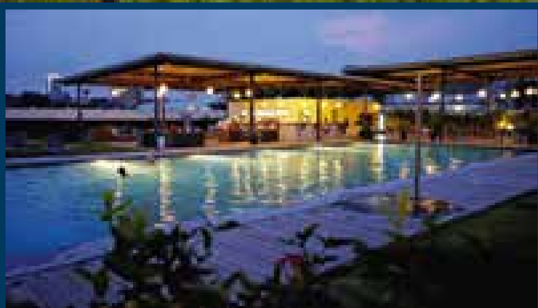
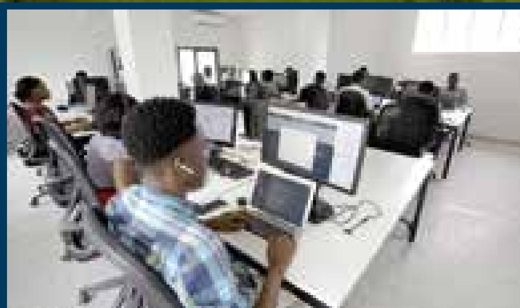
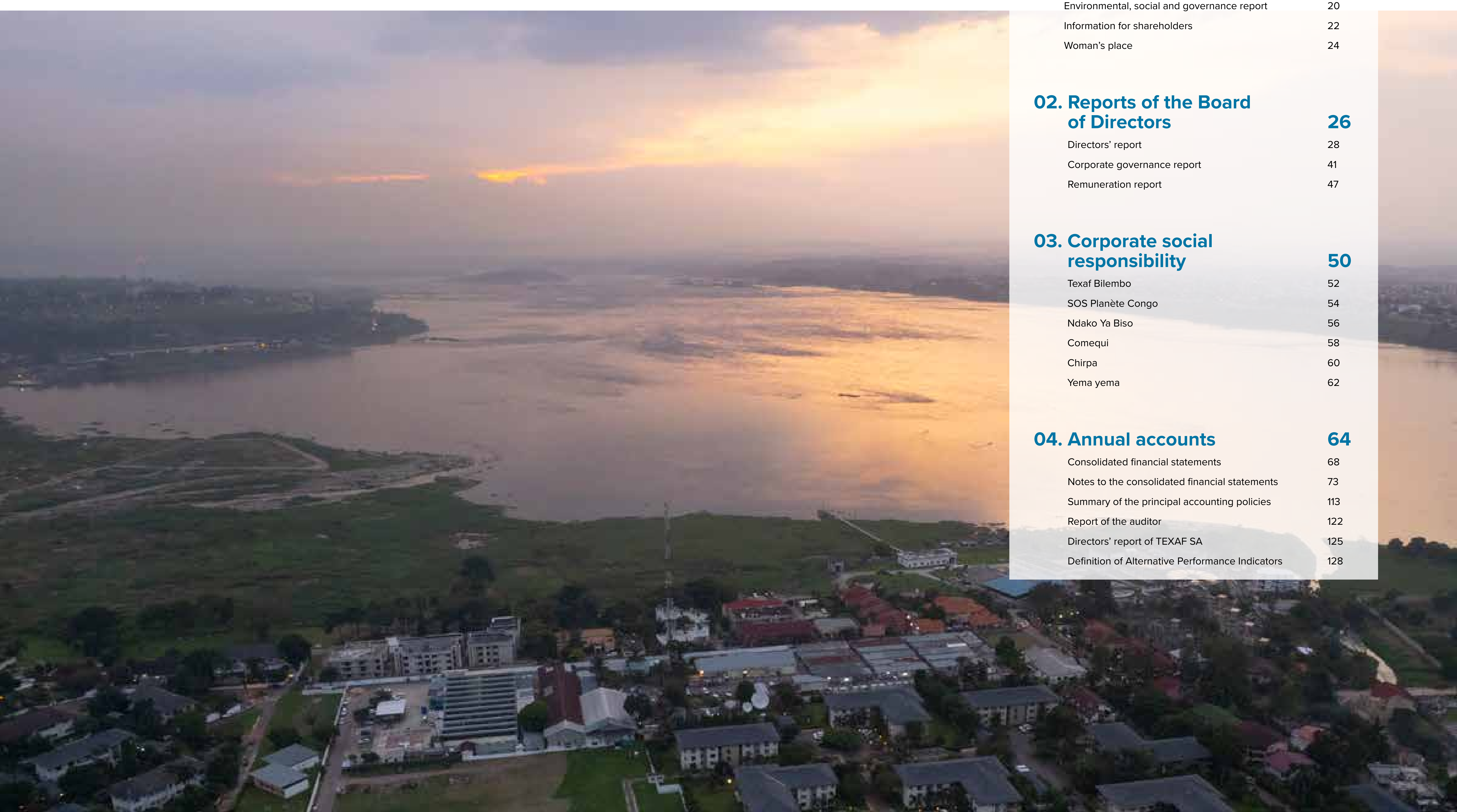


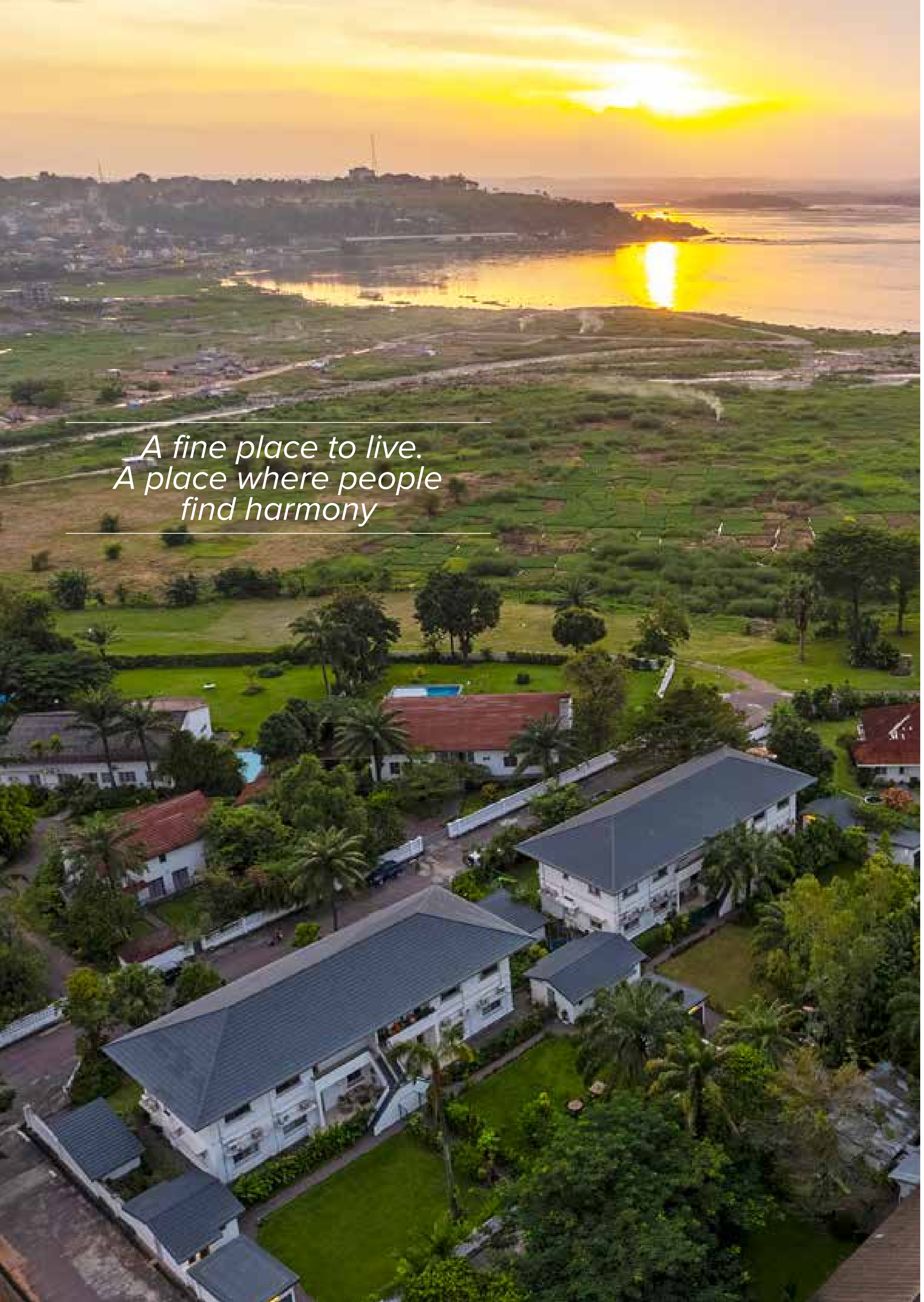


2021

ANNUAL REPORT



CONTENTS



A WORD FROM THE CHAIRMAN

As a real estate developer, TEXAF strives to develop better, more suitable and livable neighbourhoods. After all, a place to live or work is more than just a roof over your head: the environment you move into is just as important.

I invite you to view our new corporate video by scanning the QR code below.

Our aim is to provide a place where people can live well. A place where people find harmony with their beloved family, surrounded by quality nature.

Philippe **CROONENBERGHS**

When we start a project, we take the time and care to develop it according to the 3 main pillars of sustainability: caring for our environment, being socially responsible and paying attention to good governance.

We must also mention a subject that is close to our hearts: culture and education. In fact, culture and education are central to the notion of sustainable development. The world does not only face economic, social or environmental challenges. Creativity, knowledge, diversity are all essential foundations for dialogue for peace and progress.

As President of the group, I am firmly convinced that it is the Congolese youth (9.8 million under 25 in Kinshasa), eager to learn but not always able to benefit from quality schooling, that will be the engine of growth in the DRC. And this is thanks to training in the digital sector, which has the particularity of offering practical solutions to many of the problems facing the country.

It is with great satisfaction that my family and the Board of Directors of the group share this view.

For this reason, Texaf has been investing heavily in a digital project for the past two years.

An innovation and development centre that will become the largest digital centre in Africa by 2023 (over 15,000m² of covered space - 1,600 workstations). Together with its partners, Texaf will provide access to training for young Congolese, with the belief that it will create jobs and local entrepreneurs, thus supporting the local formal economy.

It is also a belief in the potential of Congolese youth that guides us in our social activities: Texaf Bilembo, Ndako Ya Biso, Yema Yema in Sankuru... I invite the reader to read chapter 3 of this annual report and to watch the beautiful report on the preservation of the forest in the DRC: scan the QR code below to discover the SOS Planète Congo project

> "I am convinced that the history Texaf has shared for decades with our Congolese brothers brings us together very naturally: "Bandeko na biso" and that our role in this beautiful country will only grow."

This report devotes a large chapter to these achievements of our sustainable entrepreneurship. It reflects our growing commitment to a cleaner, more resilient and inclusive planet.

But we will continue to challenge ourselves. Texaf, which will soon celebrate its 100th anniversary in the DRC, is in a unique position to support not only environmental but also social goals. This is a challenge we gladly accept. Now and in the future.

I would like to conclude by thanking the teams that have made the Texaf story possible. Special thanks go to Jean-Philippe Waterschoot, the CEO, who has had to face enormous pressure, including physical threats, to defend the interests of the group.

This annual report was contributed by Olivier Weyrich (publisher of the same name) and Simon Hardenne (photographer/filmmaker). Many books on the DRC and more recently on Texaf's CSR activities bear their hallmark.

See our video:
SOS PLANETE CONGO

POUR EN SAVOIR PLUS

See our video:
La vie à UTEX Africa
Life in UTEX Africa

POUR EN SAVOIR PLUS

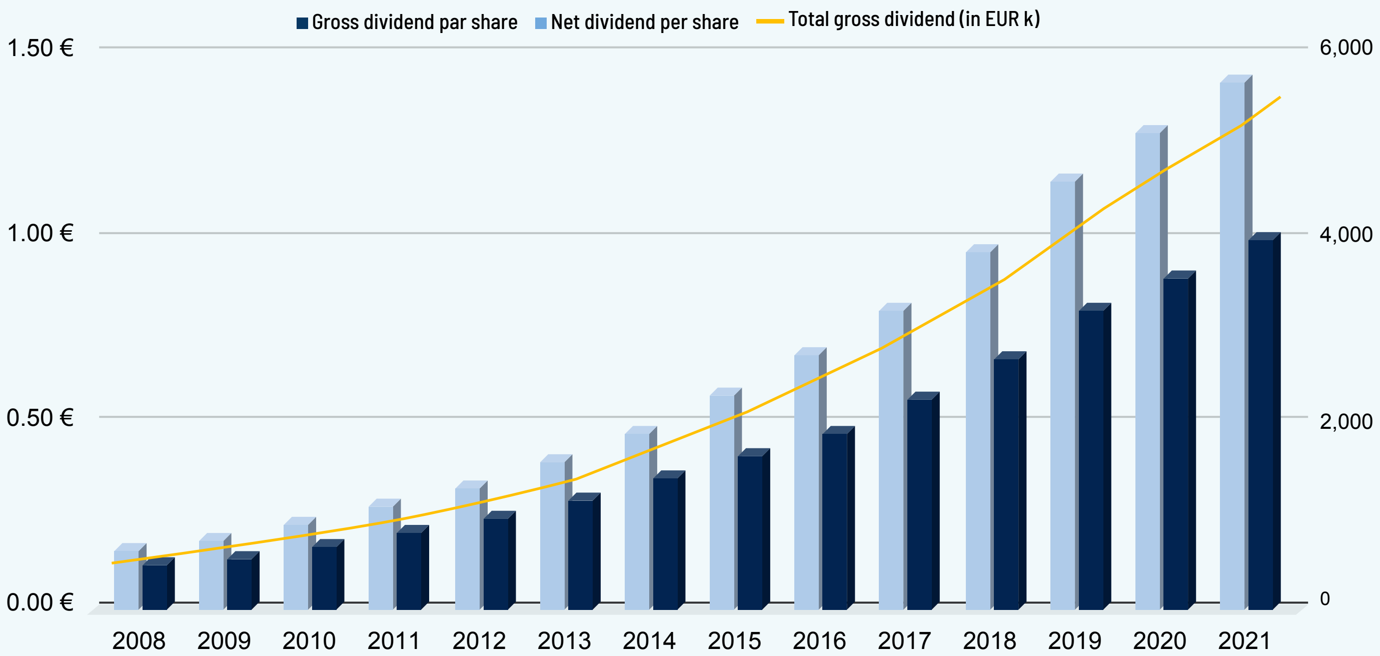
2021 IN SUMMARY

KEY FIGURES

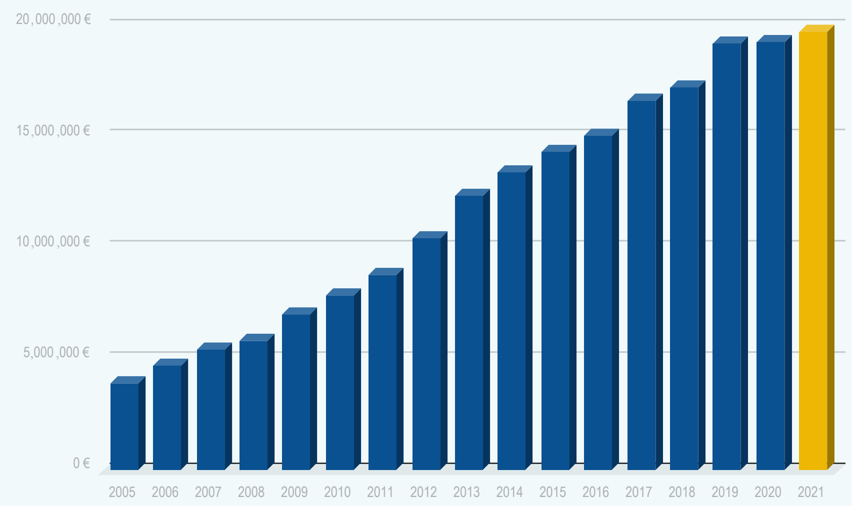
RESULT (IN EUR)		2017	2018	2019	2020	2021	Average growth
Revenues		18,208	18,869	21,691	21,868	22,727	
	Growth	-1%	4%	15%	1%	4%	6%
Recurring EBITDA *		10,038	10,111	11,213	11,663	11,651	
	Growth	3%	1%	11%	4%	-0%	4%
Recurring operating result **		7,020	7,168	7,831	7,863	8,002	
	Growth	1%	2%	9%	0%	2%	3%
Net result (share of the group)		4,542	12,909	10,771	4,569	5,205	
	Growth	-17%	184%	-17%	-58%	14%	3%
Cash-flows (In EUR)							
Cash flow from operating activities		8,706	11,742	10,744	8,591	9,648	3%
Cash flow from investing activities		(6,421)	(5,416)	(1,040)	(5,822)	(8,916)	9%
Cash flow from financing activities		(2,532)	(4,436)	(6,501)	(4,557)	(1,778)	
Cash at December 31		3,674	5,564	8,767	6,979	5,933	

** 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)

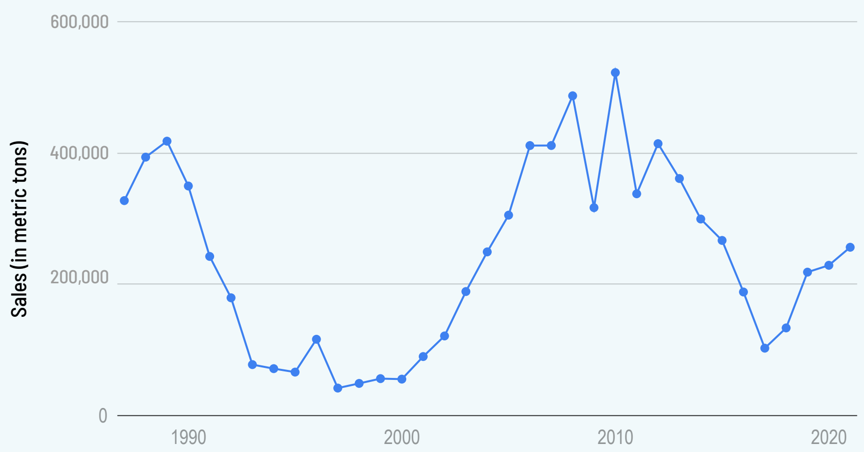
DIVIDEND



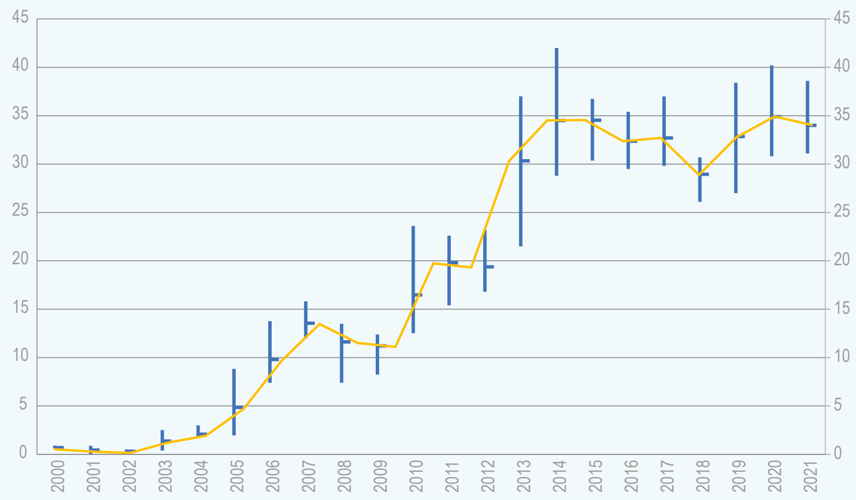
REAL ESTATE – RENTAL INCOME



CARRIGRÈS – SALES



AVERAGE TEXAF PRICE + MAX & MIN (IN EUR)



HIGHLIGHTS

LAUNCH
OF THE TWO LARGEST RESIDENTIAL AND OFFICE PROJECTS

RAPID EXTENSION OF THE
SILIKIN VILLAGE

65%
OF NET DIVIDEND REINVESTED

CARRIGRÈS BACK TO
PROFIT

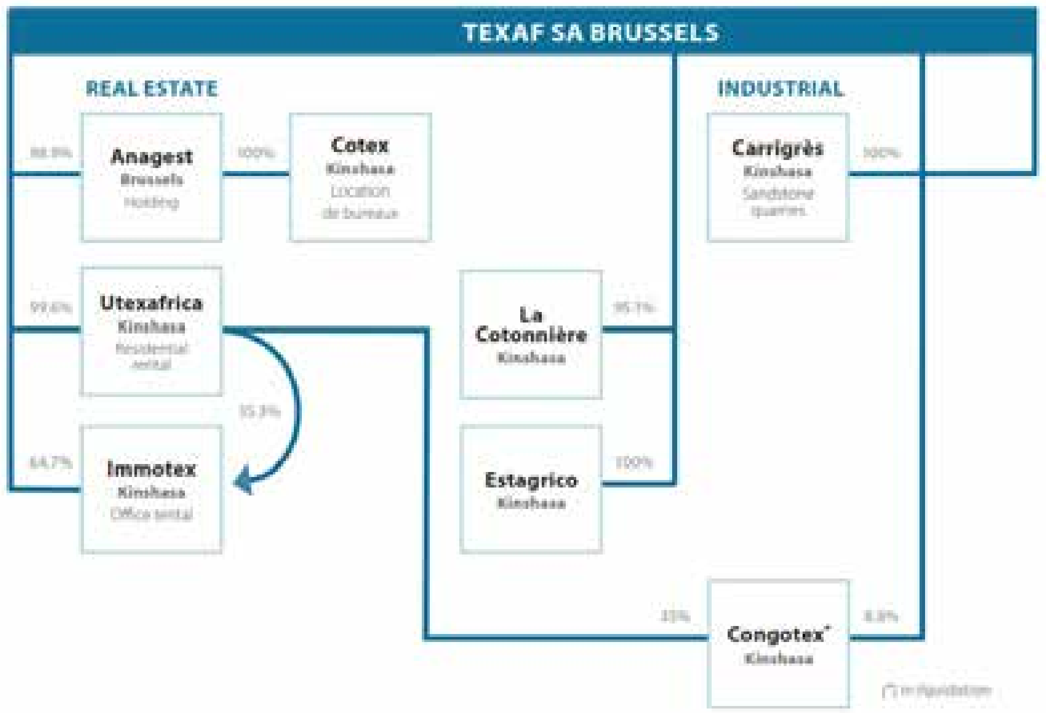
COMPLETION OF PHASE II
OF BOIS NOBLES

PROFILE

01

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.

