Annual Report

SOCFINASIA 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

Socfinasia S.A. is a Luxembourg holding company and its registered address is 4, Avenue Guillaume, L-1650, Luxembourg. It was incorporated on 20th November 1972 and is listed on the Stock Exchange of Luxembourg.

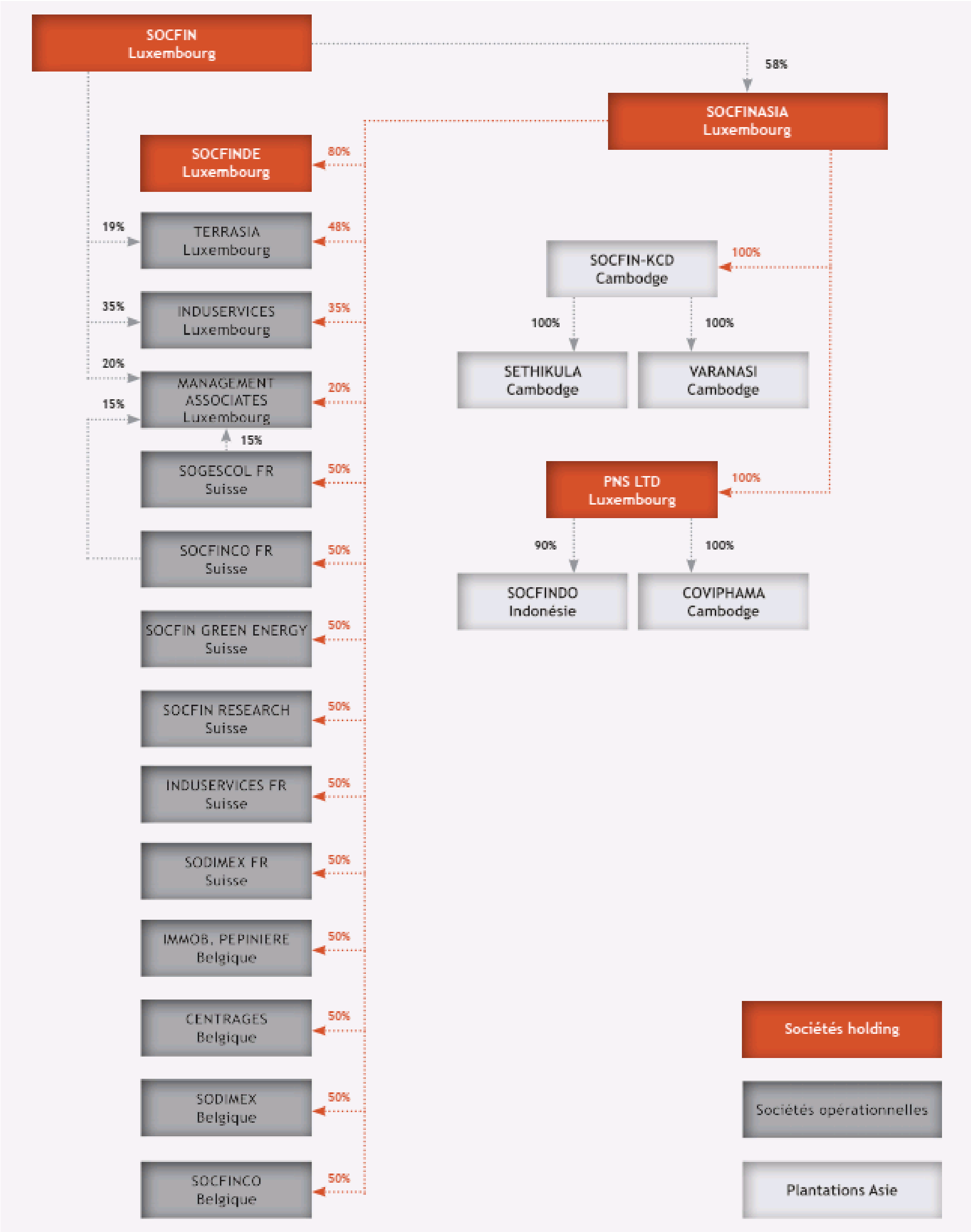
The principal activity of Socfinasia S.A. is to manage a portfolio of shares focused on the operation of more than 53 000 hectares of tropical palm oil and rubber plantations in Southeast Asia. Socfinasia S.A. employs 10 363 people and has achieved a consolidated turnover of EUR 127 million in 2020.

2. History

- **20/11/1972** Incorporation of Socfinasia S.A. as a Luxembourg holding company through contribution of shares in PT Socfindo.
- **30/06/1973** Since its incorporation, Socfinasia S.A. has invested, amongst others, in Fininter S.A. (Belgium) and Socfinal (Luxembourg).
- **23/01/1974** The shares of Socfinasia S.A. have been listed on the Stock Exchange of Luxembourg.
- **30/06/1975** The portfolio includes new investments: Socfin S.A. (Belgium), Plantations Nord Sumatra S.A. (Belgium) and Selangor Plantations Cy Bhd (Malaysia).
- **30/06/1977** Socfinasia S.A. invests in Sennah Rubber Cy Ltd, New African Plantations Cy Ltd, la Banque d'Investissements Privés S.A. and Socficom S.A. It disposes of its stakes in Socfin S.A. (Belgium) and Socfinal.
- **04/12/1979** PT Socfindo increases its share capital through capitalisation of reserves. Free allotment of 1 166 shares in PT Atmindo.
- **31/12/1980** Acquisition of shares in Selangor Holding S.A., a Luxembourg company listed on the Stock Exchange of Luxembourg.
- **24/04/1989** PT Socfindo increases its share capital through the capitalisation of the revaluation reserve of its fixed tangible assets.
- **31/03/1996** Acquisition of shares in Intercultures, a Luxembourg company listed on the Stock Exchange of Luxembourg.
- **31/03/1997** Initially, Socfinasia S.A. increases its stake in its Indonesian subsidiaries: PT Socfindo and PT Atmindo. Thereafter, Socfinasia S.A incorporates Plantations Nord Sumatra Limited, to which it transferred its Indonesian subsidiaries.
- **31/03/1999** Increase in the subscribed capital of Intercultures.
- **05/02/2000** Takeover bid/public exchange offer by Selangor Holding S.A. for Sennah Rubber Cy Ltd which will be liquidated in August 2000.
- **01/04/2000** Increase in subscribed capital to EUR 25 062 500 and the accounting par to 1 002 500 shares.
- **26/06/2000** Takeover bid by Socfinasia S.A. on the shares of Selangor Holding S.A. which will be liquidated in May 2001.
- **17/10/2000** Change in financial year end to 31st December.
- **31/12/2001** PNS Ltd has acquired 30% of PT Socfindo from the Indonesian state.

- **31/12/2006** Restructuring of the subsidiaries within the Socfinal Group, including the distribution of shares of Intercultures by Socfinasia S.A. (spin-off) and repositioning of the operational companies within the Group.
- **31/12/2007** Incorporation of Socfin-KCD (Cambodia).
- **17/03/2010** Disposal of Socfinaf Cy Ltd (Kenya).
- **10/01/2011** Extraordinary General Meeting which approves to abandon the holding 29 status .
- **01/07/2011** Share split by 20.
- **13/08/2013** Socfinasia S.A. has acquired, through its subsidiary PNS Ltd S.A., 90% of Coviphama Co Ltd, a company incorporated under the Cambodian Law, benefitting from a new grant of 5 300 hectares.
- **30/07/2015** Acquisition of shares in Socfin-KCD to increase the percentage holding to 100%.

3. Group Structure



4. Information on Socfinasia S.A.'s holdings

Portfolio	Number of shares	Direct %
Cambodia		
Socfin-KCD Co Ltd	2 000	100.00%
Luxembourg		
PNS Ltd S.A.	27 779 999	99.99%
Socfinde S.A.	199 790	79.92%
Management Associates S.A.	2 000	20.00%
Terrasia S.A.	4 781	47.81%
Induservices S.A.	3 500	35.00%
Belgium		
Centrages S.A.	7 500	50.00%
Immobilière de la Pépinière S.A.	3 333	50.00%
Socfinco S.A.	8 750	50.00%
Gaummes S.A.	17 670	50.00%
Sodimex S.A.	70 000	50.00%
Switzerland		
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%
Sodimex FR S.A.	675	50.00%
Induservices FR S.A.	700	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 Socfinasia 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.

PT SOCFIN INDONESIA "SOCFINDO"

PT Socfindo is an Indonesian company which operates hectares of oil palm and rubber plantations in North Sumatra, Indonesia.

Area (hectares)	*Planted area*		
As at 31st December 2020	*Mature*	*Immature*	*Total*
Rubber plantation	6 282	1 006	7 288
Palm plantation	33 710	5 017	38 727
	39 992	***6 023***	***46 015***

Concessions: 47 695 hectares
Permanent staff as at 31st December 2020: 9 367

Production and turnover	*Realized*	*Realized*
As at 31st December	*2020*	*2019*
Production (tons)		
Rubber	9 802	11 334
Palm oil	182 577	189 462
Seeds (thousands)	8 042	6 308
Turnover (EUR 000)	121 354	118 231
Result (EUR 000)	36 586	25 503
Average selling price (EUR/kg)		
Rubber	1.31	1.40
Palm oil	0.57	0.52
Seeds (EUR/1 000)	490	622
Average rate EUR/IDR	16 725	15 815
Closing rate EUR/IDR	17 308	15 615

Key figures (IDR millions)		
As at 31st December	*2020*	*2019*
Non-current assets	1 486 341	1 479 168
Current assets	495 666	378 063
Shareholder's Equity (*)	878 722	888 047
Debt, provisions and third parties (*)	1 103 285	969 184
Result for the year	611 893	403 335
Dividend per share (USD)	(**)	400
Interim dividend per share (USD)	450	300
PNS Ltd's stake(%)	89.98	89.98

(*) After interim dividend.
(**) Not known to-date.

PT SOCFIN INDONESIA "SOCFINDO"

STATEMENT OF FINANCIAL POSITION

As at 31st December 2020 and 2019
(Expressed in IDR 000, unless otherwise stated)

Exchange rate : EUR 1 = IDR	**17 308**	**15 615**
ASSETS	***2020***	***2019 Restated (*)***
CURRENT ASSETS		
Cash and cash equivalents	221 171 710	75 348 923
Receivables		
Trade receivables		
Amount from related parties	17 177 523	15 488 240
Amount due from customers	6 404 928	10 901 906
Other receivables	5 418 798	4 165 811
Inventories	182 841 918	136 546 513
Current tax assets	7 702 478	16 970 734
Prepayments and other current assets	398 963	192 821
Biological assets	108 111 951	86 814 787
TOTAL CURRENT ASSETS	***549 228 269***	***346 429 735***
NON-CURRENT ASSETS		
Non-current assets	1 428 193 000	1 389 324 106
Rights-of-use of assets	5 883 396	0
Current tax assets	1 789 708	17 802 829
Deferred tax assets	29 564 927	83 656 271
Advances and down payments on the purchase of non-current assets	8 510 147	14 249 850
Deferred Charges	7 107 994	5 786 363
Other	11 100	11 100
TOTAL NON-CURRENT ASSETS	***1 481 060 271***	***1 510 830 520***
TOTAL ASSETS	***2 030 288 540***	***1 857 260 255***

(*) The company has restated it financial statements for the year ended at 31st December 2019.

LIABILITIES AND EQUITY	*2020*	*2019 Restated (*)*
LIABILITIES		
CURRENT LIABILITIES		
Amount payable to suppliers	28 190 404	9 235 663
Other payables		
Amount due to third parties	9 664 450	6 207 205
Amount due to related parties	8 668 998	8 647 527
Accruals	244 139 682	251 183 891
Advances and payments on work in progress	42 591 769	27 263 353
Deferred Revenue	657 368	692 273
Employee benefit obligations	89 182 790	82 638 540
Current tax Liabilities	161 594 708	28 960 663
TOTAL CURRENT LIABILITIES	***584 690 168***	***414 829 115***
NON-CURRENT LIABILITIES		
Employee benefit obligations	518 594 902	554 383 928
TOTAL LIABILITIES	***1 103 285 070***	***969 213 043***
Equity		
Share capital		
Type A	2 385	2 385
Type B	265	265
Type C	7 947 350	7 947 350
Type D	34 300 000	34 300 000
Total equity	***42 250 000***	***42 250 000***
Share premium	3 670 500	3 670 500
Retained Earnings		
Allocated to the general reserve	38 642 844	38 642 844
Retained Earnings not allocated	842 440 126	803 483 868
TOTAL EQUITY	***927 003 470***	***888 047 212***
TOTAL LIABILITIES AND EQUITY	***2 030 288 540***	***1 857 260 255***

(*) The company has restated it financial statements for the year ended at 31st December 2019.

STATEMENT OF OPERATIONS AND OTHER COMPREHENSIVE INCOME
For the years ended 31st December 2020 and 2019
(Expressed in IDR 000, unless otherwise stated)

	2020	*2019 Restated*
REVENUE	2 028 406 941	1 869 849 210
COST OF SALES	-879 869 066	-955 765 645
GROSS PROFIT	***1 148 537 875***	***914 083 565***
Selling expenses	-45 699 393	-51 840 815
General and administrative overheads (*)	-389 699 233	-346 121 410
Others income	108 402 886	43.904.383
Others expense	-19 072 221	-13.146.946
Foreign exchange gains/(losses)	21 297 164	26 995 219
OPERATING PROFIT	***823 767 078***	***573 873 996***
Finance Income	8 988 503	5 518 594
PROFIT BEFORE TAX	***832 755 581***	***579 392 590***
Income tax expense	***-213 817 952***	***-157 305 588***
RESULT FOR THE YEAR	***618 937 629***	***422 087 002***
Comprehensive income		
Revaluation of post-employment benefits	41 237 060	-18 752 195
TOTAL COMPREHENSIVE INCOME	***660 174 689***	***403 334 807***

(*) These amounts include emoluments paid to the directors of PT Socfindo who are members of the Board of Directors of Socfinasia S.A. (2020 = IDR 43 424 440 254 and 2019 = IDR 32 685 253 978).

SOCFIN-KCD Co Ltd

Share capital: KHR 160 000 000 000.

Socfin-KCD is a Cambodian company involved in the production of rubber.

Key data *Area (hectares)* *As at 31st December 2020*	*Mature*	*Planted area* *Immature*	*Total*
Rubber plantation	3 529	318	3 847

Concessions: 6 659 hectares (including grants to subsidiaries)
Permanent staff as at 31st December 2020 : 729

Production and turnover *As at 31st December*	*Realized* *2020*	*Realized* *2019*
Production (tons)		
Rubber	5 466	3 722
Turnover (EUR 000)	5 166	3 508
Result (EUR 000)	-787	-2 243
Average selling price (EUR/kg)		
Rubber	0.95	0.94
Average rate EUR/KHR	4 672	4 539
Closing rate EUR/KHR	4 964	4 578

Key figures (KHR millions) *As at 31st December*	*2020*	*2019*
Fixed assets	227 492	237 554
Current assets	13 607	7 693
Equity (*)	130 847	134 525
Borrowing, provisions and third-party(*)	110 252	110 721
Result for the year	-3 679	-10 180
Socfinasia S.A.'s holding (%)	100.00	100.00

(*) Before allocation

COVIPHAMA Co Ltd

Share capital: KHR 8 640 000 000.

Coviphama is a Cambodian company involved in the production of rubber.

Key data			
Area (hectares)		*Planted area*	
As at 31st December 2020	*Mature*	*Immature*	*Total*
Rubber plantation	1 207	2 073	3 280

Concessions: 5 345 hectares
Permanent staff as at 31st Decemebre 2020 : 162

	2020	*2019*
Average rate EUR/KHR	4 672	4 539
Closing rate EUR/KHR	4 964	4 578

Key figures (KHR millions)		
As at 31st December	*2020*	*2019*
Fixed assets	92 203	89 830
Current assets	4 342	7 089
Equity	-2 125	-1 628
Borrowing, provisions and third-party	98 670	98 547
Result for the year	-497	-2 452
Socfinasia S.A.'s holding (%)	100.00	100.00

PLANTATION NORD-SUMATRA « PNS » Ltd S.A.

Share capital: USD 260 084 774.

PNS Ltd S.A.'s is a holding company whose principal asset are its controlling interest of 89.98% in PT Socfindo, a 100% investment in Coviphama Co Ltd as well as a receivable from the latter.

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

Key figures (USD 000) *As at 31st December*	*2020*	*2019*
Fixed assets	306 521	306 021
Current assets	1 498	3 021
Equity (*)	307 993	308 442
Borrowing, provisions and third-party (*)	26	601
Profit for the year	33 360	21 050
Dividend paid	33 808	18 613
Socfinasia S.A.’s holding (%)	99.99	99.99

(*) Before allocation

SOCFINDE S.A.

