Socfinaf S.A.

2022 ANNUAL REPORT

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Group profile

1. Overview of the Group

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

The principal activity of Socfinaf is to manage a portfolio of shares mainly focused on the operation of more than 138,000 hectares of tropical palm oil and rubber plantations in Africa. Socfinaf employs 25,453 people and has achieved a consolidated turnover of EUR 637 million in 2022.

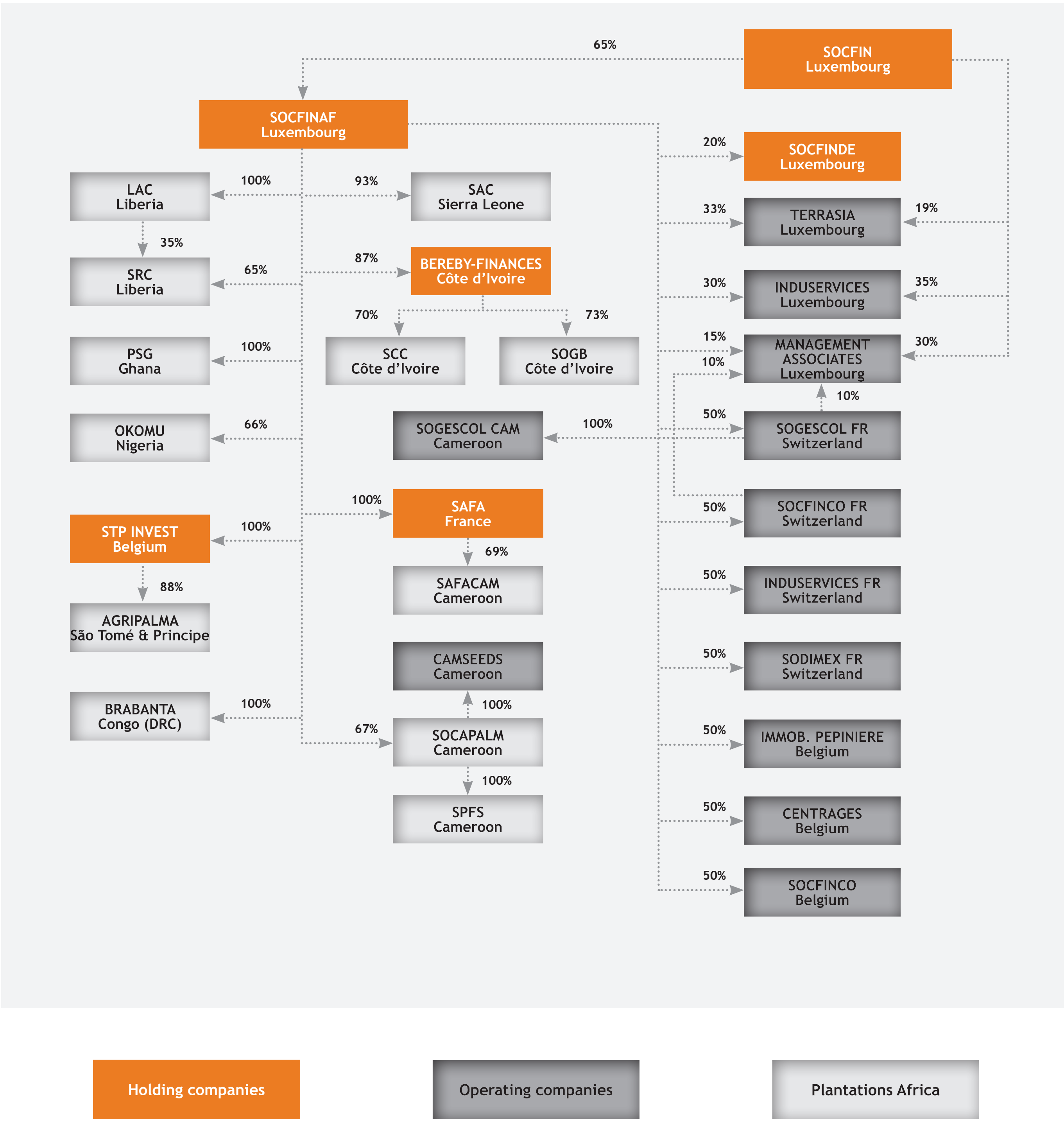
2. History

- **22/10/1961:** Incorporation of Compagnie Internationale de Cultures (Intercultures) as a Luxembourg holding company.
- **31/12/1961:** Intercultures invests in two Congolese plantations named “La Compagnie Congolaise de l’Hévéa” and “Cultures Equatoriales”.
- **18/04/1966:** The shares of Intercultures have been listed on the Stock Exchange of Luxembourg.
- **31/12/1974:** Nationalisation measures of industrial enterprises by the State of Zaire.
- **31/12/1976:** Progress of negotiations with Zaire - exit of Zairian holdings from the portfolio and accounting for Zaire claim.
- **19/05/1995:** Increase of the share capital of Intercultures in order to relaunch the Company’s activity in the field of tropical plantations.
- **30/06/1995:** Acquisition of 65% of Société des Caoutchoucs du Grand Bereby “SOGB” in Côte d’Ivoire via Bereby Finances “Befin”, a Côte d’Ivoire holding company.
- **30/06/1997:** Acquisition of 5% of Palmci, a Côte d’Ivoire company producing palm oils.
- **30/06/1998:** Increase of share capital and investment in Kenya in 70.8% of Red Lands Roses, producer of roses and Socfinaf Company, coffee producer.
  In addition, Intercultures acquired through its Luxembourg subsidiary (Indufina Luxembourg) 54% of an oil palm plantation in Nigeria, Okomu Oil Palm Company.
- **31/03/1999:** Intercultures continues the expansion of its investments in Africa and more specifically in Liberia: acquisition of 70% of Weala Rubber Company, owner of a rubber factory and 75% of Liberian Agricultural Company “LAC” which has a rubber concession.
- 31/03/2000: Acquisition of 89.64% of Société des Palmeraies de la Ferme Suisse “SPFS”, a Cameroon company active in the production, processing and refining of palm oil.
- **31/12/2000:** Through a Cameroon holding Palmcam, Intercultures continues its investments in Cameroon in Socapalm, a company active in the production and processing of palm oil.
- **31/12/2001:** Further increase in share capital which allowed Intercultures to increase its stake in Okomu Oil Palm Company and in Befin (parent company of SOGB).
- **31/12/2006:** Restructuring of Socfinal Group’s holdings, including the distribution of Intercultures shares by Socfinasia (spin-off) and repositioning of the Group’s operating companies.
- **31/12/2007:** Intercultures acquired 99.8% of Brabanta, a company developing a palm oil plantation in Congo (DRC).
  On the other hand, Intercultures sold its holdings Weala Rubber Company (Liberia) and Palmci (Côte d’Ivoire).
- **31/12/2008:** Constitution of Sud Comoë Caoutchouc “SCC” (Côte d’Ivoire) via the Ivorian holding Befin. Intercultures sold 60% of Red Lands Roses (Kenya).
- **31/12/2009:** Capital increase in Brabanta (DRC).
  Increased participation in Salala Rubber Corporation “SRC” (Liberia).
- **17/03/2010:** Sale of Socfinaf Company (Kenya).
- **10/01/2011:** Extraordinary General Meeting which ratified abandon of the holding 29 status and change of the denomination to Socfinaf.
- **01/07/2011:** Share split by 10.

Group profile

- **06/10/2011:** Acquisition of 32.9% of Palmcam's shares which is totally owned by Socfinaf.
- **31/12/2012:** Acquisition of 3.4% of Okomu Oil Palm Company's shares.
  Incorporation of Plantations Socfinaf Ghana "PSG".
- **23/10/2013:** Acquisition of 100% of STP Invest's shares, a Belgium company which owns 88% of Agripalma, benefitting from a grant of 5,000 hectares concession on the island of São Tomé.
- **31/12/2014:** Capital increase with the issue of 1,474,200 new shares subscribed by Socfin in exchange for 100% of the shares of Société Anonyme Forestière et Agricole "SAFA". It owns 68.93% of Safacam (Cameroon).
- **01/01/2015:** Beginning of Sogescol Cameroon and Camseeds, which were formed in 2014 by Sogescol FR and Socfin Research.
- **05/10/2015:** Acquisition of shares in Socapalm to increase the percentage holding to 4.57%.
- **04/11/2015:** Constitution of Sodimex FR and Induservices FR.
- **01/02/2016:** Liquidation of Palmcam (Cameroon).

3. Group structure



4. Information on Socfinaf's holdings

Portfolio	Number of shares	Direct %
Sierra Leone		
SAC	119,970,000	93.00%
Liberia		
LAC	25,000	100.00%
SRC	516	64.91%
Côte d'Ivoire		
Befin	739,995	87.06%
Ghana		
PSG	750,000	100.00%
Nigeria		
Okomu	633,172,834	66.38%
Cameroon		
Socapalm	3,086,886	67.46%
Democratic Republic of Congo		
Brabanta	5,000	100.00%
France		
SAFA	577,200	100.00%
Belgium		
Socfinco	8,750	50.00%
Centrages	7,500	50.00%
Pépinière	3,333	50.00%
STP Invest	1,800	100.00%
Luxembourg		
Socfinde	50,000	20.00%
Terrasia	3,328	33.28%
Induservices	3,000	30.00%
Management Associates	1,500	15.00%
Switzerland		
Sogescol FR	2,650	50.00%
Socfinco FR	650	50.00%
Induservices FR	700	50.00%
Sodimex FR	650	50.00%

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

Group profile

SOCFIN AGRICULTURAL COMPANY "SAC"

Share capital: USD 30,000,000

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Palm	12,349	0	**12,349**

Concessions: 18,473 ha

Permanent staff at 31st December 2022: 4,182

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Palm oil	51,919	52,307
Turnover (EUR 000)	58,554	46,760
Result (EUR 000)	16,516	16,405
Average sale price (EUR / kg)		
Palm oil	1.13	0.89
Average rate EUR / USD	1.05	1.18
Closing rate EUR / USD	1.07	1.13

Key figures (USD 000)		
At 31st December	***2022***	***2021***
Fixed assets	131,376	137,598
Current assets	7,315	13,214
Equity (*)	33,684	16,376
Debts, provisions and third parties (*)	105,007	134,435
Profit / (loss) for the period	17,307	19,372
Socfinaf's holding (%)	93.00	93.00

(*) Before profit allocation.

Group profile

LIBERIAN AGRICULTURAL COMPANY "LAC"

Share capital: USD 31,105,561

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber	10,555	1,781	**12,336**

Concessions: 121,407 ha

Permanent staff at 31st December 2022: 2,052

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Rubber	27,401	26,872
Turnover (EUR 000)	40,757	36,783
Result (EUR 000)	3,509	4,018
Average sale price (EUR / kg)		
Rubber	1.49	1.37
Average rate EUR / USD	1.05	1.18
Closing rate EUR / USD	1.07	1.13

Key figures (USD 000)		
At 31st December	***2022***	***2021***
Fixed assets	83,995	85,048
Current assets	23,589	20,297
Equity (*)	60,817	57,140
Debts, provisions and third parties (*)	46,767	48,204
Profit / (loss) for the period	3,677	4,745
Socfinaf's holding (%)	100.00	100.00

(*) Before profit allocation.

Group profile

SALALA RUBBER CORPORATION "SRC"

Share capital: USD 49,656,328

SRC is active in Liberia in the rubber sector.

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber plantation	3,204	1,241	**4,445**

Concessions: 8,000 ha

Permanent staff at 31st December 2022: 850

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons) (*)		
Rubber	4,563	3,710
Turnover (EUR 000)	4,469	3,296
Result (EUR 000)	-2,229	-357
Average sale price (EUR / kg)		
Rubber	0.98	0.89
Average rate EUR / USD	1.05	1.18
Closing rate EUR / USD	1.07	1.13

Key figures (USD 000)		
At 31st December	***2022***	***2021***
Fixed assets	46,130	47,962
Current assets	2,686	2,870
Equity	526	2,861
Debts, provisions and third parties	48,291	47,970
Profit / (loss) for the period	-2,335	-421
Socfinaf's holding (%)	64.91	64.91

(*) Agricultural production fully sold to LAC.

Group profile

BEREBY-FINANCES "BEFIN"

Share capital: CFA 8,500,000,000

This Côte d'Ivoire holding company holds 73.16% of SOGB and 70.01% of SCC.

SOCIETE DES CAOUTCHOUCS DU GRAND BEREBY "SOGB"

Capital: CFA 21,601,840,000

SOGB is active in Côte d'Ivoire in the production and processing of palm oil and rubber.

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Palm	7,471	0	**7,471**
Rubber	12,746	3,116	**15,862**
	20,217	***3,116***	***23,333***

Concessions: 34,712 ha

Permanent staff at 31st December 2022: 5,973

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Rubber	65,815	67,727
Palm oil	35,301	38,935
Turnover (EUR 000)	143,125	126,646
Result (EUR 000)	23,863	22,453
Average selling price (EUR / kg)		
Rubber	1.52	1.30
Palm oil	1.13	0.93
Rate EUR / CFA	655.957	655.957

Key figures (CFA million)		
At 31st December	***2022***	***2021***
Fixed assets	64,408	66,133
Current assets	27,065	30,876
Equity (*)	68,879	66,231
Debts, provisions and third parties (*)	22,594	30,778
Profit / (loss) for the period	15,653	14,728
Distribution	8,000	13,000
Socfinaf's indirect holding (%)	63.69	63.69

(*) Before profit allocation.

Group profile

SUD COMOË CAOUTCHOUC "SCC"

Share capital: CFA 964,160,000

SCC is active in Côte d'Ivoire in the industrial rubber processing sector.

Key data

Permanent staff at 31st December 2022: 410

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Rubber	39,554	39,273
Turnover (EUR 000)	57,479	49,859
Result (EUR 000)	4,858	5,340
Average selling price (EUR / kg)		
Rubber	1.45	1.26
Rate EUR / CFA	655.957	655.957

Key figures (CFA million)		
At 31st December	***2022***	***2021***
Fixed assets	3,977	4,102
Current assets	11,978	11,123
Equity (*)	7,987	7,800
Debts, provisions and third parties (*)	7,968	7,426
Profit / (loss) for the period	3,187	3,503
Distribution	2,500	2,500
Socfinaf's indirect holding (%)	60.95	60.95

(*) Before profit allocation.

Group profile

PLANTATIONS SOCFINAF GHANA "PSG"

Share capital: GHS 150,000,000

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber	627	315	**942**
Palm	6,140	0	**6,140**
	6,767	***315***	***7,082***

Concessions: 18,304 ha

Permanent staff at 31st December 2022: 2,314

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Rubber	814	347
Palm oil	25,375	27,538
Turnover (EUR 000)	33,083	26,378
Result (EUR 000)	5,808	11,249
Average selling price (EUR / kg)		
Rubber	1.19	1.13
Palm oil	1.26	0.93
Average rate EUR / GHS	8.42	6.87
Closing rate EUR / GHS	9.15	6.80

Key figures (GHS 000)		
At 31st December	***2022***	***2021***
Fixed assets	465,946	475,665
Current assets	65,401	62,178
Equity (*)	274,059	225,168
Debts, provisions and third parties (*)	257,288	312,675
Profit / (loss) for the period	48,891	77,289
Socfinaf's holding (%)	100	100

(*) Before profit allocation.

Group profile

OKOMU OIL PALM COMPANY

Share capital: NGN 476,955,000

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

Key data

Area (hectares)	*Planted area*		
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber	6,025	1,310	**7,335**
Palm	19,061	0	**19,061**
	25,086	***1,310***	***26,396***

Concessions: 33,113 ha

Permanent staff at 31st December 2022: 1,388

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Rubber	8,124	9,285
Palm oil	54,091	46,429
Turnover (EUR 000)	133,280	79,363
Result (EUR 000)	38,963	23,977
Average selling price (EUR / kg)		
Rubber	1.52	1.27
Palm oil	2.23	1.45
Average rate EUR / NGN	445	472
Closing rate EUR / NGN	479	468

Key figures (NGN 000)		
At 31st December	***2022***	***2021***
Fixed assets	55,902,697	49,665,596
Current assets	13,717,176	15,674,442
Equity (*)	42,017,150	39,416,748
Debts, provisions and third parties (*)	27,602,722	25,923,291
Profit / (loss) for the period	17,342,677	11,316,334
Distribution	14,000,000	7,631,280
Gross dividend per share (NGN)	14.68	8.00
Socfinaf's holding (%)	66.38	65.23

(*) Before profit allocation.

Group profile

SOCAPALM

Share capital: CFA 45,757,890,000

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber	2,075	0	**2,075**
Palm	29,197	3,263	**32,460**
	31,272	***3,263***	***34,535***

Concessions: 58,063 ha

Permanent staff at 31st December 2022: 2,591

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Palm oil	146,232	152,323
Rubber (*)	1,734	2,030
Turnover (EUR 000)	112,852	114,731
Result (EUR 000)	16,269	20,617
Average selling price (EUR / kg)		
Palm oil	0.75	0.74
Rubber	0.82	1.14
Rate EUR / CFA	655.957	655.957

Key figures (CFA million)		
At 31st December	***2022***	***2021***
Fixed assets	74,493	72,086
Current assets	20,762	17,580
Equity (**)	66,234	71,120
Debts, provisions and third parties (**)	29,022	18,546
Profit / (loss) for the period	10,672	13,524
Distribution	9,450	15,600
Socfinaf's holding (%)	67.46	67.46

(*) Agricultural production fully sold to SAFACAM.
(**) Before profit allocation.

Group profile

SOCIETE ANONYME FORESTIERE ET AGRICOLE "SAFA"

Share capital: EUR 4,040,400

This French company owns 68.93% of Safacam

SAFACAM

Capital: CFA 6,210,000,000

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Rubber	5,230	76	**5,306**
Palm	3,420	864	**4,284**
	8,650	***940***	***9,590***

Concessions and land owned: 17,690 ha

Permanent staff at 31st December 2022: 2,444

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Palm oil	16,526	16,945
Palm kernel oil	8,531	10,197
Rubber	6,377	6,919
Turnover (EUR 000)	35,406	32,790
Result (EUR 000)	4,189	3,778
Average selling price (EUR / kg)		
Palm Products	1.50	1.39
Rubber	1.66	1.33
Rate EUR / CFA	655.957	655.957

Key figures (CFA million)		
At 31st December	***2022***	***2021***
Fixed assets	21,901	22,633
Current assets	8,251	9,184
Equity (*)	21,374	21,105
Debts, provisions and third parties (*)	8,778	10,712
Profit / (loss) for the period	2,748	2,478
Distribution	2,484	2,479
Socfinaf's indirect holding (%)	69.05	69.05

(*) Before profit allocation.

SOCIETE DES PALMERAIES DE LA FERME SUISSE "SPFS"

Share capital: CFA 2,601,690,000

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

Key data

Permanent staff at 31st December 2022: 29

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
RBD	7,719	8,431
Turnover (EUR 000)	10,648	9,445
Result (EUR 000)	1,986	500
Average selling price (EUR / kg)		
Refined packaged oil	1.33	1.44
Refined oil in bulk	1.54	1.23
Rate EUR / CFA	655.957	655.957

Key figures (CFA million)		
At 31st December	***2022***	***2021***
Fixed assets	938	1,087
Current assets	4,308	2,462
Equity	4,137	2,834
Debts, provisions and third parties	1,108	715
Profit / (loss) for the period	1,303	328
Socfinaf's indirect holding (%)	67.46	67.46

Group profile

AGRIPALMA

Share capital: STN 156,094,090

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Palm	2,100	0	**2,100**

Concessions and land owned: 4,917 ha

Permanent staff at 31st December 2022: 848

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Palm oil	6,430	5,636
Turnover (EUR 000)	7,782	4,777
Result (EUR 000)	849	-1,878
Average selling price (EUR / kg)		
Palm oil	1.21	0.85
Average rate EUR / STN	24.50	24.50
Closing rate EUR / STN	24.50	24.50

Key figures (STN million)		
At 31st December	***2022***	***2021***
Fixed assets	691	728
Current assets	103	58
Equity	44	24
Debts, provisions and third parties	750	762
Profit / (loss) for the period	21	-46
Socfinaf's indirect holding (%)	88.00	88.00

Group profile

BRABANTA

Share capital: CDF 34,243,622,100

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

Key data

Area (hectares)		*Planted area*	
At 31st December 2022	***Mature***	***Immature***	***Total***
Palm	6,072	0	**6,072**

Concessions: 8,380 ha

Permanent staff at 31st December 2022: 2,259

Production and turnover		
At 31st December	***2022***	***2021***
Production (tons)		
Palm oil	13,769	15,993
Turnover (EUR 000)	16,366	13,117
Result (EUR 000)	-672	-2,202
Average selling price (EUR / kg)		
Palm oil	1.19	0.82
Average rate EUR / CDF	2,103	2,351
Closing rate EUR / CDF	2,151	2,265

Key figures (CDF million)		
At 31st December	***2022***	***2021***
Fixed assets	133,043	140,846
Current assets	115,053	113,578
Equity (*)	69,634	71,047
Debts, provisions and third parties (*)	178,463	183,377
Profit / (loss) for the period	-1,413	-5,175
Socfinaf's holding (%)	100.00	99.80

(*) Before profit allocation.

SOGESCOL FR

Share capital: CHF 5,300,000

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

The financial year ended on 31st December 2022 with a profit of USD 8,864,552. The Board of Directors will propose to the General Meeting of Shareholders a profit distribution of USD 8,000,000.

	2022	*2021*
Average rate EUR / USD	1.05	1.18
Closing rate EUR / USD	1.07	1.13

Key figures (USD 000)		
At 31st December	***2022***	***2021***
Fixed assets	773	1,034
Current assets	50,991	51,544
Equity (*)	17,955	14,940
Debts, provision and third parties (*)	33,809	37,637
Profit / (loss) for the period	8,865	6,057
Distribution	8,000	6,000
Gross dividend per share (USD)	1,509	1,132
Socfinaf's holding (%)	50.00	50.00

(*) Before profit allocation.

Group profile

SOCFINCO FR

Share capital: CHF 1,300,000

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

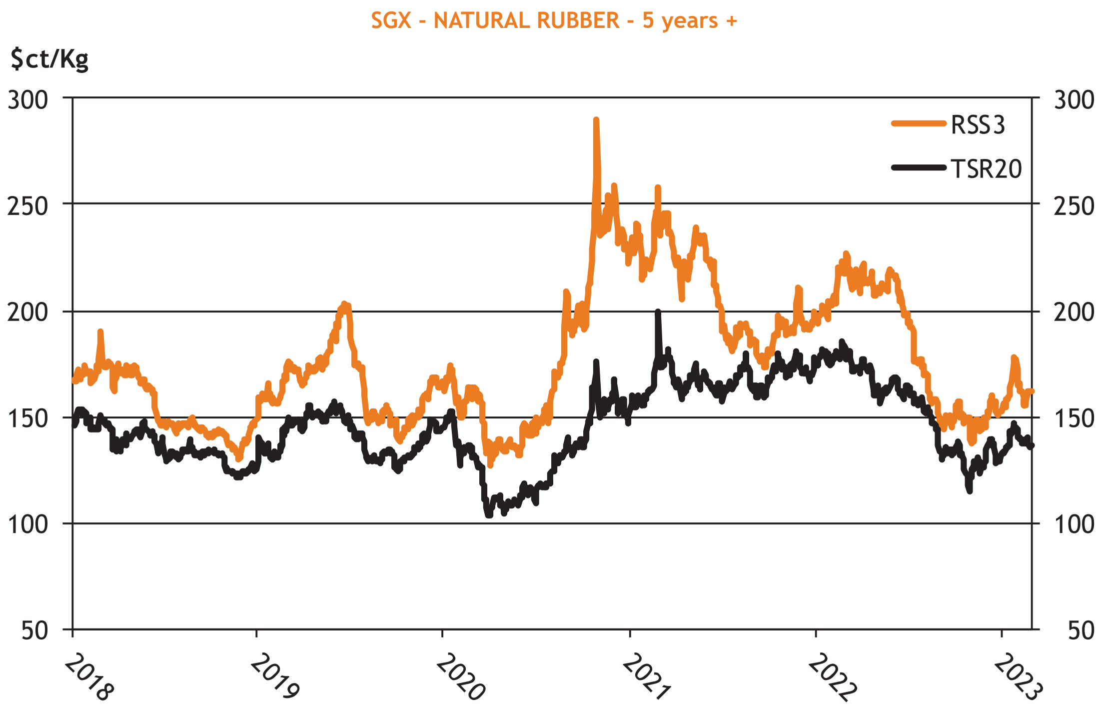
The financial year ended 31st December 2022 shows a profit of EUR 8,833,675. The Board of Directors will propose to the General Meeting of Shareholders a profit distribution of EUR 8,000,000.