In 2019, it was decided to invest in the digital domain, which appears to be one of the pillars of Africa's future growth and in which TEXAF has the opportunity to become the key player in the DRC.

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.

The group has since continued to invest year after year regardless of external events. The most recent developments are a 3,366 m² 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.

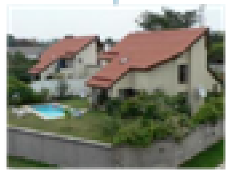
There are 333 homes (280 apartments and 53 villas) on the site, where more than 1,000 people of 35 different nationalities live together. It has become Kinshasa's leading residential concession.

As a consequence, the group portfolio comprises a total residential rental surface area of 62,200 m², with 26,300 m² of office and commercial space and 30,000 m² of warehousing. The occupancy rate was 97% at December 31, 2021, a strong recovery compared to the period from September 2020 to August 2021, that was affected by 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. This service offer is being continuously expanded, most recently with short term electric vehicle hire and paddle courts.

Moreover the TEXAF-BILEMBO cultural centre, 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.

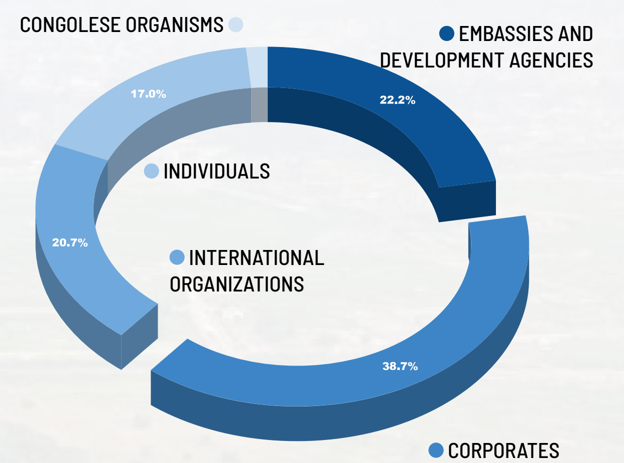
2003-2005	2010-2013	2013-2015	2015-2016	2017-2018	2019-2021	2021-2023
Phases I-III	Quartier des Musiciens	Champ de Coton	Clos des Musiciens	Bois Nobles I	Bois Nobles II	Promenade des Artistes
Inv. 2.4 m €	Inv. 12.7 m €	Inv. 10,9 m €	Inv. 10,4 m €	Inv. 10,3 m €	Inv. 9,3 m €	Inv. 18 m €
18 units	48 units	52 units	33 units	36 units	39 units	94 units



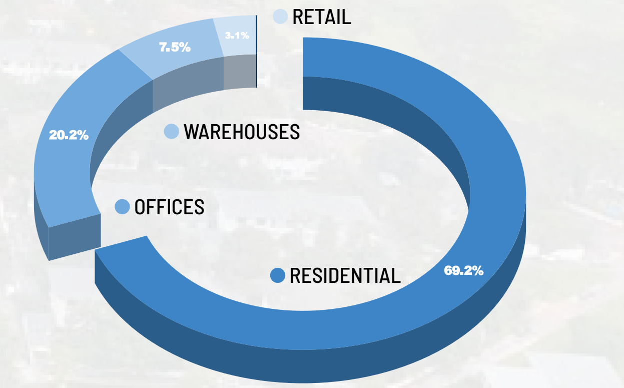




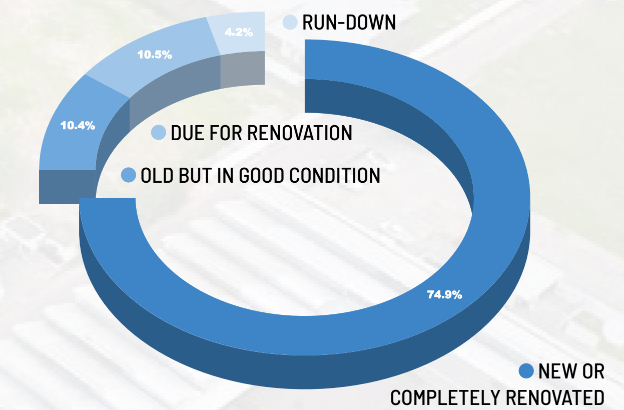
2021 RENTS BY CLIENT CATEGORY



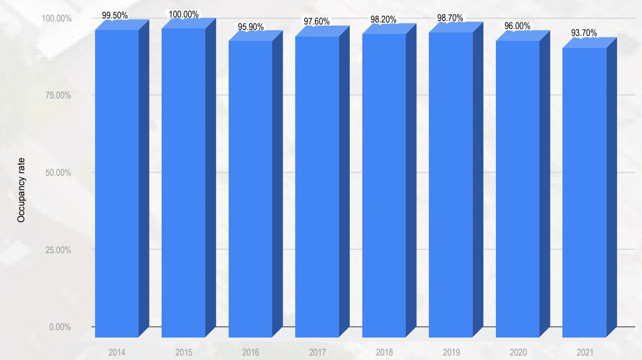
RENTS OF DECEMBER 2021 BY PROPERTY TYPE



RENTS OF DECEMBER 2021 BY CONDITION



AVERAGE OCCUPANCY RATE OVER THE YEAR



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

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

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

3 DISTRICT
LES BOIS NOBLES
- 75 villas and apartments

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

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

6 DISTRICT
COTEX
- 32,000 m² partly developed as offices
- Texaf Digital Campus
- SILIKIN VILLAGE III project – 11,600 m² under construction

7 DISTRICT
OFFICES
- loft offices on industrial wasteland (2011-2015) – 5,300 m²
- gradual development of offices in former COTEX industrial buildings (2007-2013) – 3,500 m²

8
LEISURE POOL RESTAURANT TENNIS FITNESS

8
FITNESS EN SPORTS

9
CULTURAL CENTER TEXAF BILEMBO

10 DISTRICT
PETIT PONT
- 3.200 m² offices

11
DISTRICT PROMENADE DES ARTISTES
94 apartments under construction

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:

The group holds 453 ha, valued at EUR 398 m, the greater part of which - EUR 303 m - relates to built land in the concessions in downtown Kinshasa.

These built zones cover 36 ha, but 85% of the EUR 23 m in potential rental revenue is generated by new buildings or old buildings that are in good condition, which cover only 61% 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 13 ha of old industrial buildings that are to be renovated or are run-down and are currently rented at very low rents per m².

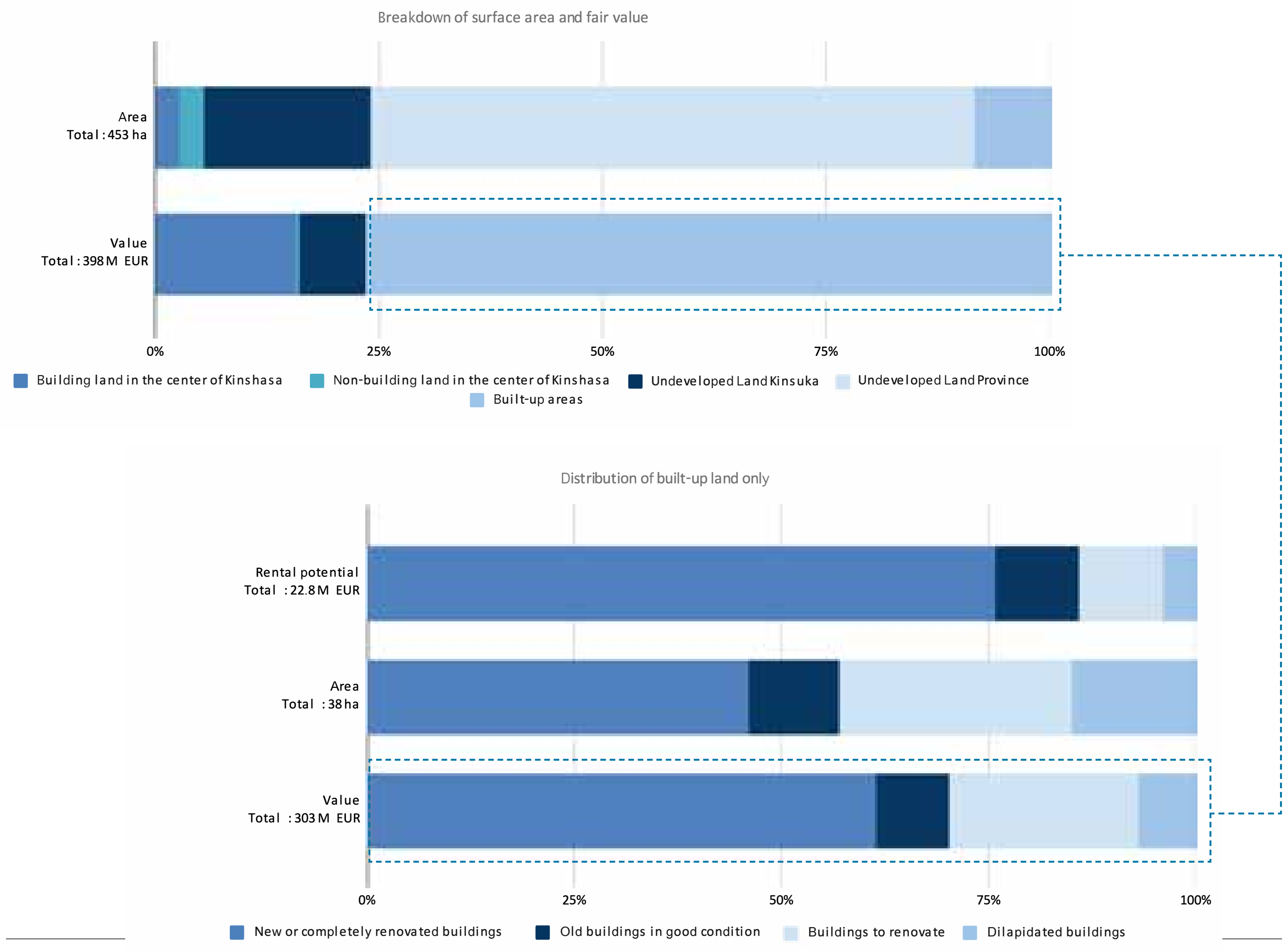
FUTURE PROJECTS

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

- the construction of homes on free space estimated at 14 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 PROJECTS ARE BEING BUILT:

- residential complex of 94 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

- complex of furnished offices, co-working spaces and meeting roome over 11,600 m² on the Cotex plot (3.5 ha) that will be allocated in priority to tech companies and will be the largest space of its type in Africa. It will be supplemented by a range of services (food-court, gym, connectivity, shared reception ...) that will allow an agile and immediately available work style like young companies need.

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 1,800 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.

Project Promenade des Artistes
© Atelier d'architecture DDV kin sprl

2. DIGITAL BUSINESS

TEXAF has 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 6 bn in venture capital in 2021.

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 VILLAGE. First and foremost, this is a physical location in the centre of Kinshasa intended for the digital economy. It started with the SILIKIN CAMPUS, a splendid modernist building on one of the main intersections of the city, that houses training and incubation activities and co-working spaces. It is namely home to the KINSHASA DIGITAL ACADEMY, which runs an intensive seven-month web and mobile coding training course.

Around this building, old industrial spaces are gradually renovated in conference rooms and fully-equipped offices for start-ups and other players of the digital economy. At the beginning of 2023, the finalization of the third phase of that development will bring the available surfaces to 15,000 m², i.e. the largest in Africa. Companies that will be hosted there will benefit from a range of services allowing them to grow agilely without investing in common services like the reception desk, the meeting rooms, the connectivity, the food-court and the gym.

The objective is to attract digital companies from Africa and the rest of the world to Kinshasa and to establish partnerships with them. These partnerships could also be equity based and TEXAF is ready to co-invest with solid companies in the creation of a digital eco-system in the DRC.

Play & Code Academy, an example to follow

Every week, a dozen children meet in the heart of Silikin Village to learn while having fun. The dynamic start-up offers "Coding scratch", "Robotics Spike Prime" or "Robotics Wedo 2.0". A trio of young computer scientists supervise girls and boys, the youngest of whom are are barely six years old! Here, everyone has understood that "boosting innovation" is the winning bet for building the future. These clusters of children, who learn to create and customise characters and their environments to create their own video games, are the future digital and entrepreneurial elite. By developing their skills,thinking, coding and creativity, they are building their confidence end increasing their audacity. What is striking about this kind of initiative is the small age difference between the trainers and the young students. A mere ten years separate them, so the skills transfer gap is small. The capacity of Congolese youth to grasp web and digital technologies is therefore great and it is likely that this asset can compensate for the weaknesses of traditional school education. This is promising.

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.

2021 : A RECORD YEAR FOR INVESTMENT

After the COVID crisis, Partech Africa Fund had its most active year in terms of investment. It invested in 6 new companies and increased its investment in 8 companies that were already in the portfolio. In total, the portfolio comprises 16 companies across Africa.

In line with the usual valuation rules for venture capital funds, these new financing rounds led to a revaluation of the holdings, which is reflected in TEXAF's accounts by an increase in reserves of EUR 419k.

This intense activity reflects what happened in 2021 in the African venture capital market as a whole. The market saw 724 fundraisings for a total of USD 6 billion (including debt). Partech's "stable" of companies accounted for 10% of this amount. As a result, the portfolio companies enter 2022 strongly capitalised and poised for particularly rapid growth**.**

PORTFOLIO COMPANIES

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 : 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 : 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.

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.

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.

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.
Wave: a mobile money service that is now the leader in Senegal and Côte d'Ivoire and is the first "unicorn" in French-speaking Africa.

Wave : a mobile money service that is now the leader in Senegal and Côte d'Ivoire and is the first «unicorn» in French-speaking Africa.

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

Almentor : a video-based permanent education platform for Arabic-speaking learners.

Freterium : a collaborative SaaS software for transport management that connects organisations, people and technologies across the supply chain, and which is based in Morocco.

Tugende : an asset finance platform that enables micro-entrepreneurs and SMEs, starting with motorbike taxis in Uganda, to accelerate their growth.

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 Philippe Stuyck Swana who rely on the services of TEXAF's real estate business for all other aspects (finance, legal, administration, human resources, security).

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.

❝ New business potential ❞

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, anti-modern slavery and respect of international sanctions clause is included in all leases;

Suppliers are only selected if they are registered with the tax authorities.

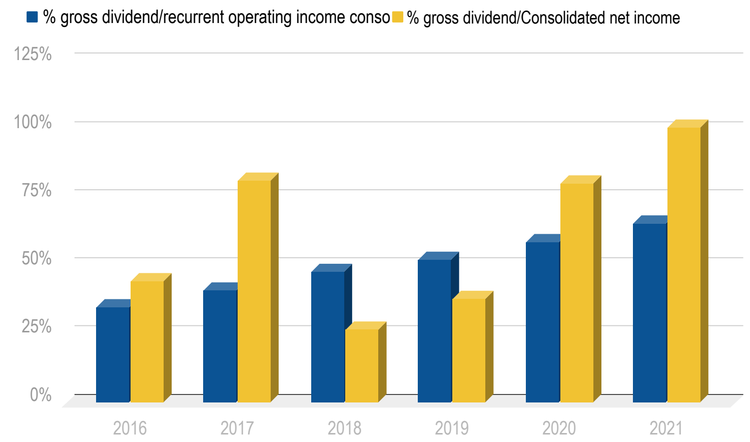
Aware of the difficulties the people of Congo find themselves in and grateful for the opportunities the country provided TEXAF, the group attaches increasing importance to developing activities that, while not necessarily directly connected to its corporate purpose, do contribute to the human development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

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

INFORMATION FOR SHAREHOLDERS

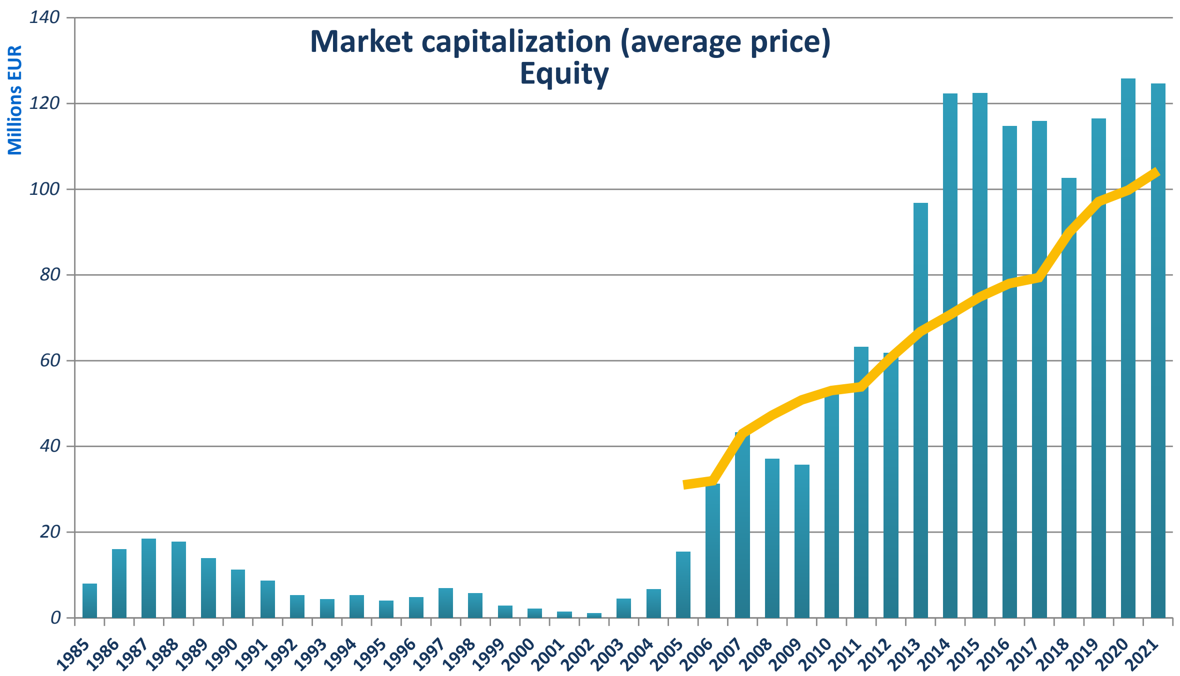
DIVIDEND

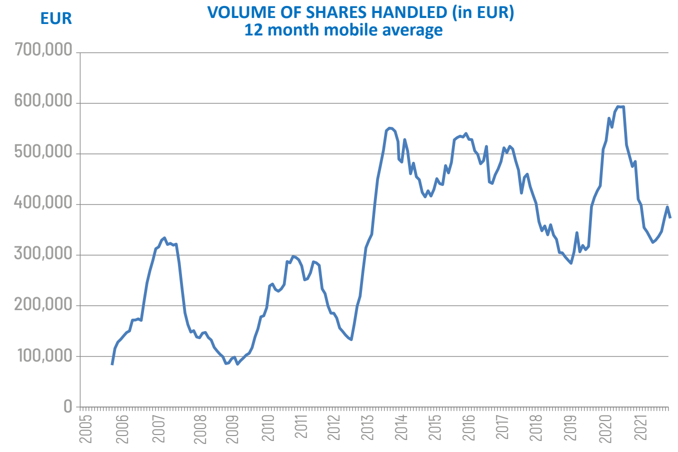
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gross dividend per share	0.10	0.11	0.13	0.16	0.19	0.23	0.28	0.33	0.40	0.48	0.58	0.69	0.81	0.97	1.16	1.29	1.43
Net divi-dend per share	0.08	0.08	0.10	0.12	0.14	0.17	0.21	0.25	0.30	0.36	0.42	0.48	0.57	0.68	0.81	0.90	1.00
Total gross dividend	319	351	421	506	612	736	893	1,063	1,276	1,701	2,039	2,430	2,886	3,442	4,101	4,633	5,238
Growth	N.A.	10.0%	20%	20%	21%	20%	21%	19%	20%	33%	20%	19%	19%	19%	19%	13%	13%

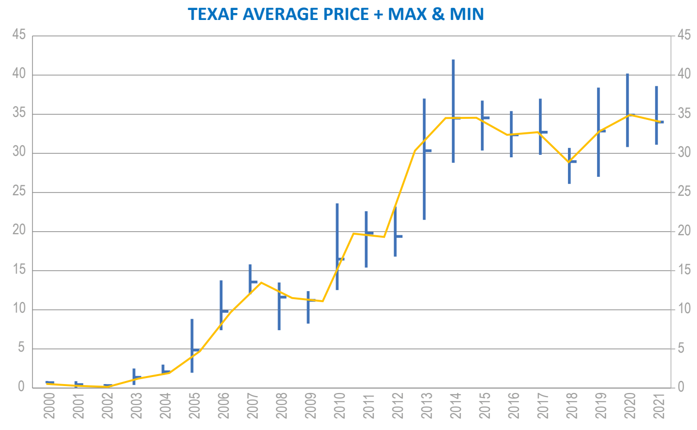


SHARE TREND

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.







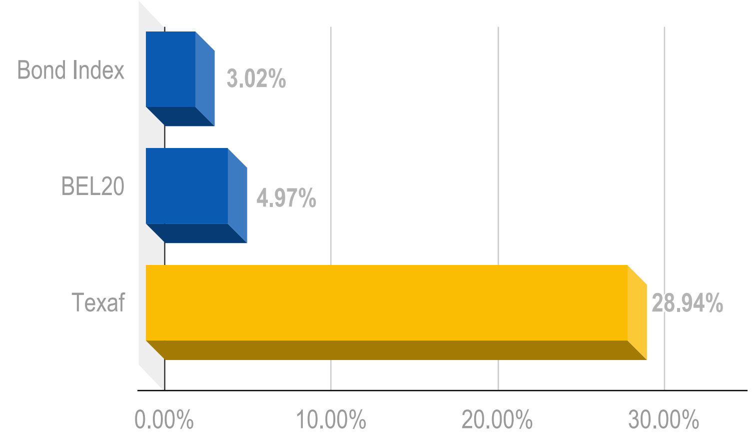
SHAREHOLDING STRUCTURE

Total issued shares	3,666,556	100%
Main shareholders:		
Société Financière Africaine	2,300,082	62.73%
Middle Way Ltd	366,656	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.