Share capital: EUR 1 250 000

Socfinde S.A. is a Luxembourg holding company.

Loss for the year ended 31st December 2020 is EUR 67 644. The Board of Directors will not propose any dividend distribution at the Annual General Meeting.

Key figures (EUR 000)		
As at 31st December	*2020*	*2019*
Fixed assets	10 512	11 076
Current assets	43 559	109 598
Equity	5 873	5 941
Borrowing, provisions and third-party	48 198	114 733
Result for the year	-68	269
Socfinasia S.A.'s holding (%)	79.92	79.92

SOGESCOL FR S.A.

Share capital: CHF 5 300 000

Sogescol FR is a Swiss company which trades in rubber and palm oil.

Profit for the year ended 31st December 2020 amounted to USD 3 758 811. The Board of Directors will propose a dividend distribution of USD 4 600 000 at the Annual General Meeting.

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

Key figures (USD 000) ***As at 31st December***	***2020***	***2019***
Fixed assets	1 088	1 125
Current assets	36 307	38 511
Equity (*)	13 484	16 725
Borrowing, provisions and third-party (*)	23 911	22 912
Result for the year	3 759	7 412
Dividend	7 000	6 000
Dividend per share (USD)	1 321	1 132
Socfinasia 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 profit for the year ended 31st December 2020 is EUR 1 535 347. The Board of Directors will propose EUR 1 000 000 of dividend distribution at the Annual General Meeting.

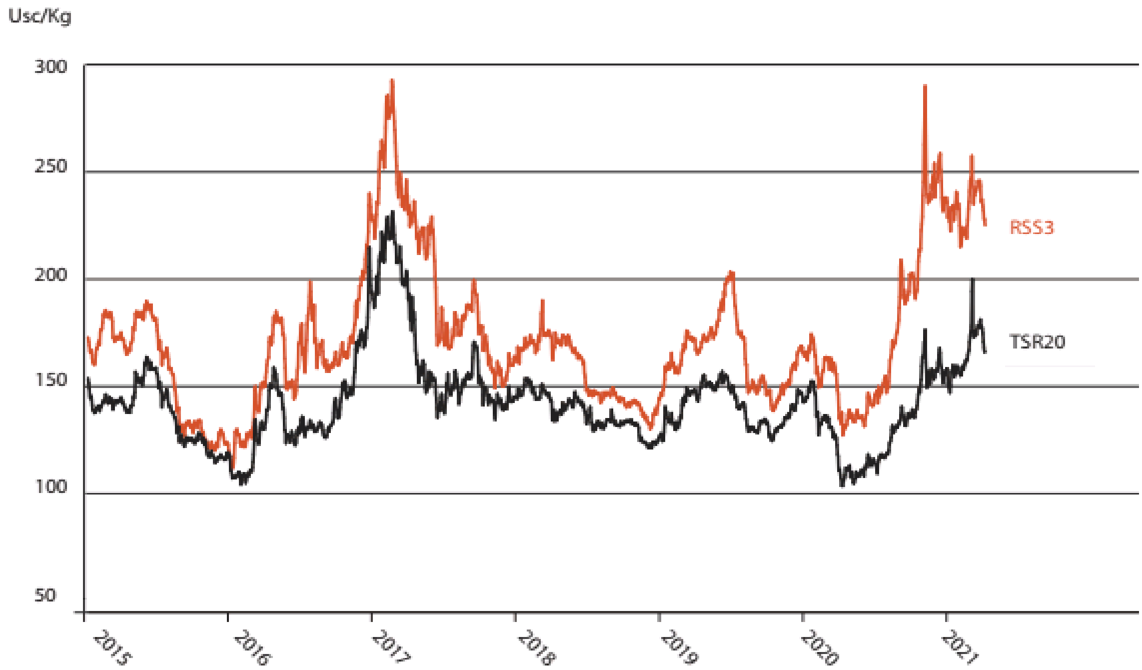
Key Figures (EUR 000) ***As at 31st December***	***2020***	***2019***
Fixed assets	7 087	3 911
Current assets	12 579	10 801
Equity (*)	11 310	9 775
Borrowing, provisions and third parties (*)	8 356	4 937
Sales and services	19 933	20 876
Result for the year	1 535	4 227
Dividend	0	4 000
Dividend per share (EUR)	0	3 077
Socfinasia S.A.'s holding (%)	50.00	50.00

(*) Before allocation.

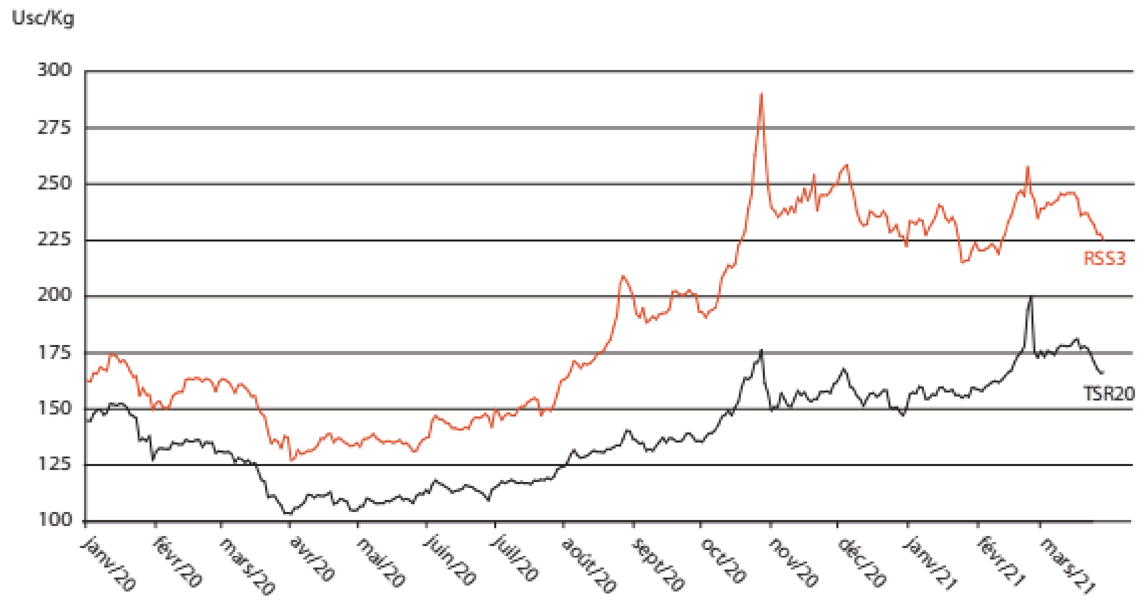
International market for Rubber and Palm Oil

1. Rubber

SGX - NATURAL RUBBER - 5 years +



SGX - NATURAL RUBBER - 1 year +



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 the beginning of the year and has briefly come over USD 1 500 per ton by mid-January. Several factors contributed to the rise in prices, 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 an end following the Covid-19 outbreak in China and then globally. The lockdown measures and the shutdown of industrial activity in many countries caused a drop in demand and prices for raw materials.

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

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

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

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

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

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

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

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

Outlook 2021

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

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

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

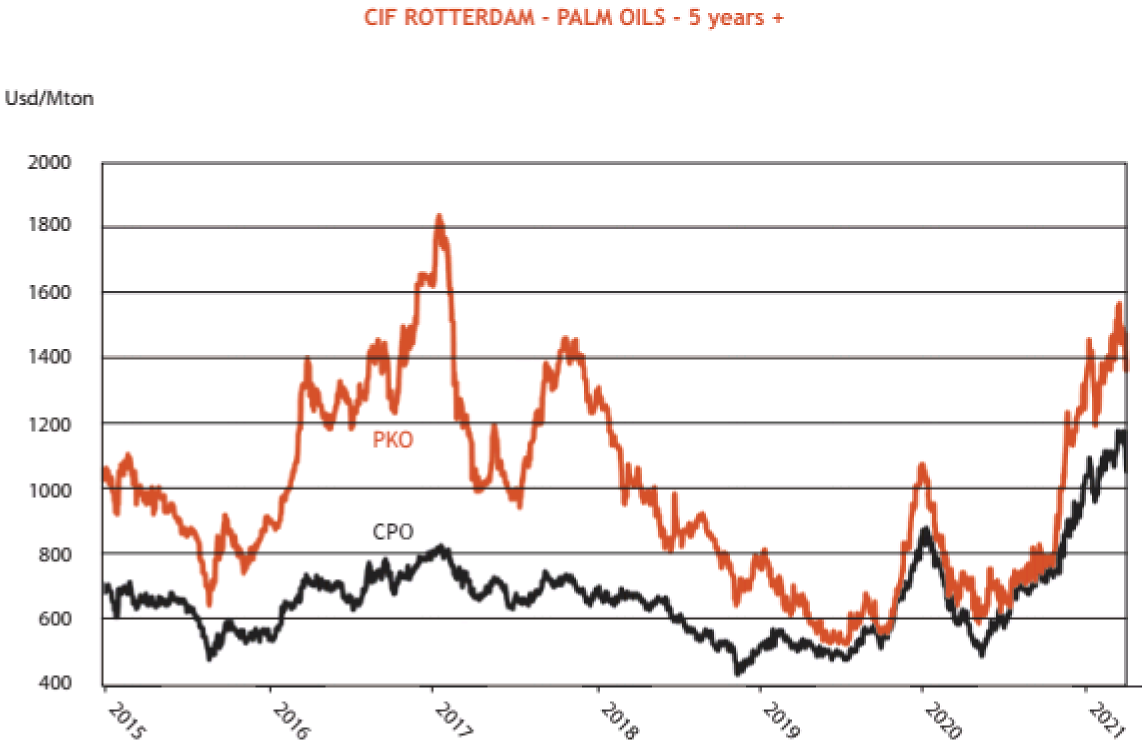
While tire manufacturers seem to be gradually returning to their pre-COVID-19 production levels, many uncertainties remain regarding the evolution of the natural rubber market. The evolution of the global sanitary situation is still very uncertain.

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

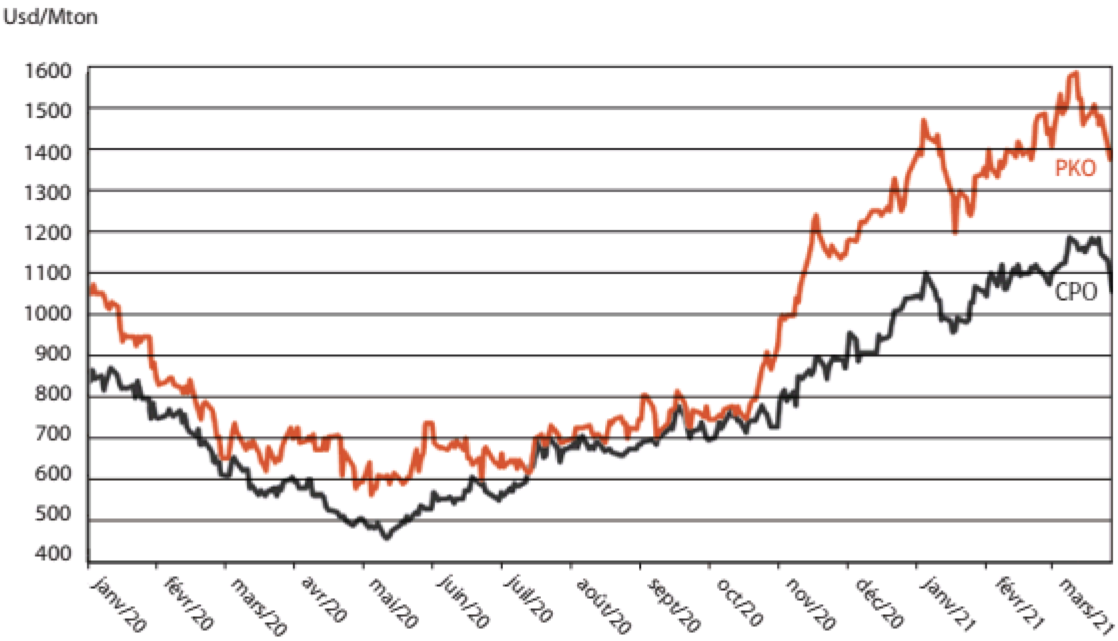
The IRSG estimates global natural rubber production at 13.51 million tons in 2021 and global consumption at 13.41 million tons.

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

2. Palm Oil



CIF ROTTERDAM - PALM OILS - 1 year +



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

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

(*) Estimate.

Production of main 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
TOTAL	***201.1***	***197.3***	***198.2***	***193.7***	***184.2***	***168.7***	***170.8***	***110.1***	***68.4***

(*) Estimate.

The International Market 2020

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

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

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

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

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

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

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

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

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

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

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

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

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

Outlook 2021

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

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

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

Environment and Social Responsibility

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

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

The efforts and actions undertaken by the Socfin Group in this area are detailed in a dashboard regularly updated as well as in a separate annual report ("Sustainable Development Report").

The corporate responsibility policy, the dashboard and the annual sustainable development report are available on the Group's website.

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

Key figures

1. Activity Indicators

Area (hectares)		*Rubber*		*Palm*
As at 31st December 2020				
Immatures (by year of planting				
2020		189		1 214
2019		155		1 872
2018		215		1 931
2017		80		0
2016		169		0
2015		976		0
2014		1 065		0
2013		211		0
2012		9		
2011		327		0
Total immatures		***3 396***		***5 017***
Young	(6 to 11years)	6 522	(3 to 7 years)	5 792
Matured	(12 to 22 years)	4 138	(8 to 18 years)	12 061
Old	(above 22 years)	357	(above 18 years)	15 858
Total in production		***11 017***		***33 711***
TOTAL		**14 413**		**38 728**

Area (hectares)	*2020*	*2019*	*2018*	*2017*	*2016*
Palm	38 727	38 447	39 476	39 194	38 669
Rubber	14 414	14 829	15 655	15 994	16 524
TOTAL	***53 141***	***53 276***	***55 131***	***55 188***	***55 193***

Production	*2020*	*2019*	*2018*	*2017*	*2016*
Palm Oil (tons)					
Own production	182 577	189 462	194 705	196 814	181 247
Third party purchases	0	0	0	0	172
Rubber (tons)					
Own production	15 110	15 123	15 142	14 702	13 590
Seeds (thousands)					
Own production	8 042	6 308	14 875	14 149	16 064

Turnover (millions EUR)	*2020*	*2019 Restated (*)*	*2018*	*2017*	*2016*
Palm	104.5	98.4	98.4	127.5	115.2
Rubber	18.1	19.4	17.4	25.0	16.7
Other agricultural products	3.9	3.9	9.5	9.1	11.6
Total	***126.5***	***121.7***	***125.3***	***161.6***	***143.5***

Staff	*2020*	*2019*	*2018*	*2017*	*2016*
Average workforce	10 363	10 567	10 885	11 033	11 232

(*) Refer to Note 3.

2. Key figures from the consolidated income statement and consolidated statement of cash flows

(millions EUR)	*2020*	*2019 Restated (**)*	*2018 Restated (**)*	*2017*	*2016*
Turnover	127	122	125	162	144
Operating income	31	21	36	40	39
Result of the year attributable to the Group	16	14	23	25	25
Operating cash flow	36	25	8	13	82
Free cash flow (*)	25	12	-12	-9	67

(*) Free Cash Flow = Cash flow from operating activities + cash flow from investing activities.
(**) Refer to Note 3.

3. Key figures in the consolidated statement of financial position

(millions EUR)	*2020*	*2019 Restated (*)*	*2018 Restated (*)*	*2017*	*2016*
Bearer biological assets	107	117	110	104	118
Other non-current assets	154	87	85	86	93
Current assets	75	143	148	165	192
Total equity	247	255	253	244	258
Non-current liabilities	37	45	38	36	39
Current liabilities	52	47	51	75	106

(*) Refer to Note 3.

Stock market data

(EUR)	*2020*	*2019 Restated (**)*	*2018 Restated (**)*	*2017*	*2016*
Number of shares	19 594 260	19 594 260	19 594 260	19 594 260	19 594 260
Equity attributable to the owners of the Company	241 466 671	247 709 358	246 510 612	237 074 123	248 302 670
Undiluted net profit per share	0.84	0.73	1.44	1.26	1.27
Dividend per share	0.80	0.80	0.90	1.00	1.00
Share price					
Minimum	11.10	11.70	12.60	19.00	15.60
Maximum	17.80	16.40	20.40	24.39	21.70
Closing	14.50	16.30	12.60	20.00	21.11
Market capitalization (*)	284 116 770	319 386 438	246 887 676	391 885 200	413 634 829
Dividend paid/net profit attributable to the owners of the Company	95.36%	109.27%	62.50%	79.17%	78.75%
Dividends/market capitalization	5.52%	4.91%	7.14%	5.00%	4.74%
Market price/undiluted net profit per share	17.28	22.26	8.75	15.83	16.62

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

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 charter on 21st November 2018. It has been updated on 17th March 2021 and is available on the Group's website.

