TEXAF

Annual Report 2020

A WORD FROM THE CHAIRMAN AND THE CEO

2020 will forever be marked by the global scourge that will leave indelible traces on a generation that has had the fortune never to have experienced war and the deprivations it brings.

All TEXAF employees adopted a remarkable attitude during this time.

One good thing will come out of the pandemic: old habits that have become entrenched will be more quickly challenged.

In DRC COVID-19 did not rage as hard as elsewhere. The Congolese authorities were able to take appropriate steps to contain the spread of the virus: a strict lockdown and a stringently policed curfew. Health conditions in DRC lead us to believe that its very young population is more resistant to serious forms of the disease.

We are very thankful to our employees and our CEO in DRC, who all remained at their post. The same goes for our many tenants and partners, who complied with the strict health measures we implemented.

That enabled us to complete the construction of the first ecologically responsible office complex in Kinshasa on time and to put it on the market in December.

Our teams in Kinshasa took advantage of the lockdown to think about how our businesses function and how to raise productivity and target innovation to a greater degree.

A whole host of online meetings were held with architects and management presented an innovative real estate project that will be implemented when the disruptive effects of covid start to clear and the way forward can be seen more clearly.

During the lockdowns, our tenants in Kinshasa were able to benefit from the various initiatives taken by the group, including pop-up stores, to ensure they were able to access essentials on the UTEXAFRICA site. On the other hand, the new gym and children's playground were closed for the duration of the lockdown.

Covid also raised the profile of TEXAF DIGITAL. Our digital hub, which has just opened, was forced to suspend its courses for coders, but the premises served as a crisis center for various authorities in their efforts to combat covid.

With the first training cycle now completed, we have been struck by how well the country's young people are able to express themselves through digital apps.

Raymond Mendy, the director of this new digital business, only joined the group in September.

The SILIKIN VILLAGE concept was born: an ecosystem that will bring together companies active in the digital sector in a central building.

We now see very strong demand from these tech companies to move into SILIKIN VILLAGE. The offices are now being fitted out.

The group is particularly pleased with the spectacular advancement made in this new business, which suggests it has great prospects.

TEXAF also took advantage of this tough period to initiate an introspection on how its Board of Directors functions. Various conclusions were drawn, assisted by a specialist firm.

Given the need for renewal, it was decided to bring in talented young people, both in the Board of Directors and at operations level in DRC. The nomination of two young people to sit on the Board of Directors of the parent company and the engagement in Kinshasa of a young person now active in the real estate sector in South Africa is expected to give the group a boost in its pursuit of growth.

I would like to end by thanking all employees who work in the non-profit activities funded by TEXAF.

PHILIPPE CROONENBERGHS
Chairman

JEAN-PHILIPPE WATERSCHOOT
CEO

CONTENTS

2020 IN SUMMARY

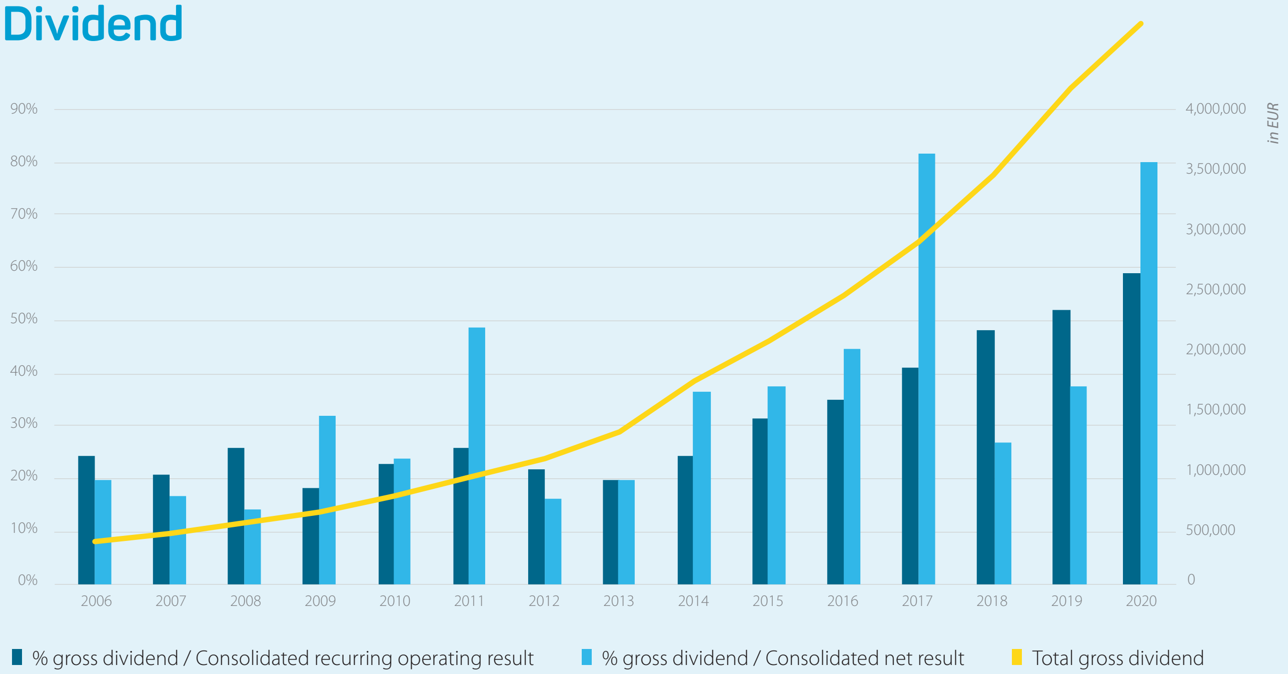
KEY FIGURES

RESULT (in thousands of euros)	2016	2017	2018	2019	2020	Average growth
Revenue	18,392	18,208	18,869	21,691	21,868	
Growth	(6%)	(1%)	4%	15%	1%	4%
Recurring EBITDA *	9,740	10,038	10,111	11,213	11,663	
Growth	1%	3%	1%	11%	4%	5%
Recurring operating result **	6,953	7,020	7,168	7,831	7,863	
Growth	7%	1%	2%	9%	0%	3%
Net result (share of the group)	5,454	4,542	12,909	10,771	4,569	
Growth	0%	(17%)	184%	(17%)	(58%)	(4%)

(*) Recurring EBITDA: recurring operating result before interest, taxes, depreciation and amortization.
(**) Recurring operating result: operating result minus income or expenses that are not expected to be repeated in each accounting year, such as:
- Gain or loss on disposals of non-current assets
- Allocations to (or reversals of) write-downs on non-current assets
- Costs relating to major restructuring, purchase or disposal of a business (such as redundancy costs, plant closure and commissions paid to third parties to acquire or dispose of an activity)

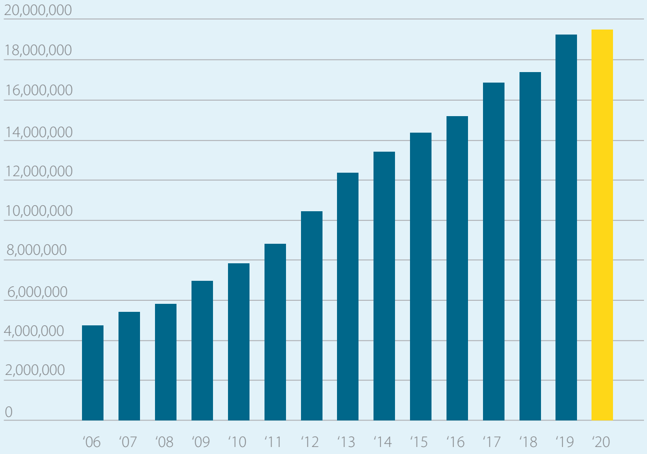
CASH-FLOWS (in thousands of euros)	2016	2017	2018	2019	2020	Average growth
Cash flow from operating activities	8,666	8,706	11,742	10,744	8,591	0%
Cash flow from investing activities	(7,149)	(6,421)	(5,416)	(1,040)	(5,822)	(5%)
Cash flow from financing activities	(3,067)	(2,532)	(4,436)	(6,501)	(4,557)	
CASH AND CASH EQUIVALENTS ON DECEMBER 31	3,911	3,674	5,564	8,767	6,979	

Dividend



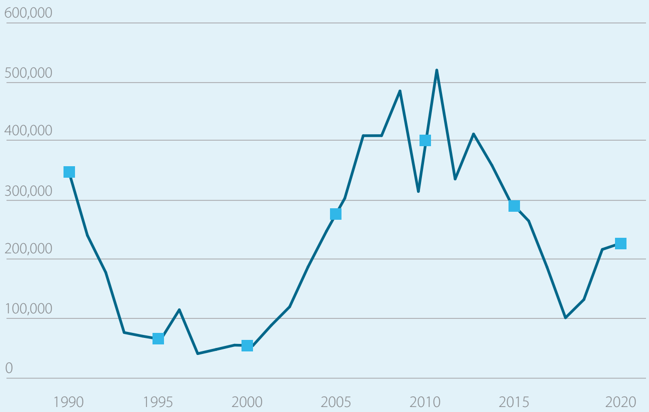
Real estate

Rental revenue (in EUR)

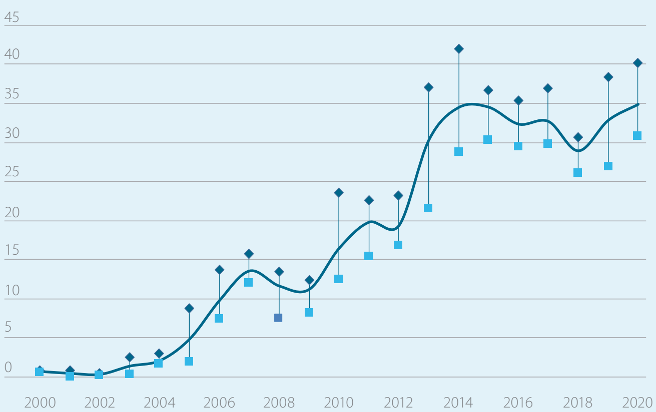


Carrigrès

Sales (in metric tons)



Average TEXAF price + max & min (in EUR)



Highlights

OPENING OF THE

SILIKIN CAMPUS

66%

OF NET DIVIDEND REINVESTED

STABILIZATION OF THE RECURRING OPERATING RESULTS IN THE CONTEXT OF THE PANDEMIC

IMPAIRMENT OF

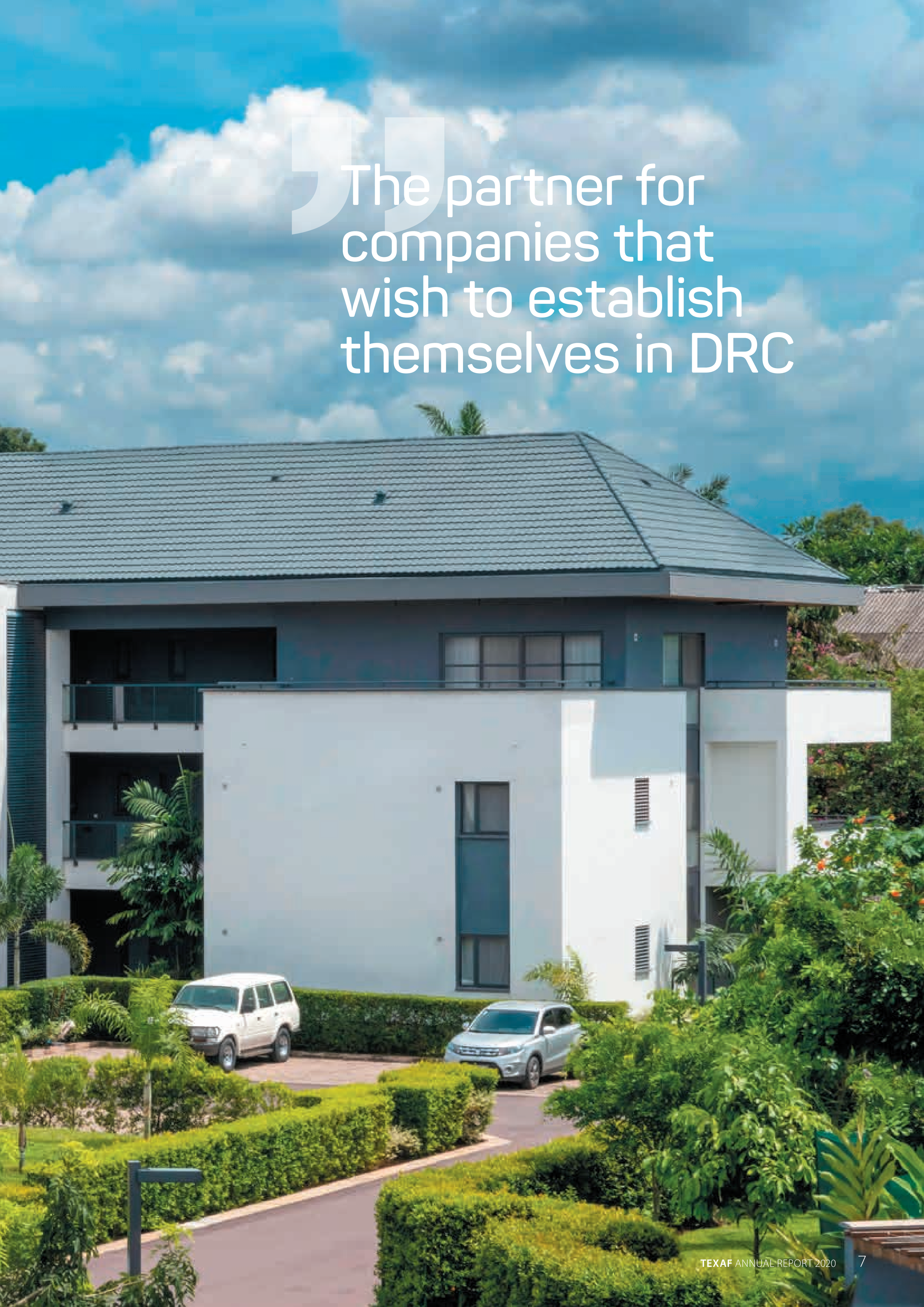
€ 1.3 M

ON CARRIGRÈS

COMPLETION OF

PETIT-PONT

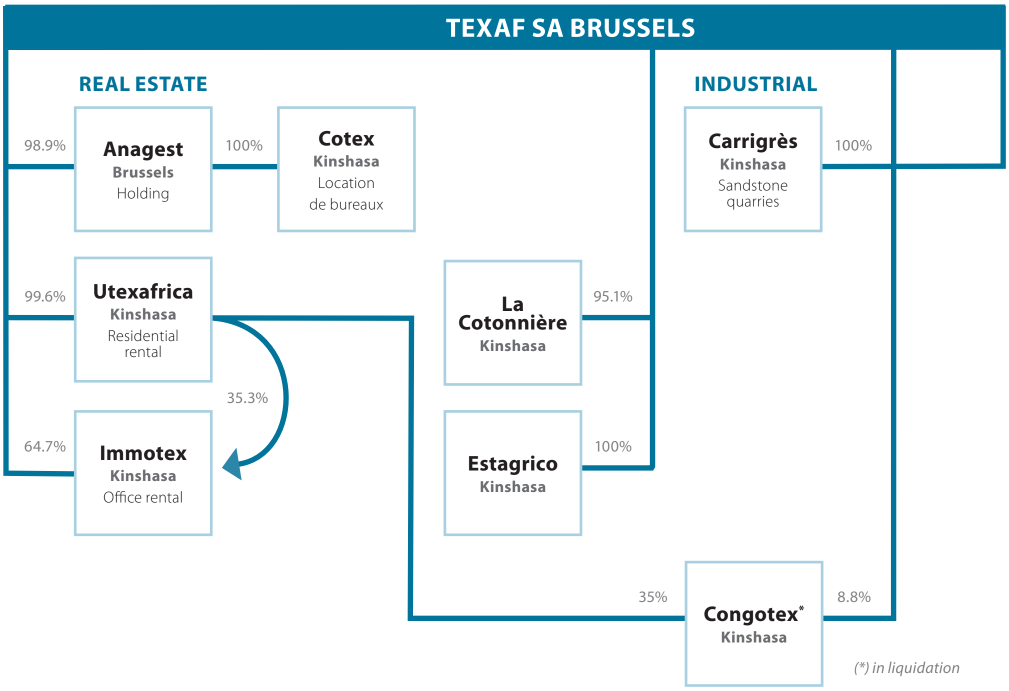
01
Profile



The partner for companies that wish to establish themselves in DRC

WHO ARE WE?

Organigram



Our history – A destiny linked to DRC

TEXAF is a public company, formed on August 14, 1925 on the initiative of visionary trailblazing entrepreneurs, registered and domiciled in Belgium. It is unique in that it is the only company, listed since its formation on an international stock exchange, that has all its assets concentrated in the Democratic Republic of Congo.

Between its formation and the early 2000s, the group's business was centered on textile. Its primary subsidiary, UTEXAFRICA, whose plants produced more than 30 million meters of fabric annually, was involved in every step of cotton processing. At its peak, the group's textile business employed up to 6,000 people in Kinshasa, making it the city's biggest private employer at the time, and supervised more than 100,000 smallholders in the cotton sector, spread over several provinces in the center and east of the country.

TEXAF has also diversified its business interests into metal construction, a sandstone quarry and agriculture.

It owns many properties in today's provinces of Sankuru, Maniema, South Kivu, Tanganyika, Lomami and Kasaï Oriental.

The plunderings of 1991 and 1993 had a profound impact on the country's economy. The deterioration of the roads and railways made trade with the interior of the country very difficult. Political instability, armed conflict, a failing banking system and contraband copies of UTEXAFRICA textiles significantly weakened the group's textile business.

> Textile origins

In this situation, BNP-PARIBAS, the last in a succession of financial groups to hold a shareholding, decided to pull out of DRC in 2002, selling its majority stake in TEXAF to Philippe Croonenberghs, the current chairman of TEXAF group.

With Albert Yuma and Jean-Philippe Waterschoot, the two managers heading the group in DRC, every possible step was taken to save the textile business by focusing on niche markets generating higher added value for loincloth, developing its clothing business and going into partnership with another textile group in Africa. These efforts could not prevent the plant from closing in 2007.

The group opted for a radical transformation, focusing its business on the development of a large real estate portfolio (around 150 hectares), ideally located along the Congo river in Kinshasa.

Within a decade it became an important name in the field, offering a unique quality concept in Kinshasa.

As such, TEXAF has come through the many periods of unrest that have punctuated the political, economic and social history of the country. Initially, by becoming one of the main real estate investors and operators in the country and now as the first actor to commit to developing the digital economy.

Its capacity to reinvent itself and explore new opportunities in a constantly changing environment has made it a leading operator in DRC.

Our rules of conduct

TEXAF wishes to realize its ambitions:

- by purposefully working within the formal economy;
- by pursuing a good governance policy toward all economic and social actors;
- by communicating transparently;
- by preferring partnerships with Congolese operators and bringing in high-quality Congolese and expatriate managers when business is running smoothly;
- by maintaining the listing of TEXAF shares on Euronext and favoring measures that help improve the liquidity of shares to give the largest number of savers the opportunity to participate in the anticipated growth of DRC;
- by subscribing to the Ten Principles of the UN Global Compact.

OUR ACTIVITIES IN DRC

1. REAL ESTATE BUSINESS

After the closure of its textile plant, in 2007 the group decided to focus on its real estate portfolio, which had until then been a secondary business, capitalizing on the exceptional location of the Utexafrica concession, which is spread over 48 ha downtown along the Congo river.

OCCUPANCY RATE*						
2014	2015	2016	2017	2018	2019	2020
99.5%	100.0%	95.9%	97.6%	98.2%	98.7%	96.0%

(*) Occupancy rate: total rent billed over the period versus total billable rent

The group has since continued to invest year after year regardless of external events. The most recent developments are a 3,366 m^2 office complex ("Petit-Pont") completed at the end of 2020 and the second phase of the Bois Nobles project (33 apartments), which will be available from April 2021.

There are 300 homes (247 apartments and 53 villas) on the site, where more than 1,000 people of 35 different nationalities live together. It has become Kinshasa's leading residential concession.

As a consequence, the group portfolio comprises a total residential rental surface area of 58,500 m^2, with 24,700 m^2 of office and commercial space and 30,000 m^2 of warehousing. The occupancy rate was 90% at December 31, 2020, substantially lower than the historical average due to the delayed occupation linked to the pandemic.

Beyond the single location, the group offers its occupants a range of services, ranging from discrete security to technical maintenance and refuse collection... For residents, the estate has a great many green areas, various walking paths, sports grounds, a swimming pool, a bar/lounge, a restaurant and, recently, two gyms and sports halls and a children's playground. All of this makes it a unique place in Kinshasa. New additions in 2021 will be an exercise course, a cyclo-cross course and volleyball and badminton courts.

It is also important to note that the TEXAF-BILEMBO cultural center, which opened in a preserved part of the plant on the site in 2014, has become one of the leading venues for the exhibition and promotion of contemporary art in all of its forms.

2003-05	2010-13	2013-15	2015-16	2017-18	2019-21
Phases I-III	**Quartier des Musiciens**	**Champ de Coton**	**Clos des Musiciens**	**Bois Nobles I**	**Bois Nobles II**
Inv. 2.4 m EUR	Inv. 12.7 m EUR	Inv. 10.9 m EUR	Inv. 10.4 m EUR	Inv. 10.3 m EUR	Inv. 9.3 m EUR
18 units	48 units	52 units	33 units	36 units	39 units







RENT IN DECEMBER 2020 BY PROPERTY TYPE
3% Warehouses
10% Retail
69% Residential
18% Offices
2020 REVENUE BY CLIENT CATEGORY
1% Congolese bodies
16% Private individuals
25% Embassies and cooperations
21% International institutions
37% Private businesses
RENT IN DECEMBER 2020 BY CONDITION
5% Run-down
11% Old but in good condition
73% New or completely renovated
11% Due for renovation

Cotex and Utexafrica concession:

21 ha occupied by new buildings or old ones in good condition

14 ha occupied by old buildings earmarked for demolition

9 ha of land to be built on

16 ha of sites that cannot be built on and roads

Boulevard du 30 Juin

4 District
LES MUSICIENS
- 81 apartments, with the last 33 units rented in October 2016

7 District
OFFICES
- loft offices on industrial wasteland (2011-2015) – 5,300 m^2
- gradual development of offices in former COTEX industrial buildings (2007-2013) – 3,500m^2

5 District
NEW COMPOUND
- 18 villas (new build) and apartments (duplexes in the former clothes workshops of the textile factory)
- first real estate developments between 2003 and 2005

1 District
CHAMP DE COTON
- 52 apartments
- Contemporary style
- Three-phase project put on the market between 2013 and 2015

6 District
COTEX
- 3,200m^2 office development
- Texaf Digital Campus

2 District
HISTORICAL COMPOUND
- 99 villas and apartments, 51 of which renovated.
- “Garden neighborhood” architectural style from the end of the 1920s.
- Currently being renovated

Valuation of the real estate portfolio

A formal, transparent real estate market in Kinshasa no longer exists. However, the Board of Directors has calculated the value of the Group's investment property since 2018. The detail of this calculation and the underlying assumptions are provided in appendix 7 to the consolidated financial statements.

The main points are as follows:

DISTRIBUTION OF THE REAL ESTATE PORTFOLIO	Surface area	Value
Undeveloped land	**415 ha**	**EUR 95 m**
– *Downtown Kinshasa*	12 ha	EUR 63 m
– *Undevelopable*	13 ha	EUR 2 m
– *Kinsuka (suburb of Kinshasa)*	84 ha	EUR 29 m
– *Province*	306 ha	EUR 1 m
Run-down buildings destined for demolition	17 ha	EUR 92 m
New or renovated rented buildings	21 ha	EUR 191 m
TOTAL	**453 ha**	**EUR 378 m**

The group holds 453 ha, valued at EUR 378 m, the greater part of which – EUR 283 m – relates to built land in the concessions in downtown Kinshasa.

These built zones cover 38 ha, but 84% of the EUR 21 m in potential rental revenue is generated by new buildings or old buildings that are in good condition, which cover only 56% of this area.

In other words, the development potential of the Group solely in its downtown concessions includes not only 9 ha of building land, but also 14 ha of old industrial buildings that are to be renovated or are run-down and are currently rented at very low rents per m².

Future projects

There are therefore very substantial future development opportunities on these sites in various areas:

- the construction of homes on free space estimated at 15 hectares of the Utexafrica concession
- the construction of office and commercial blocks on spaces estimated at 10 hectares along Avenue Colonel Mondjiba, including the very attractive 3.5 ha Cotex site opposite the French embassy
- development of the "Les Jardins de Kinsuka" project for the construction on an 87 ha space of about a thousand ecologically responsible homes and several thousand square meters of commercial, educational, medical and office premises, as well as many sports and recreational grounds along with a large proportion of green space, with the goal of selling these homes to the Congolese middle classes.

> Huge development potential

The group is currently active in three areas. The goal is to roll out bigger projects than up until now, in partnership if that facilitates their completion.

In this respect, the group has launched a detailed review of a master plan for the Utexafrica concession to enable the planning of future buildings as well as infrastructure (roads, water supply system, fiber-optic network...).

Two potential projects are being studied:

- a residential complex of 90 apartments, "Promenade des Artistes", which will be largely pedestrianized (with underground parking lots) and oriented towards one- and two-bedroom apartments for people who live alone and small families
- the development of the whole Cotex site (3.5 ha), including a modern shopping center oriented to the middle class and international brands, with offices on the upper floors. This project would incorporate SILIKIN VILLAGE, an office and conferencing complex specially for technology companies.

In 2020 the studies were largely completed on the "Jardins de Kinsuka", for which the Congolese architectural firm ORG2 (www.orgpermod.com), with the support of Congolese architects, created a project for the sustainable development of 1,500 homes that are environmentally friendly and fit in with the surrounding area. The aim is to offer a wide enough portfolio of services on the site (schools, polyclinics, commercial spaces, and sports and leisure spaces) to limit the need of occupants to go off-site. A detailed assessment of the infrastructure needs (roads, lighting, electricity, water supply and drainage) was completed by TPF (www.tpf.eu) and the architectural plans for the standard homes were delivered by ORG2. The next step is to bring in international partners to complete the project.

SILIKIN VILLAGE
by TEXAF DIGITAL

> Becoming the first point of contact for the technology in DRC.

2. DIGITAL BUSINESS

At the end of 2018 TEXAF decided to invest in Africa's digital economy, based on various observations:

- 40% of 1.25 billion Africans are under 15 years of age
- the economic and social needs of this population cannot be met without resorting to adapted, inexpensive technologies
- mobile internet penetration is advancing very rapidly
- African startups are emerging and raised USD 2 bn in venture capital in 2019.

The economic stakes of this demographic evolution are enormous. TEXAF believes that the digital revolution is on the way to becoming a significant economic growth industry in Africa, because these technologies can help accelerate development, and has therefore decided to invest in African businesses that are innovative in these technologies.

To start with, TEXAF has decided to back specialists with a long history of investing in technology with a EUR 1 m commitment to the new PARTECH AFRICA venture capital fund (https://partechpartners.com/). Through this investment, the group expects to quickly gain a better understanding of this sector, enabling it to invest in companies and create a new growth hub, either in association with PARTECH AFRICA or on its own.

It then set up the SILIKIN CAMPUS. First and foremost, this is a co-working and training location in a magnificent building on Kinshasa's main intersection, which has been fully renovated to adapt it to the specific needs of digital economy entrepreneurs and students. While this makes TEXAF's commitment in this new business visible to all, the goal is also to make it the go-to place in Kinshasa for local entrepreneurs and international groups that wish to set up business in the Democratic Republic of Congo. It is also a key hub for partnerships with industry parties.

In particular, the SILIKIN CAMPUS is home to the KINSHASA DIGITAL ACADEMY, which runs an intensive seven-month web and mobile development training course. This initiative is open to 40 students selected from more than a thousand candidates. The aim is to teach them the skills needed in the digital economy to combat social marginalization, as the course is free for the students and females are guaranteed at least 40% of places. This has been made possible by the funds provided to TEXAF and KINSHASA DIGITAL by Deutsche Gesellschaft für Internationale Zusammenarbeit (www.giz.de), the German international cooperation agency. Facebook and Orange also sponsor this unique initiative in the DRC.

The SILIKIN CAMPUS also aims to offer assistance programs like the one run in the first half of 2021 by OVATION with the support of the King Baudouin Foundation to train incubation coaches to help young people who want to start up a business.

These initiatives will gradually grow and develop into a SILIKIN VILLAGE for local and international technology businesses. The first phase has now been launched, with the redevelopment of the COTEX offices for start-ups and the conversion of former warehouses into meeting and conference rooms.

PARTECH AFRICA

Partech Africa is a EUR 125 m fund financed by a unique group of financial institutions, large business partners and successful entrepreneurs. It styles itself as the largest risk capital fund devoted to technology start-up in Africa. Partech Africa positions itself for the series A and B financing for start-ups that will change the way technology is used in education, transport, finance, logistics, health and energy across the African continent, creating opportunities for businesses to become regional champions.

2020: A YEAR OF SOLID PERFORMANCE IN A TOUGH CONTEXT

In a year that has been challenging on a number of levels, with a heavy stress on support and assistance for the existing companies in the portfolio, the Partech Africa Fund has remained highly active, with seven transactions in 2020, split among new investments and reinvestments in existing stakes.

In 2020, of the 443 investors in Africa, only seven completed more than five risk capital transactions (series A and B), while Partech Africa also remained the most active investor on the continent for series A transactions.

In December 2020, the Partech Africa portfolio comprised 11 stakes, nine of which have been disclosed to the general public: TradeDepot, Yoco, Kudi, Gebeya, Terrapay, ChatDesk, Reliance-Health, SendWave and MoneyFellows.

Two Partech Africa businesses have already established themselves as clear leaders in their segment in Africa and are ready to take big strides to accelerate their growth over the next few months.

Partech Africa has seen the acquisition of international business SendWave by WorldRemit, Africa's biggest technology mergers and acquisitions transaction and the first known valued at more than USD 500 m.

PORTFOLIO BUSINESSES

tradedepot

Trade Depot: a B2B marketplace set up in 2015, providing a platform for orders and delivery planning for large consumer products. The TradeDepot platform gives small retailers real-time pricing and discount information on all the major brands. They can order products directly for delivery to the most suitable distribution center. This also gives manufacturers clear insight into their distribution and gives them opportunities to optimize their deliveries to distributors, improve their prices and access a direct channel to retailers.

YOCO

Yoco: a fintech business set up in 2015, providing a platform that aggregates payments to retailers, creating a convenient digital card and online payment solution for African SMEs that have until now found it hard to access such services.

Kudi

Kudi: a fintech business set up in 2016, providing a digital payment and collection platform for the cash economy. Kudi uses a network of agents to offer cash deposits and withdrawals as well as billing and payment of the airtime to consumers.

Gebeya: an edtech business set up in 2016, both an IT training platform and a marketplace for outsourcing talented IT specialists for specific projects. In doing so, Gebeya meets the very strong demand for young IT specialists in Africa, giving them a very easy way to find employment or assignments at businesses in Africa and beyond.

Reliance Health: a digital health insurance provider in Nigeria, offering affordable, accessible health insurance plans to SMEs, large companies and private individuals. Reliance Health deploys technology in an integrated approach that comprises affordable health insurance, telemedicine and a combination of in-house and partner healthcare institutions.

Terrapay: a fintech business providing payment infrastructure services. TerraPay is the world's leading mobile payment platform, offering B2B transaction processing, compensation and settlement services for mobile portfolios. Their best-in-class technology serves as an interoperability mechanism enabling their partners' customers to send and receive money in real time with various payment instruments, platforms and regions.

SendWave: a first-rate money transfer agent that provides international money transfer services to expats who want to send money to Africa.

Chatdesk: an SaaS business dedicated to helping its clients offer an even better service to their customers, drive sales and achieve effective growth. Chatdesk markets a suite of products, including "Teams", which helps businesses to cut response times and drive up their conversion rate on social media, "Shift", which helps companies reduce their call time by redirecting them to voicemail and self-help, and "Trends", which can automatically assess customer comments, identify workable ideas and heighten the commercial impact of the customer service.

MoneyFellows: a savings and credit company digitizing tontines, a very popular concept in emerging markets.

> The goal is to make TEXAF the partner for African groups and others that wish to establish themselves in DRC.

3. SANDSTONE QUARRY

The CARRIGRES open-air quarry opened at the beginning of the 1950s. It is located in the nearby suburb of Kinshasa, which was completely unoccupied back then.

The anarchic development of the city has hampered its operations for many years.

It is the biggest gravel production unit of all Inkisi pink sandstone grades in Kinshasa, with its installed annual capacity of 600 kT, a sandstone deposit estimated at 25 million tons and a primary crusher that can get through 400 metric tons per hour. This material is used in the production of concrete and asphalt for roads and civil engineering projects.

The company operates in a highly competitive environment dominated by the informal sector. It distinguishes itself from its competitors by the quality of its products and the strict control of the quantities delivered.

CARRIGRES employs about forty people, working under operations manager Hilarion Mwayesi and commercial manager Paulo Barril, who rely on the services of TEXAF's real estate business for all other aspects (finance, legal, administration, human resources, security).

" New business potential.

4. COTTON COMPANIES

The group holds real estate assets through its subsidiaries LA COTONNIERE and ESTAGRICO in several provinces of the DRC (Kasaï Oriental, Sankuru, Lomami, Haut Lomami, Maniema, Tanganyika and Sud Kivu), the legacy of cotton cultivation business to supply its textile plant in Kinshasa.