MARKET RETURN

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



SHAREHOLDERS' CALENDAR

Friday **08** **April 2022** Publication of 2021 annual report	Friday **06** **May 2022** Publication of 1st quarter report	Tuesday **10** **May 2022** (AT 11 AM) Annual General Meeting
Friday **09** **September 2022** Publication of half-yearly results	Friday **11** **November 2022** Publication of 3rd quarter report	Friday **24** **February 2022** Publication of the yearly 2022 results

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

Nadine NGELETA MANTAMA is a well-known face at Texaf-Bilembo. As a leader of the “environmental education” workshops, she awakens hundreds of children to the urgent need to protect the Congolese rainforest. At 43 years old, Nadine has found her place in the teaching team led by Chantal Tombu. Fulfilled, she does not hide her pride in working at Espace Texaf-Bilembo:

❝ It makes me happy to be among so many children and to be able to improve their knowledge about their country. I am proud to be part of a dynamic team and I am impressed by the evolution of our cultural centre with more and more projects. More and more Congolese people are coming to the centre ❞

She is affectionately called Chridé, but her name is **Christine DECELLE**. She lived in Belgium for thirty years, before returning to the Congo with a “triple identity: Congo colour, Kongo DNA and Belgian fingerprint”. It is not surprising that she should team up with Chantal Tombu: the duo runs the Espace Texaf-Bilembo. With a solid artistic background, Chridé frames and advises the contemporary artists who are supported by Espace Texaf-Bilembo.

❝ Here, we don’t just organise exhibitions. We provide real coaching to help artists become professionals, to excel in their techniques and their art, to acquire rigour and organisation ❞

But her experience, patience and good organisation make her the linchpin of Bilembo.

WOMAN’S PLACE

“WOMEN ON THE MARCH !”

Traditionally, March is the month of women in Congo... With its brand new activity programme “ça mars pour Elles”, TEXAF is innovating once again. This is an opportunity to focus on the important place given to women in our society.

Yolande, a dynamic woman at the heart of the action.

Yolande NIMY is commercial director of TEXAF’s real estate activities. She is one of the company’s well-known figures. Dynamic and smiling, Yolande has an easy contact with the people who cross her path. Energetic and enterprising, she is the initiator of many activities within the Utexafrica compound. “My job is to attract customers and make our tenants feel at home. The variety of activities on offer, the soirees and the ‘UtexPeople’ events, are part of a strategy to create a real sense of well-being among our tenants. Utex is a haven of peace, and this is a reality because a whole team works actively on it every day. It is no coincidence that Yolande joined the Texaf Management Committee in Kinshasa. She is the youngest member, but she has plenty of experience and ideas to help her colleagues steer this fabulous ship.

And when we talk about the place of women in Texaf, Yolande sounds almost like an activist. She suddenly becomes captivating:

❝ I am committed to working for my country. Texaf has a 100% Congolese DNA, youth has a growing place in it, as does that of women, to whom society is entrusting more and more responsibilities ❞

Traditionally, the month of March is the month of women in Congo, a time to honour them and thank the dedication of the “Congolese mothers”. But this year, with Yolande at the helm, a programme of activities has been developed to bring together the company’s female forces. “Ça Mars pour Elles” is a rich and varied programme that has enabled Texaf’s female colleagues to reflect on the place of women in Congolese society, to meet leading female figures such as the Representative of the African Union in the DRC or the Head of the Monusco mission (United Nations Intervention Force in the DRC), But also several general managers of institutions or companies who came to Texaf-Bilembo last March to debate, to live moments of cohesion by climbing Mount Mongengenge as a team and visiting the Ndako ya biso centre, where the emotion was poignant. “These activities experienced together, between Congolese women, give hope! It boosts everyone!” says Yolande with a broad smile.

Mamichou Juliette YAM-BA-YAMBA is in charge of customer service at Texaf, and her telephone number is no secret to anyone, at least to all the tenants of UtexAfrica, whether residents or professionals, who call on her at the slightest concern or need for information.

❝ It’s my job to turn problems into solutions ❞,

she says with a smile. “Even the hassles between neighbours, I make it my business. Amboise NSENDA, who has reached the end of his career after 33 years with Texaf, finds many qualities in her: patience, perseverance and empathy. You need to be able to listen and react quickly when you are serving a community of a thousand residents. But with experience and a big smile, the one whom Yolande affectionately calls “Madame Utex” does not lack resources to contribute to the well-being of UtexAfrica’s many clients.

Serenah LUMINGU is a management controller and training manager. She is familiar with financial matters, analysis and reporting. I like numbers,” she says seriously. My father wanted me to become a lawyer, but for me law is literature, she explains with a little mischievous look. But I do like to defend! It’s not surprising that the management gave her management responsibilities in human resources. Her qualities of rigour and tenacity are widely recognised by her colleagues.

❝ The company entrusts me with a demanding job; I appreciate being given responsibilities. It’s nice to work in a company where we can debate, exchange ideas, make proposals and think together. I am surrounded by a young and dynamic team and that suits me perfectly. What more could you ask for? ❞

Some pictures from the photo album of the “UtexPeople” evenings and events.








REPORTS OF THE BOARD OF DIRECTORS

REPORTS OF THE BOARD OF DIRECTORS

02

MANAGEMENT REPORT

GENERAL CONTEXT IN 2021

The DR Congo's economic rebound was stronger than expected with GDP growth estimated at 5.7% in real terms in 2021. This growth was largely driven by the rise in copper prices (+28%) and especially cobalt (+120%), due to the strong industrial recovery in China and the transition to electric motors. This mining activity has reduced both the external deficit (estimated at 1% of the GDP) and the public finance deficit (1.7% of the GDP). Nevertheless, inflation was controlled at 5.3% at the end of the year, mainly because the Congolese franc exchange rate remained stable against the dollar. This stability is itself linked to a very significant improvement in foreign exchange reserves, which were strengthened by mineral exports but also by a new USD 1.5 billion IMF loan, USD 0.2 billion of which has already been released. Growth would probably have been even faster and more balanced if international logistics, on which the country is very dependent, had not continued to be disrupted in 2021, especially at the beginning of the year.

At this stage, the outlook remains good for 2022 with growth and inflation in line with the estimates for 2021. However, the war in Ukraine poses a significant risk to both demand for industrial raw materials and rising fuel prices, which are imported and subsidised.

The security situation in the east of the country did not become less serious in 2021, despite the support of the Ugandan army, but this does not affect the Group's activity.

Following the creation of a new political coalition called "Union Sacrée" in support of President Tshisekedi, a new government led by Mr Sama Lukonde took office in April. Unfortunately, this simplification of the political arena was not accompanied by a significant improvement in the business climate and the management of public funds.

REAL ESTATE ACTIVITY

Between September 2020 and August 2021, real estate activity felt the consequences of the sanitary closure of the DRC borders until 15 August 2020 and the general uncertainty caused by the COVID-19 crisis, through a higher rental vacancy than usual. Indeed, the normal rotation of residential tenants is significantly more pronounced during European school holidays. From September 2021 on, the occupancy rate quickly returned to normal and, at the time of writing this report, only 4 out of 330 housing units are available.

The year was mainly marked by the release of two new projects on the market. In the final days of 2020, the **offices of the** Petit-Pont building (3,366 m² net) were delivered. The ground floor was immediately occupied by Brussels Airlines with which the Group had had an agreement since the start of the project. Offices on both floors were all gradually leased to international companies during 2021. This building, located in a very visible location at the entrance to Boulevard du 30 Juin, the city's main thoroughfare, is innovative for the city of Kinshasa thanks to its high-quality environmental approach (solar panels, rainwater recovery, LED lighting, double glazing). Its full-year rental potential is EUR 1 m. **The three residential buildings** in the second phase of the **Bois Nobles** project were delivered between April and July 2021 and their 33 apartments were all quickly taken up by tenants. It benefits from the same infrastructure as Phase I, and in particular the pre-installation of fibre optics, an autonomous water reserve and LED lighting devices. In addition, as they are deployed on four levels, they will be the first in the Utexafrica compound to be equipped with lifts. This project has a potential of EUR 1.2 m in full-year rents.

In addition to these two new projects, the attractiveness of the Silikin Village concept, driven by the Group's digital activity, led to the renovation of 1,200 m² of offices and meeting rooms for companies in the digital sector.

On the other hand, the rental potential was reduced by the fire in August 2020, which destroyed a warehouse and damaged an office building. The rehabilitation of these offices was completed in mid-2021. The Group has initiated arbitration proceedings to obtain compensation.

The Group's portfolio thus consists of 333 housing units (280 apartments and 53 villas), with a residential rental space of 62,192 m², offices and retail spaces of 26,313 m² and warehouses of 30,146 m².

The success of these two projects convinced the Group to simultaneously start construction of its largest residential project and its largest office project.

The residential project, called Promenade des Artistes, will include 94 apartments of 1-4 bedrooms in a pedestrian setting with underground garages. Its budget has been fixed at EUR 18 m (excluding land) and it has rental potential of EUR 3 m per year. It will be delivered at the end of 2023.

For its part, Silikin Village Phase III will be the largest space for start-ups and digital companies in Africa. It will include 7,500 m² net of offices and 4,000 m² of facilities (conference rooms, co-working space, etc.). This EUR 6.5 m project (including furniture) has a rental potential of EUR 1.8 m per year and will be available in early 2023.

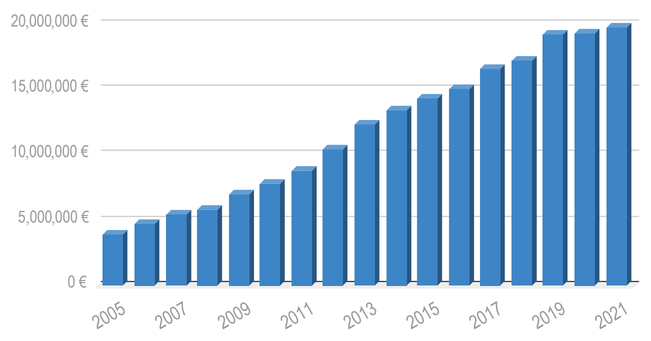
These two projects, currently under construction, will increase the Group's rental potential by 22%.

The Group is also continuing to develop and assess, on an 86-hectare site in the neighbourhood of Kinsuka, on the outskirts of Kinshasa, an ambitious project for development and sale of 1,800 houses, responding to a significant demand for housing for the Kinois middle class. This development is being defended against a number of actions being brought by individuals who, without any basis, are asserting claims to land on the site for this project. This situation is resulting in legal defence costs that are having a significant impact on the expected increase in results.

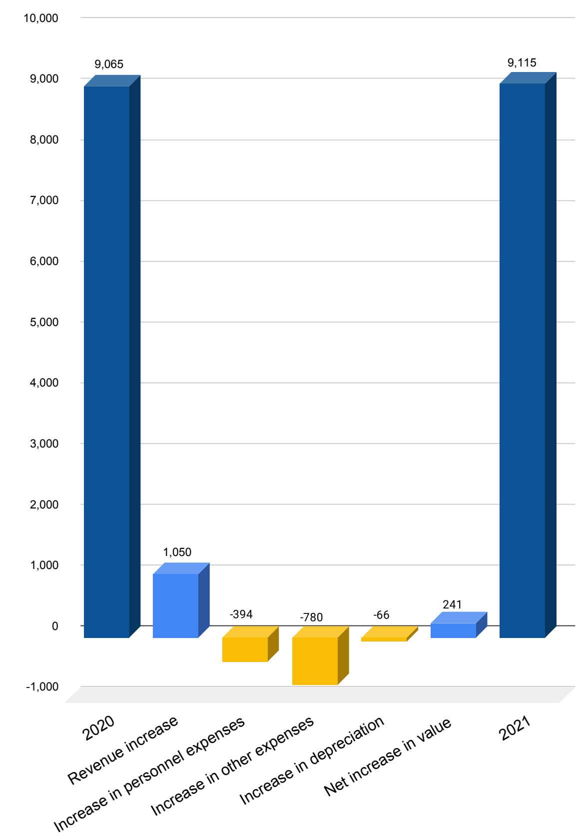
In 2021, rents increased slightly to EUR 19,730 k (+2%). This change is the result of contrasting elements. On the one hand, the fire in August 2020 deprived the Group of rent from a completely destroyed warehouse and, in the first half of 2021, of rent from an office building that had to be renovated. In addition, rental vacancy was higher until August. On the other hand, the offices of Petit-Pont and the apartments of the Bois Nobles Phase II project were all leased. Other operating results, in particular restaurant sales and electricity re-invoicing, rebounded strongly after a 2020 financial year affected by health measures.

Operating expenses increased by 8% to EUR 12.6 m. The main causes are an increase in legal and safety costs, particularly for the Kinsuka site, a catch-up in maintenance and repairs after shutdowns in 2020 and an increase in the provision for post-employment benefits.

Rental income



Change in real estate operating income



Overall, the recurring operating income was stable at EUR 9.1 m. Only a small additional charge for the follow-up to the August 2020 incident affects the 2021 accounts so that operating income increased by 5% to EUR 9.1 m. The result before deferred taxes reached EUR 6.8 m (+10%) and the net result EUR 5.4 m (-4%) of the Group's share, given an increase in the provision for deferred taxes on unrealised capital gains.

Results of the real estate business

IMMO (in K EUR)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities	16,730	17,305	19,230	19,331	19,730	2.1%
Recurring operating result	8,861	8,638	9,300	9,065	9,115	0.6%
Operating result	8,861	10,016	14,420	8,648	9,070	4.9%
Result before deferred taxes	6,141	7,224	10,013	6,203	6,839	10.3%
Net result (share of the group)	7,604	13,148	10,924	5,593	5,351	-4.3%

Quarry – CARRIGRES

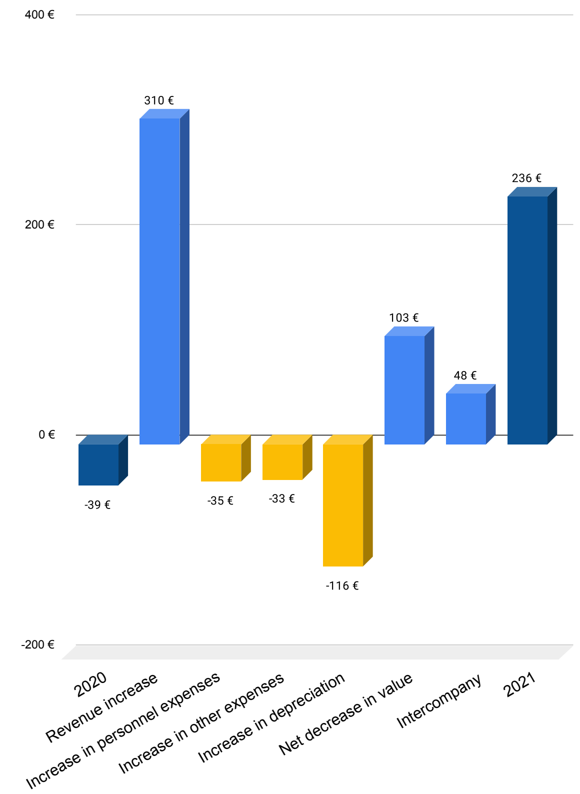
It was a mixed year for the **CARRIGRES** quarry. While it was almost shut down in the 1st quarter due to the problems of transporting spare parts in a global context of logistical difficulties, the activity resumed regularly throughout the following quarters and an upward trend in selling prices emerged at the end of the year. Over the whole year, turnover increased by 15% to EUR 2,959 k. Sales, in terms of volume, totalled 256,386 tonnes (+12%).

CARRIGRES has invested in new trucks, an excavator-loader and a rock breaker in order to increase its production and, above all, reduce production costs that had been affected by the rental of unsuitable machinery and the sharp increase in the price of transporting explosives.

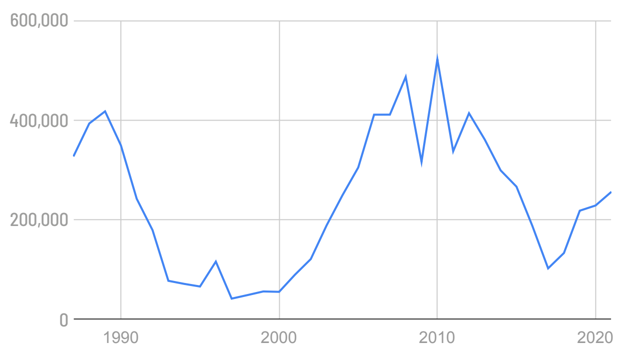
Despite these high direct production costs, the recurring operating income became positive again at EUR 231 k (vs EUR -39 k in 2020). The Board of Directors considered that the situation did not justify either a reversal or an additional depreciation on the value of the deposit, so the operating income was also EUR 231 k (vs EUR -1,339 k in 2020 after exceptional depreciation).

Taking financial income into account, the result before deferred taxes came to EUR 381 k (vs EUR -1.029 k) and the net result (Group's share) was EUR 452 k (vs EUR -617 k).

Change in Carrigrès operating income (in thousands of euros)



Carrigrès sales (in tons):



Results of the quarrying business

CARRIGRES (k EUR)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities	1,584	1,612	2,460	2,556	2,897	13.3%
Recurring operating result	-894	-261	-71	-39	236	n.s.
Operating result	-4,454	-109	-69	-1,339	236	n.s.
Result before deferred taxes	-3,954	248	193	-1,029	381	n.s.
Net result (share of the group)	-2,762	335	248	-617	452	n.s.

Digital

SILIKIN VILLAGE

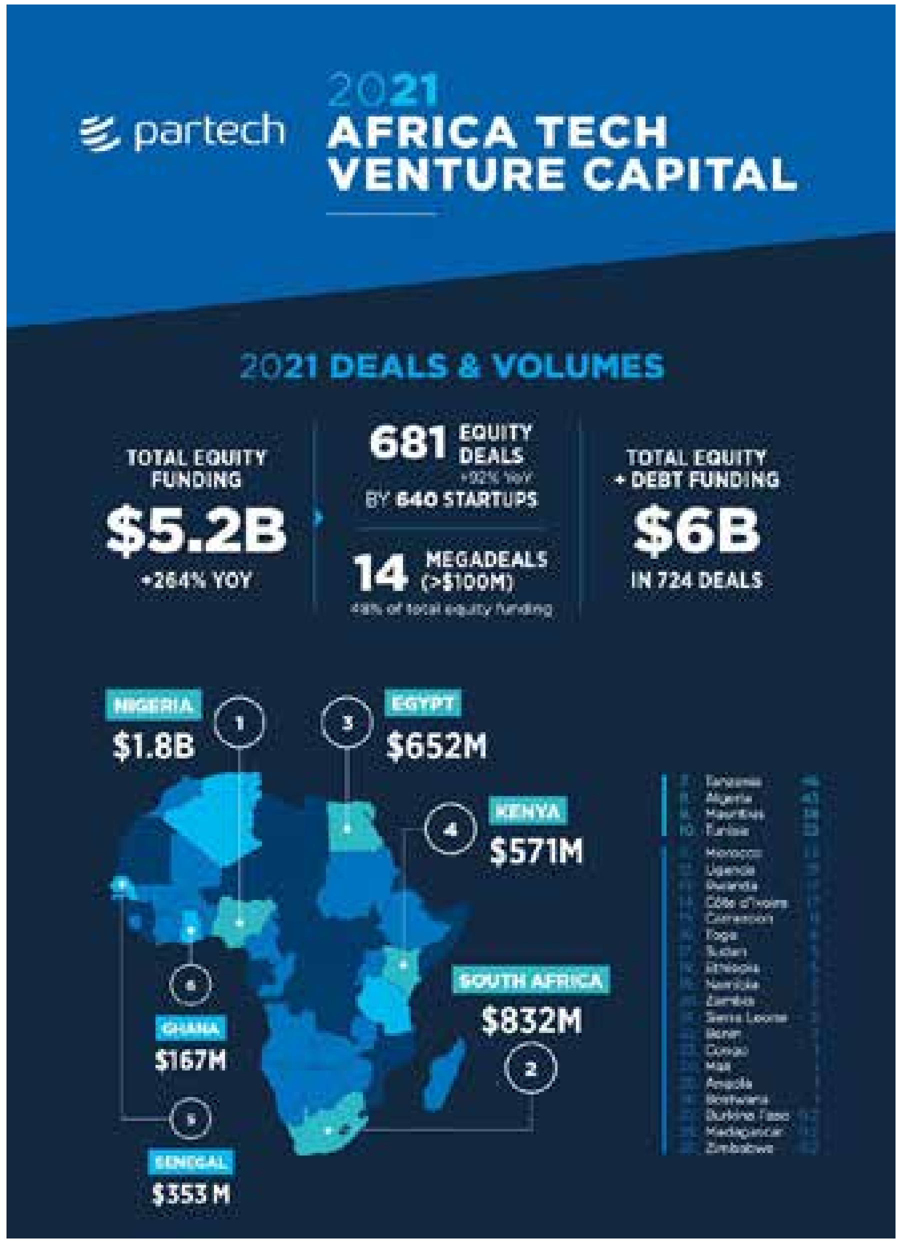
Kinshasa, a megacity of 14 million Congolese, capital of the DRC with 90 million inhabitants with an average age younger than 18. Creative youth eager to know. The African digital sector is experiencing an explosion: in 2021, African tech grew faster than any other region, with twice as much activity than in 2020 and more than triple the amounts invested.

While Nigeria came out on top, Egypt, South Africa and Kenya also attracted more than half a billion each, and Senegal reached the top 5.
In terms of digitalisation, the DRC is lagging behind these African countries. Few or no significant deals.

Based on this observation, **TEXAF** has focused on the potential of this sector in one of the largest countries in Africa where the Group has been operating for almost 100 years. The economic challenges associated with the country's demographic change are enormous. **TEXAF** considers that the digital revolution is in the process of becoming a significant economic growth sector in Africa because these technologies make it possible to accelerate the stages of development, especially in the fields of education and governance.

In 2019, the Board of Directors of **TEXAF** therefore gave the green light for an ambitious development in the digital sector.

The choice of location for this new activity was the plot of land of its subsidiary **COTEX**, a 3.2 ha site located in the heart of Kinshasa and on which are buildings of a former textile factory.