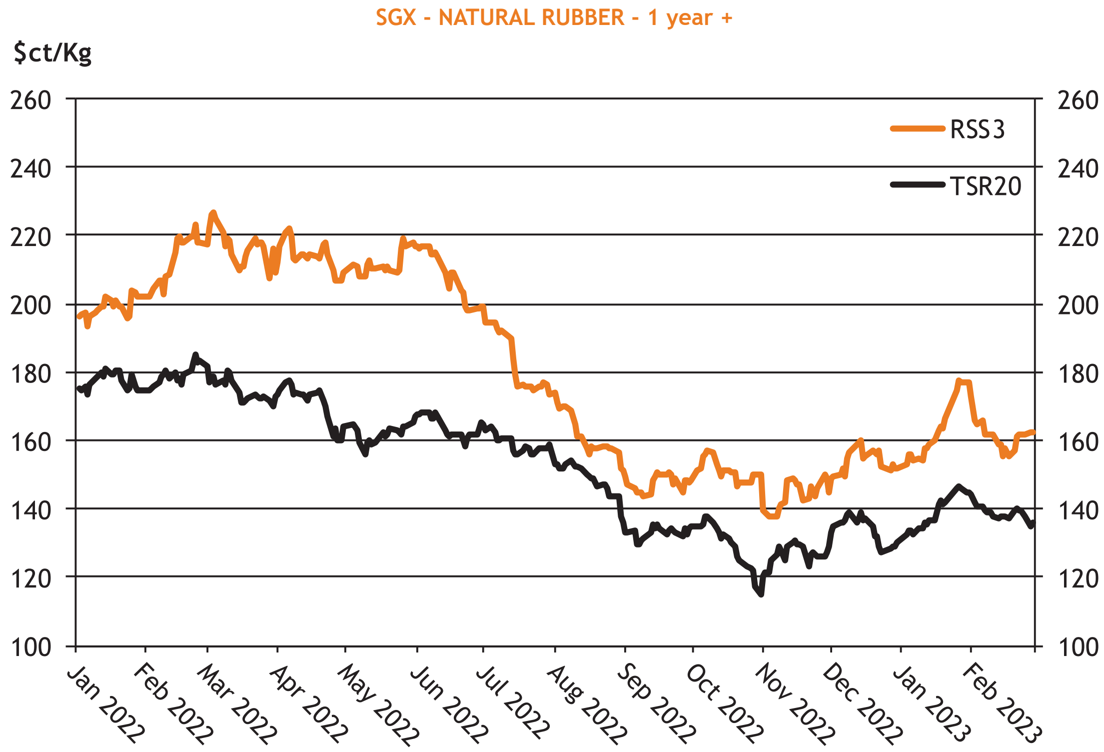
Key figures (EUR 000)		
At 31st December	***2022***	***2021***
Fixed assets	4,309	5,974
Current assets	22,133	19,609
Equity (*)	16,432	15,598
Debts, provisions and third parties (*)	10,010	9,985
Sales and services	30,293	25,179
Profit / (loss) for the period	8,834	6,288
Distribution	8,000	8,000
Gross dividend per share (EUR)	6,154	6,154
Socfinaf's holding (%)	50.00	50.00

(*) Before profit allocation.

International market for rubber and palm oil

1. Rubber





International market for rubber and palm oil

The international market in 2022

The average natural rubber price (TSR20 1st position on SGX) for the year 2022 is USD 1,548/T FOB Singapore compared to USD 1,677/T in 2021, i.e. a decrease of USD 129/T (-7.7%).

On the other hand, converted into Euro, the average for the year 2022 is EUR 1,469/T against EUR 1,417/T for the year 2021, i.e. an increase of 3.7% thanks to a strengthening of the dollar against the euro.

After their strong increase in 2021 linked to the global economic recovery, natural rubber prices have remained sustained with monthly averages above USD 1,700/T over the first 4 months of 2022.

Russia's invasion of Ukraine at the end of February had a positive impact on natural rubber prices, which moved slightly above USD 1,800/T in the wake of soaring crude oil and other commodity prices.

Market sentiment turned bearish as from April onwards because of the Chinese government's "zero Covid" policy measures. These measures have severely affected the economy and mobility, reducing demand from the world's largest consumer of natural rubber.

At the same time, European sanctions against Russia, a major producer of synthetic rubber and tyre components, have led to production slowdowns in tyre factories, resulting in a de facto drop in demand for natural rubber.

In the summer of 2022, the energy crisis in Europe due to the effects of sanctions against Russia has had a negative impact on rubber demand for tyre manufacturers. The level of inflation in Europe and the US is also a concern for consumers who prefer to postpone their decision to buy new cars.

At the end of 2022 the tyre manufacturers, facing a slowdown in production in their factories and therefore an increase in stocks requested their suppliers to reduce the long-term contracts or to postpone shipments to the following months.

This slowdown in demand from the tyre industry has strongly affected natural rubber prices, which bottomed out at USD 1,151/T in October 2022.

The lifting of restrictions following the end of China's "zero Covid" policy in December 2022 allowed natural rubber prices to recover to around USD 1,400/T at the end of the year.

The situation in global logistics, which was severely disrupted in 2021 until the first half of 2022 by the lack of space on ships, significantly improved in the last quarter of the year.

In the latest figures published by the International Rubber Study Group (IRSG) in February 2023, the world natural rubber production in 2022 is estimated at 14.57 million tons, up 5.8% in 2021, while the world consumption is forecasted at 14.31 million tons, up 1.7% in 2021, resulting in a surplus of 264,000 tons at the end of 2022.

The TSR20 1st FOB Singapore position on SGX settled on 30th December 2022 at USD 1,302/T.

Outlook 2023

Natural rubber prices are expected to remain under pressure amidst conflict on the Ukrainian front, high global inflation and uncertain developments on Chinese growth.

Indeed, inflationary pressure from prolonged supply chain disruptions and high-energy costs will continue to threaten the global economic growth.

At the end of 2022 and this is expected to continue during the first half of 2023, the slowdown in global economic activity has had a strong impact on demand from tyre manufacturers. Faced with a drop in production in their factories, they have accumulated significant stocks, forcing them to reduce their long-term contracts and postpone shipments to the following months.

The evolution of China's economic growth in 2023 will be decisive for natural rubber prices, which are expected to fluctuate according to the indicators of the industrial health of the world's largest natural rubber consumer.

International market for rubber and palm oil

The major uncertainty related to the evolution of the Russian-Ukrainian crisis is expected to continue to influence the evolution of rubber prices; the latter being impacted by the rise in crude oil and energy prices.

Because of a slowdown in global economic growth and the arrival on the market of new large capacity vessels, freight rates have fallen sharply, particularly from South-East Asian countries, making Asian rubbers more attractive than in 2021 and 2022, to the detriment of African rubber. Freight rates out of Africa are also expected to fall, but with a time lag.

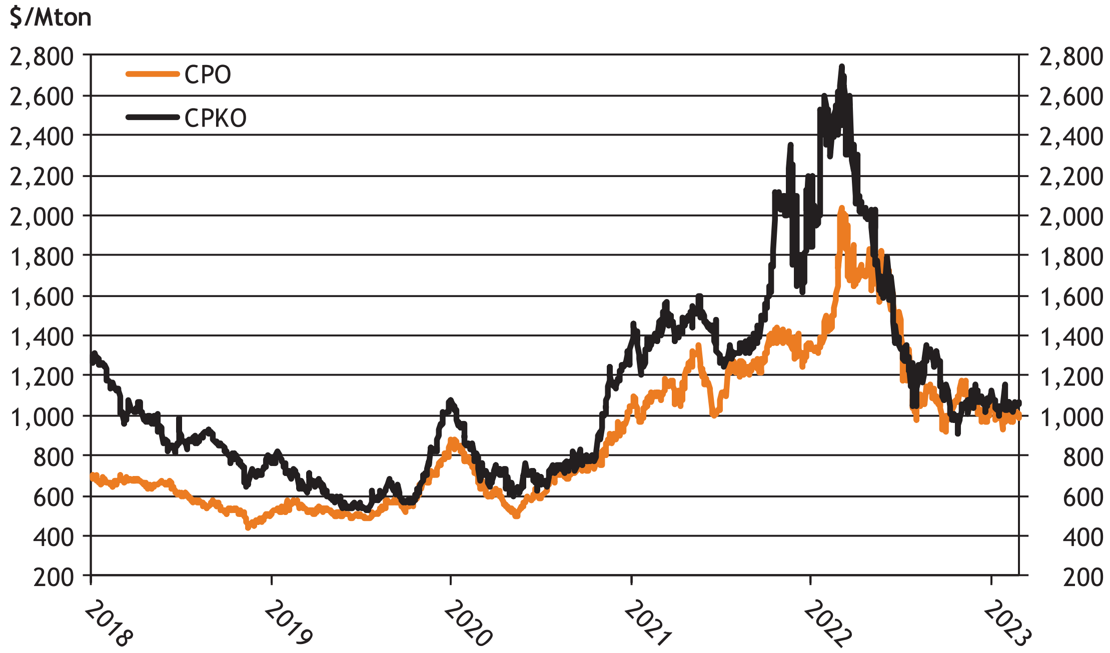
For 2023, the IRSG estimates world production at 14.74 million tons (up 1.1%) and world demand at 14.61 million tons (up 2.1%), resulting in a rubber surplus of 129,000 tons, which would be half the surplus in 2022.

Rubber consumption would therefore be lower than production, supported by an expansion of volumes in several countries such as Côte d'Ivoire, Cambodia, Laos and Burma. By 2022, Côte d'Ivoire would be the world's third largest producer with 1.3 million tons, behind Thailand and Indonesia and ahead of Vietnam.

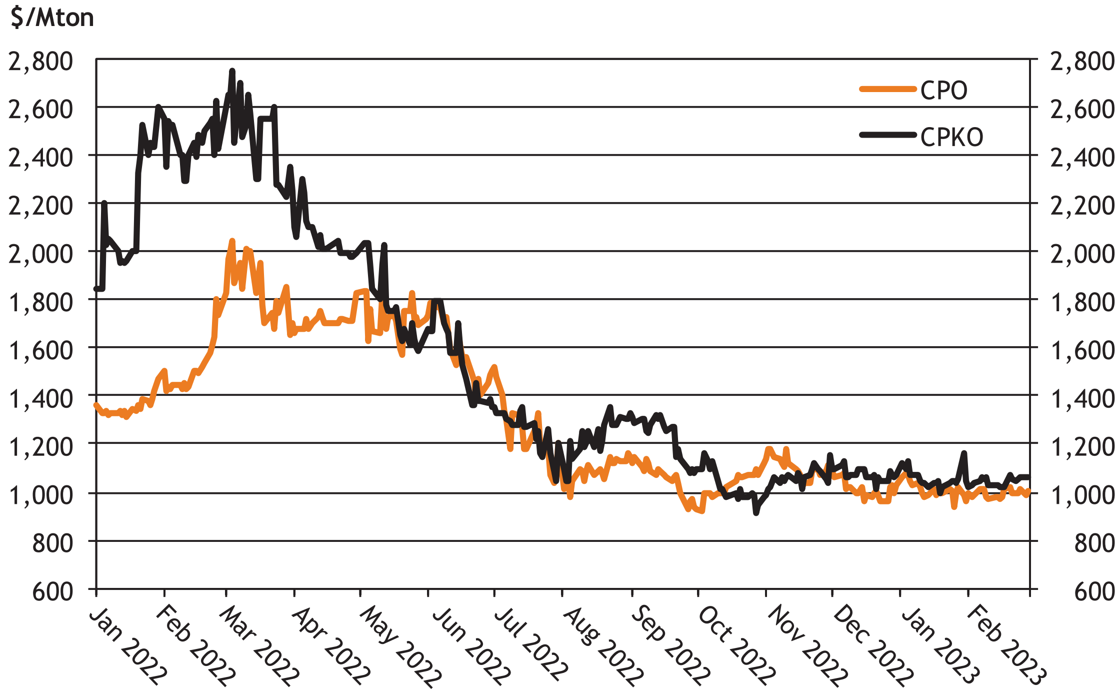
The TSR20 1st position FOB Singapore on SGX settled on 28th February 2023 at USD 1,362/T.

2. Palm oil

CIF ROTTERDAM - PALM OILS - 5 years +



CIF ROTTERDAM - PALM OILS - 1 year +



International market for rubber and palm oil

World palm oil production in million tons
(source: Oil World)

	2023 (*)	2022	2021	2020	2019	2018	2017	2015	2005	1995
Indonesia	47.9	46.5	44.7	42.8	44.2	41.6	36.8	33.4	14.1	4.2
Malaysia	18.7	18.3	18.1	19.1	19.9	19.5	19.9	20.0	15.0	7.8
Other	14.2	13.8	13.1	12.2	12.4	11.9	11.2	9.1	4.8	3.2
TOTAL	*80.8*	*78.6*	*75.9*	*74.1*	*76.5*	*73.0*	*67.9*	*62.5*	*33.9*	*15.2*

(*) Estimated (December 2022).

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

	Oct 2022 to Sep 2023 (*)	2022	2021	2020	2019	2018	2017	2015	2005	1995
Palm	80.3	78.6	75.9	74.1	76.5	73.0	67.9	62.5	33.9	15.2
Soya	61.2	59.8	60.1	58.6	56.8	56.8	53.9	48.8	33.6	20.2
Rape	28.7	26.6	26.9	25.3	24.9	25.6	25.4	26.3	16.2	10.8
Sunflower	20.9	20.1	18.9	21.3	20.7	19.0	19.0	15.1	9.7	8.7
Palm kernel	8.4	8.2	8.0	7.8	8.1	7.7	7.2	6.8	4.0	2.0
Cotton	4.5	4.4	4.4	4.6	4.6	4.7	4.2	4.7	5.0	3.9
Peanut	4.7	4.7	4.4	4.2	3.7	4.0	4.2	3.7	4.5	4.3
Copra	2.9	3.1	2.8	2.6	2.9	2.9	2.4	2.9	3.2	3.3
TOTAL	*211.6*	*205.5*	*201.4*	*198.5*	*198.2*	*193.7*	*184.2*	*170.8*	*110.1*	*68.4*

(*) Estimated (December 2022).

The international market in 2022

The average price for CIF Rotterdam crude palm oil in 2022 is USD 1,352/T compared to USD 1,195/T in 2021.

The year 2021 was marked by an almost uninterrupted rise in palm oil prices due to a much lower than expected supply. This contraction in supply, combined with a massive return in demand following the end of the containment measures, led to a very significant rise in palm oil prices in 2021.

This price increase continued into 2022. Indeed, the uncertainties regarding the global supply of vegetable oils were further accentuated during the first quarter. Firstly, in Malaysia, where the effects of the plan to accelerate the return of foreign workers to the plantations were slow to be felt. Then in Indonesia, which, worried about its domestic market, decided to restrict its palm oil exports at the end of January while global demand continued to rise.

At the end of February, the Russian-Ukrainian conflict put the vegetable oil market on edge. Ukraine alone traditionally supplied over 50% of the world's sunflower oil production. Buyers were forced to turn to alternative vegetable oils (soya, palm, rapeseed, etc.) whose prices soared. At the beginning of March, the CIF Rotterdam CPO broke through the historic USD 2,000/T threshold, i.e. an increase of almost 50% since the beginning of the year.

In April 2022, tensions rose again with Indonesia's decision to suspend palm oil exports in an already tight market.

The rationing of the overall supply of vegetable oils in a context where demand remained strong contributed to maintaining high price levels throughout most of the first half. The surge in oil prices, with a barrel of oil breaking the USD 120 mark on several occasions, also helped to support palm oil prices during this period.

The price surge ended in May with the easing of export restrictions in Indonesia. The level of palm oil stocks in the country was then close to 9 million tons. The world's largest producer therefore had no choice but to supply the international market by massively opening the floodgates for exports, thus creating strong downward pressure on prices.

The loosening of the grip on sunflower seed exports from the Black Sea has also helped to alleviate concerns about the overall supply of vegetable oils.

Prices thus fell back below the USD 1,000/T mark in September.

During the last quarter of 2022, despite abundant supply and high stock levels, palm oil prices held up well thanks to continued strong demand, particularly in Asia. At the end of December 2022, the CIF Rotterdam CPO was trading at around USD 1,030/T.

Outlook 2023

After an unprecedented decline at the height of the Covid pandemic in 2020, palm oil production increased in 2021 and 2022. The increase is expected to continue in 2023 with production exceeding 80 million tons.

However, several uncertainties weigh on palm oil production. Malaysia, the world's second largest producer, is facing a structural labour problem that could negatively affect its production figures. In addition, soaring fertiliser prices could lead growers to restrict their use, which would limit the expected increase in yields.

Indonesia, for its part, is increasing the number of announcements aimed at limiting the volumes of palm oil exported in order to satisfy its domestic market first. Palm oil consumption for the Indonesian biodiesel industry is also expected to increase as the country plans to move from the B30 mandate to the B35 mandate (i.e. 35% palm oil in biodiesel composition).

The area harvested for soybeans for the 2023 marketing year is expected to increase, and production forecasts for other oilseeds (rapeseed, sunflower, etc.) are also favourable, suggesting an abundant supply of vegetable oils on the markets in 2023.

Against the backdrop of the global economic slowdown, demand could show signs of weakening even though the main importing countries, led by India and China, are not expected to see a significant drop in consumption. In addition, demand should also be supported by the biofuel industry, thus preventing prices from falling too sharply.

The evolution of oil prices, the purchasing policies of importing countries, the implementation of tax incentives or customs barriers, will also play a determining role in the evolution of palm oil prices.

On 28th February 2023, the CIF Rotterdam CPO quotes at around USD 1,005/T.

Environment and social responsibility

The responsible management policy is based on the Group’s three pillars of commitment, alongside its specific commitment to transparency: rural development, workers and local communities, and environment. These commitments form the basis of key initiatives aimed at improving long-term economic performance, social well-being, health, safety and natural resource management.

An implementation plan for this policy has been defined and implemented throughout 2022.

The efforts and actions undertaken by the Socfin Group in this area are detailed in a regularly updated dashboard 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.

Key figures

1. Activity indicators

Area (hectares)		*Rubber*		*Palm*
At 31st December 2022				
Immatures (by year of planting)				
2022		391		755
2021		935		1,480
2020		1,300		1,105
2019		1,425		0
2018		1,795		0
2017		2,110		0
2016		606		0
2015		31		0
2014		13		0
2013		21		0
Total immatures		***8,627***		***3,339***
Young	(from 8 to 11 years)	12,683	(from 4 to 7 years)	19,851
Prime	(from 12 to 22 years)	17,554	(from 8 to 18 years)	41,073
Old	(above 22 years)	8,414	(above 18 years)	26,696
Total in production		***38,651***		***87,620***
TOTAL		***47,278***		***90,959***

Area (hectares)	*2022*	*2021*	*2020*	*2019*	*2018*
Palm	90,959	91,004	91,207	91,220	91,099
Rubber	47,278	47,940	48,146	48,361	48,071
TOTAL	***138,237***	***138,944***	***139,353***	***139,581***	***139,170***

Production	*2022*	*2021*	*2020*	*2019*	*2018*
Palm oil (tons)	***349,644***	***355,924***	***321,348***	***278,979***	***262,075***
Own production	308,544	309,149	285,726	244,551	231,522
Third party purchases	41,100	46,775	35,623	34,428	30,554
Rubber (tons)	***147,271***	***151,848***	***144,456***	***147,851***	***129,703***
Own production	59,027	55,450	48,972	53,749	47,753
Third party purchases	88,243	96,397	95,484	94,102	81,950
Seeds (thousands)	***4,495***	***3,362***	***1,413***		
Own production	4,495	3,362	1,413		

Key figures

Turnover (EUR million)	*2022*	*2021*	*2020*	*2019*	*2018*
Palm	408	328	241	210	206
Rubber	222	196	157	164	135
Other agricultural products	0	1	1	0	0
Other	7	3	4	3	3
TOTAL	***637***	***527***	***403***	***376***	***345***

Staff	*2022*	*2021*	*2020*	*2019*	*2018*
Average workforce	25,453	24,596	23,291	24,166	22,707

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

(EUR million)	*2022*	*2021*	*2020*	*2019*	*2018*
Turnover	637	527	403	376	345
Operating income	175	143	56	47	42
Profit / (loss) for the period attributable to the Group	76	72	-4	4	5
Net cash flows from operating activities	190	154	91	65	91
Free cash flows (*)	136	93	30	9	6

(*) Free cash flows = cash flows from operating activities + cash flows from investing activities.

3. Key figures in the consolidated statement of financial position

(EUR million)	*2022*	*2021*	*2020*	*2019*	*2018*
Bearer biological assets	350	366	364	405	405
Other non-current assets	324	316	290	304	302
Current assets	230	209	171	169	140
Total equity	509	436	334	385	383
Non-current liabilities	196	274	182	197	142
Current liabilities	199	180	310	298	323

Stock market data

(EUR)	2022	2021	2020	2019	2018
Number of shares	17,836,650	17,836,650	17,836,650	17,836,650	17,836,650
Equity attributable to the owners of the Company	384,444,515	315,276,676	224,895,450	272,328,282	272,815,410
Undiluted net profit per share	4.24	4.04	-0.22	0.22	0.27
Dividend per share	0.00	0.00	0.00	0.00	0.00
Share price					
Minimum	11.30	8.10	7.00	8.2	10.90
Maximum	15.80	12.40	12.60	12.2	16.90
Closing	12.10	12.00	11.10	12	11.40
Market capitalisation (*)	215,823,465	214,039,800	197,986,815	214,039,800	203,337,810
Dividend paid / net profit attributable to the owners of the Company	N.a.	N.a.	N.a.	N.a.	N.a.
Dividends / market capitalisation	N.a.	N.a.	N.a.	N.a.	N.a.
Market price / undiluted net profit per share	2.86	2.97	-51.03	55.60	42.68

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

Financial highlights of the year

Liquidation of Sodimex.

Sale of 5% of Management Associates to Socfin.

Corporate governance statement

1. Introduction

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

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

2. Corporate governance chart

The Board of Directors adopted the Corporate Governance Chart on 21st November 2018. It was updated on 29th March 2023 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)	AGM 1981	AGM 2028
Mr. Vincent Bolloré	French	1952	Director (a)	AGM 1993	AGM 2023
Bolloré Participations SE represented by Mr. Cyrille Bolloré	French	1985	Director (a)	AGM 2018	AGM 2024
Mr. Gbenga Oyebode	Nigerian	1959	Director (a)	AGM 2011	AGM 2023
Mr. François Fabri	Belgian	1984	Managing Director (b)	AGM 2014	AGM 2026
Mr. Philippe Fabri	Belgian	1988	Director (b)	AGO 2020	AGO 2026
Mr. Frédéric Lemaire	Belgian	1970	Director (c)	AGM 2019	AGM 2025

(a) Non-Executive Non-Independent Director
(b) Executive Non-Independent Director
(c) Independent Director

The term served as director by Mr. Vincent Bolloré expires this year. It will be proposed at the next Annual General Meeting to renew this mandate for six years until the Annual General Meeting of 2029.

The term served as director by Mr. Gbenga Oyebode expires this year. It will be proposed at the next Annual General Meeting to renew this mandate for six years until the Annual General Meeting of 2029.

Other mandates held by the Directors in listed companies

Hubert Fabri
Chairman

Positions and offices held in Luxembourg companies
- Chairman and director of the Board of Directors of Société Financière des Caoutchoucs “Socfin”, Socfinaf and Socfinasia.

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 Compagnie de l’Odet, 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 and Chief Executive Officer of Compagnie de l’Odet;
- Vice-Chairman of Société des Caoutchoucs du Grand Bereby “SOGB”;
- Director of Compagnie de l’Odet;
- Permanent representative of Bolloré Participations SE on the Boards of Directors of S.A.F.A. Cameroon “Safacam”, Société des Caoutchoucs du Grand Bereby “SOGB” and Société Camerounaise de Palmeraies “Socapalm”.

Bolloré Participations
Director

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

Positions and offices held in foreign companies
- Member of the Supervisory Board of Compagnie du Cambodge;
- Director of Bolloré SE, Compagnie des Tramways de Rouen, Société des Chemins de Fer et Tramways du Var et du Gard, Société des Caoutchoucs du Grand Bereby “SOGB”, Société Industrielle et Financière de l’Artois, Financière Moncey, S.A.F.A. Cameroun “Safacam” and Société Camerounaise de Palmeraies “Socapalm”.