In the future, these assets can serve as a starting point for new agricultural activities, but these can only be envisaged as part of a huge infrastructure renovation project to open up these areas by road and rail.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The economic and social context of DRC, where the opaque informal sector is dominant, does not make it easy to implement the ESG standards so widespread in Europe. However, the group is fully aware of the importance of taking these aspects into consideration to ensure sustainable growth. The goal is not simply to be one of the most responsible companies in DRC, but to actually improve its performance in these domains on a continual basis.

TEXAF therefore subscribes to the Ten Principles of the UN Global Compact (www.unglobalcompact.org/what-is-gc/mission/principles).

Environmental

With regard to environmental impacts the quarry and the real estate business face differing situations.

- In compliance with the mining law, CARRIGRES conducts an environmental impact assessment and draws up a five-year environmental management plan setting out binding environmental impact targets. Specifically:
  - CARRIGRES does not produce any waste – all byproducts are used;
  - It pumps and treats its own water needs without drawing on the saturated urban network;
  - The quality of the mining water is measured, the rainwater collection network has been adapted to capture suspended matter and an oil separator is to be installed to prevent pollution due to the accidental spills of hydrocarbons;
  - Sandstone production generates dust, but its dispersion is limited by vegetation screens, sieve enclosures and the watering of traffic and loading areas in the dry season;
  - Noise and vibrations are both measured. New mining technologies are used to limit these.
- The environmental impacts of the REAL ESTATE BUSINESS are taken into account on a voluntary basis during construction and operations.
  - Buildings are designed to limit energy consumption, which in equatorial regions is driven primarily by air conditioning systems, with double walls, and double glazing in the "Petit-Pont" complex;
  - The water and electricity consumption of every building is monitored and tenants are notified of any unusual consumption patterns. Technical services may also be notified;
  - The group always installs LED lighting in new-builds;
  - The group provides waste management services to its tenants; Green waste is processed and composted. An agreement is being finalized with an external partner for the recycling of plastic bottles. General waste is disposed of at an official dump;
  - The "Petit-Pont" complex is the first in Kinshasa to be supplied with energy from solar panels. It is also equipped with a rainwater collection system, LED lighting and double glazing.

> Compliance with the Ten Principles of the UN Global Compact

Social

- The group clearly complies with all social laws in DRC, which closely mirrors Belgian legislation, and it requires its subcontractors to do the same;
- Group employees are represented by union delegations with which group management holds a regular dialogue;
- All employees, except for management, are covered by collective bargaining agreements negotiated with the union delegations. These cover the economic benefits of the workers, working hours, working conditions leave and holidays, union representation and more;
- Technical employees are issued with PPE, which must be used. This PPE meets the mining standards for CARRIGRES staff, who also have access to an extensive guide to safety procedures;
- The group provides medical cover to all employees, subject to a regular mandatory check-up.

Governance

- The group complies with the 2020 Belgian Code on Corporate Governance and publishes its governance charter. It also publishes an annual governance report (see pp. 40);
- Procedures have been put in place to manage conflicts of interest;
- An anti-corruption clause is included in all leases;
- Suppliers are only selected if they are registered with the tax authorities.

Aware of the difficulties the people of Congo find themselves in and grateful for the opportunities the country provided TEXAF, the group attaches increasing importance to developing activities that, while not necessarily directly connected to its corporate purpose, do contribute to the human development of the country.

Chapter 3 of this annual report is devoted to these activities.

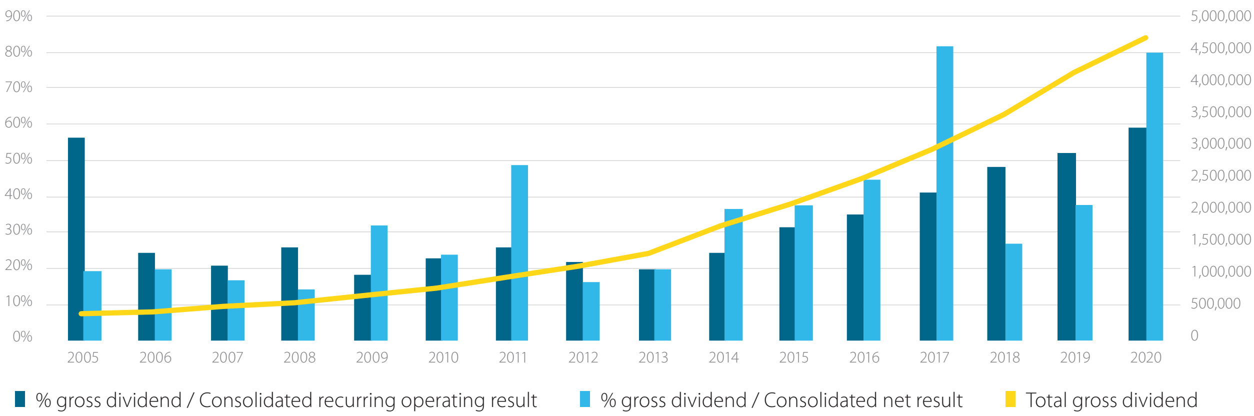
INFORMATION FOR SHAREHOLDERS

Dividend

TEXAF has distributed a dividend since 2005

(in EUR)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross dividend par share	0.23	0.28	0.33	0.40	0.48	0.58	0.69	0.81	0.97	1.16	**1.29**
Net dividend per share	0.17	0.21	0.25	0.30	0.36	0.42	0.48	0.57	0.68	0.81	**0.90**
TOTAL GROSS DIVIDEND (in EUR k)	**736**	**893**	**1,063**	**1,276**	**1,701**	**2,039**	**2,430**	**2,886**	**3,442**	**4,101**	**4,633**
Difference	20%	21%	19%	20%	33%	20%	19%	19%	19%	19%	13%

Payout ratios (in EUR)

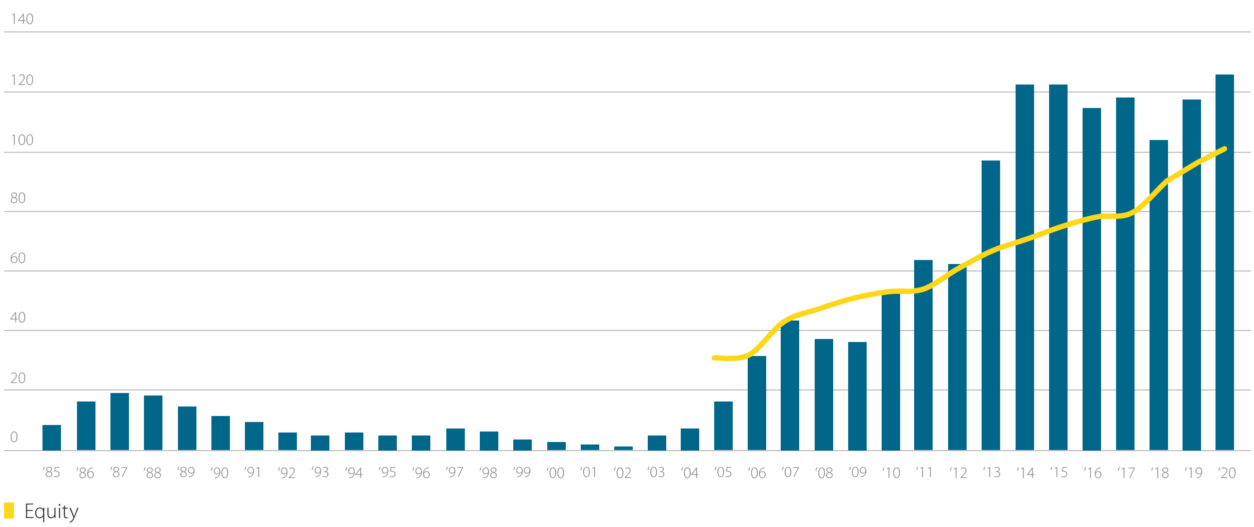


Share trend

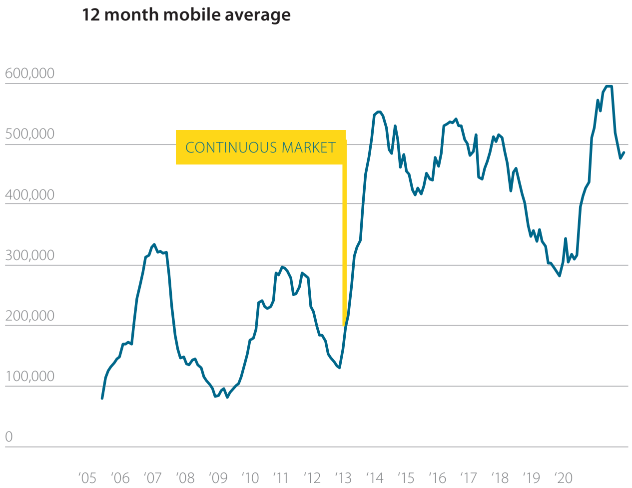
The TEXAF share has been listed on the continuous market since December 12, 2012. It was added to the BEL Small index on March 18, 2013, which has led to an improvement in the liquidity of the share. On February 21, 2017, Euronext launched a new index to highlight European family companies: Euronext Family Business Index. TEXAF is part of this index, which comprises 90 family companies from France, Belgium, the Netherlands and Portugal.

Market capitalization (average price)

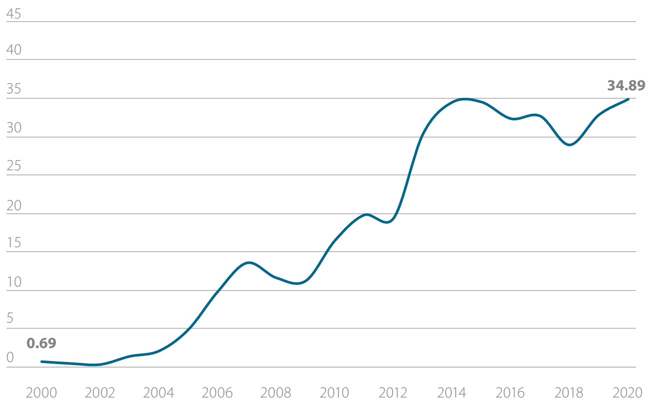
Equity (in millions of euros)



Volume of shares handled (in EUR)

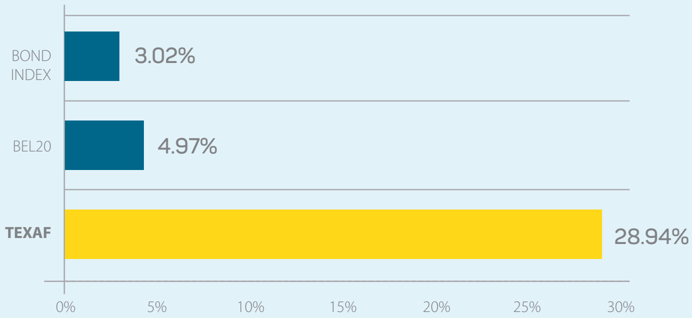


Share price (in EUR per share)



Market return

20 YEAR MARKET RETURN
(as a % composed per year)



Shareholding structure

TOTAL SHARES ISSUED	3,603,536	100%
Holders:		
Société Financière Africaine	2,256,520	62.62%
Middle Way Ltd	360,354	10.00%

Société Financière Africaine is controlled by Chagawirald SCS, which in turn is controlled by Philippe Croonenberghs.

Middle Way Ltd is wholly owned by Member Investments Ltd. The ultimate beneficiary of Member Investments Ltd is CCM Trust (Cayman) Ltd, a trust of the Cha family in Hong Kong.

Shareholders' calendar

Friday
07
May 2021
Publication of the quarterly press release

Tuesday
11
May 2021
(at 11am) Annual General Meeting

Friday
28
May 2021
2020 Dividend payment

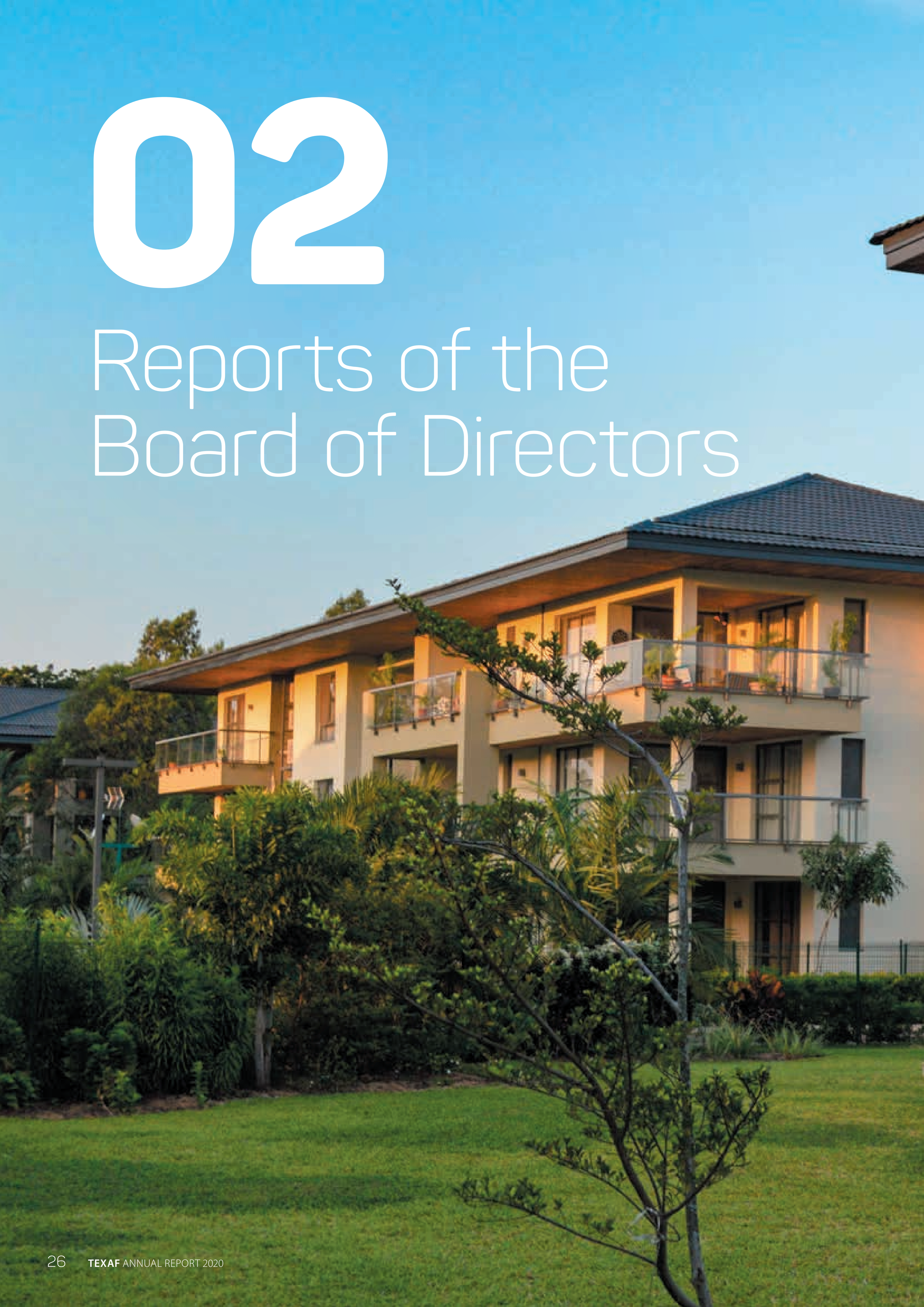
Friday
03
September 2021
Publication of half-yearly results

Friday
12
November 2021
Publication of the quarterly press release

Friday
25
February 2022
Publication of the 2021 annual results

The TEXAF website is at www.texaf.be.
This website contains all information useful to shareholders.

02
Reports of the Board of Directors



Resilience of the results in a pandemic.

DIRECTORS' REPORT

General context in 2020

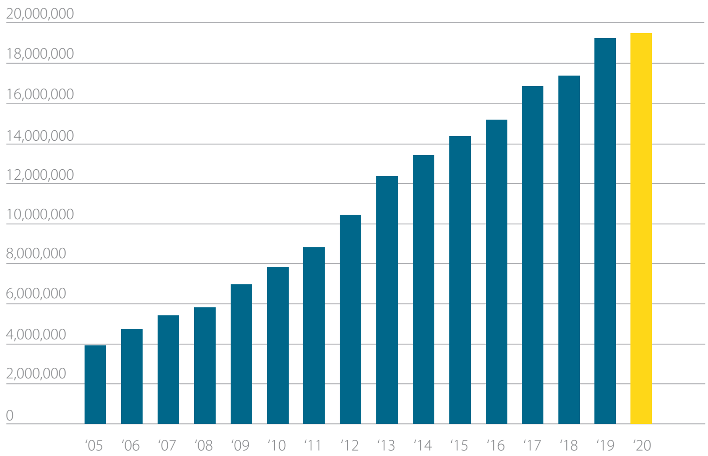
The pandemic has had less of an impact in DRC than in Europe. However, Kinshasa's business district, where the bulk of the group's activities are based, was locked down from April to June, while national and provincial borders were closed to people from the start of the pandemic until August 15, 2020. International logistics chains, which are critical for a country that is highly dependent on global commerce, were also hit hard. As a consequence, by current estimates gross national product shrunk by 2.2% in 2020 and the Congolese franc lost 29% of its value against the euro over the same timeframe. International institutions continued to support the country. The IMF granted a USD 363 m COVID-19 loan, while the World Bank agreed to finance a four-year primary education program to the tune of USD 800 m, although this has been suspended pending the results of an investigation into allegations of embezzlement.

The economy is expected to grow by 3.6% in 2021 and the exchange rate should be boosted by a strong rise in the price of copper and cobalt since the turn of the year, following an upswing in the Chinese economy.

The security situation in the east of the country remains tense, although this region is far from the centers of activity of the group.

DRC's internal political situation changed significantly in 2020. President Tshisekedi terminated his alliance with his predecessor, setting up a new coalition, "Union Sacrée", which enjoys a majority in the national parliament and the senate. A new prime minister was appointed. When this report went to press, he was trying to put together a government, while the old one carried on in a caretaker capacity.

Rental revenue (in EUR)



Real estate business

The lockdown during the first wave of the pandemic affected the real estate operations. The group implemented its own measures to protect its teams and tenants ahead of the government response. When tenants were confined to the concession, the group enhanced its services, including pop-up stores under partnership agreements where they could purchase essentials (food, drink, phone top-ups).

Building sites were obliged to close for three months during the lockdown, with the group invested only EUR 5.8 m in real estate in 2020, which is much lower than projected or than recent years. Ultimately, the "Petit-Pont" complex went on the market only a few weeks later than planned, after completion in the final days of the year. This office complex with a net floor space of 3,366 m^2, is located a couple of hundred meters from the Utexafrica concession at the end of Boulevard du 30 Juin, the city's main artery. A building with strong green credentials, "Petit-Pont" brings various innovations to Kinshasa, including solar panels, rainwater collection and LED lighting. Brussels Airlines signed a long-term lease for one of its three stories back when building started to house its offices and city check-in facilities. At the time of writing, 90% of the building had been leased to international companies and NGOs. Annual potential rent is EUR 1 m.

The second ongoing project, “Bois Nobles II”, consisting of 33 apartments, was slightly delayed by the COVID-19 restrictions. The three buildings will be available for lease in April, May and June 2021 respectively. It benefits from the same facilities as “Bois Nobles I”, including a ready-installed fiber-optic network, an independent water supply and the general use of LED lighting. These buildings are four stories high, so they will be the first on the Utexafrica concession to be served by elevators. The annual potential rent of this project is EUR 1.2 m.

Haakjes aan begin en einde van deze alinea laten staan?

[As a consequence, the group portfolio comprises 300 homes (247 apartments and 53 villas), with a total residential rental surface area of 58,500 m^2, 22,000 m^2 of office and commercial space and 36,000 m^2 of warehousing. The occupancy rate was 90% on December 31, 2020.]

The studies for the “Jardins de Kinsuka” project moved from the urban development phase to the engineering phase. This means that the group has the detailed technical studies it needs to assess this project, which comprises 1500 housing units on an 87 ha site in the western suburbs of Kinshasa, and find an international partner to move it forward. The travel restrictions in 2020 made this search much more difficult. The Société Nationale d’Electricité, which had purchased a 17 ha plot from the group on the same site to install the end of the line from the new Zongo II hydroelectric station and its electrical substation, started work at the beginning of 2021, which will ensure that all parts of the site have access to a stable source of power.

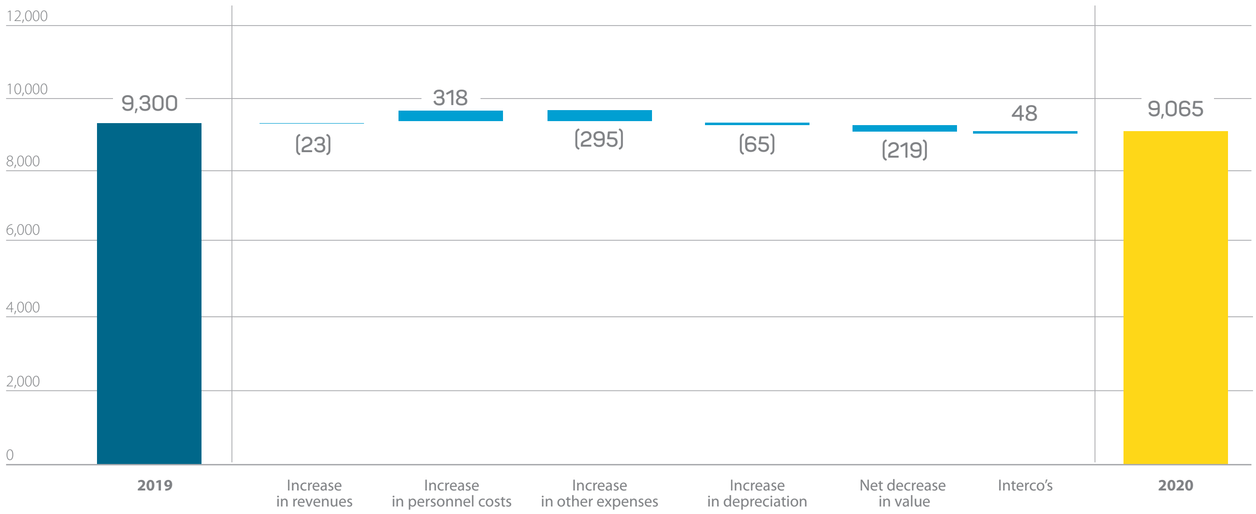
The rent generated by the real estate business remained steady in 2020 at EUR 19.5 m as no new buildings were leased before the second half of December. International institutions account for 46% of these rents and large companies 37%. The closing of DRC’s borders until August 15 and uncertainty as to whether international schools would reopen meant that new residential tenants did not arrive in Kinshasa in September. As a result, rental vacancies increased in the second half of the year, with an occupancy rate of 90% on December 31. It has steadily risen since then, thanks to the lease of the homes in the first phase of the “Bois Nobles” project for the whole year.

The operating charges remained stable, also at EUR 11.6 m, with the exception of a higher provision for client receivables (EUR 225 k) and the recognition of exchange losses (EUR 198 k), previously included in the financial result.

On August 8, 2020, fire destroyed a warehouse leased to an international organization, causing serious damage to the neighboring offices. No victims were reported. These buildings generated EUR 650 k in annual rents. The group took steps to receive compensation. Besides the loss of income, the blaze generated a non-recurring charge of EUR 416 k in the consolidated accounts for the financial year.

The net operating result was EUR 6.2 m and the net result EUR 5.6 m (share of the group). In 2019 the corresponding figures were EUR 10.0 m and EUR 10.9 m. These include a capital gain on a sale of EUR 5.1 m and a deferred tax reversal of EUR 0.9 m.

Real estate operating result trend



Results of the real estate business

IMMO (in thousands of euros)	2016	2017	2018	2019	2020	Var.
Revenue from ordinary activities	15,268	16,730	17,305	19,230	**19,331**	0.5%
Recurring operating result	7,952	8,861	8,638	9,300	**9,065**	(2.5%)
Operating result	8,100	8,861	10,016	14,420	**8,648**	(40.0%)
Result before deferred taxes	5,764	6,141	7,224	10,013	**6,203**	(38.1%)
Net result (share of the group)	6,249	7,604	13,148	10,924	**5,593**	(48.8%)

(*) The classification of charges by sector has been refined compared with previous financial years.

CARRIGRES quarry

The CARRIGRES quarry is situated beyond the area locked down by the authorities. As a result, operations could continue without a pause, although the work procedures were brought into line with the health protocols (social distancing, separated teams...). On the other hand, some clients were forced to suspend their operations for three months and this did affect sales.

Production and production costs were also hit due to many technical problems with loading and transport equipment. While investments were approved, in new quarry trucks for example, the slowdown in global logistical chains and the shutdown of some suppliers mean they will not be operational until the end of the first half of 2021.

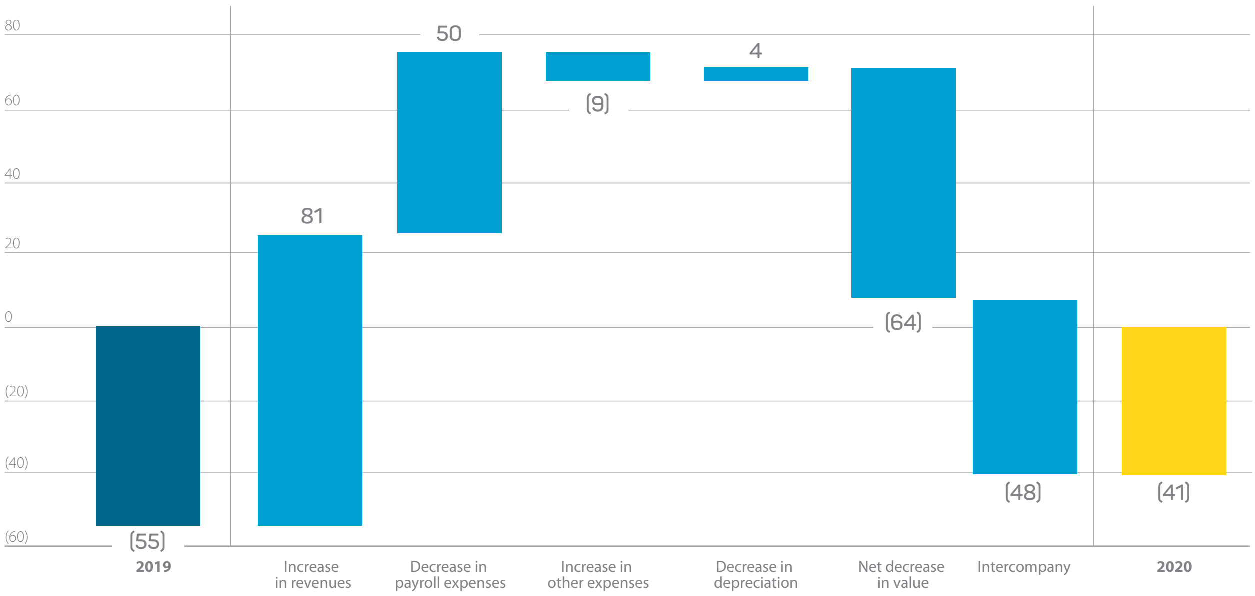
In total, sales volumes hit 229,000 tonnes (+5%) compared with 2019) and turnover was EUR 2.6 m (+4%).

Direct production costs were higher than usual, due to the difficulties set out above and the recurring operating result ended close to balance at EUR (39) k (vs. EUR (71) k in 2019).

The group closely followed the assumptions that underlie the valuation of the deposit in the IFRS accounts and, considering the expected recovery is slow to materialise, the Board of Directors decided to recognize an additional depreciation of the deposit of EUR 1.3 m in the financial year 2020. As a consequence, the operating result was EUR (1,339) k.

Taking account of financial income, the result before deferred taxes was EUR (1,029) k and the net result (share of the group) was EUR (617) k.

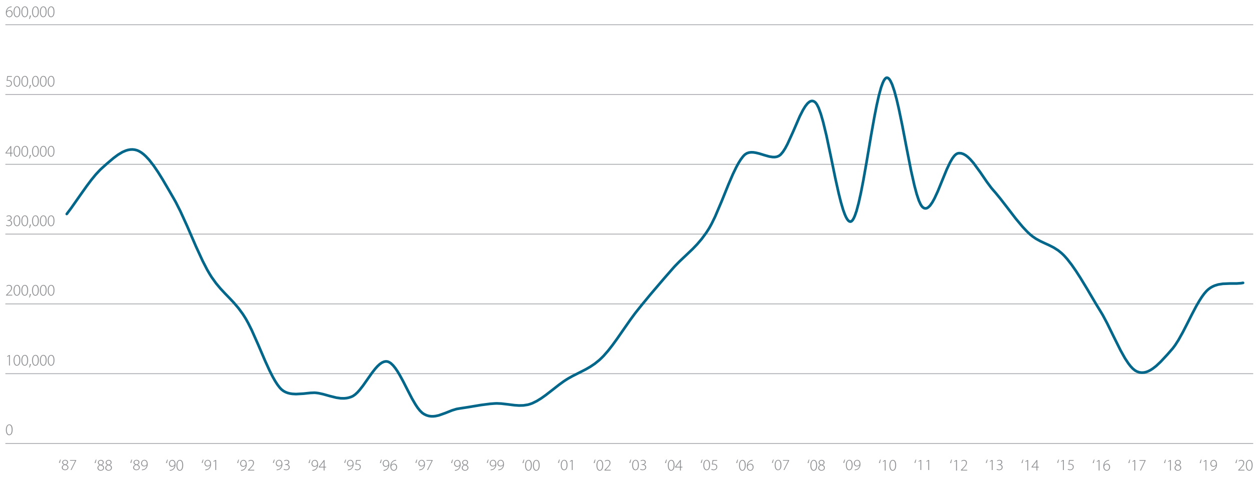
Carrigrès operating result trend (in EUR k) *



(*) The alternative performance indicators are defined on page 125

CARRIGRES (in thousands of euros)	2016	2017	2018	2019	2020	Var.
Revenue from ordinary activities	3,266	1,584	1,612	2,460	**2,556**	3.9%
Recurring operating result	74	(4,454)	(213)	(71)	**(39)**	(44.2%)
Operating result	74	(4,454)	(213)	(71)	**(1,339)**	(1,792.9%)
Result before deferred taxes	614	(2,762)	335	248	**(1,029)**	(514.2%)
Net result (share of the group)	614	(2,762)	335	248	**(617)**	(348.3%)

CARRIGRÈS SALES (in metric tons)



Digital

The group's digital business became a reality in Kinshasa in 2020. At the end of January, the SILIKIN CAMPUS opened as a center for Kinshasa's digital economy. This is a co-working, seminar and training venue in a magnificent 700 m^2 modernist building on the city's main intersection.

The SILIKIN CAMPUS is home to the KINSHASA DIGITAL ACADEMY, which runs an intensive seven-month web and mobile development training course for 40 students, selected from 1,000 candidates. Each student (40% of whom are female) receive a USD 5,500 study grant, funded by Congolese businesses and organizations, who can then hire the graduates upon completion of the course. This initiative was made possible, among other things, by a donation from the German international cooperation agency GiZ and sponsorship by Facebook and Orange. Unfortunately, courses had to be suspended in mid-March due to the COVID-19 pandemic.

During the lockdown the SILIKIN CAMPUS and the KINSHASA DIGITAL ACADEMY provided immediate concrete support to the Technical Secretariat of the COVID-19 Response Committee, by housing MIN SANTE FM, the dedicated pandemic radio and TV station. They also developed a website, www.stopcoronavirus.cd, a dedicated Facebook page and a polling platform, as well as offering innovative digital solutions to the Congolese authorities to monitor the pandemic and the effectiveness of the health measures, and raise awareness in the general population.

The director of the business, Raymond Mendy (formerly CEO of "Croissance TIC" in Dakar), assumed his duties in September He set about reopening after the lockdown.

In the first half of 2021, with the support of the King Baudouin Foundation a partnership with incubator resource center OVATION was set to begin training coaches for Congolese incubators and supporting young people with plans to start up new businesses. At the same time, the first "K-Impact" incubation program was to be launched with as theme "Kinshasa, sustainable city".

Work has also began on creating the beginnings of SILIKIN VILLAGE, which is devoted to technology companies, with the fitting out of 800 m^2 of currently empty office space and 400 m^2 of meeting rooms in an old warehouse.

The results of this business are presented separately for the first time. They are EUR 1,187 k, which includes the impact of start-up costs.

The group responded to a call for funds by PARTECH AFRICA by putting up EUR 132 k, bringing its contribution to EUR 335 k. PARTECH AFRICA has stakes in 10 young African tech companies. In 2020 the fund focused on follow-on investments in existing stakes to enable them to get through the crisis caused by the pandemic. No stakes appear to be at risk at the moment.

Holding

The expenses of the holding company, which include the expenses of the Brussels office and those related to the consolidation of the financial statements and the stock market listing, are presented separately.

They total EUR 1 m, which is lower than the previous year, due to the very sharp decrease in variable remuneration. Taking account of financial income and the deferred tax reversal, the net result was EUR (219) k (vs EUR (402) k in 2019).