3. Board of Directors

Composition of the Board of Directors

Name	Nationality	Year of Birth	Position	First nomination	Term of Office
Mr. Hubert Fabri	Belgian	1952	Chairman [(a)]	AGO 1980	AGO 2022
Mr. Vincent Bolloré	French	1952	Director [(a)]	AGE 1990	AGO 2024
Mr. Cyrille Bolloré	French	1985	Director [(a)]	AGO 2019	AGO 2025
Mr. Philippe de Traux	Belgian	1951	Director [(b)] General Secretary	AGO 2008	AGO 2026
Mr. Luc Boedt	Belgian	1955	Director [(b)]	AGO 2008	AGO 2026
Administration and Finance Corporation “AFICO” represented by Wolfgang Ullens	Belgian	1977	Director [(b)]	AGO 1997	AGO 2023
Mr. François Fabri	Belgian	1984	Director [(b)]	AGO 2014	AGO 2026
Mr. Philippe Fabri	Belgian	1988	Director [(b)]	AGO 2018	AGO 2024
Mrs. Valérie Hortefeux	French	1967	Director [(c)]	AGO 2019	AGO 2025

[(a)] Non-Executive non-independent Director
[(b)] Executive non-independent Director
[(c)] Independent Director

Mr. Hubert Fabri, 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

Hubert Fabri
Chairman

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

Cyrille Bolloré
Director

Positions and offices held in Luxembourg companies
- Director of Socfinasia.
- Permanent representative of Bolloré Participations SE on the Board of Directors of Socfinaf

Positions and offices held in foreign companies
- Chairman of the Board of Directors of Bolloré SE;
- Member of the Supervisory Board of Compagnie du Cambodge;
- Vice-Chairman of Financière de l'Odet SE ;
- Director of Bolloré SE, Financière de l'Odet SE and Société Industrielle et Financière de l'Artois;
- Permanent representative of Compagnie du Cambodge on the Board of Financière Moncey;.
- Member of the Supervisory Board of Vivendi SE.

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 ».

Luc Boedt
Director

Positions and offices held in Luxembourg companies
- Chairman of the Board of Directors of Socfinaf
- Director of Socfinaf and Socfinasia;
- Permanent representative of Administration and Finance Corporation « AFICO » on the board of directors of Société Financière des Caoutchoucs « Socfin ».

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 of Socfinaf on the Board of Directors of Société Camerounaise de Palmeraies « Socapalm ».

Administration and Finance Corporation « AFICO »
Director

Positions and offices held in Luxembourg companies
- Director of Société Financière des Caoutchoucs « Socfin » and Socfinasia;

Positions and offices held in foreign companies
- Director of Société des Caoutchoucs du Grand Bereby « SOGB », Société Industrielle et Financière de l'Artois and Société Camerounaise de Palmeraies « Socapalm ».

François Fabri
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
- Permanent Representative of Administration and Finance Corporation "AFICO" on the Board of Société des Caoutchoucs du Grand Bereby "SOGB";
- Director of S.A.F.A. Cameroon "Safacam" 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;
- Executive director of Société Financière des Caoutchoucs « Socfin ».

Positions and offices held in foreign companies
- Member of the Supervisory Board of Mopoli.

Valérie Hortefeux
Director

Positions and offices held in Luxembourg companies
- Director of Socfinasia.

Positions and offices held in foreign companies
- Director of Mediobanca and Financière de l'Odet SE.

Appointments of Directors

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

In the event of a vacancy due to death or following the resignation of one or more Directors, the remaining Directors will proceed to temporary co-optations. These co-optations will be subject to the approval of the Annual General Meeting of shareholders at its next meeting. The director appointed to replace another director 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: 100%
- 2019: 91%
- 2018: 96%
- 2017: 91%
- 2016: 90%

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

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

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

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

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

The Audit Committee shall meet three times a year.

4.2. Appointment and Remuneration Committee

The remuneration of the operational management of Socfinasia 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. Remuneration

The remuneration allocated to the members of the Board of Directors of Socfinasia S.A. for financial year 2020 amounts to EUR 4 625 964 compared to EUR 4 089 283 in 2019.

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

6. Shareholding Status

Shareholder	Number of shares held = Number of voting rights	Percentage holding	Date of notification
Socfin L-1650 Luxembourg	11 324 179	57.79	01/02/2017
Bolloré Participations S.A. F-29500 Ergué Gaberic	200	0.001	22/10/2018
Bolloré F-29500 Ergué Gaberic	3 358 100	17.138	22/10/2018
Compagnie du Cambodge F-92800 Puteaux	1 002 500	5.116	22/10/2018
Total Bolloré interests (direct and indirect)	4 360 800	22.255	

7. Financial calendar

25th May 2021	Ordinary Annual General Meeting at 11 a.m.
9th June 2021	Payment of the balance of dividend for 2020 (coupon number 80)
End of September 2021	Holding and consolidated half yearly results as at 30th 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 31st December 2021
Mid-April 2022	Consolidated annual results as at 31st December 2021
Mid-May 2022	Interim statement of the Board for Q1 2022
31th May 2022	Ordinary Annual General Meeting at 11 a.m.

The Company's results are communicated on the Luxembourg Stock Exchange website www.bourse.lu in the "OAM" section and on the Company's website 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 194 761 VAT included.

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

9. Corporate, social and environmental responsibility

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

An annual implementation plan for this policy has been defined and executed throughout the 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 10th March 2016 specifying the modalities for updating insider lists, a list of insiders has been drawn up and is kept continuously up to date. The persons concerned have been informed of their inclusion on this list.

Statement of Compliance

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

(a) the consolidated financial statements prepared for the year ended as at 31st December 2020, in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets and liabilities, the financial position and the profit or loss of Socfinasia and of all the entities included in consolidation, and

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

Consolidated management report

Directors' report on the consolidated financial statements
presented by the Board of Directors to the
Ordinary Annual General Meeting of the Shareholders of 25th May 2021

Ladies and Gentlemen,

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as at 31st December 2020 comprise the financial statements of Socfinasia 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. Socfinasia S.A. (the Group) adopted IFRS standards for the first time in 2005 and all the standards applicable to the Group as at 31st December 2020 have been implemented.

Consolidated results

For the 2020 financial year, the result attributable to the Group amounted to EUR 16.4 million compared to EUR 14.3 million in 2019. This results in earnings per share attributable to the Group of EUR 0.84 compared to EUR 0.73 in 2019.

Consolidated revenue amounted to EUR 126.5 million in 2020 compared to EUR 121.7 million in 2019 (an increase of EUR 4.8 million). This increase in revenue was mainly due to rise in the price (EUR +20.4 million), a reduction in the quantities sold (EUR -8.5 million), and a foreign exchange loss on the Euro against the Indonesian Rupiah (EUR -7.1 million).

Likewise, operating income increased to EUR 31.1 million compared to EUR 20.9 million in 2019.

Other financial income increased to EUR 4.9 million compared to EUR 2.1 million in 2019 and consisted mainly of EUR 3.4 million of interest on long term advances to Socfinaf.

Financial expenses amounted to EUR 6.9 million compared to EUR 1.7 million in 2019 and consisted mainly of foreign exchange losses of EUR 4.2 million.

The tax expense increased. Income taxes amounted to EUR 11.0 million compared to EUR 9.7 million in 2019.

Profit for the year from associates attributable to the Group decreased to EUR 1.8 million compared to EUR 6.1 million in 2019.

Consolidated statement of financial position

The assets of Socfinasia S.A consist of:

- non-current assets of EUR 261.4 million compared to EUR 204.1 million in 2019; an increase of EUR 57.3 million mainly due to EUR 80.0 million of long term advances to Socfinaf decreased by depreciations of respectively EUR 9.8 million on biological assets and EUR 5.8 million on property, plant and equipment;

- current assets of EUR 74.7 million compared to EUR 143.4 million in 2019. This decreased is mainly due to the transfer of EUR 80 million receivable from Socfinaf to long term advances.The value of inventory decreased by EUR 6.5 million and net cash flows increased by EUR 7.2 million.

Shareholders' equity attributable to the Group amounted to EUR 241.5 million compared to EUR 247.7 million in 2019. The decrease in shareholders' equity of EUR 6.3 million was mainly due to the earnings for the year (EUR +16.4 million), the allocation of the net results (EUR -15.7 million, 2019 balance and 2020 interim dividends included), and the change in translation reserve (EUR -8.7 million)

On the basis of the consolidated shareholders' equity, the net value per share attributable to the Group (before distribution of the balance of the dividend) was EUR 12.32 compared to EUR 12.64 a year earlier. As at 31st December 2020, the share price stood at EUR 14.50.

Current and non-current liabilities decreased to EUR 88.9 million compared to EUR 92.8 million a year earlier. The tax liabilities increased from EUR 1.9 million to EUR 10.0 million.The cash pooling payables to the entities outside the scope of consolidation amounted EUR 17.8 million compared to EUR 21.0 million the previous year.

Consolidated cash flow

As at 31st December 2020, net cash flow amounted to EUR 19.8 million, an increase of EUR 7.2 million for the year compared to a decrease of EUR 5.6 million in the previous financial year.

Net cash flow from operating activities amounted to EUR 35.9 million in 2020 (EUR 25.4 million in 2019) and cash flow from operations to EUR 54.8 million compared to EUR 42.7 million in the previous financial year.

Cash flow from investing activities amounted to EUR 11.1 million (EUR 13.5 million in 2019) and cash flow from financing activities amounted to EUR 16.6 million (EUR 17.8 million in 2019) of which EUR 19.4 million of dividends (EUR 18.1 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 33).

OUTLOOK 2021

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

POLITICAL AND ECONOMIC ENVIRONMENT

The Company holds interests in subsidiaries operating in South-East Asia.

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

EVENTS AFTER THE CLOSING DATE

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

IMPACT OF THE COVID-19 CRISIS

In addition to the sanitary measures taken and described in the sustainable development report, the Group limited the tapping of rubber trees of the most productive plots at the beginning of the Covid-19 crisis. As a result, own rubber production was 17% below budget.

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 the operations.

CORPORATE GOVERNANCE

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

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

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

Segregation of functions

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

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

Autonomy and accountability of subsidiaries

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

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

Centralised control

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

Treasury reporting process

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

Financial reporting process

The financial department organises, supervises and controls the reporting of monthly accounting, budgetary and financial information and distributes condensed reports for use by the Group's operational management.

Twice per year, it includes this information in the long-term development plan of the subsidiaries. It also ensures the implementation of the financial decisions taken by the Board of Directors of the subsidiaries.

Preparation of consolidated accounts

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

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

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

ENVIRONMENT AND SOCIAL RESPONSIBILITY

The Group has published its responsible management policy in 2017. 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

The Board of Directors

Auditor’s report on the consolidated financial statements

To the Shareholders
SOCFINASIA S.A.
4, Avenue Guillaume
L-1650 Luxembourg

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

Consolidated Financial Statements

1. Consolidated Statement of Financial Position

ASSETS	Note	31/12/2020 EUR	31/12/2019 Restated (*) EUR	01/01/2019 Restated (*) EUR
Non-current assets				
Right-of-use assets	4	958 149	1 207 625	1 275 004
Intangible assets	5	208 262	284 094	326 574
Property, plant and equipment	6	40 157 598	45 999 098	46 465 610
Biological assets	7	107 369 830	117 122 614	109 564 244
Investment in associates	9	20 600 069	22 557 385	21 720 079
Financial assets at fair value through other comprehensive income	10	584 990	633 987	667 448
Long-term advances	11	80 387 666	3 170 663	2 743 571
Deferred tax assets	12	3 557 425	4 944 613	4 269 375
Other non-current assets		7 600 000	8 200 000	8 200 000
		261 423 989	***204 120 079***	***195 231 905***
Current assets				
Inventory	13	11 766 833	18 312 845	21 274 302
Trade receivables	14	1 994 383	4 174 869	3 441 405
Other receivables	15	40 157 782	107 399 734	104 321 473
Current tax assets	16	980 690	883 837	1 132 080
Cash and cash equivalents	17	19 832 116	12 592 654	18 212 041
		74 731 804	***143 363 939***	***148 381 301***
TOTAL ASSETS		***336 155 793***	***347 484 018***	***343 613 206***

(*) Refer to note 3.

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

EQUITY AND LIABILITIES	*Note*	*31/12/2020*	*31/12/2019 Restated (*)*	*01/01/2019 Restated (*)*
		EUR	*EUR*	*EUR*
Equity attributable to Group				
Share capital	18	24 492 825	24 492 825	24 492 825
Legal reserve	19	2 449 283	2 449 283	2 506 250
Consolidated reserves		323 270 534	322 877 350	316 502 071
Translation reserves		-125 183 537	-116 455 441	-120 527 335
Profit for the year		16 437 566	14 345 341	23 268 327
		241 466 671	***247 709 358***	***246 242 138***
Non-controlling interests	8	***5 748 692***	***6 972 073***	***6 934 812***
Total equity		***247 215 363***	***254 681 431***	***253 176 951***
Non-current liabilities				
Deferred tax liabilities	12	1 806 032	1 693 390	1 127 920
Employee Benefit Obligations	20	35 114 910	42 474 505	36 834 183
Long-term lease liabilities	4	394 600	1 295 694	1 269 283
		37 315 542	***45 463 589***	***39 231 386***
Current liabilities				
Short-term lease liabilities	4	24 036	25 938	108 361
Trade payables		4 418 226	3 539 458	3 681 819
Current tax liabilities	16	10 048 388	1 948 383	2 165 591
Provisions		72 545	78 660	78 271
Other payables	21	37 061 693	41 746 559	45 170 827
		51 624 888	***47 338 998***	***51 204 869***
TOTAL EQUITY AND LIABILITIES		***336 155 793***	***347 484 018***	***343 613 206***

(*) Refer to note 3.

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

2. Consolidated Income Statement

	Note	2020 EUR	2019 Restated (*) EUR
Revenue	32	126 520 057	121 738 447
Work performed by entity and capitalized		1 239 801	2 200 391
Change in inventories of finished products and work in progress		-4 324 601	-4 978 123
Other operational income		5 264 861	7 787 939
Raw materials and consumables used		-12 013 109	-14 129 944
Other expenses		-11 375 578	-13 244 352
Staff costs	23	-50 861 528	-51 688 737
Depreciation and impairment expense	24	-12 412 405	-11 230 829
Other operating expenses		-10 946 517	-15 555 717
Operating profit		***31 090 981***	***20 899 076***
Other financial income	26	4 860 689	2 070 161
Gains on disposals		52 272	30 855
Impairment on disposals of assets		-446 572	-522 871
Financial expenses	27	-6 912 388	-1 726 740
Profit before taxes		***28 644 982***	***20 750 481***
Income tax expense	28	-11 001 332	-9 660 672
Deferred tax expense	28	-347 544	-565 480
Group's share of income from associates	9	1 765 112	6 084 418
Profit for the period		***19 061 218***	***16 608 746***
Profit attributable to non-controlling interests		***2 623 652***	***2 263 406***
Profit attributable to the owners of the Parent		***16 437 566***	***14 345 341***
Basic earnings per share	29	***0.84***	***0.73***

Number of shares of Socfinasia S.A	**19 594 260**	**19 594 260**
Basic earnings per share	0.84	0.73
Diluted earnings per share	0.84	0.73

(*) Refer to note 3.

