socfinde S.A. corresponding to the current account balance of EUR 17 341 476.07 (2019: EUR 100 534 434.74). Socfinde S.A. has undertaken not to request repayment of the outstanding balance on this current account before 30<sup>th</sup> June 2022.

As of 31<sup>st</sup> December 2020 and 2019, the maturity of debts to affiliated companies is as follows:

	2020	2019
Amounts owed to affiliated undertakings:	EUR	EUR
- becoming due and payable within one year	144 632 022.78	137 019 083.12
- becoming due and payable between one to five years	60 000 000.00	90 000 000.00
- becoming due and payable more than five years	20 000 000.00	0.00
	<hr/>	<hr/>
	224 632 022.78	227 019 083.12

#### Note 6. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests:

As at 31<sup>st</sup> December 2020, this item consists mainly of:

- a payable to Bollore Participations S.A. for a nominal amount of EUR 20 000 000 (2019: EUR 20 000 000), plus accrued interest in the amount of EUR 200 542 (2019: EUR 201 644). This debt bears interest at a fixed rate of 4% per annum and is repayable on 31<sup>st</sup> December 2021.
- a payable to Palmboomen Cultuur Maatschappij « MOPOLI » for a nominal amount of EUR 20 000 000.00 (2019: EUR 20 000 000.00), plus accrued interest in the amount of EUR 201 643.84 (2019: EUR 201 643.84). This debt bears interest at a fixed rate of 4% per annum without maturity date. Although reimbursements may be made at first demand, MOPOLI has undertaken not to request reimbursement of this advance before 30<sup>th</sup> June 2022.

#### Note 7. Income from equity investments

	2020 EUR	2019 EUR
Dividends received	22 562 929.95	33 458 705.96
Interest on related companies' receivables	2 126 012.09	2 522 687.05
Capital gain on disposal of financial fixed assets	0.00	1 018 007.77
	<b>24 688 942.04</b>	<b>36 999 400.78</b>

#### Note 8. Taxation

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

#### Note 9. Remuneration of the Board of Directors

During 2020, the members of the Board of Directors received EUR 10 312.50 (2019: EUR 9 687.50) in attendance fees and EUR 629 660.00 (2019: EUR 629 660.00) in directors' fees.

On 18<sup>th</sup> November 2019, the Company entered into an agreement under which it undertook to transfer the economic interest of 32 732 432 shares in Okomu Palm Oil to Mr. OYEBODE (Director of the Company). On the same date, in accordance with the terms of the contract, a first tranche of 10 910 810 Okomu Palm Oil shares was transferred to Mr. OYEBODE, who has until 18<sup>th</sup> November 2022 to settle the receivable resulting from the sale in the amount of USD 1 546 210.34 (i.e. EUR 1 264 793.74 as at 31<sup>st</sup> December 2020). This receivable is reported under "Other receivables with a residual term of more than one year".

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

#### Note 10. Political and economic environment

Most of the investments are held directly or indirectly in companies operating in Africa, particularly in the following countries:

- Sierra Leone,
- Liberia,
- Ivory Coast,
- Ghana,
- Nigeria,
- São Tomé et Príncipe,
- Cameroon,
- Congo (DRC).

Given the political instability that exists in these countries and their economic fragility (dependence on international aid, inflation in some cases, civil wars, etc), the investments held by the Company present a risk in terms of exposure to political and economic fluctuations.

#### Note 11. Off-balance sheet commitments

As at 31<sup>st</sup> December 2020 and 2019, the Company has no significant off-balance sheet commitments.

#### Note 12. Significant events after the end of the year

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

#### Note 13. Corrections as of 19th May 2021

The stand alone financial statements were initially drawn up and approved on 30<sup>th</sup> April 2021 by the Board of Directors. Following the identification of certain errors which did not in any way impact the financial position and the income statement, the financial statements were again established and approved by the Board of Directors on 19<sup>th</sup> 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
9	Table " Information on companies in which the Company holds at least 20% of the Capital " :		
	Socfinco FR S.A. - Equity in foreign currency (including net income)	147 879 004	11 811 775
	Socfinco FR S.A. - Net income in foreign currencies	-23 154 560	-2 036 824

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