HOLDING (in thousands of euros)	2016	2017	2018	2019	2020	Var.
Revenue from ordinary activities	5	-	-	-	-	n.s.
Recurring operating result	(1,085)	(942)	(918)	(1,398)	**(975)**	(30.2%)
Operating result	(1,927)	(992)	(918)	(1,398)	**(975)**	(30.2%)
Result before deferred taxes	(1,341)	(295)	(283)	(592)	**(380)**	(35.7%)
Net result (share of the group)	(1,341)	(295)	(283)	(592)	**(219)**	(62.9%)

Consolidated result

The turnover of the group was stable at EUR 21.8 m due to the lack of new property for lease and despite the production difficulties experienced by CARRIGRES. Recurring operating expenses were also stable, despite the fact that they include EUR 224 k in negative exchange differences, previously recognized in the financial result. As a consequence, the recurring operating result was EUR 7.9 m, which is virtually identical to what it was in 2019.

As set out above, two non-recurring charges impact the result for the financial year – the direct impact of the fire on August 7 (EUR (416) k) and the impairment on the sandstone deposit of EUR (1.3) m – leading to an operating result at EUR 6.1 m (vs. EUR 13.0 m in 2019, which included a capital gain from a sale of EUR +5.2 m).

Net financial expenses decreased by EUR 38 k (vs. EUR 223 k), due to the reduction in debt and the reallocation of exchange differences to operating charges. As a consequence, the result before tax was EUR 6.1 m.

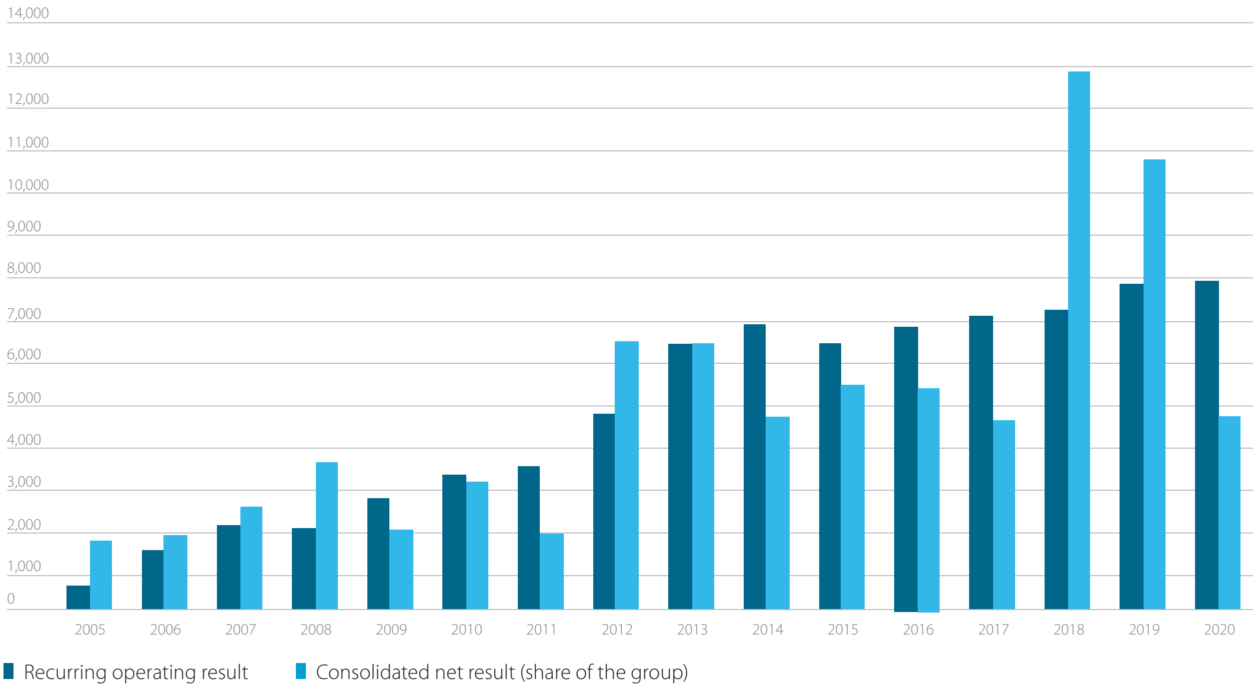
The tax expense in 2019 included a positive regulatory remeasurement of deferred taxes of EUR 738 k. In 2020 there was no such effect, with deferred taxes at EUR 25 k and current taxes at EUR 1.5 m.

In total, the net result (share of the group) was EUR 4.6 m, vs. EUR 10.8 m the previous year.

(in thousands of euros)		2016	2017	2018	2019	2020
Revenue from ordinary activities		18,392	18,208	18,869	21,691	**21,868**
Other recurring operating income		1,844	1,493	1,423	1,530	**1,425**
Recurring operating expenses		(10,496)	(9,663)	(10,180)	(12,008)	**(11,631)**
Recurring EBITDA		**9,740**	**10,038**	**10,111**	**11,213**	**11,663**
	% of turnover	48%	51%	50%	48%	50%
Depreciations		(2,787)	(3,018)	(2,943)	(3,382)	**(3,801)**
Recurring operating result		**6,953**	**7,020**	**7,168**	**7,831**	**7,863**
	% of turnover	34%	36%	35%	34%	34%
Non-recurring operating items		(774)	(3,610)	1,531	5,190	**(1,716)**
Operating result		**6,179**	**3,410**	**8,699**	**13,022**	**6,147**
Financial expenses		(754)	(1190)	(438)	(223)	**(38)**
Results before tax (from continuing operations)		**5,428**	**2,220**	**8,261**	**12,799**	**6,108**
Current taxes		(73)	75	(1,140)	(3,183)	**(1,502)**
Result before deferred taxes		**5,355**	**2,295**	**7,121**	**9,616**	**4,606**
	% of turnover	26%	12%	35%	41%	20%
Deferred taxes		101	2,255	5,811	1,176	**(25)**
Net result after tax		**5,456**	**4,550**	**12,932**	**10,793**	**4,581**
Consolidated net result (share of the group)		**5,454**	**4,542**	**12,909**	**10,771**	**4,569**
BY SECURITY						
Recurring operating result (in EUR)		1.96	1.98	2.02	2.21	**2.18**
Operating result in EUR		1.74	0.96	2.45	3.67	**1.71**
Consolidated net result (share of the group) in EUR		1.54	1.28	3.64	3.04	**1.27**
Number of outstanding shares		3,543,700	3,543,700	3,543,700	3,543,700	**3,603,536**

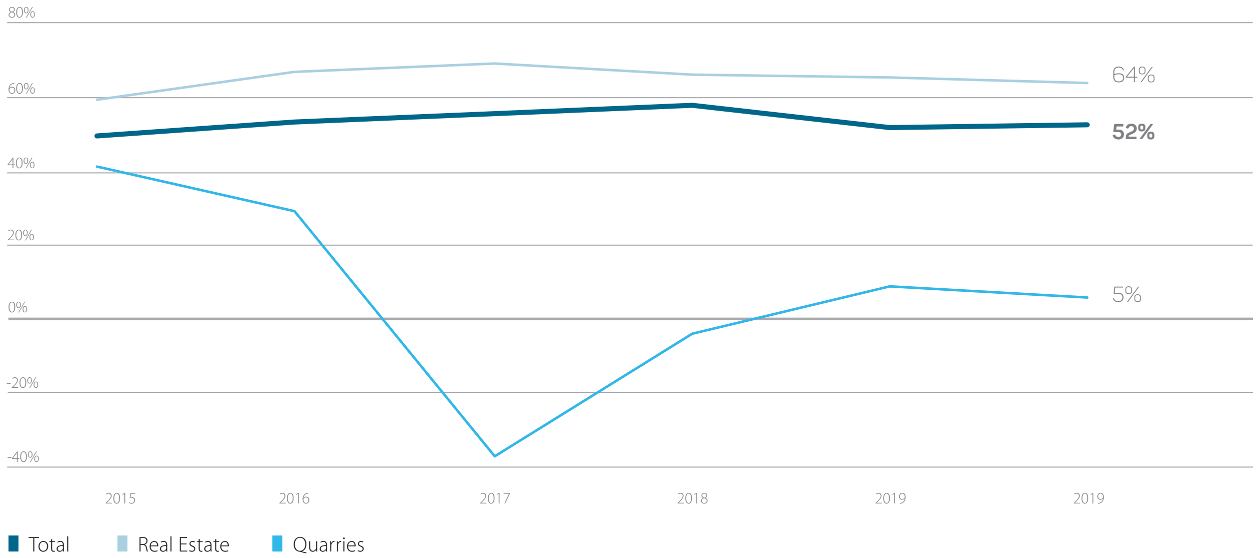
The alternative performance indicators are defined on page 125.

Consolidated result (in thousands of euros)



Recurring EBITDA

as a % of revenue from ordinary activities



The alternative performance indicators are defined on page 125.

Comprehensive income

(in thousands of euros)	2016	2017	2018	2019	2020
Result for the financial year	4,792	5,450	5,456	4,550	12,932
Variations (after tax) in revaluation reserves	117	-	-	(28)	-
Variations (after tax) in pension provisions	(16)	(52)	-	(19)	(55)
COMPREHENSIVE INCOME	**4,893**	**5,398**	**5,456**	**4,503**	**12,883**
ALLOCATED TO					
TEXAF shareholders	5,549	5,390	5,433	4,481	12,872
By security	1.57	1.52	1.53	1.26	**3.63**
Minority interests	(656)	8	23	22	11

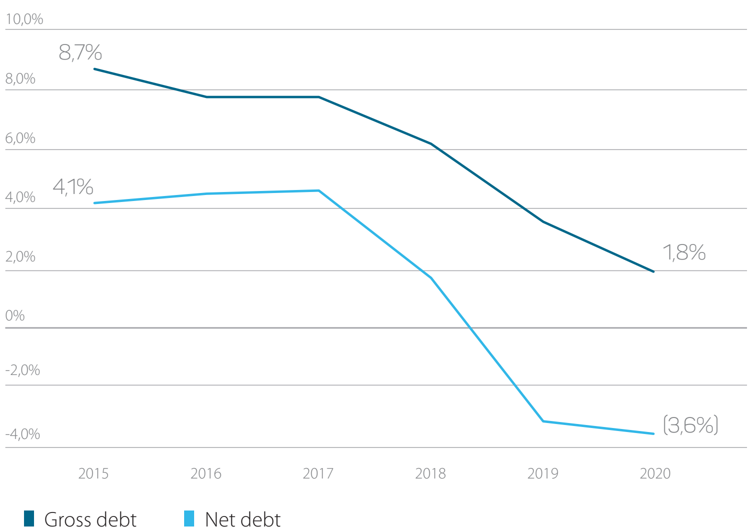
Consolidated balance sheet
(before appropriation of the result)

Net financial debt continued to decrease and the group had a net cash position on December 31 of EUR 4.6 m.

For the first time, TEXAF gave its shareholders the option of taking their 2019 dividend in cash or contributing it to the capital ("optional dividend"). Sixty-six per cent of net dividends were contributed in full on May 28, 2020, a total amount of EUR 1.9 m, bringing the capital to EUR 23.4 m and the number of shares to EUR 3,603,536 (+1.7%).

Financial debt

as % of the balance sheet total



The alternative performance indicators are defined on page 125.

> Net debt, which was already very modest, has turned into a net cash amount.

December 31

(in thousands of euros)	2016	2017	2018	2019	2020
ASSETS					
Non-current assets	107,866	109,125	112,236	115,252	115,957
Property, plant and equipment	13,728	9,955	9,658	9,911	**8,309**
Investment property	93,867	99,100	102,347	105,029	**107,211**
Intangibles	41	23	15	9	**6**
Other financial assets	230	47	217	304	**432**
Current assets	13,156	11,129	12,296	15,995	12,927
Assets available for sale	1,180	-	-	-	-
Inventory	4,905	4,769	4,948	4,633	**4,346**
Receivables	1,114	1,469	692	1,312	**897**
Tax assets	1,518	919	807	1,044	**558**
Cash and cash equivalents and short term investments	3,911	3,674	5,564	8,767	**6,979**
Other current assets	528	298	285	239	**145**
TOTAL ASSETS	**121,022**	**120,254**	**124,531**	**131,247**	**128,884**

(in thousands of euros)	2016	2017	2018	2019	2020
LIABILITIES					
Equity	78,099	80,167	90,213	97,516	99,837
Capital	21,508	21,508	21,508	21,508	**23,398**
Group reserves	56,278	58,338	68,361	75,642	**76,054**
Minority interests	313	321	344	366	**384**
Non-current liabilities	32,240	30,716	23,426	20,052	18,740
Deferred tax liabilities	21,756	19,810	13,999	12,805	**12,806**
Other non-current liabilities	10,484	10,906	9,427	7,247	**5,934**
Current liabilities	10,683	9,371	10,892	13,679	10,307
Liabilities associated with assets available for sale	337	-	-	-	-
Other current liabilities	10,346	9,371	10,892	13,679	**10,307**
TOTAL LIABILITIES	**121,022**	**120,254**	**124,531**	**131,247**	**128,884**

Cash flow

Cash flows from operating activities were EUR 8.6 m, which is less than the EUR 10.7 m recognized in 2019, largely due to the payment of considerable amounts in tax from the previous year.

Investments in 2020, totaling EUR 5.8 m, were lower than planned and lower than in 2019 (EUR 7.5 m), due to the shutdown of building sites during the lockdown.

The dividend payments (EUR 4.1 m) were offset in part by their reinvestment in the capital (EUR 1.9 m), while the financial debt fell again by EUR 2.3 m.

CASH-FLOWS 2016-2020 (IN EUR K)			
SOURCE OF FUNDS		**USE OF FUNDS**	
Cash flow from operating activities*	61,083	Investments	33,849
Divestments	8,001	Tax	12,634
Increase in capital	1,890	Dividends	14,898
		Increase in cash and cash equivalents	1,518
		Decrease in debt	8,075
TOTAL	**70,974**	**TOTAL**	**70,974**

(*) Net of tax

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	2016	2017	2018	2019	2020
Cash and cash equivalents and short term investments at the beginning of the year	5,461	3,911	3,674	5,564	8,767
Cash flow from operating activities after tax	8,331	8,704	8,892	10,038	9,986
Change in need of working capital	335	2	2,850	706	(1,395)
Cash flows from operating activities	8,666	8,706	11,742	10,744	8,591
Investments	(7,441)	(6,625)	(6,180)	(7,483)	(6,120)
Divestments	292	204	764	6,443	298
Cash flows from investment activities	(7,149)	(6,421)	(5,416)	(1,040)	(5,822)
Increase in capital	-	-	-	-	1,890
Dividends	(2,039)	(2,430)	(2,886)	(3,442)	(4,101)
Changes in debts	(1,028)	(92)	(1,550)	(3,059)	(2,346)
Cash flows from financing activities	(3,067)	(2,522)	(4,436)	(6,501)	(4,557)
Net increase (decrease) of cash and cash equivalents	(1,550)	(237)	1,890	3,203	(1,788)
Cash and cash equivalents and short term investments at year's end	3,911	3,674	5,564	8,767	6,979

Impact of the COVID-19 pandemic

Summing up, given the factors set out in the preceding paragraphs, it can be noted that the group's finances were not hit as bad by COVID-19 as companies operating in Europe and the group has managed to stabilize its recurring operating result. From an operational perspective, the lockdowns forced the group to adapt how it organized the work and provide extra support and services to tenants.

There were some negative impacts however:

- Progress on the REAL ESTATE projects was obstructed in the medium-long term by the travel restrictions.
- Work on Bois Nobles II was delayed by three months due to the lockdown from April to June. Some CARRIGRES clients also shut down some of their operations during this period.
- The digital business was forced to close just after opening and a slated international digital fair at SILIKIN VILLAGE was cancelled.
- The general uncertainty and the shutting of DRC borders until August 15 prevented the arrival of new tenants in Kinshasa from September, which resulted in a lower than usual occupancy rate.

It remains too early to say whether businesses and institutions in Kinshasa will be forced to close or adjust their operations in the aftermath of COVID-19, possibly leading to them cancelling or terminating leases.

Dividend

The Board will propose increasing the dividend to EUR 4,633,118 or EUR 1.28571 (EUR 0.90 net) per share, an increase of 11% per share. It will be payable from May 28, 2021 upon presentation of coupon no. 10.
As in 2020, the Board will also propose that all or some of the dividend can also be reinvested in a reserved capital increase (optional dividend) so that interested shareholders can be involved in funding the investments to grow the company.

Based on the investment potential, Société Financière Africaine (SFA), which holds 63% of the shares, and Middle Way, which holds 10% of the shares, have already committed to reinvesting at least 50% of their dividend.

Events after the reporting period

UTEXAFRICA, TEXAF's Congolese subsidiary, has agreed a five-year EUR 2 m credit with Belfius Bank to finance its investments.

This credit, which is covered by insurance against political risks issued by CREDENDO, allows UTEXAFRICA to significantly lower the cost of its borrowing.

In a context in which several Belgian banks are closing longstanding accounts of clients that have links to DRC, TEXAF is especially pleased to have opened a new source of financing for its future projects.

Statement of risk

The Board of Directors wishes to point out that the company's assets are located in the DRC and that the specific environment of the country entails certain risks. There is a lack of governance in DRC. Accounts were drawn up cautiously, based on the assumption of stability in the social-economic and regulatory environment.

TEXAF, whose reference currency is the euro, holds stakes in other companies transacting in foreign currencies (USD and Congolese franc), so the business is exposed to exchange risks. The group does not use hedging instruments as the terms are unpredictable. However, this risk is limited, given the low proportion of these transactions in foreign currencies.

A more detailed presentation of the risks the group may be exposed to is provided on page 74.

Performance criteria

TEXAF expects to achieve the performance targets in relation to the risk factor of its environment. Real estate and industrial investment projects must fulfil an internal yield criterion greater than the one used by financial companies active in more stable regions. These criteria are reviewed against the development of this environment.

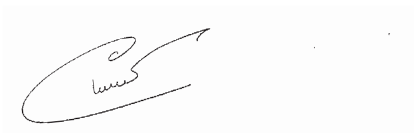
Statement of corporate governance

The statement of corporate governance (see below) is an integral part of the consolidated management report.

Statement of responsibility

We hereby confirm that, to the best of our knowledge, the consolidated financial statements prepared in accordance with applicable accounting standards, are a faithful representation of the financial situation and the results of the company and the undertakings included in this consolidation and that the management report gives a faithful account of the development of business, the results and the situation of the company and the undertakings included in the consolidation as well as a description of the main risks and uncertainties it faces.

In the name of and on behalf of
the Board of Directors



Jean-Philippe Waterschoot
CEO

CORPORATE GOVERNANCE

Adherence to the Corporate Governance Code

The Board regularly examines the compliance of the contents of the charter with applicable laws and regulations. The current version of the charter was approved on March 24, 2021.

The Company adopts a "monist" governance structure with the Board of Directors.

This charter confirms the adherence of TEXAF to the Belgian Corporate Governance Code (2020), its principles and virtually all of its guidelines. The Company departs from the principles of the Code as follows:

- The Company is able to entrust an independent director with one or more tasks that may be remunerated (3.5.4.)
- The Company is of the opinion that non-executive directors do not automatically lose their status as independent member of the Board after serving on it for more than 12 years (3.5.2.)
- The Board did not meet in 2020 due to the absence of executive management (article 3.11)
- The non-executive directors do not receive part of their remuneration in the form of shares of the company (article 7.6)
- The Board of Directors has not set a minimum share threshold that managers must hold (article 7.9). The Board has also adopted the charters of the Audit Committee and the Nomination and Remuneration Committee.

The full text of the Governance Charter is available on the website at www.texaf.be.

The governance report in this 2020 annual report is an integral part of the management report.

Composition of the Board of Directors

PHILIPPE CROONENBERGHS **(1950)**

Term of office ends *2021*

President, non-executive

After graduating from University of Antwerp (UFSIA) with a master's degree in applied economic sciences, Philippe Croonenberghs began his career with a three-year posting in Iraq after completing his military duty as a special forces officer. He joined TEXAF in 1985. Put in charge of investments by the shareholder Cobepa, he fulfilled various directorships between 1992 and 2002 within companies such as Ibel, Zénitel, Uco, Aon and Fortales. In 2002, he organized an MBO of TEXAF and, on his initiative and under his direction, TEXAF reoriented its business model, abandoning the heavily loss-making textile business in favor of a real estate business and more recently the digital revolution in DRC. He has been CEO of TEXAF for 20 years and chairman of the Board since 2017.

DOMINIQUE MOORKENS **(1948)**

Term of office ends *2024*

Vice-president, independent

Dominique Moorkens began his career within the Alcopa family group as an automobile dealership manager. He took over as director in 1981 and in this role he restructured the group, based on the principles of good governance. The Alcopa group, of which he was CEO and chairman of the board for very many years, is active in the distribution of two- and four-wheeled vehicles. It has turnover exceeding EUR 2 billion, generated in Europe and internationally. The group employs more than 2,300 people.

Dominique Moorkens is also a director of Carmeuse, and chairman of the board of Coprem. He is involved in numerous organizations dedicated to philanthropy and entrepreneurship; chairman of the Board of Mékong Plus. He is honorary consul of the Republic of Korea.

VINCENT BRIBOSIA (1960)

Representative of Chanic SA
Term of office ends *2023*

Independent

Vincent Bribosia has an MA in Law (Université de Liège) and a master's degree in management from CEPAC (ULB). He has also followed executive education programs at the London School of Economics and Harvard Business School. He joined TEXAF from the Suez-Société Générale de Belgique group where he held various positions, including chief of staff of the CEO, Gérard Mestrallet. He was secretary and member of the Management Board of Société Générale de Belgique and a director of numerous companies, including Finoutremer S.A., Chanic SA as well as several unlisted companies. He was also on the staff of the minister for employment (1983-86). In 2000 Vincent Bribosia acquired Suez-Société Générale de Belgique group's stake in Chanic and is now its chairman. She is also a member of the Board of Directors of AMADE, the World Association of Children's Friends, in Monaco.

CHARLOTTE CROONENBERGHS (1989)

Term of office ends *2021*

Non-executive

Charlotte Croonenberghs is a Master of Laws (KU Leuven). She gained a master's in international and European business (MEB), graduating magna cum laude from ESCP Europe (Paris and London). She began her business career in marketing at various FMCG companies (Alpro, Beiersdorf, L'Oréal). She was marketing director and member of her division's management committee at L'Oréal. She is currently group marketing director at VisionHealthCare, where she is responsible for various strategic and commercial projects. She is the daughter of Philippe Croonenberghs.

CHRISTOPHE EVERS (1960)

Term of office ends *2021*

CFO, Executive

After graduating in business engineering at Solvay Brussels School (ULB), Christophe Evers began his career at Umicore. In 1989 he joined Cobepa, where he became CFO and joined the executive committee. In 2001 he joined the executive committee at bpost, with responsibility for business development, real estate and all non Mail and Retail activities. In 2004 he was interim CFO of InterXion. From 2004 to 2010 he was a partner at Drakestar Partners, an investment bank specialized in technology. Christophe Evers is a professor at the Solvay Brussels School and author of several publications.

ISABELLE ESSELEN (1985)

Proposed to the General Meeting of May 11, 2021

Independent

Isabelle Esselen grew up in DRC, a scion of a large family of logistics entrepreneurs in the east of DRC. She graduated magna cum laude with a master's in business engineering. She began her career as head of supplies for the United Nations in Goma (DRC). Returning to Belgium, she spent four years improving the logistics and implementation of the SAP management system at Distriplus.

She was subsequently hired by Riaktr (formerly Real Impact Analysis) to deploy IT and analytical solutions in several countries of Africa that enable telecoms companies and banking institutions to collect user data and so gain a better understanding of users in order to make well-informed strategic decisions. At the end of 2017 she moved to Zurich, Switzerland to work for Johnson & Johnson as strategic supply chain project manager.

JOSEPH FATTOUCH (1990)

Proposed to the General Meeting of May 11, 2021

Independent

Holder of a master's in commercial engineering (summa cum laude) from Solvay Brussels School (ULB), as a consultant at McKinsey and Roland Berger he provided services to several industrial companies on major strategic, operational and technological subjects. He was an advisor to two Belgian ministers (including the current prime minister), he has directed Belgian digital, artificial intelligence and digital skills policy, he founded AI4Belgium and he has chaired the Data Against Corona working group. He currently works at Waterland, an independent investment capital firm that focuses on growing Belgian SMEs. He has also helped Texaf set up its digital campus in Kinshasa and develop its technology investment strategy. He supports the Samilia Foundation (combating human trafficking), as well as helping to establish UNICEF's biggest (USD 500 million) four-year program in Lebanon. He was also named among Belgium's "40 under 40".

MICHEL GALLEZ (1958)

Term of office ends *2021*

Non-executive

A graduate of the Ecole Pratique des Hautes Etudes Commerciales in Brussels, he has a long experience in textiles in Africa. He was first seconded to Kinshasa by the British group Tootal Textiles as financial manager of CPA Zaire and, in 1994, he worked in the Cha group, for which he set up a distribution channel for textile products throughout Africa; he held various posts as financial and general manager and sat on the board of several group companies. He was the last general manager of Congotex and is currently executive director of United Nigerian Textiles, the largest group of textile factories in Nigeria.

DANIELLE KNOTT (1968)

Term of office ends *2021*

Independent

Danielle Knott was born in Kinshasa. She is a Bachelor of Laws, graduating cum laude from the Université Libre de Bruxelles, and holds an MBA from the Ecole de Perfectionnement en Management. She was an attorney at law for five years, before joining the Carmeuse Group in the human resources department. Danielle Knott is currently heading this department. As well as her HR duties, she is a member of the executive committee of Carmeuse Group, with responsibility for various matters delegated by the CEO, such as group communication and a representative of Carmeuse on the board of various group or partner companies.

PASCALE TYTGAT (1960)

Term of office ends *2021*

Independent

A business engineering graduate of Solvay (1983) and IFRS-certified from Université Catholique de Louvain (2005), Pascale Tytgat is statutory auditor (1990). She is founding managing partner of BST Réviseurs d'Entreprises (1991). She has sat on the qualification examination jury of the Institute of Statutory Auditors of Belgium since 2006 and was a member of its Quality Control Commission for 20 years (1995-2016). She has also accomplished many financial expertise assignments in Belgium and France.

JEAN-PHILIPPE WATERSCHOOT (1963)

Term of office ends *2023*

CEO, Executive

A civil engineer who graduated from the Faculty of Applied Sciences at Université libre de Bruxelles (ICME 88), Jean-Philippe Waterschoot began his career at the TEXAF group in Lubumbashi in 1989. He held various operational posts at the UTEXAFRICA textile factory, and was its managing director up to the time when the textile branch merged with Congotex. He is director of the National Business Federation of Congo, director and permanent representative of the CBL-ACP Chamber of Commerce, vice-president of the Belgo-Congolese CCBCL Chamber of Commerce, director of several non-profit and business associations in DRC and Advisor in Economic Diplomacy with the Belgian Embassy in Kinshasa. He is an Officer of the Order of Leopold.

ALBERT YUMA MULIMBI (1955)

Expiration du mandat *2023*

Non-executive

Holding a master's degree in applied economics from UCL, since 1983 Albert Yuma has held positions at all administrative levels at UTEXAFRICA until he was appointed managing director, a post he shared with Jean-Philippe Waterschoot until June 2015. An influential figure in the DRC, Albert Yuma is chairman of the Congolese Employers' Federation (FEC), director of the Congolese Central Bank and chairman of its Audit Committee, as well as chairman of Gécamines. He sits on the council of the International Labour Organisation in Geneva and is vice-president of the International Organisation of Employers (IOE). He is a director of the Belgo-Congolese Chamber of Commerce. He is a Commander of the Order of the Crown.

The Board of Directors is composed of 10 directors, of which four are independent directors, two are executive directors and eight are non-executive directors (which includes the independent directors). A partir du 11 mai 2021, en cas de vote favorable par l'assemblée, il y aura 12 administrateurs dont 6 indépendants.

HERMAN DE CROO served as a director of the Company between 1981 and 2019 (except during his terms as minister). In recognition of his contribution he has been appointed honorary director and continues to provide advice to the Company.

Working of the Board of Directors

The Board of Directors met six times in 2020, of which four in person or by video-conference and two times by proxy.

The list of individual director attendance at the four in-person or video-conference meetings is as follows:

Vincent Bribosia*	4	100%
Charlotte Croonenberghs	4	100%
Philippe Croonenberghs	4	100%
Christophe Evers	4	100%
Michel Gallez	3	75%
Danielle Knott	3	75%
Dominique Moorkens	4	100%
Pascale Tytgat	4	100%
Jean-Philippe Waterschoot	4	100%
Albert Yuma Mulimbi	1	25%

Any absence of a director was for pressing reasons. Their opinions on the key items on the agenda were obtained before the meeting in question.

As well as these four meetings, when the Board had to meet before a notary to record the contribution of the dividend receivables to the capital and for the merger by absorption of Carriaf, one of the directors was given power of attorney to represent the others in order to comply with the health restrictions with regard to in-person meetings.

Besides these official meetings of the Board, video-conferences were held to enable all directors to monitor developments at the Company.

In the course of its meetings, besides the minutes of the Audit and Remuneration and the Nomination Committees, the Board dealt with:

- Topics relating to its legal obligations, such as the preparation of financial statements, the annual report, the interim report and the preparation of the General Meetings
- Assessing its own work
- Analysis and application in the company of the IAS/IFRS rules
- Various planned investment projects
- Development of the Kinsuka site
- Management of the real estate portfolio
- Monitoring of CARRIGRES
- Improvement of the various aspects of governance
- Legal and physical securing of the group's assets in DRC
- Strengthening the teams and ensuring their safety
- Monitoring and analyzing risks
- Budget.

All decisions were passed unanimously.

(*) Representative of Chanic SA

Committees of the Board of Directors

AUDIT COMMITTEE

The Audit Committee is formed of Ms. Pascale Tytgat, chair, and Messrs. Philippe Croonenberghs and Dominique Moorkens. The Audit Committee met 3 times in 2020.

The work of the Audit Committee was focused on:

- Closing the 2019 financial year
- Information on the fair value of investment properties and the sandstone deposit
- Establishing the interim situation on June 30, 2020
- Monitoring the special valuation rules, particularly with regard to IAS/IFRS standards and amendments thereto
- The problem of deferred taxes
- Monitoring the financial communications
- Monitoring internal control and risk management including the risk matrix
- Managing an internal audit on the establishment of a manual of procedures
- Updating the accounting tools and procedures;
- Relations with the external auditor
- Anticipation of 2020 closure topics.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee is composed of Danielle Knott, chair, and Vincent Bribosia*, Dominique Moorkens and Philippe Croonenberghs.

The work of the RNC was focused on making recommendations on the following:

- The review of the Board of Directors' variable remuneration policy
- Setting the variable remuneration of executive management
- Examining the appropriateness of changing the composition of the Board of Directors
- Setting up a system for the assessment of Board members, setting annual targets linked to the payment of variable remuneration
- Setting up a plan to monitor the members of the management committees
- Setting up a senior management search in the context of implementing succession organigrams
- Strengthening the teams in DRC.

Process of assessing the Board of Directors

The Board assessed its own performance and the performance of its committees with the assistance of a specialized external consultant. This resulted in conclusions on very specific aspects of performance, which were immediately acted on, and guidelines for its development in the medium-long term.

Auditor

Deloitte, Réviseurs d'Entreprise SCCRL, represented by Pierre-Hugues Bonnefoy (May 2019-May 2022).

Management

- Jean-Philippe Waterschoot, CEO
- Christophe Evers, CFO
- Hubert de Ville Goyet, CFO, TEXAF and compliance officer

Risk management and internal control systems

The Board of Directors is responsible for maintaining appropriate internal control and risk management systems, bearing in mind the working of the group and the environment in which it operates. The main goal of these systems is to ensure, with a reasonable degree of certainty, that the Board of Directors is informed in good time of advancements in the realization of the strategic, financial and operational targets of the group, that the financial and non-financial reports are reliable, that the assets of the group are protected and that the liabilities are identified and managed.

The Audit Committee, on behalf of the Board of Directors, monitors the risks and controls and reports its observations to the Board of Directors.

RISK MANAGEMENT

Management identifies and analyzes the risks, which are discussed in the Board of Directors, and their management is assessed by the Audit Committee. The Board of Directors is composed of an executive member and two non-executive members active in DRC. These assess the main inherent risks of the group and report to the Board.

A summary of the main risks identified is provided from page 74.

INTERNAL CONTROL

The group has implemented a set of policies and procedures to ensure, as far as possible, the rigorous and effective management of its assets, the protection of its portfolio and the quality of information.

The consolidated subsidiaries draw up a consolidated budget every year in compliance with IFRS standards, as well as operating budgets for each legal entity, which serves as a basis of comparison for the year under review. They also draw up the detailed monthly accounts with new projections for the ongoing year. These accounts are analyzed by the CEO and the CFO, and commented on by the Board of Directors. The parent company receives the accounts of the subsidiaries every month.

Disputes are monitored by the legal manager based in DRC, who makes regular reports to the Board of Directors.

The double signature principle is applied in the group systematically.

The internal control measures are constantly reviewed and improved, with procedures defined and some tasks automated.

INTERNAL AUDIT

The internal audits initiated in 2019 for the establishment of a comprehensive manual of procedures with the assistance of an external consultant, who developed a method for drawing up such procedures and monitoring their implementation, continued in 2020, with the internal group teams drawing up the procedures.

Conflicts of interest and transactions by insiders

The Board of Directors was called upon to pronounce upon one point involving a conflict of interest in March 2020 and recorded the following in its minutes:

"The Nomination and Remuneration Committee proposes to the Board a long-term profit-sharing package for two executive directors in order to bring the goals of management in line with the goals of shareholders. Concerning a conflict of interest relating to the remuneration of two executive directors and without the two persons involved being able to leave the "virtual" room, Messrs Waterschoot and Evers refrained from the discussions so that articles 5:76 et 5:77 of the CSA could be complied with. [...] The Board approved the long-term profit-sharing package."