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

3. Consolidated Statement of Other Comprehensive Income

	Note	2020 EUR	2019 Restated (*) EUR
Profit of the year		***19 061 218***	***16 608 746***
Other comprehensive income			
Actuarial losses and gains	20	3 161 077	-1 580 934
Deferred tax on actuarial losses and gains		-695 437	395 233
Fair value of securities measured at fair value through other comprehensive income, before taxes	22	-48 997	-33 461
Deferred tax on fair value changes of securities measured at fair value through other comprehensive income		12 220	9 061
Sub-total of items that cannot be reclassified to income statement		*2 428 863*	*-1 210 101*
Gains (losses) on exchange differences on translation of subsidiaries		-9 224 454	4 370 087
Share of other comprehensive income related to associates		-237 695	-187 760
Sub-total of items that can be reclassified to income statement		*-9 462 149*	*4 182 327*
Total other comprehensive income/(loss)		***-7 033 286***	***2 972 226***
Comprehensive income		***12 027 932***	***19 580 972***
Comprehensive income attributable to non-controlling interests		***2 594 994***	***2 438 130***
Comprehensive income attributable to the owners of the Parent		***9 404 265***	***17 142 843***

(*) 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
Operating activities			
Profit attributable to owners of the Parent		16 437 566	14 345 341
Profit attributable to non-controlling shareholders		2 623 652	2 263 406
Income from associates	9	-1 765 112	-6 084 418
Dividends received from associates	9	3 302 248	5 046 264
Fair value of agricultural production	13	4 806 752	3 660 462
Other adjustments having no impact on cash position (IFRS and others)		2 941 770	-210 777
Depreciation, amortization and impairment	24	12 412 405	11 230 828
Provision and other expenses		2 264 700	1 695 223
Net loss on disposal of assets		394 299	492 017
Income tax expense	28	11 348 876	10 226 151
Cash flow from operating activities		***54 767 156***	***42 664 494***
Interest paid	26, 27	***-3 288 408***	***-455 357***
Income tax paid	28	***-11 001 331***	***-9 660 672***
Change in inventories		151 135	562 420
Change in trade and other receivables		-11 555 857	-2 665 803
Change in trade payables and other payables		7 056 036	-5 948 157
Change in accruals and prepayments		-267 488	912 305
Change in working capital requirement		***-4 616 174***	***-7 139 235***
Net cash flows from operating activities		***35 861 243***	***25 409 230***
Investing activities			
Acquisition of intangible assets		-17 885	-29 309
Acquisition of property, plant and equipment	6,7	-12 685 358	-13 490 198
Disposal of property, plant and equipment		1 074 313	485 045
Acquisitions of financial fixed assets		564 241	-429 555
Net cash flows from investing activities		***-11 064 689***	***-13 464 017***
Financing activities			
Dividends paid to owners of the Parent		-15 675 408	-15 675 408
Dividends paid to non-controlling shareholders		-3 756 823	-2 467 389
Repayment of borrowings		1 974	-1 884
Repayment of lease liabilities		-504 552	-112 736
Interest received		3 288 408	455 357
Net cash flows from financing activities		***-16 646 401***	***-17 802 060***
Effect of exchange rate changes		-910 690	237 460
Net cash flows		***7 239 463***	***-5 619 387***
Cash and cash equivalents as at 1st January 2020	17	12 592 654	18 212 041
Cash and cash equivalents as at 31st December 2020	17	19 832 116	12 592 654
Net increase / decrease in cash and cash equivalents		***7 239 462***	***-5 619 387***

(*) Refer to Note 3.
The accompanying notes are an integral part of these consolidated financial statements.

5. Consolidated Statement of Changes in Equity

EUR	*Share capital*	*Legal reserve*	*Translation reserves*	*Consolidated reserves*	*Equity attributable to owners of the Parent*	*Non-controlling interests*	*TOTAL*
Balance as at 1st January 2019	***24 492 825***	***2 506 250***	***-120 513 264***	***342 333 775***	***248 819 586***	***7 057 614***	***255 877 200***
Impact of adoption of IFRS 16 "lease" (Note 4)				-268 474	***-268 474***	-4 955	***-273 429***
Adjusted balance as at 1st January 2019	***24 492 825***	***2 506 250***	***-120 513 264***	***342 065 301***	***248 551 112***	***7 052 659***	***255 603 771***
Adjustment on the opening balances (Note 3)			-14 071	-2 294 903	***-2 308 974***	-117 847	***-2 426 821***
Balance as at 1st January 2019 - Restated (*)	***24 492 825***	***2 506 250***	***-120 527 335***	***339 770 398***	***246 242 138***	***6 934 812***	***253 176 950***
Profit/(loss) for the period				14 345 341	***14 345 341***	2 263 406	***16 608 747***
Actuarial losses and gains				-1 067 132	***-1 067 132***	-118 569	***-1 185 701***
Changes in fair value of securities at fair value through other comprehensive income				-19 500	***-19 500***	-4 900	***-24 400***
Foreign currency translation adjustment			4 071 894	0	***4 071 894***	298 193	***4 370 087***
Transfer between reserves		-56 967		56 967	***0***	0	***0***
Change in other comprehensive income from associates				-187 760	***-187 760***	0	***-187 760***
Other comprehensive income		***-56 967***	***4 071 894***	***13 127 917***	***17 142 843***	***2 438 131***	***19 580 973***
Dividends				-9 797 130	***-9 797 130***	-1 064 198	***-10 861 328***
Interim dividends				-5 878 278	***-5 878 278***	-1 336 672	***-7 214 950***
Other movements				-215	***-215***	0	***-215***
Transactions with shareholders				***-15 675 623***	***-15 675 623***	***-2 400 870***	***-18 076 493***
Balance as at 31st December 2019 - Restated (*)	***24 492 825***	***2 449 283***	***-116 455 441***	***337 222 691***	***247 709 357***	***6 972 073***	***254 681 429***

(*) Refer to note 3.
The accompanying notes are an integral part of these consolidated financial statements.

EUR	*Share capital*	*Legal reserve*	*Translation reserves*	*Consolidated reserves*	*Equity attributable to owners of the Parent*	*Non-controlling interests*	*TOTAL*
Balance as at 1st January 2020	***24 492 825***	***2 449 283***	***-116 455 441***	***337 222 691***	***247 709 357***	***6 972 073***	***254 681 429***
Profit/(loss) for the period				16 437 566	***16 437 566***	2 623 652	***19 061 218***
Actuarial losses and gains			28 672	1 990 553	***2 019 225***	446 415	***2 465 640***
Changes in fair value of securities at fair value through other comprehensive income				-29 391	***-29 391***	-7 386	***-36 777***
Foreign currency translation adjustments			-8 756 768	0	***-8 756 768***	-467 686	***-9 224 454***
Change in other comprehensive income from associates			0	-237 695	***-237 695***	0	***-237 695***
Other comprehensive income		***0***	***-8 728 096***	***18 161 033***	***9 432 937***	***2 594 994***	***12 027 932***
Dividends (Note 30)				-9 797 130	***-9 797 130***	-1 912 579	***-11 709 709***
Interim dividends				-5 878 278	***-5 878 278***	-1 905 798	***-7 784 076***
Other movements				-216	***-216***	0	***-216***
Transactions with shareholders				***-15 675 624***	***-15 675 624***	***-3 818 377***	***-19 494 001***
Balance as at 31st December 2020	***24 492 825***	***2 449 283***	***-125 183 537***	***339 708 101***	***241 466 671***	***5 748 691***	***247 215 362***

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

Socfinasia S.A. (the "Company") was incorporated on 20th November 1972. Its corporate purpose qualifies it as a soparfi since the Annual General Meeting of 10th January 2011. The registered office is established at 4, avenue Guillaume, L-1650 in Luxembourg.

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

Socfinasia 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 in Luxembourg.

The Company is listed on the Luxembourg Stock Exchange and is registered in the commercial register under the number B 10534 and is listed on the Luxembourg Stock Exchange under ISIN code: LU0092047413.

1.2. Statement of compliance

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

On 30th April 2021, the Board of Directors approved the consolidated financial statements.

New standards and amendments applicable on 1st January 2021:

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

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

The changes in this final phase relate to:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.3. Presentation of the consolidated financial statements

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

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

The accounting principles and policies are applied consistently throughout the Group. The consolidated financial statements are prepared for the financial year ended 31st December 2020 and are presented prior to the parent company's proposed allocation of profit to the Annual Meeting of Shareholders.

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

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

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

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

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

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

1.4. Consolidation principles

The consolidated financial statements include the financial statements of the parent company Socfinasia as well as those of the companies controlled by the parent ("subsidiaries") and those of the companies in which Socfinasia has exercised significant influence ("associates"), all of which constitute the “Group”.

All companies included in the scope of consolidation as at 31st December 2020 close their accounts on 31st 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 recognized 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 recognized, 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 Restated to reflect changes in circumstances, new information available and the effects of experience.

1.6. Goodwill

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

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

1.7. Negative goodwill

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

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

1.8. Foreign currency conversion

In the financial statements of Socfinasia 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 recognized in the income statement for the year in which the sale took place.

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

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

Eur 1 equals to:	*Closing rate*		*Average rate*	
	2020	*2019*	*2020*	*2019*
Cambodian Riel	4 964	4 578	4 672	4 539
Indonesian Rupiah	17 308	15 615	16 725	15 815
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 old
Other intangible assets	3 to 5 years old
Software	3 to 5 years old
Concessions	Length of the concessions

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

1.10. Property, plant and equipment

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

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

Depreciation is applied on a straight-line basis based on an estimate of the useful life for each significant component of the asset in question.

When the recoverable value of an asset is lower than its book value, the latter is reduced to reflect this loss in value.

The estimated useful lives are as follows:

Buildings	20 to 50 years
Technical installations	3 to 20 years
Furniture, vehicles and others	3 to 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 Asia. These biological assets, mainly consisting of palm oil and rubber plantations, are valued according to the principles defined in IAS 16 "Tangible fixed assets".

Biological assets till 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 25 years
Bearer plants - Rubber	20 to 25 years

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

Agricultural production

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

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

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

The Group does not evaluate standing agricultural production (before harvest). In fact, by nature this notion is not applicable to the rubber tree whose agricultural production (latex) is located inside the tree itself.

The Group also considers that the harvesting of palms cannot be reliably assessed with sufficient certainty without incurring costs disproportionate to the usefulness of the information collected.

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

1.12. Leases

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

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

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

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

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

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

- rights-of-use of assets: increase by EUR 1.3 million;
- deferred tax assets: increase by EUR 0.02 million;
- lease liabilities: increase by EUR 1.4 million.

The net impact on retained earnings as at 1st January 2019 was a decrease of EUR 0.3 million.

For leases previously treated as finance leases, the right-of-use asset and the lease liability have been recognised as at 1 January 2019 at their carrying amounts measured in accordance with IAS 17 immediately before that date.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and recognises any impairment loss as described in Note 24 “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 recognized as expenses in the income statement.

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

An impairment loss recorded on goodwill cannot be subsequently reversed.

1.14. 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 recognized 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.

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 recognized in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments derivatives

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

- *Hedging instruments:*

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

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

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

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

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

- *Other instruments:*

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

For the periods under review, the hedging instruments were used by the Group.

Loans

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

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

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

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

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

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 (see Notes 22).

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

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

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

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

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

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

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

1.18. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) resulting from a past event which will probably lead to an outflow of economic benefits that can be reasonably estimated. Restructuring provisions are recognized when the Group has a formal and detailed plan for the restructuring that has been notified to the affected parties.

1.19. 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 recognized in the income statement in the year in which they are due.

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

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

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

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

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

The Group decided to calculate discount rates using an economic approach for high-quality corporate corresponding to the terms of the employee benefits in the countries concerned. In the countries where there is no active market for such obligation, the Group refers to the market yields (at the end of the reporting period) of government bonds. The currency and duration of these corporate or government bonds must correspond to the currency and estimated duration of the post-employment benefit obligations
The cost of corresponding commitments is determined using the projected unit credit method, with a discounted value calculation at the balance sheet date in accordance with the principles of IAS 19 "Employee Benefits".

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

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

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

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

1.20. 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, at the time of transfer of ownership according to the incoterms of the contract;
(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, following the terms of contract with the buyer.

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 recognized.

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

As at 31st December 2020, revenue from a customer within the Group accounted for approximately EUR 4.9 million (2019: EUR 5.3 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 recognized for all temporary differences unless the deferred tax is generated by goodwill or by the initial recognition of an asset or a liability that is not acquired through a business combination and does not affect the accounting profit or the taxable profit on the transaction date.

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

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

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

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

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

1.23. 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 20), IAS 41 / IAS 2 (Notes 7 and 13), IAS 16 (Note 6), IAS 36 (Notes 6 and 25) and IFRS 9 (Note 22) and IFRS 16 (Note 4).

In the absence of observable data within the scope of IFRS 13, the Group makes uses of a model developed to assess the fair value of agricultural production based on local production costs and local sales (see Note 1.11).

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

1.25. Impact of the COVID-19 pandemic

During 2020, following the impact of the COVID-19 pandemic on the activities of the Company's direct and indirect subsidiaries, 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 remains active and unpredictable, leaving economic development in an uncertain 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. 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
Asia						
Rubber and Palm						
PT SOCFIN INDONESIA « SOCFINDO »	90.00	90.00	FI	90.00	90.00	FI
Rubber						
SETHIKULA CO LTD	100.00	100.00	FI	100.00	100.00	FI
SOCFIN-KCD CO LTD	100.00	100.00	FI	100.00	100.00	FI
VARANASI CO LTD	100.00	100.00	FI	100.00	100.00	FI
COVIPHAMA CO LTD	100.00	100.00	FI	100.00	100.00	FI
EUROPE						
Other Activities						
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.	35.00	35.00	EM	35.00	35.00	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
PLANTATION NORD-SUMATRA LTD « PNS Ltd » S.A.	100.00	100.00	FI	100.00	100.00	FI
SOCFIN RESEARCH S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFIN GREEN ENERGY 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.	79.92	79.92	FI	79.92	79.92	FI
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
TERRASIA S.A.	47.81	47.81	EM	47.81	47.81	EM

(*) Consolidation method: FI: Full Integration, EM: Equity Method

List of subsidiaries and associated companies

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

* COVIPHAMA CO LTD is a company under Cambodian law active in the production of rubber.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* TERRASIA S.A is a company under Luxembourg law owning office space.

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

Note 3. Adjustments

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

i. Statement of the financial position

				Impact of the adjustment					
1st January 2019	Previously published as at 31/12/2018	Impact of IFRS 16 adoption	Opening balance as at 01/01/2019	(a)	(b)	(c)	(d)	Minority change following the adjustment	Restated Balances
Rights-of-use assets		1 275 004	1 275 004						1 275 004
Investment in associates	22 180 704	-194 619	21 986 085		-763 981	497 977			21 720 081
Deferred tax assets	3 852 721	23 831	3 876 552	392 823					4 269 375
Total assets	***26 033 425***	***1 104 216***	***27 137 641***	***392 823***	***-763 981***	***497 977***	***0***	***0***	***27 264 460***
Deferred tax liabilities	145 572		145 572				982 345		1 127 917
Employee benefit obligations	35 262 891		35 262 891	1 571 292					36 834 183
Long term lease liabilities		1 269 283	1 269 283						1 269 283
Short term lease liabilities		108 361	108 361						108 361
Total liabilities	***35 408 463***	***1 377 644***	***36 786 107***	***1 571 292***	***0***	***0***	***982 345***	***0***	***39 339 744***
Consolidated reserves	316 409 662	-268 474	316 141 188		-137 094	497 977			316 502 072
Foreign currency translation	-120 513 264		-120 513 264	-15 632				1 561	-120 527 335
Profit for the period/year	25 924 113		25 924 113	-1 162 837	-626 888		-982 345	116 283	23 268 327
Subsidiaries that hold non-controlling interests	7 057 614	-4 955	7 052 659					-117 847	6 934 812
Total equity	***228 878 125***		***228 604 696***	***-1 178 469***	***-763 981***	***497 977***	***-982 345***	***-3***	***226 177 875***

31st December 2019	Previously published	(a)	(b)	(c)	(d)	Minority change following the adjustment	Restated Balances
Investment in associates	22 764 737		-1 097 663	890 313			22 557 388
Deferred tax assets	4 524 716	419 897					4 944 613
Total assets	***27 289 453***	***419 897***	***-1 097 663***	***890 313***	***0***	***0***	***27 502 000***
Deferred tax liabilities	86 920				1 606 470		1 693 390
Employee benefit obligations	40 794 919	1 679 586					42 474 505
Total liabilities	***40 881 839***	***1 679 586***	***0***	***0***	***1 606 470***	***0***	***44 167 895***
Consolidated reserves	325 493 946	-1 162 837	-1 085 675	497 977	-982 345	116 284	322 877 350
Foreign currency translation	-116 375 679	-88 623				8 861	-116 455 441
Profit for the period/year	14 596 525	-8 230	-11 988	392 336	-624 125	823	14 345 341
Subsidiaries that hold non-controlling interests	7 098 042					-125 969	6 972 073
Total equity	***230 812 833***	***-1 259 690***	***-1 097 663***	***890 313***	***-1 606 470***	***-1***	***227 739 323***

For the year ended 31st December 2019	Previously published	(a)	(b)	(c)	(d)	Minority change following the adjustment	Reclassi-fication	Restated Balance
		Impact of the adjustment						
Raw materials and consumables	-756 615						-13 373 330	-14 129 945
Other external expenses	-26 617 682						13 373 330	-13 244 352
Staff costs	-39 785 087						-11 903 649	-51 688 736
Other operating expenses	-27 448 394	-10 974					11 903 649	-15 555 719
Deferred tax income	55 901	2 743			-624 125			-565 481
Income from associates	5 704 070		-11 988	392 336				6 084 418
Profit of the period	***16 860 750***	***-8 230***	***-11 988***	***392 336***	***-624 125***	***0***	***0***	***16 608 743***
Comprehensive income attributable to non-controlling interests	***2 264 225***					***-819***		***2 263 406***
Comprehensive income attributable to owner of the Parent	***14 596 525***	***-8 230***	***-11 988***	***392 336***	***-624 125***	***819***	***0***	***14 345 337***
Gains (losses) on exchange differences on translation of subsidiaries	4 443 078		-72 991					4 370 087
Share of other comprehensive income related to associates	133 933		-321 693					-187 760
Comprehensive income	***20 227 660***	***-8 230***	***-406 672***	***392 336***	***-624 125***	***0***	***0***	***19 580 969***

The adjustments are described below:

(a) Other long-term employee benefits of the subsidiary in Indonesia had not been recognized in prior years,
(b) The change in the value of the shares of the Swiss subsidiaries, accounted for under the equity method, following the correction of the defined benefit pension plans had not been accounted for in previous years.
(c) The change in the share of profit of associates following the recognition of negative equity in previous years.
(d) Non-recognition of deferred tax liabilities on dividends from subsidiaries in future periods.