Gbenga Oyebode
Director

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

Positions and offices held in foreign companies
- Chairman of Okomu Oil Palm Company;
- Director of Nestlé Nigeria and Lafarge Africa.

Corporate governance statement

François Fabri
Managing Director

Positions and offices held in Luxembourg companies
- Director of Société Financière des Caoutchoucs “Socfin”, Socfinaf and Socfinasia;
- Executive Director of Socfinaf.

Positions and offices held in foreign companies
- Permanent Representative of Administration and Finance Corporation “AFICO” on the Board of Société des Caoutchoucs du Grand Bereby “SOGB” and Société Industrielle et Financière de l’Artois;
- Managing Director of Palmeraies de Mopoli;
- Director of S.A.F.A. Cameroon “Safacam” and Société Cameroonaise 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 Palmeraies de Mopoli;
- Permanent representative of Société Anonyme Forestière et Agricole “SAFA” on the board of S.A.F.A. Cameroon “Safacam”.

Frédéric Lemaire
Director

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

Appointments of Directors

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

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

Role and powers of the Board of Directors

The Board of Directors is the body 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 Articles of Association empower the Board of Directors the power to perform all actions necessary to achieve the corporate purpose.

Activity report of the Board of Directors

Number of meetings
At least two for the year-end and mid-year evaluations. During the 2022 financial year, the Board of Directors met 4 times.

Topics 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
- 2022: 83%
- 2021: 83%
- 2020: 85%
- 2019: 71%
- 2018: 84%

4. Committees of the Board of Directors

4.1. Audit Committee

The Committee is composed of three members, of which 2 are independents and one of them assigned as President of the Audit Committee. The members of the Audit Committee are appointed for one year and are eligible for re-election. This Audit Committee is effective as of 1st January 2023 and has been in charge of the supervision of the preparation of the financial information for the year 2022.

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

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

The appointment of the non-executive members will be confirmed at the General Meeting of Shareholders on 30th May 2023.

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

The Audit Committee shall meet three times a year.

4.2. Appointment and Remuneration Committee

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

5. Remunerations

The remuneration allocated to the members of the Board of Directors of Socfinaf for the financial year 2022 amounts to EUR 356,995 compared to EUR 863,648 for the financial year 2021.

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

6. Shareholding status

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

At 31st December 2022, the share capital is represented by 17,836,650 shares.

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

(a) = entities controlled by Vincent Bolloré.

(b) = before increase in share capital on 31st December 2014

7. Financial calendar

30th May 2023	Annual General Meeting at 10 a.m.
End of September 2023	Half year stand alone and consolidated results at 30th June 2023
Mid-November 2023	Interim Management statement for 3rd quarter of 2023
End of March 2024	Annual stand alone results at 31st December 2023
Mid-April 2024	Consolidated annual results at 31st December 2023
Mid-May 2024	Interim Management statement for the 1st quarter of 2024
28th May 2024	Annual General Meeting at 10 a.m.

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

8. External audit

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

In 2022, the audit fees amounted to EUR 758,845 VAT included.

The audit fees include all fees paid to the independent statutory auditor of the Group namely EY as well as those paid to member firms within EY network for the relevant years. No consulting work or other non-audit services have been performed by this firm in 2022 or in 2021.

9. Corporate, social and environmental responsibility

The responsible management policy is based on the Group's three pillars of commitment, alongside its specific commitment to transparency: rural development, workers and local communities, and environment. These commitments form the basis of key initiatives aimed at improving long-term economic performance, social well-being, health, safety and natural resource management.

An implementation plan for this policy has been defined and implemented throughout 2022.

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

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 updated continuously. The persons concerned have been informed of their inclusion on this list.

Statement of compliance

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

(a) the consolidated financial statements prepared for the year ended at 31st December 2022, in accordance with the International Financial Reporting Standards as adopted by the European Union, provide a true and fair view of the assets and liabilities, the financial position and the profits or losses attributable to Socfinaf and all of the entities included in consolidation, and

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

Consolidated management report

Directors' report on the consolidated financial statements presented by the Board of Directors to the Annual General Meeting of the Shareholders of 30th May 2023

Ladies and Gentlemen,

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements at 31st December 2022 include the financial statements of Socfinaf, 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 stated in Note 1 of the notes to the consolidated financial statements, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards or IFRS as adopted by the European Union. Socfinaf (the Group) adopted IFRS standards for the first time in 2005 and all the standards applicable to the Group at 31st December 2022 have been implemented.

Consolidated results

For the 2022 financial year, the result attributable to the Group of the parent company amounted to EUR 75.6 million compared to EUR 72.0 million in 2021. This results in earnings per share of EUR 4.24 compared to EUR 4.04 in 2021.

Consolidated revenue amounted to EUR 637.3 million in 2022 compared to EUR 526.7 million in 2021 (increase of EUR 110.6 million). This increase in revenue is mainly due to the increase in prices for EUR 98.5 million and by variation of transactional currency versus Euro for EUR 13.0 million.

Likewise, the operating profit increased to EUR 175.3 million, compared to EUR 142.9 million in 2021.

Other financial income amounted to EUR 8.7 million compared to EUR 6.3 million in 2021 and consisted mainly of foreign exchange gains of EUR 8.0 million compared to EUR 3.7 million in 2021.

Financial expenses amounted to EUR 41.2 million compared to EUR 22.4 million in 2021 and consisted mainly of interest expense for EUR 15.9 million (EUR 14.9 million in 2021) and foreign exchange losses of EUR 24.6 million (EUR 6.9 million in 2021).

The tax expense increased. Income taxes amounted to EUR 39.8 million compared to EUR 28.9 million in 2021.

Profit for the period from associates attributable to the Group increased to EUR 11.3 million compared to EUR 7.3 million in 2021.

Consolidated statement of financial position

The assets of Socfinaf consist of:

- Non-current assets of EUR 673.8 million compared to EUR 681.6 million in 2021, a decrease of EUR 7.8 million mainly due to the decrease of biological assets for EUR -15.7 million and the increase of property, plant and equipment for EUR +7.9 million;
- Current assets amounted to EUR 229.8 million compared to EUR 208.9 million in 2021, an increase of EUR 20.9 million, mainly due to the increase in the value of inventory for EUR 12.9 million and in other receivables for EUR 12.4 million.

Shareholders' equity amounted to EUR 384.4 million compared to EUR 315.3 million in 2021. This increase in shareholder's equity of EUR 69.2 million is mainly due to the profit for the period: EUR 75.6 million (2021: EUR 72.0 million) and to the change in the translation reserve for EUR -7.6 million.

On the basis of consolidated shareholders' equity, the net value per share attributable to the Group was EUR 21.55 compared to EUR 17.68 a year earlier. At 31st December 2022, the share price stood at EUR 12.10.

Current and non-current liabilities decreased to EUR 394.4 million compared to EUR 454.0 million a year earlier.

Financial debts decreased to EUR 202.7 million in 2022 compared to EUR 270.3 million in 2021. This mainly consist of loans to Socfinaf from Socfin for EUR 134.5 million, as well as the non current and current portion of bank loans for an amount of EUR 62.2 million.

Deferred tax liabilities decreased to EUR 9.2 million compared to EUR 11.4 million in 2021. Current tax liabilities increased to EUR 40.7 million compared to EUR 30.4 million in 2021.

Other liabilities include short-term advances from shareholders amounting to EUR 40.4 million.

Consolidated cash flows

At 31st December 2022, cash and cash equivalents amounted to EUR 52.9 million, a decrease of EUR 3.1 million for the year compared to an increase of EUR 24.7 million in the previous financial year.

Net cash flows from operating activities amounted to EUR 189.5 million during the financial year 2022 (EUR 154.3 million in 2021). It resulted mainly from self-financing capacity of EUR 208.4 million (EUR 175.4 million in 2021), EUR 39.8 million of income tax paid and EUR +5.3 million change in working capital.

Net cash flows from investing activities amounted to EUR -53.4 million (EUR -61.4 million in 2021). These activities are largely influenced by acquisitions of tangible fixed assets amounting to EUR 55.1 million (EUR 62.9 million in 2021).

Cash flows from financing activities amounted EUR 138.8 million (EUR 68.7 million in 2021), mainly due to net reimbursement of borrowings for EUR 92.6 million (compared to a net reimbursement in 2021 for EUR 33.8 million) and to the dividends paid for EUR 28.9 million (EUR 18.6 million in 2021).

FINANCIAL INSTRUMENTS

Financial risk management policies are described in the notes to the consolidated financial statements of the Company (see Notes 24 and 33).

OUTLOOK 2023

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

POLITICAL AND ECONOMIC ENVIRONMENT

The Company holds interests in subsidiaries operating in Africa.

Given the economic and political instability in some of the African countries (Sierra Leone, Liberia, Côte d'Ivoire, Ghana, Nigeria, Cameroon, São Tomé and DRC), these holdings present a risk in terms of exposure to political and economic changes.

Russia - Ukrain conflict

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24th February 2022.

Due to these geopolitical tensions, there has been a significant increase in volatility on the securities and currency markets in 2022, as well as a significant depreciation of the ruble against the US dollar and the euro.

Although neither the company's performance and going concern nor operations, have been significantly impacted by the above during 2022, the Board of Directors continues to monitor the evolving situation and its impact on the financial position and results of the company.

EVENTS AFTER THE CLOSING DATE

On 24th February 2023, Socfinaf early repaid an amount of USD 14,750,000 i.e. EUR 13,828,989 to Socfin as a final reimbursement of the loan in USD.

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 have 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 centralised at the Group's headquarters. It contributes to the smooth running of an effective internal control system through the independence of recruitment, the harmonisation 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 responsible management policy is based on the Group's three pillars of commitment, alongside its specific commitment to transparency: rural development, workers and local communities, and environment. These commitments form the basis of key initiatives aimed at improving long-term economic performance, social well-being, health, safety and natural resource management.

An implementation plan for this policy has been defined and implemented throughout 2022.

The efforts and actions undertaken by the Socfin Group in this area are detailed in a regularly updated dashboard 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

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Opinion

We have audited the consolidated financial statements of Socfinaf S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23rd July 2016 on the audit profession (the "Law of 23rd July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23rd July 2016 and ISAs are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of biological assets

Risk identified

As at 31st December 2022, the value of the Group's biological assets amounted to EUR 350.2 million out of total assets of EUR 903.6 million.

The Group owns biological assets in Africa. These biological assets, which consist mainly of oil palm and rubber plantations, are valued in accordance with the principles defined in IAS 16 "Property, Plant and Equipment". These assets are recognised at cost less accumulated depreciation and any impairment losses.

The note 8 "Impairment of assets" of the consolidated financial statements describes the methodology used by Group management to assess whether there is any indicator of impairment or any indicator of impairment reversal at the balance sheet date. When an indicator is identified, Group management determines the recoverable amount of the biological assets and thus determines the impairment loss or the reversal of impairment to be recognised, if any.

The indicators used by Group Management are:

- a decrease or an increase of the listed price of natural rubber (TSR20 1st position on SGX) and the listed price of crude palm oil (CIF Rotterdam) at the balance sheet date higher than 15% compared to a five-year average of the prices observed on those markets

- a decrease or an increase of the six-month average of the prices observed of those markets higher than 15% compared to a five-year average of the prices observed on those markets
- a decrease or an increase of the twelve-month average of the prices observed of those markets of more than 15% compared to a five-year average of the prices observed on those markets

For palm oil, which is mainly sold on local markets, Group Management also analyses local sales prices, considering that a decrease or an increase in these prices at the balance sheet date higher than 15% compared to a five-year average value of the local prices constitutes an indicator of impairment or an indicator of impairment reversal respectively.

In addition to these external factors, the Group analyses the following internal performance indicators:

- Specificities of the local market (evolution of supply and demand, ...);
- Physical indications of impairment;
- Significant changes in the plantations that could have a material impact on future cash flows.

The recoverable amount is determined as the higher of the value in use and the fair value less costs of disposal. The value in use is defined in terms of discounted future net cash flows and involves significant judgements and estimations by Group Management, including financial forecasts and the utilization of appropriate discount rates.

We considered the valuation of biological assets to be a key audit issue because of :

- their significance in relation to the Group's total assets

- the assessment of whether there is any indicator of impairment or any indicator of impairment reversal; and

- the determination of their recoverable amount which involves significant judgements and estimates.

Audit response

In order to assess the reasonableness of an indicator of impairment or an indicator of impairment reversal and, where appropriate, to determine the recoverable amount of biological assets, we performed the following audit procedures :

- Assess the compliance of Group's management's methodology with the provisions of IAS 36 "Impairment of Assets";
- Analyze the methodology used with a particular focus on the indicators of impairment or on the indicators of impairment reversal;
- Analyze the completeness of indicators of impairment or indicators of impairment reversal:
  - Evaluating the assessment performed by Group management to identify the existence of indicators of impairment or indicators of impairment reversal by comparing the underlying data of the analysis with the source of the data used;
  - Comparing the evolution of yields per hectare; and
  - Overseeing the audit work of the components auditors of material subsidiaries to identify any indicators of impairment or any indicators of impairment reversal, including that site visits of the plantations have been carried out;

- In case of identification of an indicator of impairment or an indicator of impairment reversal, we:
  - Assess the appropriateness of the methodology applied by Group Management to determine the recoverable value of the biological assets and the accuracy of any impairment loss or any impairment reversal recorded;
  - Analyze the reasonableness of the cash flow forecasts used by Group Management to determine the value in use of the biological assets;
  - Assess the reasonableness of the assumptions and inputs used by Group management; and
  - Reconcile the key inputs used in the model with information audited by the components auditors of material subsidiaries.

- Assess whether the disclosures required by IAS 36 "Impairment of Assets" for biological assets are properly disclosed in the notes of the consolidated financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management report and the corporate governance statement but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

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

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23rd July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 26th May 2020 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 3 years.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance statement on pages 32 to 37 is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19th December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the consolidated financial statements of the Group as at 31st December 2022 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to :

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31st December 2022, identified as Socfinaf 2022 Annual report.zip, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Anthony Cannella
Luxembourg

Consolidated financial statements

1. Consolidated statement of financial position

		31/12/2022	31/12/2021
ASSETS	*Note*	*EUR*	*EUR*
Non-Current Assets			
Right-of-use assets	3	8,169,573	7,484,998
Intangible assets	4	1,449,899	1,958,916
Property, plant and equipment	5	277,533,909	269,676,822
Biological assets	6	350,244,763	365,903,978
Investments in associates	10	27,288,358	23,619,982
Financial assets at fair value through other comprehensive income	11	300,038	38
Long-term advances		1,664,769	1,745,719
Deferred tax assets	12	4,513,651	9,421,066
Other non-current assets		2,619,576	1,743,807
		673,784,536	***681,555,326***
Current Assets			
Inventories	15	105,769,814	92,844,873
Current biological assets	6	3,005,618	2,423,966
Trade receivables	16	23,519,223	28,185,332
Other receivables	17	21,440,996	8,995,522
Current tax assets	13	12,438,610	13,378,526
Cash and cash equivalents	18	63,638,033	63,091,772
		229,812,294	***208,919,991***
TOTAL ASSETS		***903,596,830***	***890,475,317***

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

Consolidated financial statements

EQUITY AND LIABILITIES	Note	31/12/2022 EUR	31/12/2021 EUR
Equity attributable to the owners of the Parent			
Share capital	19	35,673,300	35,673,300
Share premium	19	87,453,866	87,453,866
Legal reserve	20	3,567,330	3,567,330
Consolidated reserves		253,235,800	180,034,758
Translation reserves		-71,070,327	-63,481,543
Profit / (loss) for the period		75,584,548	72,028,965
		384,444,517	***315,276,676***
Non-controlling interests	9	***124,791,747***	***121,205,286***
Total Equity		***509,236,264***	***436,481,962***
Non-Current Liabilities			
Deferred tax liabilities	12	9,219,942	11,408,890
Employee Benefits Obligations	21	12,366,549	12,054,536
Long-term debt, net of current portion	22	159,582,281	234,679,480
Long-term lease liabilities	3	8,674,141	8,285,305
Other payables	23	6,005,420	7,401,155
		195,848,333	***273,829,366***
Current Liabilities			
Short-term debt and current portion of long-term debt	22	43,071,845	35,588,183
Short-term lease liabilities	3	1,532,064	1,105,090
Trade payables	23	50,186,437	43,847,861
Current tax liabilities	13	40,651,438	30,408,824
Provisions		622,480	337,462
Other payables	23	62,447,969	68,876,569
		198,512,233	***180,163,989***
TOTAL EQUITY AND LIABILITIES		***903,596,830***	***890,475,317***

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

2. Consolidated income statement

	Note	2022 EUR	2021 EUR
Revenue	32	637,341,934	526,702,437
Work performed by entity and capitalised		9,969,880	11,960,180
Change in inventories of finished products and work in progress		-5,109,712	753,008
Other operational income		5,844,939	5,393,496
Raw materials and consumables used	32	-182,873,108	-145,224,395
Other expenses	32	-132,268,074	-114,534,558
Staff costs	25	-74,266,738	-69,886,384
Depreciation and impairment expense	7	-58,213,723	-55,738,718
Other operating expenses	32	-25,095,805	-16,546,165
Operating profit / (loss)		***175,329,593***	***142,878,901***
Other financial income	26	8,653,915	6,324,778
Gain on disposals		76,466	803,432
Loss on disposals		-1,833,410	-3,604,256
Financial expenses	27	-41,163,373	-22,363,108
Profit / (loss) before taxes		***141,063,191***	***124,039,747***
Income tax expense	14	-39,796,407	-28,856,992
Deferred tax (expense) / income	14	-2,914,673	-718,754
Share of the Group in the result from associates	10	11,297,778	7,264,011
Profit / (loss) for the period		***109,649,889***	***101,728,012***
Profit / (loss) attributable to non-controlling interests		***34,065,341***	***29,699,047***
Profit / (loss) attributable to the owners of the Parent		***75,584,548***	***72,028,965***
Basic earnings per share undiluted	28	***4.24***	***4.04***

Number of Socfinaf shares	17,836,650	17,836,650
Basic earnings per share	4.24	4.04
Diluted earnings per share	4.24	4.04

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

3. Consolidated statement of comprehensive income

		2022	2021
	Note	*EUR*	*EUR*
Profit / (loss) for the period		***109,649,889***	***101,728,012***
Other comprehensive income			
Actuarial gains / (losses)	21	902,556	2,011,089
Deferred tax on actuarial losses and gains		-187,624	-568,972
Subtotal of items that cannot be reclassified to profit or loss		***714,932***	***1,442,117***
Gains / (losses) on exchange differences on translation of subsidiaries		-7,801,046	18,221,626
Share of other comprehensive income related to associates		443,736	296,273
Subtotal of items eligible for reclassification to profit or loss		***-7,357,310***	***18,517,899***
Total other comprehensive income		***-6,642,378***	***19,960,016***
Comprehensive income		***103,007,511***	***121,688,028***
Comprehensive income attributable to non-controlling interests		***33,205,681***	***31,337,419***
Comprehensive income attributable to the owners of the Parent		***69,801,830***	***90,350,609***

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

4. Consolidated statement of cash flows

	Note	2022 EUR	2021 EUR
Operating activities			
Profit / (loss) attributable to the owners of the Parent		75,584,548	72,028,965
Profit / (loss) attributable to non-controlling shareholders		34,065,341	29,699,047
Income from associates	10	-11,297,777	-7,264,009
Dividends received from associates	10	7,126,982	3,383,509
Fair value of agricultural production		-5,789,099	-8,090,073
Other adjustments having no impact on cash position		-1,202,239	-1,352,609
Depreciation and impairment expense	7	58,213,722	55,738,719
Provisions and allowances		7,278,229	-1,120,117
Net loss on disposals of assets		1,758,494	2,799,747
Income tax expense and deferred tax	14	42,711,079	29,575,745
Cash flows from operating activities		***208,449,280***	***175,398,924***
Interest expense	26, 27	***15,590,970***	***14,683,522***
Income tax paid	14	***-39,796,406***	***-28,856,992***
Change in inventory		-8,943,177	-3,417,054
Change in trade and other receivables		-13,221,521	6,878,991
Change in trade and other payables		29,213,136	-10,288,803
Change in accruals and prepayments		-1,758,263	-118,044
Change in working capital requirement		***5,290,175***	***-6,944,910***
Net cash flows from operating activities		***189,534,019***	***154,280,544***
Investing activities			
Acquisitions / disposals of intangible assets		-32,003	-3,696
Acquisitions of property, plant and equipment and biological assets	5, 6	-55,144,750	-62,916,100
Disposals of property, plant and equipment		1,655,010	1,375,153
Acquisitions / disposals of financial assets		134,933	142,451
Net cash flows from investing activities		***-53,386,810***	***-61,402,192***
Financing activities			
Dividends paid to non-controlling shareholders	9	-28,941,422	-18,586,503
Proceeds from borrowings	22	7,030,288	22,778,375
Repayment of borrowings	22	-99,581,546	-56,595,266
Repayment of lease liabilities	22	-1,737,556	-1,595,202
Interest paid	26, 27	-15,590,970	-14,683,522
Net cash flows from financing activities		***-138,821,206***	***-68,682,118***
Effect of exchange rate fluctuations		-446,315	551,541
Net cash flows		***-3,120,312***	***24,747,775***
Cash and cash equivalents at 1st January	18	56,062,445	31,314,670
Cash and cash equivalents at 31st December	18	52,942,133	56,062,445
Net increase / (decrease) in cash and cash equivalents		***-3,120,312***	***24,747,775***

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

5. Consolidated statement of changes in equity

EUR	Share capital	Share premium	Legal reserve	Translation reserves	Consolidated reserves	Equity attributable to the owners of the Parent	Non-controlling interests	TOTAL EQUITY
Balance at 1st January 2021	*35,673,300*	*87,453,866*	*3,567,330*	*-80,401,590*	*178,602,545*	*224,895,451*	*109,141,208*	*334,036,659*
Profit / (loss) for the period					72,028,965	**72,028,965**	29,699,047	**101,728,012**
Actuarial (losses) / gains					1,105,324	**1,105,324**	336,793	**1,442,117**
Foreign currency translation adjustments				16,920,047	0	**16,920,047**	1,301,579	**18,221,626**
Share in other comprehensive income from associates					296,273	**296,273**	0	**296,273**
Other comprehensive income				*16,920,047*	*73,430,562*	*90,350,609*	*31,337,419*	*121,688,028*
Dividends					0	**0**	-19,207,377	**-19,207,377**
Interim dividends					0	**0**	-147,164	**-147,164**
Other movements				0	30,617	**30,617**	81,200	**111,817**
Transactions with shareholders				*0*	*30,617*	*30,617*	*-19,273,341*	*-19,242,724*
Balance at 31st December 2021	*35,673,300*	*87,453,866*	*3,567,330*	*-63,481,543*	*252,063,723*	*315,276,676*	*121,205,286*	*436,481,962*
Balance at 1st January 2022	*35,673,300*	*87,453,866*	*3,567,330*	*-63,481,543*	*252,063,723*	*315,276,676*	*121,205,286*	*436,481,962*
Profit / (loss) for the period					75,584,548	**75,584,548**	34,065,341	**109,649,889**
Actuarial (losses) / gains					620,360	**620,360**	94,572	**714,932**
Foreign currency translation adjustments				-6,846,814	0	**-6,846,814**	-954,232	**-7,801,046**
Share in other comprehensive income from associates					443,736	**443,736**	0	**443,736**
Other comprehensive income				*-6,846,814*	*76,648,644*	*69,801,830*	*33,205,681*	*103,007,511*
Dividends					0	**0**	-22,312,967	**-22,312,967**
Interim dividends					0	**0**	-6,485,266	**-6,485,266**
Other movements (Notes 2, 9)				-741,970	107,981	**-633,989**	-820,987	-1,454,976
Transactions with shareholders				*-741,970*	*107,981*	*-633,989*	*-29,619,220*	*-30,253,209*
Balance at 31st December 2022	*35,673,300*	*87,453,866*	*3,567,330*	*-71,070,327*	*328,820,348*	*384,444,517*	*124,791,747*	*509,236,264*

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

6. Notes to the consolidated financial statements

Note 1. Overview and accounting policies

1.1. Overview

Socfinaf S.A. (the "Company") was incorporated on 22nd October 1961. Its corporate purpose qualifies it as a holding company "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 holdings mainly focused on the exploitation of tropical oil palm and rubber plantations in Africa.

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

The Company is listed on the Luxembourg Stock Exchange under ISIN code: LU0056569402 and is registered in the commercial register under the number B6225.

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 are presented in euros and rounded to the nearest whole number, the euro being the functional currency of the parent company Socfinaf and of the Group's presentation currency.

