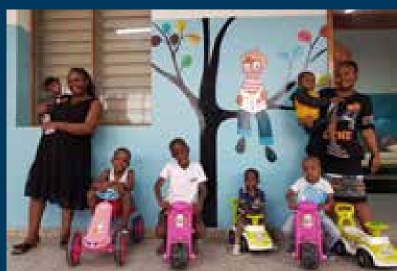
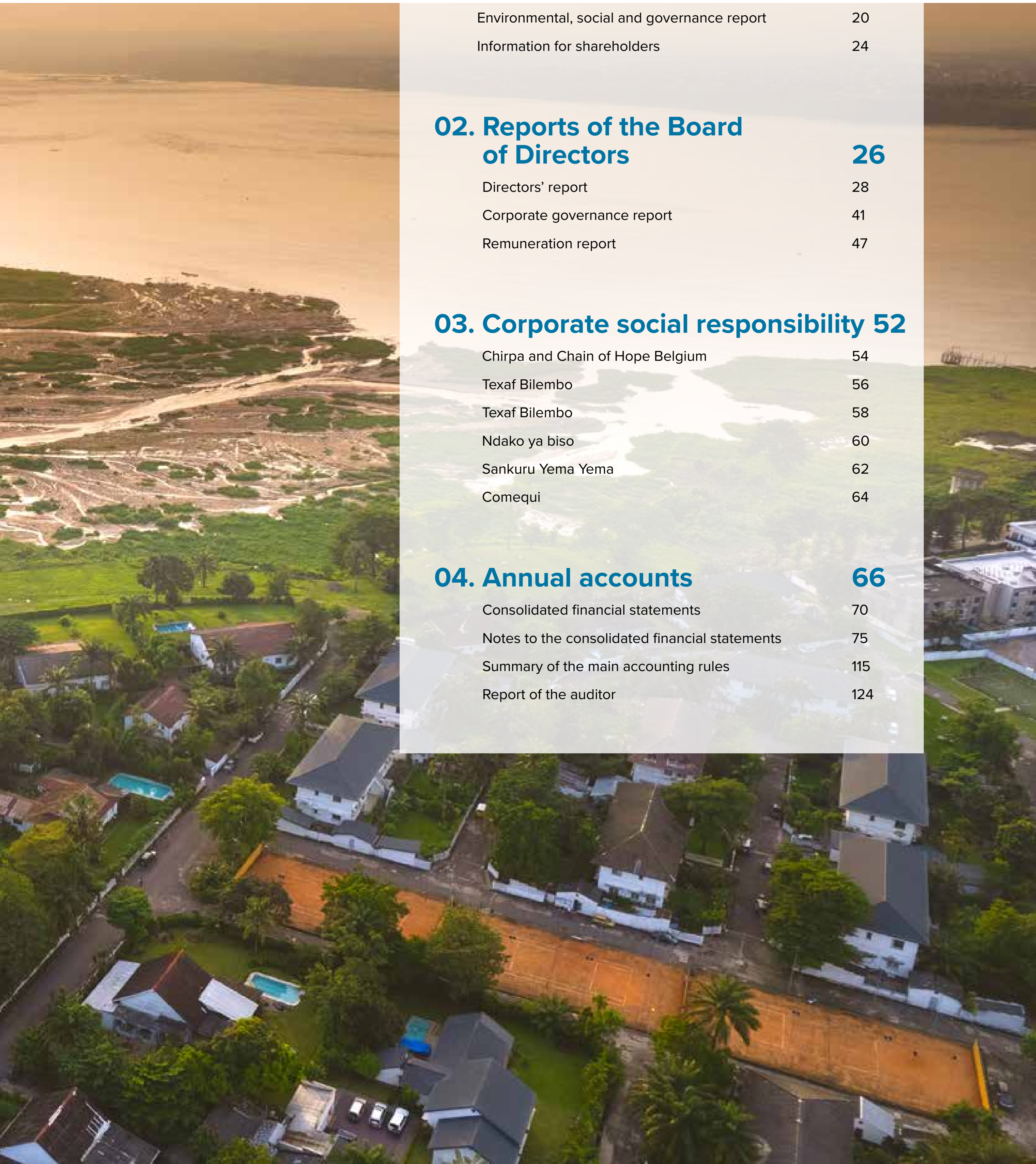
2022 TEXAF