For the sake of comparability between financial years 2020 and 2019, the Group has reclassified approximately EUR 13.4 million between raw materials and consumables used and other external expenses and EUR 11.9 million between staff costs and other operating expenses on the consolidated income statement for the year ended 31st December 2019.

Undiluted earnings per share for the year ended 31st December 2019 have also been corrected. The amount of the correction to undiluted earnings per share is a decrease of EUR 0.01 per share

Note 4. Leases

The Group leases offices and agricultural land for terms ranging from 1 to 99 years.

The Group's lease contracts are standard contracts that do not include additional non-leasing components.

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 1.75% and 14.5%.

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

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

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

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.

The amounts recognized in the balance sheet, related to leases under IFRS 16 are as follows:

Right-to-use assets:

EUR	*Buildings*	*Land and concession of agricultural area*	*Total*
Impact of adoption of IFRS 16	***329 186***	***1 425 712***	***1 754 898***
Additions of the year	0	1 016	**1 016**
Foreign currency translation	3 351	72 961	**76 312**
Gross value as at 31st December 2019	***332 537***	***1 499 689***	***1 832 226***
Impact of adoption of IFRS 16	***-82 009***	***-397 885***	***-479 894***
Depreciation of the year	-26 368	-93 459	**-119 827**
Foreign currency translation	-1 898	-22 982	**-24 880**
Accumulated depreciation as at 31st December 2019	***-110 275***	***-514 326***	***-624 601***
Net book value as at 31st December 2019	***222 262***	***985 363***	***1 207 625***
Gross value as at 1st January 2020	***332 537***	***1 499 689***	***1 832 226***
Additions of the year	***0***	***479 135***	***479 135***
Disposal of the year	***-29 903***	***-806 257***	***-836 160***
Reclassification to other asset classes	***0***	***136 505***	***136 505***
Foreign currency translation	***-25 476***	***-134 855***	***-160 331***
Other	***0***	***0***	***0***
Gross value as at 31st December 2020	***277 158***	***1 174 217***	***1 451 375***
Accumulated depreciation as at 1st January 2020	***-110 275***	***-514 326***	***-624 601***
Depreciation of the year	***-25 618***	***-99 209***	***-124 827***
Disposal of the year	***29 903***	***169 615***	***199 518***
Foreign currency translation	***9 711***	***46 973***	***56 684***
Accumulated depreciation as at 31st December 2020	***-96 279***	***-396 947***	***-493 226***
Net book value as at 31st December 2020	***180 879***	***777 270***	***958 149***

Lease liabilities

EUR	*31/12/2020*	*31/12/2019*
Long-term lease liabilities	394 600	1 295 694
Short-term lease liabilities	24 036	25 938
Total	***418 636***	***1 321 632***

Long-term lease liabilities are payable as follows:

2019

EUR	2022	2023	2024	2025	2026 and over	*TOTAL*
Lease liabilities	117 981	110 241	113 139	205 113	749 220	1 295 694

2020

EUR	2022	2023	2024	2025	2026 and over	*TOTAL*
Lease liabilities	24 151	24 266	24 382	24 499	297 302	394 600

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

EUR	*2020*	*2019*
Depreciation of right-of-use assets	124 827	119 827
Expenses related to short-term leases and low-value assets	4 388	23 515
Interest expense (included in the financial expenses)	38 521	70 043
Total	***167 736***	***213 385***

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.

Company	Date of the initial lease or its renewal/extension	Term of the initial lease	Granted area
SETHIKULA CO LTD	2010	99 years	4 273
VARANASI CO LTD	2009	70 years	2 386
COVIPHAMA CO LTD	2008	70 years	5 345
PT SOCFINDO	1995/2015/2019	25 to 35 years	47 695

Note 5. Intangible assets

EUR	*Concessions and patents*	*Software*	*TOTAL*
Cost as at 1st January 2019	***52 398***	***1 509 600***	***1 561 998***
Additions of the year	0	29 309	29 309
Foreign currency translation	260	93 738	93 998
Cost as at 31st December 2019	***52 658***	***1 632 647***	***1 685 305***
Accumulated depreciation as at 1st January 2019	***-52 398***	***-1 183 026***	***-1 235 424***
Depreciation of the year	0	-91 194	-91 194
Foreign currency translation	-260	-74 333	-74 593
Accumulated depreciation as at 31st December 2019	***-52 658***	***-1 348 553***	***-1 401 211***
Net book value as at 31st December 2019	***0***	***284 094***	***284 094***
Cost as at 1st January 2020	***52 658***	***1 632 647***	***1 685 305***
Additions of the year	0	17 885	17 885
Disposals of the year	-8 182	0	-8 182
Foreign currency translation	-3 611	-160 303	-163 914
Cost as at 31st December 2020	***40 865***	***1 490 229***	***1 531 094***
Accumulated depreciation as at 1st January 2020	***-52 658***	***-1 348 553***	***-1 401 211***
Depreciation of the year	0	-67 605	-67 605
Depreciation reversed during the year	8 182	0	8 182
Foreign currency translation	3 611	134 191	137 802
Accumulated depreciation as at 31st December 2020	***-40 865***	***-1 281 967***	***-1 322 832***
Net book value as at 31st December 2020	***0***	***208 262***	***208 262***

Note 6. Property, plant and equipment

EUR	*Land and nurseries*	*Buildings*	*Technical installations*	*Furniture, vehicles and others*	*Work in progress*	*Advances and prepayments*	*TOTAL*
Cost as at 1st January 2019	***4 055 713***	***65 752 673***	***63 047 640***	***1 719 719***	***1 675 277***	***922 491***	***137 173 513***
Additions of the year	689 576	634 288	1 666 068	1 036 969	600 056	0	4 626 957
Disposal of the year	0	-124 124	-1 426 034	-1 074 822	0	-243 962	-2 868 942
Reclassifications to other class of assets	-670 425	1 851 593	18 201	-17 861	-1 851 933	0	-670 425
Foreign currency translation	58 613	3 351 032	3 639 059	52 948	25 226	53 929	7 180 807
Cost as at 31st December 2019	***4 133 477***	***71 465 462***	***66 944 934***	***1 716 953***	***448 626***	***732 458***	***145 441 910***
Accumulated depreciation as at 1st January 2019	***-21 139***	***-42 058 097***	***-47 256 375***	***-1 372 292***	***0***	***0***	***-90 707 903***
Depreciation of the year	0	-2 239 602	-2 297 465	-1 334 038	0	0	-5 871 105
Depreciation reversed during the year	0	90 987	1 337 777	1 065 335	0	0	2 494 099
Reclassifications to other class of assets	0	0	-14 417	14 417	0	0	0
Foreign currency translation	-105	-2 461 309	-2 847 016	-49 473	0	0	-5 357 903
Accumulated depreciation as at 31st December 2019	***-21 244***	***-46 668 021***	***-51 077 496***	***-1 676 051***	***0***	***0***	***-99 442 812***
Net book value as at 31st December 2019	***4 112 233***	***24 797 441***	***15 867 438***	***40 902***	***448 626***	***732 458***	***45 999 098***

The accounting policy applicable to property, plant and equipment are detailed in notes 1 and 25

EUR	Land and nurseries	Buildings	Technical installation	Furniture, vehicle and others	Work in progress	Advances and prepayments	TOTAL
Cost as at 1st January 2020	***4 133 477***	***71 465 462***	***66 944 934***	***1 716 953***	***448 626***	***732 458***	***145 441 910***
Additions of the year	1 100 533	842 426	1 698 877	1 049 988	170 723	41 847	4 904 394
Disposals of the year	-13 025	-226 182	-1 939 703	-972 388	0	-341 935	-3 493 233
Reclassifications to other asset classes	-652 079	267 048	134 819	-3 676	-534 696	0	-788 584
Foreign currency translation	-350 287	-6 738 459	-6 452 320	-153 726	-22 230	-61 527	-13 778 549
Cost as at 31st December 2020	***4 218 619***	***65 610 295***	***60 386 607***	***1 637 151***	***62 423***	***370 843***	***132 285 938***
Accumulated depreciation as at 1st January 2020	***-21 244***	***-46 668 021***	***-51 077 496***	***-1 676 051***	***0***	***0***	***-99 442 812***
Depreciation of the year	0	-1 976 845	-2 191 866	-1 178 792	0	0	-5 347 503
Depreciation reversed during the year	0	162 632	1 824 339	961 802	0	0	2 948 773
Reclassifications to other asset classes	0	0	-6 604	6 604	0	0	0
Foreign currency translation	1 651	4 574 930	4 981 021	155 600	0	0	9 713 202
Accumulated depreciation as at 31st December 2020	***-19 593***	***-43 907 304***	***-46 470 606***	***-1 730 837***	***0***	***0***	***-92 128 340***
Net book value as at 31st December 2020	***4 199 026***	***21 702 991***	***13 916 001***	***-93 686***	***62 423***	***370 843***	***40 157 598***

The accounting policy applicable to property, plant and equipment are detailed in notes 1 and 25

Note 7. Biological assets

EUR	Palm		Rubber		Total
	Mature	Immature	Mature	Immature	
Cost as at 1st January 2019	***50 315 453***	***11 307 233***	***55 774 359***	***28 137 046***	***145 534 091***
Additions of the year	0	6 222 968	0	2 640 274	8 863 242
Disposals of the year	-1 064 838	0	-1 088 039	0	-2 152 877
Reclassifications to other asset classes	3 730 345	-3 164 476	1 089 851	-985 296	670 424
Foreign currency translation	3 146 012	738 500	1 433 505	304 121	5 622 138
Cost as at 31st December 2019	***56 126 972***	***15 104 225***	***57 209 676***	***30 096 145***	***158 537 018***
Accumulated depreciation as at 1st January 2019	***-21 821 045***	***0***	***-8 982 126***	***0***	***-30 803 171***
Depreciation of the year	-2 663 456	0	-2 485 248	0	-5 148 704
Depreciation reversals of the year	804 723	0	745 935	0	1 550 658
Foreign currency translation	-1 373 380	0	-447 458	0	-1 820 838
Accumulated depreciation as at 31st December 2019	***-25 053 158***	***0***	***-11 168 897***	***0***	***-36 222 055***
Accumulated impairment as at 1st January 2019	***0***	***0***	***0***	***-5 166 677***	***-5 166 677***
Reclassifications to other asset classes	0	0	-381 947	381 947	0
Foreign currency translation	0	0	3 259	-28 931	-25 672
Accumulated impairment as at 31st December 2019	***0***	***0***	***-378 688***	***-4 813 661***	***-5 192 349***
Net book value as at 31st December 2019	***31 073 814***	***15 104 225***	***45 662 091***	***25 282 484***	***117 122 614***

EUR	**Palm**		**Rubber**		**Total**
	Mature	Immature	Mature	Immature	
Cost as at 1st January 2020	***56 126 972***	***15 104 225***	***57 209 676***	***30 096 145***	***158 537 018***
Additions of the year	0	5 813 866	0	1 967 097	7 780 963
Disposals of the year	-633 035	-11 322	-805 999	-558 531	-2 008 887
Reclassifications to other asset classes	6 068 508	-5 505 035	5 554 385	-5 465 778	652 080
Foreign currency translation	-5 673 334	-1 487 454	-5 161 522	-2 157 493	-14 479 803
Cost as at 31st December 2020	***55 889 111***	***13 914 280***	***56 796 540***	***23 881 440***	***150 481 371***
Accumulated depreciation as at 1st January 2020	***-25 053 157***	***0***	***-11 168 899***	***0***	***-36 222 056***
Depreciation of the year	-2 738 043	0	-2 479 193	0	-5 217 236
Depreciation reversals of the year	447 283	0	568 876	0	1 016 159
Foreign currency translation	2 527 815	0	1 130 540	0	3 658 355
Accumulated depreciation as at 31st December 2020	***-24 816 102***	***0***	***-11 948 676***	***0***	***-36 764 778***
Accumulated impairment as at 1st January 2020	***0***	***0***	***-378 688***	***-4 813 660***	***-5 192 348***
Impairment	0	0	0	-1 655 234	-1 655 234
Reclassifications to other asset classes	0	0	3 559 524	-3 559 524	0
Foreign currency translation	0	0	162 406	338 413	500 819
Accumulated impairment as at 31st December 2020	***0***	***0***	***3 343 242***	***-9 690 005***	***-6 346 763***
Net book value as at 31st December 2020	***31 073 009***	***13 914 280***	***48 191 106***	***14 191 435***	***107 369 830***

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*
Production of palm oil and rubber					
PT SOCFINDO	Indonesia	10%	10%	10%	10%

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	*2019 Restated*	*2020*	*2019 Restated*
	EUR	*EUR*	*EUR*	*EUR*
PT SOCFINDO	3 127 291	2 209 466	5 049 714	5 961 925
Subsidiaries that hold non-controlling interests not significant individually			499 127	1 010 148
Non-controlling interests			***5 548 841***	***6 972 073***

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

Name of subsidiary	Current assets	Non-current assets	Current liabilities	Non-current liabilities
	EUR	*EUR*	*EUR*	*EUR*
PT SOCFINDO				
2019	24 211 165	94 725 931	21 271 634	40 794 919
2020	28 637 540	85 874 710	28 628 385	35 114 903

Name of subsidiary	Revenue from ordinary activities	Net income for the year	Comprehensive income for the year	Dividend paid to non-controlling interests
	EUR	*EUR*	*EUR*	*EUR*
PT SOCFINDO				
2019	118 230 566	25 502 860	25 502 860	2 467 389
2020	121 354 132	36 586 206	36 586 206	3 714 377

Name of subsidiary	Net cash inflows (outflows)			Net cash inflows (outflows)
	Operating activities	Investing activities	Financing activities	
	EUR	*EUR*	*EUR*	*EUR*
PT SOCFINDO				
2019	36 221 468	-10 588 804	-24 673 891	958 773
2020	56 649 530	-11 101 593	-37 143 768	8 404 169

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	*2019 Restated*
	EUR	*EUR*
Value as at 1st January	***22 557 385***	***21 720 081***
Income from associates	1 765 112	6 084 418
Dividends	-3 302 248	-5 046 264
Fair value change for financial assets measured at fair value through other comprehensive income (loss)	-237 696	-187 761
Other movements	-182 485	-13 089
Value as at 31st December	***20 600 069***	***22 557 385***

Name of associate	Value of investment in associates	Income from associates	Value of investment in associates	Income from associates
	2020	*2020*	*2019 Restated*	*2019 Restated*
	EUR	*EUR*	*EUR*	*EUR*
Centrages S.A.	3 191 658	111 847	3 154 812	20 153
Immobilière de la Pépinière S.A.	1 911 464	-10 063	1 921 744	-126 366
Induservices S.A.	82 645	1 378	81 268	2 065
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.	690 431	-62 402	752 833	101 343
Socfin Research S.A.	1 688 498	-86 437	1 774 935	-195 663
Socfinco S.A.	879 575	106 997	872 578	103 170
Socfinco FR S.A.	3 979 742	485 330	3 711 933	2 003 080
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.	5 723 989	1 652 820	7 686 340	3 461 377
Terrasia S.A.	265 309	13 248	252 059	11 150
TOTAL	***20 600 069***	***1 765 112***	***22 557 385***	***6 084 418***

Name of associate	Total assets	Revenue from ordinary activities	Total assets	Revenue from ordinary activities
	2020	*2020*	*2019 Restated*	*2019 Restated*
	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
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
Terrasia S.A.	555 055	0	527 223	0
TOTAL	***100 894 993***	***307 167 265***	***102 515 114***	***334 721 939***

Main data of significant associates accounted for using the equity method

Name of 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	100 000	2 000 000
Sodimex FR S.A.	Switzerland	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 associate	Current assets	Non-current assets	Current liabilities	Non-current liabilities
2019 Restated	*EUR*	*EUR*	*EUR*	*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
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
TOTAL	***62 119 230***	***15 932 000***	***36 090 311***	***10 963 958***
2020	*EUR*	*EUR*	*EUR*	*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
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
TOTAL	***56 353 219***	***19 988 231***	***34 779 132***	***12 691 650***

Summary financial information of interests held in associates - Income statement

Name of associate	Profit from operations	Net income for the year	Comprehensive income for the year
2019	*EUR*	*EUR*	*EUR*
Management Associates S.A.	39 235	39 235	39 235
Socfinco FR S.A.	4 227 405	4 227 405	4 227 405
Sodimex FR S.A.	389 115	389 115	389 115
Sogescol FR S.A.	6 622 199	6 622 199	6 622 199
TOTAL	***11 277 954***	***11 277 954***	***11 277 954***
2020	*EUR*	*EUR*	*EUR*
Management Associates S.A.	-167 918	-167 918	-167 918
Socfinco FR S.A.	1 535 347	1 535 347	1 535 347
Sodimex FR S.A.	405 746	405 746	405 746
Sogescol FR S.A.	3 282 437	3 282 437	3 282 437
TOTAL	***5 055 612***	***5 055 612***	***5 055 612***

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

Name of associate	Net assets of the associate	% stake held by the Group	Others IFRS adjustments	Value of stake held by the Group
2019 Restated	***EUR***		***EUR***	***EUR***
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
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
TOTAL	***30 996 961***		***-1 137 269***	***13 579 710***
2020	***EUR***		***EUR***	***EUR***
Management Associates S.A.	2 437 088	20%	-487 418	0
Socfinco FR S.A.	11 310 297	50%	-1 675 407	3 979 742
Sodimex FR S.A.	4 135 116	50%	-32 617	2 034 941
Sogescol FR S.A.	10 988 167	50%	229 906	5 723 989
TOTAL	***28 870 668***		***-1965 536***	***11 738 672***

There is no goodwill attributed to the above associates.