Haakjes laten staan?

The package and its financial implications are set out in the Remuneration Report.

The following transactions in TEXAF shares were conducted by the following persons in 2020:

- Acquisitions as part of the capital increase of May 29, 2020 following the proposal of optional dividends in the form of new shares:

Société Financière Africaine	40,530 shares	May 29, 2020
Middle Way Ltd	5,984 shares	May 29, 2020
Monsieur Albert Yuma	1,139 shares	May 29, 2020
Monsieur Vincent Bribosia	351 shares	May 29, 2020
Monsieur Christophe Evers	179 shares	May 29, 2020

Aspects that could have an impact on a public offer

There is only one class of shares and there are no restrictions on the transfer of shares or the exercise of the voting right.

No right of the Company would be withdrawn and no obligation would be introduced in the event of a change of control.

The Company has authorized capital of EUR 21,500,000, of which EUR 1,890.219 was used on May 28, 2020 to issue 59,836 shares within the framework of the 2019 optional dividend.

On August 24, 2020 the Company declared to the FSMA (art. 74 OPA law):

TOTAL SHARES ISSUED	**3,603,536**	**100%**
Holders:		
Société Financière Africaine	2,256,520	62.60%
Middle Way Ltd	360,354	10.00%

Société Financière Africaine is controlled by Chagawirald SCS, which in turn is controlled by Mr Philippe Croonenberghs.

Middle Way Ltd is wholly owned by Member Investments Ltd. The ultimate beneficiary of Members Investments Ltd is CCM Trust (Cayman) Ltd, a trust of the Cha family in Hong Kong.

MANAGEMENT TEAM

CHRISTOPHE EVERS
CFO

YOLANDE NIMY
Commercial real estate manager

ROGER AKALA
Human resources manager

MONINA KIADI
General counsel

HILARION MWAYESI
Operations manager of Carrigrès

SÉBASTIEN HETUIN
Construction manager

PAULO BARRIL
Commercial manager of Carrigrès

OLIVIER POLET
Technical manager of real estate

RAYMOND MENDY
Director of TEXAF Digital

OLIVIER PIROTTON
Financial manager

HUBERT DE VILLE
Financial manager TEXAF and Compliance Officer

AURÉLIE TSHISHIMBI
Communication assistant

REMUNERATION AND NOMINATION COMMITTEE (RNC) REPORT

Nominations

The term of office of Charlotte Croonenberghs, Danielle Knott, Pascale Tytgat, Philippe Croonenberghs, Christophe Evers and Michel Gallez expire at the General Meeting of May 11, 2021. They are standing again for a term of two years, expiring at the General Meeting of 2023. Danielle Knott and Pascale Tytgat are standing as independent directors.

The Board proposes to the General Meeting of May 11, 2021 the nomination of Joseph Fattouch and Isabelle Esselen as independent directors.

Remuneration policy

The Board proposed a remuneration policy to the General Meeting of May 11, 2021. This report is written on the assumption that this policy will be adopted. This document is available at www.texaf.be.

The remuneration of the executive and non-executive directors of TEXAF is reviewed on an annual basis by the Remuneration and Nomination Committee before being submitted to the Board of Directors. The remuneration report is approved by the General Meeting. Some proposals are the exclusive responsibility of the General Meeting (see below).

Non-executive directors

In accordance with remuneration policy, the rules and gross amounts of non-executive directors were as follows in 2020:

- a fixed part of EUR 12,000 per non-executive director per year paid during the period in which the director was in office
- a supplement of EUR 6,000 to the chairman, EUR 5,000 to the chairman of the Audit Committee and the chairman of the RNC
- an attendance fee of EUR 1,000 per meeting of the Board or Committee
- the executive directors are not remunerated, with the exception of their executive duties.

The following rises to these amounts will be proposed to the General Meeting of May 11, 2021:

- a fixed part of EUR 15,000 per non-executive director per year paid prorated from May 11
- a supplement of EUR 10,000 to the chairman, EUR 7,500 to the chairman of the Audit Committee and the chairman of the RNC
- an attendance fee of EUR 1,200 per meeting of the Board or Committee.

Messrs. Gallez and Yuma have waived their remuneration.

The company has taken out insurance to cover the activities of the members of the Board of Directors as part of their duties.

The duties of the non-executive director do not attract variable remuneration, stock option rights or an extra-legal pension plan.

However, on the proposal of the Remuneration and Nomination Committee, the Board of Directors, in acknowledgement of the temporary discrepancy between the (investment) decisions and the ensuing results, has decided that Philippe Croonenberghs, who is no longer an executive director (CEO) as of May 9, 2017, will continue to benefit from variable remuneration on the basis of the same calculation as for the executive directors, albeit in accordance with the following graduated scale: 100% on the 2017 result, 75% on the 2018 result and 25% on the 2019 result (paid in 2020). The calculation method is explained below in the section on the remuneration of executive directors.

The chairman of the Board benefits from a company vehicle.

SUMMARY OF THE REMUNERATION OF THE NON-EXECUTIVE DIRECTORS IN 2020

in EUR	Fixed remuneration (gross)	Attendance fee (gross)	Variable remuneration (gross)	Total remuneration (gross)
Chanic SA	12.000	6.000	-	**18.000**
represented by Vincent Bribosia	12,000	6,000	-	**18,000**
Charlotte Croonenberghs	12,000	4,000	-	**16,000**
Philippe Croonenberghs	18,000	10,000	41,728	**69,728**
Michel Gallez	-	-	-	-
Danielle Knott	17,000	5,000	-	**22,000**
Dominique Moorkens	12,000	10,000	-	**22,000**
Pascale Tytgat	17,000	7,000	-	**24,000**
Albert Yuma	-	-	-	-

Executive directors

The executive directors received fixed annual remuneration, short-term variable remuneration and long-term variable remuneration.

The remuneration policy for executive directors gives priority to the variable part of the remuneration over the fixed part, which has changed little over the past several years. As a consequence, the variable remuneration may exceed the fixed remuneration.

The goal is to bring these forms of remuneration into line with the annual results and the long-term performance of the company on the one hand and the return of shareholders on the other, and in doing so contribute to its strategy, interests and continuity.

FIXED REMUNERATION

The fixed remuneration is in line with the employee pay scales and some of the criteria for the short-term variable remuneration are also used for the group management.

SHORT-TERM VARIABLE REMUNERATION

The criteria for variable remuneration are financial and based on public figures, with a view to transparent calculation. If an error is observed in the accounts, the rectification is charged to the following financial statements.

The short-term variable remuneration depends on the average increase from one financial year to another of:

- the recurring consolidated operating result (50%) and
- the consolidated result before tax (50%).

Applying this formula, the short-term variable remuneration is likely to exceed one quarter of the fixed remuneration. Bearing in mind the regular growth in the results, the criteria for the short-term variable remuneration are not smoothed out over periods of two to three years.

As a consequence, in accordance with article 14 of the law of April 6, 2010 (the corporate governance law), this short-term variable remuneration must be explicitly approved by the General Meeting in years when it exceeds one quarter of the fixed remuneration.

The Board may decide, in response to a proposal of the Nomination and Remuneration Committee, to depart from this short-term variable remuneration formula by eliminating the non-recurring aspects the executive directors have no control over. If an error is observed in the accounts, the rectification is charged to the following financial statements.

LONG-TERM VARIABLE REMUNERATION

Since 2020 the executive directors are eligible for long-term variable remuneration depending on the average increase over three financial years of:

- the market capitalization with reintegration of dividends (70%)
- the consolidated result before tax (15%)
- the three-year average of the non-recurring result before tax (excluding non-cash items) (15%).

The long-term variable remuneration is calculated and payable every three years, for the first time in 2023 on the 2020-2022 parameters. The goal is a maximum amount of EUR 750,000 per executive director in the event of the doubling of the average of the criteria. The calculation is done pro rata this goal.

No long-term variable remuneration is payable for only the financial year 2020.

The company has not granted any shares or options to the executive directors.

The executive directors are as follows:
Jean-Philippe Waterschoot (CEO) and Christophe Evers (CFO).

- Jean-Philippe Waterschoot is CEO since May 9, 2017.

  Jean-Philippe Waterschoot (CEO) lives in DRC. He is contracted as an employee and, as well as his fixed salary, he is granted the benefits generally granted in expatriate or similar contracts. His overall cost for the group, including work performed outside DRC and remunerated as such, in 2020 was set at EUR 340,477.

  The termination benefits are calculated in accordance with the applicable regulations in DRC.

  For the year under review, the variable remuneration of the CEO is calculated on the basis of the formula set out above, with the following parameters:
  - The average of the two components gives right to a basis fixed bonus of EUR 20,000 when this component is higher than it was the year before
  - and a supplementary bonus of EUR 4,000 per % improvement.

  In 2020, the application of the formula gives him the right to variable remuneration of EUR 16,370.

- Christophe Evers (CFO), a self-employed director, benefits from annual remuneration of EUR 155,000 and a life insurance and an income loss insurance in the total amount of EUR 29,996. He is entitled to a termination penalty equal to one year's remuneration.

  For the year under review, his variable remuneration is calculated on the basis of the formula set out above, with the following parameters:
  - The average of the two components gives right to a basis fixed bonus of EUR 15,000 when this component is higher than it was the year before
  - and a supplementary bonus of EUR 3,000 per % improvement.

  In 2020, the application of the formula gives him the right to variable remuneration of EUR 12,277.

The variable remuneration calculated on the basis of the performance criteria (recurring operating result and result before tax) in 2020 was as follows:

(in thousands of euros)	2019	2020
Recurring operating result *	7,831	8,080
Result before tax	12,799	6,108
Difference		
Recurring operating result	-	3.18%
Result before tax	-	(52.28%)
Number of instalments		
Recurring operating result	-	1.64
Result before tax	-	-
AVERAGE	**-**	**0.82**
Bonus per instalment		
Christophe Evers	-	15,000 EUR
Jean-Philippe Waterschoot	-	20,000 EUR
Prime		
Christophe Evers	-	12,277 EUR
Jean-Philippe Waterschoot	-	16,370 EUR
TOTAL	**-**	**28,647 EUR**

(*) 2020 result adjusted by EUR 217 k in exchange differences not included in the 2019 operating result

SUMMARY OF THE REMUNERATION OF THE EXECUTIVE DIRECTORS IN 2020

in EUR	Employer cost	Variable remuneration	Pension plan	Company vehicle	Total	% Fixed remuneration	% Variable remuneration
CEO	340,477	16,370	In accordance with DRC law	Yes	356,847	95%	5%
CFO	155,000	12,277	29,996	Yes	197,273	94%	6%

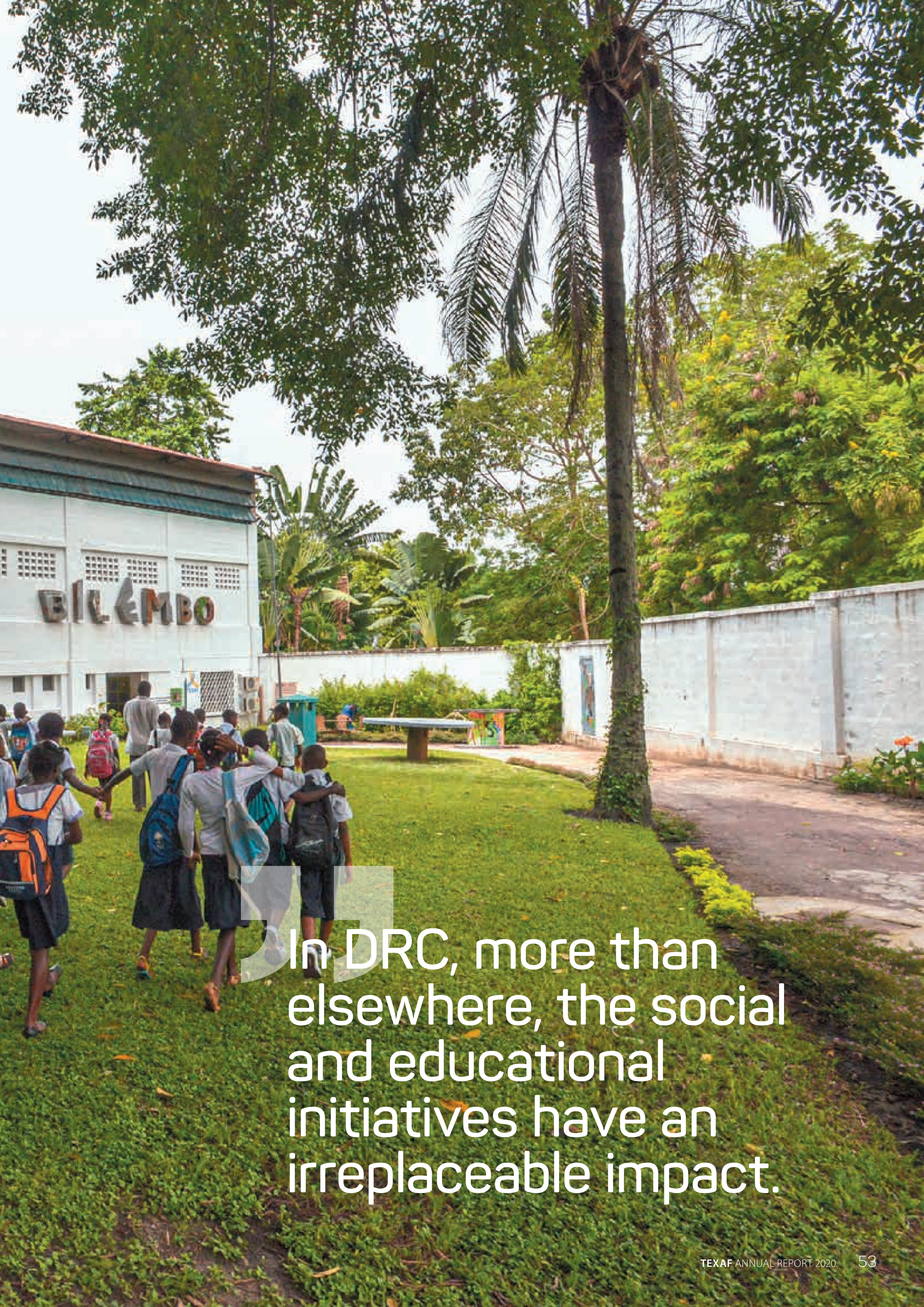
In 2020 the ratio between the highest remuneration for members of management in Belgium and the lowest remuneration, expressed on full-time equivalent basis, for the employees in Belgium was 3.6.

The annual trend of the renumeration of executive directors, the performance of the company and the average remuneration of the employees of the group looks like this:

Base 2016 = 100	2016	2017	2018	2019	2020
Recurring operating result	100	101	103	113	**116**
Result before tax	100	103	152	236	**113**
Remuneration of the executive directors	100	103	141	144	**102**
Average remuneration of employees	100	119	96	101	**90**

The relative decrease in the average remuneration of employees is due to the recruitment of low-skilled workers and the departure of a manager.

03 Corporate social responsibility



In DRC, more than elsewhere, the social and educational initiatives have an irreplaceable impact.

NDAKO YA BISO

The ambivalent lockdown of street children

2020 was not an easy year for NDAKO YA BISO. The decisions the government made to combat the coronavirus pandemic, the closure of schools and the lockdown forced the NGO to reorganize its activities, not without difficulty.

How do you lock down a homeless child? How do you eradicate violent behavior during a lockdown? How do you give them hope again when the health situation makes them more vulnerable? A look at what Jean-Pierre Godding and his team have achieved.

Exceptional times, exceptional measures While NDAKO YA BISO is known as an open center offering free services to children, the charity was transformed into an orphanage in 2020. Following measures taken to contain the pandemic, the center's head, Jean-Pierre Godding, and his team decided to give shelter to 76 children (60 boys and 16 girls), supervised by 12 educators and a nurse.

The premises were fitted out to keep them safe, with the sanitation system being repaired, a new kitchen and a new playroom being built and housing. *"All this thanks to the help of loyal partners who responded to our requests or proposed attractive solutions,"* says Jean-Pierre Godding. The center received large food donations from benefactors and the governor of the city of Kinshasa.

On the other hand, the educators showed more creativity, reorganizing their work to reflect the fact that visits and family reunifications had become impossible. Instead, they focused on the resources to support various households with microcredit and food aid.

It was not until the second half of the year that the regular activities could gradually be resumed. To their great delight, the youngsters enjoyed an excursion outside the city. Family visits and the steps towards their reunification were resumed in July. A month later, 13 young people who had returned to school were warmly congratulated after earning their secondary-school diploma. Among the younger children, 64 gained their certificate at the end of the primary education cycle.

Hope in numbers

Despite the health situation, no fewer than 187 children returned to their family in 2020. It's a heartening result, albeit fewer than the 200 reunifications initially hoped for. "When a child consents to return and the family consent to be reconciled with the child, first of all it's a source of great happiness for the responsible educator, but, above all, it's the beginning of a great adventure both for the child, with regard to its education, and for the family, which is able to meet its needs thanks to additional income generated by the mom's small business, which was set up with our advice," says Jean-Pierre Godding, speaking of a struggle filled with hope.

As evidenced by the achievements of the past year: 344 children met; 174 children treated at the center's dispensary, excluding complex cases; 32,758 meals served in the boys' section and 13,688 in the girls' section; 499 interviews; 669 investigated cases and mediations; 626 psychological consultations with the children. Furthermore, 277 microcredit grants were made to the moms of reunified children (254 in 2019, 231 in 2018, 228 in 2017), just under 20 per month.

These are impressive figures, but, above all, they show how hard the small number of professionals and volunteers at the charity work. And they have plenty of ambition going forward. They started a program to help young people who have recently completed their education to find their way on the labor market and to improve means of communication and preventive awareness-raising when they end up on the street, in association with various opinion leaders.

At the same time, the NDAKO YA BISO center will continue its plans to improve its facilities, including a new refuge to replace the old one, which is in poor condition. "None of this would be possible without the various partners who show confidence in us, who regularly help us and who, we hope, will decide to support us again in 2021," Father Jean-Pierre Godding says with complete confidence.

> Despite the health situation, no fewer than 187 children returned to their family.
>
> Jean-Pierre Godding

TEXAF BILEMBO

Two post-lockdown works published

Public places were forced to shut as a consequence of the pandemic. A state of affairs that did not dampen the creative spirits at the TEXAF BILEMBO cultural center.

Director and exhibition curator Chantal Tombu took advantage of the lull to finish two books, "S.O.S. Planète Congo" and "Papiers de société". Both collections are certain to attract a lot of readers in the post-lockdown period.

What could be worse for an artist than confinement? Notwithstanding her unfailing smile, Chantal Tombu admits that the past year has not been an easy one for the cultural center she heads with Christine Decelle. And yet 2020 began very promisingly.

The preview and exhibition/sale "Traits d'Union" from January 30 to February 15, 2020 launched the artistic season at TEXAF BILEMBO. It was the brainchild of event organizer and OCHOLA Network president Henri Désiré NZUZI, whose aim was the unprecedented meeting of "two generations of Congolese painters of exceptional talent," says Chantal Tombu.

OCHOLA, an art gallery and cultural center in Brussels and Cotonou, agreed to switch one of its activities to a venue in Kinshasa, namely TEXAF BILEMBO. For OCHOLA the main goal was to "sublimate beauty and exalt the creative genius of the artists, by sparking off a 'cultural and civilizational' collision between opera and painting".

It was followed by a photography workshop by Thomas Fraiteur between February 24 and 28. This collaborative atelier was also a great success.

The health crisis then brought the cultural center's activities to a grinding halt. Like all other public spaces, it closed its doors in compliance with the health measures. Far from the visits of art lovers, a major creative and intellectual project was undertaken by Chantal Tombu and her team, leading to two books, "SOS Planète Congo" and "Papier de société".

A committed pen

The first of the two, "SOS Planète Congo", is "an alarm call" delivered in four contemporary tales of animals facing various perils. It reminds us of the great impact our daily actions and habits have on the delicate balance on the planet, and specifically in Congo. Published in Kinshasa in May 2020, this educational project to raise awareness of the biodiversity in the Democratic Republic of Congo immediately captivated young and old, due both to the committed, and indeed witty, pen of author Chantal Tombu and the sensitive pencil strokes of illustrator Jean Claude Lofenia Mpoo.

The second book, "Papiers de société", is the first in a collection of contemporary art books in DRC, in which three Congolese visual artists, Kura Shomali, Raymond Tsham and Steve Bandoma – three very different personalities with very different artistic themes and vocabularies – manage to create images that convey original messages and testimonies about our society. "Their works paint collective portraits in small strokes, writing the story of art in the country."

Training courses were also held at TEXAF BILEMBO for smaller groups of guides and trainers. They included Viviane and Eugénie, two group leaders who work with children in the Luki region in provincial Congo. This ensures the spread of artistic knowledge and awareness of the environmental issues we are currently facing.

When public spaces were permitted to reopen in September, cultural apéro evenings were organized. Workshops were also held to appeal to the fifth sense of participants. The delegation from ERAIFT (École Régional Postuniversitaire d'Aménagement et de gestion Intégrés des Forêts et Territoires Tropicaux) were happy to take part too, proving that these workshops are as well suited to children as a specialized audience and actors of change.

What will 2021 bring? We are told that it promises to be "full of adventures". By way of example, TEXAF BILEMBO's director has announced a partnership with the European Union, approved by the Support Unit for the National Authorizing Officer of the European Development Fund (COFED), under which 500 year-six primary school children and their teachers will take part in a course examining environmental issues in DRC.

CHIRPA

Containing the COVID-19 epidemic in hospitals

2020 was a year of challenges and adjustment at CHIRPA, bearing in mind the pandemic and the resulting health situation.

The charity, which was set up to facilitate the treatment of pediatric pathologies in DRC, switched tack to help contain the COVID-19 pandemic in hospitals. CHIRPA's leaders explain how they did this.

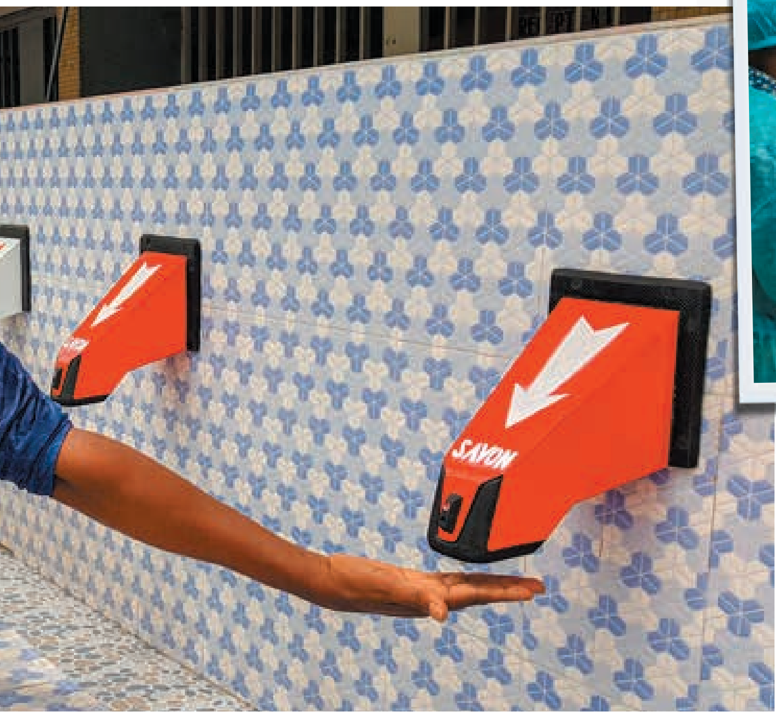
Due to the health situation, CHIRPA was unable to achieve the targets it set for 2020. As the organization's coordinator and manager Bob Lubamba Bola explains, "covid made it very difficult to select children suffering from heart problems". As he says, "the hospitals were not accessible, so it was impossible to organize the visits to select candidates for surgery either in Kinshasa or in the interior of the country".

That meant the two surgical missions scheduled for April and September had to be cancelled and the organization decided to switch its efforts to help deal with the situation caused by the pandemic. In association with various other parties, CHIRPA worked on strengthening the health measures in the hospitals in its network. It did so by providing preventive and first aid equipment, and by setting up a budget that the hospitals could draw on to purchase PPE, such as facemasks, disinfectant and hand-washing equipment.

An effective response to the emergency

CHIRPA also rolled out an upskilling program, based on remote prevention courses. Upon completion of the courses CHIRPA provided support to each hospital with regard to the application of hygiene measures and checking people entering buildings, as well as the specific logistics. *"It's a process that continued through to the end of the year,"* says Bob Lubamba Bola.

These specific medical training courses, which are focused on preventing the spread of coronavirus, were also given to the hospital managers, because, as Bob Lubamba Bola says, "They were not adequately prepared to respond to the effects of this pandemic". To optimize its training offer, CHIRPA reintroduced its system of micro-projects, with the aim of helping each of its hospitals to identify and rectify problems in how they work. "Better management leads to better care for children", he explains. The 10 best projects were granted funding to implement their crisis management procedures. In addition, CHIRPA is committed to continuing its support for its various partner hospitals.



> Better management leads to better care for children.
>
> M. Lubamba Bola

All told, then 2020 was a particularly tough year for the NPO, forced as it was to revise its priorities and respond to the ongoing emergency. But despite this, it was able to mobilize all of its resources to give support to the hospitals, the institutions at the heart of this pandemic. Bob Lubamba Bola adds that CHIRPA continues to be focused on identifying children who could be included in the next surgery missions. The organization is planning two pediatric surgery missions in DRC in the course of 2021.

CHIRPA's main partner, Chaîne de l'Espoir Belgique, has also been able to rely on the support of many contributors, of which TEXAF has been one for many years. "TEXAF has also brought a new dimension to its contribution, by bringing together Chaîne de l'Espoir Belgique and Kinshasa Digital in its TEXAF Digital initiative. This contact has been a considerable plus in the digital support for the health sector as part of the pandemic response," stresses Chaîne de l'Espoir Belgique director Marianne Lemarchand.

This new partnership is expected to be intensified in 2021 with the funding of Chaîne de l'Espoir Belgique. This change in the hospital landscape in DRC is seen as a real godsend, as it will permit the digitization of medical files and, in practice, improved patient follow-up.

YEMA YEMA

New projects in Sankuru

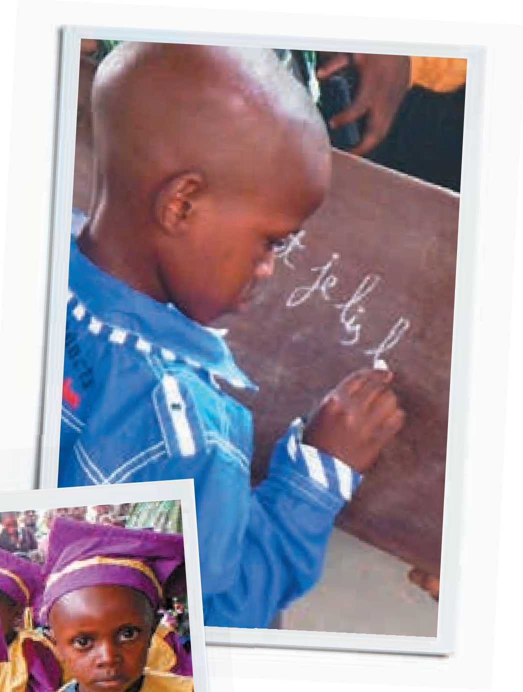
For more than 10 years, YEMA YEMA has endeavored to meet the needs of inhabitants of Sankuru, a very remote province in central DRC. The work of the organization there is focused on education, female empowerment and farming. It has built several schools and is deeply invested in promoting literacy among women in rural areas.

2020 was an especially difficult year for YEMA YEMA, which was forced to slow down and even cease some of its activities because of the pandemic.

The coronavirus wreaked havoc on YEMA YEMA's activities. Schools closed and the farming activities fell behind enormously. Pierre-Albert and Béatrice Ngueliele, YEMA YEMA's founders and driving forces, also speak about the difficulties their beekeeping project ran into, which have curbed progress significantly thus far.

However, the situation has not affected the couple's unwavering enthusiasm and they remain highly motivated by their past achievements and future aspirations.

The founders of Sankuru YEMA YEMA emphasize that literacy drive among women in rural areas has had a very positive impact, as has their support for money-making ventures in the region. Over the past 10 years, the charity has been able to improve the living conditions of a large number of Sankuru's inhabitants through its initiatives. Its projects are supported by civil society and the people of Sankuru have a great deal of respect for the work done by Pierre-Albert et Béatrice Ngueliele. Despite the political difficulties experienced with the outgoing provincial government, Sankuru YEMA YEMA has been able to establish itself as a partner to be reckoned with in the province's development and it now works with the ruling provincial authorities.



2021 brimming with ambitions

Although firmly established in the domains of education and farming, YEMA YEMA is not about to rest on its laurels, expressing an ambition to move into new domains of daily life. So 2021 saw the launch of new projects and the continuation of activities the coronavirus had forced it to put on hold.

For example, the organization wishes to get involved in the domains of hygiene and purification by supplying its schools with drinkable water and latrines that meet the highest health standards. The constant rise in the number of children enrolled in its schools has "increased the necessity for appropriate sanitary facilities," they explain.

Another project that has been launched is the renovation of a maternity center. To this end, the charity intends to start on the renovation of an existing building by upgrading the electrics and the water supply. The rooms will then be provided with appropriate equipment and furnishings. Sankuru YEMA YEMA has also announced its intention to "supervise the training of a young doctor from Lodja in doctor Denis Mukwege's teams to ensure the presence of a competent doctor there".

The continuation of the beekeeping program is also central to the organization's ambitions, with training for young people planned, as is the search for funding to build a hundred hives in 2021.

Assistance and support for entrepreneurs who want to get involved in perennial agriculture, market gardening, livestock farming and fish farming also remain at the top of the agenda.

And YEMA YEMA continues to rely on the support of public and private parties like TEXAF to put these plans into practice. "TEXAF group supports various of the organization's initiatives by providing human resources and financial means, as well as promoting these projects among other partners. As well as the budget it grants to the charity every year, TEXAF provides support in various domains, including the administration and general logistics of the organization," they add.

COMEQUI

Fair trade makes you stronger

Despite the trials and tribulations that 2020 brought, not least the very tough health situation, the NGO COMEQUI has continued to do its utmost to make headway in its ambition to give the rural population of Kivu the means to increase their income and improve their living conditions.

A review.

Most of COMEQUI's grants go to cooperatives of coffee growers, women farmers and beekeepers. In 2020 some 4,300 coffee growers saw their income rise after the sale of more than 153 tonnes of green coffee to merchants in Europe and the United States. COMEQUI also provided an agronomist to TUMAINI, one of the cooperatives, which is made up of 491 men and 953 women. The agronomist was able to deploy his knowledge and experience to help TUMAINI improve its production. Similarly, funding was granted for the renovation of the coffee washing microstations.

The pandemic led to the suspension of all activities of the Coffee Academy in 2020. They will return with a vengeance in February 2021 with training for 30 new coffee-growers. The Coffee Academy was set up in 2017 to contribute to the development of coffee growing in Kivu through training. This is expected to give graduates the knowledge they need to produce coffee of superior quality. As well as the Coffee Academy, COMEQUI also runs a market gardening project for schools.

First opened in 2011, the market gardens are currently spread over 11 hectares. As well as a way to pass on knowledge of market gardening, this program has also fed more than 5,500 school children and the income generated by the project funds various school costs. At least one new market garden is set to open at a disadvantaged school in 2021.

COMEQUI also supports the work of women farmers in the fields. This enables them to free up the time they need to sell their produce. The profits they make can be used to pay for their literacy classes and create cash-generating activities.

Honey and bees

The only COMEQUI activity that was not hit by the lockdown was beekeeping. The bees continued their work. A large number of beekeepers, most of them coffee growers, required training and material aid to revive their unproductive hives and so improve the production of honey and increase their income. More than 350 beekeepers have now joined a cooperative. They have received training from one of COMEQUI's partner NPOs, but the initiative is expected to become financially independent in 2021.

COMEQUI also expects to improve the independence of one of the coffee growers' cooperatives with the provision of motorized canoes. These should cut the time between harvesting and processing, as well as lightening the physical work of the women, who have to carry the coffee over long distances to the washing station. This is all thanks to the many partners, including TEXAF, who believe in their projects and wish to assist the people of Congo in the development of their activities.

"The bees continued their work.