TEXAF



We cannot build our own future without helping others to build theirs

A WORD FROM THE CHAIRMAN

In2022, we have faced many challenges, including attempts to steal our land at Ngaliema Bay, located between the Utexafrica compound and the River, which is flooded in the rainy season and cannot be built on. The same attempts have been made in Kinsuka, which dampens our plans to build 1,800 houses for the Congolese middle class. In addition, our CEO has been subjected to physical threats and pressure. The legal costs of protecting the group from these irresponsible predators, who are seriously damaging the reputation of the DRC as a place to invest, are weighing on the group's profitability. However, I am proud to say that our team in Kinshasa has persevered in these difficult circumstances, and I congratulate them on their hard work.

Despite all this, **CARRIGRES**, the group's crushed stone quarry, has returned to profitability in recent years. Nothing can be taken for granted, however, as the power cuts by the Société Nationale d'Électricité are unpredictable and severely hamper the continuity of the production chain, despite the strong market demand.

TEXAF is also positive about the development of our new digital business development centre, known as **SILIKIN VILLAGE,** located on a 3.2 hectare site. This site, which everyone in Kinshasa knows, has a very bright future, according to all the reports that cite the DRC as a promised land for digital technology.

TEXAF was honoured to welcome the Belgian sovereigns on their first trip to the DRC. They were accompanied by the Belgian and Congolese Prime Ministers, among others. Shortly afterwards, **SILIKIN VILLAGE** welcomed Anthony Blinken, the American Secretary of State. A few weeks ago, Thierry Breton, European Commissioner for the Internal Market, and Juta Urpilainen, European Commissioner for Development, also visited **SILIKIN VILLAGE as** part of French President Emmanuel Macron's visit.

Similarly, the joint venture created for the construction of the first data centre in the DRC illustrates the reputation already acquired by **SILIKIN VILLAGE**.

If, in total, the group's 2022 result is satisfactory, despite the sharp rise in local costs linked to the rise in the dollar, in 2024 Texaf should see strong growth through the launch of 94 new flats which will add to the current total of 332 units. These flats and the 3rd phase of **SILIKIN VILLAGE** will generate a potential 22% increase in rental income.

In addition to this potential, there will be an upward adjustment of at least 5% to existing rents over 5 years, depending on the renewal of the leases, without taking into account annual indexation, which we estimate at 2% per year.

In preparation for the 2024 launch of the 94 additional flats, **TEXAF has** decided to extend its services to the existing 1,000 residents of its "village" by adding three padel courts, a multi-sport field (football, hockey, ...), a volleyball court, a petanque court, which will complement the fitness room, the children's playground, the swimming pool, the residents' restaurant and the three tennis courts.

These facilities make the **UTEXAFRICA** site unique to the satisfaction of the UTEX-PEOPLE community and we are ready to welcome the future tenants of the 94 flats.

Despite the challenges we have faced, **TEXAF** remains committed to providing value to our investors and contributing to the development of the DRC.