On 29th March 2023, the Board of Directors approved the consolidated financial statements.

In conformity with the current legislation existing in the Grand Duchy of Luxembourg, the financial statements will be approved by the shareholders during the Annual General Meeting. The official version of the accounts is the ESEF version available with the Officially Appointed Mechanism (OAM) tool.

New standards and amendments issued but not yet effective on 1st January 2022:

The Group does not expect the adoption of the standards and amendments described below to have a material impact on its consolidated financial statements, nor anticipate early adoption of new accounting standards, amendments and interpretations.

- On 18th May 2017, the IASB issued IFRS 17 "Insurance Contracts", which establishes principles for the recognition, measurement and presentation of insurance 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 types of 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. On 9th December 2021, the IASB issued amendments to IFRS 17, aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities.

- On 7th May 2021, the IASB published amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. They are effective for financial years beginning on or after 1st January 2023 and are to be applied retrospectively, with early adoption permitted.

- On 12th February 2021, the IASB issued amendments to IAS 1, IFRS Practice Statement 2 "Making Judgments about Materiality" and IAS 8. The amendments are intended to assist preparers in determining the accounting policies to be presented in their financial statements, to further enhance the importance in determining the accounting policies, and to distinguish changes in accounting estimates from changes in 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.

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

- 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. On 31st October 2022, the IASB issued "Non-current Liabilities with Covenants" to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1st January 2024. The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

- On 22nd September 2022, the IASB issued amendments to IFRS 16 "Lease Liability in a Sale and Leaseback", that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for a sale. The amendment does not change the accounting for leases unrelated to sale and leaseback transactions. The amendment applies retrospectively to annual reporting periods beginning on or after 1st January 2024, with early adoption permitted. The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

1.3. Presentation of the consolidated financial statements

The consolidated financial statements are presented in euros (EUR or €).

They are prepared on the basis of historical cost with the exception of the following assets:

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

The accounting principles and rules are applied in a consistent and permanent way within the Group. The consolidated financial statements are prepared for the accounting year ending 31st December 2022 and are presented before the Annual General Meeting of shareholders approving the allocation of the parent company's income.

At 1st January 2022, the Group adopted the following amendments without any material impact on the Group's consolidated financial statements:

- <u>Amendment to IFRS 3 Business Combinations - reference to the Conceptual Framework:</u> the amendments updated the reference to the Conceptual Framework for Financial Reporting, added a reference to IAS 37 or IFRIC 21 when a company identifies the liabilities assumed in a business combination, and stated that an acquirer should not recognise contingent assets acquired in a business combination.

- <u>Amendment IAS 16 Property, Plant and Equipment:</u> the amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company should recognise such sales proceeds and related cost in profit or loss.

- <u>Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract:</u> these amendments specify which costs a company includes when assessing whether a contract will be loss-making.

- <u>Annual Improvements to IFRS Standards 2018–2020.</u> These amendments concern IFRS 1, IFRS 9, IFRS 16 and IAS 41:

  - IFRS 1 (1st time adopter): allows a subsidiary to measure translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRS
  - IFRS 16: removal from the illustrative examples of the illustration of the reimbursement of leasehold improvements by the lessor
  - IFRS 9: the amendment clarifies which fees an entity includes when it applies the "10 per cent" test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability
  - IAS 41: the amendment removes the requirement in IAS 41.22 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

1.4. Consolidation principles

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

All companies included in the scope of consolidation as at 31st December 2022 close their accounts on 31st December.

a) Subsidiaries

In accordance with IFRS 10, an investor has control when three conditions are fulfilled:
1) it holds power over the entity;
2) it 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 and expenses from subsidiaries acquired or sold during the year are included in the consolidated income statement, respectively, from the date of acquisition to the date of disposal.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any residual gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

b) Investments in associates and joint-ventures

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 nor joint control. Significant influence is presumed when the Group holds, directly or indirectly through its subsidiaries, between 20% and 50% of the voting rights. A joint-venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement (i.e. decisions require unanimous consent of the parties sharing control).

Associates and joint-ventures are accounted for using the equity method. Under this method, the Group's interest in the associates and joint-ventures is initially recognised at cost in the statement of financial position and subsequently adjusted to recognise the Group's share of movements in profit and loss and other comprehensive income.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint-venture. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate or joint-venture are eliminated to the extent of the interest in the associate or joint-venture.

Investments in associates and joint-ventures 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 and joint-ventures is included in the carrying amount of the investment and is not tested for impairment separately. An impairment test is performed if an objective index of impairment is identified. Impairment is recognised, if necessary, in the income statement under the heading "Share of the Group in the result from associates".

The list of subsidiaries and associated companies (including joint-ventures) 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. A material error, when discovered, is also adjusted retrospectively.

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

1.6. Business combinations

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

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets.

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

1.7. Goodwill

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

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

1.8. Gain on a bargain purchase

Gain on a bargain purchase 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 gain on a bargain purchase remains after considering and reassessing the fair value of identifiable assets and liabilities and contingent liabilities of a subsidiary or associate, it is recognised directly as an income in the income statement.

1.9. Foreign currency conversion

In the financial statements of Socfinaf and of each subsidiary, transactions in foreign currency are recorded, upon initial recognition, in the functional 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 realisation or translation of monetary items denominated in foreign currencies are recorded in the income statement for the year.

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 reserves”. In the event of a disposal, the translation reserves relating to the company concerned are recognised in the income statement for the year in which the sale occurred.

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 financial statements:

	Closing rate		Average rate	
1 euro equals to:	31/12/2022	31/12/2021	2022	2021
Euro	1.000	1.000	1.000	1.000
CFA franc	655.957	655.957	655.957	655.957
Ghanaian cedi	9.1472	6.8025	8.4184	6.8705
Nigerian naira	478.92	467.50	445.11	471.97
Dobra of São Tomé	24.50	24.50	24.50	24.50
Congolese franc	2,151	2,265	2,103	2,351
American dollar	1.0666	1.1326	1.0479	1.1809

1.10. Intangible assets

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

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

The estimated useful lives are as follows:

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

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

Gains or losses arising on derecognition of assets (difference between the disposal proceeds and the carrying amount of the asset) are included in the income statement when assets are derecognised.

1.11. Property, plant, equipment

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

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

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

The estimated useful lives are as follows:

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

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

Land is not subject to depreciation.

Gains or losses arising on derecognition of assets (difference between the disposal proceeds and the carrying amount of the asset) are included in the income statement when assets are derecognised.

1.12. Bearer biological assets

The Group has biological assets in Africa. Bearer plants, mainly consisting of palm oil and rubber plantations, are valued by using the cost model, according to the principles defined in IAS 16 “Tangible fixed assets”.

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

Bearer biological assets

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

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

The estimated useful lives are as follows:

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

Depreciation starting date is the date of transfer of biological assets in production (asset being mature). This transfer takes place in the fourth year after palm oil tree planting 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 considers produce that grows on mature plantations (oil in the palm fruits and produce of rubber) as biological assets, in accordance with IAS 41 principles. This produce is measured at fair value until the point of harvest. Any resultant gains or losses arising from changes in fair value are recognised in the income statement.

1.13. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets (mainly IT equipment), for which payments associated are recognised as an expense in the income statement. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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

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

Assets and liabilities related to lease contracts are initially measured at the present value of the fixed payments including in-substance fixed payments less any lease incentives receivable. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. To this purpose, management considers all facts and circumstances that may create an incentive to exercise a renewal option or not to exercise an early termination option. The lease liability is remeasured if there is a change in the lease term, in the lease payment or in the assessment of an option to purchase the underlying asset.

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

In determining the incremental borrowing rate, the Group:

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

The discount rates used by the Group range between 1.75% and 19.9%.

Lease payments are allocated between the repayment of the principal amount of the lease liabilities and interest expense. Interest expense is recognised in the income statement for the period over the term of the lease. Right-of-use assets are depreciated on a straight-line basis over the shorter of the useful life and the lease term.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and recognises any impairment loss as described in Note 8: Impairment of assets.

1.14. Impairment of assets

Goodwill is not amortised 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 indication, the recoverable amount of the asset is estimated to determine, if applicable, the amount of the loss or impairment. The recoverable amount is the higher of the fair value less costs to sell the asset and the value in use.

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

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

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

An impairment loss recorded on goodwill cannot be subsequently reversed.

1.15. Inventories

Inventories are recorded at the lower of cost and net realisable 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 realisable 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 realisable value is recognised as an expense in the period in which the impairment or loss occurred.

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

1.16. Trade receivables

Trade receivables are valued at their nominal value and do not bear interest. The Group applies a simplified approach and records a provision for expected losses over the life of the receivables. This provision for losses is an amount that the Group considers a reliable estimate of the inability of its customers to make the required payments (refer to Note 33).

1.17. Cash and cash equivalents

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

1.18. Financial instruments

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

Financial instruments derivatives

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

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

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

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

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

For the periods 2021 and 2022, no hedging instruments were used by the Group.

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

To hedge its exposure to certain foreign exchange risks, the Group uses forward exchange contracts: for the periods 2021 and 2022, forward exchange contracts were used by the Group.

Loans and borrowings

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 amortised 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. They comply with the "Solely Payments of Principal and Interest" (SPPI) model. They are accounted for using the amortised cost method.

The Group applies the low credit risk simplification: at every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

Interest-bearing borrowings and overdrafts are recorded for amounts received, net of direct issue costs, at amortised cost. Financial expenses are recognised in income statement 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 maturity.

The fair value measurement of borrowings and debts with financial institutions, other than in the short-term, depends both on the specifics of the loans and on current market conditions. The fair value was calculated by discounting the expected future cash flows at the re-estimated interest rates prevailing at the balance sheet date over the remaining term of repayment of the loans (Refer to Note 24).

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 Note 24).

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Other financial assets and liabilities

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

The receivables are valued at their nominal value (at cost) less any write-downs covering amounts considered as non-recoverable if the Group deems it necessary. Impairment 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 (average default over several years), adjusted for prospective factors specific to the debtors and the economic environment. The carrying amount of the asset is reduced through the use of a provision account and the amount of the loss is recognised in the consolidated income statement. The Board of Directors of each subsidiary evaluates the receivables individually. Value adjustments are determined taking into account the local economic reality of each country. They are reviewed at the reception of new events and at least annually.

1.19. Provisions

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

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

1.20. Pension obligations

Defined contribution plans

These plans designate the post-employment benefit plans under which the Group pays defined contributions to external insurance companies for certain categories

of employees. Payments made under these pension plans are recognised in the income statement in the year in which they are due.
As these plans do not generate future commitments for the Group, they do not give rise to provisions.

Defined benefit plans

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 expenditure 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 bonds 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”.

All changes in the amount of defined benefit pension obligations are recognised as they occur.

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

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

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

1.21. Revenue recognition

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

The point of control of the asset by the customer depends on when the goods are made available to the carrier or when the buyer takes possession of the goods, depending on the delivery conditions. With regards to the Group’s activities, the recognition criteria are generally met:
(a) for export sales, where the time of the transfer of deed based on the incoterms;
(b) for local sales, depending on the delivery conditions, either when the goods leave the premises or when the customer takes possession of the goods.

This is the moment when the Group has fulfilled its performance obligations.

Revenues are valued at the transaction price of the consideration received or receivable, which the company expects to be entitled to.

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

The Group considers being the principal in its revenue arrangements, because it controls the goods sold before transferring them to the customers.

At 31st December 2022, revenue from the major Group customer accounted for approximately EUR 247.5 million (2021: EUR 215.3 million) of total Group revenue.

1.22. Taxes

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

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

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

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

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

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

1.23. 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 21), IAS 41 / IAS 2 (Notes 6 and 15), IAS 16 (Note 5), IAS 36 (Notes 5, 6 and 8), IFRS 9 (Note 24) and IFRS 16 (Note 3).

In the absence of observable data within the scope of IFRS 13, the Group makes use of a model developed to assess the fair value of agricultural production based on local production costs and conditions and local sales (Refer to Note 1.12).

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

1.25. Going concern

At 31st December 2022, liabilities due within 12 months (EUR 198,512,233) do not exceed assets due within 12 months (EUR 229,812,294).

1.26. Climate effect

The Group considered the potential impact of the climate change, which may affect positively and negatively the Group's biological assets thus the financial performance of the Group, the distribution of rainfall and sunshine being the most important factors.

The Group considered climatic events such as severe wind or fires in the valuation of the biological assets, however and given the actual level of knowledge, distinguishing impacts of natural climate variations apart from climate impacts related to anthropic activity remain difficult.

The effects of the climate change on the Group's financial statements as at 2022 year-end remain uncertain. The Management Board considered various documentation in its assessment of the impact, such as the last Intergovernmental Panel on Climate Change (IPCC) reports, that do not link the climate change to a negative impact on oil palm plantations.

The Management Board will continue to consider the potential impacts of the climate change in its judgements, and will integrate any new potential impact if this could lead to a material change in the Group's financial statements.

1.27. Russia – Ukrain conflict

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24th February 2022.

Due to the geopolitical tensions since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant depreciation of the ruble against the US dollar and the euro.

Although neither the company's performance and going concern nor operations, have been significantly impacted by the above during 2022, the Board of Directors continues to monitor the evolving situation and its impact on the financial position and results of the company.

Note 2. Subsidiaries and associates

	% Group Interest	% Group Control	Consolidation Method (*)	% Group Interest	% Group Control	Consolidation Method (*)
	2022	2022	2022	2021	2021	2021
AFRICA						
Rubber and palm						
SOCIETE DES CAOUTCHOUCS DE GRAND-BEREBY "SOGB" S.A.	63.69	73.16	FI	63.69	73.16	FI
PLANTATIONS SOCFINAF GHANA "PSG" LTD	100.00	100.00	FI	100.00	100.00	FI
OKOMU OIL PALM COMPANY PLC	66.38	66.38	FI	65.23	65.23	FI
SOCIETE AFRICAINE FORESTIERE ET AGRICOLE DU CAMEROUN "SAFACAM" S.A.	69.05	69.05	FI	69.05	69.05	FI
SOCIETE CAMEROUNAISE DE PALMERAIES "SOCAPALM" S.A.	67.46	67.46	FI	67.46	67.46	FI
Rubber						
LIBERIAN AGRICULTURAL COMPANY "LAC"	100.00	100.00	FI	100.00	100.00	FI
SALALA RUBBER CORPORATION "SRC"	100.00	100.00	FI	100.00	100.00	FI
SUD COMOË CAOUTCHOUC "SCC" S.A.	60.95	70.01	FI	60.95	70.01	FI
Palm						
SOCFIN AGRICULTURAL COMPANY "SAC" LTD	93.00	93.00	FI	93.00	93.00	FI
SOCIETE DES PALMERAIES DE LA FERME SUISSE "SPFS" S.A.	67.46	100.00	FI	67.46	100.00	FI
AGRIPALMA LDA	88.00	88.00	FI	88.00	88.00	FI
BRABANTA S.A.	100.00	100.00	FI	99.80	99.80	FI
Other activities						
BEREBY-FINANCES "BEFIN" S.A.	87.06	87.06	FI	87.06	87.06	FI
CAMSEEDS S.A.	67.61	100.00	FI	67.61	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.	30.00	30.00	EM	30.00	30.00	EM
INDUSERVICES FR S.A.	50.00	50.00	EM	50.00	50.00	EM
MANAGEMENT ASSOCIATES S.A.	15.00	15.00	NC	20.00	20.00	EM
SOCIETE ANONYME FORESTIERE AGRICOLE "SAFA" S.A.S.	100.00	100.00	FI	100.00	100.00	FI
SOCFINCO S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFINCO FR S.A.	50.00	50.00	EM	50.00	50.00	EM
SOCFINDE S.A.	20.00	20.00	EM	20.00	20.00	EM
SODIMEX S.A.	-	-	NC	50.00	50.00	EM
SODIMEX FR S.A.	50.00	50.00	EM	50.00	50.00	EM
SOGESCOL FR S.A.	50.00	50.00	EM	50.00	50.00	EM
STP INVEST S.A.	100.00	100.00	FI	100.00	100.00	FI
TERRASIA S.A.	33.28	33.28	EM	33.28	33.28	EM

(*) Consolidation method: FI: Full Integration - EM: Equity Method – NC: Not Consolidated

List of subsidiaries and associated companies

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

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

* BRABANTA S.A. is a company under Congolese law specialised in the production of palm oil.

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

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

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

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

* LIBERIAN AGRICULTURAL COMPANY "LAC" is a company under Liberian law specialising in the production of rubber.

* MANAGEMENT ASSOCIATES S.A. has been removed from the consolidation scope in 2022.

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

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

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

* SALALA RUBBER CORPORATION "SRC" is a company under Liberian law active in the cultivation of rubber trees.

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

* SOCFIN AGRICULTURAL COMPANY "SAC" LTD is a company located in Sierra Leone specialised in the production of palm oil.

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

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

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

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

* SOCIETE DES PALMERAIES DE LA FERME SUISSE "SPFS" S.A. is active in Cameroon in the production, processing and marketing of palm oil.

* SODIMEX S.A. has been removed from the consolidation scope in 2022, as it was liquidated during the period.

* SODIMEX FR S.A. is a company under Swiss law active in the field of purchase and sale of planting material.

* SOCIETE DES CAOUTCHOUCS DE GRAND-BEREBY "SOGB" S.A. is a company under Ivorian law specialised in the production of palm and rubber products.

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

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

* SUD COMOË CAOUTCHOUC "SCC" S.A. is a company under Ivorian law whose activity is the processing and marketing of rubber.

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

Note 3. Leases

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

*** Right-of-use assets**

EUR	*Furniture, vehicles and other*	*Buildings*	*Land and concession of agricultural area*	*Total*
Gross value at 1st January 2021	***7,337,888***	***535,431***	***7,120,294***	***14,993,613***
Additions	988,351	136,739	197,754	**1,322,844**
Foreign exchange differences	8,302	-6	119,922	**128,218**
Gross value at 31st December 2021	***8,334,541***	***672,164***	***7,437,970***	***16,444,675***
Accumulated depreciation at 1st January 2021	***-4,668,641***	***-404,013***	***-2,124,702***	***-7,197,356***
Depreciation	-1,496,461	-24,728	-153,860	**-1,675,049**
Foreign exchange differences	-8,125	-40,979	-38,174	**-87,278**
Accumulated depreciation at 31st December 2021	***-6,173,227***	***-469,720***	***-2,316,736***	***-8,959,683***
Net book value at 31st December 2021	***2,161,314***	***202,444***	***5,121,234***	***7,484,992***
Gross value at 1st January 2022	***8,334,541***	***672,164***	***7,437,970***	***16,444,675***
Additions	2,517,377	0	58,191	**2,575,568**
Disposals	0	-136,602	0	**-136,602**
Foreign exchange differences	-32,383	-39	86,597	**54,175**
Gross value at 31st December 2022	***10,819,535***	***535,523***	***7,582,758***	***18,937,816***
Accumulated depreciation at 1st January 2022	***-6,173,227***	***-469,720***	***-2,316,736***	***-8,959,683***
Depreciation	-1,666,422	-36,367	-158,987	**-1,861,776**
Depreciation reversals	0	40,980	0	**40,980**
Foreign exchange differences	40,887	11	-28,669	**12,229**
Accumulated depreciation at 31st December 2022	***-7,798,762***	***-465,096***	***-2,504,392***	***-10,768,250***
Net book value at 31st December 2022	***3,020,773***	***70,427***	***5,078,366***	***8,169,566***

*** Lease liabilities**

	31/12/2022	31/12/2021
	EUR	*EUR*
Long-term lease liabilities	8,674,141	8,285,305
Short-term lease liabilities	1,532,064	1,105,090
TOTAL	*10,206,205*	*9,390,395*

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

	2022	2021
	EUR	*EUR*
Depreciation of right-of-use assets	1,861,776	1,675,049
Expenses related to short-term leases and leases of low-value assets	1,529,868	1,707,351
Interest expense (included in the financial expenses)	1,041,390	954,891
TOTAL	*4,433,034*	*4,337,291*

* Agricultural land and concessions

The Group does not own all of the land on which its biological-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 initial lease or renewal extension*	*Duration of the initial lease*	*Area conceded*	
SAC	2013/2014	50 years	18,473 ha	(1)
LAC	1959	77 years	121,407 ha	
SRC	1960	70 years	8,000 ha	(3)
SOGB	1995	99 years	34,712 ha	
PSG	2013/2016	50 years	18,304 ha	
OKOMU	1986/2001/2013	92 to 99 years	33,113 ha	
SOCAPALM	2000	60 years	58,063 ha	
SAFACAM	2019	3 years	2,161 ha	(4)
AGRIPALMA	2009	25 years	4,252 ha	(2)(5)
BRABANTA	2015/2018/2019	25 years	8,380 ha	

(1) Renewable concessions for a term of 25 years
(2) Concessions renewable tacitly for periods of 25 years
(3) Extensible concessions up to 40,000 ha
(4) Safacam owns 15,529 ha
(5) Agripalma owns 665 ha

Note 4. Intangible assets

EUR	Concessions and patents	Softwares	Other intangible assets	TOTAL
Cost at 1st January 2021	*2,107,973*	*729,897*	*765,068*	*3,602,938*
Additions	0	915	2,752	3,667
Disposals	0	0	30	30
Foreign exchange differences	81,607	21,500	-178	102,929
Cost at 31st December 2021	*2,189,580*	*752,312*	*767,672*	*3,709,564*
Accumulated depreciation at 1st January 2021	*-228,518*	*-488,164*	*-709,644*	*-1,426,326*
Depreciation	-42,968	-247,697	-12,857	-303,522
Foreign exchange differences	-8,590	-12,388	178	-20,800
Accumulated depreciation at 31st December 2021	*-280,076*	*-748,249*	*-722,323*	*-1,750,648*
Net book value at 31st December 2021	*1,909,504*	*4,063*	*45,349*	*1,958,916*
Cost at 1st January 2022	*2,189,580*	*752,312*	*767,672*	*3,709,564*
Additions	0	0	32,003	32,003
Disposals	0	-348,205	-167,660	-515,865
Foreign exchange differences	-556,198	1,454	-1,205	-555,949
Cost at 31st December 2022	*1,633,382*	*405,561*	*630,810*	*2,669,753*
Accumulated depreciation at 1st January 2022	*-280,076*	*-748,249*	*-722,323*	*-1,750,648*
Depreciation	-35,068	-3,938	-15,628	-54,634
Depreciation reversals	0	348,480	167,660	516,140
Foreign exchange differences	69,538	-1,454	1,205	69,289
Accumulated depreciation at 31st December 2022	*-245,606*	*-405,161*	*-569,086*	*-1,219,853*
Net book value at 31st December 2022	*1,387,776*	*400*	*61,724*	*1,449,900*

Note 5. Property, plant and equipment

EUR	Land and nurseries	Buildings	Technical installations	Furniture, vehicles and others	Work in progress	Advances and prepayments	TOTAL
Cost at 1st January 2021	*8,833,566*	*218,513,900*	*119,868,659*	*200,171,674*	*26,777,402*	*248,868*	*574,414,069*
Additions (*)	470,766	6,994,838	22,299,730	10,310,803	9,533,518	406,203	**50,015,858**
Disposals	-24,592	-107,278	-242,806	-4,059,360	0	0	**-4,434,036**
Transfer	-1,051,159	13,867,215	4,565,872	2,225,091	-19,174,963	0	**432,056**
Foreign exchange differences	38,115	5,519,899	1,992,688	2,769,275	618,290	3,025	**10,941,292**
Cost at 31st December 2021	*8,266,696*	*244,788,574*	*148,484,143*	*211,417,483*	*17,754,247*	*658,096*	*631,369,239*
Accumulated depreciation at 1st January 2021	*-1,163,542*	*-113,954,942*	*-59,339,090*	*-152,965,029*	*0*	*0*	*-327,422,603*
Depreciation	-23,629	-9,607,730	-7,760,055	-14,583,288	0	0	**-31,974,702**
Depreciation reversals	10,437	634,753	249,229	3,637,700	0	0	**4,532,119**
Transfer	2,470	-191,384	2,768	186,146	0	0	**0**
Foreign exchange differences	-1,308	-2,051,412	-519,958	-2,344,224	0	0	**-4,916,902**
Accumulated depreciation at 31st December 2021	*-1,175,572*	*-125,170,715*	*-67,367,106*	*-166,068,695*	*0*	*0*	*-359,782,088*
Accumulated impairment at 1st January 2021	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Impairment	0	0	-1,728,058	-182,271	0	0	**-1,910,329**
Accumulated impairment at 31st December 2021	*0*	*0*	*-1,728,058*	*-182,271*	*0*	*0*	*-1,910,329*
Net book value at 31st December 2021	*7,091,124*	*119,617,859*	*79,388,979*	*45,166,517*	*17,754,247*	*658,096*	*269,676,822*
Cost at 1st January 2022	*8,266,696*	*244,788,574*	*148,484,143*	*211,417,483*	*17,754,247*	*658,096*	*631,369,239*
Additions (*)	409,617	6,398,548	15,373,975	11,600,420	12,514,036	583,322	**46,879,918**
Disposals	0	-1,914,426	-343,416	-7,501,440	0	0	**-9,759,282**
Transfer	870,068	2,235,911	7,830,695	5,329,369	-16,185,586	-314,457	**-234,000**
Foreign exchange differences	-178,502	1,423,572	-3,654,409	530,620	178,014	-61,378	**-1,762,083**
Cost at 31st December 2022	*9,367,879*	*252,932,179*	*167,690,988*	*221,376,452*	*14,260,711*	*865,583*	*666,493,792*
Accumulated depreciation at 1st January 2022	*-1,175,572*	*-125,170,715*	*-67,367,106*	*-166,068,695*	*0*	*0*	*-359,782,088*
Depreciation	-16,775	-11,632,747	-10,914,834	-11,632,864	0	0	**-34,197,220**
Depreciation reversals	0	1,909,317	238,877	6,463,264	0	0	**8,611,458**
Transfer	0	-1,736,377	0	1,736,377	0	0	**0**
Foreign exchange differences	-1,085	-701,941	750,838	-916,911	0	0	**-869,099**
Accumulated depreciation at 31st December 2022	*-1,193,432*	*-137,332,463*	*-77,292,225*	*-170,418,829*	*0*	*0*	*-386,236,949*
Accumulated impairment at 1st January 2022	*0*	*0*	*-1,728,058*	*-182,271*	*0*	*0*	*-1,910,329*
Impairment (**)	0	-409,129	-403,478	0	0	0	**-812,607**
Accumulated impairment at 31st December 2022	*0*	*-409,129*	*-2,131,536*	*-182,271*	*0*	*0*	*-2,722,936*
Net book value at 31st December 2022	*8,174,447*	*115,190,587*	*88,267,227*	*50,775,352*	*14,260,711*	*865,583*	*277,533,907*

(*) Additions for the period include capitalised costs.