Venture Capital fundraising in 2021. Source: Partech Africa Report

POUR EN SAVOIR PLUS

Here is the link to the Partech report

REPORTS OF THE BOARD OF DIRECTORS

SILIKIN VILLAGE : 3.2 HA

BY TEXAF DIGITAL






A few months later, in January 2020, the first 700 m² renovated building was inaugurated, housing the first training programme for 40 young people selected from 1,300 candidates organised by the partner KINSHASA DIGITAL ACADEMY (KDA). Since then, and despite 6 months of lockdown due to COVID, KDA is in its third year of development. 40% of seats are reserved for women.

Convinced of the opportunity to create an entrepreneurial and digital ecosystem in a single central location in the Congolese capital, in 2021**COTEX** transformed almost 2,000 m² of additional space (classrooms, offices, meeting and co-working rooms). These spaces were leased immediately.

At the end of 2021, the Group took a major step by deciding to invest in 11,625 m² of additional space. The concept of **SILIKIN VILLAGE** was born and will become, in 2023, the largest entrepreneurial and “digital” site in Africa. In doing so, the DRC could quickly make up for the delay in digital technology by attracting this concentration of knowledge, synergies and opportunities. Various projects were supported by ENABEL and the KING BAUDOUIN FUND, giving **SILIKIN VILLAGE** a Belgian footprint and creating a breeding ground for various development agencies.

In terms of Internet connection, the west of the DRC is currently connected to the WACS submarine cable with a capacity of 8 Tb/sec. Within a year, the Equiano cables (consortium around Google) and 2Africa cables (consortium around Facebook) will arrive in Moanda; they each have a capacity of 150 Tb/sec. The capacity available in Kinshasa will therefore be multiplied by 30.

TEXAF also plans to sponsor financing to support the growth of promising young Congolese companies in the digital sector.

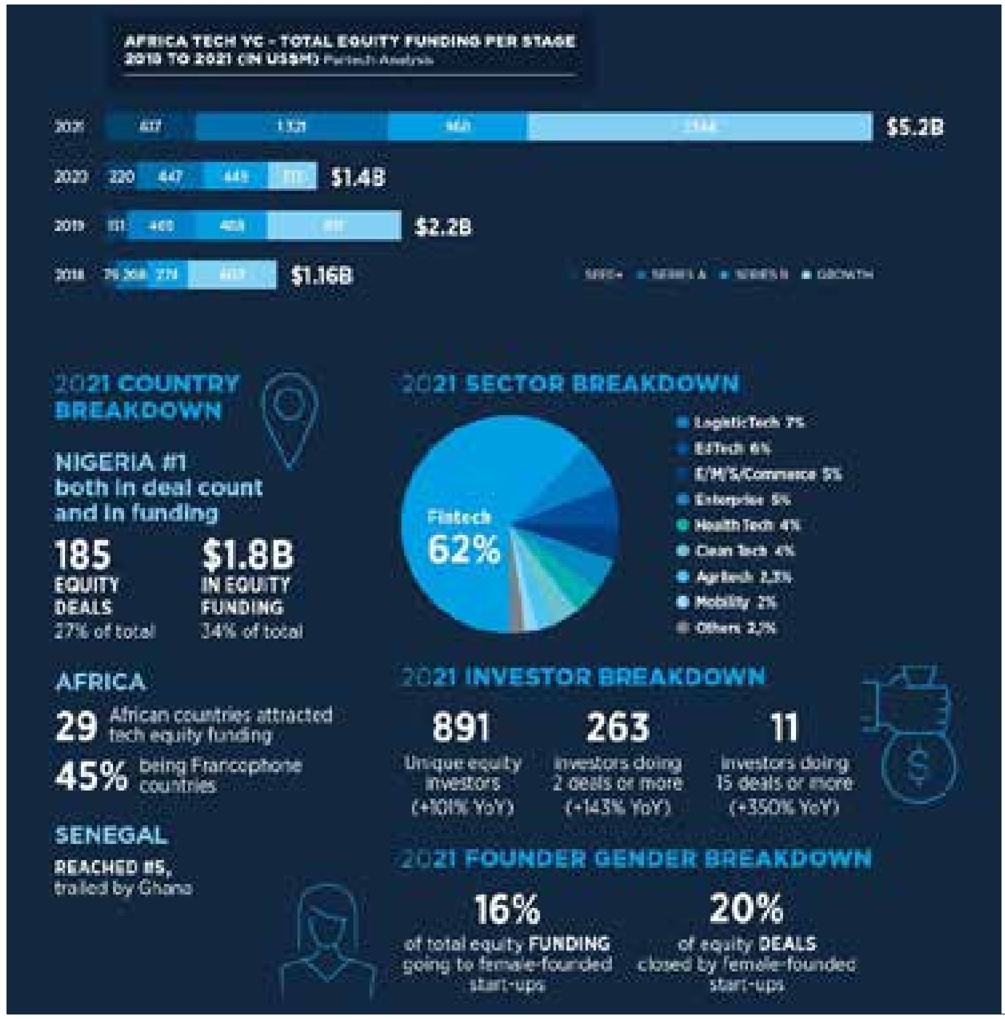
TEXAF invested EUR 1 m in the first PARTECH AFRICA I fund in 2019. The results from this fund are very encouraging and **TEXAF** plans to subscribe to the new PARTECH II fund (Q2/2022).

SILIKIN VILLAGE IN FIGURES

The **third phase** of **SILIKIN VILLAGE** under construction will establish the site as the largest entrepreneurial and digital ecosystem on the African continent offering almost 15,000 m² of offices, co-working spaces, meeting and training rooms, auditorium and relaxation areas. The centre, which will be operational in 2023, will have a capacity of almost 1,600 people.

The site still has significant untapped spaces, allowing for further potential developments.

Several training and support programmes are already operational and several others are in advanced negotiations.



Venture Capital fundraising in 2021. Source: Partech Africa Report

Training programmes currently in place within SILIKIN VILLAGE:

ACTIVITIES	PARTNERS	DESCRIPTION	ORIGIN	KPI
Training	Kinshasa Digital Academy	9 months of training in computer programming (web and app) and integration of young people into companies	DRC	2020 – 40 students 2021 – 42 students 2022 – 75 students
Training	ICSSI – African institute for cybersecurity and infrastructure security	3 months of training in cybersecurity and infrastructure security skills.	DRC	Q4-2021 – 18 learners 2022 – 40 learners (in progress)
Training	Keccel – Play & Code Academy	Robotics and coding training workshops for children aged 7 to 13	DRC/Morocco	Q4-2021 – NA 2022 – NA
Entrepreneurship	Ovation	K-IMPACT – incubation and acceleration programme for “sustainable cities” projects for young Congolese project owners	Belgium	14 project owners
Entrepreneurship	Orange DRC	POESAM (Orange Social Venture Prize in Africa and the Middle East) – annual programme to support the development of start-ups with innovative solutions	DRC	10 start-ups including 2 in Goma
Entrepreneurship	WFUNA, UNDP	CITYPRENEURS – acceleration programme (5 weeks) for innovative start-ups in waste management, well-being and population health	France	15 start-ups

In addition, **SILIKIN VILLAGE** is negotiating with dozens of potential partners

The result from the activity, still in its start-up phase, was EUR -167 k (vs EUR -187 k in 2020).

The Group responded to calls for funds from PARTECH AFRICA for EUR 317 k, bringing its contribution to EUR 669 k. In fact, the fund invested in 6 new investments and reinvested in 8 existing investments, so it has 16 young African tech companies in its portfolio. These new financing rounds led the fund to revalue certain existing investments. In accordance with its valuation rule, TEXAF recorded this unrealised revaluation not in its income statement but in its overall result. It amounted to EUR 415 k.

Holding

The costs specific to holding, which include the costs of the Brussels office and those related to the consolidation of the accounts and the listing on the stock exchange, are presented separately.

They totalled EUR 1.2 m, up on last year, following the increase in variable remuneration. Taking financial income into account and the recovery of deferred taxes, the net result was EUR -431 k (vs EUR -219 k in 2020).

HOLDING (in thousands of euros)	2017	2018	2019	2020	2021	Var.
Income from ordinary activities	0	0	0	0	0	N/A
Recurring operating income	-947	-1,208	-1,398	-975	-1,182	21.1%
Operating income	-997	-1,208	-1,330	-975	-1,182	21.1%
Result before deferred taxes	-96	-351	-592	-380	-598	57.2%
Net result (Group’s share)	-300	-573	-402	-219	-431	96.6%

REPORTS OF THE BOARD OF DIRECTORS

Consolidated result

The Group's turnover increased by 4% to EUR 22,727 k, while other operating income increased by EUR 630 k, following an increase in the restaurant's turnover, higher electricity re-invoicing and late payment interest. Recurring operating expenses also rose to EUR 13,121 k for a number of reasons, including a negative change in crushed stone stocks, an increase in provisions for retirement and an increase in legal and physical asset protection costs. Consequently, the recurring operating income was EUR 8,002 k, up 2%.

The 2020 financial year had been affected by two significant non-recurring expenses: the direct impact of the fire of 7 August (EUR -416 k) and an additional exceptional depreciation of the sandstone deposit of EUR -1.3 m.

Only EUR 45 k of additional costs due to the fire were recorded in 2021, so the operating income reached EUR 7,956 k (vs EUR 6,147 k in 2020).

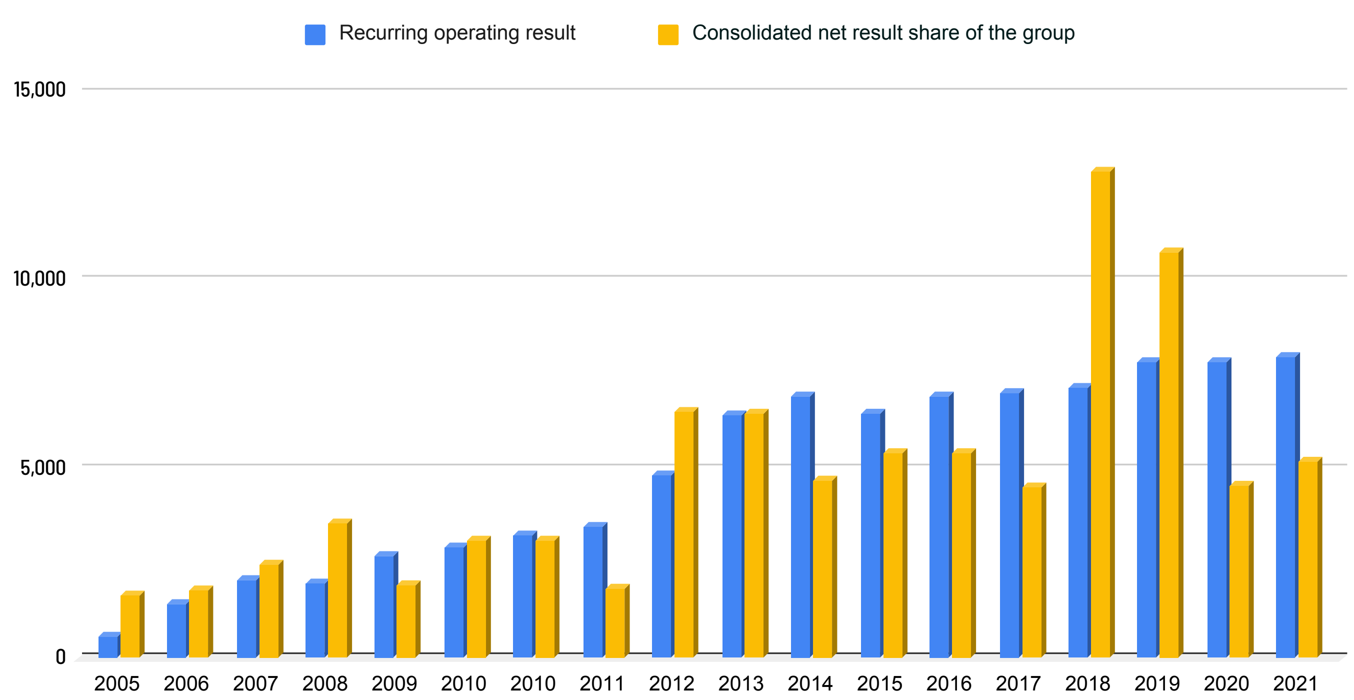
Net financial expenses remained stable at EUR 35 k (vs EUR 38 k), so the result before tax reached EUR 7,922 k (vs EUR 6,108 k).

The current tax charge also remained stable at EUR 1,467 k and the result before deferred taxes increased by 40% to EUR 6,454 k.

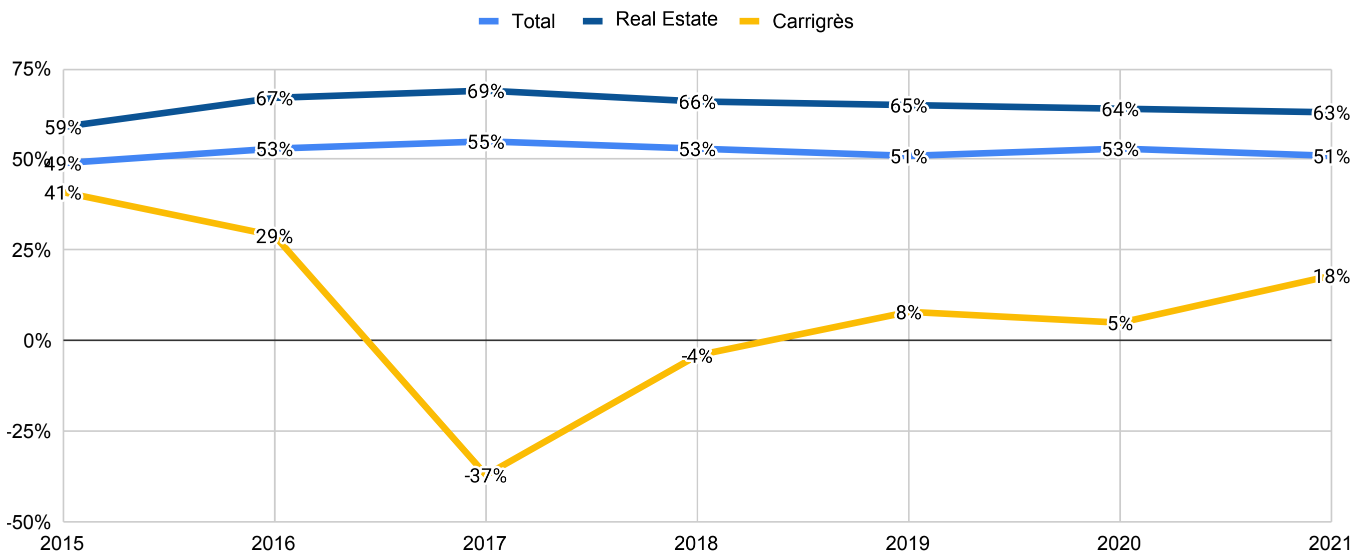
The provision for deferred taxes increased by EUR 1,242 k, mainly that covering the unrealised capital gain on buildings. In total, the net result (Group's share) was EUR 5,212 k, compared to EUR 4,581 k one year before (+14%).

CONSOLIDATED RESULTS (in thousands of euros)	2017	2018	2019	2020	2021
Income from ordinary activities	18,208	18,869	21,691	21,868	22,727
Other recurring operating income	1,493	1,423	1,530	1,425	2,055
Recurring operating expenses	-9,663	-10,180	-12,008	-11,631	-13,131
Recurring EBITDA	**10,038**	**10,111**	**11,213**	**11,663**	**11,651**
As % of turnover	*51%*	*50%*	*48%*	*50%*	*47%*
Depreciation	-3,018	-2,943	-3,382	-3,801	-3,649
Recurring operating income	**7,020**	**7,168**	**7,831**	**7,863**	**8,002**
As % of turnover	*36%*	*35%*	*34%*	*34%*	*32%*
Non-recurring operating items	-3,610	1,531	5,190	-1,716	-45
Operating income	**3,410**	**8,699**	**13,022**	**6,147**	**7,956**
Financial income and expenses	-1,190	-438	-223	-38	-35
Result before tax (for continuing operations)	**2,220**	**8,261**	**12,799**	**6,108**	**7,922**
Current taxes	75	-1,140	-3,183	-1,502	-1,467
Result before deferred taxes	**2,295**	**7,121**	**9,616**	**4,606**	**6,454**
As % of turnover	*12%*	*35%*	*41%*	*20%*	*26%*
Deferred taxes	2,255	5,811	1,176	-25	-1,242
Net result after tax	**4,550**	**12,932**	**10,793**	**4,581**	**5,212**
Consolidated net result (Group's share)	**4,542**	**12,909**	**10,771**	**4,569**	**5,205**
PER SHARE					
Recurring operating income (in EUR)	*1.98*	*2.02*	*2.21*	*2.18*	*2.18*
Operating income in EUR	*0.96*	*2.45*	*3.67*	*1.71*	*2.17*
Consolidated net result (Group's share) in EUR	*1.28*	*3.64*	*3.04*	*1.27*	*1.42*
Number of shares in circulation	*3,543,700*	*3,543,700*	*3,543,700*	*3,603,536*	*3,666,556*

Results



Recurring EBITDA as % of income from ordinary activities



Overall result

(in thousands of euros)	2017	2018	2019	2020	2021
Result for the financial year	**4,550**	**12,932**	**10,793**	**4,581**	**5,212**
Variance movements in foreign currencies				6	
Movement (after tax) of revaluation reserves	0		-28		
Movement (after tax) of pension provisions	-52		-19	-55	28
Movement (after tax) of the reserves for financial assets available for sale					419
OVERALL RESULT	**4,498**	**12,932**	**10,746**	**4,532**	**5,659**
Allocated to:					
TEXAF shareholders	**4,490**	**12,909**	**10,724**	**4,521**	**5,646**
Per share	*1.27*	*3.64*	*3.03*	*1.25*	*1.54*
To minority interests	8	23	22	11	13

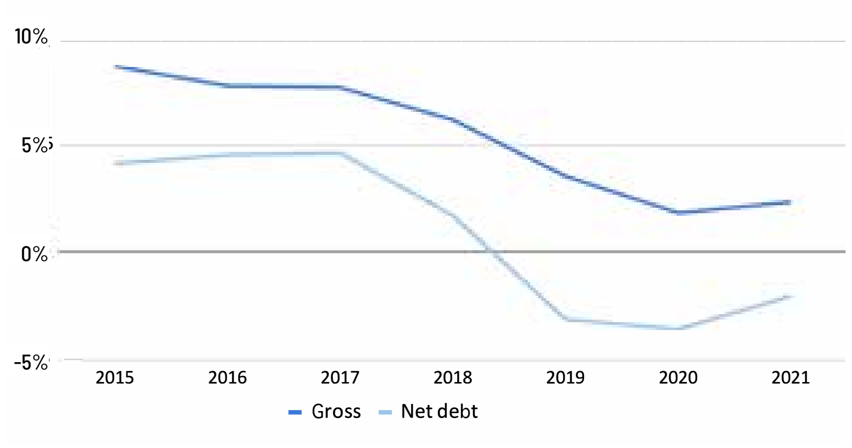
As indicated above, the comprehensive income benefits from a revaluation of the investment in the PARTECH AFRICA fund in the amount of EUR 419 k.

Consolidated balance sheet (before appropriation of income)

As at 31 December, the Group remained in a net cash position of EUR 3,157 k (vs EUR 4,640 k one year earlier). **TEXAF** once again gave its shareholders the option of taking their 2020 dividend in cash or contributing it as a capital increase ("optional dividend"). 65% of the net dividends were contributed in the amount of EUR 2,099 k, bringing the capital to EUR 25,497 k and the number of shares to 3,666,556 (+1.7%).

(in thousands of euros)	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021
NON-CURRENT ASSETS	**109,125**	**112,236**	**115,252**	**115,957**	**116,579**
Property, plant and equipment	*9,955*	*9,658*	*9,911*	*8,309*	*8,665*
Investment properties	*99,100*	*102,347*	*105,029*	*107,211*	*106,605*
Intangibles assets	*23*	*15*	*9*	*6*	*2*
Other financial assets	*47*	*217*	*304*	*432*	*1,307*
CURRENT ASSETS	**11,129**	**12,296**	**15,995**	**12,927**	**18,583**
Assets held for sale	*0*	*0*	*0*	*0*	*5,207*
Stocks	*4,769*	*4,948*	*4,633*	*4,346*	*4,622*
Receivables	*1,469*	*692*	*1,312*	*897*	*952*
Tax assets	*919*	*807*	*1,044*	*558*	*1,602*
Cash and short-term investments	*3,674*	*5,564*	*8,767*	*6,979*	*5,933*
Other current assets	*298*	*285*	*239*	*145*	*267*
TOTAL ASSETS	**120,254**	**124,531**	**131,247**	**128,884**	**135,162**
EQUITY	**80,167**	**90,213**	**97,516**	**99,837**	**104,280**
Capital	*21,508*	*21,508*	*21,508*	*23,398*	*25,497*
Group reserves	*58,338*	*68,361*	*75,642*	*76,054*	*78,387*
Minority interests	*321*	*344*	*366*	*384*	*397*
NON-CURRENT LIABILITIES	**30,716**	**23,426**	**20,052**	**18,740**	**20,413**
Deferred tax liabilities	*19,810*	*13,999*	*12,805*	*12,806*	*12,882*
Other non-current liabilities	*10,906*	*9,427*	*7,247*	*5,934*	*7,530*
CURRENT LIABILITIES	**9,371**	**10,892**	**13,679**	**10,307**	**10,469**
Liabilities associated with assets held for sale	*0*	*0*	*0*	*0*	*0*
Other current liabilities	*9,371*	*10,892*	*13,679*	*10,307*	*10,469*
TOTAL LIABILITIES	**120,254**	**124,531**	**131,247**	**128,884**	**135,162**

Financial debt (in per cent of balance sheet total)



Cash flows

Cash flow from operating activities was EUR 9.6 m, up 12% compared to 2020.

Investments in 2021, at EUR 8.9 m, were higher than those in 2020 (EUR 6.1 m) due to the shut-down of construction sites during containment.

The flow of dividends paid (EUR 4.6 m) was partly offset by its reinvestment in a capital increase (EUR 2.1 m), while financial debt increased by EUR 756 k thanks to a new 5-year loan from BELFIUS BANQUE with political risk hedging by CREDENDO.