04 Annual accounts

Exemplary financial transparency in DRC

IFRS consolidated financial statements on December 31, 2020

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet

(in thousands of euros)	Note	2018	2019	2020
ASSETS				
Non-current assets				
Property, plant and equipment	6	9,658	9,777	**8,225**
Investment property	7	102,347	105,029	**107,211**
Intangibles	8	15	9	**6**
Other non-current financial assets	10	217	304	**432**
Other assets recognized as rights of use	11	-	134	**84**
		112,236	**115,252**	**115,957**
Current assets				
Inventory	12	4,948	4,633	**4,346**
Clients and other debtors	12	692	1,312	**897**
Tax assets	12	807	1,044	**558**
Cash and cash equivalents	12	5,564	8,767	**6,979**
Other current assets	12	285	239	**145**
		12,296	**15,995**	**12,927**
TOTAL ASSETS		**124,531**	**131,247**	**128,884**
EQUITY				
Capital and reserves allocated to shareholders of the parent company				
Share capital	13	21,508	21,508	**23,398**
Reserves		68,361	75,642	**76,055**
		89,870	**97,150**	**99,453**
Minority interests		344	366	**384**
TOTAL EQUITY		**90,213**	**97,516**	**99,837**
LIABILITIES				
Non-current liabilities				
Bank loans	14	4,268	1,966	**773**
Post-employment benefits liabilities	16	791	1,012	**1,025**
Deferred tax liabilities	17	13,999	12,805	**12,806**
Other non-current liabilities		4,368	4,269	**4,136**
		23,426	**20,052**	**18,740**
Current liabilities				
Bank loans	14	3,009	2,299	**1,196**
Suppliers and other current creditors	18	3,651	6,685	**4,831**
Other current liabilities		4,232	4,696	**4,280**
		10,892	**13,679**	**10,307**
TOTAL LIABILITIES		**34,318**	**33,731**	**29,047**
TOTAL LIABILITIES AND EQUITY		**124,531**	**131,247**	**128,884**

The notes constitute an integral part of the consolidated financial statements.

Consolidated income statement

Year closed on December 31

(in thousands of euros)	Note	2018		2019		2020	
Revenue from ordinary activities	19	18,869		21,691		**21,868**	
Operating charges		(12,252)		(15,389)		**(17,148)**	
Raw materials and consumables			(1,266)		(1,469)		**(1,358)**
Changes in inventory			171		(515)		**(216)**
Payroll expenses	20		(2,839)		(3,405)		**(3,144)**
Depreciation allocation	21		(2,943)		(3,382)		**(3,801)**
Impairments	22		557		212		**(1,639)**
Other operating charges	23		(5,931)		(6,830)		**(6,772)**
Exchange differences							**(217)**
Other operating income	24	1,423		1,530		**1,425**	
Capital gain on non-current assets		660		5,190		**-**	
Operating result		**8,699**		**13,021**		**6,146**	
Financial expenses	26	(438)		(342)		**(136)**	
Financial income				119		**98**	
Result before tax		**8,261**		**12,799**		**6,108**	
Current taxes	27	(1,140)		(3,183)		**(1,502)**	
Result before deferred taxes		**7,121**		**9,616**		**4,606**	
Deferred taxes	16	5,811		(1,176)		**(25)**	
Net result for the year		**12,932**		**10,792**		**4,581**	
Allocated to:							
Shareholders of the parent company		12,909		10,771		**4,570**	
Minority interests		23		22		**11**	
		12,932		10,792		**4,581**	
Result per share: result allocated to shareholders of the parent company (in euro per share based on the weighted average number of shares)	28						
– basis		3.64		3.04		**1.27**	
– diluted		3.64		3.04		**1.27**	

The notes constitute an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

Year closed on December 31

(in thousands of euros)	2018	2019	2020
Result for the financial year	12,932	10,792	**4,581**
Variations in exchange translation differences	-	-	**6**
Variations (after tax) in reserves for financial assets available for sale	-	-	-
Variations (after tax) in revaluation reserves	-	(28)	-
Actuarial changes (after tax) to post-employment liabilities	-	(19)	**(55)**
Comprehensive result	**12,932**	**10,745**	**4,532**
Allocated to:			
Shareholders of the parent company	12,909	10,723	**4,522**
Minority interests	23	22	**10**
	12,932	**10,745**	**4,532**

The notes constitute an integral part of the consolidated financial statements.

Tableau de variations des capitaux propres consolidés

(in thousands of euros)	To shareholders of the parent company					Minority interests	Total equity
	Share capital	Issue premiums	Consolidated reserves	Revaluation reserves	Translation differences		
Balance at December 31, 2017	**21,508**	**-**	**53,698**	**4,584**	**56**	**321**	**80,167**
Income for the financial year 2018	-	-	12,909	-	-	23	**12,932**
Other items of the comprehensive income	-	-	-	-	-	-	**-**
Distributed dividend	-	-	(2,886)	-	-	-	**(2,886)**
Balance at December 31, 2018	**21,508**	**-**	**63,721**	**4,584**	**56**	**344**	**90,213**
Income for the financial year 2019	-	-	10,770	-	-	22	**10,792**
Other items of the comprehensive income	-	-	(19)	(28)	-	-	**47**
Distributed dividend	-	-	3,442	-	-	-	**3,442**
Balance at December 31, 2019	**21,508**	**-**	**71,030**	**4,556**	**56**	**366**	**97,516**
Income for the financial year 2020	-	-	4,570	-	-	11	**4,581**
Other items of the comprehensive income	-	-	(54)	-	6	(1)	**(49)**
Changes to scope	-	-	(13)	6	-	7	**-**
Increase in capital	1,890	-	-	-	-	-	**1,890**
Dividend distributed	-	-	(4,101)	-	-	-	**(4,101)**
Balance on December 31, 2020	**23,398**	**-**	**71,432**	**4,562**	**62**	**383**	**99,837**

The notes constitute an integral part of the consolidated financial statements.

Changes 2018
The distributed dividend of EUR 2,886 k concerns the result for the financial year 2017.

Changes 2019
There was a negative actuarial change net of tax to post-employment liabilities of EUR 19 k (gross EUR 27 k, tax EUR 8 k) (notes 16 and 17). This amount is included in the comprehensive result.
The negative change of EUR 28 k in the revaluation reserves is due to the adjustment of the net asset value of the Partech Africa fund, a reflection of its management charges. This amount is included in the comprehensive result.
The distributed dividend of EUR 3,442 k concerns the result for the financial year 2018.

Changes 2020
There was a negative actuarial change net of tax to post-employment liabilities of EUR 55 k (gross EUR 79 k, tax EUR 24 k) (notes 16 and 17). This amount is included in the comprehensive result.
The distributed dividend of EUR 4,101 k concerns the result for the financial year 2019. It has been reinvested to increase the capital in the amount of EUR 1,890 k.

Consolidated statement of cash flows

Year closed on December 31

(in thousands of euros)	Note	2018	2019	2020
Cash and cash equivalents and bank overdrafts at opening		3,674	5,564	8,767
Cash flow from operating activities				
Cash from operations	29	13,310	14,201	**10,131**
Interest paid	25	(428)	(342)	**(136)**
Interest received		-	68	**98**
Income tax	26	(1,140)	(3,183)	**(1,502)**
		11,742	**10,744**	**8,591**
Cash flow from investment activities				
Acquisition of intangible assets		-	-	-
Acquisition of property, plant and equipment and investment property	6 and 7	(6,011)	(7,343)	**(5,694)**
Income from the disposal of property, plant and equipment and investment property	6 and 7	764	6.428	-
Reduction in loans granted to third parties		-	-	-
Reduction (increase) in other financial assets		(169)	(125)	**(128)**
		(5,416)	**(1,040)**	**(5,822)**
Cash flow from financing activities				
Increase in capital of parent company				*
Dividends to shareholders of the parent company	28	(2,886)	3,442	**(2,214)**
Increase in loans	14	396	-	-
Repayment of loans	14	(1,946)	(3,011)	**(2,296)**
Repayment of rental contracts		-	(48)	**(50)**
Changes to short-term bank loans	14	-	-	-
		(4,436)	**(6,501)**	**(4,557)**
(Decrease)/increase in cash and cash equivalents and bank overdrafts		1,890	3,203	(1,788)
Cash and cash equivalents and bank overdrafts at closing		5,564	8,767	6,979
Of which TEXAF SA		745	1,622	**2,108**

The notes constitute an integral part of the consolidated financial statements.

(*) To reflect the net change in cash, the dividend of EUR 4,101 k was offset by the capital increase by contribution of the dividend receivables of EUR 1,890

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

TEXAF is a public company registered and domiciled in Belgium. Its registered office is at Avenue Louise 130A, 1050 Brussels.
TEXAF was formed on August 14, 1925.
TEXAF is an investment company listed on Euronext with industrial, financial and real estate interests in the Democratic Republic of Congo.
The consolidated balance sheets and income statements were adopted by the Board of Directors on February 23, 2021 and the IFRS accounts (including the appendices) were adopted by the Board of Directors on March 24, 2021. They are expressed in EUR k.
When the measurement of certain assets or liabilities has required the use of estimates or assumptions, it must be stressed that the management has always only used the cautious assumptions in order to protect itself against the risks related to the economic, social and regulatory environment inherent to the Democratic Republic of Congo (DRC) where all of the group's operating activities are located.

These financial statements have been prepared on the basis of the IFRS, as adopted by the European Union for the preparation of consolidated accounts in 2020.

The accounting policies used are in continuity with those used to prepare the financial statements on December 31, 2019.

From 2019, IFRS 16 Leases replaces IAS 17. This standard sets out how the rental contracts must be recognized and presented in the financial statements. The only significant change when the standard becomes effective concerns the renting of its office in Brussels: under the new standard the Group has recognized a rental contract in assets and liabilities at an updated value of EUR 184 k on January 1, 2019. See note 11 for the details of the changes during the financial year due to IFRS 16. In substance, IFRS 16 mirrors the accounting requirements of IAS 17 with regard to lessors. As a consequence, a lessor will continue to classify rental contracts as simple rental contracts or rental and financing contracts and to recognize these two types of rental contract differently.

The other new standards, amendments to the standards and interpretations are compulsorily applicable for the first time in the financial year beginning on or after January 1, 2020, but the changes are not significant or relevant to the TEXAF Group:

- Amendments to IAS 1 and IAS 8 Change to the definition of the term "significant"
- Amendments to IFRS 3 Business combinations: Definition of a business
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest rate benchmark reform – phase 1
- Amendments to the references of the financial information conceptual framework in IFRS.

The following new standards, amendments to the standards and interpretations have been published and adopted by the European Union but are not yet compulsory for financial years beginning on or after January 1, 2020. The TEXAF Group did not adopt them early, but analyzed the impact on the consolidated financial statements of the Group.

- IFRS 17 Insurance Contracts (applicable to annual periods beginning on or after January 1, 2023, but not yet endorsed in the EU)
- Amendments to IAS Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current (applicable to annual periods beginning on or after January 1, 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements (applicable to annual periods beginning on or after January 1, 2023, but not yet endorsed in the EU)
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting policies (applicable to annual periods beginning on or after January 1, 2023, but not yet endorsed in the EU)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable to annual periods beginning on or after January 1, 2022, but not yet endorsed in the EU)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (applicable to annual periods beginning on or after January 1, 2022, but not yet endorsed in the EU)

- Amendments to IFRS 3 Business combinations: reference to the conceptual framework (applicable to annual periods beginning on or after January 1, 2022, but not yet endorsed in the EU)
- Amendments to IFRS 4 Insurance Contracts – deferment of IFRS 9 (applicable to annual periods beginning on or after January 1, 2021)
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest rate benchmark reform – phase 2 (applicable to annual periods beginning on or after January 1, 2021)
- Amendments to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable to annual periods beginning on or after June 1, 2020)
- Annual IFRS improvements 2018–2020 (applicable to annual periods beginning on or after January 1, 2022, but not yet endorsed in the EU).

The TEXAF Group does not plan to early adopt the standards, amendments to standards and interpretations that will be compulsory from 2021.

The Group assesses the impact of the above standards, interpretations and amendments on a continual basis.

2. Consolidation scope

On December 31, 2020 the Group is made up of TEXAF SA and a set of subsidiaries and associates, totaling eight entities registered in Belgium or the Democratic Republic of Congo (DRC). Since the situation on December 31, 2019, Carriaf (in liquidation) has been incorporated into TEXAF SA

As of today, as well as the parent company TEXAF SA, seven companies are fully consolidated.

CONGOTEX (in liquidation) is still recognized proportionally.

Company	City	Activity	Functional currency	% net financial stake on December 31, 2018	% net financial stake on December 31, 2019	% net financial stake on December 31, 2020
1. FULLY CONSOLIDATED COMPANIES						
Anagest	Brussels	Holding	EUR	98.90%	98.90%	98.90%
Carriaf in liquidation	Brussels	Holding	EUR	99.99%	99.99%	-
Carrigrès	Kinshasa	Sandstone quarries	EUR	99.99%	99.99%	99.99%
Cotex	Kinshasa	Real estate	EUR	98.90%	98.90%	98.90%
Estagrico	Kinshasa	Real estate	EUR	100.00%	100.00%	100.00%
Immotex	Kinshasa	Real estate	EUR	99.76%	99.76%	99.76%
La Cotonnière	Kinshasa	Real estate	EUR	94.46%	94.46%	95.07%
Utexafrica	Kinshasa	Real estate	EUR	99.59%	99.59%	99.59%
2. PROPORTIONALLY CONSOLIDATED COMPANIES						
Congotex in liquidation	Kinshasa	Textile	USD	43.61%	43.61%	43.61%

3. Risk management

3.1. COUNTRY RISK

The assets of the company are located in DRC, a region lacking in governance, so the particular environment of the country entails risks that can have an impact on the profitability and viability of the activities of the Group. These risks are, among other things, related to the development of the political situation, the creation of new laws, tax policies and changes to government policy or the renegotiation of existing concessions or operating rights Accounts were drawn up cautiously, based on the assumption of stability in the social-economic and regulatory environment.

3.2. OPERATING RISKS

3.2.1. Risks relating to the real estate activity

3.2.1.1. Rental vacancies

The real estate of the Group has historically enjoyed an occupancy rate close to 100%. However, this rate could fall due to saturation of the market, delays in bringing new buildings onto the market, serious political unrest or a worsened health situation in the medium-long term.

3.2.1.2. Defaulting tenants

The Group looks to rent to tenants of good standing, but is exposed to the risk of non-payment or late payment by its tenants.

3.2.1.3. Pressure on prices

The Group expresses its rents in euros and always charges VAT on its rents. On the other hand, its competitors express their rents in US dollars and do not always fully charge VAT. This could put downward pressure on the rents of the Group, particularly residential rents, on which VAT cannot be claimed back.

3.2.1.4. Delay or budget overruns for newbuilds

The Group has a policy of regularly investing in new builds or extensive renovations. Delays and/or budget overruns on these projects can have a negative effect on the profitability of the Group and profit growth. In particular, the completion materials are imported, which means the Group is dependent on international logistics chains.

3.2.1.5. Accidents

From 2021, all group buildings are insured or reinsured by renowned international companies.

3.2.2. Risks relating to the quarry activity

3.2.2.1. Power cuts

The quarry activity is highly dependent on the supply of power by the Société Nationale d'Electricité. There are frequent power cuts. Furthermore, there are major fluctuations in voltage on the network. This leads to production stoppages and damage to equipment out of proportion with the duration of these cuts.

3.2.2.2. Breakdowns and accidents

Quarrying is conducted with expensive specialist equipment. In all countries it is subject to the risk of relatively frequent accidents or breakdowns. The operating conditions at our quarry mean it is more susceptible than others to breakdowns and accidents, particularly the instability of the power supply and the abrasiveness of the stone. Furthermore, the time needed to transport spare parts and the shortage of qualified staff mean that repairs take longer and are more expensive than in most other countries.

3.2.2.3. Social risks

The quarry activity is highly dependent on its workers and managers. The Group endeavors to maintain a peaceful social climate and dialogue with the social partners, but the risks of strikes and work stoppages cannot be ruled out.

3.2.2.4. Regulatory risk

The quarry activity is highly dependent on its workers and managers. The Group endeavors to maintain a peaceful social climate and dialogue with the social partners, but the risks of strikes and work stoppages cannot be ruled out.

3.2.3. Risks related to investments in the digital segment

3.2.3.1. Risk of start-ups

At the end of 2018 the Group decided to invest in young African companies in the new technologies sector and/or in the support of these young companies. This venture capital is by definition exposed to higher risks as a high proportion of these companies do not achieve their goals or disappear altogether. In this respect, the Group decided to recognize these stakes at fair value through the other items of the comprehensive result.

3.2.3.2. Learning curve

While the Group surrounds itself with experienced skilled people to achieve these investments, the field of venture capital is young in Africa and the environment may be tougher for young companies than it is in Europe or the United States.

3.3. DEPENDENCY RISKS

3.3.1. Key persons

The Group has a small number of senior managers and so is exposed to a risk of unavailability of one or other of these senior managers. This risk is exacerbated by the fact that the recruitment pool for expatriate and local staff is very small in the Democratic Republic of Congo.

3.3.2. Contractors

The Group is dependent on contractors for various services that are critical to its activity, including construction, studies and drawings, equipment servicing and IT services. In the event of a failure of one of these contractors, the replacement possibilities are more limited in the Democratic Republic of Congo than in European countries.

3.3.3. Clients

The Group sells or rents standard real estate and quarry products, so it is relatively easy to replace a client. However, the real estate activity is dependent on international bodies, Western embassies and cooperatives that do not depend on the local economy but may decide to withdraw from the country if international relations deteriorate or reduce their workforce if the security or health situation worsens. Furthermore, the quarry historically generates 30-40% of its turnover from road builders, which are very few in number and generally depend on international donations or financing. There have been very few orders over the past five years.

3.4. POLITICAL, LEGAL AND REGULATORY RISKS

3.4.1. Risk relating to changes to economic policy

The Democratic Republic of Congo currently has institutions born of the electoral process and receives a great deal of aid from international bodies. Its economic policy is based on the market economy and private property. However, abrupt political change or even serious political unrest cannot be excluded and these could have a big negative impact on the activities or even the assets of the Group.

3.4.2. Property risks

The two historical activities of the Group, real estate and quarrying, are directly related to the control of land. All land in the Democratic Republic of Congo belongs to the state and is made available under a regime of renewable 25-year concessions. Up until now, this renewal has always been inexpensive and granted without complication. On the other hand, the risks of sites being illegally occupied and stolen by private interests are very great and the Group is faced with these situations. Although the Group is in a completely clear legal position in all of these cases, it cannot be excluded that it will be temporarily or even permanently dispossessed of some sites.

3.4.3. Legal risks

The Group is a party in many legal actions, virtually all of them related to attempted dispossession as described in point b above. The risks the Group faces in this respect are increased by attempts at collusion by opposing parties with some government officials or magistrates.

3.4.4. Tax and regulatory risks

The Congolese tax framework is highly complex, with more than 400 listed taxes. Furthermore, the regulatory framework is changing fast, generally in the direction of modernization. As a consequence, the administrations concerned do not always apply laws in a transparent and consistent way at all times or for all companies. Tax or regulatory measures are sometimes not adopted or published in full accordance with the constitution or the law, which creates a gray area in their application.

The Group may therefore find itself in disagreement with the public administration and the resolution of such disagreement is uncertain.

3.4.5. Transfer risks

The Group's capacity to transfer cash from DRC to the parent company depends on the regulation of exchanges and the Congolese Central Bank's exchange reserves.

3.5. FINANCIAL RISKS

3.5.1. Exchange risks

The Group works on a daily basis with three currencies – euros, dollars and Congolese francs – but the euro is its functional currency. It is therefore exposed to certain exchange risks in its transactions. The Congolese economy is dollarized to a very great degree, so prices and salaries in Congolese francs are quickly changed to maintain their value in dollars and payments are interchangeable between the two currencies.

94% of rents are expressed in euros; the rest in dollars. The sale prices of sandstone are in Congolese francs or dollars. On the other hand, 62% of cash operating expenses of the Group are in dollars or Congolese francs. The Group is therefore exposed to the risk that the dollar will rise against the euro. A change in the exchange rate between the Congolese franc and the dollar would be quickly offset by the adjustment of prices.

Almost 80% of investment costs are expressed in dollars. The Group is therefore exposed to an increase in its investment costs if the dollar rises against the euro.

On the liabilities side of its balance sheet the Group has a large sum in deferred tax (EUR 11,306 k) on its real estate assets in DRC (see note 17). The tax value of these assets is in Congolese francs, but this tax value is revalued every year by a decree of the finance minister. This tax remeasurement coefficient follows the domestic inflation rate in DRC and therefore does not necessarily closely follow the fluctuation in the exchange rate between the Congolese franc and the euro. This could generate differences in deferred tax provisions, as was the case in 2018 and 2019.

Congolese taxes are recognized in Congolese francs. As a result of these investments, the Group generally has a positive VAT balance and so has a claim against the state in Congolese francs. The exchange value in euros of this claim decreases proportionally to the depreciation of the Congolese franc against the euro. On December 31, 2020, this receivable was EUR 519 k.

The sensitivity to a euro/dollar exchange rate fluctuation is therefore as follows:

- Income before tax: EUR -38,559 per dollar percentage point rise
- Investment cost: EUR -48,960 per dollar percentage point rise
- Cash flow from operating activities and investments: EUR -87,519 per dollar percentage point rise
- Result after tax and equity: EUR -25,063 per percentage point of dollar rise.

These sensitivities are linear and symmetrical. They concern only the financial year in which the fluctuation occurs. They therefore only apply to short-term fluctuations. Among other things, they are based on the following assumptions:

- The prices in CDF are adjusted when the USD/CDF rate changes.
- The price structures are not elastic.
- The supply and financing sources remain the same.

Furthermore, the specific sensitivity of a EUR/CDF exchange rate fluctuation on the tax assets is:

- Result before tax: EUR -5,190 per Congolese franc percentage point fall
- Result after tax and equity: EUR -3,633 per Congolese franc percentage point fall.

These sensitivities are linear and symmetrical. They are based on the balance sheet situation on December 31, 2020, which is expected to change in the course of future financial years depending on VAT returns.

The sensitivity of deferred taxes to a EUR/CDF exchange rate fluctuation is supposed to be offset by the tax revaluation coefficient.

Furthermore, the group had the following assets and liabilities in foreign currencies on December 31, 2020. These are short-term assets and liabilities only.

Assets in USD	EUR 2,937 k	Liabilities in USD	EUR 1,549 k
Assets in CDF	EUR 1,190 k	Liabilities in CDF	EUR 759 k

3.5.2. Interest risks

All bank loans are in euros at a fixed rate. On the other hand, cash and cash equivalents, which were EUR 6.979 k on December 31, 2020, are held in euros and dollars but invested at variable rates. This investment remuneration rate is currently 3.5%.

The impact of a 100-base point rise in EUR interest rates would be EUR +69,790 on an annual basis on the result before tax and cash flows and EUR +48,853 on the result after tax and equity. This impact is linear and only applies to the short term.

3.5.3. Liquidity risks

The policy of the Group is to maintain a relatively large amount of liquidity in euros at European banks at all times.

Furthermore, the repayments of its bank loans are aligned to the cash flows from the projects they finance. However, there is a liquidity risk if these projects are delayed or if the occupancy rate is lower than projected.

The spread in the due date of these loans is stated in note 13.

The Group relies on the availability of bank and other credit for its new investments. If this is not available, the amounts invested and the profit growth rate will be reduced.

3.5.4. Credit risks

The credit risk mainly comes from the exposure to clients. The risk related to unpaid rent is limited, due to the rent guarantees obtained (payment of three months' rent into the lessor's bank account) and the fact that clients pay in advance.

Nevertheless, some Congolese public clients and clients with political connections can be hard to evict in the event of non-payment. The Group has made the decision to recognize the revenue of clients that systematically have problems paying rent only on the basis of payments actually made. In 2018, 2019 and 2020, this rule was found not to apply.

The quarry most often makes cash sales, but has also encountered problems with clients who pay on credit.

Furthermore, old historic debts, completely impaired, are the subject of specific monitoring.

The net value of client receivables at the end of 2020 was EUR 709 k, including EUR 476 k in receivables more than 120 days due, some of which are covered by rental guarantees or corresponding debts. The age balance of client debts is stated in note 12.

The allocations to write-downs (net of reversals) on client debts has changed as follows:

EUR 192 k in 2016, a reversal of EUR (11) k in 2017, EUR 208 k in 2018, a reversal of EUR (47) k in 2019 and EUR 228 k in 2020.

3.6. COVID-19-RELATED RISKS

As stated in the management report, like everyone else, in 2020 the group had to deal with the pandemic and the restrictions imposed to fight it. This generates some additional risks concerning:

- Availability of the teams (as employees may catch the virus)
- Accessibility of the sites and clients (due to the lockdown)
- Reduced solvency of certain clients and the possible resulting change in purchasing behavior (such as a preference for cheaper rents).

These risks have not had any repercussions for the accounts as things stand.

4. Significant estimates and accounting judgments

The estimates and judgments used by the Group when preparing its financial statements are continuously updated and are based on historical information as well as other factors, including the anticipation of future events deemed reasonable in view of the circumstances.

In this context, by definition the resulting accounting estimates rarely correspond exactly to the effective results. The estimates and assumptions for which there is a major risk that a significant adjustment in the book value of assets and liabilities will be needed during the following period are analyzed below.

4.1. INCOME TAX

The Group is liable for tax on its result in DRC and Belgium. The determination of the provision, at the international level, entails a judgment to some degree. In the regular context of the activities, the final determination of the tax expense is uncertain for some transactions and estimates. In accordance with the interpretation of IFRIC 23, the Group recognizes a liability for anticipated tax adjustments based on additional tax it expects to be demanded. If the due amount is different from the amount initially recognized, the difference is charged as a tax expense to the income and as provisions during the period during which the amount is determined. Note 28 reconciles and comments on the recognized taxes with the tax rate of the parent company.

4.2. DEPRECIATION OF ASSETS

Property, plant and equipment and other non-current assets are subjected to a depreciation test every time an event or a change of circumstances indicates that the recoverable value of the asset is lower than its book value For the real estate activity, the measurement is based on the value of the land and the rental yields. For Carrigrès, the measurement is based on the discounting of future cash flows. These calculations require the use of estimates on the size of the deposit, the future cash flow it will generate and the discount rate. This method was adjusted in 2020 to take account of three possible future cash-flow scenarios. This has led to the recognition of an exceptional depreciation of the deposit of EUR 1.3 m. The measurement of these assets, together with a sensitivity analysis of the calculation assumptions, is detailed in notes 6 and 7.

4.3. PROVISION FOR POST-EMPLOYMENT LIABILITIES

In the absence of a capital market and life assurance policies in DRC, the estimates of actuarial parameters are much more uncertain than they are in more developed economies. In 2017 the Group funded a critical analysis of its calculations by an external expert, which led to a change of life table. The calculation assumptions and sensitivity analyses are presented in note 16.

4.4. CLIENT DEBTOR PROVISIONS

The Group sets up provisions for its client debtors that are in arrears on a case-by-case basis. It assesses the capacity and willingness of each of these clients to fulfil its obligations. The analysis of this risk and the impact of the new IFRS 9 are presented in note 12.

4.5. INVESTMENT PROPERTY

Investment property is measured at historic amortized cost and so is not estimated, except in the case of the impairment test referred to in (b). On the other hand, the estimation of the fair value given for information purposes in the annexes to the financial statements is based on the judgements of the Board of Directors, as explained in note 7.

4.6. INVENTORY

The inventory of finished products and work in progress at CARRIGRES is measured every six months by an independent service provider. By the very nature of the product, this measure entails judgements by the service provider on the topographical parameters and on the part of the management on the actual density of the inventory.

5. Segment information

The operating segments constitute the only level of segment information for TEXAF, as the risks and profitability of each entity are strongly linked to the particular economic environment in which it does business.

These segments are real estate, quarries, the holding segment and, since 2020, the digital segment. This segmentation complies with the one used by management and the Board of Directors. The digital business is classified as a specific segment, although it generates less than 10% of total income and it represents less than 10% of group assets, because the segment has a separate reporting flow and its own director, who reports to the CEO. As explained in the management report, the digital business consists of the venture capital investments and the digital hub operations.

The geographic segment is limited to the Democratic Republic of Congo, where all the Group's operations are located.

In accordance with IFRS 8, segment information is derived from the internal organization of the Group and is similar to the segments that were used in the previous financial statements, except for the digital segment created in 2020. The data by operating segment follows the same accounting rules as those used for the consolidated financial statements, as summarized and described in the notes to the financial statements. This information is identical to the information presented to the CEO, who has been identified as the "chief operating decision maker", within the meaning of IFRS 8, to make decisions on resources to be allocated and assessments to be conducted on the performance of the segments.

5.1. SEGMENT INCOME STATEMENT

RESULTS 2020 (in thousands of euros)	Holding	Real estate	Digital	Quarries	Intercompany eliminations	Consolidated
Revenue from ordinary activities	-	19,331	29	2,556	(48)	**21,868**
Other operating income	-	1,360		66	(1)	**1,426**
Operating charges	(975)	(11,627)	(217)	(2,662)	49	**(15,431)**
of which payroll expenses	*(165)*	*(2,225)*	*(115)*	*(625)*	-	(3,128)
of which depreciations	*(50)*	*(3,243)*	-	*(175)*	-	(3,468)
of which impairments	*(15)*	*(225)*	-	*(121)*	-	(361)
Non-recurring items	-	(416)	-	(1,300)	-	**(1,716)**
Operating result	**(975)**	**8,648**	**(187)**	**(1,339)**	-	**6,146**
Financial result	618	(1,035)	-	379	-	**(38)**
Result before tax on the result	**(357)**	**7,613**	**(187)**	**(961)**	-	**6,108**
Current taxes	(23)	1,410	-	(68)	-	**(1,502)**
Result before deferred taxes	**(380)**	**6,203**	**(187)**	**(1,029)**	-	**4,606**
Deferred taxes	161	(598)	-	412	-	**(25)**
Result for the financial year	**(219)**	**5,605**	**(187)**	**(617)**	-	**4,581**

The intercompany eliminations concern service provisions of UTEXAFRICA to CARRIGRES.

The main other operating charges of the holding are the remuneration of the executive and non-executive directors of EUR 311 k in 2019 (EUR 737 k in 2019) and various fees (including audit, lawyers and stock market listing) of EUR 222 k (EUR 184 k in 2019).

The non-recurring items are costs incurred as a consequence of the fire of August 7, 2020 (Real Estate segment) and the exceptional depreciation of the sandstone deposit (Quarry segment).

The concentration of clients per segment is described in note 19.

By way of comparison, the results by activity segment for the financial years 2018 and 2019 are presented below.

RESULTS 2019 (in thousands of euros)	Holding	Real estate	Carrières	Intercompany eliminations	Consolidated
Revenue from ordinary activities	-	19,278	2,460	(48)	**21,691**
Other operating income	14	1,388	128	-	**1,530**
Operating charges	(1,412)	(11,366)	(2,659)	48	**(15,389)**
of which payroll expenses	*(201)*	*(2,542)*	*(675)*	-	*(3,418)*
of which depreciations	*(25)*	*(3,178)*	*(179)*	-	*(3,382)*
of which impairments	-	*(6)*	*(57)*	-	*(63)*
Result on disposal of non-current assets	68	5,120	2	-	**5,190**
Operating result	**(1,330)**	**14,421**	**(69)**	**-**	**13,022**
Financial result	580	(1,181)	377	-	**(223)**
Result before tax on the result	**(750)**	**13,240**	**309**	**-**	**12,799**
Current taxes	158	(3,227)	(114)	-	**(3,183)**
Result before deferred taxes	**(592)**	**10,013**	**194**	**-**	**9,616**
Deferred taxes	190	931	55	-	**1,176**
Result for the financial year	**(402)**	**10,944**	**249**	**-**	**10,792**

RESULTS 2018 (in thousands of euros)	Holding	Real estate	Carrières	Intercompany eliminations	Consolidated
Revenue from ordinary activities	-	17,305	1,612	(48)	**18,869**
Other operating income	-	1,368	55		**1,423**
Operating charges	(1,208)	(9,165)	(1,928)	48	**(12,253)**
of which payroll expenses	*(158)*	*(2,100)*	*(581)*	-	*(2,839)*
of which depreciations	-	*(2,747)*	*(196)*	-	*(2,943)*
of which impairments	-	*582*	*(25)*	-	*557*
Result on disposal of non-current assets	-	508	152	-	**660**
Operating result	**(1,208)**	**10,016**	**(109)**	**-**	**8,699**
Financial result	624	(1,419)	357	-	**(438)**
Result before tax on the result	**(584)**	**8,597**	**248**	**-**	**8,261**
Current taxes	233	(1,373)	-	-	**(1,140)**
Result before deferred taxes	**(351)**	**7,223**	**248**	**-**	**7,121**
Deferred taxes	(222)	5,946	87	-	**5,811**
Result for the financial year	**(573)**	**13,169**	**335**	**-**	**12,932**

5.2. SEGMENT ASSETS AND LIABILITIES

SEGMENT ASSETS AND LIABILITIES ON DECEMBER 31, 2020 (in thousands of euros)	Holding	Real estate	Digital	Quarries	Intercompany eliminations	Consolidated
Property, plant and equipment	306	2,011	-	5,991	-	**8,309**
Intangible and financial assets	6	335	-	-	341	**341**
Investment property	-	107,211	-	-	-	**107,211**
Other segment assets	19,494	6,838	-	13,983	(27,293)	**13,021**
TOTAL ASSETS	**19,800**	**116,066**	**335**	**19,974**	**(27,293)**	**128,882**
Bank loans	-	1,969	-	-	-	**1,969**
Deferred taxes	1,807	9,507	-	1,492	-	**12,806**
Other segment liabilities	662	40,132	-	769	(27,293)	**14,270**
TOTAL LIABILITIES (EXCLUDING EQUITY)	**2,469**	**51,608**	**-**	**2,261**	**(27,293)**	**29,045**
Acquisitions of assets	-	5,956	128	164	-	6,120

- The other segment assets mainly comprise intercompany receivables, stocks, client debts and cash flows from operating activities.
- Segment liabilities comprise intercompany payables, suppliers and other liabilities from operating activities.
- Acquisitions of assets comprises the acquisitions of property, plant and equipment (note 6) and investment properties (note 7).
- Eliminations relate to a loan by CARRIGRES to UTEXAFRICA and by TEXAF to UTEXAFRICA.