Aggregated information relating to associates that are not significant individually

	2020	***2019 Restated***
	EUR	***EUR***
Share of profit from continued operations attributable to the Group	58 938	167 781
Share of profit from discontinued operations attributable to the Group	0	0
Share of profit from other comprehensive income attributable to the Group	0	0
Share of other comprehensive income attributable to the Group	58 938	167 781
Total book value of investments in associates held by the Group	8 861 397	8 977 675

Profit after tax 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
Fair value as at 1st January	***633 987***	***667 448***
Change in fair value	-48 997	-33 461
Fair value as at 31st December	***584 990***	***633 987***

EUR	*Cost (historical)*		*Fair value*	
	2020	*2019*	*2020*	*2019*
Financial assets valued at fair value through other comprehensive income	519 117	519 117	584 990	633 987

Note 11. Long term advance payments

As at 31st December 2020, the long-term advance payments consist mainly of a receivable from Socfinaf S.A. for a nominal amount of EUR 80 000 000 (2019: EUR nil), previously classified as short term debt. This receivable bears interest at a fixed rate of 4% per annum and is repayable in four annual instalments of EUR 20 000 000 from 31st December 2023.

Note 12. Deferred taxes

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

	2020 EUR	2019 Restated EUR
IAS 2/IAS 41: Agricultural Produce	-558 289	-1 984 399
IAS 16: Tangible assets	-3 243 007	-1 629 380
IAS 19: Pension obligations	7 126 034	9 633 918
IAS 12: Tax latencies	224 527	-265 131
IFRS 16: Leases	8 160	26 474
IFRS 9: Financial assets at fair value through other comprehensive income	-18 888	-31 108
Others	0	-892 681
Balance as at 31st December	***1 751 393***	***3 251 223***
Consist of:		
Deferred tax assets	*3 557 425*	*4 944 613*
Deferred tax liabilities	*-1 806 032*	*-1 693 390*

Contingent tax assets and liabilities

Socfinasia S.A. has unused tax losses of EUR 18.7 million and PNS of EUR 10.1 million. No deferred tax assets have been booked in respect of these tax latencies.

Note 13. Inventories

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

	2020 EUR	2019 EUR
Raw materials	232 224	579 678
Consumables	3 185 038	5 704 260
Spare parts	1 331 979	0
Production in progress	2 209 579	8 749 976
Finished products	5 064 268	3 569 571
Gross amount before impairment as at 31st December	***12 023 088***	***18 603 485***
Inventory write-downs	-256 255	-290 640
Net amount as at 31st December	***11 766 833***	***18 312 845***

**** Reconciliation of inventories***

	2020 EUR	2019 EUR
Balance as at 1st January	***18 603 485***	***21 613 972***
Change in inventory	-165 912	-560 295
Fair value of agricultural products	-4 806 752	-3 660 462
Foreign exchange translation	-1 607 733	1 210 270
Gross amount (before impairment) as at 31st December	***12 023 088***	***18 603 485***
Inventory write-downs	-256 255	-290 640
Net amount as at 31st December	***11 766 833***	***18 312 845***

*** Quantity of inventory by category**

2019	*Raw materials*	*Production-in-progress*	*Finished goods*
Palm oil (tons)	0	0	1 789
Rubber (tons)	484	0	2 344
Others (units)	0	15 414 927	308 485

2020	*Raw materials*	*Production-in-progress*	*Finished goods*
Palm oil (tons)	0	0	4 148
Rubber (tons)	317	0	2 677
Others (units)	0	11 004 801	469 267

Note 14. Trade receivables (current assets)

	2020 EUR	*2019 EUR*
Trade receivables	1 310 365	1 698 894
Advances and prepayments	684 018	2 475 975
Net total as at 31st December	***1 994 383***	***4 174 869***

Note 15. Other receivables (current assets)

	2020 EUR	*2019 EUR*
Social security	7 481	8 480
Other receivables (*)	40 142 615	107 380 423
Prepayments	7 686	10 831
As at 31st December	***40 157 782***	***107 399 734***

(*) The "Other receivables" consist mainly of cash pooling receivables at Socfinde S.A. for EUR 38.4 million (EUR 106.4 million euros in 2019).

The accounting policy and risk management applicable to receivables are detailed in notes 1 and 33.

Note 16. Current tax assets and liabilities

** Components of current tax assets*

	2020 EUR	2019 EUR
As at 1st January	***883 837***	***1 132 080***
Tax income	68 486	4 330 669
Taxes paid or recovered	117 184	-4 609 917
Tax adjustments	-22 063	25 354
Foreign exchange transactions	-66 754	5 651
Current tax assets as at 31st December	***980 690***	***883 837***

** Components of current tax liabilities*

	2020 EUR	2019 EUR
As at 1st January	***1 948 383***	***2 165 591***
Tax expense	19 264 394	15 979 649
Taxes paid or recovered	-10 975 668	-16 346 977
Tax adjustments	-63	24 977
Foreign exchange transactions	-188 658	125 143
Current tax liabilities as at 31st December	***10 048 388***	***1 948 383***

Note 17. Cash and cash equivalents

** Reconciliation with the amounts in the statement of financial position*

	2020 EUR	2019 EUR
Current account	19 832 116	12 592 654
Balance as at 31st December	***19 832 116***	***12 592 654***

** Reconciliation with the cash flow statement*

	2020 EUR	2019 EUR
Current account	19 832 116	12 592 654
Balance as at 31st December	***19 832 116***	***12 592 654***

Note 18. Share capital

Subscribed and fully paid up capital amounted to EUR 24.5 million as at 31st December 2020 (No change compared to 2019).

At 31st December 2020, the share capital is represented by 19 594 260 shares without nominal value.

In accordance with the law of 28th July 2014 on the immobilization of bearer shares, 455 740 shares (i.e. 2.27% of the capital) have been cancelled in 2018, the holders of these shares having not been registered with the depositary. The proceedings with the "Caisse de Consignation" are still in progress till date.

	Ordinary shares	
	2020	*2019*
Number of shares as at 31st December	***19 594 260***	***19 594 260***
Number of fully paid-up shares issued, with no designation of par value	19 594 260	19 594 260

Note 19. Reserve

Legal reserve

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

Legal reserve

In accordance with Article 33 of the Company's coordinated bylaws, this reserve is not available for distribution to shareholders.

Note 20. Pension obligations

Defined benefit pension plan and post-employment sickness

The Group provides a defined benefit pension plan to its employees in its Indonesian subsidiaries. The latter pay benefits which are payable in the event of retirement or voluntary resignation. The benefits paid are calculated as a percentage of salary and are based on the number of years of service.

The plan is based on the employment contract for the employees and on the collective agreements for the labourers. The benefits payable to the employees are not financed by any specific asset against the provisions.

	2020 EUR	2019 Restated EUR
Assets and liabilities recognized in the statement of financial position		
Present value of obligations	35 114 910	42 474 505
Net amount recognized in the statement of financial position for defined benefit plans	***35 114 910***	***42 474 505***
Components of net charge		
Costs of services rendered	1 985 895	2 404 463
Financial costs	2 799 522	2 625 397
Defined benefit plan costs	***4 785 417***	***5 029 860***
Movements in liabilities / net assets recognized in the statement of financial position		
As at 01st January	***42 474 505***	***36 834 183***
Costs as per income statement	4 785 417	5 029 860
Contributions	-4 941 109	-3 291 087
Actuarial gains and losses of the year recognized in other comprehensive income	-3 161 077	1 580 934
Foreign exchange transactions	-4 042 826	2 320 615
As at 31st December	***35 114 910***	***42 474 505***

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

Actuarial gains and losses recognized in other comprehensive income

	2020 EUR	2019 EUR
Adjustments of liabilities related to experience	7 026 935	-669 283
Changes in financial assumptions related to recognized liabilities	-3 865 858	-911 651
Actuarial gains and losses recognized during the period in other comprehensive income	***3 161 077***	***-1 580 934***

Actuarial valuation assumptions	2020	2019
ASIA		
Average discount rate	5.74%	7.35%
Expected long-term returns on plan assets	N/A	N/A
Future salary increases	6.50%	6.50%

Sensitivity analysis of the Present Value of Defined Benefit Obligations

The table below shows the present value of the obligations when the main assumptions are changed.

	2020 EUR	2019 EUR
Actuarial value of the obligation		
Pension Schemes	33 536 327	40 794 919
Other long-term benefits	1 578 583	1 679 586
Total as at 31st December	***35 114 910***	***42 474 505***
Actuarial rate (on pension shemes)		
Increase of 0.5%	32 295 702	39 255 850
Decrease of 0.5%	35 038 385	42 553 352
Expected future salary increases (on pension shemes)		
Increase of 0.5%	34 912 355	42 590 672
Decrease of 0.5%	32 401 453	39 199 292

The sensitivity analysis 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

	2021 EUR	2020 EUR
Estimated contributions for the next financial year	4 245 592	2 882 687

	2020	2019
Weighted average duration of defined benefit plan obligations (in years)	14.0	15.4

Note 21. Other payables

	2020 EUR	2019 EUR
Staff cost liabilities	771 783	344 277
Other payables (*)	22 042 164	25 316 466
Accruals	14 247 746	16 085 816
Balance as at 31st December	***37 061 693***	***41 746 559***
Consist of:		
Current liabilities	*37 061 693*	*41 746 559*

(*) Other payables consist mainly of debts of EUR 17.8 million (EUR 21 million in 2019) relating to the cash pooling at Socfinde S.A.

Note 22. Financial instruments

2019	Derivative instruments (*)	Loans and borrowings	Financial assets at fair value through other comprehensive income	Other financial assets and liabilities	TOTAL	Loans and borrowings (**)	Other financial assets and liabilities (**)
EUR	At fair value	At cost	At fair value	At cost		At cost	At fair value
Assets							
Financial assets at fair value through other comprehensive income	0	0	633 987	0	***633 987***	0	0
Long-term advance payments	0	3 083 077	0	87 586	***3 170 663***	3 083 077	87 586
Other non current assets	0	8 200 000	0	0	***8 200 000***	8 200 000	0
Trade receivables	0	0	0	4 174 869	***4 174 869***	0	4 174 869
Other receivables	0	0	0	107 399 734	***107 399 734***	0	107 399 734
Cash and cash equivalent	0	0	0	12 592 654	***12 592 654***	0	12 592 654
Total assets	***0***	***11 283 077***	***633 987***	***124 254 843***	***136 171 907***	***11 283 077***	***124 254 843***
Liabilities							
Long-term lease liabilities	0	1 295 694	0	0	***1 295 694***	1 295 694	0
Short term lease liabilities	0	25 938	0	0	***25 938***	25 938	0
Trade payables (current)	0	0	0	3 539 458	***3 539 458***	0	3 539 458
Other payables (current)	0	0	0	41 746 559	***41 746 559***	0	41 746 559
Total liabilities	***0***	***1 321 632***	***0***	***45 286 017***	***46 607 649***	***1 321 632***	***45 286 017***

2019	Fair value			
EUR	Level 1	Level 2	Level 3	TOTAL
Financial assets at fair value through other comprehensive income	0	0	633 987	***633 987***

(*) Changes recognised in other comprehensive income.
(**) For information purposes.

2020	*Derivative instruments (*)*	*Loans and borrowings*	*Financial assets at fair value through other comprehensive income(*)*	*Other financial assets and liabilites*	*TOTAL*	*Loans and borrowings (**)*	*Other financial assets and liabilities (**)*
EUR	*At fair value*	*At cost*	*At fair value*	*At cost*		*At fair value*	*At fair value*
Assets							
Financial assets at fair value through other comprehensive income	0	0	584 990	0	***584 990***	0	0
Long term advance payments	0	80 307 020	0	80 645	***80 387 665***	80 592 500	80 645
Other non-current assets	0	7 600 000	0	0	***7 600 000***	7 600 000	0
Trade receivables	0	0	0	1 994 383	***1 994 383***	0	1 994 383
Other receivables	0	0	0	40 157 781	***40 157 781***	0	40 157 781
Cash and cash equivalent	0	0	0	19 832 116	***19 832 116***	0	19 832 116
Total assets	***0***	***87 907 020***	***584 990***	***62 064 925***	***150 556 935***	***88 192 500***	***62 064 925***
Liabilities							
Long-term lease liabilities	0	394 600	0	0	***394 600***	394 600	0
Short-term lease liabilities	0	24 036	0	0	***24 036***	24 036	0
Trade payables (current)	0	0	0	4 418 226	***4 418 226***	0	4 418 226
Other payables (current)	0	0	0	37 061 692	***37 061 692***	0	37 061 692
Total liabilities	***0***	***418 636***	***0***	***41 479 918***	***41 898 554***	***418 636***	***41 479 918***

2020	*Fair value*			
EUR	*Level 1*	*Level 2*	*Level 3*	*TOTAL*
Financial assets at fair value through other comprehensive income	0	0	584 990	***584 990***

(*) Changes recognised in other comprehensive income.
(**)For information purposes

Note 23. Staff costs and average number of staff

Average number of employees during the year	*2020*	*2019*
Directors	190	191
Employees	2 453	2 406
Workers (including temporary workers)	7 720	7 970
TOTAL	***10 363***	***10 567***

	2020	*2019 Restated*
	EUR	*EUR*
Staff costs		
Remuneration	44 135 874	47 703 069
Social security and pension expenses	6 725 654	3 985 668
Total as at 31st December	***50 861 528***	***51 688 737***

Note 24. Depreciation and impairment expense

	2020	*2019*
	EUR	*EUR*
Depreciation		
Of right-of-use assets (Note 4)	124 827	119 827
Of intangible assets (Note 5)	67 605	91 194
Of property, plant and equipment excluding biological assets (Note 6)	5 347 503	5 871 105
Of biological assets (Note 7)	5 217 236	5 148 704
Impairment		
Of biological assets (Note 7)	1 655 234	0
Total as at 31st December	***12 412 405***	***11 230 830***

Note 25. Impairment of assets

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 31st 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 31st December 2020, the closing prices did not exceed 15% of the average price over the past 5 years for the Rubber and Palm segments.

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 the above criteria, the review of global and local prices led to the conclusion that there are no external indicators of impairment.

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

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

The examination of the physical loss indicators at Coviphama and Socfin KCD revealed that some planted areas suffered damages. As a result, the concerned areas have been written down for an amount of EUR 1.5 million.

If an indication of impairment is identified, the recoverable amount of the producing biological assets is determined.

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

The identification of CGUs depends, in particular, on:

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

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

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

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 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 crops 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 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 internal indications of impairment, EUR 0.4 million of impairment losses for Coviphama and EUR 1.3 million for Socfin KCD were recognized in 2020 (Note 7).