(**) Impairment test on property, plant and equipment is disclosed in Note 8.

At 31st December 2022, the Group has technical installations and professional equipment pledged as guarantees for borrowings of the Group for an amount of EUR 8.1 million (2021: EUR 11 million). Details of these guarantees are provided in Note 31.

Note 6. Biological assets

	Palm		Rubber		Others	Total
EUR	Mature	Immature	Mature	Immature		
Cost at 1st January 2021	*355,854,974*	*7,317,554*	*138,335,145*	*74,511,408*	*7,131*	*576,026,212*
Additions (*)	0	3,397,554	0	9,502,688	0	**12,900,242**
Disposals	-641,757	-518,073	-1,585,313	-22,125	0	**-2,767,268**
Transfer	3,863,596	-3,777,156	36,189,869	-36,096,036	0	**180,273**
Foreign exchange differences	10,314,967	86,533	4,986,596	2,356,489	0	**17,744,585**
Cost at 31st December 2021	*369,391,780*	*6,506,412*	*177,926,297*	*50,252,424*	*7,131*	*604,084,044*
Accumulated depreciation at 1st January 2021	*-107,206,390*	*0*	*-54,068,026*	*0*	*-3,048*	*-161,277,464*
Depreciation	-14,929,640	0	-4,289,754	0	-56	**-19,219,450**
Depreciation reversals	433,948	0	1,629,222	0	0	**2,063,170**
Transfer	-1,552,584	0	0	0	0	**-1,552,584**
Foreign exchange differences	-1,591,618	0	-1,511,154	0	0	**-3,102,772**
Accumulated depreciation at 31st December 2021	*-124,846,284*	*0*	*-58,239,712*	*0*	*-3,104*	*-183,089,100*
Accumulated impairment at 1st January 2021	*-21,094,793*	*0*	*-11,646,517*	*-18,314,889*	*0*	*-51,056,199*
Impairment (**)	-6,090,512	0	0	0	0	**-6,090,512**
Impairment reversal	5,434,846	0	0	0	0	**5,434,846**
Transfer	0	0	-16,480,949	16,480,949	0	**0**
Foreign exchange differences	-1,078,246	0	-1,494,650	-806,209	0	**-3,379,106**
Accumulated impairment at 31st December 2021	*-22,828,705*	*0*	*-29,622,116*	*-2,640,149*	*0*	*-55,090,971*
Net book value at 31st December 2021	*221,716,791*	*6,506,412*	*90,064,469*	*47,612,275*	*4,027*	*365,903,973*
Cost at 1st January 2022	*369,391,780*	*6,506,412*	*177,926,297*	*50,252,424*	*7,131*	*604,084,044*
Additions (*)	0	2,839,161	0	5,425,671	0	**8,264,832**
Disposals	-7,615,248	-521,789	-4,614,064	-1,048,276	0	**-13,799,377**
Transfer	3,220,779	-3,129,536	16,158,537	-16,015,781	0	**233,999**
Foreign exchange differences	-1,387,620	-186,183	3,504,320	-130,834	0	**1,799,683**
Cost at 31st December 2022	*363,609,691*	*5,508,065*	*192,975,090*	*38,483,204*	*7,131*	*600,583,181*
Accumulated depreciation at 1st January 2022	*-124,846,284*	*0*	*-58,239,712*	*0*	*-3,104*	*-183,089,100*
Depreciation	-15,458,723	0	-5,828,706	0	-56	**-21,287,485**
Depreciation reversals	7,590,069	0	4,314,350	0	0	**11,904,419**
Transfer	-304,376	0	304,376	0	0	**0**
Foreign exchange differences	480,583	0	-1,182,888	0	0	**-702,305**
Accumulated depreciation at 31st December 2022	*-132,538,731*	*0*	*-60,632,580*	*0*	*-3,160*	*-193,174,471*
Accumulated impairment at 1st January 2022	*-22,828,705*	*0*	*-29,622,116*	*-2,640,149*	*0*	*-55,090,970*
Foreign exchange differences	-761,413	0	-1,148,202	-163,369	0	**-2,072,984**
Accumulated impairment at 31st December 2022	*-23,590,118*	*0*	*-30,770,318*	*-2,803,518*	*0*	*-57,163,954*
Net book value at 31st December 2022	*207,480,842*	*5,508,065*	*101,572,192*	*35,679,686*	*3,971*	*350,244,756*

(*) Additions for the period include capitalised costs.

(**) Impairment test on biological assets is disclosed in Note 8.

On 31st December 2022, the Group has biological assets pledged as guarantees for borrowings of the Group for an amount of EUR nil (2021: EUR 13 million). Details of these guarantees are provided in Note 31.

Accounting policy regarding current biological assets is disclosed in note 1.12.

Note 7. Depreciation and impairment

	2022	2021
	EUR	*EUR*
Depreciation		
Of intangible assets (Note 4)	54,634	303,522
Of property, plant and equipment excluding biological assets (Note 5)	34,197,220	31,974,702
Of biological assets (Note 6)	21,287,485	19,219,450
Of right-of-use assets (Note 3)	1,861,776	1,675,049
Impairment		
Of property, plant and equipment excluding biological assets (Note 5)	812,607	1,910,329
Of biological assets (Note 6)	0	6,090,512
Impairment reversal		
Of biological assets (Note 6)	0	-5,434,846
TOTAL	***58,213,722***	***55,738,718***

Note 8. Impairment of assets

Goodwill

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

Intangible and tangible assets and right-of-use assets

At each reporting 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. If such indication exists, the recoverable amount of the asset is estimated to determine, the amount of the impairment loss.

At 31st December 2022, an impairment loss of EUR 0.8 million (2021: EUR 1.9 million) was recognised on Property, plant and equipment.

Bearer biological assets

At 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 indicator.

At 31st December 2022, the decrease in prices does not exceed 15% of the average price over the past 5 years for the rubber and palm segment.

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

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

Based on these criteria, for the rubber segment, the rise in prices observed during the financial year 2022 does not exceed 15% of the average prices over the past 5 years. For the palm segment, the review of global and local prices do not indicate any impairment indicator.

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 review of impairment indicators led the Group to conclude that no sign of impairment exist during the 2022 period.

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

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

The identification of Cash Generating Units (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 Group considers the political and country specific risk factors while reviewing business evolution. Therefore, companies are grouped within the CGU country.

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

The 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 realised margins

Initially, the Group determines separately the expected production of each category of bearer biological assets within the entity over their remaining life. This expected production is estimated on the basis of the surface areas planted at reporting date as well as the actual crop yield recorded during the financial year which depends on the maturity of the bearer biological asset. Production is then valued on average basis of five-year of the margins achieved by the entity in relation to agricultural activities. The value in use of the bearer biological asset is then obtained by discounting these cash flows. Average margins are considered constant over the duration of the financial projection. An indexing factor is not considered.

At 31st December 2022, accumulated impairment losses in the palm business segment amounted to EUR 9.9 million for Brabanta, EUR 9.2 million for Agripalma and EUR 4.5 million for SAC. For the rubber segment, the accumulated impairment losses are EUR 30.8 million for SRC, EUR 1.4 million for PSG and EUR 1.4 million for Safacam (Note 6).

Note 9. Non-wholly owned subsidiaries in which non-controlling interests are significant

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

Subsidiary	*Main location*	*Percentage of equity shares of non-controlling interest*		*Percentage of voting rights of non-controlling interests*	
		2022	2021	2022	2021
Production of palm oil and rubber					
SOGB	Côte d'Ivoire	36%	36%	27%	27%
OKOMU	Nigeria	34%	35%	34%	35%
SAFACAM	Cameroon	31%	31%	31%	31%
SOCAPALM	Cameroon	33%	33%	33%	33%

Subsidiary	*Net income attributed to non-controlling interests in the subsidiary during the financial period*		*Accumulated non-controlling interests in the subsidiary*	
	2022	2021	2022	2021
	EUR	*EUR*	*EUR*	*EUR*
SOGB	9,919,771	8,543,723	40,323,449	37,590,418
OKOMU	13,985,190	10,771,914	32,131,012	32,376,319
SAFACAM	795,546	1,205,702	14,333,451	14,704,129
SOCAPALM	5,871,789	7,290,049	27,876,194	31,143,226
Subsidiaries that hold non-controlling interests that are not significant individually			10,127,641	5,391,194
Non-controlling interests			***124,791,747***	***121,205,286***

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

Subsidiary	*Current assets*	*Non-current assets*	*Current liabilities*	*Non-current liabities*
31/12/2021	*EUR*	*EUR*	*EUR*	*EUR*
SOGB	47,069,842	100,818,900	36,697,511	10,223,275
OKOMU	33,527,881	106,235,499	16,119,871	39,330,460
SAFACAM	14,000,204	34,504,233	10,924,741	5,404,975
SOCAPALM	26,800,996	109,893,878	25,202,975	3,069,977
31/12/2022	*EUR*	*EUR*	*EUR*	*EUR*
SOGB	41,259,858	98,190,002	27,675,941	6,768,082
OKOMU	28,642,085	116,727,370	19,373,135	38,262,602
SAFACAM	12,578,738	33,387,449	9,541,067	3,840,819
SOCAPALM	31,652,073	113,564,581	37,057,322	7,186,191

Subsidiary	Revenue from ordinary activities	Net income for the year	Comprehensive income for the year	Dividends paid to non-controlling interests
2021	EUR	EUR	EUR	EUR
SOGB	126,645,632	22,453,119	22,453,119	2,455,221
OKOMU	79,363,158	23,976,881	23,976,881	5,234,727
SAFACAM	32,790,020	3,778,438	3,778,438	305,252
SOCAPALM	114,731,158	20,617,398	20,617,398	8,682,053
2022	EUR	EUR	EUR	EUR
SOGB	143,125,135	23,862,820	23,862,820	5,321,013
OKOMU	133,279,823	38,962,980	38,962,980	13,683,296
SAFACAM	35,405,879	4,188,838	4,188,838	1,177,658
SOCAPALM	112,851,693	16,268,753	16,268,753	7,717,380

	Net cash inflows (outflows)			
Subsidiary	Operating activities	Investing activities	Financing activities	Net cash inflows (outflows)
2021	EUR	EUR	EUR	EUR
SOGB	14,435,766	-9,570,729	-12,136,117	**-7,271,080**
OKOMU	49,550,771	-28,715,135	-10,902,826	**9,932,810**
SAFACAM	2,315,684	-2,647,396	337,688	**5,976**
SOCAPALM	30,591,306	-9,720,446	-30,342,263	**-9,471,402**
2022	EUR	EUR	EUR	EUR
SOGB	46,841,347	-8,339,224	-31,411,643	**7,090,479**
OKOMU	50,558,570	-22,109,292	-37,698,943	**-9,249,665**
SAFACAM	8,426,402	-2,316,652	-6,346,027	**-236,277**
SOCAPALM	28,473,548	-10,987,793	-17,619,574	**-133,819**

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 10. Investments in associates

	2022	2021
	EUR	EUR
Value at 1st January	***23,619,989***	***22,149,858***
Scope exits (Note 2)	-881,038	-2,274,586
Income from associates	11,297,777	7,264,009
Dividends	-7,126,982	-3,383,509
Share in other comprehensive income from associates	443,737	316,401
Other movements	-65,125	-452,184
Value at 31st December	***27,288,358***	***23,619,989***

	Value of investment in associates	*Income from associates*	*Value of investment in associates*	*Income from associates*
	31/12/2022	2022	31/12/2021	2021
	EUR	EUR	EUR	EUR
Centrages	3,366,997	132,473	3,434,524	241,051
Immobilière de la Pépinière	1,866,129	1,962	1,864,426	-46,822
Induservices	98,291	26,434	71,857	1,018
Induservices FR	0	-108,679	0	164,940
Management Associates	0	154,201	245,799	531,279
Socfin Green Energy	0	0	0	-641,650
Socfin Research	0	0	0	1,140,424
Socfinco	318,537	-256,646	775,183	20,607
Socfinco FR	8,639,420	5,223,770	7,364,276	3,386,981
Socfinde	1,723,552	23,464	1,700,089	120,699
Sodimex	0	389,114	153,374	1,557
Sodimex FR	2,183,194	451,950	1,890,380	227,628
Sogescol FR	8,807,489	5,249,578	5,845,483	2,106,457
Terrasia	284,748	10,156	274,591	9,841
TOTAL	***27,288,358***	***11,297,777***	***23,619,982***	***7,264,010***

	Total assets	Revenue	Total assets	Revenue
	31/12/2022	2022	31/12/2021	2021
	EUR	EUR	EUR	EUR
Centrages	4,106,686	3,880,683	4,052,720	4,128,202
Immobilière de la Pépinière	4,019,267	591,134	3,983,909	510,366
Induservices	815,459	2,700,576	1,853,192	3,128,650
Induservices FR	6,629,460	2,937,282	6,611,187	2,779,036
Management Associates	18,854,237	3,922,498	12,567,871	3,438,858
Socfinco	1,589,976	169	2,456,705	20,569
Socfinco FR	26,442,122	30,292,559	25,583,207	25,179,023
Socfinde	57,373,319	0	38,659,255	0
Sodimex	302,203	0	306,953	0
Sodimex FR	10,279,841	21,313,415	8,634,788	14,238,890
Sogescol FR	48,532,250	411,044,829	46,421,846	371,317,721
Terrasia	624,891	33,238	593,179	33,238
TOTAL	*179,569,711*	*476,716,383*	*151,724,812*	*424,774,553*

Main data of significant associates accounted for using the equity method

Associate company	Main location	Main activity	Dividend received	Dividend received
			2022	2021
			EUR	EUR
Socfinco	Belgium	Rendering of services	200,000	125,000
Socfinco FR	Switzerland	Rendering of services	4,000,000	1,000,000
Sodimex FR	Switzerland	Purchase and sale of equipment	250,000	250,000
Sogescol FR	Switzerland	Trade of tropical products	2,730,328	1,885,091
TOTAL			*7,180,328*	*3,260,091*

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

Associate company	Current assets	Non-current assets	Current liabilities	Non-current liabilities
31/12/2021	EUR	EUR	EUR	EUR
Management Associates	1,424,905	11,142,966	2,868,219	7,000,000
Socfinco FR	19,608,845	5,974,362	4,970,769	5,014,035
Socfinde	28,727,668	9,931,587	26,346,328	6,429,674
Sodimex FR	8,585,658	49,131	4,585,941	0
Sogescol FR	45,509,154	912,692	33,230,531	0
TOTAL	*103,856,230*	*28,010,738*	*72,001,788*	*18,443,709*
31/12/2022	EUR	EUR	EUR	EUR
Management Associates	1,537,121	17,317,115	9,398,157	7,000,000
Socfinco FR	22,132,936	4,309,187	6,658,770	3,351,275
Socfinde	47,411,732	9,961,587	44,937,399	6,412,830
Sodimex FR	10,245,556	34,286	5,825,789	0
Sogescol FR	47,807,127	725,123	31,698,353	0
TOTAL	*129,134,472*	*32,347,298*	*98,518,468*	*16,764,105*

Summary financial information of interests held in associates - Income statement

Associate company	Profit from operations	Net income for the period	Comprehensive income for the period
2021	EUR	EUR	EUR
Management Associates	262,563	262,563	262,563
Socfinco FR	6,288,105	6,288,105	6,288,105
Socfinde	9,970	9,970	9,970
Sodimex FR	413,732	413,732	413,732
Sogescol FR	5,129,175	5,129,175	5,129,175
TOTAL	*12,103,545*	*12,103,545*	*12,103,545*
2022	EUR	EUR	EUR
Management Associates	-243,573	-243,573	-243,573
Socfinco FR	8,833,675	8,833,675	8,885,013
Socfinde	139,836	139,836	139,836
Sodimex FR	905,204	905,204	996,068
Sogescol FR	8,459,383	8,459,383	8,652,202
TOTAL	*18,094,525*	*18,094,525*	*18,429,547*

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

Associate company	*Net assets of the associate*	*% stake held by the Group*	*Other IFRS adjustments*	*Value of stake held by the Group*
31/12/2021	*EUR*		*EUR*	*EUR*
Management Associates	2,699,652	20%	-294,131	245,799
Socfinco FR	15,598,403	50%	-434,926	7,364,276
Socfinde	5,883,253	20%	523,438	1,700,089
Sodimex FR	4,048,848	50%	-134,044	1,890,380
Sogescol FR	13,191,315	50%	-750,175	5,845,483
TOTAL	***41,421,471***		***-1,089,838***	***17,046,027***

31/12/2022	*EUR*		*EUR*	*EUR*
Management Associates	2,456,079	15%	-368,412	0
Socfinco FR	16,432,078	50%	423,381	8,639,420
Socfinde	6,023,090	20%	518,934	1,723,552
Sodimex FR	4,454,053	50%	-43,833	2,183,194
Sogescol FR	16,833,897	50%	390,541	8,807,489
TOTAL	***46,199,197***		***920,611***	***21,353,655***

There is no goodwill attributed to the above associates.

Aggregated information relating to associates that are not significant individually

	2022	2021
	EUR	*EUR*
Share of profit from continued operations attributable to the Group	194,814	1,117,037
Share of other comprehensive income attributable to the Group	194,814	1,117,037
Total book value of investments in associates held by the Group	5,934,703	6,573,955

Profit after tax from discontinued operations for 2022 and 2021 are nill 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 11. Financial assets at fair value through other comprehensive income

	2022	2021
	EUR	EUR
Fair value at 1st January	***38***	***91,902***
Disposals	0	-91,864
Transfer	300,000	0
Fair value at 31st December	***300,038***	***38***

EUR	Cost (historical)		Fair value	
	2022	2021	2022	2021
Financial assets at fair value through other comprehensive income	300,038	38	300,038	38

Note 12. Deferred taxes

**** Components of deferred tax assets and liabilities***

	31/12/2022	31/12/2021
	EUR	EUR
IAS 2 / IAS 41: Agricultural production	-3,466,822	-2,043,880
IAS 12: Withholding Tax	-3,998,436	-108,261
IAS 16: Property, plant and equipment	-2,667,377	-3,761,922
IAS 19: Pension obligations	3,282,072	2,063,354
IAS 21: Translation differences	0	-40,261
IAS 37: Provisions for risks and charges	757,296	279,695
IAS 38: Formation expenses	516,392	513,556
IAS 38: Research costs	337,185	293,716
IFRS 9: Financial assets measured at fair value through other comprehensive income	-98,386	-56,587
IFRS 16: Leases	648,482	506,903
IFRS 3: Fair value of investment property	-16,580	-15,614
Others	-117	381,479
Balance at 31st December	***-4,706,291***	***-1,987,822***
Of which deferred tax assets	*4,513,652*	*9,421,068*
Of which deferred tax liabilities	*-9,219,943*	*-11,408,890*

The above deferred taxes are presented per category of deferred taxes resulting from consolidated adjustments. They are calculated company per company and the net position between deferred tax liabilities and deferred tax assets is presented.

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

Some of the subsidiaries have accumulated tax losses that are limited or not over time capital allowances limited or not over time.

Brabanta, SRC, Agripalma and Camseeds, have unused tax losses which recoverability is uncertain of EUR 21.4 million, EUR 20.3 million, EUR 4.6 million and EUR 1.1 million respectively at 31st December 2022.

Socfinaf has unused tax losses of EUR 211.4 million.

Due to the instability which may exist in these countries with regards to the evolution of tax legislation or its application, no deferred tax assets have been booked related to these tax losses.

Note 13. Current tax assets and liabilities

***** Components of current tax assets***

	2022	2021
	EUR	EUR
Current tax assets at 1st January	***13,378,526***	***12,802,007***
Tax income	1,211,151	253,048
Other taxes (*)	-1,710,668	-1,988,902
Taxes paid or recovered	2,333,362	1,457,303
Tax adjustments	-3,022,879	460,557
Foreign exchange differences	249,118	394,513
Current tax assets at 31st December	***12,438,610***	***13,378,526***

***** Components of current tax liabilities***

	2022	2021
	EUR	EUR
Current tax liabilities at 1st January	***30,408,824***	***20,857,243***
Tax expense	37,157,521	22,769,738
Other taxes (*)	23,208,381	38,170,123
Taxes paid or recovered	-48,988,859	-44,998,165
Tax adjustments	-1,177,818	-6,458,667
Foreign exchange differences	43,389	68,552
Current tax liabilities at 31st December	***40,651,438***	***30,408,824***

(*) Other taxes are composed of taxes not enclosed in general tax expenses: VAT, withholding tax, custom tax, ...

Note 14. Income tax expense

*** Components of the tax expense**

	2022	2021
	EUR	*EUR*
Current income tax expense (*)	39,796,406	28,856,992
Deferred tax expense / (income)	2,914,674	718,754
Tax expense at 31st December	***42,711,080***	***29,575,746***

(*) Withholding tax on dividends is presented within income tax expense.

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

	2022	2021
	EUR	*EUR*
IAS 19: Pension obligations	-1,450,766	168,783
IAS 38: Intangible assets	-13,828	615,930
IAS 2 / IAS 41: Fair value of agricultural produce	1,420,836	1,970,210
IFRS 9: Forward exchange contracts	0	99,835
IFRS 9: Fair value	44,201	0
IAS 12: Income Tax (*)	1,674,170	-1,755,604
IAS 16: Tangible assets	1,666,627	-15,338
IAS 37: Provisions for risks and charges	-510,998	-296,810
IAS 21: Foreign exchange differences	-40,261	55,169
IFRS 16: Leases	-37,374	-18,260
Others	162,066	-105,162
Deferred tax expense / (income) at 31st December	***2,914,673***	***718,753***

(*) Of which impact of losses carried forward activated for EUR 3.1 million, and withholding tax for EUR -1.7 million.

*** Reconciliation of income tax expense**

	2022	2021
	EUR	*EUR*
Profit before tax from continuing operations	***141,063,191***	***124,039,747***
Nominal tax rate of the parent company	24.94%	24.94%
Nominal tax rate of subsidiaries	from 1% to 33%	from 1% to 33%
Income tax at nominal tax rates of subsidiaries	33,020,896	28,072,195
Unfunded taxes	61,922	-36,334
Definitively taxed income	2,222,265	2,096,157
Use of capital allowances	-4,472,551	-11,555,282
Specific tax regimes in foreign countries	6,763,922	10,444,393
Non-taxable income	-1,962,465	-4,545,080
Non-deductible expenses	3,975,975	5,425,363
Use of unrecognised accumulated tax losses	-1,125,940	-6,790,311
Unrecognised losses carried forward	4,104,175	5,716,643
Other tax benefits	-40,956	-91,063
Additional tax assessment	35,862	23,775
Impact of change in tax rate	113,723	819,090
Other adjustments	14,252	-3,800
Tax expense at 31st December	***42,711,080***	***29,575,746***

*** Change of rate for the subsidiaries**

Since 2021, companies listed in Cameroon are eligible for a reduced tax rate of 27.5%.