Philippe CROONENBERGHS
Chairman

See our video:
Royal visit june 2022

VISITE ROYALE BELGE

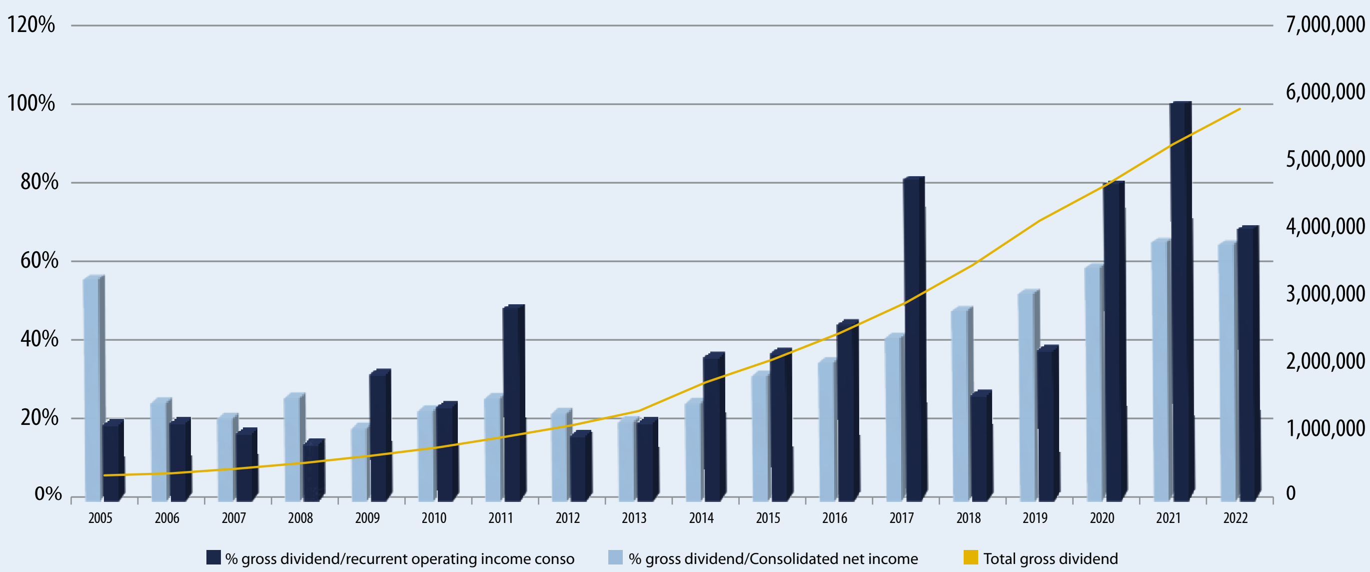
2022 IN SUMMARY

KEY FIGURES

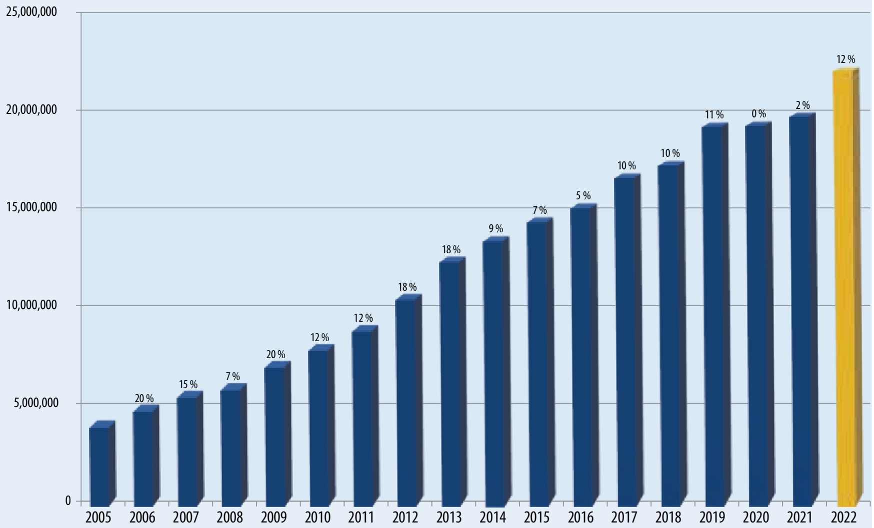
RESULT (k EUR)		2018	2019	2020	2021	2022	Average growth
Revenues		18,869	21,691	21,868	22,727	27,432	
	Growth	4 %	15 %	1 %	4 %	21 %	10 %
Recurring EBITDA *		10,111	11,213	11,663	11,651	13,109	
	Growth	1 %	11 %	4 %	0 %	13 %	7 %
Recurring operating result **		7,168	7,831	7,863	8,002	8,891	
	Growth	2 %	9 %	0 %	2 %	11 %	6 %
Net result (share of the group)		12,909	10,771	4,569	5,205	8,352	
	Growth	184 %	-17 %	-58 %	14 %	60 %	-10 %
Cash-flows (k EUR)							
Cash flow from operating activities		11,742	10,744	8,591	9,648	13,196	3 %
Cash flow from investing activities		(5,416)	(1,040)	(5,822)	(8,916)	(17,409)	34 %
Cash flow from financing activities		(4,436)	(6,501)	(4,557)	(1,778)	3,743	
Cash at December 31		5,564	8,767	6,979	5,933	5,463	