At 31st December 2020, accumulated impairment losses amounted to EUR 5.1 million for Coviphama and EUR 1.2 million for Socfin KCD (Note 7).

Note 26. Other financial income

	2020 EUR	2019 EUR
Non-current assets and liabilities		
Interest on other investments	5 768	11 418
Current assets and liabilities		
Interest on receivables and cash flows	3 384 263	624 415
Exchange gains	908 239	1 073 989
Others	562 419	360 339
As at 31st December	***4 860 689***	***2 070 161***

Note 27. Financial expense

	2020 EUR	2019 EUR
Impairment on non-current assets	2 440 000	0
Interest expense related to leases	38 521	70 043
Interest and finance expense	63 102	110 434
Exchange losses	4 189 552	1 404 420
Others	181 213	141 843
As at 31st December	***6 912 388***	***1 726 740***

Note 28. Income tax expense

**** Components of the tax expense***

	2020 EUR	2019 Restated EUR
Current income tax expense	11 001 332	9 660 672
Deferred tax expense/(income)	347 544	565 480
Tax expense as at 31st December	***11 348 876***	***10 226 152***

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

	2020	2019 Restated
	EUR	EUR
IAS 12: Tax latencies	-87 972	72 896
IAS 19: Pension obligations	1 861 615	-39 459
IAS 2 / IAS 41: Fair value of agricultural produce	-1 275 984	-902 585
IAS 16: Tangible assets	-342 482	1 436 210
IFRS 16: Leases	16 423	-1 581
Deferred* tax *expense/(income) as at 31st December	***347 544***	***565 481***

**** Reconciliation of income tax expense***	2020	2019 Restated
	EUR	EUR
Profit before tax from continuing operations	***28 644 982***	***20 750 481***
Normal tax rate of the parent company	24.94%	24.94%
Normal tax rate of subsidiaries	20 % to 24.94 %	20 % to 24.94 %
Income tax at normal tax rates of subsidiaries	6 026 474	5 343 787
Unfunded taxes	608 536	190 615
Use of capital allowances	-625 630	-756 593
Specific tax regimes in foreign countries	936 655	1 253 776
Non-taxable income	-454 199	-87 235
Non-deductible expenses	4 027 296	2 807 064
Losses carried forward	746 942	2 631 654
Impact from change of tax percentage	81 372	0
Other adjustments	1 430	-1 156 915
Tax expense as at 31st December	***11 348 876***	***10 226 152***

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.

	2020	*2019 Restated*
Net profit for the year (in Euro)	16 437 566	14 345 341
Average number of shares	19 594 260	19 594 260
Undiluted net earnings per share (in Euro)	***0.84***	***0.73***

Note 30. Dividends and directors' fees

The Board will propose at the Annual General Meeting of 25th May 2021 the payment of a total dividend of EUR 0.80 per share. It is noted that an interim dividend of EUR 0.30 per share was paid in November 2020. If the proposed divided is approved by the general meeting of shareholders, a balance of EUR 0.50 per share for a total amount of EUR 9.8 million would therefore remain payable.

	2020	*2019*
Dividends and interim dividends distributed during the period (in euros)	15 675 408	15 675 408
Number of shares	19 594 260	19 594 260
Dividend per share distributed in the period	0.80	0.80

In addition, in accordance with the statutory provisions, 1/9 of the distributed dividends are allocated to the Board of Directors.

Note 31. Information on related party

****Directors' remuneration***

	2020 EUR	*2019 EUR*
Short-term benefits	4 625 964	4 089 283
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*
Non-current assets				
Long-term advances	0	596 613	0	596 613
Other non-current assets	0	8 200 000	0	8 200 000
	0	***8 796 613***	***0***	***8 796 613***
Current assets				
Trade receivables	0	1 039 342	30 828	1 070 170
Other receivables (Note 15)	0	6 441 803	100 534 434	106 976 237
	0	***7 481 145***	***100 565 262***	***108 046 407***
Current liabilities				
Trade payables	0	734 298	1 443	735 741
Other payables (Note 21)	13 265	12 281 088	2 737 876	15 032 229
	13 265	***13 015 386***	***2 739 319***	***15 767 970***

TRANSACTIONS BETWEEN RELATED PARTIES

Services and goods delivered	0	14 844 276	103 916	***14 948 192***
Services and goods received	0	6 042 505	4 250	***6 046 755***
Financial income	551	56 203	544 512	***601 266***
Finance expense	0	11 739	22 878	***34 617***

2020

EUR	*Parent*	*Associates*	*Other related parties*	*TOTAL*
Non-current assets				
Long-term advances	0	592 500	80 000 000	80 592 500
Other non-current assets	0	7 600 000	0	7 600 000
	0	***8 192 500***	***80 000 000***	***88 192 500***
Current assets				
Trade receivables	0	963 107	0	963 107
Other receivables (Note 15)	15 539 714	6 022 150	18 148 051	39 709 915
	15 539 714	***6 985 257***	***18 148 051***	***40 673 022***
Current liabilities				
Trade payables	0	2 780	0	2 780
Other payables (Note 21)	0	10 108 585	1 664 315	11 772 900
	0	***10 111 365***	***1 664 315***	***11 775 680***

TRANSACTIONS BETWEEN RELATED PARTIES

Services and goods delivered	0	11 873 377	158 388	***12 031 765***
Services and goods received	0	4 971 518	0	***4 971 518***
Financial income	22 141	38 356	3 314 977	***3 375 475***
Finance expense	0	186	2 522	***2 708***

Related party transactions are made at arm's length.

No significant transactions have been noted with the parent company Socfin, with the exception of the payment of dividends by Socfinasia S.A. amounting to EUR 9.1 million in 2019 and EUR 9.1 million in 2020. In addition, Socfinde has a receivable of EUR 15.5 million with the parent company at 31st December 2020.

Transactions with other related parties are carried out with Socfinde S.A., a company incorporated under the law of Luxembourg, which is within the scope of consolidation.

As at 31st December 2020, Socfinde has an amount receivable of EUR 17.3 million from Socfinaf (2019 : EUR 100.5 million)

As at 31st December 2020, Socfinasia has an amount receivable of EUR 80 million from Socfinaf. This receivable bears interest at 4%. The amount of interest recognised for the year 2020 is EUR 3.2 million. At 31st December 2020, the outstanding balance, including accrued interest, amounted to EUR 80.8 million.

As at 31 December 2020, Socfinde has an amount payable of EUR 0.6 million due to Safa. This payable bears an annual interest rate of Euribor 1-month x 85% with a minimum rate of 0%. The amount of interest recognised for 2020 is zero.

As at 31 December 2020, Socfinde has a USD denominated loan equivalent to EUR 1.1 million due to Socfinaf. This loan bears an annual interest rate of Libor 1-month x 85% with a minimum rate of 0%. The amount of interest recognised for 2020 is EUR 0,002 million.

Note 32. Segment information

In accordance with IFRS 8, the analysis of information by management is based on the geographical distribution of political and economic risks. As a result, the sectors are Indonesia, Cambodia and Europe.

The products of the operating sector from Indonesia come from sales of palm oil and rubber, those from Cambodia come exclusively from sale of rubber, those from Europe come from the rendering of administrative services, assistance in managing the areas under plantation and the marketing of products outside the Group. The segment profit 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 31st December 2019**

EUR	*Restated* *Revenue from ordinary business with external customers*	*Restated* *Revenue from ordinary business between segments*	*Restated* *Segment profit/(loss)*
Europe	0	0	-3 558 652
Cambodia	3 507 881	0	-2 217 924
Indonesia	118 230 566	0	35 104 381
TOTAL	**121 738 447**	**0**	**29 327 805**

Elimination of inter-segment revenue	
Fair value of agricultural produce	-3 660 465
Other IFRS adjustments	1 066 038
Consolidation adjustments (intragroup and others)	-5 834 302
Financial income	2 101 016
Finance expense	-2 249 611
Group share of income from associates	6 084 418
Income tax expense	-10 226 152
Net profit for the year	***16 608 747***

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

EUR	Revenue from ordinary business with external customers	Revenue from ordinary business between segments	Segment profit/(loss)
Europe	0	0	-3 112 071
Cambodia	5 165 870	0	-1 157 165
Indonesia	121 354 187	0	49 023 435
TOTAL	**126 520 057**	**0**	**44 754 199**

Fair value of agricultural produce	-6 519 164
Other IFRS adjutments	-5 327 463
Consolidation adjustments (intragroup and others)	-1 816 592
Financial income	4 912 961
Finance expense	-7 358 960
Group share of income from associates	1 765 112
Income tax expense	-11 348 876
Net profit for the year	***19 061 218***

**** Total segmental assets***

	2020 EUR	2019 Restated EUR
Europe	5 069 851	7 113 372
Cambodia	64 305 823	70 247 389
Indonesia	106 618 394	107 752 641
Total as at 31st December	***175 994 067***	***185 113 402***
IFRS 3: Biological assets	-1 356 729	276 461
IAS 2/IAS 41: Agricultural produce	2 521 746	7 938 116
Other IFRS adjustments	-580 312	0
Consolidation adjustments (intragroup and others)	4 750 252	5 158 147
Total consolidated assets (excluding segmental)	***181 329 025***	***198 486 126***
Consolidated assets (excluding segmental)		
Right-of-use assets	958 149	1 207 625
Investment in associates	20 314 589	22 557 388
Financial assets at fair value through other comprehensive income	584 990	633 987
Long-term advances	80 673 146	3 170 663
Deferred tax assets	3 557 425	4 944 613
Other non-current assets	7 600 000	8 200 000
Consolidated non-current assets	***113 688 298***	***40 714 277***
Other receivables	40 157 782	107 399 737
Current tax assets	980 689	883 878
Consolidated current assets	***41 138 470***	***108 283 615***
Total consolidated current assets (excluding segmental)	***153 532 680***	***154 826 769***
Total assets	***334 861 702***	***336 155 793***

Segment assets and liabilities are presented to meet the requirements of IFRS 8. They are derived from internal reporting and do not take into account any consolidation or IFRS restatements.

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

**** Total segmental liabilities***

	2020	2019 Restated
	EUR	EUR
Europe	45 286 673	113 015 197
Cambodia	890 695	1 198 667
Indonesia	19 292 109	19 418 844
Total as at 31st December	***65 469 477***	***133.632.708***
Consolidation adjustments (intragroup and others)	-23 989 559	-88 346 690
Total consolidated segmental liabilities	***41 479 918***	***45 286 018***
Consolidated liabilities (excluding segmental)		
Total equity	247 215 363	254 681 433
Non-current liabilities	37 315 541	45 463 590
Short term lease	24 036	25 938
Tax liabilities	10 048 388	1 948 383
Provisions	72 547	78 657
Total consolidated current liabilities (excluding segmental)	***294 675 875***	***302 198 000***
Total equity and liabilities	***336 155 793***	***347 484 018***

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

EUR	Intangible assets	Property, plant and equipment	Biological assets	TOTAL
Cambodia	0	651 057	1 841 631	2 492 688
Indonesia	29 309	3 975 900	7 021 611	11 026 820
TOTAL	***29 309***	***4 626 957***	***8 863 242***	***13 519 508***

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

EUR	Intangible assets	Property, plant and equipment	Biological assets	TOTAL
Cambodia	0	483 274	1 064 256	1 547 530
Indonesia	17 885	4 421 120	6 716 707	11 155 712
TOTAL	***17 885***	***4 904 394***	***7 780 963***	***12 703 242***

**** Information by category of revenue***

Revenue from external customers

	2020 EUR	2019 Restated EUR
Palm	104 521 961	98 450 158
Rubber	18 054 353	19 364 190
Others	3 943 743	3 924 099
TOTAL	***126 520 057***	***121 738 447***

**** Information by geographical region***

Revenue from external customers by origin and by geographical location

EUR				2019 Restated
Origin \ Geographical location	Europe	Africa	Asia	TOTAL
Asia	14 844 276	510 192	106 383 979	121 738 447
TOTAL	***14 844 276***	***510 192***	***106 383 979***	***121 738 447***

EUR				2020
Origin \ Geographical location	Europe	Africa	Asia	TOTAL
Asia	11 873 383	157 914	114 488 760	126 520 057
TOTAL	***11 873 383***	***157 914***	***114 488 760***	***126 520 057***

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

Revenue from external customers by business segment and revenue category:

EUR				2019 Restated
Category / Business segment	Palm	Rubber	Other agricultural products	TOTAL
Indonesia	98 450 158	15 856 309	3 924 099	118 230 566
Cambodge	0	3 507 881	0	3 507 881
TOTAL	***98 450 158***	***19 364 190***	***3 924 099***	***121 738 447***

EUR				2020
Catégory / Business segment	Palm	Rubber	Other agricultural products	TOTAL
Indonesia	104 521 962	12 888 488	3 943 737	121 354 187
Cambodge	0	5 165 870	0	5 165 870
TOTAL	***104 521 962***	***18 054 358***	***3 943 737***	***126 520 057***

Note 33. 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.

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 0.2 million.

In the case where the currency of sale is not the functional currency of the Company, and it is linked to a strong currency, the conversion is ensured at the time of the conclusion of the contract. The local sales concluded in the local currency in 2020 amounted to to EUR 104.7 million.

PT Socfindo has a cash position of USD 0.5 million.

**** Interest rate risk***
Apart from any short-term bank overdrafts, there are no variable rate loans.

**** Credit risk***
As at 31st December 2020, the trade receivables from global customers amounted to EUR 1.0 million and for local customers as well. 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.

The outstanding trade receivables are not significant.

	2020 EUR	2019 EUR
Trade receivables	1 994 383	4 174 869
Impairment	40 157 781	107 399 734
Other receivables	80 387 666	3 170 663
Total net receivables	***122 539 830***	***114 745 266***
Amount not due	122 539 830	114 745 266
Total net receivables	***122 539 830***	***114 745 266***

**** Liquidity risk***
The Group's exposure to liquidity risk is limited insofar as the Group has no financial debts at the balance sheet date, and has a cash position as mentioned in note 17 which is maintained with institutions with low credit risks.

Note 34. Contingent liabilities

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

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

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

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

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

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

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

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

The “Tribunal de première instance francophone” of Brussels, by judgment dated 26th April 2019, declared the claim admissible and partially founded insofar as it ordered the partial relief of the disputed taxes.

Socficom considers that this decision, although partly favourable to the argument it defended before the Court, is not satisfactory, given the acquittal decision referred to above.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Note 35. Political and economic environment

The Company holds interests in subsidiaries operating in South-East Asia.

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

Note 36. Events after the closing date

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

Note 37. Auditor’s fees

	2020 *EUR*	*2019* *EUR*
Audit (VAT included)	194 761	159 023

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.

Company's management report

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

Ladies and gentlemen,

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

Activities

Socfinasia S.A. holds financial interests in portfolio companies which operate directly or indirectly in South-East Asia in the rubber and palm oil sectors.

The result of the year

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

(EUR million)	2020	2019
INCOME		
Income from participating interests in affiliated undertakings	32.5	22.0
Other interest receiveable and similar income	3.2	0
Total income	**35.7**	**22.0**
EXPENSES		
Other external charges	2.2	2.6
Impairment on financial assets	0.3	1.2
Interest payable and other financial expenses	0.6	0.3
Income tax	0.5	0.5
Total expenses	**3.6**	**4.6**
PROFIT OF THE PERIOD	**32.1**	**17.4**

At 31st December 2020, the income from financial fixed assets amounted to EUR 32.5 million compared to EUR 22 million in 2019. The increase is mainly due to increased revenues from Indonesia.

The profit of the year, after structural charges and costs, stood at EUR 32.1 million compared to EUR 17.4 million as of 31st December 2019.

Balance sheet

As at 31st December 2020, Socfinasia S.A.'s total assets amounted to EUR 425.5 million compared to EUR 410.9 million in 2019.

Socfinasia S.A.'s assets mainly consist of financial fixed assets of EUR 314.5 million, receivables of EUR 111 million.

Shareholders' equity, before allocation of the remaining dividend, amounts to EUR 421.4 million.

Portfolio

Movements

There were no portfolio movements during the year ended 31st December 2020.

Valuation

During the year 2020, Socfinasia recognized impairment losses on Immobilière de la Pépinière for EUR 0.1 million and EUR 0.1 million on Socfin Research.

Unrealised capital gains on the portfolio of participating interests are estimated at EUR 53.8 million as at 31st December 2020 compared with EUR 80.7 million at the end of the previous year.

Investments

The main investments have evolved as follows during the period:

PT Socfindo (Indonesia)
90% subsidiary of PNS Limited S.A. which itself is 99.99% owned by Socfinasia S.A.