Note 15. Inventories

*** Carrying value of inventories by category**

	31/12/2022	31/12/2021
	EUR	EUR
Raw materials	33,610,606	27,113,530
Consumables	22,944,186	18,792,579
Spare parts	32,159,246	26,307,919
Production in progress	635,495	655,035
Finished products	17,412,198	21,996,097
Down-payments and orders in progress	4,400,098	2,037,012
Gross amount (before impairment) at 31st December	***111,161,829***	***96,902,172***
Inventory write-downs	-5,392,015	-4,057,300
Net amount at 31st December	***105,769,814***	***92,844,872***

*** Reconciliation of inventories**

	2022	2021
	EUR	EUR
Situation at 1st January	***96,902,172***	***86,001,559***
Change in inventory	8,994,376	3,669,769
Fair value of agricultural products	5,115,356	5,691,697
Foreign exchange differences	149,925	1,539,147
Gross amount (before impairment) at 31st December	***111,161,829***	***96,902,172***
Inventory write-downs	-5,392,015	-4,057,300
Net amount at 31st December	***105,769,814***	***92,844,872***

*** Quantity of inventory by category**

31/12/2021	Raw materials	Production-in-progress	Finished goods
Crude Palm Oil / Palm Kernel Oil (tons)	1,346	0	10,405
Rubber (tons)	30,608	0	12,595
Others (units)	0	0	2,884,630

31/12/2022	Raw materials	Production-in-progress	Finished goods
Crude Palm Oil / Palm Kernel Oil (tons)	667	0	6,079
Rubber (tons)	33,460	0	9,931
Others (units)	0	0	2,150,187

Note 16. Trade receivables (current assets)

	31/12/2022	31/12/2021
	EUR	*EUR*
Trade receivables	19,073,838	23,628,781
Advances and prepayments	4,445,384	4,556,551
TOTAL	***23,519,222***	***28,185,332***

Note 17. Other receivables (current assets)

	31/12/2022	31/12/2021
	EUR	*EUR*
Social security	1,017,195	1,250,009
Other receivables (*)	19,953,623	7,313,455
Accrued charges	470,178	432,058
TOTAL	***21,440,996***	***8,995,522***

(*) Other receivables include receivables linked to non-operational activities and a receivable of EUR 14.3 million (EUR 1.6 million in 2021) relating to the cash pooling at the level of Socfinaf and its subsidiaries.

The accounting and risk management policies related to receivables are detailed in Notes 1 and 33.

Note 18. Cash and cash equivalents

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

	31/12/2022	31/12/2021
	EUR	*EUR*
Current account	63,638,033	63,091,772
TOTAL	***63,638,033***	***63,091,772***

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

	31/12/2022	31/12/2021
	EUR	*EUR*
Current account	63,638,033	63,091,772
Bank overdrafts (*)	-10,695,901	-7,029,326
TOTAL	***52,942,132***	***56,062,446***

(*) See also Note 22.

Note 19. Share capital and share premium

Issued and fully paid capital amounted to EUR 35.7 million at 31st December 2022 (stable compared to 2021). There is a share premium of EUR 87.5 million added to the issued capital.

At 31st December 2022, the share capital is represented by 17,836,650 shares with no designation of par value.

	Ordinary shares	
	31/12/2022	31/12/2021
Number of shares at 31st December	17,836,650	17,836,650
Number of fully paid shares issued without designation of par value	17,836,650	17,836,650

Note 20. Legal reserves

In accordance with Luxembourg commercial law, the Company is required to allocate a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

Note 21. Pension obligations

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

Besides the legislation on social security applicable locally, most of the employees of the Group in Africa benefit from a defined benefit pension plan. The subsidiaries pay benefits in the event of retirement and depending on countries in case of dismissal. The benefits paid are calculated as a percentage of salary and are based on the number of years of service. The plans are governed by the local collective agreements in force in each country. The benefits payable to the staff of the Cameroonian subsidiary Socapalm are financed by assets that include insurance contracts whose price is not quoted on active markets.

			2022 EUR			2021 EUR
	Present value of obligations	Fair value of the benefit plans	Net amount recognised	Present value of obligations	Fair value of the benefit plans	Net amount recognised
Assets and liabilities recognised in the statement of financial position						
Present value of obligations	13,689,169	-1,322,634	**12,366,535**	13,768,201	-1,713,679	**12,054,522**
Net amount recognised in the statement of financial position for defined benefit plans	***13,689,169***	***-1,322,634***	***12,366,535***	***13,768,201***	***-1,713,679***	***12,054,522***
Components of net charge						
Current service costs	855,755	0	**855,755**	887,817	0	**887,817**
Financial costs	1,061,814	23,422	**1,085,236**	866,521	23,257	**889,778**
Interest income on plan assets	0	-116,216	**-116,216**	0	-106,422	**-106,422**
Defined benefit plan costs	***1,917,569***	***-92,794***	***1,824,775***	***1,754,338***	***-83,165***	***1,671,173***
Movements in liabilities / net assets recognised in the statement of financial position						
At 1st January	***13,768,201***	***-1,713,679***	***12,054,521***	***14,593,998***	***-1,382,636***	***13,211,362***
Costs as per income statement	1,917,569	-92,794	**1,824,775**	1,754,338	-83,165	**1,671,173**
Contributions by employer	-900,012	-669,194	**-1,569,206**	-462,666	-664,485	**-1,127,151**
Costs of services rendered	-223,676	223,676	**0**	-273,567	273,567	**0**
Actuarial gains and losses of the year recognised in other comprehensive income	-954,436	51,880	**-902,556**	-2,062,162	51,073	**-2,011,089**
Reclassification of net asset	0	877,478	**877,478**	0	91,967	**91,967**
Foreign exchange differences	81,522	0	**81,522**	218,259	0	**218,259**
At 31st December	***13,689,168***	***-1,322,634***	***12,366,534***	***13,768,201***	***-1,713,679***	***12,054,521***

Provisions are based on actuarial valuation reports prepared in January 2023.

*** Actuarial gains and losses recognised in other comprehensive income**

			2022 EUR			2021 EUR
	Present value of obligations	Fair value of the benefit plans	Net amount recognised	Present value of obligations	Fair value of the benefit plans	Net amount recognised
Adjustments of liabilities related to experience	-269,868	0	**-269,868**	139,152	0	**139,152**
Changes in financial assumptions related to recognised liabilities	1,445,002	0	**1,445,002**	2,229,828	0	**2,229,828**
Changes in demographic assumptions related to recognised liabilities	-220,698	0	**-220,698**	-306,816	0	**-306,816**
Return on assets in the plan excl. interest income	0	-51,880	**-51,880**	0	-51,073	**-51,073**
Actuarial gains and losses recognised during the period in other comprehensive income	***954,436***	***-51,880***	***902,556***	***2,062,164***	***-51,073***	***2,011,091***

*** Actuarial valuation assumptions**

	31/12/2022	31/12/2021
AFRICA		
Average discount rate	from 4.93% to 18.48%	from 2.63% to 12.61%
Expected long-term returns of plan assets	170,158	N/A
Future salary increases	from 1.74% to 12%	from 1.74% to 12%
Average remaining active life of employees (in years)	19.34	19.50

*** Sensitivity analyses of the present value of defined benefit obligations**

	31/12/2022	31/12/2021
	EUR	*EUR*
Actuarial value of the obligation		
- Pension plan	13,689,169	13,768,201
- Fair value of plan assets	-1,322,634	-1,713,679
Total at 31st December	***12,366,535***	***12,054,522***
Actuarial rate (on pension plan)		
Increase of 0.5%	13,285,487	13,316,089
Decrease of 0.5%	14,093,019	14,228,460
Expected future salary increases (on pension plan)		
Increase of 0.5%	14,067,916	14,197,217
Decrease of 0.5%	13,306,104	13,341,712

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

**** Impact of the defined benefit pension plan on future cash flows***

	2023	2022
Estimated contributions for the next financial year (in euros)	1,810,894	1,394,835

	2022	2021
Weighted average duration of defined benefit plan obligations (in years)	6.2	6.7

**** Pension scheme with defined benefit obligations***

	2022	2021
	EUR	*EUR*
Accounted expense for the defined contribution pension plan	1,049,949	643,632

Note 22. Financial debts

31/12/2021			
EUR	*< 1 year*	*> 1 year*	*TOTAL*
Loans held by financial institutions	13,112,838	42,290,430	**55,403,268**
Lease liabilities	1,105,090	8,285,305	**9,390,395**
Other loans (*)	15,446,018	192,389,051	**207,835,069**
Bank overdrafts (**)	7,029,326	0	**7,029,326**
TOTAL	***36,693,272***	***242,964,786***	***279,658,058***

31/12/2022			
EUR	*< 1 year*	*> 1 year*	*TOTAL*
Loans held by financial institutions	16,872,593	34,606,124	**51,478,717**
Lease liabilities	1,532,064	8,674,142	**10,206,206**
Other loans (*)	15,503,351	124,976,156	**140,479,507**
Bank overdrafts (**)	10,695,901	0	**10,695,901**
TOTAL	***44,603,909***	***168,256,422***	***212,860,331***

(*) This balance includes an amount of EUR 134.5 million payable to Socfin (2021: EUR 196.5 million). See note 30.
(**) See also Note 18.

Most of the consolidated borrowings are denominated in Euros or CFA francs (whose parity is linked to the Euro). The fixed interest rates from financial institutions and which are pegged to the Euro vary between 5.00% and 7.09%.

As explained in Note 33, interest rate management is the subject of ongoing management attention.

The Group is in compliance with covenants related to amounts owed to credit institutions.

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

31/12/2021 EUR	Fixed Rate	Rate	Floating rate	Rate	TOTAL
Loans held by financial institutions					
Côte d'Ivoire	6,940,138	5.50% to 6.50%	0	-	**6,940,138**
Nigeria	18,203,287	5.00% to 10.00%	0	-	**18,203,287**
Liberia	2,462,387	7.60%	0	-	**2,462,387**
Cameroon	6,559,618	5.75% to 6.80%	0	-	**6,559,618**
Ghana	8,125,000	4.00%	0	-	**8,125,000**
	42,290,430		***0***		***42,290,430***
Other loans					
Europe	120,000,000	4.25%	66,463,935	3-months LIBOR +6.95%	**186,463,935**
Sierra Leone	5,925,116	3.00%	0	-	**5,925,116**
	125,925,116		***66,463,935***		***192,389,051***
TOTAL	***168,215,546***		***66,463,935***		***234,679,481***

31/12/2022 EUR	Fixed Rate	Rate	Floating rate	Rate	TOTAL
Loans held by financial institutions					
Côte d'Ivoire	2,647,567	5.50% to 6.50%	0	-	**2,647,567**
Nigeria	17,197,310	5.00% to 10.00%	0	-	**17,197,310**
Liberia	1,699,592	7.60%	0	-	**1,699,592**
Cameroon	8,186,656	5.00% to 7.09%	0	-	**8,186,656**
Ghana	4,874,999	4.00%	0	-	**4,874,999**
	34,606,124		***0***		***34,606,124***
Other loans					
Europe	120,000,000	4.25%	0	-	**120,000,000**
Sierra Leone	4,976,157	3.00%	0	-	**4,976,157**
	124,976,157		***0***		***124,976,157***
TOTAL	***159,582,281***		***0***		***159,582,281***

**** Long-term debt analysis by currency***

31/12/2021	EUR	CFA	NGN	STN	USD	GHS	CDF	TOTAL EUR
Loans held by financial institutions	8,125,000	13,499,755	18,203,287	0	2,462,388	0	0	**42,290,430**
Other loans	186,463,936	2	0	0	5,925,114	0	0	**192,389,052**
Lease liabilities	0	6,332,507	271,450	289,187	1,306,092	47,996	38,071	**8,285,303**
TOTAL	***194,588,936***	***19,832,264***	***18,474,737***	***289,187***	***9,693,594***	***47,996***	***38,071***	***242,964,785***

31/12/2022	EUR	CFA	NGN	STN	USD	GHS	CDF	TOTAL EUR
Loans held by financial institutions	4,874,999	10,834,222	17,197,310	0	1,699,592	0	0	**34,606,123**
Other loans	120,000,000	0	0	0	4,976,156	0	0	**124,976,156**
Lease liabilities	0	6,901,010	65,318	268,436	1,364,985	35,690	38,702	**8,674,141**
TOTAL	***124,874,999***	***17,735,232***	***17,262,628***	***268,436***	***8,040,733***	***35,690***	***38,702***	***168,256,420***

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

31/12/2021 EUR	2023	2024	2025	2026	2027 and above	TOTAL
Loans held by financial institutions	16,450,747	10,138,166	5,394,772	3,669,989	6,636,756	**42,290,430**
Lease liabilities	879,920	527,871	152,648	105,521	6,619,345	**8,285,305**
Other loans	9,719,243 (*)	9,719,243 (*)	9,719,243 (*)	196,183,178 (*)	5,925,115	**231,266,022**
TOTAL	***27,049,910***	***20,385,280***	***15,266,663***	***199,958,688***	***19,181,216***	***281,841,757***

(*) those amounts correspond to the interests and capital to be repaid on the EUR 120 million and USD 74.8 million long-term loans, disclosed in Note 30.

31/12/2022 EUR	2024	2025	2026	2027	2028 and above	TOTAL
Loans held by financial institutions	13,888,998	7,702,455	4,539,071	3,950,392	4,525,209	**34,606,125**
Lease liabilities	1,220,841	606,192	278,971	73,687	6,494,450	**8,674,141**
Other loans	5,100,000 (*)	5,100,000 (*)	125,100,000 (*)	0	4,976,156	**140,276,156**
TOTAL	***20,209,839***	***13,408,647***	***129,918,042***	***4,024,079***	***15,995,815***	***183,556,422***

(*) those amounts correspond to the interests and capital to be repaid on the EUR 120 million long-term loan, disclosed in Note 30.

Consolidated financial statements

**** Net cash surplus / (net debt)***

	31/12/2022	31/12/2021
	EUR	*EUR*
Cash and cash equivalents	63,638,033	63,091,772
Long-term debt net of current portion	-159,582,280	-234,679,480
Short-term debt and current portion of long-term debt	-43,071,844	-35,588,183
Lease liabilities	-10,206,207	-9,390,396
Net debt	***-149,222,298***	***-216,566,287***
Cash and cash equivalents	63,638,033	63,091,772
Loan bearing interest at a fixed rate	-188,042,341	-193,747,432
Loan bearing interest at a variable rate	-14,611,784	-76,520,231
Lease liabilities	-10,206,207	-9,390,396
Net debt	***-149,222,298***	***-216,566,287***

**** Reconciliation of net cash surplus / (net debt)***

	Cash and cash equivalents	*Long-term debt, net of current portion*	*Short-term debt and current portion of long-term debt*	*Debt related to leases*	*TOTAL*
At 1st January 2021	***35,372,990***	***-134,841,335***	***-161,910,543***	***-9,599,122***	***-270,978,010***
Cash flows	27,161,205	-22,418,673	52,262,491	1,595,201	**58,600,224**
Foreign exchange differences	557,575	-1,048,465	-90,876	-99,356	**-681,122**
Transfers	0	-76,371,003	74,150,742	0	**-2,220,261**
Other movements with no impact on cash flows	0	0	0	-1,287,115	**-1,287,115**
At 31st December 2021	***63,091,770***	***-234,679,476***	***-35,588,186***	***-9,390,392***	***-216,566,284***
Cash flows	992,576	66,189,365	21,018,464	1,737,556	**89,937,961**
Foreign exchange differences	-446,314	1,813,057	1,020,847	-78,293	**2,309,297**
Transfers	0	17,174,509	-29,522,972	0	**-12,348,463**
Other movements with no impact on cash flows	0	-10,079,732	0	-2,475,073	**-12,554,805**
At 31st December 2022	***63,638,032***	***-159,582,277***	***-43,071,847***	***-10,206,202***	***-149,222,294***

Note 23. Trade and other payables

	31/12/2022	31/12/2021
	EUR	EUR
Non-current other payables	***6,005,421***	***7,401,156***
Trade creditors: suppliers	42,111,681	34,257,187
Advances received and invoices to be received	8,074,757	9,590,674
Subtotal trade payables	***50,186,438***	***43,847,861***
Staff cost liabilities	5,102,003	5,201,155
Other payables (*)	48,178,657	51,170,778
Accruals (**)	9,167,312	12,504,635
Subtotal current other payables	***62,447,972***	***68,876,568***
TOTAL	***118,639,831***	***120,125,585***
Non-current liabilities	6,005,421	7,401,156
Current liabilities	112,634,410	112,724,429

(*) Other payables consist mainly of shareholder loans amounting to EUR 40.4 million (EUR 40.4 million in 2021) as well as debt of EUR 0.3 million (EUR 2.2 million in 2021) relating to the cash pooling at the level of Socfinaf. See also Note 30.

(**) This amount includes Okomu grant part of the loans, for EUR 6.2 million (2021: EUR 8.1 million).

Note 24. Financial instruments

31/12/2021	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 cost*	*At fair value*	*At cost*		*At fair value*	*At fair value*
Assets						
Financial assets at fair value through other comprehensive income	0	38	0	**38**	0	0
Long-term advances	1,390,426	0	355,294	**1,745,720**	1,390,426	355,294
Other non-current assets	0	0	1,743,808	**1,743,808**	0	1,743,808
Trade receivables	0	0	28,185,332	**28,185,332**	0	28,185,332
Other receivables	0	0	8,995,522	**8,995,522**	0	8,995,522
Cash and cash equivalents	0	0	63,091,772	**63,091,772**	0	63,091,772
Total Assets	***1,390,426***	***38***	***102,371,728***	***103,762,192***	***1,390,426***	***102,371,728***
Liabilities						
Long-term debts (**)	234,679,480	0	0	**234,679,480**	234,682,961	0
Other non-current liabilities	0	0	7,401,156	**7,401,156**	0	7,401,156
Short-term debts (**)	28,558,856	0	7,029,327	**35,588,183**	28,558,856	7,029,327
Trade payables (current)	0	0	43,847,861	**43,847,861**	0	43,847,861
Other payables (current) (**)	0	0	68,876,568	**68,876,568**	0	68,876,568
Total Liabilities	***263,238,336***	***0***	***127,154,912***	***390,393,248***	***263,241,817***	***127,154,912***

(*) For information purposes.

(**) See note 22.

31/12/2021	Fair Value			
EUR	*Level 1*	*Level 2*	*Level 3*	*TOTAL*
Financial assets at fair value through other comprehensive income	0	0	38	***38***

31/12/2022	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 cost*	*At fair value*	*At cost*		*At fair value*	*At fair value*
Assets						
Financial assets at fair value through other comprehensive income	0	300,038	0	**300,038**	0	0
Long-term advances	1,231,712	0	433,058	**1,664,770**	1,231,712	433,058
Other non-current assets	0	0	2,619,576	**2,619,576**	0	2,619,576
Trade receivables	0	0	23,519,222	**23,519,222**	0	23,519,222
Other receivables	0	0	21,440,996	**21,440,996**	0	21,440,996
Cash and cash equivalents	0	0	63,638,033	**63,638,033**	0	63,638,033
Total Assets	***1,231,712***	***300,038***	***111,650,885***	***113,182,635***	***1,231,712***	***111,650,885***
Liabilities						
Long-term debts (**)	159,582,280	0	0	**159,582,280**	159,078,419	0
Other non-current liabilities	0	0	6,005,421	**6,005,421**	0	6,005,421
Short-term debts (**)	32,375,944	0	10,695,900	**43,071,844**	32,375,944	10,695,900
Trade payables (current)	0	0	50,186,438	**50,186,438**	0	50,186,438
Other payables (current) (**)	0	0	77,059,462	**77,059,462**	0	77,059,462
Total Liabilities	***191,958,224***	***0***	***129,335,730***	***321,293,954***	***191,454,363***	***129,335,730***

(*) For information purposes.

(**) See note 22.

31/12/2022	Fair Value			
EUR	*Level 1*	*Level 2*	*Level 3*	*TOTAL*
Financial assets at fair value through other comprehensive income	0	0	300,038	***300,038***

The Group did not identify significant differences between the carrying amount of the loans and their fair value.

Note 25. Staff costs and average number of staff

	2022	2021
Staff costs	*EUR*	*EUR*
Remuneration	67,210,544	62,844,015
Social security and pension expenses	7,056,194	7,042,368
TOTAL	*74,266,738*	*69,886,383*

Average number of employees	*2022*	*2021*
Directors	106	107
Employees	4,534	3,870
Workers (including temporary workers)	20,813	20,619
TOTAL	*25,453*	*24,596*

Note 26. Other financial income

	2022	2021
	EUR	*EUR*
Interest from receivables and cash and cash equivalents	346,457	257,883
Exchange gains	8,040,379	3,681,686
Others	267,079	2,385,209
TOTAL	*8,653,915*	*6,324,778*

Note 27. Financial expenses

	2022	2021
	EUR	*EUR*
Interest and finance expense	14,896,038	13,986,514
Interest expense on lease liabilities	1,041,390	954,891
Exchange losses	24,584,287	6,859,672
Others	641,659	562,031
TOTAL	*41,163,374*	*22,363,108*

Note 28. Net earnings per share

The undiluted net earnings per share (basic) is the profit for the year attributable to ordinary shareholders divided by the average number of ordinary 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.

	2022	2021
Net profit / (loss) for the period (in euros)	75,584,548	72,028,965
Average number of shares	17,836,650	17,836,650
Net earnings per share undiluted (in euros)	***4.24***	***4.04***

Note 29. Dividends and Directors' fees

The Board will propose to the Annual General Meeting of 30th May 2023 not to pay any dividend.

	2022	2021
Dividends and interim dividends distributed during the period	0	0
Number of shares	17,836,650	17,836,650
Dividend per share distributed during the period	0.00	0.00

Note 30. Information on related party

*** Directors' remuneration**

	2022	2021
	EUR	*EUR*
Short-term benefits	356,995	863,648

*** Other related party transactions**

31/12/2021 EUR	Parent	Associates	Other related parties	TOTAL
Non-current assets				
Long-term advances	0	590,000	0	**590,000**
	0	***590,000***	***0***	***590,000***
Current assets				
Trade receivables	0	21,424,833	6,598	**21,431,431**
Other receivables (Note 17)	0	2,233,336	5,636	**2,238,972**
	0	***23,658,169***	***12,234***	***23,670,403***
Non-current liabilities				
Financial debts (Note 22)	186,463,934	5,925,115	0	**192,389,049**
	186,463,934	***5,925,115***	***0***	***192,389,049***
Current liabilities				
Financial debts (Note 22)	10,056,296	15,780	0	**10,072,076**
Trade payables	0	13,718,264	39,713	**13,757,977**
Other payables (Note 23)	0	7,310,533	40,404,934	**47,715,467**
	10,056,296	***21,044,577***	***40,444,647***	***71,545,519***
Income statement				
Services and goods delivered	0	210,672,282	0	**210,672,282**
Services and goods received	0	33,154,829	116,812	**33,271,641**
Financial income	0	-57,869	0	**-57,869**
Financial expenses	6,327,238	219,006	4,344,109	**10,890,353**

31/12/2022				
EUR	*Parent*	*Associates*	*Other related parties*	*TOTAL*
Non-current assets				
Long-term advances	0	130,000	280,000	**410,000**
	0	***130,000***	***280,000***	***410,000***
Current assets				
Trade receivables	0	14,712,028	0	**14,712,028**
Other receivables (Note 17)	0	15,122,089	7,464	**15,129,553**
	0	***29,834,117***	***7,464***	***29,841,581***
Non-current liabilities				
Financial debts (Note 22)	120,000,000	4,976,156	0	**124,976,156**
	120,000,000	***4,976,156***	***0***	***124,976,156***
Current liabilities				
Financial debts (Note 22)	14,611,491	292	0	**14,611,783**
Trade payables	0	15,503,605	71,063	**15,574,668**
Other payables (Note 23)	0	3,159,945	40,406,140	**43,566,085**
	14,611,491	***18,663,842***	***40,477,203***	***73,752,536***
Income statement				
Services and goods delivered	0	247,471,984	0	**247,471,984**
Services and goods received	0	45,273,521	681,422	**45,954,943**
Financial income	0	69,462	0	**69,462**
Financial expenses	8,835,902	520,375	1,600,000	**10,956,277**

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

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

Mopoli is a Dutch company which is majority owned by Mr Hubert Fabri through Financière Privée, which also owns Socfin.