Source of funds	*2017-2021*		*Use of funds*
*Operating cash flow**	*62,915*	*35,350*	*Investments*
Divestments	*7,735*	*13,484*	*Taxes*
Increase in capital	*3,989*	*17,492*	*Dividends*
		2,022	*Increase in cash and cash equivalents*
		6,291	*Decrease in debt*
TOTAL	***74,639***	***74,639***	***TOTAL***

: excluding taxes

(in thousands of euros)	2017	2018	2019	2020	2021
Cash and short-term investments at the beginning of the year	**3,911**	**3,674**	**5,564**	**8,767**	**6,979**
Operating cash flow after tax	8,704	8,892	10,038	9,986	10,313
Change in the working capital requirement	2	2,850	706	-1,395	-665
Cash flows from operating activities	**8,706**	**11,742**	**10,744**	**8,591**	**9,648**
Investments	-6,625	-6,180	-7,483	-6,120	-8,942
Divestments	204	764	6,443	298	26
Cash flows from investment activities	**-6,421**	**-5,416**	**-1,040**	**-5,822**	**-8,916**
Increase in capital				**1,890**	2,099
Dividends	-2,430	-2,886	-3,442	-4,101	-4,633
Change in debt	-92	-1,550	-3,059	-2,346	756
Cash flows from financing activities	**-2,522**	**-4,436**	**-6,501**	**-4,557**	**-1,778**
Net increase (decrease) of cash and cash equivalents	**-237**	**1,890**	**3,203**	**-1,788**	**-1,046**
Cash and short-term investments at financial year end	**3,674**	**5,564**	**8,767**	**6,979**	**5,933**

Impact of the COVID-19 crisis

The Group still felt the impact of the Covid-19 crisis at the beginning of the year:

- a higher than normal vacancy rate resulting from general uncertainty and the closure of the DRC's borders until 15 August 2020,
- difficulties transporting equipment and materials that particularly impeded the quarry in the 1st quarter.

These effects gradually receded and, at the end of 2021, the vacancy rate decreased and the quarry was producing at a higher pace than in 2019.

Impact of the war in Ukraine

The Group has no commercial relations with Ukraine or the Russian Federation. It also does not have any with persons or entities subject to international sanctions.
It may be affected by increases in fuel or material prices that this war and sanctions could cause.

Dividend

The Board of Directors will propose increasing the dividend to EUR 5,237,937 or EUR 1.42857 (EUR 1.00 net) per share, an increase of 11% per share. This will be payable from 27 May 2022 subject to submission of coupon no. 11.

Events after closure

At the time of writing of this report, no major events took place.

Risk declaration

The Board of Directors wishes to point out that the company's assets are located in the Democratic Republic of Congo (DRC) and that the specific environment of the country entails certain risks. The DRC is one of the areas with a governance deficit. Accounts were drawn up with caution based on the assumption of stability in the social, economic and regulatory environment.

TEXAF, whose reference currency is the euro, holds investments in certain companies whose transactions are also made in foreign currencies (USD & Congolese francs), and whose activity is exposed to foreign exchange risks. The Group does not use hedging instruments because the terms are unreliable. However, this risk is limited given the limited proportion of these transactions in foreign currencies.

A more detailed presentation of the risks that the Group could face can be found on page 73.

Performance criterion

TEXAF intends to achieve performance objectives in relation to the risk factor of its environment. Thus, real estate or industrial investment projects must meet an internal rate of return criterion higher than that applied by financial companies active in more stable regions. These criteria are reviewed in light of changes in this environment.

Corporate governance statement

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

Statement of responsibility

We certify that, to the best of our knowledge, the consolidated financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial position and results of the company and of companies included in the consolidation, and that the management report contains a fair presentation of the business development, results and position of the company and the companies included in the consolidation, as well as a description of the main risks and uncertainties they face.

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

Jean-Philippe Waterschoot
Managing Director

REPORTS OF THE BOARD OF DIRECTORS

CORPORATE GOVERNANCE REPORT

ADHERENCE TO THE CORPORATE GOVERNANCE CODE

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

The Company adopts a "one-tier" governance structure with a Board of Directors.

This charter confirms TEXAF's adherence to the Belgian Code of Corporate Governance (2020), its principles and almost all its guidelines. The Company derogates from the principles of the Code on the following points and for the following reasons:

- the company may entrust to an independent director one or more ad hoc assignments that may be remunerated (3.5.4.), as it does not wish to deprive itself of the specific skills that it has identified in its search for directors;
- the company considers that non-executive directors do not automatically lose their status as independent members of the Board after serving on it for more than twelve years (Article 3.5.2.), as it considers that independence is not a question of age or time but is a state of mind;
- the Board did not meet in 2021 in the absence of executive management (Article 3.11). It is not a point of policy but a question of opportunity and priority – such a meeting will be held in 2022;
- non-executive directors do not receive part of their remuneration in the form of company shares (Article 7.6), as the cost of carrying out an annual capital increase for relatively small amounts is prohibitive;
- the Board of Directors has not set a minimum threshold for shares that directors must hold (Article 7.9). This issue depends on the personal wealth levels of those concerned, which may be very different.

The full text of the Governance Charter can be found at: www.texaf.be

The governance report included in this 2021 annual report is an integral part of the management report.

COMPOSITION OF THE BOARD OF DIRECTORS

PHILIPPE CROONENBERGHS (1950)

Term of office ends 2023

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 import of two- and four-wheeled vehicles, and numerous related activities. 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 2023
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.

ISABELLE ESSELEN (1985)
Term of office ends 2023
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.

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.

JOSEPH FATTOUCH (1990)
Term of office ends 2023
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 2023
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 2023
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 2023
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), and was for a number of years 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 12 directors, of which six are independent directors, two are executive directors and ten are non-executive directors (which includes the independent directors).

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 eight times in 2021, of which five in person or by video-conference, twice by unanimous written decision and one time by proxy.

In particular, in November 2021, the Board met for three days in Kinshasa, which enabled it to meet with the group's teams and partners, visit the sites under construction and examine the facilities.

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

- Vincent Bribosia*	5	100%
- Charlotte Croonenberghs	5	100%
- Philippe Croonenberghs	5	100%
- Isabelle Esselen	3	100%
- Christophe Evers	5	100%
- Joseph Fattouch	3	100%
- Michel Gallez	5	100%
- Danielle Knott	4	80%
- Dominique Moorkens	5	100%
- Pascale Tytgat	5	100%
- Jean-Philippe Waterschoot	5	100%
- Albert Yuma Mulimbi	3	60%

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 five meetings, when the Board had to meet before a notary to record the contribution of the dividend receivables to the capital, 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. Additionally, twice the Board made unanimous decisions in writing.

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
- Analysis and application in the company of the IFRS rules
- Various planned investment projects
- Development of the Kinsuka site
- Management of the real estate portfolio
- Monitoring of CARRIGRES
- Installation of SILIKIN VILLAGE
- 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 2021. All the members were present at each meeting.

The work of the Audit Committee was focused on:

- Closing the 2020 financial year
- Information on the fair value of investment properties and the sandstone deposit
- Establishing the interim situation on June 30, 2021
- Monitoring the special valuation rules, particularly with regard to 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 internal audit missions
- Updating the accounting tools and procedures
- Relations with the external auditor
- Anticipation of 2021 closing of the accounts topics.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee is composed of Danielle Knott, chair, and Vincent Bribosia*, Dominique Moorkens and Philippe Croonenberghs. In 2021, the Committee met three times. All members were present at each meeting.

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 in 2020 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 75 on.

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 2021, with the internal group teams drawing up the procedures. In addition, the gradual implementation of a new integrated management tool for real estate activities is leading to a review of procedures and operating methods for this activity.

CONFLICTS OF INTEREST AND TRANSACTIONS BY INSIDERS

The Board of Directors was not called upon to pronounce upon points involving a conflict of interest in 2021.

The following transactions in TEXAF shares were conducted by the following persons in 2021:
- Acquisitions as part of the capital increase of May 28, 2021 following the proposal of optional dividends in the form of new shares:
  Société Financière Africaine SFA : 43,562 shares
Middle Way Ltd : 6,302 shares
Vincent Bribosia : 380 shares
- Sale on the stock exchange:
  Christophe Evers : 600 shares on March 23 at 34.21 EUR and 1,000 shares on July 23, 2021 at 33.53 EUR

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 against the 2019 optional dividend and 2,098,566 on May 28, 2021 to issue 63,020 shares against the 2020 optional dividend.

On August 25, 2021 the Company declared to the FSMA (art. 74 TOB law):

TOTAL ISSUED SHARES	3,666,556	100 %
Main shareholders		
Société Financière Africaine	2,300,082	62.73 %
Middle Way Ltd	366,656	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.

REMUNERATION AND NOMINATION COMMITTEE REPORT

NOMINATIONS

No new election or renewal to the Board will be submitted to the General Meeting called for May 10, 2022.

REMUNERATION POLICY

The General Meeting of May 11, 2021 adopted a remuneration policy to. This document is available at www.texaf.be. The present report is written conforming that policy.
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 15,000 per non-executive director per year paid during the period in which the director was in office

- a supplement of EUR 10,000 to the chairman, EUR 7,500 to the chairman of the Audit Committee and the chairman of the Remuneration and Nomination Committee

- an attendance fee of EUR 1,200 per meeting of the Board or Committee

- the executive directors are not remunerated, with the exception of the compensation of their executive duties.

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.

The chairman of the Board benefits from a company vehicle.

SUMMARY OF THE REMUNERATION OF THE NON-EXECUTIVE DIRECTORS IN 2021

En EUR	Fixed remuneration (gross)	Attendance fee (gross)	Total remuneration (gross)
Chanic s.a. represented by Vincent Bribosia	14,250	9,000	23,250
Charlotte Croonenberghs	14,250	5,600	19,850
Philippe Croonenberghs	23,250	12,200	35,450
Isabelle Esselen	11,250	3,600	14,850
Joseph Fattouch	11,250	3,600	14,850
Michel Gallez	0	0	0
Danielle Knott	21,125	7,800	28,925
Dominique Moorkens	14,250	12,200	26,450
Pascale Tytgat	21,125	8,800	29,925
Albert Yuma	0	0	0

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.

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 2021.

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

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.

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 2021, the application of the formula would give him the right to variable remuneration of EUR 83,933. However, in recognition of the special efforts made in the defence of real estate assets, the Board proposes to increase this variable remuneration to EUR 100,000.

- 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 2021, the application of the formula gives him the right to variable remuneration of EUR 62,200.

The variable remuneration calculated on the basis of the performance criteria (recurring operating result and result before tax) in 2021 was as follows:

in thousands of euros	2020	2021
Recurring operating result	7,863	8,002
Result before tax	6,108	7,922
Difference		
Recurring operating result		1.77 %
Result before tax		29.70 %
Number of instalments		
Recurring operating result		1.35
Result before tax		6.94
Average		**4.15**
Bonus per instalment		
Christophe Evers		15,000 €
Jean-Philippe Waterschoot		20,000 €
Bonus		
Christophe Evers		62,200 €
Jean-Philippe Waterschoot		82,933 €
Jean-Philippe Waterschoot – complement		17,067 €
Total		**162,200 €**

SUMMARY OF THE REMUNERATION OF THE EXECUTIVE DIRECTORS IN 2021

In Eur	Employer cost	Variable remuneration	Pension plan	Company vehicle	Total	% Fixed	% Variable
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 2021 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 2017=100	2017	2018	2019	2020	2021
Recurring operating result	100	102	112	112	114
Result before tax	100	148	229	109	142
Remuneration of the executive directors	100	136	140	99	122
Average remuneration of employees	100	87	89	86	89

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

CORPORATE SOCIAL RESPONSIBILITY

CORPORATE SOCIAL RESPONSIBILITY

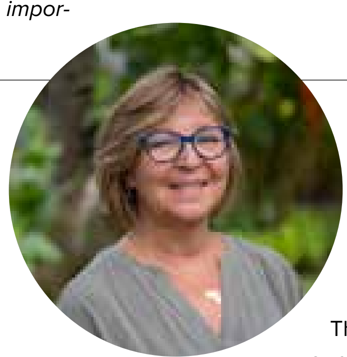
03

TEXAF BILEMBO
TO BOOST CONGOLESE TALENT

For almost ten years, Espace Texaf Bilembo has become a real booster for Congolese artists. Much more than an art gallery, it plays an important role in the emergence of Congolese talent. Thanks to the expertise of the duo made up of Chantal Tombu and Christine Decelle, many artists have seen their professional careers structured, consolidated and seen them flourish, even internationally for some of them.

"Our method consists of working at several levels. By going out into the field and joining the artist in their studio, to talk with them about their canvas and sculpture," explains Chantal Tombu. *"It's better to understand their message, the ideas that are expressed, observe them to be as close as possible to their vision. Then build an exhibition together, and if possible a catalogue, a book, because archiving is essential in a country where impressions are overlooked. It's important to understand an artist's approach, then to enrich their thinking with our experience and our library."* Without thinking, lacking inspiration, needing a helping hand, encouragement, the artists regularly call Chantal and Chridé. Over the years, Texaf Bilembo has created a real network of professional artists who have become friends and advisers. *"We often interact with Aimé Mpané,"* says Chantal Tombu, very happy with the dynamic she has managed to instil in this unique space. Transforming over 1,000 m^2 of former textile factory workshops into a vast space dedicated to contemporary Congolese art was a bold move. Today, we are scrambling to work with Texaf Bilembo: Francis Mampuya, Sim Simaro, Cheri Benga, Papa Mfumu Eto, etc. *"What a pleasure to work with Bandoma and Tsham, Amani and also Kura, a bit crazy but so endearing... and female artists like Gozette Lubondo and Rachel Malaïka, two extraordinary photographers!."* Now young people are knocking at the door: Théo Mwamba, Catheris, Rachel, Emany, etc.

This work of patience has seen the emergence of real talents such as Catheris, but also Théo Mwamba, who won first prize in the CFAO Young Talent Competition in 2019, organised by Texaf Bilembo, in collaboration with the Angalia gallery, and Pita Kalala who will exhibit for the first time in Brussels thanks to the Texaf Bilembo network. Another example is that of Mika who has had an extraordinary career in France: his first exhibition, he held it at Texaf Bilembo, where he started.


Chantal **TOMBU**

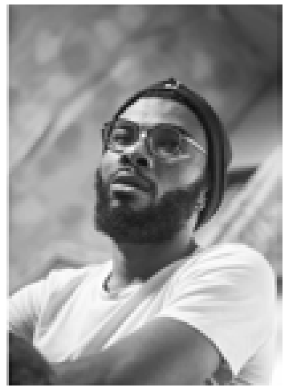
At the heart of her approach to support artists, Chantal Tombu initiated a collection of books devoted to contemporary art in the DRC. After the publication in 2021 of "Papiers de société" (Company papers) which highlights three Congolese visual artists: Kura Shomali, Raymond Tsham and Steve Bandoma, 2022 will see the birth of a third volume dedicated to Rachel Malaika, Thonton Kabeya and Catheris Mondombo. The welcome that professionals have given this 120-page work, richly illustrated, written by art specialists living in Kinshasa is encouraging. The book has been distributed to several galleries, private collections or auction houses such as Angalia, the Leridon Collection, Magnin, Piasa, Artcurial, MRAC, MRBA. etc. Gradually, this collection, unique in its genre, takes shape and becomes a reference to attest to the creative quality of these Congolese artists, but also to convey authentic messages and testimonials of Congolese society throughout the world.

In 2021, a solo exhibition by the painter and decorator Lofenia, with "Bisengo na biso", who placed the attire of animals on a pedestal, a carnival parody, truculent, fun, colourful, casual and joyful. Another solo exhibition with Catheris Mondombo lit up painful parts of the story, evoking rubber and cut hands, presenting the audience with unique, painful and powerful works, tinged with hope and created on used tarpaulins in a spirit of repair. These paintings are part of a series called "Notre histoire" (Our history), exhibited just after in Paris.

The new, uninhibited and beating generation of young artists does not follow a hollow and complacent aesthetic. It certifies, denounces and changes attitudes. The collective exhibition, entitled "ça c'est fait!" (It's done!)was an event. It presented the work of ten of them: the photographer Rachel Malaïka, Arsène Mpiana, Catheris, the sculptor, Henry Kibeti, Théo Mwamba the hyper-realistic portraitist, Théo, Joycenath, Josué, Simplus Ntoto and Jackson Tshisekedi.

> "More than ever, Espace Texaf Bilembo is becoming an essential place where contemporary Congolese art is celebrated, promoted and supported with intelligence and efficiency. It is enough to note the progress already made by several talented artists since they were revealed by the expertise of the Texaf Bilembo team"

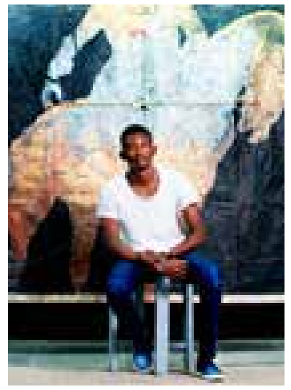
STEVE BANDOMA
"For almost a decade, Espace Texaf Bilembo has become an essential cultural setting in the city of Kinshasa. With its diverse programme, this space plays an fundamental role. Nothing compares to Texaf Bilembo!"



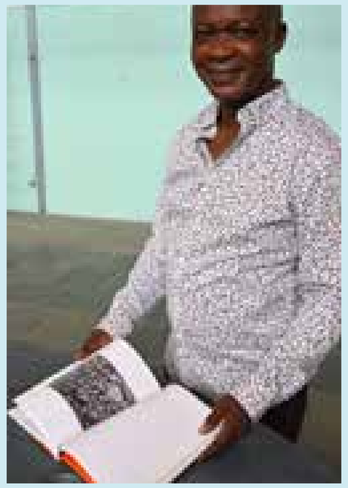
EMANY
"Texaf Bilembo offers personalised support, listening to the artists. It's also a space for work and exchange."

RACHEL MALAIKA
"Thanks to Texaf Bilembo, artists can excel: encouragement, criticism, advice, etc. There is an experienced management team here that understands what artists want to express through their works."

CATHERIS
"Texaf Bilembo is a source of inspiration and a place for research. Its library offers a wide range of works specialising in art history."



JOYCENATH
"Texaf Bilembo is an excellent setting for presenting my work... It's a place of reflection that inspires me."



RAYMOND TSHAM MATENG
The outstanding designer has made a speciality of working with ballpoint pens. A simple black Bic, with which he draws masks and statuettes from the Congo and elsewhere on Canson paper. Tsham developed a great friendship and real collaboration at Espace Texaf Bilembo. Here he gives a sincere and touching testimony:
"At Texaf Bilembo there are no flags. This really is for the Congolese. It's really a promotion in the pure sense of the word. Here, the recognition and promotion of artists is real and has continued since its opening in 2013. It's not a one-off presence, with just an exhibition in a programme and then we move on to something else. No, there are real writings on the works, impressions that remain and also small films for the archives.

Young artists want to spend a lot of time at Texaf Bilembo for an individual exhibition because it's a blessing. This is where we discover talent! This is where we boost careers! Bilembo is a stairway for artists to climb ever higher.

Mika, Lofenia, Amani Bodo, Mampuya, Bandoma, etc., all the talented artists have come through here. An artist who exhibited at Texaf Bilembo will never be the same. I haven't been the same since 2014 with my debut at Texaf Bilembo."

Tsham added to his remarks before Chantal Tombu, the director of Espace Texaf Bilembo, who was very moved to collect this testimony: "The first collection of books dedicated to the history of art in the Congo is truly a unique concept. It means putting ideas in a book for posterity and making our art accessible to everyone. For me, this is the first time that we really talk about my biography, my struggles, my successes in a book (Tsham mentions the book *Papiers de société* published in 2020). When I read this I was overwhelmed with emotion.It's moving because, for me, this book represents the memory of my works, my work, my career. It's thanks to Bilembo that I will be producing my first solo exhibition in Belgium in 2023, the advent of a career!"

SOS PLANÈTE CONGO
TO TRAIN YOUTH TO PROTECT THE FOREST

SOS Planète Congo is much more than a book. It is an ambitious educational project that aims to raise awareness among young Congolese people of their environment through a training programme structured around students at the end of the primary cycle (12 years old) and the end of secondary school (16-17 years old), but also teachers.

The necessity and the urgency of protecting the forest of the Congo River basin is at the heart of the project. Educating children about major planetary matters and environmental issues is the challenge. To meet this challenge, the Texaf Bilembo teaching team has created four teaching workshops to convey messages interactively with games and creative materials.

At the end of the activity days spent at Texaf Bilembo, students know the different protected areas and then locate them confidently on the DRC map. They associate animals with ecosystems; they are aware of the damage caused by humans and also of the solutions to be implemented. "Without a well-educated youth, it will be difficult to meet the major challenges currently facing the DRC," says Chantal Tombu.

"To talk to children, it is necessary to tell stories," explains Chantal Tombu. The tale is a personal, collective, shared story that creates suspense, immerses the audience in a context, describes the characters' personalities. The tale addresses the facets of the conflicts that are created between humans and nature, shows, touches upon, evokes sensations. It ends with hope and calls for collective action."

Four tales depict heroes facing significant perils, proposing actions and solutions. The first three prepare for the fourth: solidarity between animals, solidarity of animals and humans, solidarity of trees and animals and, finally, solidarity of all for protected biodiversity and a better societal future. For example, the tale "Panic in the forest" tells the story of a group of grey parrots from Gabon discovering with astonishment that humans have deforested and burned part of their forest. When they arrive under the forest cover, they are relieved to find the freshness of the trees and the peaceful company of antelopes and a chameleon. Suddenly, the elder parrot sounds the alarm from the top of the canopy. Poachers killed one of the last Bongo babies. They broke the CITES legislation, the International Convention that protects animals in the DRC from poaching. Distraught, the animals have no option but to flee from the human world. They escape into the large basin, guided by Tsetsi, a small antelope that traditionally represents courage and cleverness. Tsetsi will carry the chameleon on his back; it is too slow. The moral of this tale is the solidarity between the animals and their defiance of the human world."

Each tale presented, there are four in this very beautiful work, includes an informative and fun section to raise awareness of the environmental emergency among a wide audience. A "biodiversity" section presents the hero animal and its environment, and a "culture" section describes ancient objects inspired by animal heroes. Each tale is enriched with a quiz to question and educate the reader. SOS Planète Congo is a multifunctional book, so to speak: it can be written, read, leafed through, observed, played as a family, in class, or solo

Isabelle Gérard, expert at the Africa Museum in Tervuren and head of department of the MRAC Publications and Documentation Department, has a lot of positive things to say about it: "This book challenges us, all generations combined, faced with the dramatic dangers of biodiversity, not only in the Democratic Republic of Congo but throughout central Africa. Nature and its occupants are threatened by all kinds of risks: from human activities to climate change and chain developments. Identifying these situations allows everyone, at their own level, to remedy them, propose solutions and unite in actions. Wonder and equal amounts of awareness guaranteed!