In comparison, the table below details the segment assets and liabilities on December 31, 2019 and 2018, as well as the acquisitions of assets in the financial year ended on this date.

SEGMENT ASSETS AND LIABILITIES ON DECEMBER 31, 2019 (in thousands of euros)	Holding	Real estate	Quarries	Intercompany eliminations	Consolidated
Property, plant and equipment	426	2,183	7,302	-	**9,911**
Intangibles	-	9	-	-	**9**
Investment property	-	105,029	-	-	**105,029**
Other segment assets	19,883	9,783	13,978	(27,348)	**16,296**
TOTAL ASSETS	**20,309**	**117,004**	**21,280**	**(27,348)**	**131,245**
Bank loans	-	4,265	-	-	**4,265**
Deferred taxes	1,968	8,927	1,910	-	**12,805**
Other segment liabilities	966	42,164	877	(27,348)	**16,659**
TOTAL LIABILITIES (EXCLUDING EQUITY)	**2,934**	**55,355**	**2,787**	**(27,348)**	**33,728**
Acquisitions of assets	72	7,059	352	-	7,483

SEGMENT ASSETS AND LIABILITIES ON DECEMBER 31, 2018 (in thousands of euros)	Holding	Real estate	Quarries	Intercompany eliminations	Consolidated
Property, plant and equipment	374	2,154	7,130	-	**9,658**
Intangibles	-	15	-	-	**15**
Investment property	-	102,347	-	-	**102,347**
Other segment assets	20,823	2,415	13,648	(24,376)	**12,511**
TOTAL ASSETS	**21,197**	**106,932**	**20,778**	**(24,376)**	**124,531**
Bank loans	-	4,268	-	-	**4,268**
Deferred taxes	2,168	9,863	1,968	-	**13,999**
Other segment liabilities	1,246	38,621	559	(24,376)	**16,051**
TOTAL LIABILITIES (EXCLUDING EQUITY)	**3,414**	**52,752**	**2,527**	**(24,376)**	**34,318**
Acquisitions of assets	-	5,995	16	-	6,011

6. Property, plant and equipment

(in thousands of euros)	Land and buildings	Tangible assets under construction	Technical systems, equipment and tools	Vehicles	Layouts and accessories	Improvements made to rented properties	Other property, plant and equipment	Total
On December 31, 2017								
Cost	15,049	-	6,564	474	2,181	693	3	**24,964**
Combined amortization	(6,240)	-	(6,289)	(409)	(1,794)	(277)	-	**(15,009)**
Net carrying amount	**8,809**	**-**	**275**	**65**	**387**	**416**	**3**	**9,955**
CHANGES IN THE FINANCIAL YEAR 2018								
Acquisitions	10	-	18	6	154	-	-	**188**
First consolidation (net)	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	**-**
Reallocations	20	-	-	-	-	-	-	**20**
Depreciation allocation	(131)	-	(153)	(29)	(123)	(69)	-	**(505)**
Value adjustment	-	-	-	-	-	-	-	**-**
Changes in the period	(101)	-	(135)	(23)	31	(69)	-	**(297)**
Au 31 décembre 2018								
Coût	15.079	-	6.582	459	2.335	693	3	**25.151**
Amortissements cumulés	(6.371)	-	(6.442)	(417)	(1.917)	(346)	-	**(15.493)**
Valeur nette comptable	**8.708**	**-**	**140**	**42**	**418**	**347**	**3**	**9.658**
CHANGES IN THE FINANCIAL YEAR 2019								
Acquisitions	23	-	348	88	180	-	-	**639**
First consolidation (net)	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	**-**
Reallocations	-	-	-	-	-	-	-	**-**
Depreciation allocation	(145)	-	(115)	(39)	150	(69)	-	**(518)**
Other	(2)	-	-	-	-	-	-	**(2)**
Changes in the period	(124)	-	233	49	30	(69)	-	**119**
On December 31, 2019								
Cost	15,102	-	5,770	547	2,476	693	3	**24,591**
Combined amortization	6,518	-	(5,397)	(456)	(2,028)	(415)	-	**(14,814)**
Net carrying amount	**8,584**	**-**	**373**	**91**	**448**	**278**	**3**	**9,777**
CHANGES IN THE FINANCIAL YEAR 2020								
Acquisitions	-	132	51	-	70	-	-	**253**
First consolidation (net)	-	-	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	-	-	**-**
Reallocations	-	-	-	-	-	-	-	**-**
Depreciation allocation	(149)	-	(112)	(25)	(149)	(70)	-	**(505)**
Value adjustment	(1,300)	-	-	-	-	-	-	**(1,300)**
Other	-	-	-	-	-	-	-	**-**
Changes in the period	(1,449)	132	(61)	(25)	(79)	(70)	-	**(1,552)**
On December 31, 2020								
Cost	15,102	132	5,821	547	2,546	693	3	**24,844**
Combined amortization	(7,967)	-	(5,509)	(481)	(2,177)	(485)	-	**(16,619)**
Net carrying amount	**7,135**	**132**	**312**	**66**	**369**	**208**	**3**	**8,225**

Land and buildings includes EUR 4,509 k (net of EUR 7,027 k depreciation) relating to the CARRIGRES deposit, which bore an exceptional depreciation of EUR 1,300 k on December 31, 2020.

The deposit reserves of CARRIGRES were estimated at 20 million tons on December 31, 2009 when 100% of CARRIGRES shares were acquired. They were estimated again at 25 million tons in 2013. Over the seven financial years 2014 to 2020, the quarry produced 1.71 million tons of sandstone. These reserves were estimated by means of geological and engineering data, which enable the quantity that could be exploited to be determined with reasonable certainty. This process entails subjective judgments, which make the assessment of reserves an exercise that is subject to revision, as it is not absolutely precise. The Group exploits its existing deposit, but does not explore new deposits. As explained in note 32, part of the quarry is illegally occupied by squatters, which could prevent the development of the quarry's exploitation in the longer term. However, this part is not included in the estimate of the reserves.

Since the financial year 2016, the deposit has been depreciated proportionate to the production.

An impairment test was conducted on the book value of the deposit, which was EUR 4,509 k on December 31, 2020. In the absence of a market value for this asset, this test is based on the value of use and assumptions about future free cash flows generated by the exploitation and on a discount rate. The method for assessing future cash flows was adjusted in 2020 to include three scenarios: stabilization of the sale price at the 2020 level with an unchanged product mix, stabilization of the sale price at the 2020 level with an optimized product mix and the gradual recovery of prices to the 2009-2020 average. The discount rate of 14% was derived from the parameters for DRC and the building materials estimated by professor A. Damodaran (http://pages.stern.nyu.edu/~adamodar/New_Home_Page/home.htm). Bearing in mind the deterioration of the results of CARRIGRES, this test has led to the recognition, in 2020, of an additional depreciation of EUR 1,300 k. However, this test is highly sensitive to the choice of assumptions, as shown in the sensitivity table below, which contains the two main assumptions: the discount rate and the medium-term price.

SENSITIVITY ANALYSIS OF THE FAIR VALUE OF THE DEPOSIT

		Average unit sale price 2025				
		EUR 12	EUR 13	EUR 14	EUR 15	EUR 16
Discount rate	12%	3,195	5,047	6,898	8,749	10,601
	14%	2,605	4,121	5,636	7,152	8,667
	16%	2,172	3,441	4,709	5,978	7,247

Net book value on December 31, 2020	EUR 4,509 k
Average sale price 2009-2020	EUR 14.84
Average sale price 2020	EUR 11.10

7. Investment property

(in thousands of euros)	Land	Assets under construction	Other investment property	Total
On December 31, 2017				
Cost	48,679	6,931	72,819	**128,429**
Combined amortization and depreciation	-	-	(29,329)	**(29,329)**
Net carrying amount	**48,679**	**6,931**	**43,490**	**99,100**
CHANGES IN THE FINANCIAL YEAR 2018				
Acquisitions	-	160	5,663	**5,823**
Disposals/Withdrawals	(67)	-	(38)	**(105)**
Reallocation *	(19)	(4,925)	4,924	**(20)**
Reallocation of assets held for sale	-	-	-	**-**
Depreciation allocation	-	-	(2,429)	**(2,429)**
Value adjustment	-	-	(22)	**(22)**
Changes in the period	(86)	(4,765)	8,098	**3,247**
At December 31, 2018				
Cost	48,593	2,166	82,597	**133,356**
Combined amortization and depreciation	-	-	(31,009)	**(31,009)**
Net carrying amount	**48,593**	**2,166**	**51,588**	**102,347**
CHANGES IN THE FINANCIAL YEAR 2019				
Acquisitions	-	6,669	34	**6,703**
Disposals/Withdrawals	(1,238)	-	-	**(1,238)**
Reallocation	-	(2,544)	2,544	**-**
Reallocation of assets held for sale	-	-	-	**-**
Depreciation allocation	-	-	(2,805)	**(2,805)**
Value adjustment	-	-	22	**22**
Changes in the period	(1,238)	4,125	(205)	**2,682**
On December 31, 2019				
Cost	47,355	6,291	85,175	**138,821**
Combined amortization and depreciation	-	-	(33,792)	**(33,792)**
Net carrying amount	**47,355**	**6,291**	**51,383**	**105,029**
CHANGES IN THE FINANCIAL YEAR 2020				
Acquisitions	-	4,934	507	**5,441**
Disposals/Withdrawals	-	-	(16)	**(16)**
Reallocation	-	(4,853)	4,853	**-**
Reallocation of assets held for sale	-	-	-	**-**
Depreciation allocation	-	-	(3,243)	**(3,243)**
Value adjustment	-	-	-	**-**
Changes in the period		81	2,101	**2,182**
On December 31, 2020				
Cost	47,355	6,372	90,519	144,246
Combined amortization and depreciation	-	-	(37,035)	(37,035)
Net carrying amount	**47,355**	**6,372**	**53,484**	**107,211**

(*) The net change of these lines is the reallocation from or to property, plant and equipment.

The Group recognizes its investment property at historical cost less depreciation, but gives an estimate of the fair value in this note. It depreciates it on a straight line basis over 20 years, maintaining a residual value of 20%. As an exception to this rule, the residual value of the buildings on the Kinsuka site, which an international force has vacated, is depreciated over 10 years.

All the investment property is located in the Democratic Republic of Congo. The sites in DRC are concessions granted by the state for renewable 25-year terms. These concessions come up for renewal between 2021 and 2041. Renewal is inexpensive. The Group has no assets held on lease.

In 2020 the investment property generated rental revenue of EUR 19,283 k and direct costs (mainly maintenance and repair) of EUR 1.267 k.
On December 31, 2020, the sites and property were pledged for EUR 1,233 k (see note 33).

FAIR VALUE

The Group has undeveloped sites in downtown Kinshasa and in outlying Kinsuka, as well as in some provinces of DRC, and developed sites held for rent.

It is hard to determine the fair value of the property in DRC and the current measurement is in level 3 of the IFRS hierarchy of fair values. No property statistics or transaction reports exist. The majority of transactions are conducted on the informal market. Neither is there a public capital market to determine the long-term interest rate. The fair value is estimated by the Board of Directors as best as possible based on the factual information available and not on the basis of a real estate assessment as provided for by IAS 40, article 75, as this does not exist in DRC.

However, Knight Frank, a London-based real estate expert, published its “Knight Frank Africa Report 2020/21”, an analysis of the property market in Africa. The Group bases itself among other things on the estimates of the part of this report devoted to DRC, particularly the real estate market in Kinshasa, to estimate the fair value of its investment property.

Knight Frank described the residential market as stable and sound with a 5% rise in rents in 2019 (in USD). The rent level stated is $10,000 for a high-quality four-bedroom home.

For the office market, in 2019 Knight Frank observed a lack of new builds in view of the demand from government agencies and upwards pressure on rents. The group’s office space is rented at competitive rates compared to those stated in the Knight Frank report.

Compared with previous editions, Knight Frank has lowered the demanded yields in the best neighborhoods to 10% for office and retail space (vs. 12% previously) and 8% for the residential market (vs. 12% previously).

The residential and office properties of the TEXAF group in Kinshasa are located alongside the in-demand neighborhood of Gombe, on the site of UTEXAFRICA, which is unanimously considered to be very well protected.

KINSHASA PRIME RENTS AND YIELDS

(SOURCE: KNIGHT FRANK LLP, AFRICA REPORT 2020/21)

	Prime rents: USD/m²/month	Prime yields
Offices	30	10%
Retail	30	10%
Industrial	10	15%
Residential: 4 bedrooms executive house – prime location	USD 10,000/month	12%

VALUATION OF UNDEVELOPED LAND

The land price is difficult to document. In 2013 TEXAF sold a site adjacent to the UTEXAFRICA concession on the basis of USD 566/m² (EUR 436/m²), with due consideration for the prohibition on buildings with more than two stories. TEXAF has not completed freely negotiated transactions since then; a 10,634 m² site has been expropriated for USD 5.4 m, but part of this site could not be built on. In 2014 the Belgian state put up the site adjoining Petit-Point for sale at a price of EUR 842/m² (USD 1,100/m²). Transactions in the municipality of Gombe, close to the compound, were completed at USD 1,000/m².

The company obtained an independent local assessment at the beginning of 2018, valuing the COTEX sites at USD 1,012/m². This value was accepted by the banks to guarantee their financing.

In 2017 a real estate operator made an offer for a site of several thousand square meters close to UTEXAFRICA at a price higher than USD 1,000/m².

(*) *IAS 40 Art 75: “the extent to which the fair value of investment property (as measured or disclosed in the financial statements) is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. If there has been no such valuation, that fact shall be disclosed.”)*

The Board of Directors cautiously maintained the price of USD 800/m^2 used in the 2017 annual report, rounded off to EUR 650/m^2 as a reasonable fair value for downtown sites.

There is great uncertainty about the sites in Kinsuka on the outskirts of the city and the Board has retained EUR 35/m^2 as the fair value, in spite of a real estate boom in this part of Kinshasa. The sale in 2019 of 17 ha of this site to the Société Nationale d'Electricité was at a net value very close to this value.

The subsidiaries LA COTONNIERE and ESTAGRICO hold 306 ha of land in the provinces (South Kivu, Sankuru, Maniema, Tanganyika, Lomami and Kasaï Oriental) on which some buildings have been constructed, mainly warehouses that were used when the Group had cotton plantations. The Board retains a symbolic value of EUR 1.2 m for this item. Historically, LA COTONNIERE also holds land for which the documentation is incomplete and that is measured in the accounts. However, it should be noted that the regions of Maniema and South Kivu, where TEXAF has properties, are experiencing much faster economic growth than the rest of the country. The Board will revise this value when regional tensions come to an end.

VALUATION OF DEVELOPED AREAS

Each building is allocated a condition co-efficient from 1 (New or completely renovated) to 4 (Run-down). The fair value of the investment properties in the table below is estimated on the basis of their yield value, taking into account the contractual rents and the yield rate of 9.21%, which corresponds to the weighted average of the rates published by Knight Frank for category 1 and 2 buildings or based on the market value of the sites only for categories 3 and 4. The category 3 and 4 developed sites are not used optimally within the meaning of IFRS 13-93 (i) and the existing buildings will gradually be replaced by new buildings (category 1), which ought to get a much higher yield.

CONCLUSIONS

	SITE INVENTORY (ha)			
	Downtown Kinshasa	Kinsuka	Province	Total
UNDEVELOPED LAND				
Undeveloped land in downtown Kinshasa	8.7	-	-	**8.7**
Undevelopable land in downtown Kinshasa	12.5	-	-	**12.5**
Undeveloped land in Kinsuka	-	83.4	-	**83.4**
Undeveloped land in the province	-	-	305.9	**305.9**
TOTAL UNDEVELOPED LAND (NET OF ROADS)	**21.2**	**83.4**	**305.9**	**410.5**
Roads	3.7	0.6	-	4.3
DEVELOPED LAND				
Land with new or totally renovated buildings (category 1 development)	17.4	-	-	**17.4**
Land with old buildings in good state (category 2 development)	4.1	-	-	**4.1**
Land with buildings that require renovation (category 3 development)	10.6	0.1	-	**10.7**
Land with buildings in poor state (category 4 development)	3.4	2.5	-	**5.9**
TOTAL DEVELOPED LAND	**35.5**	**2.7**	**0.0**	**38.1**
GENERAL TOTAL	**60.5**	**86.7**	**305.9**	**453.0**

CONCLUSIONS

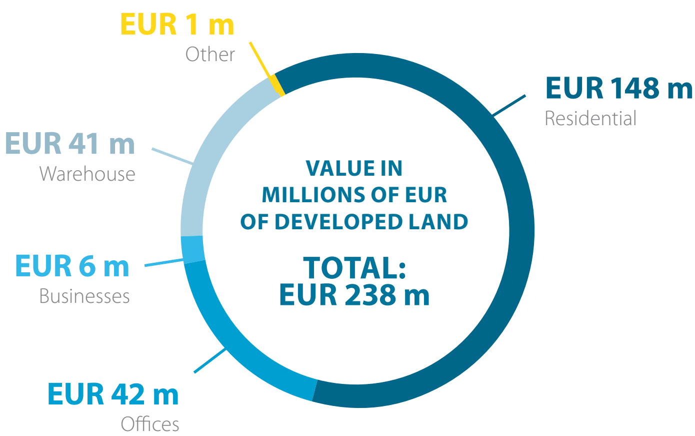
	FAIR VALUE (EUR m)					
	Rent (EUR m)	Yield rate	Yield value (EUR m)	Land value (EUR/m²)	Equivalent land value (EUR m)	Total value (EUR m)
UNDEVELOPED LAND						
Undeveloped land in downtown Kinshasa	-	-	-	650.0	62.7	**62.7**
Undevelopable land in downtown Kinshasa	-	-	-		1.6	**1.6**
Undeveloped land in Kinsuka	-	-	-	35.0	29.2	**29.2**
Undeveloped land in the province	-	-	-	-	1.2	**1.2**
Total undeveloped land (net of roads)	**-**	**-**		**-**	**94.7**	**94.7**
Roads	-	-	-	-	-	-
DEVELOPED LAND						
Land with new or totally renovated buildings (category 1 development)	15.3	9.2%	166.1	NA	-	**166.1**
Land with old buildings in good state (category 2 development)	2.3	9.2%	25.0	NA	-	**25.0**
Land with buildings that require renovation (category 3 development)	2.3	NA	-	-	68.8	**68.8**
Land with buildings in poor state (category 4 development)	1.0	NA	-	-	23.0	**23.0**
TOTAL DEVELOPED LAND	**20.9**	**-**	**146.6**	**-**	**91.8**	**282.9**
GENERAL TOTAL	**-**	**-**	**-**	**-**	**186.5**	**377.5**

Based on these assumptions, the gross fair value of investment property on December 31, 2020 is EUR 377 m (EUR 297 m after deduction of deferred tax). If the 12% rent capitalization rate used in 2019 had been maintained, the gross fair value would have been EUR 333.1 m. The main changes compared with the previous year are the increase in the value of developed sites following investments during the year and an increase in category 1 and 2 developed sites to take account of the rents in 2020.

These values must be compared with a net book value of EUR 107 m (or EUR 95 m after deduction of deferred taxes) (see note 17).

Among other things, this table shows that 32.4% of developed land in downtown Kinshasa, categories 3 and 4, generate only 16% of rental revenue. So these sites are currently not being managed optimally and constitute a strategic land reserve for the Group in the same way as the undeveloped land.

Another way to segment the developed land containing investment property is based on their use.



SENSITIVITY

The estimate of fair value, which is EUR 377 m, varies as follows, based on the two main parameters – the required yield and the value per square meter in downtown Kinshasa.

ESTIMATED VALUE (EUR m)

Yield rate	Value of the land in m² in the city center		
	450 EUR	650 EUR	850 EUR
8%	353	406	459
10%	310	362	415
12%	280	333	386

8. Intangibles

This is accounting and management software acquired in 2012 and 2015 and partly depreciated.

9. Stakes in associated enterprises

The share of the Group in the losses of CONGOTEX has not been recognized since 2006, as this company is in liquidation and the Group has no commitments besides its investment. The Group share in the losses of CONGOTEX not recognized on December 31, 2020 is EUR 3,000 k. CONGOTEX has been in liquidation since 2007. The Group has no commitments to CONGOTEX, particularly in terms of equity compensation.

10. Other non-current financial assets

(in thousands of euros)	Shares	Loans	Total
On December 31, 2017			
Gross value	813	774	**1,587**
Combined impairments	(813)	(727)	**(1,540)**
Net carrying amount	**-**	**47**	**47**
CHANGES 2018			
New investments	170	-	**170**
Various	-	-	**-**
On December 31, 2018			
Gross value	983	774	**1,757**
Combined impairments	(813)	(727)	**(1,540)**
Net carrying amount	**170**	**47**	**217**
CHANGES 2019			
New investments	71	54	**125**
Impairment	(38)	-	**(38)**
On December 31, 2019			
Gross value	1,054	828	**1,882**
Combined impairments	(851)	(727)	**(1,578)**
Net carrying amount	**203**	**101**	**304**
CHANGES 2020			
New investments	132	-	**132**
Repayments	-	(4)	**(4)**
Impairment	-	-	**-**
On December 31, 2020			
Gross value	1,186	824	**2,010**
Combined impairments	(851)	(727)	**(1,578)**
Net carrying amount	**335**	**97**	**432**

- The net value of the shares (EUR 335 k) corresponds to the released part of the investment in the Partech Africa fund.
- Loans include an amount of EUR 727 k loaned to CONGOTEX when it was put into liquidation. This amount has been written off in full. The remaining loan on December 31, 2020 is made up of deposits made.
- The fair value of the other non-current financial assets on December 31, 2020, December 31, 2019 and December 31, 2018 is close to their net book value on these dates.

11. Other assets recognized as rights of use

	Assets recognized as rights of use	Deferred tax assets	Debt to lessors payable in more than 12 months	Debt to lessors payable in 12 months or less
ON THE BALANCE SHEET				
On January 1, 2019	184	-	128	56
Depreciations	(50)	-	-	-
Effective payment of rent	-	-	(53)	-
Discount factor	2	-	5	-
Deferred tax on the difference with the actual rent	-	1	-	-
On December 31, 2019	136	1	79	56
Depreciations	(53)	-	-	-
Effective payment of rent	-	-	(53)	-
Discount factor	(1)	-	(1)	-
Deferred tax on the difference with the actual rent	-	(0)	-	-
On December 31, 2020	82	-	25	56

AU COMPTE DE RÉSULTAT

	2019	2020
Amortissement	(50)	**(53)**
Annulation du loyer effectif	53	**53**
Charge financière	(5)	**1**
Impôt différé sur la différence avec le loyer effectif	1	**(0)**
Impact sur le résultat de la période	**(1)**	**1**

From January 1, 2019, IFRS 16 Leases applies to tenancy agreements in which the Group is a tenant. The only asset concerned is the Brussels head office.

12. Current assets

(in thousands of euros)	2018	2019	2020
INVENTORY			
Spare parts – Gross value	2,985	2,695	2,394
Spare parts – Impairment	(172)	198	(269)
Finished products and work in progress – Gross value	2,306	2,054	2,167
Finished products and work in progress – Impairments	(226)	-	-
Other stocks – Gross value	55	82	54
Other stocks – Impairment	-	-	-
Net value	4,948	4,633	4,346
CLIENTS			
Clients – Gross value	1,345	1,731	1,267
Clients – Impairments	(949)	(669)	(561)
Net value	396	1,062	706
TAX ASSETS	807	1,044	558
OTHER DEBTORS			
Other debtors – Gross value	476	430	376
Other debtors – Impairment	(180)	(180)	(184)
Net value	296	250	192
CASH AND CASH EQUIVALENTS			
Cash at bank	-	-	39
Bank balances	5,564	5,179	3,785
Short-term accounts	-	3,588	3,155
Net value	5,564	8,767	6,979
OTHER CURRENT ASSETS			
Charges to be carried forward	87	18	17
Income acquired	198	221	128
Net value	285	239	145

- Spare part stocks are held by CARRIGRES and UTEXAFRICA. The stocks of finished products and work in progress only concern CARRIGRES.
- The client debts are spread as follows according to their age:

(in thousands of euros)	Gross value	Net value
0-60 days	268	206
60-120 days	37	37
> 120 days	962	462
TOTAL	**1,267**	**705**

(in thousands of euros)	Client receivables	% Clients on turnover
On December 31, 2017, gross value	1,649	
Impairments	(741)	
Net value	**908**	**5.0%**
Increase of provisions	(223)	
Decrease of provisions	14	
On December 31, 2018, gross value	1,345	
Impairments	(949)	
Net value	**396**	**2.1%**
Increase of provisions	11	
Decrease of provisions	291	
On December 31, 2019, gross value	1,731	
Impairments	(669)	
Net value	**1,062**	**4.8%**
Increase of provisions	(562)	
Decrease of provisions	482	
On December 31, 2020, gross value	1,267	
Impairments	(562)	
Net value	**705**	**3.2%**

CLIENT DEBTOR PROVISIONS

(in thousands of euros)	2018	2019	2020
Clients and other debtors	396	1.062	705
Clients – Gross value	1.345	1.731	1,267
Clients – Impairments	(949)	(669)	(562)
Net value	**396**	**1.062**	**705**

- With regard to the amortization of financial assets measured at amortized cost, including commercial receivables, the initial application of the expected credit loss model under IFRS 9 leads to the accelerated recognition of credit losses compared with the incurred loss model under IAS 39. Being given, on the one hand, the quality of the tenants and, on the other, the low credit risk associated with commercial receivables (established on the basis of the analysis of historical credit losses). The expected loss model under IFRS 9 has no material impact for the Texaf Group.
- The net value of the client receivables is very low compared with turnover (5%), because, in real estate, tenants pay in advance and, in the quarry, many clients pay at the time of collection. In addition, the Group liabilities include advance rent from clients of EUR 1,756 k. The net value of the clients includes EUR 476 k in receivables more than 120 days due, some of which is covered by rental guarantees or corresponding debts.
- As the Group personally knows each of its clients, of which there are only around 200, albeit they are all of very different sizes and characteristics, a statistical analysis of non-payments to determine the parameters for making provisions for debts overdue for more than 120 days would be neither relevant nor significant. The Group examines each of its debts individually with the debtor to determine the risk and any provision.
- Tax assets comprise VAT receivables of EUR 519 k.
- The fair value of clients, other debtors and other current assets on December 31, 2020, December 31, 2019 and December 31, 2018 is close to their net book value on these dates.
- The impairments are recognized in "impairment" on the income statement. Since the financial year 2016 the rents payable by debtors that systematically have problems paying are only recognized when they are effectively collected and so no longer as impairments.

13. Share capital

ORDINARY SHARES IN CIRCULATION	
Number of shares on December 31, 2017	3,543,700
Changes in the financial year 2018	-
Number of shares at December 31, 2018	3,543,700
Changes in the financial year 2019	-
Number of shares at December 31, 2019	3,543,700
Changes in the financial year 2020	59,836
Number of shares on December 31, 2020	3,603,536

The shares are issued without designation of nominal value. On May 28, 2020 the Board of Directors noted that, following the contribution of 2,333,604 net dividend rights in 2019, 59,836 new shares were issued at EUR 31.59 per share, resulting in a capital increase of EUR 1,890,219.

14. Bank loans and other financial liabilities

(in thousands of euros)	2018	2019	2020	Monetary changes	Non-monetary changes
NON-CURRENT					
Guarantees and deposits received	4,368	4,189	4,102	(87)	-
Debt to lessors payable in more than 12 months		79	34	(45)	
Bank loans	4,268	1,966	773	(1,193)	-
	8,636	**6,235**	**4,909**	**(1,326)**	**-**
CURRENT					
Bank loans	3,009	2,299	1,196	(1,103)	-
TOTAL BORROWINGS AND OTHER FINANCIAL LIABILITIES	**11,645**	**8,533**	**6,105**	**(2,428)**	**-**
NEXT DUE DATE:					
Less than one year	3,009	2,299	1,196	(1,103)	-
1-5 years	8,636	6,235	4,909	(1,326)	-
	11,645	**8,533**	**6,105**	**(2,428)**	**-**
DEPENDING ON CURRENCY					
Euro	11,645	8,533	6,105	(2,428)	-

- In 2014 UTEXAFRICA agreed a EUR 1,400 k loan with a Congolese bank at a rate of 8.96%, repayable in 57 quarterly instalments beginning in June 2015. This credit was paid back in full in the course of 2020.
- In 2014 UTEXAFRICA agreed a EUR 2,500 k loan with a Congolese bank at a rate of 8.6%, repayable in 50 quarterly instalments beginning in January 2016. This credit was paid back in full in the course of 2020.
- At the end of 2015 IMMOTEX agreed a EUR 2,940 k loan with a Congolese bank at a rate of 8.50%, repayable in 54 quarterly instalments beginning in October 2016.
- In 2016 IMMOTEX agreed a EUR 2,600 k loan with a Congolese bank at a rate of 7%, repayable in 48 quarterly instalments beginning in October 2016. This credit was paid back in full in the course of 2020.
- In 2016 UTEXAFRICA agreed a EUR 2,500 k loan with a Congolese bank at a rate of 7%, repayable in 48 quarterly instalments beginning in December 2017.
- In 2018 UTEXAFRICA agreed a EUR 2,500 k loan with a Congolese bank at a rate of 8.50%, repayable in 60 quarterly instalments beginning in August 2019. Only EUR 1,000 k of this loan was taken up.
- The guarantees and deposits received concern rental guarantees deposited by clients and performance bonds deducted from the invoices of building contractors.
- The fair value of the guarantees received cannot be determined with precision, as the contracts are open ended. The fair value of the current and non-current bank loans is close to their book value, as the impact of the conversion to current value is negligible.

15. Net financial debt

(in thousands of euros)	Note	2018	2019	2020
Bank debt	14	7,277	4,265	**1,969**
Payable to Imbakin	34	399	379	**371**
Cash investments	10	(5,564)	(8,767)	**(6,979)**
Net financial debt		2,112	(4,123	(4,639)

The net financial debt is the difference between the interest-bearing debts and cash investments.

16. Pension liabilities and similar benefits

Year closed on December 31

	2018	2019	2020
LIABILITIES RECORDED ON THE BALANCE SHEET UNDER:			
Post-employment pension and medical payments	791	1,012	1,025
CHANGES IN THE FINANCIAL YEAR:			
Credited to the income statement	45	(194)	**(66)**
Change of actuarial assumptions debited in equity		27	**79**
	45	**221**	13
Discounted value of unfunded liabilities	791	1,012	**1,025**
Cost of services rendered	45	(194)	**(66)**
Net actuarial loss recognized during the financial year	-	27	**79**
Losses linked to the reduction of pension plans	-	-	**-**
Total amount included in the costs relating to employee benefits	45	221	**13**
The main actuarial assumptions used are as follows:			
Discount rate	3.1%	2.3%	**1.7%**
Future rate of salary raises	3.5%	3.0%	**3.0%**

In the Democratic Republic of Congo, the employees receive an allowance when they retire, based on the number of years in employment and the level of remuneration, similar to when they are let go.

The provision for this allowance is calculated using the projected credit unit method. On the one hand, there is no long-term interest rate in CDF and, on the other, the Group endeavors to maintain the purchasing power of their employees in USD even if the CDF is devalued. The discount rate used is the 30-year rate of US treasury bonds (1.67%) and the rate at which salaries rise (2.98%) corresponds to the historical Group average in USD. (This latter rate replaces the long-term inflation rate in USD and the actual growth rate, which were previously used.) The table published by the Inter-African Conference on Insurance Markets (www.cima-afrique.org), whose use is mandatory for insurance companies in the French-speaking countries of West Africa, is used.

This provision is not financed by an investment portfolio.

The sensitivity of this EUR 1,025 k provision to the actuarial assumptions is stated in the table below:

PROVISION FOR POST-EMPLOYMENT LIABILITIES (IN EUR K)

DISCOUNT RATE IN USD	NOMINAL RATE OF SALARY RAISES IN USD			
	2%	3%	4%	5%
1%	989	1120	1280	1476
2%	879	987	1117	1274
3%	789	879	985	1112
4%	715	790	878	983

17. Deferred taxes

The deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the assets and liabilities of due tax and the deferred tax assets and liabilities concern tax on the result deducted by the same tax authority.

No offsetting between distinct legal entities has been applied. The table below shows the amounts after offsetting, where applicable.