Bolloré Participations is a shareholder and director of Socfinaf.

In 2014, Socfinaf obtained a cash advance of EUR 35 million from Mopoli. This advance bears an annual interest (net of tax) of 4%. Interest is payable in arrears at the end of each calendar quarter. The amount of interest recognised for the year 2022 is EUR 0.8 million. At 31st December 2022, the outstanding balance amounts to EUR 20.2 million and is repayable on demand with final maturity on July 2024.

In 2016, Socfinaf obtained a loan of EUR 20 million from Bolloré Participations. The loan has an annual interest rate of 4%. The amount of interest recognised for the year 2022 is EUR 0.8 million. At 31st December 2022, the outstanding balance amounts to EUR 20.2 million and is repayable on demand with final maturity on June 2024.

Socfinaf did not pay any dividend in 2022 to its parent company Socfin (2021: nil). Socfinaf has borrowed an amount of EUR 120.0 million from Socfin (2021: EUR 120.7 million and USD 75.8 million). Annual interests at rate of 4.25% is payable on this loan. As such, Socfinaf has paid an interest of EUR 8.8 million in 2022 compared to EUR 6.3 million in 2021.

Note 31. Off balance sheet commitments

In 2019, a subsidiary of Socfinaf, Okomu Oil Palm Company obtained a loan of Naira 10 billion, which contract stipulates that Okomu will use as mortgage guarantee, up to the loan granted, the 11,416 ha plantation. At 31st December 2022, the balance of the loan amounts to EUR 15 million (2021: EUR 14 million).

In 2019, a subsidiary of Socfinaf, Plantations Socfinaf Ghana (PSG), obtained a loan of EUR 16.5 million for the construction of an oil mill. This loan consists of a credit line of EUR 15 million and a bank overdraft of EUR 1.5 million. The contract stipulates that PSG pledges the oil mill as mortgage guarantee, up to the amount of the loan granted. At 31st December 2022, the balance of the loan amounts to EUR 8.1 million (2021: EUR 11.4 million) and the overdraft to nil (2020: nil).

In 2021, a subsidiary of Socfinaf, Okomu Oil Palm Company obtained a loan of Naira 2 billion, whose contract stipulates that Okomu will use as mortgage guarantee, up to the loan granted, the 11,416 ha plantation. At 31st December 2022, the balance of the loan amounts to EUR 3 million (2021: EUR 3 million).

Note 32. Segment information

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

Products from the Côte d'Ivoire, Ghana, Nigeria and Cameroon operating sectors come from the palm oil and rubber sales, those from the Liberia sector are only from the rubber sales, those from Sierra Leone, Ghana, São Tomé and Principe and Congo (DRC) come solely from the palm oil sales. Those in the Europe segment come from the provision of administrative services, assistance in managing the areas under plantation and the marketing of products outside the Group. The segment result of the Group is the profit from operations.

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

**** Segmental breakdown of profit / (loss) at 31st December 2021***

EUR	*Revenue from ordinary business with external customers*	*Revenue from ordinary business between segments*	*Segmental profit / (loss) (*)*
Europe	0	0	-3,136,523
Sierra Leone	46,760,015	0	19,240,229
Liberia	36,783,462	0	5,538,511
Côte d'Ivoire	176,301,157	69,873	37,488,425
Ghana	26,377,673	0	13,096,295
Nigeria	79,363,158	0	34,174,303
Cameroon	143,222,868	0	33,644,277
São Tomé and Principe	4,776,845	0	-1,691,862
Congo (DRC)	13,117,259	0	-2,058,986
TOTAL	***526,702,438***	***69,873***	***136,294,671***
Elimination of revenue from intra-group activities			-69,873
Depreciation, amortisation and impairment of bearer plants			-391,200
Fair value of agricultural production			8,260,872
Other IFRS adjustments			437,779
Consolidation adjustments (intra-group and others)			-1,653,346
Financial income			7,128,210
Financial expenses			-25,967,364
Group share of income from associates			7,264,010
Income tax expense			-29,575,746
Net Profit / (loss) for the period			***101,728,012***

(*) Profit / (loss) for the period include operating expenses.

**** Segmental breakdown of profit / (loss) at 31st December 2022***

EUR	*Revenue from ordinary business with external customers*	*Revenue from ordinary business between segments*	*Segmental profit / (loss) (*)*
Europe	0	0	-2,823,953
Sierra Leone	58,553,604	0	21,826,293
Liberia	40,756,657	0	1,747,945
Côte d'Ivoire	200,451,040	136,882	38,224,054
Ghana	33,083,346	0	18,234,769
Nigeria	133,279,822	0	56,251,979
Cameroon	147,069,445	0	34,187,590
São Tomé and Principe	7,781,775	0	779,099
Congo (DRC)	16,366,246	0	-398,915
TOTAL	***637,341,934***	***136,882***	***168,028,860***
Elimination of revenue from intra-group activities			-136,882
Depreciation, amortisation and impairment of bearer plants			-2,822,669
Fair value of agricultural production			5,789,099
Other IFRS adjustments			98,142
Consolidation adjustments (intra-group and others)			4,373,045
Financial income			8,730,381
Financial expenses			-42,996,783
Group share of income from associates			11,297,778
Income tax expense			-42,711,080
Net Profit / (loss) for the period			***109,649,891***

(*) Profit / (loss) for the period include other expenses for EUR 132.3 million, corresponding mainly to external services invoiced to plantations and related directly to the operational activity (road maintenance, …), and other operating expenses for EUR 25.1 million not related directly to the operational activity (other taxes, property taxes, …).

*** Total segmental assets**

	31/12/2022	31/12/2021
	EUR	*EUR*
Europe	2,063,733	10,019,752
Sierra Leone	128,721,882	132,030,565
Liberia	121,732,913	115,585,545
Côte d'Ivoire	166,346,688	170,140,614
Ghana	57,837,090	78,724,410
Nigeria	145,216,147	139,257,028
Cameroon	184,081,225	175,101,980
São Tomé and Principe	28,111,519	27,822,826
Congo (DRC)	68,260,622	68,664,450
Total at 31st December	***902,371,819***	***917,347,171***
IFRS 3 / IAS 16: Bearer plants	-25,692,506	-23,504,111
IAS 2 / IAS 41: Agricultural production	11,304,647	6,128,867
Other IFRS adjustments	-7,621,916	-5,870,896
Consolidation adjustments (intra-group and others)	-55,200,786	-70,015,375
Total consolidated segmental assets	***825,161,258***	***824,085,657***
Consolidated assets not included in segmental assets		
Right-of-use assets	8,169,574	7,484,998
Investments in associates	27,288,358	23,619,982
Financial assets at fair value through other comprehensive income	300,038	38
Long-term advances	1,664,770	1,745,720
Deferred tax	4,513,652	9,421,068
Other non-current assets	2,619,576	1,743,807
Consolidated non-current assets	***44,555,968***	***44,015,612***
Other debtors	21,440,996	8,995,522
Current tax assets	12,438,610	13,378,526
Consolidated current assets	***33,879,606***	***22,374,048***
Total of consolidated assets in the segmental assets	***78,435,573***	***66,389,660***
Total assets	***903,596,831***	***890,475,316***

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

***Total segmental liabilities**

	31/12/2022	31/12/2021
	EUR	*EUR*
Europe	55,702,251	42,790,016
Sierra Leone	3,426,717	1,538,755
Liberia	13,882,723	15,247,453
Côte d'Ivoire	22,364,064	17,484,516
Ghana	1,066,056	972,502
Nigeria	6,950,565	9,223,850
Cameroon	20,840,351	25,172,132
São Tomé and Principe	3,492,126	3,468,418
Congo (DRC)	1,045,995	3,650,948
Total at 31st December	***128,770,849***	***119,548,589***
Other IFRS adjustments	104,157	48,895
Consolidation adjustments (intra-group and others)	-16,240,597	-6,873,055
Total consolidated segmental liabilities	***112,634,409***	***112,724,429***
Consolidated liabilities not included in segmental liabilities		
Total equity	509,236,261	436,481,961
Non-current liabilities	195,848,335	273,829,367
Current financial debts	43,071,844	35,588,183
Current lease liabilities	1,532,064	1,105,090
Current tax liabilities	40,651,438	30,408,824
Provisions	622,480	337,462
Total consolidated liabilities not included in segmental liabilities	***790,962,422***	***777,750,887***
Total equity and liabilities	***903,596,831***	***890,475,316***

The segmental liabilities include trade payables and other payables.

*** Costs incurred for acquisition of segmental assets during 2021**

EUR	Intangible assets	Tangible assets	Biological assets	TOTAL
Sierra Leone	0	2,207,733	0	**2,207,733**
Liberia	0	1,613,464	3,808,942	**5,422,406**
Côte d'Ivoire	3,666	6,125,172	4,144,678	**10,273,516**
Ghana	0	1,978,271	137,231	**2,115,502**
Nigeria	0	27,082,944	1,632,191	**28,715,135**
Cameroon	0	9,970,796	3,177,201	**13,147,997**
São Tomé and Principe	0	256,352	0	**256,352**
Congo (DRC)	0	781,126	0	**781,126**
TOTAL	*3,666*	*50,015,858*	*12,900,242*	*62,919,767*

*** Costs incurred for acquisition of segmental assets during 2022**

EUR	Intangible assets	Tangible assets	Biological assets	TOTAL
Sierra Leone	0	2,125,221	0	**2,125,221**
Liberia	0	2,197,106	898,587	**3,095,694**
Côte d'Ivoire	32,003	5,966,349	3,393,844	**9,392,196**
Ghana	0	2,277,025	0	**2,277,025**
Nigeria	0	22,269,520	827,710	**23,097,230**
Cameroon	0	10,862,418	3,144,690	**14,007,108**
São Tomé and Principe	0	275,584	0	**275,584**
Congo (DRC)	0	906,694	0	**906,694**
TOTAL	*32,003*	*46,879,918*	*8,264,832*	*55,176,752*

*** Information by sector of activity**

Revenue from external customers:

	2022	2021
	EUR	EUR
Palm	408,462,769	327,502,389
Rubber	222,252,985	195,905,903
Other agricultural activities	469,211	657,341
Others	6,156,969	2,636,805
TOTAL	*637,341,934*	*526,702,437*

***Information by geographical region**

Revenue from external customers by origin of the customers and geographical location:

EUR 2021

Origin \ Geographical location	Europe	Côte d'Ivoire	Nigeria	Cameroon	Congo	Sierra Leone	Other African countries	Rest of the world	TOTAL
Sierra Leone	4,084,258	0	0	2,382,645	0	40,293,112	0	0	**46,760,015**
Liberia	36,783,462	0	0	0	0	0	0	0	**36,783,462**
Côte d'Ivoire	114,868,414	32,387,669	11,377	33,785	3,023	51,792	1,480,759	27,464,339	**176,301,157**
Ghana	0	0	0	0	0	0	26,377,673	0	**26,377,673**
Nigeria	0	0	79,363,159	0	0	0	0	0	**79,363,159**
Cameroon	12,570,689	0	0	130,652,179	0	0	0	0	**143,222,868**
São Tomé and Principe	4,341,409	0	0	287,851	0	0	147,585	0	**4,776,845**
Congo (DRC)	0	0	0	0	13,117,259	0	0	0	**13,117,259**
TOTAL	***172,648,231***	***32,387,669***	***79,374,536***	***133,356,460***	***13,120,282***	***40,344,905***	***28,006,017***	***27,464,339***	***526,702,438***

EUR 2022

Origin \ Geographical location	Europe	Liberia	Côte d'Ivoire	Nigeria	Cameroon	Congo	Sierra Leone	Other African countries	Rest of the world	TOTAL
Sierra Leone	3,356,599	0	0	0	0	0	55,197,004	0	0	**58,553,603**
Liberia	40,635,339	121,318	0	0	0	0	0	0	0	**40,756,657**
Côte d'Ivoire	130,232,762	0	31,878,695	0	0	0	0	2,350,374	35,989,209	**200,451,040**
Ghana	0	0	0	0	0	0	0	33,083,346	0	**33,083,346**
Nigeria	0	0	0	133,279,822	0	0	0	0	0	**133,279,822**
Cameroon	15,688,005	0	0	412,650	130,968,790	0	0	0	0	**147,069,445**
São Tomé and Principe	7,196,400	0	0	0	205,800	0	0	379,575	0	**7,781,775**
Congo (DRC)	0	0	0	0	0	16,366,246	0	0	0	**16,366,246**
TOTAL	***197,109,105***	***121,318***	***31,878,695***	***133,692,472***	***131,174,590***	***16,366,246***	***55,197,004***	***35,813,294***	***35,989,209***	***637,341,934***

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

Revenue from external customers by business segment and geographic area:

EUR				2021
Business Segment / Category	Palm	Rubber	Other agricultural products	TOTAL
Sierra Leone	46,760,015	0	0	**46,760,015**
Liberia	0	36,783,462	0	**36,783,462**
Côte d'Ivoire	36,369,827	137,737,562	2,193,768	**176,301,157**
Ghana	25,714,194	391,733	271,746	**26,377,673**
Nigeria	67,439,332	11,787,948	135,878	**79,363,158**
Cameroon	133,324,917	9,205,198	692,753	**143,222,868**
São Tomé and Principe	4,776,845	0	0	**4,776,845**
Congo (DRC)	13,117,259	0	0	**13,117,259**
TOTAL	***327,502,389***	***195,905,903***	***3,294,145***	***526,702,438***

EUR				2022
Business Segment / Category	Palm	Rubber	Other agricultural products	TOTAL
Sierra Leone	58,553,604	0	0	**58,553,604**
Liberia	0	40,635,339	121,318	**40,756,657**
Côte d'Ivoire	39,919,401	157,537,222	2,994,417	**200,451,040**
Ghana	31,991,119	968,476	123,751	**33,083,346**
Nigeria	120,757,226	12,346,955	175,641	**133,279,822**
Cameroon	133,093,402	10,764,990	3,211,053	**147,069,445**
São Tomé and Principe	7,781,775	0	0	**7,781,775**
Congo (DRC)	16,366,246	0	0	**16,366,246**
TOTAL	***408,462,773***	***222,252,981***	***6,626,180***	***637,341,934***

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.

The Group also manages its capital by close monitoring of the ratio of debt over equity.

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.

The Group reduces its exposure to price risk by investing into different geographical markets and products.

**** Foreign currency risk***

Potential risk

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

In Nigeria, the availability of hard currency is extremely limited. The gap between the central bank rate (CBN) and OTC rates is widening, reaching 30 to 35% in 2022. For consolidation purposes, the Group uses the Central Bank of Nigeria (CBN) rates. These rates are disclosed in Note 1.9 to the financial statements. The impact of the Group's Nigerian operations on the consolidated result is disclosed in Note 32 (Segment information) to the financial statements.

Risk management and opportunities

Apart from the current currency hedging instruments for operational transactions, which remain relatively limited, the main policy of the Group is 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 considered 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 centralised 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.

Details on impairment of financial assets and liabilities, including measurement of expected credit losses, are disclosed in note 1.18.

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 decentralised manner. However, both the cash available and the implementation of the financing are supervised by the Group management.

The Group chooses, whenever possible, to maintain financial liabilities and cash position (as mentioned respectively in Notes 22 and 18) with low credit risk institutions.

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 improve 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, updated in 2022. This complements the Group's sustainable development commitments, formalised in 2012.

The Group's initiatives to monitor this risk 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 is limited to fluctuations in dollar against the euro. The impact on the result of a 10% increase or decrease (EUR/USD) in foreign currency financial instruments amounts to EUR 1.3 million.

Where the currency from sale is not the functional currency of the company and that currency is linked to a strong currency, the conversion is ensured at the time of the conclusion of the contract. Local turnover in local currency in 2022 (including US dollars) amounted to EUR 389.8 million. The global sales (mainly concluded in US dollars) in 2022 amounted to EUR 247.5 million.

**** Interest rate risk***

The breakdown of fixed rate loans and variable rate loans is described in Note 22. Following the variable rate loan arrangement entered into by Socfinaf in 2021, the Group is exposed to interest rate risk. To control this risk, the management closely monitors the interests rate evolution.

**** Credit risk***

At 31st December 2022, the trade receivables from global customers and local customers amount to EUR 14.8 million and EUR 8.8 million respectively. 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 trades either on the physical markets or directly with end customers.

	31/12/2022	31/12/2021
	EUR	*EUR*
Trade receivables	25,333,540	30,060,830
Provision incurred mainly on non-operational receivables	-1,814,318	-1,875,498
Other receivables	21,440,996	8,995,522
Total net receivables	***44,960,218***	***37,180,854***
Amount not yet due	44,704,982	36,392,777
Amount due less than 6 months	0	12,761
Amount due for more than 6 months and less than one year	255,236	755,648
Amount due for more than one year	0	19,668
Total net receivables	***44,960,218***	***37,180,854***

Note 34. Contingent liabilities

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

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

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

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

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

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

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

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

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

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

Note 35. Political and economic environment

The Company holds interests in subsidiaries operating in Africa.

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

Note 36. Events after the closing date

On 24th February 2023, Socfinaf early repaid an amount of USD 14,750,000 i.e. EUR 13,828,989 to Socfin as a final reimbursement of the loan in USD.

Note 37. Auditor's fees

	2022	2021
	EUR	*EUR*
Audit (VAT included)	758,845	683,798

The audit fees include all fees paid to the independent statutory auditor of the Group namely EY as well as those paid to member firms within EY network for the relevant years. No consulting work or other non-audit services have been performed by this firm in 2022 or in 2021.

Company's Management report

Presented by the Board of Directors
at the Annual General Meeting of 30th May 2023

Ladies and gentlemen,

We are pleased to present our annual report and to submit for your approval the annual accounts of our Company at 31st December 2022.

Activities

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

Result for the period

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

(EUR million)	2022		2021
INCOME			
Value adjustments in respect of financial assets	0.4		3.0
Income from equity investments			
Dividends received	46.9		32.9
Capital gain on disposal of financial fixed assets	0.1		0.7
Other interest receivable and similar income	7.4		3.4
Total income	***54.8***		***40.0***
EXPENSES			
Impairment:			
On financial assets	66.1	(1)	12.0
Other external expenses	2.9		3.3
Interest payable and similar expenses	18.6		14.2
Income tax	4.7		4.0
Total expenses	***92.3***		***33.5***
LOSS /PROFIT FOR THE FINANCIAL YEAR	*-37.5*		*6.5*

(1) At 31st December 2022, the Board of Directors decided to reduce the acquisition value of Brabanta by EUR 17,868,990 and the value of its loan by EUR 48,250,914.

Revenue from financial assets

(EUR million)	2022	2021
Dividends		
Socapalm	16.0	18.0
Okomu	15.2	6.4
Befin	7.5	4.6
Socfinco FR	4.0	1.0
Sogescol FR	2.7	1.9
Safa	0.9	0.6
Others	0.6	0.4
Total of dividends	***46.9***	***32.9***

Interest on receivables amounted to EUR 1.7 million and foreign exchange gains to EUR 5.7 million.

The loss for the year amounted to EUR 37.5 million compared to a profit of EUR 6.5 million at 31st December 2021. This result is impacted by non-recurring impairments on Brabanta.

Balance sheet

At 31st December 2022, Socfinaf's total assets amounted to EUR 398.6 million compared to EUR 499.2 million at 31st December 2021.

Socfinaf's assets mainly consist of financial fixed assets of EUR 182.9 million, long term loan receivables of EUR 178.8 million, amounts owed by affiliated undertaking and other receivables for EUR 34.7 million, and cash and equivalent of EUR 1.9 million.

The equity amounted to EUR 221.3 million before appropriation of results.

Taking into account the positive cash flow of EUR 28 million generated by the activity and the repayment of the advances from the subsidiaries (SAC and PSG) for EUR 37 million, Socfinaf's indebtedness fell from EUR 240 million on 1st January to EUR 177 million on 31st December 2022.

Portfolio

Movements

During the year, the liquidation of Sodimex was completed. Following the liquidation of Sodimex, reversal of value adjustment for a total amount of EUR 0.4 million was recorded. A non-recurring impairment on Brabanta was recorded for a total amount of EUR 66.1 million. In addition, Socfinaf acquired Okomu shares for a total amount of 1.4 million euros and sold 5% of the capital of Management Associates to Socfin.

Valuation

The investments are estimated at a total value of EUR 688.7 million and includes an unrealised gain of EUR 505.8 million compared to their acquisition costs, potentially adjusted. This unrealised capital gain, however, takes into account a valuation of Okomu at the NGN/USD exchange rate of the Central Bank of Nigeria. This exchange rate is significantly out of line with the OTC markets prices. Taking the latter into account, the capital gain would be reduced to EUR 419.9 million.

Investments

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

PROJECTS IN OPERATION AT 31ST DECEMBER 2022

		AFRICA										*TOTAL AFRICA*
		Sierra Leone	*Liberia*	*Côte d'Ivoire*		*Ghana*	*Nigeria*	*Cameroon*		*Sao Tomé*	*DRC*	
	(EUR million)	*SAC*	*LAC & SRC*	*SOGB*	*SCC*	*PSG*	*OKOMU*	*SOCAPALM*	*SAFACAM*	*AGRIPALMA*	*BRABANTA*	
TURNOVER	Actual 2021	46,769	36,789	124,400	49,439	26,305	79,148	114,731	32,801	4,777	13,111	528,271
	Actual 2022	**58,436**	**40,675**	**140,233**	**57,224**	**31,615**	**132,867**	**112,852**	**35,406**	**7,782**	**16,345**	**633,434**
	Forecasts 2022	55,578	40,396	140,184	56,882	32,825	146,909	112,087	37,094	7,726	15,879	645,560
NET RESULT	Actual 2021	16,395	3,659	22,453	5,340	11,248	29,725	20,952	3,778	-1,938	-2,201	109,412
	Actual 2022	**16,483**	**1,278**	**23,863**	**4,858**	**5,560**	**38,955**	**16,269**	**4,189**	**909**	**-671**	**111,692**
	Forecasts 2022	21,034	683	28 ,261	5,277	9 753	49,988	16,279	4,996	1,102	667	138,041
PALM PRODUCT												
SURFACE AREA (HA)	Mature	12,349	-	7,471	-	6,140	19,060	29,197	5,230	2,100	6,072	87,619
	Immature	-	-	-	-	-	-	3,263	76	-	-	3,339
	Total	***12,349***	***-***	***7,471***	***-***	***6,140***	***19,060***	***32,460***	***5,306***	***2,100***	***6,072***	***90,958***
PRODUCTION FFB	Actual 2021	222,488	-	163,663	-	103,054	221,746	491,049	77,275	23,928	62,766	1,365,969
	Actual 2022	**218,363**	**-**	**148,447**	**-**	**94,048**	**247,175**	**475,157**	**73,423**	**27,328**	**54,291**	**1,338,232**
	Forecasts 2022	235,687	-	142,937	-	100,008	261,221	481,087	76,066	24,596	55,342	1,376,944
CRUDE PRODUCTION	Actual 2021	52,307	-	38,935	-	27,538	46,478	152,323	16,948	5,636	15,993	356,159
	Actual 2022	**51,919**	**-**	**35,301**	**-**	**25,375**	**54,101**	**146,231**	**16,526**	**6,429**	**13,769**	**349,653**
	Forecasts 2022	55,615	-	33,971	-	26,649	56,895	148,815	16,973	6,078	13,983	358,979
EXTRACTION RATE	Actual 2022	23.51	-	22.77	-	26.72	20.82	22.02	21.67	23.56	24.32	22.63
	Actual 2022	**23.51**	**-**	**22.77**	**-**	**26.72**	**20.82**	**22.02**	**21.67**	**23.56**	**24.32**	**22.56**
	Forecasts 2022	23.50	-	22.50	-	25.00	21.50	22.08	22.50	23.50	23.00	22.55
TURNOVER	Actual 2021	46,769	-	36,370	-	25,914	67,450	112,425	23,596	4,777	13,111	330,411
	Actual 2022	**58,436**	**-**	**39,919**	**-**	**30,688**	**120,544**	**111,190**	**24,811**	**7,782**	**16,345**	**409,715**
	Forecasts 2022	55,578	-	39,576	-	32,093	133,779	110,746	25,988	7,726	15,879	421,365

RUBBER

SURFACE AREA (HA)	Mature	-	13,759	12,746	-	627	6,025	2,075	3,420	-	-	38,651
	Immature	-	3,022	3,116	-	315	1,310	-	932	-	-	8,695
	Total	**-**	***16,781***	***15,862***	**-**	***942***	***7,335***	***2,075***	***4,352***	**-**	**-**	***47,346***
PRODUCTION	Actual 2021	-	26,872	67,727	39,273	-	9,277	-	6,919	-	-	150,068
	Actual 2022	**-**	**27,401**	**65,815**	**39,554**	**-**	**8,124**	**-**	**6,377**	**-**	**-**	**147,271**
	Forecasts 2022	-	27,739	66,134	39,049	-	8,389	-	6,742	-	-	148,053
TURNOVER	Actual 2021	-	36,789	88,031	49,439	392	11,698	-	9,205	-	-	195,554
	Actual 2022	**-**	**40,675**	**100,313**	**57,224**	**927**	**12,323**	**-**	**10,595**	**-**	**-**	**222,057**
	Forecasts 2022	-	40,396	100,609	56,882	732	13,130	-	11,105	-	-	222,853

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

Management draws the attention that for its reporting purposes, the Group uses the rates of the Central Bank of Nigeria.