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

DIVIDEND

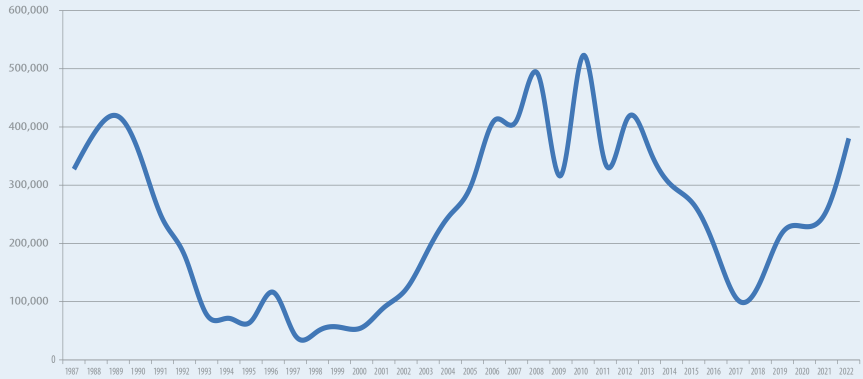


REAL ESTATE – Rental revenue (in EUR)

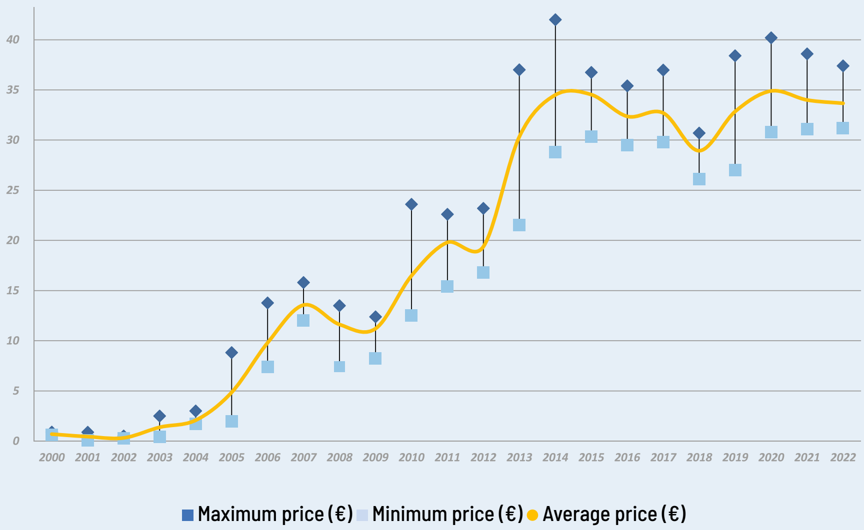


CARRIGRÈS

Sales (in metric tons)



AVERAGE TEXAF PRICE + MAX & MIN (IN EUR)