(in thousands of euros)	2018	2019	2020
Deferred tax liabilities recoverable in more than 12 months	13,999	12,805	**12,806**
Deferred tax assets reallocated to liabilities recoverable in less than 12 months	-	-	-
	13,999	**12,805**	**12,806**

The gross change to deferred taxes is shown below:

(in thousands of euros)	
On December 31, 2017	**19,810**
Deferred taxes on actuarial changes reallocated to equity	
Other tax charged to the income statement under "Deferred taxes"	(5,811)
At December 31, 2018	**13,999**
Deferred taxes on actuarial changes reallocated to equity	(9)
Deferred taxes on changes to revaluation reserves	(9)
Other tax charged to the income statement under "Deferred taxes"	(1,176)
On December 31, 2019	**12,805**
Deferred taxes on actuarial changes reallocated to equity	(24)
Other tax charged to the income statement under "Deferred taxes"	25
On December 31, 2020	**12,806**

The change to deferred tax assets and liabilities during the financial year, excluding offsetting within the same legal jurisdiction, is detailed below:

PASSIFS D'IMPÔTS DIFFÉRÉS	(Net) revaluation of land and buildings	Internal write-downs and gains	Other	Total
On December 31, 2017	**18,441**	**1,427**	**302**	**20,170**
Transfer from one item to another	163	-	(262)	**(99)**
Debited from (credited to) the income statement 2018	(6,536)	741	(40)	**(5,835)**
At December 31, 2018	**12,068**	**2,168**	**-**	**14,236**
Transfer from one item to another	-	-	-	**-**
Debited from (credited to) the income statement 2019	(928)	190	-	**(1,118)**
On December 31, 2019	**11,140**	**1,978**	**-**	**13,118**
Transfer from one item to another	-	-	-	**-**
Debited from (credited to) the income statement 2020	166	(161)	-	**5**
On December 31, 2020	**11,306**	**1,817**	**-**	**13,123**

DEFERRED TAX ASSETS	Tax losses	Post-employment benefits	Other	Total
On December 31, 2017	-	(261)	(99)	(360)
Transfer from one item to another	-	-	99	99
Credited to the income statement 2018	-	24	-	24
On December 31, 2018	-	(237)	-	(237)
Recognized in other items of the comprehensive result	-	(9)	(9)	(18)
Credited to the income statement 2019	-	(57)	(1)	(58)
On December 31, 2019	-	(303)	(10)	(313)
Recognized in other items of the comprehensive result	-	(24)	-	(24)
Credited to the income statement 2020	-	20	-	20
On December 31, 2020	-	(307)	(10)	(317)

The deferred tax liabilities mostly consist of provision for tax on a possible future gain on the real estate assets of the Group in DRC in the event of disposal (EUR 11,306 k). The tax value is set in Congolese francs (CDF), but is revalued every year on the basis of a coefficient set by the finance minister to take account of inflation. In 2018 this provision was reduced, on the one hand, by EUR 4,139 k to adjust to the revised tax value in Congolese francs and, on the other hand, by EUR 2,397 k to reflect the reduced tax rate on profit in DRC from 35% to 30%. In 2019 this provision was reduced by EUR 928 k to adjust to the revised tax value in Congolese francs. In 2020 this provision was increased by EUR 166 k, which includes a reduction of EUR 390 k resulting from the exceptional depreciation of the sandstone deposit. This provision may be increased in the future if the EUR/CDF exchange rate and the tax remeasurement coefficient diverge.

For the rest (EUR 1,817 k), the deferred tax liabilities comprise a provision for future tax in Belgium on reversals of write-downs that TEXAF SA will have to make on the historical claim it holds against Utexafrica.

The Group does not recognize deferred tax liabilities on undistributed profit by the subsidiaries for the part of the profit that it decides not to distribute in the foreseeable future (EUR 3,155 k of passive tax latency on December 31, 2020). Likewise, the Group does not recognize deferred tax liabilities on the untaxed reserves, because the Group does not expect to distribute these reserves in the foreseeable future (EUR 3,198 k on December 31, 2020).

Furthermore, the deferred tax assets not recognized on the balance sheet are EUR 178 k. These tax assets come from losses carried forward in DRC. There is no longer any time limit on their recognition. Their likelihood of realization is considered unpredictable.

18. Suppliers and other current creditors

(in thousands of euros)	2018	2019	2020
Suppliers	1,311	1,975	**1,419**
VAT and other tax to be paid	1,707	4,260	**2,957**
Employee pay, social contributions and similar	13	23	**37**
Other creditors	620	426	**418**
	3,651	**6,685**	**4,831**

19. Financial instruments

In 2018 the Group adopted IFRS 9 Financial Instruments (as amended in July 2014) and substantial amendments of other related IFRS ahead of the date on which they take effect. IFRS introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) the write-down on financial assets and 3) the recognition of total coverage ratios. These new requirements and their impact on the consolidated financial statements of the Group are set out below.

The Group applied IFRS 9 in advance with the transitional stipulations provided for in IFRS 9. The date of initial application, that is the date on which the Group measured its financial assets and existing financial liabilities with regard to IFRS 9, is January 1, 2018. As a consequence, the Group applied the requirements of IFRS 9 to the instruments that had not been removed from the accounts at January 1, 2018 and did not apply them to those that had already been removed from the accounts at January 1, 2018. The comparable amounts linked to these instruments that were not removed from the accounts at January 1, 2018 have not be reformulated.

The management of the Group has reviewed and measured the financial assets and existing financial liabilities at January 1, 2018, based on the facts and circumstances that existed on this date and has concluded that the initial application of IFRS 9 has the following impacts on the classification and measurement of these assets and liabilities.

- The financial assets classified as "Loans and receivables" under IAS 39, such as non-current liabilities, commercial receivables, cash and cash equivalents are classified and measured at amortized cost under IFRS 9.
- Financial assets, such as stakes in unlisted companies, classified as "Available-for-sale financial assets", such as the other financial assets (shares) under IAS 39 are designated as being measured at fair value through the other items of the comprehensive income.

With regard to write-down on financial assets, IFRS 9 requires the use of an expected credit loss model rather than an incurred loss model under IAS 39. The scope of the financial instruments subject to impairment was changed by IFRS 9; specifically, the Group measures write-down on the guarantees issued in compliance with the expected loss model (rather than the "most likely consequence" under IAS 37). Expected credit losses on January 1, 2018 were EUR 741 k, identical to those under IAS 39. They all relate to commercial receivables.

The classification and measurement of the financial liabilities of the Group have not been changed by the requirements of IFRS 9.

FINANCIAL INSTRUMENTS	Designated at fair value through the other items of the comprehen-sive income	Financial assets or liabilities measured at amortized cost	Fair value	Qualifi-cation of fair value	Category
FINANCIAL ASSETS					
Share-based participations	335		335	Level 2	Financial assets at fair value through the other items of the comprehensive income
Foreign currency derivative financial instruments					Cash flow hedging
Other derivative financial instruments					Cash flow hedging
Loans to affiliated companies					Financial assets at amortized cost
Security deposits		97	97	Level 2	Financial assets at amortized cost
Term deposits					Financial assets at amortized cost
Other receivables at amortized cost		896	896	Level 2	Financial assets at amortized cost
Other financial assets					
Non-current commercial receivables (*)					Financial assets at amortized cost
Current commercial receivables		705	705	Level 2	Financial assets at amortized cost
Cash and cash equivalents		6,979	6,979	Level 2	Financial assets at amortized cost
TOTAL	**335**	**8,677**	**9,012**		
FINANCIAL LIABILITIES					
Loans					
Bank loans		1,969	1,969	Level 2	Financial liabilities at amortized cost
Bank overdrafts					Financial liabilities at amortized cost
Financing rental debts		86	86		Financial liabilities at amortized cost
Other financial liabilities		11,742	11,742	Level 2	Financial liabilities at amortized cost
Other financial liabilities					
Foreign currency derivative financial instruments					Cash flow hedging
Other derivative financial instruments					Cash flow hedging
Commercial liabilities		1,419	1,419	Level 2	Financial liabilities at amortized cost
Liabilities to related parties					Financial liabilities at amortized cost
TOTAL		**15,216**	**15,216**		

(*) The alternative performance indicators are defined on page 125

Financial instruments that, after initial recognition, are measured at fair value on the balance sheet, can be presented at one of three levels (1-3), each corresponding to their observability:

The level 1 measurements of fair value are based on the (unadjusted) prices quoted on markets for identical assets or liabilities.

The level 2 measurements of fair value are based on data other than the quoted prices referred to in level 1 observed for the asset or liability in question, either directly (prices) or indirectly (data derived from prices).

The level 3 measurements of fair value are based on valuation techniques that include data relating to the assets or liabilities that are not based on observable market data (non-observable data).

Level 1: TEXAF does not currently hold any financial instruments that meet the definition of level 1.

Level 2: All other assets and liabilities held by TEXAF are level 2.

Level 3: TEXAF does not currently hold any financial instruments that meet the definition of level 3.

20. Revenue from ordinary activities

(in thousands of euros)	2018	2019	2020
Sales of goods	1,601	2,458	**2,547**
Rental income	17,268	19,233	**19,321**
	18,869	**21,691**	**21,868**

QUARRIES

- The sale of property concerns the turnover of CARRIGRES.
- CARRIGRES has one client that accounts for more than 10% of its tonnage sold. The five biggest clients account for 54% of deliveries and the ten biggest for 62%.

REAL ESTATE

- The rents come from the renting of residential buildings, offices and warehouses in Kinshasa.
- The majority of tenancy agreements are open-ended with three-months' notice for residential tenancy agreements and six months' notice for business tenancy agreements. Furthermore, many clients benefit from a diplomatic clause allowing them to vacate the property without compensation with one month's notice if their country or international body closes its mission in DRC. There are some fixed-term contracts that are set to expire within one to ten years.

PROPORTION OF TENANCY AGREEMENTS IN VALUE (AT 31-12-2019)	
Diplomatic clause (one month's notice if diplomatic relations are broken off)	30.7%
Open ended (three months' notice)	43.4%
Open ended (six months' notice)	17.3%
Fixed term without diplomatic clause (one to five years)	8.6%

- No single client accounts for 10% or more of segmented turnover. The five biggest clients account for 30% of turnover and the ten biggest for 41% of turnover.
- The annual rental value of the rented properties is EUR 20.4 m, which is higher than the 2020 turnover because of the rental vacancy.

21. Payroll expenses

(in thousands of euros)	2018	2019	2020
Wages, salaries and social benefits	3,088	3,599	**3,611**
Capitalized charges	(294)	387	**(401)**
Pension costs (defined benefit plan)	45	(194)	**(66)**
	2,839	**3,405**	**3,144**

22. Depreciation allocation

The amortization allocation concerns intangible assets (EUR 3 k), property, plant and equipment (EUR 505 k) (see note 6), investment property (EUR 3,243 k) (see note 7) and rights of use (EUR 53 k) (see note 11).

23. Impairments

NON-FINANCIAL ASSETS

In 2020, impairments mainly consisted of an exceptional depreciation of the CARRIGRES deposit (see note 6) of EUR 1,300 k (see note 26), so the value of the deposit has changed as follows:

Value at December 31, 2017	EUR 6,051 k
Depreciation based on production	EUR (69) k
Value at December 31, 2018	EUR 5,982 k
Depreciation based on production	EUR (84) k
Value at December 31, 2019	EUR 5,898 k
Depreciation based on production	EUR (90) k
Exceptional depreciation	EUR (1,300) k
Value at December 31, 2020	EUR 4,509 k

Write-downs, net of reversals, on stocks of EUR 21 k in 2018, EUR 26 in 2019 and EUR 92 in 2020 were also recognized.

FINANCIAL ASSETS

In 2018 a write-down was applied to the receivable from i-Finance of EUR 48 k.
Write-downs, net of reversals, on commercial receivables of EUR 186 k were also recognized.
In addition, a write-down on another receivable of EUR 870 k was reversed due to the payment for the expropriation of a UTEXAFRICA site.
In 2019 write-downs on commercial receivables, net of new allocations, of EUR 47 k were recognized.
In 2020, write-downs, net of reversals, on commercial receivables of EUR 228 k were also recognized.

24. Other operating charges

(in thousands of euros)	2018	2019	2020
Rental expenses	69	15	**32**
Maintenance and repairs (subcontracted)	668	839	**1,107**
Fuel and lubricants	22	46	**37**
Water	179	214	**223**
Electricity	650	812	**601**
Office supplies	52	52	**46**
Communication costs	89	73	**82**
Third party fees and remuneration	1,610	1,910	**1,782**
Transport costs (rebilled)	28	90	**41**
Insurance	53	64	**76**
Travel costs	147	171	**113**
Advertising and representation costs	200	329	**340**
Directors	632	738	**242**
Tax	1,134	1,307	**1,403**
Various	398	171	**646**
	5,931	**6,830**	**6,772**

72% of fees are legal and security costs, which are essential for the protection of the property of the Group.

Taxes include Congolese tax on the rental revenue of TEXAF SA of EUR 865 k in 2020. This tax is levied on gross revenue rather than the resulting profit.

25. Other operating income

(in thousands of euros)	2018	2019	2020
Restaurant – pool house	395	366	**261**
Rebilling water, power, various expenses	647	736	**920**
Various	382	428	**245**
	1,423	**1,530**	**1,425**

Other income includes revenue from sandstone transports, air-conditioning equipment maintenance, fees for inventories and declarations of state of repair and sales of decommissioned equipment.

26. Non-recurring operating items

- The non-recurring operating items are income or expenses related to the operating activity of the Group that are uncommon, that is to say, they do not occur every year. Since 2017, these are limited to 1. gains or losses on disposal of non-current assets, 2. allocations to (or reversals of) write-downs on non-current assets and 3. costs relating to major restructuring, purchase or disposal of an activity (such as redundancy costs, plant closure and commissions paid to third parties to acquire or dispose of an activity).
- For the financial year ended on December 31, 2018, the non-recurring income consisted of the profit released on the part of the indemnity for expropriation collected at UTEXAFRICA (EUR 1,378 k, including EUR 870 k reversal of the write-down on another receivable and EUR 508 k gain on property, plant and equipment) and the gain by CARRIGRES on the sale of a property that is no longer operated (EUR 152 k).
- For the financial year closed on December 31, 2019, the non-recurring revenue consisted of the gains on the sale by IMMOTEX of 17 ha of its Kinsuka site (EUR 5,120 k) and by TEXAF of a wood located in Belgium (EUR 68 k) and by CARRIGRES of old production equipment (EUR 2 k).
- For the financial year ended on December 31, 2020, the non-recurring expenditure consisted of the exceptional depreciation of the sandstone deposit (EUR 1,300 k) (see notes 6 and 23) and the direct costs of the fire of August 7, 2020 (EUR 416 k).

27. Financial expenses

(in thousands of euros)	2018	2019	2020
Interest expense	624	479	**243**
Capitalized interest expenses	(195)	(118)	**(106)**
Foreign exchange losses	(2)	(67)	-
Other financial charges	12	(3)	-
	438	**291**	**136**

A partir de 2020, les différences de change sont enregistrées dans le résultat opérationnel. En 2020, il s'agissait de pertes nettes pour 224 k EUR.

28. Income tax

(in thousands of euros)	2018	2019	2020
Current taxes	(1,140)	(3,183)	**(1,502)**
Deferred taxes (note 16)	5,811	1,177	**(25)**
	4,671	**(2,006)**	**(1,527)**

In 2018, deferred taxes were reduced, on the one hand, by EUR 4,139 k to adjust to the revised tax value in Congolese francs and, on the other hand, by EUR 2,397 k to reflect the reduced tax rate on profit in DRC from 35% to 30%. On the other hand, the deferred Belgian taxes were remeasured at EUR 741 k, following, among other things, the elimination of a tax asset that the Board deemed no longer to exist.

In 2019 deferred taxes were reduced by EUR 1,177 k, the main part of which (EUR 928 k) was an adjustment to the revised tax value in Congolese francs.

In 2020, the tax value of the real estate was not revalued.

The connection between the tax rate applicable to the parent company and the actual tax rate is as follows:

(in thousands of euros)	2018	2019	2020
Tax expense based on the tax rate applicable to the parent company	(2,478)	(3,840)	(1,527)
Result before tax	8,261	12,799	**6,108**
Applicable tax rate	30.00%	30.00%	25.00%
Reconciliation items	585	604	633
Impact of the rates in other jurisdictions	(337)	-	**(211)**
Change in tax rate	(44)	(2)	**-**
Impact of deductible notional interest	-	-	**-**
Impact of non-taxable revenue	944	781	**1,005**
Impact of non-deductible expenses	(65)	(244)	**(231)**
Impact of used tax losses	155	135	**80**
Impact of tax liabilities not recognized during the financial year	(155)	71	**(10)**
Impact of tax liabilities recognized during the financial year	-	-	**-**
Other	87	5	**-**
Tax expense based on the effective tax rate	(1,893)	(3,236)	(894)
Result before tax	8,261	12,799	**6,108**
Effective tax rate	22.92%	25.28%	14.64%
Adjustments to tax due in previous years	974	579	**(99)**
Adjustments to deferred taxes	5,590	651	**(534)**
TOTAL TAXES	**4,671**	**(2,006)**	(1,527)

nieuwe cijfers nog te ontvangen

The non-taxable revenue mainly comprises the rental revenue of TEXAF SA, which is subject to a special tax on rental revenue (see note 24).

In 2018, deferred taxes were reduced, on the one hand, by EUR 4,139 k to adjust to the revised tax value in Congolese francs and, on the other hand, by EUR 2,397 k to reflect the reduced tax rate on profit in DRC from 35% to 30%. Various other changes, including the credit note for a Belgian tax asset that no longer has a reason to exist, lead to an increase of EUR 946 k.

29. Result per share

The basic result per share is calculated by dividing the net profit allocated to shareholders of the parent company by the weighted average number of ordinary shares in circulation in the course of the financial year, excluding share buy-backs. The shares issued on May 28, 2020 by contribution of the dividend receivable ("optional dividend") contribute to the result from January 1, 2020 and are unweighted in the calculation of the result per share.

	2018	2019	2020
Net profit to shareholders of the parent company (in thousands of euros)	12,909	10,771	**4,570**
Weighted average number of ordinary shares in circulation	3,543,700	3,543,700	**3,603,536**
Basic result per share (EUR per share)	**3.64**	**3.04**	**1.27**

30. Dividend per share

The net dividend of EUR 0.90 (gross EUR 1.28571) per divisible share proposed to the General Meeting of May 11, 2021 to be charged to the financial year closed on December 31, 2020, representing a total distribution of EUR 4,633, is not recognized in liabilities in the financial statements on December 31, 2020, in accordance with IFRS.

The dividend proposed for the financial year 2019 (a total of EUR 4,101 k) was approved by the General Meeting of May 12, 2020 and paid in 2020. This dividend was therefore no longer part of equity on December 31, 2020.

31. Cash from operations

(in thousands of euros)	Note	2018	2019	2020
Result of the period		12,932	10,792	4,581
Adjustments				
Tax	27	(4,671)	2,006	**1,527**
Amortization of intangible assets		8	8	**3**
Depreciation of property, plant and equipment	7	505	518	**505**
Amortization of assets recognized as rights of use			50	**50**
Depreciation of investment property	8	2,429	2,804	**3,243**
Adjustment of depreciation of investment property	8	22	(22)	**-**
Adjustment of valuation of non-current assets		-	-	**1,300**
Losses on assets and liabilities		-	-	**-**
Loss / (profit) on disposal of non-current assets		(660)	(2,929)	**-**
Losses (profits) on abandoned activities		-	-	**-**
Net changes to provisions for other liabilities	15	-	-	**-**
Net changes to liabilities resulting from post-employment benefits	16	45	(194)	**(66)**
Impairments of assets through the income statement	25	(578)	190	**339**
Interest expense	26	428	342	**136**
Interest income		-	(68)	**(98)**
Share in the result of associated enterprises		-	-	**-**
Unrealized exchange losses / (profits)		-	-	**6**
Changes to working capital (excluding changes to scope and translation differences)				
Inventory		(208)	463	**195**
Clients and other debtors		1,511	769	**763**
Rent guarantees received		478	288	**(241)**
Suppliers and other creditors		1,069	724	**(2,112)**
CASH FROM OPERATIONS		**13,310**	**14,211**	**10,131**

32. Any litigation and liabilities

- Part of the CARRIGRES site is illegally occupied by squatters, which could prevent the development of the quarry's exploitation in the longer term. The company is doing everything within its power to eject these illegal occupants. This part of the deposit is not valued in the accounts.
- IMMOTEX is a party to various legal actions to protect its site in Kinsuka (87 ha) from attempts at illegal appropriation of all or some of the site by third parties.
- TEXAF is also party to several legal actions to fight attempts to illegally appropriate its site at "Petit Pont".
- UTEXAFRICA is confronted with attempts to build on the land liable to flooding between its compound and the river. To protect itself, in 2017 it was granted a 25-year rental contract covering this area by the state.
- The Group has won all the above cases in the courts of Kinshasa and expects these court decisions to be applied.

33. Commitments

- CONGOTEX was put into liquidation in 2007. IMMOTEX agreed to a USD 1 m loan to facilitate the liquidator's work in settling certain priorities, such as the social liabilities. This loan is completely covered by a provision. The TEXAF Group is not obliged to contribute financially over and above the shareholder efforts it has made to this date.
- Some TEXAF real estate (net book value EUR 1,233 k) is provided as collateral to Congolese banks to cover five loans, initially totaling EUR 6,440 k (see note 14 above).
- The company has a long-term commitment to pay remuneration to its executive directors calculated and payable every three years, for the first time in 2023, based on the results and market return between the end of 2019 and the end of 2022.
- TEXAF has undertaken to subscribe to the PARTECH AFRICA fund for an amount of EUR 627 k, which has not yet been called in.
- The Democratic Republic of Congo has undertaken to compensate UTEXAFRICA an outstanding amount of USD 3.7 m for an expropriation.

34. Transactions with affiliated parties

SFA, which is the main shareholder of TEXAF SA, rents offices and car parks to TEXAF SA in Brussels for EUR 58 k per year.

TEXAF keeps the accounts of SFA and Chagawirald, companies that it controls, in lieu of a debt of EUR 300 k dating from 2002.

The lawyers office De Croo-Desguin, linked to Herman De Croo, honorary director, charges consulting fees of EUR 20 k plus VAT per year to TEXAF SA.

The Group regularly buys and sells goods and services from Chanimétal (EUR 221 k in purchases in 2020), a company co-controlled by Chanic, director.

Imbakin Holding, a company controlled by SFA, has a receivable from TEXAF of EUR 371 k, resulting from the splitting of Imbakin Holding from Texaf in 2014.

The directors received the following remunerations in 2020:

(in EUR)	Fixed remuneration (gross)	Attendance fee (gross)	Variable remuneration (gross)	Total remuneration (gross)
Chanic SA représenté par Vincent Bribosia	12,000	5,000	-	17,000
Charlotte Croonenberghs	12,000	4,000	-	16,000
Philippe Croonenberghs	17,000	10,000	41,728	68,728
Michel Gallez	-	-	-	-
Danielle Knott	17,000	5,000	-	22,000
Dominique Moorkens	12,000	10,000	-	22,000
Pascale Tytgat	17,000	7,000	-	24,000
Albert Yuma	-	-	-	-

35. Remuneration of the auditor

The remunerations and other short-term benefits granted to the main directors were EUR 785 k in 2020, split as follows:

	Employer cost	Variable remuneration	Pension plan	Company vehicle	Total
CEO	340,477	148,365	In accordance with DRC law	Yes	488,842
CFO	155,000	111,273	29,996	Yes	296,269

36. Remuneration of the auditor

- Fees relative to the duties of the auditor exercised for the Group in 2020: EUR 35 k ex VAT.

- Fees relative to the duties of the auditor and the persons with which the auditor is connected (in 2020): EUR 48 k

37. Shareholding structure (total shares issued: 3,603,536 – since May 28, 2020)

- On May 28, 2020 TEXAF published the following information following the capital increase decided by the Extraordinary General Meeting of May 12, 2020:

Number of shares in circulation	3,603,536
Total number of voting rights	3,603,536
Total capital	EUR 23,398,380.08

Holders of voting rights		
Société Financière Africaine	2,256,520	62.62%
Middle Way Ltd	360,354	10.00%

Société Financière Africaine is controlled by Chagawirald SCS, which in turn is controlled by Philippe Croonenberghs. Middle Way Ltd is wholly owned by Member Investments Ltd.
The ultimate beneficiary of Member Investments Ltd is CCM Trust (Cayman) Ltd, a trust of the Cha family.

- On August 24, 2020 TEXAF communicated information regarding article 74 of the TOB law to the FSMA.

Shareholders	
Société Financière Africaine (SFA) 2,256,520 shares or	62.62%
Middle Way Ltd 360,354 shares or	10.00%
TOTAL SHARES ISSUED	**3,603,536**

- Transactions on TEXAF shares executed by persons initiated during the financial year 2020:

Acquisitions as part of the capital increase of May 29, 2020 following the proposal of optional dividends in the form of new shares:

Société Financière Africaine SFA: 40,530 shares (May 29, 2020)
Middle Way Ltd: 5,984 shares (May 29, 2020)
Albert Yuma: 1,139 shares (May 29, 2020)
Vincent Bribosia: 351 shares (May 29, 2020)
Christophe Evers: 179 shares (May 29, 2020)

38. Events after the reporting period

UTEXAFRICA, TEXAF's Congolese subsidiary, has agreed a five-year EUR 2 m credit with Belfius Bank to finance its investments.

This credit, which is covered by insurance against political risks issued by CREDENDO, allows UTEXAFRICA to significantly lower the cost of its borrowing.

In a context in which several Belgian banks are closing longstanding accounts of clients that have links to DRC, TEXAF is especially pleased to have opened a new source of financing for its future projects.

SUMMARY OF THE PRINCIPAL ACCOUNTING POLICIES

The main accounting policies applied when preparing the consolidated financial statements are set out below. Unless stated otherwise, these policies have been applied in a permanent way to all financial years presented.

1. Accounting policies of the Group

The statutory accounts of the entities included in the consolidation are prepared in accordance with the local accounting rules. They are then processed again if necessary to comply with the accounting policies described below, when this has a significant impact on the consolidated accounts.

2. Consolidation principles

The consolidated financial statements comprise the financial statements of TEXAF SA, its subsidiaries and the share of the Group in the equity and results of joint ventures and associated enterprises

2.1. STAKES IN SUBSIDIARIES

Subsidiaries are entities controlled by the TEXAF Group. "Control" exists when TEXAF holds the power (>50% of voting rights) to direct the financial and operating policy of a company to gain advantages from these activities. The stakes in subsidiaries are consolidated on the date control is transferred to the Group and consolidation ends on the date the Group surrenders control.

At the moment of acquisition, the assets and liabilities of a subsidiary are valued their fair value on this date. Any surplus (deficit) of the acquisition cost compared with the fair value of the net asset acquired is recognized in accordance with the principles stated in point 3 below.

The subsidiaries are consolidated in full. This means that the separate financial statements of the subsidiary are combined line by line with those of the parent company of the Group, adding the similar items of assets, liabilities, expenses and income. The following steps are taken to ensure that the consolidated financial statements present the financial information of the Group in the same way as a single company:

- The book value of the parent's stake in its subsidiary and the share of the parent in the equity of the subsidiary are eliminated, producing a net contribution of the subsidiary in the consolidated reserves of the Group
- The minority interests (that is stakes that are not held by the parent, either directly or indirectly through the subsidiary) in the net result of the subsidiary are identified and subtracted from the result of the Group
- The minority interests in the net assets of the subsidiary are identified and presented in the consolidated balance sheet separate from the liabilities and equity of the parent.

The intra-group balances and transactions and the unrealized losses or profits that result from them are eliminated in the consolidation. If necessary, the accounting policies of the subsidiaries are adapted to ensure the preparation of consolidated financial statements on the basis of uniform accounting policies.

An investor has control over an entity in which the investment is made when this investor has the effective rights to run the relevant activities, that is the activities with a major impact on the performance of the entity in which the investment is made.
The investor controls an issuing entity if and only if all the following criteria are met:

- The investor holds the power over the issuing entity (see paragraphs 10 to 14)
- The investor is exposed to or has a right to variable returns by virtue of the investor's links to the issuing entity (see paragraphs 15 and 16)
- The investor is able to exercise the control over the issuing entity to influence the amount of the returns that it receives (see paragraphs 17 and 18) (IFRS 10.7).

2.2. STAKES IN JOINT VENTURES

The entities that are jointly controlled, that is entities that the Group controls jointly by means of a contractual agreement with one or more other companies, are consolidated by the equity method.

According to this method, the stakes held in the joint ventures are first recorded at the acquisition price, then adjusted to take account of the share of the Group in the losses or profits of the company beginning on the acquisition date. These stakes and the share of the Group in the result for the financial year are presented in the balance sheet and the income statement respectively as stakes in the companies consolidated by the equity method and as a share in the result of the companies consolidated by the equity method.

If the share of the Group in the losses of joint ventures exceeds the net book value of the stake, the net book value is reduced to zero. The losses beyond this amount are not recognized, with the exception of the amount of the commitments of the Group toward its joint ventures.

2.3. STAKES IN ASSOCIATED ENTERPRISES

Associated enterprises that TEXAF does not control solely or jointly but on whose financial and operating decisions it is able to exert a significant influence (which is generally the case when the company holds between 20% and 50% of the voting rights) are recognized by the equity method.

According to this method, the stakes held in the associated enterprises are first recorded at the acquisition price, then adjusted to take account of the share of the Group in the losses or profits of the company beginning on the acquisition date. These stakes and the share of the Group in the result for the financial year are presented in the balance sheet and the income statement respectively as stakes in the companies consolidated by the equity method and as a share in the result of the companies consolidated by the equity method.

If the share of the Group in the losses of associated enterprises exceeds the net book value of the stake, the net book value is reduced to zero. The losses beyond this amount are not recognized, with the exception of the amount of the commitments of the Group toward its associated enterprises.

3. Business combination

3.1. GOODWILL

Goodwill represents the surplus of the purchase cost of the grouping of companies compared with the share the fair value of the identifiable assets and liabilities of a subsidiary, an associated company or a joint venture on the date of acquisition. It therefore represents the part of the price paid by the acquirer for the future economic benefits from the assets that cannot be identified individually and recognized separately. Goodwill is also recognized for associated enterprises and joint ventures.

After initial recognition, goodwill is subjected to an annual impairment test or more frequently if events or changes of circumstances suggest that there might be a loss of value. To do so, the goodwill is allocated to operating companies, which correspond to cash-generating units, and, more particularly, the lowest level at which the goodwill is monitored for the needs of internal management.

3.2. NEGATIVE GOODWILL

Negative goodwill represents the surplus of the share acquired in the fair value of the identifiable assets and liabilities of an acquired subsidiary, an associated company or a joint venture compared with the cost of the grouping of the companies, on the date of acquisition.

Negative goodwill is recognized immediately in the income and is not subsequently reversed.

4. Currency conversion

4.1. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The items included in the separate financial statements of each entity of the Group (parent, subsidiaries, associated enterprises or joint ventures) are valued using the reference currency in the economic environment in which the entity operates (functional currency). In this context, the determination of functional currency is based on the relative importance of each transactional currency in the items on the income statement representative of the operating activities of the entity. If this choice is not clearly evident, the management uses its judgment to determine the functional currency that faithfully represents the economic effects of underlying transactions, events and conditions.

The consolidated financial statements of TEXAF are presented in euros, the functional currency of the parent company TEXAF SA

4.2. RECOGNITION OF TRANSACTIONS IN FOREIGN CURRENCIES

Upon initial entry in the books a transaction in foreign currency must be recognized in the functional currency of the entity, applying the exchange rate on the transaction date to the foreign currency amount.

For practical reasons, an approximation of the day rate can be used (monthly average) if a large number of transactions have been conducted and the exchange rate does not vary in a significant way. If an approximation is used, it is applied to all transactions completed in a foreign currency in the course of the financial year. With this in mind, there is cause to use an average rate for current transactions and a historical rate for non-current transactions.

4.3. CONVERSION PRINCIPLES

The balance sheet of foreign entities (none of which use the functional currency of a hyperinflationary economy) is converted to euros on the basis of the exchange rate at the end of the period (closing price), with the exception of equity, which is kept at its historical rate. The differences resulting from the use of the historical rate for equity and the closing rate for the rest of the balance sheet are recognized in "accumulated translation differences" of equity.

The income statement is converted at the average monthly rate (which is the average over the year of the rates at the end of every month for the relevant currencies. The differences resulting from the use of the average monthly rate for the income statement and the closing rate for the balance sheet are recognized in "accumulated translation differences" of equity.

5. Property, plant and equipment

5.1. INVESTMENT PROPERTY

Land and buildings, corresponding to the definition of investment property, which is land or a building held to benefit from rent and/or to put capital to work and not occupied by the Group, are valued by means of the historical cost method less the combined depreciations and any impairments.

The fair value of investment property at the date of transition to IFRS has been assessed, property by property, based on the required yield for these properties and the land value.

Concerning the depreciation of investment property, land is not depreciated. The share representing the value of construction is depreciated on the basis of its useful life for the company, that is 5-20 years depending on the condition co-efficient attributed by the management. However, a residual value must be taken into account for each building beyond which depreciation is no longer continued. This is the presumed disposal value of the asset at the end of its useful life. This residual value is estimated at a fixed percentage of the historical cost, which is 20%. As an exception, the residual value of some COTEX and IMMOTEX buildings that are to be demolished in due course is also depreciated over 4-10 years, depending on how long they are expected to be kept.

5.2. PROPERTY, PLANT AND EQUIPMENT

5.2.1. Other land and buildings

Land and buildings held by the Group but not corresponding to the definition of investment property are valued by means of the historical cost method less the combined depreciations and any impairments.

The constructions are depreciated over a term of 5-20 years depending on the condition co-efficient attributed by the management, with a residual value of 20%.
Property, plant and equipment under construction are not depreciated.

5.2.2. Sandstone deposit (quarries)

The deposits are valued by means of the historical cost method less the accumulated depreciations and any impairments and are depreciated proportionate to the production compared with the estimated reserves.
The Group only exploits one deposit and does not explore additional deposits and consequently does not apply IFRS 6 for the recognition of exploration costs.

5.2.3. Other property, plant and equipment

Property, plant and equipment are recognized at their historical cost less accumulated depreciations and any impairments. The depreciations are calculated using the straight line method over the expected useful life of the assets in question and with due consideration for any residual value.

The depreciation of property, plant and equipment only begins when they are ready for their expected use.

The profit or loss resulting from the disposal and decommissioning of an asset corresponds to the difference between the income from the sale and the book value of the asset. This difference is recognized on the income statement.

Technical systems, machines and tools are depreciated over their useful life of 4-10 years.