However, in Nigeria, this exchange rate is significantly out of line with the OTC market prices. Taking the latter into account, the discount as at December 31, 2022 would reach 40%.

Allocation of profit

The loss of the year of EUR 37,542,749 increased by retained earnings of EUR 131,413,608, give total retained earnings of EUR 93,870,859 which it is proposed to carry forward again.

After this allocation, the total reserves will be as follows:

Reserves	*EUR*
Legal reserve	3,567,330
Other reserves	628,717
Available reserve	59,629
Retained earnings	93,870,859
	98,126,535

Treasury shares

The Company did not buy back its own shares during the 2022 financial year.

Research and development

During the financial year 2022, Socfinaf did not incur any expenses for research and development.

Financial instruments

During the financial year 2022, the Company did not make use of any financial instruments.

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

Branch

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

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

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

c) On 1st February 2017, Socfin declared that it holds a 58.85% direct stake in Socfinaf.

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

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

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

Art. 32. of the statutes: "*The present statutes can be modified by decision of the General Meeting specially convened for this purpose, in the forms and conditions prescribed by Articles 450-3 and 450-8 of the law of 10th August 1915 on the commercial companies, as amended.*"

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

In addition, the statutes provide in Art. 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.

In the event of the issue of shares by contribution in cash or in the event of the issue of instruments which fall within the scope of application of article 420-27 of the law on companies and which are paid for in cash, including and in a non-exhaustive manner, convertible bonds allowing their holder to subscribe to shares or to be allocated shares, shareholders have preferential subscription rights in proportion to their participation with regard to all these issues in accordance with the provisions of company law.

The General Meeting 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 authorisation 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 authorise 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:

- title holding including special control rights;
- the existence of a staff shareholding system;
- shareholder agreements that may result in restrictions on the transfer of securities or voting rights;
- the agreements to which the Company is party, and which take effect are modified or terminated in the event of a change of control of the Company following a takeover bid;
- the indemnities provided in the event of the resignation or dismissal of members of the Board of Directors or staff following a takeover bid.

Corporate responsibility policy

The responsible management policy is based on the Group's three pillars of commitment, alongside its specific commitment to transparency: rural development, workers and local communities, and environment. These commitments form the basis of key initiatives aimed at improving long-term economic performance, social well-being, health, safety and natural resource management.

An implementation plan for this policy has been defined and implemented throughout 2022.

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

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

Estimated value of the share (company accounts)

The estimated value of Socfinaf at 31st December 2022 before allocation of the result for the financial year amounts to EUR 727.1 million, being EUR 41.76 per share compared to EUR 31.53 in the previous financial year. This valuation incorporates the unrealised capital gains of the portfolio. This unrealised capital gain, however, takes into account a valuation of Okomu at the NGN/USD exchange rate of the Central Bank of Nigeria. This exchange rate is significantly out of line with the price obtained on the OTC markets. Taking the latter into account, the estimated value would be reduced to EUR 36 per share.

As a reminder, the market share price was EUR 11.80 at the end of 2022 against EUR 12.00 a year earlier.

Significant events after the reporting date

On 24th February 2023, Socfinaf early repaid an amount of USD 14,750,000 i.e. EUR 13.828.989 to Socfin as a final reimbursement of the loan in USD.

Company's Management report

Main risks and uncertainties

It must be emphasized that the Group's investments in Africa 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.

Perspectives

The result for the 2023 financial year will depend to a large extent on the dividend distributions of the subsidiaries; these are not yet fixed.

Statutory appointments

The term served as director by Mr. Vincent Bolloré and Gbenga Oyebode expire this year. It will be proposed at the next Annual General Meeting to renew these mandates for six years until the Annual General Meeting of 2029.

Besides, it will be also proposed at the next Annual General Meeting to appoint Mr. George Mensah as Director of the Company.

The Board of Directors

Audit report on the Company's financial statements

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

To the Shareholders of
Socfinaf S.A
4, avenue Guillaume
L-1650 Luxembourg

Opinion

We have audited the financial statements of Socfinaf S.A. (the "Company"), which comprise the balance sheet as at 31st December 2022, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December 2022, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23rd July 2016 on the audit profession (the "Law of 23rd July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23rd July 2016 and ISAs are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Valuation of shares in affiliated undertakings</u>

<u>Risk identified</u>

As at 31st December 2022, the shares in affiliated undertakings amounts to 183 million euros and represents 46% of the total assets of the balance sheet. Shares in affiliated undertakings are valued at historical acquisition cost, respectively their nominal value, which includes incidental expenses. In the case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply. In the event of an impairment that, in the opinion of the Board of Directors, is of a lasting nature, these financial 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.

The assessment of the durable depreciation in value of these shares in affiliated undertakings requires the exercise of the Board of Directors' judgement in its choice of the elements to be considered according to the shares in affiliated undertakings, whether market elements (shares price when applicable) and/or historical elements (adjusted net equity) and/or forecast elements (discounted future cash flows to shareholders).

Due to the size of the balance and judgement included, we considered this area to be a key audit matter.

Our answer

Our audit procedures over the impairment of the shares in affiliated undertakings included amongst other:

- Assessing the accounting policies determined by the Board of Directors, as described in the note 2 of the financial statements, to determine the value adjustments to be recorded on shares in the affiliated undertakings ;
- Ensuring that the accounting policies used by the Board of Directors were properly applied:
  - when the Board of Directors relied on market data, we reconciled the share prices as at 31st December 2022 used for the valuation of shares in affiliated undertakings to the official stock markets quotations ;
  - when the Board of Directors relied on historical data, we reconciled the adjusted net equity used in the valuation of the shares in affiliated undertakings as at 31st December 2022 to the financial information of the related affiliated undertakings and assessed the appropriateness of evidence supporting the adjustments made to the net equity, if any.
- Assessing the appropriateness of the disclosures made in the Note 3 of the financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report including the management report and the corporate governance statement but does not include the financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and those in charge of governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23rd 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Audit report on the Company's financial statements

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 26th May 2020 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 3 years.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance statement on pages 32 to 37 is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19th December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

Audit report on the Company's financial statements

We have checked the compliance of the financial statements of the Company as at 31st December 2022 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Company, it relates to :

- Financial statements prepared in valid xHTML format

In our opinion, the financial statements of the Company as at 31st December 2022, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Anthony CANNELLA
Luxembourg

Company financial statements

1. Balance sheet at 31st December 2022

ASSETS	Note	2022 EUR	2021 EUR
FIXED ASSETS			
Financial assets	3		
Shares in affiliated undertakings		182,880,279.55	199,522,760.65
Loans to affiliated undertakings		178,795,759.27	269,552,427.50
		361,676,038.82	***469,075,188.15***
CURRENT ASSETS			
Debtors			
Amounts owed by affiliated undertakings			
becoming due and payable within one year		33,284,161.85	17,607,793.72
Other debtors			
becoming due and payable within one year		1,452,480.00	2,333,506.60
		34,736,641.85	***19,941,300.32***
Investments			
Shares in affiliated undertakings		*248,406.09*	*248,406.09*
Cash at bank and in hand		***1,939,330.90***	***9,960,182.80***
TOTAL ASSETS		***398,600,417.66***	***499,225,077.36***

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

Company financial statements

CAPITAL, RESERVES AND LIABILITIES	Note	2022 EUR	2021 EUR
CAPITAL AND RESERVES	4		
Issued capital		35,673,300.00	35,673,300.00
Share premium account		87,453,866.21	87,453,866.21
Reserves			
Legal reserve		3,567,330.00	3,567,330.00
Other reserves, including the fair value reserve			
Other available reserves		688,346.92	688,346.92
		4,255,676.92	***4,255,676.92***
Profit brought forward		131,413,608.00	124,914,492.68
Profit for the financial year		-37,542,749.31	6,499,115.32
		221,253,701.82	***258,796,451.13***
CREDITORS			
Amounts owed to credit institutions			
becoming due and payable within one year		9.03	41.50
Trade creditors			
becoming due and payable within one year		220,624.09	110,860.00
Amounts owed to affiliated undertakings	5		
becoming due and payable after more than one year		120,000,000.00	186,463,934.52
becoming due and payable within one year		14,947,456.73	12,317,062.61
Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	6		
becoming due and payable after more than one year		20,201,643.84	20,201,643.84
becoming due and payable within one year		20,203,836.00	20,201,644.00
Other creditors			
Tax authorities		1,665,126.39	1,125,420.00
Other creditors			
becoming due and payable within one year		108,019.76	8,019.76
		177,346,715.84	***240,428,626.23***
TOTAL CAPITAL, RESERVES AND LIABILITIES		***398,600,417.66***	***499,225,077.36***

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

2. Income statement for the year ended 31st December 2022

		2022	2021
	Note	*EUR*	*EUR*
Raw materials and consumables and others external expenses			
Other external expenses		-2,685,678.73	-2,553,559.66
Value adjustments			
in respect of current assets		0.00	-12,463.34
Other operating expenses		-248,765.87	-646,464.19
Income from participating interests			
derived from affiliated undertakings	7	46,958,007.91	33,539,007.13
Other interest receivable and similar income			
derived from affiliated undertakings	8	7,273,633.68	3,124,153.86
other interest and similar income		109,529.96	255,759.64
Value adjustments in respect of financial assets and of investments held as current assets	3	-65,679,615.45	-8,947,506.25
Interest payable and similar expenses			
concerning affiliated undertakings		-16,979,066.77	-12,610,509.22
other interest and similar expenses		-1,618,491.65	-1,618,065.61
Tax on profit		-4,134,647.39	-3,506,212.04
Profit after taxation		-37,005,094.31	7,024,140.32
Other taxes not shown above		-537,655.00	-525,025.00
Profit for the financial year		***-37,542,749.31***	***6,499,115.32***

Proposed distribution of profits

	2022	2021
	EUR	*EUR*
Retained earnings	93,871,858.69	131,413,608.00
From the balance:		
10% to the Board of Directors	0.00	0.00
90% to 17,836,650 shares	0.00	0.00
	93,870,858.69	***131,413,608.00***
Dividend per share	***0.00***	***0.00***

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

3. Notes to the parent company financial statements for the 2022 financial year

Note 1. Overview

SOCFINAF S.A., (the "Company") was incorporated on 20th November 1972 as a public limited company and adopted the status of "Soparfi" on 10th January 2011.

The duration of the Company is unlimited, and its registered office is established in Luxembourg. The Company is registered in the Register of Commerce and Companies under number B6225, and is listed on the Luxembourg Stock Exchange under ISIN number LU0056569402.

The object of the company is (i) the acquisition, holding and disposal, in any form whatsoever and by any means, directly or indirectly, of participations, rights and interests, as well as bonds of Luxembourg or foreign companies, (ii) the acquisition by contribution, purchase, subscription or otherwise, as well as the disposal by sale, transfer, exchange or otherwise, of shares, interests, bonds, debts, notes and other securities or financial instruments of any kind (in particular bonds or shares issued by Luxembourg or foreign collective investment funds or any other similar body), loans or any other credit line, as well as contracts relating thereto and (iii) the holding, administration, development and management of a portfolio of assets (composed in particular of the assets described in points (i) and (ii) above).

The company may also acquire and develop any patents and other rights relating to or supplementing those patents.

The company may borrow in any form whatsoever. It may enter into any kind of loan agreement and may issue debt securities, bonds, certificates, shares, profit shares, warrants and all kinds of debt and equity securities, including by virtue of one or several issue programmes. The company may lend funds, including those resulting from borrowings and/or securities issues, to its subsidiaries, affiliates and any other company.

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 1st January and ends on 31st 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 judgement in the application of accounting principles. Any change in assumptions may have a significant impact on the financial statements 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.

Currency conversion

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

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

At the balance sheet date:

- the acquisition price of the financial assets, expressed in a currency other than the currency of the balance sheet, remain converted at the historical exchange rate, with the exception of the current portion of receivables, which is valued individually at the lower of their historical exchange rate value or their value determined on the basis of the exchange rate prevailing at the balance sheet date;
- bank accounts expressed in a currency other than the currency of the balance sheet are valued on the basis of the exchange rate prevailing on the balance sheet date. Foreign exchange gains and losses are recognised in the current period;

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

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

Realised foreign exchange gains and losses and unrealised losses are recognised in the profit and loss account. Unrealised foreign exchange gains are not recognised.

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

Valuation of financial assets

Shares in affiliated undertakings are valued at acquisition 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 investments listed on public markets, the Board of Directors compares the net book value of the investment with its shares in the market based on the stock market price at 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 exceeds the market value or the equity value for unlisted investments, the Board of Directors compares the net book value with the share held in the revalued net assets as well as in the consolidated net assets (i.e. equity attributable to owners of the parent company) if the subsidiary 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/ 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 carrying value at the enterprise value calculated on the basis of the discounted future cash flows available to the shareholders, which considers 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 permanent for a plantation where more than half of the planted area is not being used.

Loans to 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. These value adjustments are not continued if the reason for which the value adjustments were made have ceased to apply.

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 reimbursement value. When the amount to be repaid on the debts exceeds the amount received, the difference is recorded to the profit and loss account.

Russia – Ukrain conflict

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24th February 2022.

Due to the geopolitical tensions since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant depreciation of the ruble against the US dollar and the euro.

Although neither the company's performance and going concern nor operations, have been significantly impacted by the above during 2022, the Board of Directors continues to monitor the evolving situation and its impact on the financial position and results of the company.

Note 3. Financial fixed assets

	Shares in affiliated undertakings		*Loans to affiliated undertakings*		*Total*	
	2022	2021	2022	2021	2022	2021
	EUR	*EUR*	*EUR*	*EUR*	*EUR*	*EUR*
Acquisition cost/nominal value at the beginning of the year	***239,798,533.55***	***244,779,050.37***	***278,532,028.78***	***308,818,543.42***	***518,330,562.33***	***553,597,593.79***
Increases	1,428,708.64	1.00	3,049,548.88	3,274,229.42	4,478,257.52	3,274,230.42
Decreases	-642,487.94	-4,980,517.82	-45,555,303.46	-33,560,744.06	-46,197,791.40	-38,541,261.88
Acquisition cost/nominal value at the end of the year	***240,584,754.25***	***239,798,533.55***	***236,026,274.20***	***278,532,028.78***	***476,611,028.45***	***518,330,562.33***
Value adjustments at the beginning of the year	***-40,275,772.90***	***-40,307,867.93***	***-8,979,601.28***	***0.00***	***-49,255,374.18***	***-40,307,867.93***
Impairment	-17,868,989.74	-3,000,090.00	-48,250,913.65	-8,979,601.28	-66,119,903.39	-11,979,691.28
Reversal	440,287.94	3,032,185.03	0.00	0.00	440,287.94	3,032,185.03
Value adjustments at the end of the year	***-57,704,474.70***	***-40,275,772.90***	***-57,230,514.93***	***-8,979,601.28***	***-114,934,989.63***	***-49,255,374.18***
Net book value at the end of the year	***182,880,279.55***	***199,522,760.65***	***178,795,759.27***	***269,552,427.50***	***361,676,038.82***	***469,075,188.15***

Note 3. Financial fixed assets (continued)

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

Entity	*Country*	*% held*	*Net book value EUR*	*Year end*	*Currencies of the annual accounts*	*Net equity in foreign currency at 31/12/2022 (including net income) (*)*	*Net income in foreign currency at 31/12/2022*
Plantations Socfinaf Ghana	Ghana	100.00	32,503,775	31.12.2022	GHS	225,168,097	77,289,093
Socfin Agricultural Company	Sierra Leone	93.00	20,445,954	31.12.2022	USD	16,376,492	19,372,491
Liberian Agricultural Company	Liberia	100.00	13,793,904	31.12.2022	USD	57,140,499	4,744,936
Salala Rubber Corporation	Liberia	64.91	0	31.12.2022	USD	2,861,133	-421,173
Bereby-Finances "BEFIN"	Côte d'Ivoire	87.06	13,604,405	31.12.2022	XAF	15,983,921,022	5,557,643,910
Socapalm	Cameroon	67.46	40,640,840	31.12.2022	XAF	71,120,117,643	13,743,634,055
Okomu Oil Palm Company	Nigeria	66.38	22,151,171	31.12.2022	NGN	39,416,747,556	11,316,334,412
Brabanta	Congo (DRC)	100.00	0	31.12.2022	CDF	71,046,617,102	-5,175,012,473
Induservices	Luxembourg	30.00	30,000	31.12.2022	EUR	327,636	88,113
Socfinde	Luxembourg	20.00	801,000	31.12.2022	EUR	6,023,090	139,836
Terrasia	Luxembourg	33.28	246,705	31.12.2022	EUR	615,003	30,516
SAFA	France	100.00	26,535,600	31.12.2022	EUR	21,845,650	2,176,216
Induservices FR	Switzerland	50.00	642,202	31.12.2022	EUR	1,095,421	102,087
Socfinco FR	Switzerland	50.00	486,891	31.12.2022	EUR	16,432,078	8,833,675
Sogescol FR	Switzerland	50.00	1,985,019	31.12.2022	USD	17,955,034	8,864,552
Sodimex FR	Switzerland	50.00	621,424	31.12.2022	EUR	4,454,052	906,872
Centrages	Belgium	50.00	4,074,577	31.12.2022	EUR	3,378,041	223,191
Immobilière de la Pépinière	Belgium	50.00	3,015,798	31.12.2022	EUR	3,656,008	10,856
Socfinco	Belgium	50.00	879,550	31.12.2022	EUR	1,537,073	-6,383
STP Invest	Belgium	100.00	0	31.12.2022	EUR	1,773,693	-1,110
			182,458,815				

(*) Based on unaudited financial statements at 31st December 2022.

Valuation of shares in affiliated undertakings:

At 31st December 2022, the Board of Directors decided to reduce the acquisition value of Brabanta by EUR 17,868,990 following the update of the portfolio valuation.

At 31st December 2022, the Board of Directors is of the opinion that there is no permanent value decrease for the shares in affiliated undertakings.

Note 3. Financial fixed assets (continued)

Valuation of loans to affiliated undertakings:

At 31st December 2022, loans to affiliated undertakings are as follows:

Related parties	*Currency*	*Balance*	*Balance*	*Unrealised exchange gains / (losses) **
		in currency	*in EUR*	*EUR*
Induservices	EUR	130,000	130,000	0
Management Associates	EUR	280,000	280,000	0
Salala Rubber Corporation	USD	44,684,218	37,289,650	4,604,423
Brabanta	USD	21,000,000	19,688,730	0
Socfin Agricultural Company	USD	74,159,256	60,804,114	8,724,534
Liberian Agricultural Company	USD	36,404,647	32,309,252	1,822,238
Plantations Socfinaf Ghana	USD	12,000,000	10,194,062	1,056,641
Agripalma	EUR	18,099,947	18,099,947	0
Situation at 31st December 2022			***269,552,427***	***16,207,836***

* 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 unrealised foreign exchange gain or loss is not recognised in the profit and loss account, with the exception of the current portion of receivables, which is valued individually at the lower of their historical exchange rate value or their value determined on the basis of the exchange rate prevailing at the balance sheet date.

At 31st December 2022, the Board of Directors decided to reduce the value of the shareholder advance granted to Brabanta by EUR 48,250,914 following the update of the portfolio valuation.

At 31st December 2022, the Board of Directors are of the opinion that these loans are recoverable as such, no impairment loss has been accounted for.

Note 4. Equity

	Issued capital EUR	*Share premium EUR*	*Legal reserves EUR*	*Other reserves EUR*	*Retained earnings EUR*	*Results for the year EUR*
Balance at 1st January 2021	***35,673,300.00***	***87,453,866.21***	***3,567,330.00***	***688,346.92***	***153,563,826.44***	***-28,649,333.76***
Allocation of the result for the 2020 financial year following decision of the General Meeting held on 25th May 2021						
• Retained earnings					-28,649,333.76	28,649,333.76
Results for the financial year						6,499,115.32
Balance at 31st December 2021	***35,673,300.00***	***87,453,866.21***	***3,567,330.00***	***688,346.92***	***124,914,492.68***	***6,499,115.32***
Allocation of the result for the 2021 financial year following decision of the General Meeting held on 31st May 2022						
• Retained earnings					6,499,115.32	-6,499,115.32
Results for the financial year						-37,542,749.31
Balance at 31st December 2022	***35,673,300.00***	***87,453,866.21***	***3,567,330.00***	***688,346.92***	***131,413,608.00***	***-37,542,749.31***

Issued capital

At 31st December 2022 and 2021, the issued and fully paid share capital is EUR 35,673,300 represented by 17,836,650 shares without nominal value.

Share premium

At 31st December 2022 and 2021, the share premium amounted to EUR 87,453,866.

Legal reserve

The annual profit is subject to a levy of 5% to be allocated to a legal reserve. This allocation ceases to be mandatory when the reserve reaches 10% of the share capital. The legal reserve cannot be distributed.

Note 5. Amounts owed to affiliated undertakings

At 31st December 2022, this item consists mainly of:

- a debt to Socfin for a nominal amount of EUR 120,000,000 (2021: EUR 120,000,000), and accrued interest amounted EUR 510,000 (2021: EUR 708,333) and which bear a fixed interest rate of 4.25%. This debt is repayable early or at the latest on 10th November 2026.
- a debt to Socfin for a nominal amount of EUR 13,828,989 (2021: EUR 75,293,177), and accrued interest amounted EUR 272,502 (2021: EUR 518,721). This debt bears interest at a variable rate and is repayable early or at the latest on 10th November 2026.
- debts to the subsidiary Socfinde corresponding to the current account balance of EUR 335,672 (2021: EUR 2,247,085).

At 31st December 2022 and 2021, the maturity of debts to affiliated undertakings is as follows:

	2022	2021
Amounts owed to affiliated undertakings:	*EUR*	*EUR*
becoming due and payable within one year	14,947,457	12,317,062
becoming due and payable between one to five years	120,000,000	186,463,935
	134,947,457	***198,780,997***

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

At 31st December 2022, this item consists mainly of:

- a payable to Bolloré Participations for a nominal amount of EUR 20,000,000 (2021: EUR 20,000,000), plus accrued interest of EUR 203,836 (2021: EUR 200,542). This debt bears interest at a fixed rate of 4% per annum and is repayable on 30th June 2024.
- a payable to Palmboomen Cultuur Maatschappij "MOPOLI" for a nominal amount of EUR 20,000,000 (2021: EUR 20,000,000), plus accrued interest of EUR 201,644 (2020: EUR 201,644). This debt bears interest at a fixed rate of 4% per annum without maturity date. Although reimbursements may be made at first demand, MOPOLI has undertaken not to request reimbursement of this advance before 15th July 2024.

Note 7. Income from participating interests

	2022	2021
	EUR	*EUR*
Dividends received	46,939,258	32,868,364
Capital gain on disposal of financial fixed assets	18,750	670,643
	46,958,008	***33,539,007***

Note 8. Income from other investments and loans forming part of the fixed assets

	2022	2021
	EUR	EUR
Interest on related companies' receivables	7,273,634	3,124,154

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 2022, the members of the Board of Directors received EUR 9,062 (2021: EUR 11,562) as attendance fees and EUR 230,000 (2020: EUR 630,000) as Directors' fees.

During 2022, no advances or loans were granted to the Board members.

Note 11. Political and economic environment

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

- Sierra Leone,
- Liberia,
- Côte d'Ivoire,
- Ghana,
- Nigeria,
- São Tomé et Principe,
- Cameroon,
- Congo (DRC).

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

Note 12. Significant events after the end of the year

On 24th February 2023, the company early repaid an amount of USD 14,750,000 i.e. EUR 13.828.989 to Socfin as a final reimbursement of the loan in USD.