HIGHLIGHTS

REVENUES
UP 21%

INVESTMENT
DOUBLED TO EUR 17 MILLION

100 %
OCCUPANCY IN REAL ESTATE

JOINT-VENTURE
OPEN ACCESS DATA CENTRES

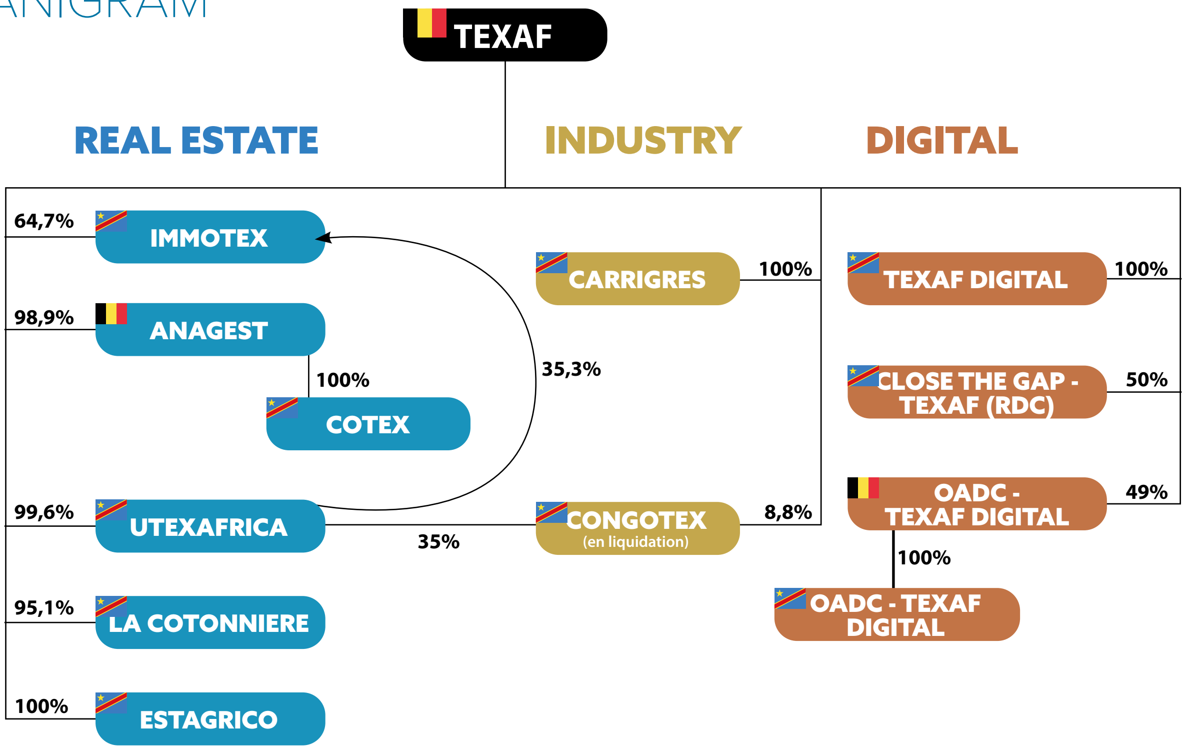
SILIKIN VILLAGE AU CENTRE DE
AT THE CENTRE OF THE DIGITAL ECOSYSTEM

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.

There are 332 homes (279 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.

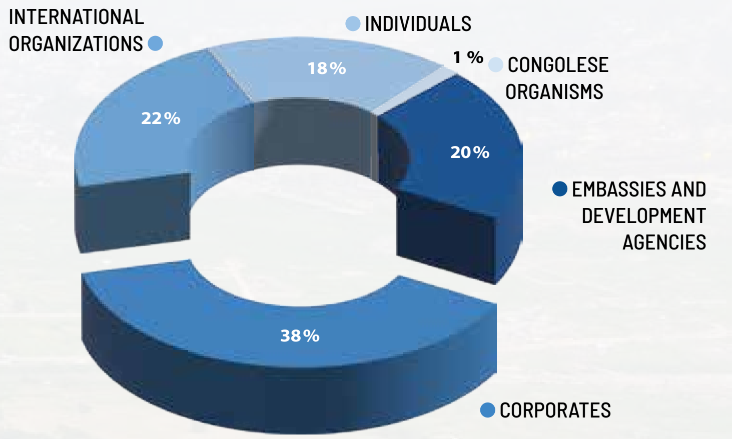
As a consequence, the group portfolio comprises a total residential rental surface area of 62,200 m2, with 26,300 m2 of office and commercial space and 30,000 m2 of warehousing.

The occupancy rate was 100% at December 31, 2022, a strong recovery compared to the period from September 2020 to August 2021, that was affected by the pandemic.

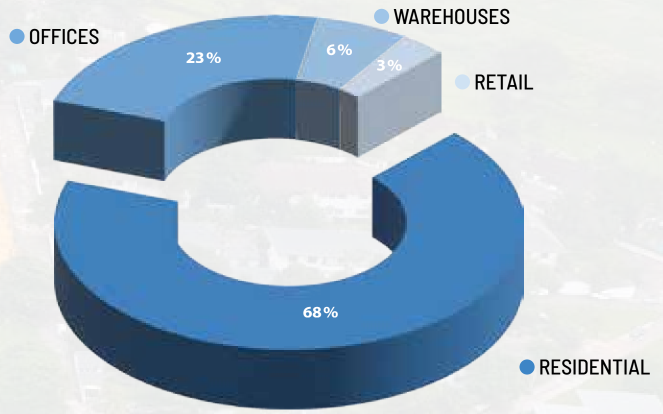
Beyond the single location, the group offers its occupants a range of services, ranging from discrete security to technical maintenance and refuse collection... For residents, the estate has a great many green areas, various walking paths, sports grounds, a swimming pool, a bar/lounge, a restaurant and, recently, two gyms and sports halls and a children's playground and, since 2022, padel, volleyball and multi-sports courts. All of this makes it a unique place in Kinshasa.