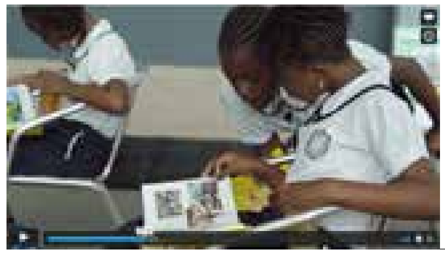
Texaf Bilembo has an astonishing first report. The number of schools and children with increased awareness is already impressive:

In Kinshasa, 60 teachers attended 5 mornings of content and method training; 1,325 students attended the 4 teaching workshops, i.e. 12 hours of training each; 1,325 students and 60 teachers received the SOS Planète Congo book (of which 520 received the school textbook); 16 schools received the teaching kit.

In Central Congo, awareness was raised among 223 teachers and change makers on the ground; 1,274 students with increased awareness (mainly Year 6 primary and Year 7 secondary); 6 schools received the complete kit; 204 SOS Planète Congo books were distributed in schools.

With the support of the Weyrich publishing house, which produces and publishes the book SOS Planète Congo, an 8-minute, very well-made video was produced to explain the project's ambition and its educational method. The film is convincing to say the least and perfectly shows the need and urgency of sensitivity among local populations and Congolese youth.

After implementing a digital and sound version, in interactive PDF format, thanks to support from ENABEL, the book can now be listened to in French, Lingala and Shuili in digital libraries...



See our video:
SOS PLANETE CONGO

POUR EN SAVOIR PLUS

FIRST FRENCH-LINGALA SCHOOL TEXTBOOKS

A new stage has just been reached with the production of the first school textbooks. To make the book more accessible to Congolese children, the project initiators came up with a version in a smaller format: 15 x 21 cm, in two volumes. This format therefore has the advantage of being less expensive to purchase and allows sponsors to provide it to many more children than the hardback edition reserved for school teachers would allow. This first edition of 3,000 copies for each volume is also innovative because all of the texts are translated into Lingala and are published in relation to the original French text. This book therefore becomes an asset for all the young Congolese from the provinces who are learning French.

NDAKO YA BISO

ADAPTATION, ENTHUSIASM AND PERSEVERANCE

The NDAKO YA BISO reception centre was taken aback by a pandemic that it did not expect to face two years in a row. After 2020, marked by the epidemic itself, 2021 enabled a gradual recovery of all activities, as the coronavirus did not particularly hit the Democratic Republic of Congo in the second half of the year. Since economic progress is not palpable in the country, the population has continued to survive in extreme poverty, the main cause of children descending onto the streets.

Through its history, NDAKO YA BISO welcomes children off the street and offers them a living environment where they can rest, eat, play, away from the violence of the street, before unfortunately returning to spend the night there, the centre not being an orphanage that hosts the children indefinitely.

In addition, NDAKO YA BISO gives them access to medical care and a school upgrade. The centre therefore welcomes disadvantaged young people with the main aim of reintegrating them into their families. This objective may seem obvious at first glance in so-called developed countries. However, reality on the street shows that children are unequal in terms of the basic needs to which they should be entitled. Father Jean-Pierre Godding, coordinator of the NDAKO YA BISO centre, is working to fill this gap so that disadvantaged children have access to this need, thus increasing their chances of making it in life.

Jean-Pierre Godding, coordinator of the NDAKO YA BISO centre

Difficult beginnings...

2021 started in challenging conditions. Some partners were forced not to support various projects of the association and others reduced their funds because of the pandemic.

While many could have lamented and been stunned by this period that was not conducive to the normal running of their activities, Jean-Pierre and his team adapted their methods of intervention on the ground quickly and efficiently.

This year, educators targeted 7 sites: stewardship in Lemba, the Lemba Super roundabout, the 17e Rue bus stop, the Traffic centre in Lemba and the markets of Kinsenso, Selembao and Matadi Kibala. All are major concentration hubs located in the municipalities of MAKALA, NGABA and LEMBA. At each of these places, an educator went to meet the so-called "street" children; they talked with them, made the population aware of the rights of the children and tried to re-connect them with their families. Thanks to this approach, 50 children, of the 314 they met, were able to return to their homes. When direct reunification was not possible, the 3 reception centres for boys, girls or young people were indicated for further follow-up depending on the case. Upon arrival, the children were cared for free at the centre's clinic.

> Each family reunification is a struggle and a hope: when a child agrees to return to their family and the latter welcomes them back, it is first and foremost a great joy for the responsible educator and an entire future that opens up to them," recalls an educatorr

This year, the clinic has received a particularly large number of cases of malaria, sexually transmitted infections and acute kidney failure.

A total of 148 children and young people were screened for sexually transmitted infections and received adequate treatment. The partnership established with other hospitals to manage cases beyond the competences of this clinic still exists.

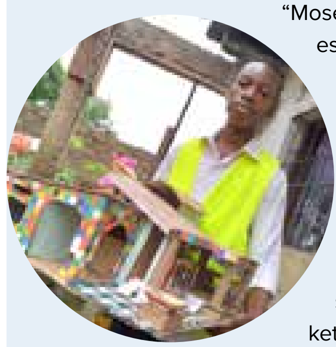
To be able to reintegrate children into families, it is essential to gain, above all, the confidence of the child, otherwise they cannot confide or tell their story. This is not an easy task for educators. Fortunately, they can count on the support of a psychologist. There were 871 psychological consultations in total during the year, followed by several family surveys and mediations; this led to 165 family reunions.

Operation "zero children on the street"

There is no specific timeframe in the unification process. Depending on the case, it may be short for some and longer for others. But throughout their time at the centre, while waiting for their final return to their families, the children participate in various activities. This year, 2 holiday camps and 19 excursions were organised to relax and forget about street violence.

In 2021, the education team encouraged those who could to return home and placed other children in foster homes. *"It was nice to see the kids who were worried when they left but came back excited, a bottle of sugary drink in hand or a bit of cash in their pocket, wearing a new T-shirt. They had been well received and spoiled in their families,"* an educator told us.

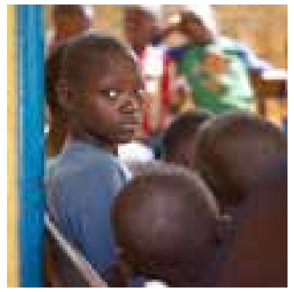
My child of the year 2021, testimonials from the teachers of ndako ya biso



"Moses is a 16-year-old boy, the youngest of a family of 4 children. He successfully completed Year 6. But then his parents separated, and Moses stayed with his mother, who had no resources. Life was becoming impossible at home, and Moses began to look for ways to cope by becoming a shoe shiner at the small local market. An NYB educator met the child looking for customers on the street at the time when children should have been in school. The boy, who was questioned, told the educator his story and of his misery of no longer being able to study. The educator went to meet the mother and discovered the family's severe poverty. Also, NYB decided to take charge of the youngster's education, who is now in Year 8 in secondary school, in the electricity section and gave the mother an initial microloan to sell squash fritters. The mother managed her first loan very well and is now on her sixth $100 microloan, which she pays back very regularly while saving some of her money and diversifying her activities; thus, she now also sells loincloth fabrics."

Pauline Nlandu

En route to the 3,000 th reunification



This year, NDAKO YA BISO will celebrate the 10-year anniversary of the centre for street girls and also hopes to celebrate the reunification of the 3,000th child, as at the end of 2021 the total number of children returning home was 2,959. For a start, four young people removed from their families in Tshikapa and Kananga in deep Congo will have to return to their homes before the second half of the year.

When the centre was created, disadvantaged children faced problems on a colossal scale. Unwavering, Jean-Pierre Godding and his team faced it as a non-profit to try to give them a chance to get by. There is visible progress on a small scale. However, they cannot accomplish this task alone. *"Family reunification, then integration into professional life, while maintaining the families' social standard of living that children and young people need, can only be achieved with the help of partners such as TEXAF and other organisations that have been with us for some time and that we will never be able to thank enough,"* confides the clergy, all smiles.

Visit of the « Texaf » women's group to support the kids of the centre, on the occasion of « Women on the March

COMEQUI
COFFEE GROWERS AND BEEKEEPERS YIELDING GREAT RESULTS

Since its creation in 2008, the non-profit association Commerce équitable (COMEQUI) is actively working to provide resources to the rural population on the shores of Lake Kivu, particularly in the Minova region. COMEQUI helps, supervises and trains local coffee growers to improve their production capacity and consequently increase their income and improve their living conditions. The non-profit association also encourages the creation of cooperatives to bring together these players in the rural economy and works to promote agricultural production so that it meets fair trade and ecological standards.

A new initiative for the benefit of coffee growers.

One of COMEQUI's principles is to encourage coffee growers, grouped into cooperatives, to work together to find effective solutions to meet the challenges of coffee production. As part of the efforts made to improve production, the network has set itself a common goal: to renovate washing microstations. A great challenge that has just been overcome thanks to a significant contribution to fundraising for the first round of the "Bike for Kivu" cycle race, organised in Louvain-la-Neuve in September 2021. A total of one hundred and eighty thousand euros (€180,000) were raised to finance sustainable development projects in Kivu. Thanks to these welcome funds, COMEQUI was able to contribute 50% to financing the construction of a washing microstation for the "Tumaini Coffee in Kabare" cooperative. It should be noted that this cooperative is predominantly managed by women.

It should also be noted that a portion of these funds will make it possible to create a seed bed and nursery for the SCNPCK cooperative on the island of Idjwi. Lastly, "Bike for Kivu" which had successfully achieved the great feat of uniting

500 volunteers to compete on three cycle courses, has already set a date for its sports friends for a new event next year. Great prospects that give hope!

The objective was project autonomy: it has been 100% achieved.

The association is pleased that the projects have continued without any difficulty, despite the constraints caused by the pandemic such as school closures and reduced investment. This break therefore benefited the players on the ground, most of whom became autonomous. Thanks to an increase in coffee prices in the second half of 2021, coffee growers have garnered more revenue than expected. Thanks to this opportunity, AMKA, one of the cooperatives supported by COMEQUI, managed to sell seven containers of its harvest and gained its autonomy. From now on, COMEQUI will only intervene for the provision of tractors and canoes to facilitate transport.

As for our beekeeper friends, the activity did not suffer from confinement. The bees kept working as normal! More seriously, let's remember that more than 400 beekeepers are now together in a cooperative on a total of nine training sites on the shores of Lake Kivu. They received formal training thanks to a partner non-profit association and, thanks to their serious work, 10 tonnes of honey were collected at the end of the year.

Outlook

COMEQUI aims to consolidate the "Nursery" programme in 2022. The association wants to rejuvenate gardens and increase production. To achieve this, it is planned to create nurseries, multiply the plants that will be produced there then sold to members of the cooperative at very affordable prices. In turn, the associations will grow them and, long before they have grown significantly, these plants will be resold for a new crop. The idea is to create a cycle that will keep coffee plantations young and consistent.

The pandemic period was used to analyse the priorities of the medical project and to specify the objectives in terms of sustainable impact and collective accountability. The focus on prevention for children and women is initially given priority. The objectives and implementation strategy will be submitted to the local medical team. And implementation will be effective in 2022, with the valuable help of partners.

CHIRPA
FIRST OPEN-HEART OPERATION IN CENTRAL AFRICA

For 25 years, Chain of Hope Belgium has been helping to improve access to high-quality specialised healthcare for children from developing countries. It supports hospitals, trains their staff, treats and operates on children. The association supports many projects around the world, but also in Africa, such as Benin, Senegal, Rwanda and, of course, the DR Congo.

As a reminder, since 2002, the Chain of Hope Belgium has been working to enable the holding of international medical-surgical missions (cardiac and urological) within the Clinique Ngaliema and the UNIKIN University Hospital in Kinshasa. In addition to the care given to children suffering from congenital heart disease or certain urological malformations, these missions are intended to train a multidisciplinary Congolese team through the transfer of skills and North-South technologies, and have enabled 126 children to be operated on.

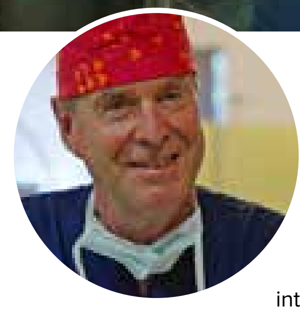
In 2005, the NGO, together with its local partners, conducted a study on the opportunity and possibility of developing a reference centre in Kinshasa for paediatric surgery and resuscitation. This would allow the country's medical teams to again perform some demanding specialised paediatric surgery in the pre-, peri- and post-operative phases.

With this in mind, the local medical partner of the Chain of Hope Belgium, the DR Congo Chain of Hope, submitted a request for funding to the Congolese government in September 2006 for the construction of a new paediatric surgery and intensive care pavilion at the Clinique Ngaliema site. In 2010, the Congolese government released funding for the construction of and equipment for the pavilion and the inauguration of the construction site, chaired by the First Lady, took place on 30 September 2011 for the "laying of the foundation stone".

In addition to the work on the paediatric surgery and resuscitation pavilion performed by the company responsible for the execution of the project financed by the Congolese government, Chain of Hope Belgium supported Clinique Ngaliema in obtaining funds to secure the technical and health environment of the infrastructure as a whole (electricity and water supply, waste management, etc.).

2021 has allowed us to carefully prepare an important mission which recently materialised in March 2022, at the time of writing this report. Chain of Hope and non-profit association CHIRPA worked hand in hand, tirelessly, with the financial support of the Congolese government, to take a symbolic but very important step for the Paediatric Surgery Centre at Clinique Ngaliema. On Saturday 19 March, a medical team of 18 people, all members of Chain of Hope Belgium, travelled to Kinshasa for a paediatric cardiac surgery mission at the Clinique Ngaliema Surgery Centre.

Thanks to funding from the Congolese government, nine children, aged under 8 years, were taken into care for advanced care. Several of them were operated on in open-heart surgery. This is a first in the Democratic Republic of Congo that paves the way for other exceptional interventions of this kind. This mission is important in several ways. First of all, it demonstrates the great potential of collaboration between the doctors of the Chain of Hope and the Congolese doctors to perform increasingly sophisticated operations in the DRC. These paediatric cardiac operations also show that training and skills transfer are effective for high-tech interventions and are not limited to minor operations. The objective of this partnership is the total autonomy of Congolese hospitals, and we must measure the giant step taken last March. These open-heart operations on young children show how the efforts made by associations, patrons, medical teams and the Congolese government are bearing fruit and hope for the near future.



Jean **RUBAY**

> There is no greater joy in seeing the children who were operated on regain their energy, running down the corridors, with great smiles on their faces," Jean Rubay, cardiac surgeon

YEMA YEMA

YEMA YEMA aims to improve the quality of life of the inhabitants of Lodja in Sankuru province, one of the least developed in the Democratic Republic of Congo. Its population, a victim of its very isolated geographical situation and of the wars that have succeeded one another in the region for many years, is struggling to recover. It still suffers the heavy consequences: unemployment, poverty, lack of water and electricity, and a glaring absence of infrastructure....
Every year, Pierre-Albert and Béatrice Ngueliele, in collaboration with several partners, improve the living conditions of thousands of people living in Lodja by working mainly on training and education, important vectors of human development and powerful tools for reducing poverty..

GROWING PROJECTS

2021 was a year of contrast for YEMA YEMA. Some projects did not get off the ground due to lack of funds, while others, against all odds, were remarkably successful.
While the DRC was not severely affected by the 2021 pandemic, donors and other businesses that support YEMA YEMA were nevertheless impacted by the coronavirus. Many have had to review their budgets. As a result, activities were only partially funded or not funded at all.
One of the Ngueliele couple's ambitions last year was to intervene in the areas of hygiene and sanitation, in particular by building better latrines and supplying the school with drinking water. Today, the objective has only been partially achieved, not because of a lack of funding, but rather because of the increasing number of students enrolled.

Currently, the primary cycle alone has 400 students and 380 for the secondary cycle. This is twice as many as last year, an increase justified by the success rate of students in the end-of-year exams.
The latrines built last year are therefore no longer sufficient for the growing number of students and teachers. The construction of additional latrines remains an urgent need and the project has been renewed for 2022.

EQUIPPING YOUNG PEOPLE FOR TODAY'S CHALLENGES

Going to school is not enough. Today, many children do not know how to read, even though they are in school. To thrive in a fast-paced world, all children must not only learn to count, read and write, but even more importantly, they will need to adapt to new information technologies. To this end, the couple has set up a computer lab to familiarise young people with computer skills. However, the small number of machines does not allow a good assimilation of the course. This year, the aim is to strengthen this computer lab by replacing the existing computers with newer ones and increasing the number of computers.
The computer course will thus be taught from the 3rd kindergarten onwards. "It is never too early for a child to learn. Our young people deserve to be taught the skills they need to succeed in an increasingly demanding and changing world of work." says Pierre Albert.

ONE PROJECT REPLACES ANOTHER

The project to rehabilitate the maternity ward has been replaced by the construction of a diabetes centre. The first project, which required much more funding, has been postponed to next year in the hope that our partners will renew their funding.

INTRODUCTION TO BEEKEEPING

Another challenge that YEMA YEMA set itself last year was to obtain at least 100 beehives after having raised awareness and trained the population in beekeeping. This goal was only half achieved. This is justified on the one hand by the lack of funds and on the other hand by the logistical difficulties of transporting the material adapted to this activity which had to come from Kinshasa.
As a reminder, the town of Lodja is completely isolated due to the lack of infrastructure for road transport. Kinshasa and Lodja are separated by 1,559 kilometres of road in very poor condition requiring at best several days.
In the meantime, the initiation of the population to beekeeping continues as the inhabitants of this region grow rice, cassava, beans, groundnuts and maize to feed their families. The surplus production is difficult to sell outside their village due to the lack of roads.
For Pierre-Albert Ngueliele, the main objective in this area is to convince the population that beekeeping is also a profitable activity, that it requires less physical effort and that the honey harvesting time is faster than for cassava or rice.

ON THE WAY TO 2022

Education, agriculture and health remain YEMA YEMA's key areas of focus in 2022.
The same projects continue and evolve according to the needs. Pierre-Albert and Béatrice, determined to make their contribution to the development of this region, are counting on the help of loyal partners such as TEXAF, but also on the generosity of companies and individuals who wish to contribute to the enormous challenges faced by the inhabitants of Lodja.

ANNUAL ACCOUNTS 04

IFRS CONSOLIDATED FINANCIAL STATEMENTS ON DECEMBER 31, 2021

CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of euros)

	Note	31/12/2019	31/12/2020	31/12/2021
ASSETS				
Non-current assets				
Property, plant and equipment	6	9,777	8,225	8,631
Investment property	7	105,029	107,211	106,605
Intangibles	8	9	6	2
Other non-current financial assets	10	304	432	1,307
Other assets recognized as rights of use	11	134	84	33
		115,252	**115,957**	**116,579**
Current assets				
Assets held for sale	12 -	-	-	5,207
Inventory	12	4,633	4,346	4,622
Clients and other debtors	12	1,312	897	952
Tax assets	12	1,044	558	1,602
Cash and cash equivalents	12	8,767	6,979	5,933
Other current assets	12	239	145	267
		15,995	**12,927**	**18,583**
Total assets		**131,247**	**128,884**	**135,162**
EQUITY				
Capital and reserves allocated to shareholders of the parent company				
Share capital	13	21,508	23,398	25,497
Reserves		75,642	76,055	77,075
		97,150	99,453	102,572
Minority interests		366	384	391
Total equity		**97,516**	**99,837**	**102,963**
LIABILITIES				
Non-current liabilities				
Bank loans	14	1,966	773	1,810
Post-employment benefits liabilities	16	1,012	1,025	1,179
Deferred tax liabilities	17	12,805	12,806	14,200
Other non-current liabilities		4,269	4,136	4,542
		20,052	**18,740**	**21,731**
Current liabilities				
Bank loans	14	2,299	1,196	966
Suppliers and other current creditors	18	6,685	4,831	5,387
Other current liabilities		4,696	4,280	4,116
		13,679	**10,307**	**10,469**
Total liabilities		**33,731**	**29,047**	**32,199**
Total liabilities and equity		**131,247**	**128,884**	**135,162**

The notes constitute an integral part of the consolidated financial statements

CONSOLIDATED BALANCE SHEET

(in thousands of euros)	Note	Year closed on 31/12/2019		Year closed on 31/12/2020		Year closed on 31/12/2021	
Revenue from ordinary activities	*20*	21,691		21,868		22,727	
Operating charges		(15,389)		(17,148)		(16,830)	
Raw materials and consumables			*(1,469)*		*(1,358)*		*(1,963)*
Changes in inventory			*(515)*		*(216)*		*286*
Payroll expenses	*21*		*(3,405)*		*(3,144)*		*(3,627)*
Depreciation allocation	*22*		*(3,382)*		*(3,801)*		*(3,649)*
Impairments	*23*		*212*		*(1,639)*		*(19)*
Other operating charges	*24*		*(6,830)*		*(6,772)*		*(7,824)*
Exchange differences					*(217)*		*(34)*
Other operating income	*25*	1,530		1,425		2,055	
Capital gain on non-current assets		5,190		0		4	
Operating result		**13,021**		**6,146**		**7,956**	
Financial expenses	*27*	(342)		(136)		(56)	
Financial income		119		98		22	
Result before tax		**12,799**		**6,108**		**7,922**	
Current taxes	*28*	(3,183)		(1,502)		(1,467)	
Result before deferred taxes		**9,616**		**4,606**		**6,454**	
Deferred taxes	*17*	1,176		(25)		(1,242)	
Net result for the year		**10,792**		**4,581**		**5,212**	
Allocated to:							
Shareholders of the parent company		*10,771*		*4,570*		*5,206*	
Minority interests		*22*		*11*		*7*	
		10,792		*4,581*		*5,212*	
Result per share: result allocated to shareholders of the parent company (in euro per share based on the weighted average number of shares)	*29*						
– basis		3.04		1.27		1.42	
– diluted		3.04		1.27		1.42	

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

CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Year closed on 31/12/2019	Year closed on 31/12/2020	Year closed on 31/12/2021
Result for the financial year	10,792	4,581	5,212
Variations in exchange translation differences	-	6	-
Variations (after tax) in revaluation reserves	(28)	-	419
Actuarial changes (after tax) to post-employment liabilities	(19)	(55)	29
Comprehensive result	**10,745**	**4,532**	**5,660**
Allocated to:			
Shareholders of the parent company	*10,723*	*4,522*	*5,653*
Minority interests	*22*	*10*	*7*
	10,745	*4,532*	*5,660*

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	To shareholders of the parent company						
	Share capital	**Issue premiums**	**Consolidated reserves**	**Revaluation reserves**	**Translation differences**	**Minority interests**	**Total equity**
Balance at December 31, 2017	21,508	-	63,721	4,584	56	344	**90,213**
Income for the financial year 2018	-	-	10,771	-	-	22	10,792
Other items of the comprehensive income	-	-	(19)	(28)	-	(0)	(47)
Distributed dividend	-	-	(3,442)	-	-	-	(3,442)
Solde au 31 décembre 2019	21,508	0	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	0	(49)
Increase in capital	-	-	(13)	6	-	7	0
Changes to scope	1,890	-	-	-	-	-	1,890
Dividend distributed	-	-	(4,101)	-	-	-	(4,101)
Balance on December 31, 2020	23,398	0	71,431	4,562	62	384	**99,837**
Income for the financial year 2021	-	-	5,206	-	-	7	5,212
Other items of the comprehensive income	-	-	29	419	-	0	448
Changes to scope	-	-	-	-	-	-	0
Increase in capital	2,099	-	-	-	-	-	2,099
Dividend distributed	-	-	(4,633)	-	-	-	(4,633)
Balance on December 31, 2021	25,497	0	72,034	4,981	62	390	**102,963**

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

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.