Area (ha) as at 31/12/2020	**Area planted**		
	Mature	Immature	Total
Rubber plantation	6 281	1 006	7 287
Palm plantation	33 710	5 017	38 727
Total	***39 991***	***6 023***	***46 014***

Key figures	**Realized 2020**	**Realized 2019**	**Difference (%)**
Production (tons)			
Rubber	9 798	11 325	-13.4
Palm oil	182 577	189 462	-3.6
Turnover (EUR 000)			
Rubber	12 857	15 854	-18.9
Palm tree	104 268	97 879	+6.5
Seeds	3 862	4 477	-13.7
Total	**120 987**	**118 210**	**+2.3**
Result (EUR 000)	**38 093**	**25 498**	**+29.8**

***Socfin-KCD Co Ltd (Cambodia)* - 100%** owned subsidiary of **Socfinasia S.A.** and ***Coviphama Co Ltd (Cambodia)* -** 100% owned subsidiary of PNS Ltd S.A., which itself is 99.99% owned by Socfinasia S.A.

The rubber production processed by Socfin KCD during 2020, is up by 47% due to additional surface areas entered into operation and the increase agricultural yields of this still young plantation. The turnover is therefore significantly higher due to a higher volume sold combined with a more favorable sales price. This improved the net result and benefited from a 28% decrease in production costs per ton.

At Coviphama, the development of young crops is continuing. Harvests from the first mature plots are sold to Socfin-KCD, as Coviphama does not have an industrial unit.

Allocation of profit

The profit for the year of EUR 32 138 586.15 increased by retained earnings of EUR 205 600 141.29, give a total earnings of EUR 237 738 727.44 which it is proposed to allocate as follows:

Earnings allocation	EUR
Retained earnings	220 321 607.44
From the balance:	
10% to the Board of Directors	1 741 712.00
90% to 19 594 260 shares	15 675 408.00
representing EUR 0.80 per share	
of which EUR 0.30 already paid at the end of 2020	***237 738 727.44***

As a reminder, the dividend relating to previous year was EUR 0.80.

After this allocation of earnings, total reserves amount to EUR 385 989 079.83 and is detailed as follows:

Reserves	EUR
Legal reserve	2 449 282.50
Statutory reserve	125 993 370.46
Other reserves	30 070 909.83
Other available reserves	7 153 909.60
Retained earnings	220 321 607.44
	385 989 079.83

If this distribution is approved, Coupon No. 80 of EUR 0.50 will be declared on 7th June 2021 and payable as from 9th June 2021.

Own shares

During the year 2020, the Company did not buy back any of its shares.

Research and development

During the year 2020, Socfinasia did not incur any expenses relating to research and development.

Financial instruments

Socfinasia S.A.'s treasury holds USD 3.7 million in its position as at 31st December 2020. The purpose of holding this currency is to cover dollar related investments and expenses.

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

Branch

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

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

a) b) and f) The subscribed share capital of the Company is set at EUR 24 492 825 represented by 19 594 260 shares without par value, fully paid up. Each share entitles the holder to one vote without limitation or restriction.

c) On 1st February 2017, Socfin declared that it holds 57.79% direct stake in Socfinasia S.A.

On 22nd October 2018, Bolloré Participations declared that it holds a direct and indirect stake of 22.255% in the Socfinasia S.A., of which 17.138% via Bolloré and 5.116% via Compagnie du Cambodge.

h) Art. 13. of the statutes: "The Company is administered by a Board composed of at least three members, whether natural or legal persons.

The Directors are appointed for a period of six years by the General Meeting of Shareholders. They are eligible for re-election.

The Directors are renewed by lottery, so that at least one Director will be leaving each year ".

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

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

i)

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

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

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

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

- holding of shares giving special control rights;
- the existence of a staff shareholding system;
- shareholder agreements that may result in restrictions on the transfer of securities or voting rights;
- the 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 22nd March 2017, the Group adopted its new corporate responsibility policy. It is based on the four principles of responsible development, improvement of management practices, respect for human rights and transparency.

An implementation plan for this policy has been defined and implemented throughout the 2019 financial year.

The efforts and actions undertaken by 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 Socfinasia S.A. as at 31st December 2020 before allocation of the result and after the interim dividend payment for the financial year amounts to EUR 475.2 million, that is EUR 24.25 per share compared to EUR 24.87 at the end of the previous financial year. This valuation incorporates the unrealized capital gains of the portfolio.

As a reminder, the share price as at 31st December 2020 was EUR 14.50 compared to EUR 16.30 a year earlier.

Significant events after the end of the year

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 17% below budget.

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

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

Perspectives

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

Statutory appointments

The term served as director by Mr. Hubert Fabri expires this year.He is eligible for re-election and will stand for re-election.

The Board of Directors

Audit report on the Company's financial statements

To the Shareholders
SOCFINASIA S.A.
4, Avenue Guillaume
L-1650 Luxembourg

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

Company Financial Statements

1. Balance sheet as at 31st December 2020

ASSETS	Note	2020 EUR	2019 EUR
FIXED ASSETS			
Financial fixed assets	3		
Shares in affiliated undertakings		291 773 146.86	292 038 898.56
Loans to affiliated undertakings		22 765 600.07	22 765 600.07
		314 538 746.93	***314 804 498.63***
Current assets			
Receivables			
Amounts owed by affiliated undertakings			
becoming due and payable within one year	4	30 405 740.54	91 621 713.93
becoming due and payable after one year		80 000 000.00	0.00
Other receivables			
becoming due and payable within one year		517 192.34	62.50
		110 922 932.88	***91 621 776.43***
Cash at bank, cash in postal cheque accounts, cheques and cash in hand		32 296.14	4 462 256.99
		110 955 229.02	***96 084 033.42***
TOTAL ASSETS		***425 493 975.95***	***410 888 532.05***

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

LIABILITIES	*Note*	*2020 EUR*	*2019 EUR*
SHAREHOLDERS 'EQUITY	5		
Share capital		24 492 825.00	24 492 825.00
Reserves			
Legal reserve		2 449 282.50	2 449 282.50
Statutory reserve		125 993 370.46	125 993 370.46
Other reserves, including the fair value reserve			
Other available reserves		37 224 819.43	37 224 819.43
		165 667 472.39	***165 667 472.39***
Retained earnings		205 600 141.29	205 581 392.84
Results for the financial year		32 138 586.15	17 435 868.45
Interim dividend paid		-6 531 420.00	-6 531 420.00
		421 367 604.83	***406 646 138.68***
LIABILITIES			
Amounts owed to credit institutions			
becoming due and payable within one year		18.33	17.30
Trade liabilities			
becoming due and payable within one year		88 452.00	76 015.00
Amounts owed to affiliated undertakings			
becoming due and payable within one year		877.50	676 689.71
Other debts			
Tax liabilities		551 020.00	0.00
Other debts			
becoming due and payable within one year	6	3 486 003.29	3 489 671.36
		4 126 371.12	***4 242 393.37***
TOTAL LIABILITIES		***425 493 975.95***	***410 888 532.05***

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

2. Profit and loss account for the year ended 31st December 2020

	Note	2020 EUR	2019 EUR
Raw materials and consumables and other external charhes			
Other external charges		-2 042 829.24	-2 342 355.34
Other operating expenses		-266 635.99	-268 552.03
Income from participating interests			
from affiliated undertakings	7	32 542 378.42	22 005 578.79
Other interest receivable and other financial income			
From affiliated undertakings	8	3 208 995.98	13 035.71
Other interests and financial income		10 318.19	4 784.94
Impairment losses on financial assets and securities held as current assets		-265 751.70	-1 208 392.17
Interest and other financial expenses			
Other interest and financial charges		-501 195.26	-242 297.22
Income tax		4 325.75	-8 939.33
Results after taxation		**32 543 843.02**	**17 952 863.35**
Other taxes not shown above		-551 020.00	-516 994.90
Results for the financial year		***32 138 586.15***	***17 435 868.45***

Proposed distribution of profits

	2020 EUR	2019 EUR
Retained earnings	220 321 607.44	205 600 141.29
From the balance:		
10% to the Board of Directors	1 741 712.00	1 741 712.00
90% to 19 594 260 shares	15 675 408.00	15 675 408.00
	237 738 727.44	***223 017 261.29***
Dividend per share	*EUR 0.80*	*EUR 0.80*

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

3. Notes to the financial statements for the year 2020

Note 1. Overview

SOCFINASIA 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 10534, and is listed on the Luxembourg Stock Exchange under ISIN number LU0092047413.

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.

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

Note 2. Accounting principles, rules and methods

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 19th December 2002, determined and implemented by the Board of Directors.

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

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

Currency conversion

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

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

At the balance sheet date:

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

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

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

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

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

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

Revaluation of financial assets

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

In the event of an impairment that, in the opinion of the Board of Directors, is of a lasting nature, these financial fixed assets are subject to value adjustments in order to give them the lower value that should be attributed to them on the balance sheet date, as determined by the Board of Directors. In order to determine the value adjustments that are permanent at the balance sheet date, the Board of Directors carries out the following analyses for each investment on an individual basis:

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

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

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

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

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

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

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

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

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

Receivables

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

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.

IMPACT OF THE COVID-19 OUTBREAK

During 2020, following the impact of the COVID-19 pandemic on the activities of the Company's direct and indirect subsidiaries, 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, leaving economic development in an uncertain 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. 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 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
Acquisition cost/nominal value at the beginning of the year	***294 576 661.97***	***294 576 661.97***	***22 765 600.07***	***22 405 600.07***	***317 342 262.04***	***316 982 262.04***
Increases	0.00	0.00	0.00	360 000.00	0.00	360 000.00
Decreases	0.00	0.00	0.00	0.00	0.00	0.00
Acquisition cost/nominal value at the end of the year	***294 576 661.97***	***294 576 661.97***	***22 765 600.07***	***22 765 600.07***	***317 342 262.04***	***317 342 262.04***
Value adjustments at the beginning of the year	***-2 537 763.41***	***-1 329 371.24***	***0.00***	***0.00***	***-2 537 763.41***	***-1 329 371.24***
Impairment	-411 514.83	-1 208 392.17	0.00	0.00	-411 514.83	-1 208 392.17
Value adjustments at the end of the year	***-2 949 278.24***	***-2 537 763.41***	***0.00***	***0.00***	***-2 949 278.24***	***-2 537 763.41***
Net book value at the end of the year	***291 627 383.73***	***292 038 898.56***	***22 765 600.07***	***22 765 600.07***	**314 392 983.80**	**314 804 498.63**

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

Name	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 *
Induservices S.A.	Luxembourg	35.00	35 000	31.12.2020	EUR	236 129	3 936
Management Associates S.A.	Luxembourg	20.00	400 000	31.12.2020	EUR	2 437 089	-167 918
Plantation Nord-Sumatra Ltd S.A.	Luxembourg	99.99	244 783 196	31.12.2020	USD	307 993 384	33 359 993
Socfinde S.A.	Luxembourg	79.92	1 072 391	31.12.2020	EUR	5 873 284	-67 644
Terrasia S.A.	Luxembourg	47.81	118 518	31.12.2020	EUR	554 920	27 710
Induservices FR S.A.	Switzerland	50.00	346 787	31.12.2020	EUR	693 576	-69 105
Socfinco FR S.A.	Switzerland	50.00	486 891	31.12.2020	EUR	11 811 775	2 036 824
Sogescol FR S.A.	Switzerland	50.00	1 985 019	31.12.2020	USD	13 483 580	3 758 811
Socfin Green Energy S.A.	Switzerland	50.00	48 780	31.12.2020	EUR	1 442 784	-62 881
Socfin Research S.A.	Switzerland	50.00	1 852 020	31.12.2020	EUR	3 704 031	-232 212
Sodimex FR S.A.	Switzerland	50.00	621 424	31.12.2020	EUR	4 112 846	385 143
Centrages S.A.	Belgium	50.00	4 074 315	31.12.2020	EUR	3 114 504	243 749
Gaummes S.A.	Belgium	50.00	47 530	31.12.2020	EUR	95 029	-8 026
Immobilière de la Pépinière S.A.	Belgium	50.00	3 165 450	31.12.2020	EUR	3 771 678	-129 786
Socfinco S.A.	Belgium	50.00	750 365	31.12.2020	EUR	1 759 151	219 821
Sodimex S.A.	Belgium	50.00	102 200	31.12.2020	EUR	172 921	-31 259
Socfin-KCD Co Ltd	Cambodia	100.00	31 685 450	31.12.2020	KHR	130 846 766 551	-3 678 568 599
			291 575 336				

(*) Based on unaudited financial statements

Valuation of shares in affiliated undertakings:

As at 31st 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 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 31st 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	132 500	132 500	0
Socfin-KCD Co Ltd	USD	26 103 890	22 173 100	(900 270)
Management Associates S.A.	EUR	460 000	460 000	0
TOTAL			**22 765 600**	**(900 270)**

** 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 recognized 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 31st 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. Amounts owed by affiliated undertakings

As at 31st December 2019, this item consists mainly of:

- a receivable from Socfinaf S.A. for a nominal amount of EUR 80 000 000 (2019: EUR 0), plus accrued interest in the amount of EUR 806 575.34 (2019: EUR 0.00). This receivable bears interest at a fixed rate of 4% per annum and is repayable in four annual instalments of EUR 20 000 000 from 31st December 2023.

- receivables from the subsidiary Socfinde S.A. corresponding on the one hand to the balance on current account of EUR 20 210 766.20 (2019: EUR 82 101 338.93) and on the other hand to a cash advance of EUR 8 950 000.00 (2019: EUR 8 950 000.00).

As at 31st December 2020, the Board of Directors is of the opinion that the receivables are fully collectible and consequently no impairment has been recorded.

Note 5. Equity

	Share capital EUR	Legal reserves EUR	Other reserves EUR	Retained earnings EUR	Profit for the year EUR	Interim dividend paid EUR
Balance as at 1st January 2019	***24 492 825.00***	***2 506 250.00***	***163 218 189.89***	***200 282 361.63***	***24 836 323.71***	***-8 708 560.00***
Allocation of the result for the 2018 financial year following decision of the General Assembly held on 28th May 2019						
• Retained earnings		-56 967.50		5 299 031.21	-5 242 063.71	
• Dividends					-9 797 130.00	
• Directors' fees					-1 088 570.00	
• 2018 interim dividend					-8 708 560.00	8 708 560.00
Interim dividend as per decision of the Board of Directors held on 28th October 2019						-6 531 420.00
Results for the financial year					17 435 868.45	
Balance as at 31st December 2019	***24 492 825.00***	***2 449 282.50***	***163 218 189.89***	***205 581 392.84***	***17 435 868.45***	***-6 531 420.00***
Allocation of the result for the 2019 financial year following decision of the General Assembly held on 26th May 2020						
• Retained earnings				18 748.45	-18 748.45	
• Dividends					-9 797 130.00	
• Directors' fees					-1 088 570.00	
• 2019 interim dividend					-6 531 420.00	6 531 420.00
Interim dividend as per decision of the Board of Directors held on 27th October 2020						-6 531 420.00
Results for the financial year					31 992 823.02	
Balance as at 31st December 2020	***24 492 825.00***	***2 449 282.50***	***163 218 189.89***	***205 600 141.29***	***31 992 823.02***	***-6 531 420.00***

Subscribed capital

As at 31st December 2020 and 2019, the subscribed and fully paid up share capital is EUR 24 492 825 represented by 19 594 260 shares without nominal value.

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.

Statutory reserves

The statutory reserve includes an unavailable reserve of EUR 125 993 370.46 (2019 : EUR 129 993 370.46), relating to the profit earned at the time of the formation in 1997 of Plantation Nord-Sumatra Ltd. In accordance with Article 33 of the Company's coordinated Articles of Association, this reserve is not available for distribution to shareholders.

Note 6. Other payables

As at 31st December 2020, this item includes interest payable for EUR 3 486 003.29 (2019: EUR 3 489 671.36).

Note 7. Income from affiliated undertakings

	2020 EUR	2019 EUR
Dividends received	32 542 378.42	22 005 578.79

Note 8. Other interest and similar income

As at 31st December 2020, this item mainly includes interest received on the loan granted to Socfinaf S.A. (Note 4) for a total amount of EUR 3 208 767.12 (2019: EUR 0.00).

Note 9. Taxation

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

Note 10. Remuneration of the Board of Directors

During 2020, the members of the Board of Directors received EUR 11 562.00 (2019 : EUR 13 750.00) in attendance fees and EUR 1 991 712.00 (2019 : EUR 1 991 712.00) in directors' fees.

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

Note 11. Political and economic environment

The Company directly and indirectly holds interests in companies operating in Indonesia and Cambodia.

Given the political instability that exists in these countries and their economic fragility, the investments held by the Company present a risk in terms of exposure to political and economic fluctuations.

Note 12. Off-balance sheet commitments

As at 31st December 2020 and 2019, the Company had no significant off-balance sheet commitments.

Note 13. Significant events after the year end

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