Vehicles are depreciated over their useful life of 4-5 years.

Layouts and accessories are depreciated over their useful life of 3-10 years.

Improvements made to rented properties and other property, plant and equipment are fully depreciated. Acquisitions in this category of assets will be depreciation over their useful life.

6. Rental contracts

Rent from simple rental contracts is recognized in expenses on a straight line basis over the term of the relevant rental contract.

7. Costs of borrowing

The costs of borrowing directly attributable to the acquisition, construction or production of qualified assets (assets necessitating a long period of preparation before they can be used or sold) are added to the cost of these assets until they are ready for their expected use or sale. The income gained from the temporary investment of specific borrowed funds for the qualified assets are deducted from these assets.

All the other costs of borrowing are recorded in the net profit or loss of the ongoing financial year in which they are stated.

8. Financial assets

The financial assets are classified in one of the following four categories:

- Financial assets at fair value through the income statement
- Loans and receivables
- Investments held until maturity
- Assets held for sale.

The valuation and recognition principles are defined category by category.

All the recognized financial assets are then measured in their totality either at amortized cost or fair value, depending on their classification:

The debt instruments that fulfil the following conditions are measured at amortized cost:

- The financial asset is held with a view to obtaining contractual cash flows
- The contractual terms of the financial asset generate, on specific dates, cash flows that are exclusively repayments of the principal and interest on the remaining due balance.

The expected loss model is applied for the amortization of these assets. This model demands the recognition of expected losses and changes to these expected losses at every closing date. All aforementioned financial assets are subjected to an amortization analysis. For losses on client receivables without significant interest component, the Group applies the simplified method authorized by IFRS 9, by which the expected loss is recognized over the life of the asset. As the Group has a limited number of clients, and it knows them personally, each receivable is examined individually with the debtor to determine the risk of non-payment.

Furthermore, since the financial year 2016 the rents payable by debtors that systematically have problems paying are only recognized when they are effectively collected.

Bank deposits are maintained at their nominal value if there is no indication that the bank is in difficulty.

With regard to investments in equity securities, particularly capital funds, designated as valued at fair value in the other items of the comprehensive result, the Group has taken the irrevocable decision, at initial recognition, to designate these investments as valued at fair value in the other items of the comprehensive result. These investments are not held for transaction purposes and are not a compensation recognized by a buyer in a grouping of companies. They are initially measured at fair value plus transaction cost. They are subsequently measured at fair value and latent gains and losses are recognized in the comprehensive result and are accumulated in the revaluation reserve. The accumulated gains or losses are not reclassified in the income statement when the placement is sold but rather transferred to the retained earnings. The dividends on placements are recognized in the result in accordance with IFRS 9, except if the dividends clearly represent the recovery of part of the cost of the placement. The dividends are included in the financial results. The Group has designated all of its investments in equity securities that are not held for transaction purposes valued at fair value in the other items of comprehensive income at the time of the initial recognition.

9. Impairment of assets

Property, plant and equipment and other non-current assets are subjected to a depreciation test every time an event or a change of circumstances indicates that the recoverable value of the asset is lower than its book value The recoverable value is the higher of the fair value of an asset less the sale costs and its value in use. An impairment is recognized at the amount at which the book value exceeds its recoverable value.

For the needs of impairment tests, the assets are grouped at the lowest level of asset grouping that generates largely independent cash inflows (cash-generating units). The impairments of long-term assets or liabilities are immediately recognized as an expense under non-recurring items. If the loss is no longer justified in subsequent periods, due to the recovery of the fair value or the value in use, the impairment is reversed. The reversal of an impairment is immediately recognized as income under non-recurring items. Write-downs and reversals of write-downs are non-recurring items.

10. Inventory

The stocks are measured at the lower of cost (raw materials) or cost price (work in progress and finished products) and net realizable value. Cost includes the direct raw materials; cost price includes the direct raw materials, direct labor and general costs incurred to get the stocks to the place they need to be in the condition they need to be. The realizable value is the estimated sale price less the estimated costs needed to make the product saleable, including marketing and distribution costs. The value of stocks is determined by the application of the weighted average price method. When the circumstances justifying the impairment of stocks ceases to exist, the amount of the impairment is reversed.

11. Cash and cash equivalents

Cash and cash equivalent comprise the cash in hand and deposit accounts that have a maturity of three months or less from the date of acquisition. Overdrafts are reclassified as debts.

The Group holds redeemable bills, promissory notes, debentures and short-term loans to associated companies and loans to other parties within an economic model the aim of which is to collect the contractual cash flows that correspond exclusively to the repayment of the principal and the interest payments on the principal remaining due. All these financial assets are therefore classified at amortized cost.

12. Assets and liabilities held for sale

Under IFRS 5, assets or group of assets held for sale, other than usual disposals, are presented on a separate line in the balance sheet under assets or liabilities and are measured at the lower of the carrying amount and fair value less costs to sell.

Non-current assets presented in the balance sheet as held for sale are no longer depreciated from the date of this presentation. An asset will be classified as an asset held for sale only if the sale is highly likely within one year, if the asset is available for immediate sale in its current condition and if an asset sale plan has been undertaken by the management.

An abandoned activity is a component of the activity of the Group that represents a main and distinct line of activity or geographic region.

An activity is considered to be abandoned when the criteria for classification as activity to be sold have been satisfied or the Group has sold the activity. The activities sold are presented on a single line in the income statement comprising the sale result after tax.

13. Share capital and retained earnings

Retained earnings can only be distributed if they exceed the amount invested in treasury shares.

The dividends of the parent company payable to the ordinary shares are only recognized as debt after their appropriation by the General Meeting.

14. Provisions

Provisions are recognized when the following three conditions are met:

- On the closing date, the entity has a current liability (legal or implicit) resulting from a past event
- It is likely that an outflow of resources representing economic benefits will be needed to fulfil the liability
- The amount of the liability can be reliably estimated.

The amount recognized as a provision is the best estimate of the expense needed to fulfil the current liability on the closing date. The estimates are based on the judgment of the management, supplemented with experience of similar transactions. If needed, management may get the advice of independent experts. Events after the closing date are also taken into account.

15. Employee benefits

Employee benefits are split into four categories:

- Short-term benefits: salaries, social security contributions, sickness leave, paid leave, profit-sharing and bonus over 12 months, as well as non-monetary benefits such as housing and company car
- Post-employment benefits: payments upon retirement and contributions to post-employment medical costs
- Other long-term benefits: benefits in kind related to years of service milestones
- Termination benefits.

15.1. SHORT-TERM BENEFITS

- The cost of short-term benefits must be recognized during the financial year in which the member of staff has provided services that give right to these benefits
- These are short-term benefits so no discounting will be applied.

15.2. POST-EMPLOYMENT BENEFITS

Post-employment benefits must be listed and classified in one of the following two categories, depending on their definition:

- Defined contribution plans: post-employment benefit schemes by virtue of which the company pays defined contributions to a separate entity (a fund) and has no legal or implicit obligation to pay supplementary contributions if the fund does not have enough assets to service all the benefits corresponding to the services provided by the employees during the financial year and subsequent financial years. In this case, the actuarial risk and the investment risk is borne by the employees.
- Defined benefit plans: post-employment benefit schemes that are not defined contribution plans.

In the event of a defined contribution plan, the contributions to the plan are recognized during the financial year in which the employee provides the services that give right to these benefits. Only the amount paid during the financial year must be recognized as a cost. If the amount paid exceeds the amount due, the surplus must be recognized in assets (charge to be carried forward) insofar as such an advance results in the reduction of future payments or reimbursement. Conversely, a liability must be recognized in liabilities if the amount due is higher than the amount paid.

In the event of a defined benefit plan, the liability to be recognized in the financial year must be calculated using the projected unit credit actuarial method. Under this method, the liability is equivalent to the present value of the benefits acquired on the basis of past years of service and, if applicable, the projected salaries.

The application of the method requires a precise inventory of the benefits granted and the granting conditions as well as the use of the following actuarial data:

- Likelihood of reaching the retirement age
- Discount rate
- Nominal growth rate of salaries.

The Group has not created a legal entity to finance the liabilities provided for in the defined benefit plan, so all the liabilities relating to past services are recognized in the balance sheet.

From January 1, 2013, TEXAF applies the amended version of IAS 19, particularly:

- Actuarial losses and gains (changes to assumptions or experience) are recognized in "other items of the comprehensive result"
- The new changes to schemes must be recognized in full in the income statement.

The actuarial gains and losses result in changes to actuarial assumptions and the actual situation as observed.

For defined benefit plans, the charge recognized in the operating result includes the cost of services provided in the course of the financial year, as well as the effects of any change, reduction or liquidation of the scheme.

In DRC the regulations and the collective labor agreements impose the grant of a single fixed payment upon retirement, which corresponds to a defined benefit plan. Furthermore, some employees benefit from a defined contribution plan.

15.3. OTHER LONG-TERM BENEFITS

These are benefits in kind related to years of service milestones granted by the companies of the TEXAF Group to their employees.

These benefits are recognized as a charge when they are granted.

15.4. TERMINATION BENEFITS

These are benefits payable in relation to:

- the end of the employment contract before the regular retirement age
- an offer made to encourage voluntary departure.

The cost of these benefits is recognized in the income statement when the entity that employs the person under consideration takes action to terminate the contract of employment and/or grants a payment as part of an offer made to encourage voluntary departure.

16. Financial liabilities

The financial liabilities are classed in one of the following two categories:

- Financial liabilities at fair value through the income statement
- Financial liabilities at amortized cost.

The valuation and recognition principles are defined category by category.

16.1. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH THE INCOME STATEMENT

These are financial liabilities which upon their initial recognition were designated as being valued at their fair value with changes to this fair value recognized in the income statement or financial liabilities held for a speculative purpose.

In this category, the financial liabilities are valued and recognized at their fair value and the changes to fair value are recognized in the income statement.

The fair value is the amount that would be received on the sale of an asset or paid for the transfer of a liability in a normal transaction between market parties on the valuation date.

16.2. FINANCIAL LIABILITIES AT AMORTIZED COST

These are financial liabilities that do not fulfil the definition of the preceding category.

Upon their initial recognition, the financial liabilities at amortized cost are measured at their fair value. They are then measured and recognized at cost amortized on the basis of the effective interest rate method.

17. Deferred taxes

Generally, deferred tax assets and liabilities are recognized on the timing differences existing between the tax base of the assets and liabilities and their accounting value in the financial statements. They are then adjusted to take account of the changes to tax rates expected to apply when the timing difference is reversed.

The deferred tax assets and liabilities are offset when they relate to taxes levied by the same tax authority on the same legal entity and the Group has a legally enforceable right to settle its current tax assets and liabilities on a net basis. No offsetting between distinct legal entities has been applied.

17.1. DEFERRED TAX LIABILITY

A deferred tax liability is recognized for all taxable timing differences, except where the deferred tax liability is generated:

- Due to the initial recognition of goodwill
- Due to the initial recognition of an asset or a liability in a transaction that is not a business combination and does not affect the accounting result or the tax result on the transaction date.

17.2. DEFERRED TAX ASSET

A deferred tax asset is recognized for all deductible timing differences insofar as it is likely that a taxable profit will be available to which these deductible timing differences can be charged. Nevertheless, no deferred tax asset is recognized for deductible timing differences coming from the initial recognition of an asset or a liability in a transaction that is not a business combination and does not affect the accounting result or the tax result on the transaction date.

Furthermore, a deferred tax asset is recognized for the carryforward of unused tax losses and unused tax credits insofar as it is likely that the entity will have future taxable profits to which these unused tax losses and credits can be charged.

18. Income recognition

Income is recognized when:

- a contract is approved (orally, in writing or in accordance with market practices) by the parties and they are committed to fulfilling their respective obligations
- the company is able to identify the rights of each party with regard to the goods and services to be transferred
- the company is able to identify the conditions of payment for the goods and services to be transferred
- the contract has a commercial substance (i.e. the risk, term or amount of the future cashflows of the company are liable to change following the contract) and
- the company is likely to recover the amount it is entitled to in exchange for goods and services transferred to the client.

In particular, since the financial year 2016 the rents payable by debtors that systematically have problems paying are only recognized when they are effectively collected.

- The sale of property is recognizable when the company has fulfilled its obligation to achieve a given result by transferring the good or service to the client as promised. An asset is transferred when the client gains control over this asset.
- Rental income from simple rental contracts is recognized on a straight line basis over the term of the relevant rental contract.
- IFRS 15 Revenue from Contracts with Customers also came into force on 01.01.2018. IFRS 15 establishes a single complete model for the recognition of revenue from ordinary activities from contracts with clients. It has no material impact on the consolidated financial statements of Texaf, as these rental contracts are not within the scope of the standard and represent the main source of revenue for TEXAF. The principles of IFRS 15 nevertheless apply to any non-rental components in the rental contracts or in separate agreements, such as maintenance services payable by the tenant. Bearing in mind that these non-rental components are relatively limited and mainly represent services recognized gradually under both IFRS 15 and IAS 18, TEXAF confirms that IFRS 15 has no material impact in this respect.

Furthermore, the application of IFRS 15 on the Quarry business has no impact on the consolidated accounts of TEXAF, as the sale of these goods is recognized at the time of delivery.

- The income from interest is recognized in the year this interest occurs, calculated on the basis of the principal due and according to the effective interest rate.
- Share dividends are recognized when the right of the shareholder to receive the payment is established.

19. Use of estimates

The preparation of the consolidated financial statements of TEXAF in accordance with IFRS has led the Group to use estimates and make assumptions that could have an impact on the amounts of the assets and liabilities presented, the information to be provided on any assets and liabilities on the closing dates as well as the amounts presented in expenses and income. The actual results may be different from these estimates.

AUDITOR'S REPORT TO THE GENERAL MEETING OF TEXAF SA FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2020 – CONSOLIDATED ACCOUNTS

As part of the legal audit of the consolidated accounts of TEXAF SA ("the company") and its subsidiaries (jointly "the group") we present our auditor's report. This includes our report on the consolidated accounts as well as the other legal and regulatory obligations. This forms an indivisible whole.

We were appointed auditor by the General Meeting of May 14, 2019, in accordance with the proposal of the management body made on the recommendation of the audit committee. Our term as auditor will expire on the date of the General Meeting that deliberates the closing financial statements at December 31, 2021. We have conducted the legal audit of the consolidated accounts of TEXAF SA for five consecutive financial years.

REPORT ON THE CONSOLIDATED ACCOUNTS

Unreserved opinion

We have conducted a legal audit of the consolidated account of the group, including the consolidated balance sheet at December 31, 2020, the consolidated income statement and the other items of the comprehensive result, the consolidated statement of changes to equity and a consolidated table of cash flows of the financial year ending on this date, as well as the appendices, containing a summary of the principal accounting policies and other explanatory information, the consolidated balance sheet total of which is EUR 128,884 (000) shows a profit for the financial year of EUR 4,581 (000).

In our opinion, the consolidated accounts faithfully represent the assets and financial situation of the group at December 31, 2020 as well as its consolidated results and consolidated cash flows for the financial year ending on this date, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the legal and regulatory stipulations applicable in Belgium.

Foundation of the unreserved opinion

We have conducted our audit in accordance with the International Standards on Auditing (ISA), as they apply in Belgium. Furthermore, we have applied the international auditing standards as approved by the IAASB applicable to this closure and not yet applicable at national level. The responsibilities that we have by virtue of these standards are described in more detail in the "Responsibilities of the auditor relating to the audit of the consolidated account" section of this report. We have complied with all ethical demands that apply to the audit of consolidated accounts in Belgium, including those concerning independence.

We have obtained from the management body and officers of the company the clarifications and information required for our audit.

We estimate that the conclusive evidence that we have gathered is adequate and appropriate to provide a basis for our opinion.

Paragraph of observation

Without casting doubt on the opinion expressed above, we draw your attention to note 6 to the consolidated accounts, which describes the analysis conducted on the valuation of the quarry deposit that the group holds close to Kinshasa in the Democratic Republic of Congo. On December 31, 2020 the group management has updated the impairment test, with use of a method for assessing future cash flows including three scenarios: stabilization of the sale price at the 2020 level with an unchanged product mix, stabilization of the sale price at the 2020 level with an optimized product mix and the gradual recovery of sales prices to the 2009-2020 average. This new method has generated an exceptional depreciation of EUR 1.3 m, reducing the net book value of the deposit to EUR 4.5 m. This test is highly sensitive to changes in the variables used, which are very hard to assess in the current situation in the Democratic Republic of Congo, particularly with regard to the revenue that will be generated and that, according to different scenarios, could lead to an additional exceptional depreciation.

We also draw your attention to note 7 to the consolidated accounts, which provides an estimate of the fair value of the investment property portfolio. This estimate is based on the judgment of the Board of Directors, with due consideration for the lack of liquidity and transparency of the real estate market in the Democratic Republic of Congo as well as the virtual absence of comparable transactions.

Lastly, we draw your attention to note 1 to the consolidated accounts, which specifies that the assets of the group are mainly in the Democratic Republic of Congo.

The economic and regulatory situation in this country having been regularly shaken by socio-economic unrest, it cannot be said with any certainty how it will develop in the medium-long term. However, the consolidated accounts presented to you have been prepared from the perspective of the stabilization of the local economic and regulatory environment.

Responsibilities of the management body with regard to the preparation of the consolidated accounts

The management body is responsible for establishing the consolidated accounts giving a faithful representation in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the legal and regulatory stipulations applicable in Belgium, as well as the internal control that it deems necessary for the establishment of consolidated accounts free from material misstatement, whether due to fraud or error.

During the establishment of the consolidated accounts the management body has an obligation to assess the capacity of the group to continue its operations, to provide, as needed, information on the continuity of operations and to apply the accounting principle of continuity of operations, except if the management body intends to liquidate the group and cease trading or if it cannot envisage another realistic alternative solution.

Responsibilities of the auditor relating to the audit of the consolidated account

Our objectives are to obtain reasonable assurance that the consolidated accounts taken as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report containing our opinion. Reasonable assurance corresponds to a high level of assurance, which, however, does not guarantee that an audit conducted in accordance with the ISA will always identify any existing material misstatement. Misstatements may be due to fraud or errors and are considered to be material when they can reasonably be expected, individually or in combination, to influence the economic decisions that the users of the consolidated accounts make on the basis of these.

While conducting our audit, we comply with the applicable framework of laws, regulations and standards that applies to the audit of consolidated accounts in Belgium.

The scope of the legal audit of the accounts does not include any assurances as to the future of the company or the efficiency or effectiveness with which the management body has conducted or will conduct the business of the company.

As part of an audit conducted in accordance with the ISA and for the whole duration of that audit, we exercise our professional critical judgment. In addition:

- identify and assess the risks that the consolidated accounts contain material misstatements, whether due to fraud or error, define and implement the audit procedures in response to these risks, and gather adequate and appropriate conclusive evidence to support our opinion. The risk that a material misstatement due to fraud is not identified is higher than the risk that a material misstatement due to error is not identified, because fraud can imply collusion, falsification, deliberate omission, false statements or the evasion of internal control;
- acquaint ourselves with the relevant internal control for the audit in order to define the appropriate audit procedures in the circumstances, but not in order to express an opinion on the effectiveness of the group's internal control;
- assess the appropriateness of the accounting methods and the reasonableness of the accounting estimates made by the management body, as well as the information relating to it provided by the management body;
- draw conclusions on the appropriateness of the application by the management body of the accounting principle of operational continuity and, depending on the conclusive evidence we gather, on whether material uncertainty exists with regard to the events or situations likely to cast significant doubt on the group's capacity to continue its operations. If we conclude that material uncertainty exists, we must draw the attention of the readers of our auditor's report to the information provided in the consolidated accounts on the subject of this uncertainty or, if this information is not adequate, express a revised opinion. Our conclusions are based on the conclusive evidence received up to the date of our auditor's report. However, future situations or events may lead the group to cease its operations;

- We assess the general presentation, the structure and content of the consolidated accounts and assess whether the consolidated accounts reflect the underlying operations and events such that they give a faithful representation;
- We gather adequate and appropriate conclusive evidence concerning the financial information of the entities or activities of the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and completion of the audit at group level. We assume full responsibility for the audit opinion.

We notify the audit committee, inter alia, of the scope of the audit tasks and the planned completion timetable, as well as the important observations ensuing from our audit, including any material weakness in the internal control.

We also provide the audit committee with a declaration stating that we comply with the relevant ethical rules concerning independence and notify them of any relationships and other factors that could reasonably be considered likely to have an impact on our independence, as well as any related protection measures.

Among the points the audit committee is notified of, we determine the points that were most important during the audit of the consolidated accounts of the ongoing period, which are therefore the key points of the audit. We describe these points in our auditor's report, unless the law or the regulations prohibit its publication.

OTHER LEGAL AND REGULATORY INFORMATION

Responsibilities of the management body
The management body is responsible for the preparation and content of the report on the consolidated accounts.

Responsibilities of the auditor
As part of our appointment and in accordance with the Belgian standard supplementary to the International Standards of Auditing (ISA) as applicable in Belgium, our responsibility is to verify the material aspects of the management report on the consolidated accounts and the other information in the annual report on the consolidated accounts and to report on these aspects.

Aspects relating to the management report on the consolidated accounts
Upon completion of the specific verifications of the management report on the consolidated accounts, it is our opinion that it agrees with the consolidated accounts for the same financial year and has been established in accordance with article 3:32 of the Code of Companies and Associations.

As part of our audit of the consolidated accounts we must also assess, in particular based on our knowledge gained during the audit, whether the management report on the consolidated accounts contains a material misstatement, that is incorrectly formulated or otherwise deceptive information. Based on these tasks, we have no material misstatement to report to you.

Statements regarding independence
- Our auditor firm and our network have not taken on any tasks incompatible with the legal control of the consolidated accounts and our audit firm has remained independent from the group during our assignment.
- The fees for supplementary tasks compatible with the legal control referred to in article 3:65 of the Code of Companies and Associations have been correctly valued and broken down in the appendix to the consolidated accounts.

Other statements
- This report is in keeping with the content of our supplementary report for the audit committee referred to in article 11 of directive (EU) No. 537/2014.

Signed in Zaventem on April 7, 2021

Auditor

Deloitte, Réviseurs d'Entreprise SRL
Represented by Pierre-Hugues Bonnefoy

DIRECTORS' REPORT OF TEXAF SA

The 2020 accounts have been prepared on the basis of the legal and regulatory stipulations in Belgium. The annual financial statements present a profit of EUR 2,511 k on December 31, 2020. The development of the activities of the company and its subsidiaries was described in the above report on the consolidated financial statements.

The vast majority of the assets of TEXAF SA are located in the Democratic Republic of Congo, which is a country with failing governance, and are therefore subject to a particular political and environmental risk.

Statement of corporate governance

The corporate governance statement in this annual report is an integral part of the management report.

Remuneration report

The remuneration report in this annual report is an integral part of the management report.

Abridged annual accounts

The annual financial statements of TEXAF SA are presented in an abridged table below in thousands of euros.

In accordance with Belgium's Companies Code, the annual accounts of TEXAF SA and the auditor's report are submitted to the National Bank of Belgium.

These documents are also available on request at the main office of the company. On April 8, 2020 the Auditor expressed an unchanged opinion on the annual financial statements of TEXAF SA with a paragraph of observation concerning the risks inherent to the presence of the group's key assets in DRC and this country's economic and regulatory environment.

moet dit niet 2021 zijn?

Year closed on December 31

(in thousands of euros)	2018	2019	2020
ASSETS			
Non-current assets	54,053	53,022	**52,368**
Current assets	5,642	5,757	**6,774**
	59,695	**58,779**	**59,142**
LIABILITIES			
Equity	56,809	56,241	**56,542**
Liabilities	2,886	2,538	**2,600**
	59,695	**58,779**	**59,142**
INCOME STATEMENT			
Revenue	3,754	3,932	3,933
Expenses	(2,552)	(2,430)	(2,716)
Professional profit	1,202	1,502	1,217
Financial result	595	607	670
Profit from ordinary activities	1,797	2,109	1,887
Non-recurring results	751	622	647
Profit for the financial year before tax	2,549	2,731	2,534
Tax on the result	11	158	(23)
PROFIT FOR THE FINANCIAL YEAR TO BE APPROPRIATED	**2,560**	**2,889**	**2,511**

Comments on the result

Revenue comprises the recurring property rentals of EUR 3,947 k, which are stable compared with 2019.

The operating expenses increased by 8%. This rise is mainly due to an increase in foreign taxes.

The financial result mainly concerns the interest on UTEXAFRICA debts (EUR 0.5 m).

NON-RECURRING RESULTS

In 2020 the Board decided to reverse the write-down on the UTEXAFRICA debt of EUR 0.6 m. The gross amount of this receivable is EUR 18 m on December 31, 2020.

Events after the reporting period

On the date of writing of this report, no notable events have occurred.

Prospects for 2021 of TEXAF SA

The prospects for 2020 will depend on how the coronavirus pandemic and the economic and political situation develop in DRC.

Rents are nevertheless expected to remain stable in 2021.

Conflicting interests

The Board of Directors was called upon to pronounce upon one point involving a conflict of interest in March 2020 and recorded the following in its minutes:

"The Nomination and Remuneration Committee proposes to the Board a long-term profit-sharing package for two executive directors in order to bring the goals of management in line with the goals of shareholders.

Concerning a conflict of interest relating to the remuneration of two executive directors and without the two persons involved being able to leave the "virtual" room, Messrs Waterschoot and Evers refrained from the discussions so that articles 5:76 et 5:77 of the CSA could be complied with. [...] The Board approved the long-term profit-sharing package."

Haakjes laten staan?

The package and its financial implications are set out in the Remuneration Report.

Other information required by article 3.6 of Belgium's Code of Companies and Associations (CSA)

- There have been no research and development activities.
- The Board of Directors states that neither the company nor the direct subsidiary nor another other person acting in his or her own name on behalf of the company or a direct subsidiary has acquired shares or certificates of the company.
- No decision has been made by the Board of Directors with regard to the authorized capital in the course of the financial year to increase the capital or issue convertible bonds or subscription rights.
- The company does not have any branches.
- The Board of Directors confirms that the company is not exposed to credit liquidity or cash risk for the assessment of its financial assets.
- The Audit Committee is made up of at least one director who fulfils the criteria of independence and competence stated in article 526 of Belgium's Companies Code.
- The assessment rules are the same as those used the previous year.
- On May 28, 2020, the company increased its capital by EUR 1,890,290.24 by contribution in kind and the creation of 59,836 new shares within the framework of an optional dividend. The company's articles of association were amended in response.
- On December 17, 2020 the company conducted a merger-type operation by taking over CARRIAF (in liquidation).

Appropriation of the result

Confident of the positive development of the TEXAF activities in DRC, the Board proposes a 11% increase in the dividend per share and the distribution of EUR 4,633,118 or EUR 0.90 net per share from May 28, 2021 upon presentation of coupon no. 10 at the main offices and branches of Belfius bank.

The Board will again also propose that all or some of the dividend can also be reinvested in a reserved capital increase (optional dividend) so that interested shareholders can be involved in funding the investments to grow the company.

PROFIT APPROPRIATION PROPOSAL (in EUR)

Profit for the financial year	2,510,975
Profit carried forward	20,732,117
Profit to be appropriated	**23,243,092**
Return on capital	(4,633,118)
To the legal reserve	(189,022)
Balance carried forward	**18,420,952**

Financial Calendar

Friday
09
April 2021
Publication of the annual report

Friday
07
May 2021
Publication of the quarterly press release

Tuesday
11
May 2021
(at 11am)
Annual General Meeting

Friday
28
May 2021
Dividend payment

Friday
03
September 2021
Publication of half-yearly results

Friday
12
November 2021
Publication of the quarterly press release

Friday
25
February 2022
Publication of the 2021 annual results

Definitions of alternative performance indicators

- **EBIT**: operating result
- **EBITDA**: operating result in which allocations for depreciation are reintegrated
- **Non-recurring**: income or expenses that are not expected to be repeated in each accounting year, such as:
  - Gain or loss on disposals of non-current assets
  - Allocations to (or reversals of) write-downs on non-current assets
  - Costs relating to major restructuring, purchase or disposal of an activity (such as redundancy costs, plant closure and commissions paid to third parties to acquire or dispose of an activity)

Specifically, the operating result and the recurring EBITDA are reconciliated as follows:

(in thousands of euros)	Notes	2020
Operating result		6,147
Non-recurring items	26	1,716
Recurring operating result		7,883
Depreciation allocation	6 and 7	3,801
Recurring EBITDA		11,663

- **Financial debt**: interest-bearing debt (even if the effective tax rate applied is zero, with due consideration for the market rates); the calculation is given in appendix 15.
- **Net financial debt**: financial debt from which all short-term or demand deposits at bank and short term cash investments have been deducted
- **Occupation rate**: total rent billed over the period versus total billable rent
- **Expected rental revenue**: total annual rent of a building with a 100% occupancy rate

TEXAF, SA
Registered office:
Avenue Louise 130a, Box 6
B-1050 BRUSSELS

Congolese subsidiaries:
372 Avenue Colonel Mondjiba
Ngaliema – Kinshasa, DR Congo

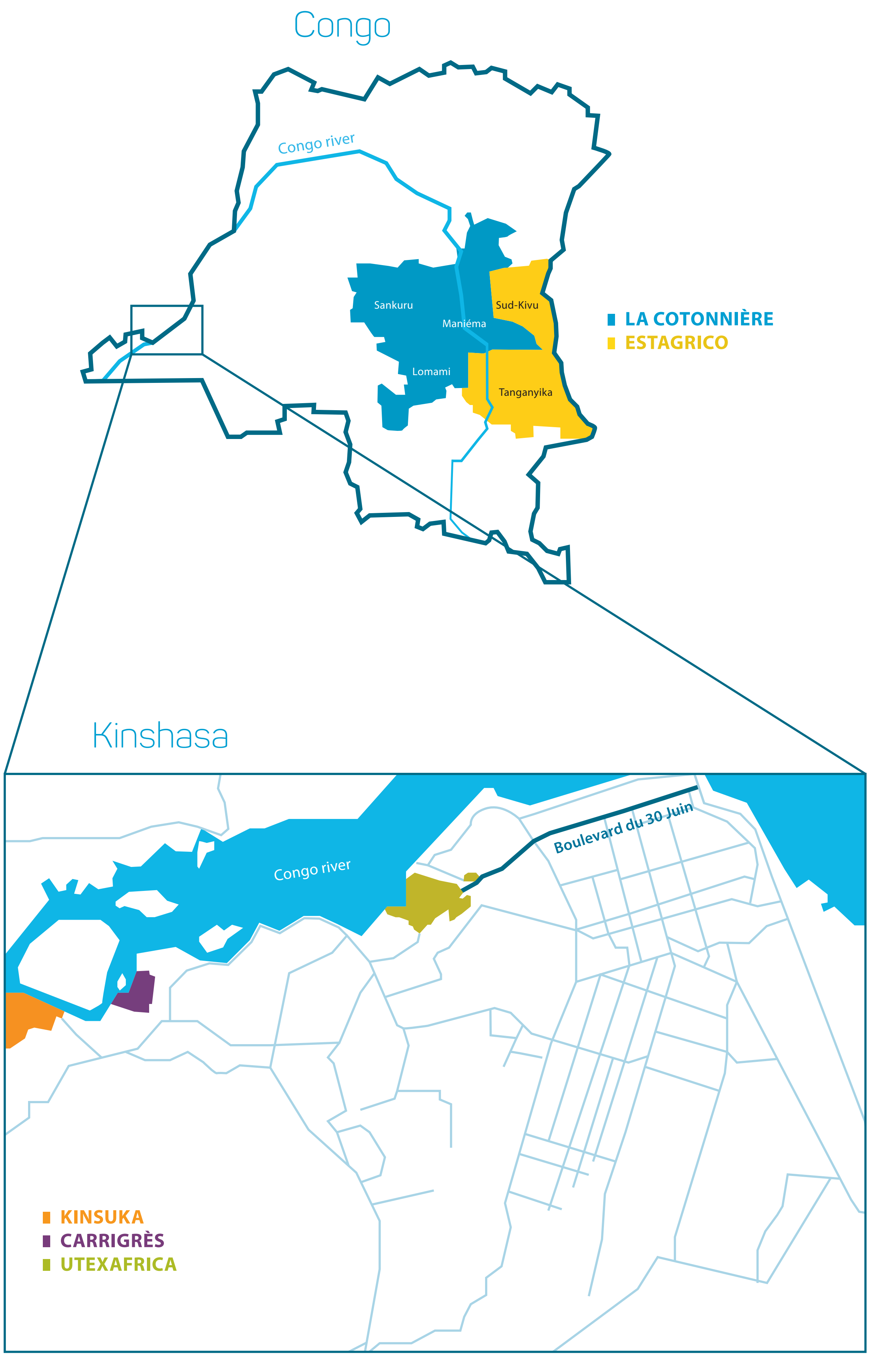
Tel: +32(0)2 639 20 00
info@texaf.be

Design: www.astrix.be
Photographs: Jean-Luc Delsemmem, Christophe Evers,
Imaginair and WeLike

This report is available online in English,
en français en in het Nederlands.

www.texaf.be

MIXTE
Papier issu de
sources responsables
FSC® C014767
www.fsc.org


Congo
Congo river
Sankuru
Maniéma
Sud-Kivu
Lomami
Tanganyika
LA COTONNIÈRE
ESTAGRICO
Kinshasa
Congo river
Boulevard du 30 Juin
KINSUKA
CARRIGRÈS
UTEXAFRICA

TEXAF

TEXAF

www.texaf.be