CHANGES **2021**

There was a negative actuarial change net of tax to post¬employment liabilities of EUR 29 k (gross EUR 41 k, tax EUR 12 k) (notes 16 and 17). This amount is included in the comprehensive result. There was a positive variation on net reevaluation reserves to the tune of 419 k EUR (gross EUR 558 k EUR, tax 139 k EUR). This is the unrealized capital gain on the stake in Partech Africa II. It is included in the comprehensive income. The distributed dividend of EUR 4,633 k concerns the result for the financial year 2020. It has been reinvested to increase the capital in the amount of EUR 2.099 k.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	**Note**	**Year closed on 31/12/2019**	**Year closed on 31/12/2020**	**Year closed on 31/12/2021**
Cash and cash equivalents and bank overdrafts at opening		**5,564**	**8,767**	**6,979**
Cash flow from operating activities				
Cash from operations	31	14,201	10,131	11,149
Interest paid	27	(342)	(136)	(56)
Interest received		68	98	22
Income tax	28	(3,183)	(1,502)	(1,467)
		10,744	**8,591**	**9,648**
Cash flow from investment activities				
Acquisition of property, plant and equipment and investment property	6 et 7	(7,343)	(5,694)	(8,625)
Income from the disposal of property, plant and equipment and investment property	6 et 7	6,428	0	26
Reduction (increase) in other financial assets		(125)	(128)	(317)
		(1,040)	**(5,822)**	**(8,916)**
Cash flow from financing activities				
Increase in capital of parent company			(*)	(*)
Dividends to shareholders of the parent company	30	(3,442)	(2,214)	(2,535)
Increase in loans	14	0	0	1,520
Repayment of loans	14	(3,011)	(2,296)	(713)
Repayment of rental contracts		(48)	(50)	(51)
		(6,501)	**(4,557)**	**(1,779)**
(Decrease)/increase in cash and cash equivalents and bank overdrafts		**3,203**	**(1,788)**	**(1,047)**
Cash and cash equivalents and bank overdrafts at closing		**8,767**	**6,979**	**5,933**
Of which TEXAF SA		*1,622*	*2,108*	*819*

* * To reflect net changes in cash, the dividend of EUR 4.101 k EUR in 2020 and of EUR 4.633 k EUR in 2021was offset by the capital increase by contribution of the dividend receivables of respectively 1.890 k EUR and 2.099 k EUR.

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 22, 2022 and the IFRS accounts (including the appendices) were adopted by the Board of Directors on March 30, 2022. 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 2021.

The accounting policies used are in continuity with those used to prepare the financial statements on December 31, 2020.

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, 2021, but the changes are not significant or relevant to the TEXAF Group:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020)
- Amendments to IFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 to 1 January 2023 (applicable for annual periods beginning on or after 1 January 2021)- 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, 2021. The TEXAF Group did not adopt them early, but analyzed the impact on the consolidated financial statements of the Group.

Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1 April 2021)

- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)
- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1 January 2023, 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 2022.

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

2. CONSOLIDATION SCOPE

On December 31, 2021 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, 2019	% net financial stake on December 31, 2020	% net financial stake on December 31, 2021
1. FULLY CONSOLIDATED COMPANIES						
Anagest	Brussels	Holding	EUR	98.90 %	98.90 %	98.90 %
Carriaf in liquidation	Brussels	Holding	EUR	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 %	95.07 %	95.07 %
Utexafrica	Kinshasa	Real estate	EUR	99.59 %	99.59 %	99.59 %
2. PROPORTIONALLY CONSOLIDATED COMPANIES						
Company	**City**	**Activity**	**Functional currency**	**% net financial stake on December 31, 2019**	**% net financial stake on December 31, 2020**	**% net financial stake on December 31, 2021**
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, 59% 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 12,774 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 2019 and 2021.

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, 2021, this (gross) receivable was EUR 1.126 k.

The sensitivity to a euro/dollar exchange rate fluctuation is therefore as follows:
- Income before tax: EUR -36,120 per dollar percentage point rise
- Investment cost: EUR -69,000 per dollar percentage point rise
- Cash flow from operating activities and investments: EUR -105,120 per dollar percentage point rise
- Result after tax and equity: EUR -23,478 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 -11,126 per Congolese franc percentage point fall
Result after tax and equity: EUR -7,788 per Congolese franc percentage point fall.

These sensitivities are linear and symmetrical. They are based on the balance sheet situation on December 31, 2021, 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, 2021. These are short-term assets and liabilities only.

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

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 5.933 k on December 31, 2021, are held in euros and dollars but invested at variable rates.

The impact of a 100-base point rise in EUR interest rates would be EUR +59.328 on an annual basis on the result before tax and cash flows and EUR +41.529 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 2019, 2020 and 2021, 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 2021 was EUR 757 k, including EUR 453 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:

a reversal of EUR (47) k in 2019, a write-down of EUR 228 k in 2020 and write-down of 6 k EUR in 2021.

3.6. COVID-19-RELATED RISKS

As stated in the management report, like everyone else, in 2021 the group had to deal with the consequences of the pandemic and the restrictions imposed to fight it. This generates some additional risks concerning, mostly:

- Rate of vacancies

- Availability of the teams

These risks, which gradually decreased over the year, affected the turnover of both the quarry and the real estate.

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 in 2020, but no reversal or additional depreciation in 2021. 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 2021 (in k EUR)	Holding	Real estate	Digital	Quarries	Intercompany eliminations	Consolidated
Revenue from ordinary activities		19,777	102	2,897	(49)	22,727
Other operating income		1,964	8	82		2,055
Operating charges	(1,182)	(12,627)	(277)	(2,743)	49	(16,780)
of which payroll expenses	*(182)*	*(2,602)*	(183)	*(660)*		*(3,627)*
of which depreciations	*(50)*	*(3,308)*		*(291)*		*(3,649)*
of which impairments	*(16)*	*16*		*(18)*		*(19)*
Non-recurring items	*0*	*(45)*		*0*		(45)
Operating result	**(1,182)**	**9,069**	**(167)**	**236**	**0**	**7,956**
Financial result	586	(1,011)		390	0	**(34)**
Result before tax on the result	**(595)**	**8,058**	**(167)**	**625**	**0**	**7,922**
Current taxes	(3)	(1,220)		(244)		**(1,467)**
Result before deferred taxes	**(598)**	**6,838**	**(167)**	**381**	**0**	**6,454**
Deferred taxes	*167*	*(1,479)*		*70*		**(1,242)**
Result for the financial year	**(431)**	**5,359**	**(167)**	**452**	**0**	**5,212**

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 532 k (EUR 311 k in 2020) and various fees (including audit, lawyers and stock market listing) of EUR 251 k (EUR 222 k in 2019).

The non-recurring items are costs incurred as a consequence of the fire of August 7, 2020 (Real Estate 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 2019 and 2020 are presented below.

Results 2020	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	(15,432)
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	*0*	*(416)*		*(1,300)*		(1,716)
Operating result	**(975)**	**8,648**	**(187)**	**(1,339)**	**0**	**6,146**
Financial result	618	(1,035)		379	0	**(38)**
Result before tax on the result	**(357)**	**7,613**	**(187)**	**(961)**	**0**	**6,108**
Current taxes	(23)	(1,410)		(68)		**(1,502)**
Result before deferred taxes	**(380)**	**6,203**	**(187)**	**(1,029)**	**0**	**4,606**
Deferred taxes	*161*	*(598)*		*412*		**(25)**
Result for the financial year	**(219)**	**5,605**	**(187)**	**(617)**	**0**	**4,581**

Results 2019	Holding	Real estate	Digital	Quarries	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)*
Non-recurring items	*68*	*5,120*		*2*		5,190
Operating result	**(1,330)**	**14,421**		**(69)**	**0**	**13,022**
Financial result	580	(1,181)		377		**(223)**
Result before tax on the result	**(750)**	**13,240**		**309**	**0**	**12,799**
Current taxes	158	(3,227)		(114)		**(3,183)**
Result before deferred taxes	**(592)**	**10,013**		**194**	**0**	**9,616**
Deferred taxes	*190*	*931*		*55*		**1,176**
Result for the financial year	**(402)**	**10,944**		**249**	**0**	**10,792**

5.2. SEGMENT ASSETS AND LIABILITIES

Segment assets and liabilities on December 31, 2021	Holding	Real estate	Digital	Quarries	Intercompany eliminations	Consolidated
Property, plant and equipment	225	2,211		6,228		8,665
Intangible and financial assets		2	1,190			1,192
Investment property		111,812				111,812
Other segment assets	18,916	7,722		14,268	(26,227)	14,680
Total assets	**19,141**	**121,748**	**1,190**	**20,497**	**(26,227)**	**136,348**
Bank loans		2,776				2,776
Deferred taxes	1,780	9,678		1,425		12,882
Other segment liabilities	806	39,671		971	(26,227)	15,221
Total liabilities (excluding equity)	**2,586**	**52,124**	**0**	**2,395**	**(26,227)**	**30,879**
Acquisitions of assets		**8,414**	**317**	**528**		**8,942**

- 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 2020, as well as the acquisitions of assets in the financial year ended on this date.

Segment assets and liabilities on December 31, 2020	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
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**	**0**	**2,261**	**(27,293)**	**29,045**
Acquisitions of assets		**5,956**	**128**	**164**		**6,120**

Segment assets and liabilities on December 31, 2019	Holding	Real estate	Digital	Quarries	Intercompany eliminations	Consolidated
Property, plant and equipment	426	2,183		7,302		9,911
Intangible and financial assets		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**

6. PROPERTY, PLANT AND EQUIPMENT

	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, 2018								
Cost	15,079		6,582	459	2,335	693	3	**25,151**
Combined amortization	(6,371)		(6,442)	(417)	(1,917)	(346)		**(15,493)**
Net carrying amount	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)**
Value adjustment	(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)**
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	**24,845**
Combined amortization	(7,967)		(5,509)	(482)	(2,177)	(485)		**(16,620)**
Net carrying amount	7,135	132	312	65	369	208	3	**8,225**
Changes in the financial year 2021								
Acquisitions	59		550	149	292			**1,048**
First consolidation (net)								
Disposals								
Reallocations	(18)	(132)	132					**(18)**
Depreciation allocation	(140)		(222)	(36)	(158)	(69)		**(624)**
Value adjustment								
Changes in the period	(99)	(132)	460	113	134	(69)		**406**
On December 31, 2021								
Cost	15,143		6,503	650	2,838	693	3	**25,830**
Combined amortization	(8,106)		(5,731)	(472)	(2,335)	(555)		**(17,199)**
Net carrying amount	7,036		772	178	503	139	3	**8,631**

ANNUAL ACCOUNTS

Land and buildings includes EUR 4,424 k (net of EUR 7,111 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 eight financial years 2014 to 2021, the quarry produced 1.93 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.

The deposit has been depreciated proportionate to the production.

An impairment test was conducted on the book value of the deposit, which was EUR 4,424 k on December 31, 2021. 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 level of the last realized year with an unchanged product mix, stabilization of the sale price at that same level with an optimized product mix and the gradual recovery of prices to the 2009-2021 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. This test has not led to a reversal not to an additional depreciation in 2021. 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.

	Average unit sale price 2025				
	12 €	13 €	14 €	15 €	16 €
Discount rate					
12 %	1,375,188 €	3,099,315 €	4,823,442 €	6,547,569 €	8,271,696 €
14 %	1,171,634 €	2,587,311 €	4,002,988 €	5,418,665 €	6,834,342 €
16 %	1,019,326 €	2,207,584 €	3,395,843 €	4,584,101 €	5,772,360 €
Net book value on 31-12-21		4,424,297 €			
Average sale price 2012-2021		14.57 €			
Average sale price 2021		11.29 €			

7. INVESTMENT PROPERTY

	Land	Assets under construction	Other Investment property	Total
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	**0**
Reallocation of assets held for sale				**0**
Depreciation allocation			(2,805)	**(2,805)**
Value adjustment			22	**22**
Changes in the period	(1,238)	4,125	(205)	**2,682**
At 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	**0**
Reallocation of assets held for sale				**0**
Depreciation allocation			(3,243)	**(3,243)**
Value adjustment				**0**
Changes in the period	0	81	2,101	**2,182**
At December 31, 2020				
Cost	47,355	6,373	90,519	**144,246**
Combined amortization and depreciation			(37,035)	**(37,035)**
Net carrying amount	**47,355**	**6,373**	**53,484**	**107,211**
Changes in the financial year 2021				
Acquisitions		7,482	94	**7,576**
Disposals/Withdrawals			(22)	**(22)**
Reallocation	(3,553)	(9,249)	12,820	**18**
Reallocation of assets held for sale	(460)		(4,748)	**(5,207)**
Depreciation allocation			(2,971)	**(2,971)**
Value adjustment				**0**
Changes in the period	(4,013)	(1,767)	5,174	**(606)**
At December 31, 2021				
Cost	46,895	4,606	94,388	**145,889**
Combined amortization and depreciation			(39,284)	**(39,284)**
Net carrying amount	**46,895**	**4,606**	**55,104**	**106,605**

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 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 2022 and 2041. Renewal is inexpensive. The Group has no assets held on lease.

In 2021 the investment property generated rental revenue of EUR 19,729 k and direct costs (mainly maintenance and repair) of EUR 1.544 k.

On December 31, 2021, the sites and property were pledged for EUR 1,400 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	8 %

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/m² used since 2017, rounded off to EUR 650/m² 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/m² 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 9.12%, 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.

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)	17.7			**17.7**
Land with old buildings in good state (category 2 development)	4.3			**4.3**
Land with buildings that require renovation (category 3 development)	10.3	0.1		**10.4**
Land with buildings in poor state (category 4 development)	3.2	2.5		**5.7**
Total developed land	**35.5**	**2.7**	**0.0**	**38.1**
General total	**60.5**	**86.7**	**305.9**	**453.0**

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)	17.1	12 %	187.0	NA		**187.0**
Land with old buildings in good state (category 2 development)	2.4	12 %	25.9	NA		**25.9**
Land with buildings that require renovation (category 3 development)	2.3	NA			67.1	**67.1**
Land with buildings in poor state (category 4 development)	0.9	NA			21.6	**21.6**
Total developed land	22.7		212.9		88.7	**301.6**
GENERAL TOTAL					**183.4**	**396.3**

CONCLUSIONS

Based on these assumptions, the gross fair value of investment property on December 31, 2021 is EUR 396 m (EUR 312 m after deduction of deferred tax). The main changes compared with the previous year are the increase in the value of developed sites following investments during the year.

These values must be compared with a net book value of EUR 107 m (or EUR 94 m after deduction of deferred taxes) (excluding assets held for sale) (see note 17).

Among other things, this table shows that 38% of developed land in downtown Kinshasa, categories 3 and 4, generate only 14% 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 396 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)

	Value of the land per m² in the city centre		
Yield rate	**€ 450**	**€ 650**	**€ 850**
8 %	374	426	478
10 %	326	**378**	429
12 %	293	345	397

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, 2021 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

	Shares	Loans	Total
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
Changes 2021			
New investments	296	21	317
Repayments			
Impairment	558		558
On December 31, 2021			
Gross value	1,482	845	2,327
Combined impairments	(292)	(727)	(1,020)
Net carrying amount	1190	118	1,307

- The net value of the shares (EUR 1.307 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, 2021 is made up of deposits made.

- The fair value of the other non-current financial assets on December 31, 2021, December 31, 2020 and December 31, 2019 is close to their net book value on these dates.

11. OTHER ASSETS RECOGNIZED AS RIGHTS OF USE

On the balance sheet	Assets recognized asrights of use	Deferred tax assets	Debt to lessors payable in more than 12 months	Debt to lessors payable in 12 months or less
On January 1, 2019	**184**	**–**	**128**	**56**
Depreciations	-50			
Effective payment of rent			-53	
Discount factor	2		5	
Deferred tax on the differ-ence 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 differ-ence with the actual rent		-0		
On December 31, 2020	**82**	**0**	**25**	**56**
Depreciations	-53			
Effective payment of rent			-53	
Discount factor	2		2	
Deferred tax on the differ-ence with the actual rent		1		
On December 31, 2021	**31**	**1**	**31**	**–**

In the income statement	2019	2020	2021
Depreciations	-50	-53	-53
Cancelation of payment of rent	53	53	53
Financial charge	-5	1	-2
Deferred tax on the difference with the actual rent	1	-0	1
Impact on the period's result	**-1**	**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 k EUR)	31/12/2019	31/12/2020	31/12/2021
Assets held for sale			
Buildings held for sale (gross value)	0	0	5,381
Depreciations			(174)
Net value	**0**	**0**	**5,207**
Inventory			
Spare parts – Gross value	2,695	2,394	2,695
Spare parts – Impairment	(198)	(269)	(279)
Finished products – Gross value	2,054	2,167	2,154
Finished products – Impairments	-	-	-
Other stocks – Gross value	82	54	52
Other stocks – Impairment	-	-	-
Net value	**4,633**	**4,346**	**4,622**
Clients			
Clients – Gross value	1,731	1,267	1,326
Clients – Impairments	(669)	(561)	(570)
Net value	**1,062**	**706**	**757**
Other debtors			
Other debtors – Gross value	430	376	379
Other debtors – Impairment	(180)	(184)	(184)
Net value	**250**	**192**	**195**
Tax assets	**1,044**	**558**	**1,602**
Cash and cash equivalents			
Cash at bank	-	39	-
Bank balances	5,179	3,785	4,133
Short-term accounts	3,588	3,155	1,800
Net value	**8,767**	**6,979**	**5,933**
Other current assets			
Charges to be carried forward	18	17	17
Income acquired	221	128	250
Net value	**239**	**145**	**267**

- Assets held for sale are a building in Kinshasa.
- 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:

CLIENT DEBTOR PROVISIONS

[IN K EUR]	Gross value	Loss of value	Net value
0-60 days	196		196
60-120 days	124		124
> 120 days	1,007	(570)	437
Total	**1,326**	**(570)**	**757**

[IN K EUR]	Clients receivables	Turnover	% Receivables on Turnover
On December 31, 2018, gross value	**1,345**		
Impairments	(949)		
Net value	**396**	**18,869**	**2.1%**
Increase of provisions	(11)		
Decrease of provisions	291		
On December 31, 2019, gross value	1,731		
Impairments	(669)		
Net value	**1,062**	**21,924**	**4.8%**
Increase of provisions	(375)		
Decrease of provisions	482		
On December 31, 2020, gross value	1,267		
Impairments	(562)		
Net value	**705**	**21,868**	**3.2%**
Increase of provisions	(73)		
Decrease of provisions	79		
On December 31, 2020, gross value	**1,326**		
Impairments	(570)		
Net value	**757**	**22,727**	**3.3%**

Client debtor provisions (in thousands of euros)
Clients and other debtors

	2019	2020	2021
Clients – gross value	1,731	1,267	1,326
Clients – impairments	(669)	(562)	(570)
Net value	**1,062**	**705**	**757**

- 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 (3%), 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 2,235 k. The net value of the clients includes EUR 453 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 1,126 k.

- The fair value of clients, other debtors and other current assets on December 31, 2021, December 31, 2020 and December 31, 2019 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 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
Changes in the financial year 2021	63,020
Number of shares on December 31, 2021	3,666,556

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 2019 dividend rights, 59,836 new shares were issued at EUR 31.59 per share, resulting in a capital increase of EUR 1,890,219.

On May 28, 2021 the Board of Directors noted that, following the contribution of 2,331,749 net 2020 dividend rights, 63,020 new shares were issued at EUR 33.50 per share, resulting in a capital increase of EUR 2,098,566.

14. BANK LOANS AND OTHER FINANCIAL LIABILITIES

	31/12/2019	31/12/2020	31/12/2021	Monetary changes	Non-monetary changes
Non-current					
Guarantees and deposits received	4,054	3,813	4,371	558	0
Debt to lessors payable in more than 12 months	79	34	0	-34	0
Other non-current debts	135	289	171	-118	0
Bank loans	1,966	773	1,810	1,037	0
Total	6,235	4,909	6,352	-2,401	0
Current					
Bank loans	2,299	1,196	966	-230	0
Total borrowings and other financial liabilities	**8,533**	**6,105**	**7,318**	**1,213**	**0**
Next due date:					
Less than one year	2,299	1,196	966	-230	0
1-5 years	6,235	4,909	6,352	1,443	0
Total	8,533	6,105	7,318	1,213	0
Depending on currency					
Euro	8,533	6,105	7,318	1,213	0

- In 2014 UTEXAFRICA agreed a EUR 1,400 k loan with a Congolese bank at a rate of 8.96%, repayable in 57 monthly 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 monthly 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 monthly instalments beginning in October 2016. This credit was paid back in full in the course of 2021.

- In 2016 IMMOTEX agreed a EUR 2,600 k loan with a Congolese bank at a rate of 7%, repayable in 48 monthly 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 monthly instalments beginning in December 2017. This credit was paid back in full in the course of 2021.

- In 2018 UTEXAFRICA agreed a EUR 2,500 k loan with a Congolese bank at a rate of 8.50%, repayable in 60 monthly instalments beginning in August 2019. Only EUR 1,000 k of this loan was taken up.

- In 2021 UTEXAFRICA agreed a EUR 2,000 k loan with a Belgian bank, subject to a political risk cover. The total cost (interest and insurance premium) is 4,00%. It is repayable in 60 monthly instalments from March 2021 on.

- The guarantees and deposits received concern rental guarantees deposited by clients and performance bonds deducted from the invoices of building contractors. They increase in 2021 due to the rental of additional buildings.

- 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 k EUR)	Note	31/12/2019	31/12/2020	31/12/2021
Bank debt	14	4,265	1,969	2,776
Payable to Imbakin	34	379	371	341
Cash investments	10	-8,767	-6,979	-5,933
Net financial debt		**-4,123**	**-4,639**	**-2,816**

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

16. PENSION LIABILITIES AND SIMILAR BENEFITS

	31/12/2019	31/12/2020	31/12/2021
Liabilities recorded on the balance sheet under:			
Post-employment pension and medical payments	**1,012**	**1,025**	**1,179**
Changes in the financial year:			
Credited to the income statement	194	(66)	195
Change of actuarial assumptions debited in equity	27	79	(41)
	221	13	154
Discounted value of unfunded liabilities	1,012	1,025	1,179
	2019	**2020**	**2021**
Cost of services rendered	194	(66)	195
Net actuarial loss recognized during the financial year	27	79	(41)
Losses linked to the reduction of pension plans	-	-	-
Total amount included in the costs relating to employee benefits	221	13	154
The main actuarial assumptions used are as follows:	**31/12/2019**	**31/12/2020**	**31/12/2021**
Discount rate	2.3%	1.7%	1.9%
Future rate of salary raises Inflation rate	3.0%	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 (1.94%) 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 1,179 k provision to the actuarial assumptions is stated in the table below:

Provisions for post-employment liabilities (in thousands of euros)

Discount rate in USD	Nominal rate of salary raises in USD			
	2%	3%	4%	5%
1%	1172	1332	1529	1772
2%	1038	1169	1328	1521
3%	929	1037	1167	1324
4%	839	929	1036	1164

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 K EUR)	31/12/2019	31/12/2020	31/12/2021
Deferred tax liabilities recoverable in more than 12 months	12,805	12,806	14,200
Deferred tax assets reallocated to liabilities recoverable in less than 12 months	-	-	-
	12,805	12,806	14,200

The gross change to deferred taxes is shown below:

On December 31, 2017	**19,810**	**19,810**	**19,810**
Deferred taxes on actuarial changes reallocated to equity			
Other tax charged to the income statement under “Deferred taxes”	(5,811)	(5,811)	(5,811)
At December 31, 2018	**13,999**	**13,999**	**13,999**
Deferred taxes on actuarial changes reallocated to equity	(9)	(9)	(9)
Deferred taxes on changes to revaluation reserves	(9)	(9)	(9)
Other tax charged to the income statement under “Deferred taxes”	(1,176)	(1,176)	(1,176)
On December 31, 2019	**12,805**	**12,805**	**12,805**
Deferred taxes on actuarial changes reallocated to equity		(24)	(24)
Other tax charged to the income statement under “Deferred taxes”		25	25
On December 31, 2020		**12,806**	**12,806**
Deferred taxes on actuarial changes reallocated to equity			12
Deferred taxes on changes to revaluation reserves			140
Other tax charged to the income statement under “Deferred taxes”			1,242
On December 31, 2021			**14,200**

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

Deferred tax liabilities:	(Net) revaluation of land and buildings	Internal writedowns and gains	Other	Total
On December 31, 2018	**12,068**	**2,168**	**0**	**14,236**
Transfer from one item to another				0
Debited from (credited to) the income statement 2019	(928)	(190)		(1,118)
On December 31, 2019	**11,140**	**1,978**	**0**	**13,118**
Transfer from one item to another				0
Debited from (credited to) the income statement 2020	166	(161)		5
On December 31, 2020	**11,307**	**1,817**	**0**	**13,124**
Transfer from one item to another				0
Debited from (credited to) the income statement 2021	1,468	(167)		1,300
On December 31, 2021	**12,774**	**1,650**	**0**	**14,424**

Deferred tax assets	Tax losses	Post-employment benefits	Other	Total
On December 31, 2018	**-**	**(237)**	**0**	**(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	**-**	**(308)**	**(10)**	**(318)**
Recognized in other items of the comprehensive result	-	12	140	152
Credited to the income statement 2021		(58)	0	(58)
On December 31, 2021	**-**	**(354)**	**130**	**(224)**

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 12,774 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 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. In 2021 this provision was increased by 1.468 k EUR to include new buildings. This provision may be increased in the future if the EUR/CDF exchange rate and the tax remeasurement coefficient diverge.

For the rest (EUR 1,650 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 3,498 k of passive tax latency on December 31, 2021). 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, 2021).

Furthermore, the deferred tax assets not recognized on the balance sheet are EUR 55 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

	31/12/2019	31/12/2020	31/12/2021
Suppliers	1,975	1,419	1,290
VAT and other tax to be paid	4,260	2,957	3,652
Employee pay, social contributions and similar	23	37	9
Other creditors	426	418	435
	6,685	**4,831**	**5,387**

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.

Instruments financiers au 31 12 2021 (en milliers d'euros)	Designated at fair value through the other items of the comprehensive income	Financial assets or liabilities measured at amortized cost	Fair value	Qualification of fair value	Category
Financial assets					
Other financial assets					
Share-based participations	1,190		1,190	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		118	118	Level 2	Financial assets at amortized cost
Term deposits					Financial assets at amortized cost
Other receivables at amortized cost		2,064	2,064	Level 2	Financial assets at amortized cost
Other financial assets					
Non-current commercial receivables*					Financial assets at amortized cost
Current commercial receivables		757	757	Level 2	Financial assets at amortized cost
Cash and cash equivalents		5,933	5,933	Level 2	Financial assets at amortized cost
TOTAL	**1,190**	**8,871**	**10,061**		
Financial liabilities					
Loans					
Bank loans		2,776	2,776	Level 2	Financial liabilities at amortized cost
Bank overdrafts					Financial liabilities at amortized cost
Financing rental debts		35	35		Financial liabilities at amortized cost
Other financial liabilities		12,675	12,675	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		1,290	1,290	Level 2	Financial liabilities at amortized cost
Liabilities to related parties					Financial liabilities at amortized cost
TOTAL		**16,775**	**16,775**		

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 K EUR)	31/12/2019	31/12/2020	31/12/2021
Sales of goods	2,458	2,547	2,894
Rental income	19,233	19,321	19,832
	21,691	**21,868**	**22,727**

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 51% of deliveries and the ten biggest for 59%.

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 31-12-21)	
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 38% of turnover.

- The annual rental value of the rented properties is EUR 21.8 m, which is higher than the 2021 turnover because of the rental vacancy and the availability of the second phase of Bois Nobles since the half-year.

21. PAYROLL EXPENSES

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Wages, salaries and social benefits	3,599	3,611	3,865
Capitalized charges	(387)	(401)	(433)
Pension costs (defined benefit plan)	194	(66)	195
	3,405	**3,144**	**3,627**

22. DEPRECIATION ALLOCATION

The amortization allocation concerns intangible assets (EUR 1 k), property, plant and equipment (EUR 624 k) (see note 6), investment property (EUR 2,971 k) (see note 7) and rights of use (EUR 53 k) (see note 11).

23. IMPAIRMENTS

(a) 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, 2018	5,982 k EUR
Depreciation based on production	(84) k EUR
Value at December 31, 2019	5,898 k EUR
Depreciation based on production	(90) k EUR
Exceptional depreciation	(1,300) k EUR
Value at December 31, 2020	4,509 k EUR
Depreciation based on production	(85) k EUR
Value at December 31, 2021	**4,424 k EUR**

Write-downs, net of reversals, on stocks of EUR 26 k in 2019, EUR 92 k in 2020 and EUR 23 k were also recognized.

(b) FINANCIAL ASSETS

In 2019 write-downs on commercial receivables, net of new allocations, of EUR 47 k were recognized. In 2020 and 2021, write-downs, net of reversals, on commercial receivables of respectively EUR 228 k and EUR 8 k were also recognized.

24. OTHER OPERATING CHARGES

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Rental expenses	15	32	23
Maintenance and repairs (subcontracted)	839	1,107	1,415
Fuel and lubricants	46	37	58
Water	214	223	194
Electricity	812	601	774
Office supplies	52	46	72
Communication costs	73	82	76
Third party fees and remuneration	1,910	1,782	2,127
Transport costs (rebilled)	90	41	50
Insurance	64	76	126
Travel costs	171	113	202
Advertising and representation costs	329	340	373
Directors	738	242	553
Tax	1,307	1,403	1,386
Various	171	646	397
	6,830	**6,772**	**7,824**

73% 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 2021. This tax is levied on gross revenue rather than the resulting profit.

25. OTHER OPERATING INCOME

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Restaurant - pool house	366	261	487
Rebilling water, power, various expenses	736	920	1,105
Various	428	245	463
	1,530	**1,425**	**2,055**

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 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).

- For the financial year ended on December 31, 2021, the only non-recurring expenditure are additional costs linked to the fire of August 7, 2020 (45 k EUR).

27. FINANCIAL EXPENSES

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Interest expense	479	243	127
Capitalized interest expenses	(118)	(106)	(71)
Foreign exchange losses	(67)		0
Other financial charges	48		0
	342	**136**	**56**

From 2020 on, the exchange losses or profits are booked in the operating result. In 2020, there were net losses to the tune of 224 k EUR

28. INCOME TAX

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Current taxes	(3,183)	(1,502)	(1,467)
Deferred taxes (note 16)	1,177	(25)	(1,242)
	(2,006)	**(1,527)**	**(2,709)**

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.

In 2021, deferred taxes increased by 1,394 k EUR, mainly (to the tune of 1,242 k EUR) in order to adjust for the reassessed tax value in Congolese franc of the real estate.

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

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Tax expense based on the tax rate applicable to the parent company	**(3,840)**	**(1,527)**	**(1,980)**
Result before tax	12,799	6,108	7,922
Applicable tax rate	30.00 %	25.00 %	25.00 %
Reconciliation items	**604**	**633**	**619**
Impact of the rates in other jurisdic-tions	0	(211)	(303)
Change in tax rate	(2)	0	0
Impact of deductible notional interest	0	0	0
Impact of non-taxable revenue	781	1,005	1,004
Impact of non-deductible expenses	(244)	(231)	(141)
Impact of used tax losses	135	80	
Impact of tax liabilities not recognized during the financial year	(71)	(10)	58
Impact of tax liabilities recognized during the financial year	0	0	0
Other	5	0	0
Tax expense based on the effective tax rate	**(3,236)**	**(894)**	**(1,362)**
Result before tax	12,799	6,108	7,922
Effective tax rate	***25.28%***	***14.64%***	***17.19%***
Adjustments to tax due in previous years	579	(99)	(1)
Adjustments to deferred taxes	651	(534)	(1,347)
Total taxes	**(2,006)**	**(1,527)**	**(2,709)**

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).

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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, 2021 by contribution of the dividend receivable ("optional dividend") contribute to the result from January 1, 2021 and are unweighted in the calculation of the result per share.

(in K EUR)	31/12/2019	31/12/2020	31/12/2021
Net profit to share-holders of the parent company (in thou-sands of euros)	10,771	4,570	5,206
Weighted average number of ordinary shares in circulation	3,543,700	3,603,536	3,666,556
Basic result per share (EUR per share)	**3.04**	**1.27**	**1.42**

30. DIVIDEND PER SHARE

The net dividend of EUR 1.00 (gross EUR 1.42857) per divisible share proposed to the General Meeting of May 10, 2022 to be charged to the financial year closed on December 31, 2021, representing a total distribution of EUR 5,238 k, is not recognized in liabilities in the financial statements on December 31, 2021, in accordance with IFRS.

The dividend proposed for the financial year 2020 (a total of EUR 4,633 k) was approved by the General Meeting of May 11, 2021 and paid in 2021. This dividend was therefore no longer part of equity on December 31, 2021.

31. CASH FROM OPERATIONS

(in K EUR)	Notes	31/12/2019	31/12/2020	31/12/2021
Result of the period		**10,792**	**4,581**	**5,212**
Adjustments				
– Tax	27	2,006	1,527	2,709
– Amortization of intangible assets		8	3	4
– Depreciation of property, plant and equipment	7	518	505	624
– Amortization of assets recognized as rights of use		50	50	50
– Depreciation of investment property	8	2,804	3,243	2,971
– Adjustment of depreciation of investment property	8	(22)	-	-
– Adjustment of valuation of non-current assets		-	1,300	
– Losses on assets and liabilities		-	-	-
– Loss / (profit) on disposal of non-current assets		(2,929)	-	(4)
– Losses (profits) on abandoned activities		-	-	-
– Net changes to provisions for other liabilities	15	-	-	-
– Net changes to liabilities resulting from post-employment benefits	16	194	(66)	195
– Impairments of assets through the income statement	25	(190)	339	19
– Interest expense	26	342	136	56
– Interest income		(68)	(98)	(22)
– Share in the result of associated enterprises				
– Unrealized exchange losses / (profits)		-	6	
Changes to working capital (excluding changes to scope and translation differences)				
– Inventory		463	195	(286)
– Clients and other debtors		(769)	763	(1,228)
– Rent guarantees received		288	(241)	558
– Suppliers and other creditors		724	(2,112)	291
Cash from operations		**14,211**	**10,131**	**11,149**

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. 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.

- IMMOTEX is a claimant in an arbitration procedure to obtain compensation for the consequences of the fire of 7 August 2020.

- 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 400 k) is provided as collateral to one Congolese bank to cover a loan, initially totaling EUR 1,000 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 331 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 342 k in purchases in 2021), a company co-controlled by Chanic, director.

Imbakin Holding, a company controlled by SFA, has a receivable from TEXAF of EUR 341 k, resulting from the splitting of Imbakin Holding from Texaf in 2014.

The non-executive directors received the following remunerations in 2021:

(in eur)	Fixed remuneration (gross)	Attendance fee (gross)	Total remuneration (gross)
Chanic s.a. represented by Vincent Bribosia	14,250	9,000	23,250
Charlotte Croonenberghs	14,250	5,600	19,850
Philippe Croonenberghs	23,250	12,200	35,450
Isabelle Esselen	11,250	3,600	14,850
Joseph Fattouch	11,250	3,600	14,850
Michel Gallez	0	0	0
Danielle Knott	21,125	7,800	28,925
Dominique Moorkens	14,250	12,200	26,450
Pascale Tytgat	21,125	8,800	29,925
Albert Yuma	0	0	0

35. REMUNERATION OF THE MAIN MANAGERS

The remunerations and other short-term benefits granted to the main directors were EUR 554 k in 2021, split as follows:

(in eur)	Employer cost	Variable remuneration	Pension plan	Company vehicle	Total
CEO	340,477	16,370	In accordance with DRC law	Yes	356,847
CFO	155,000	12,277	29,996	Yes	197,273

36. REMUNERATION OF THE AUDITOR

- Fees relative to the duties of the auditor exercised for the Group in 2021: EUR 54 k ex VAT. The fees for non-audit services performed by Deloitte Reviseur d'Entreprises SRL amounted to EUR 3,570 and relate to statutory engagements conforming to the independence rules.

- Fees relative to the duties of the auditor and the persons with which the auditor is connected (in 2021): EUR 48 k

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37. SHAREHOLDING STRUCTURE (TOTAL SHARES ISSUED: 3,666,556 - SINCE MAY 28, 2021)

• On May 28, 2021 TEXAF published the following information following the capital increase decided by the Extraordinary General Meeting of May 11, 2021:

Number of issued shares		3,666,556
Number of voting rights		3,666,556
Total capital		**25,496,946.08 EUR**
Holders of voting rights		
Société Financière Africaine	2,300,082	62.73 %
Middle Way Ltd	366,656	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 25, 2021 TEXAF communicated information regarding article 74 of the TOB law to the FSMA.

Shareholders		
Société Financière Africaine	2,300,082	62.73 %
Middle Way Ltd	366,656	10.00 %
Total securities issued	3,666,556	

- Transactions on TEXAF shares executed by persons initiated during the financial year 2021:

- Acquisitions as part of the capital increase of May 28, 2021 following the proposal of optional dividends in the form of new shares:
Société Financière Africaine SFA : 43,562 shares

Middle Way Ltd : 6,302 shares

Vincent Bribosia : 380 shares

- Sale on the stock exchange:

Christophe Evers : 600 shares on March 23 at 34.21 EUR and 1,000 shares on July 23, 2021 at 33.53 EUR

38. EVENTS AFTER THE REPORTING PERIOD

At the time of writing, no significant events had occurred.

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 unrealized 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.

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.

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.

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, 2021 - 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 six 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, 2021, 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 135,162 (000) shows a profit for the financial year of EUR 5,212 (000).
In our opinion, the consolidated accounts faithfully represent the assets and financial situation of the group at December 31, 2021 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. At 31 December, 2021, the group's management updated the impairment test using the method introduced in 2020, i.e. a method of evaluating future cash flows including three scenarios: a stabilisation of sales prices at the 2021 level with an unchanged product mix, a stabilisation of sales prices at the 2021 level with an optimised product mix and a gradual return of sales prices to the average 2009 2021. This impairment test did not generate any exceptional depreciation in 2021.. 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. At 31 December, 2021 the deposit has a net book value of 4.4 million EUR.

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.

European Single Electronic Format (ESEF)

We have also performed, in accordance with the draft standard on the audit of compliance of financial statements with the European Single Electronic Format ("ESEF"), the audit of compliance of the ESEF format and tagging with the technical regulatory standards defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").
The administrative body is responsible for preparing, in accordance with ESEF requirements, the consolidated balance sheet as an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.
Our responsibility is to obtain sufficient appropriate evidence to conclude on whether the format and mark-up of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.
Based on our work, we are of the opinion that the format and mark-up of information in the digital consolidated financial statements included in the annual financial report of Texaf SA as at 31 December 2021 are, in all material respects, prepared in accordance with the ESEF requirements under the Delegated Regulation.

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
Auditor

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

Directors' report of TEXAF sa

The 2021 accounts have been prepared on the basis of the legal and regulatory stipulations in Belgium. The annual financial statements present a profit of EUR 2,295 k on December 31, 2021. 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 moet dit office of the company. On April 7, 2021 the Auditor expressed niet 2021 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.

(in k EUR)	31 décembre 2019	31 décembre 2020	31 décembre 2021
ASSETS			
Non-current assets	53,022	52,368	51,173
Current assets	5,757	6,774	7,788
	58,779	**59,142**	**58,962**
LIABILITIES			
Equity	56,241	56,542	56,402
Liabilities	2,538	2,600	2,559
	58,779	**59,142**	**58,962**
INCOME STATEMENT			
Revenue	**3,932**	**3,933**	**3,934**
Expenses	-2,430	-2,716	-2,870
Professional profit	**1,502**	**1,217**	**1,063**
Financial result	607	670	653
Profit from ordinary activities	**2,109**	**1,887**	**1,716**
Non-recurring results	622	647	670
Profit for the financial year before tax	**2,731**	**2,534**	**2,386**
Tax on the result	158	-23	10
Profit for the financial year to be appropriated	**2,889**	**2,511**	**2,395**

COMMENTS ON THE RESULT

Revenue comprises the recurring property rentals of EUR 3,934 k, which are stable compared with 2020.

The operating expenses decreased by 6%.

The financial result mainly concerns the interest on UTEXAFRICA debts (EUR 0.6 m).

NON-RECURRING RESULTS

In 2021 the Board decided to reverse the write-down on the UTEXAFRICA debt of EUR 0.7 m. The gross amount of this receivable is EUR 18 m on December 31, 2021.

EVENTS AFTER THE REPORTING PERIOD

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

PROSPECTS FOR 2022 OF TEXAF SA

Rents and profits are expected to remain stable in 2022.

CONFLICTING INTERESTS

The Board of Directors made no decision within the scope of articles 5:76 et 5:77 of the CCA.

ANNUAL ACCOUNTS

OTHER INFORMATION REQUIRED BY ARTICLE 3.6 OF BELGIUM'S CODE OF COMPANIES AND ASSOCIATIONS (CCA)

- 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, 2021, the company increased its capital by EUR 2,098,566 by contribution in kind and the creation of 63,020 new shares within the framework of an optional dividend. The company's articles of association were amended in response.

APPROPRIATION OF PROFTI

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 5,237,937 or EUR 1.00 net per share from May 28, 2022 upon presentation of coupon no. 11 at the main offices and branches of Belfius bank.

PROFIT APPROPRIATION PROPOSAL (in EUR)	2019	2020	2021
Profit for the financial year	2,889,489 EUR	2,510,975 EUR	2,395,385 EUR
Profit carried forward	22,111,141 EUR	20,732,117 EUR	18,420,953 EUR
Profit to be appropriated	**25,000,630 EUR**	**23,243,092 EUR**	**20,816,338 EUR**
Return on capital	-4,100,567 EUR	-4,633,118 EUR	-5,237,937 EUR
To the legal reserve	0 EUR	-189,022 EUR	-209,857 EUR
Balance carried forward	**20,900,063 EUR**	**18,420,952 EUR**	**15,368,544 EUR**

FINANCIAL CALENDAR

Friday 8 April 2022 : Publication of 2021 annual report
Friday 6 May 2022 : Publication of 1st quarter report
Tuesday 10 May 2022 at 11 am: Annual General Meeting
Friday 9 September 2022 : Publication of half-yearly results
Friday 11 November 2022 : Publication of 3rd quarter report
Friday 24 Februari 2023 : Publication of the yearly 2022 results

Board of directors

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 k EUR)	*Notes*	2021
Operating result		7,956
Non-recurring items	*26*	45
Recurring operating result		8,002
Depreciation allocation	*6 et 7*	3,649
Recurring EBITDA		11,651

- 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

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