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.

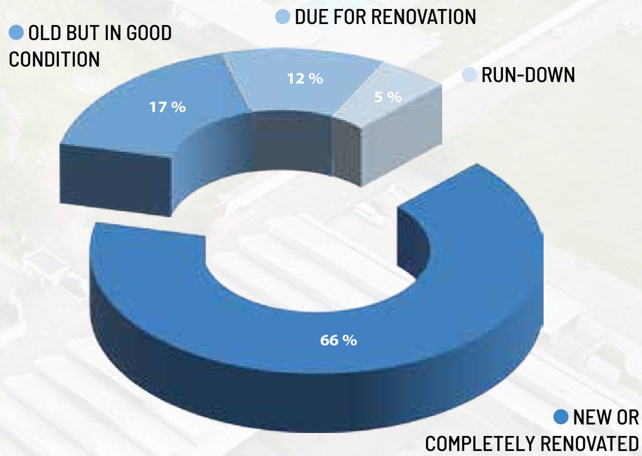
2022 RENTS BY CLIENT CATEGORY



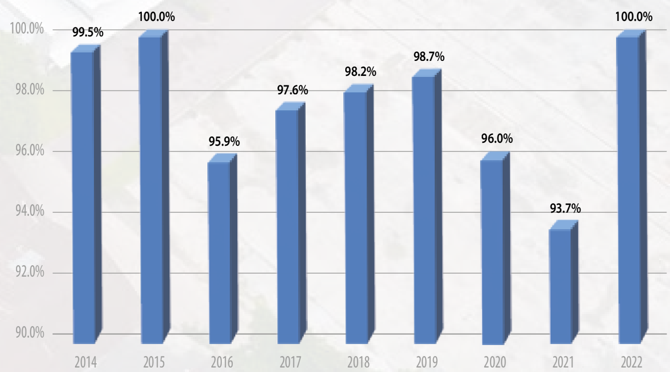
RENTS OF DECEMBER 2022 BY PROPERTY TYPE



RENTS OF DECEMBER 2022 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

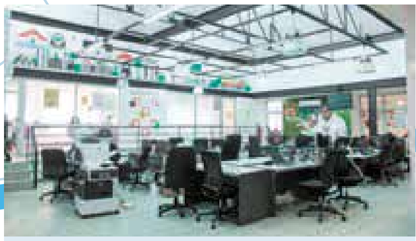
16 ha of sites that cannot be built on and roads

9 CULTURAL CENTER TEXAF BILEMBO

Boulevard du 30 Juin

DISTRICT 4
LES MUSICIENS

- 81 apartments, with the last 33 units rented in October 2016



DISTRICT 7
OFFICES

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

DISTRICT 5
NEW COMPOUND

- 18 villas (new build) and apartments (duplexes in the former clothes work-shops of the textile factory)
- first real estate developments be-tween 2003 and 2005

DISTRICT 1
CHAMP DE COTON

- 52 apartments
- Contemporary style
- Three-phase project put on the market between 2013 and 2015

DISTRICT 6
COTEX/SILIKIN VILLAGE

- 3.200 m² of office space
- Texaf Digital Campus
- Project Silikin Village III: 11.600m² under construction
- OADC – Texaf Digital Data Center

DISTRICT 2
HISTORICAL COMPOUND

- 99 villas and apartments, 51 of which renovated.
- “Garden neighborhood” archi-tectural style from the end of the 1920s.
- Currently being renovated

VALUATION OF THE REAL ESTATE PORTFOLIO

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

The group holds 453 ha, valued at EUR 400 m, the greater part of which - EUR 305 m - relates to built land in the concessions in downtown Kinshasa.
These built zones cover 38 ha, but 85% of the EUR 23,5 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.

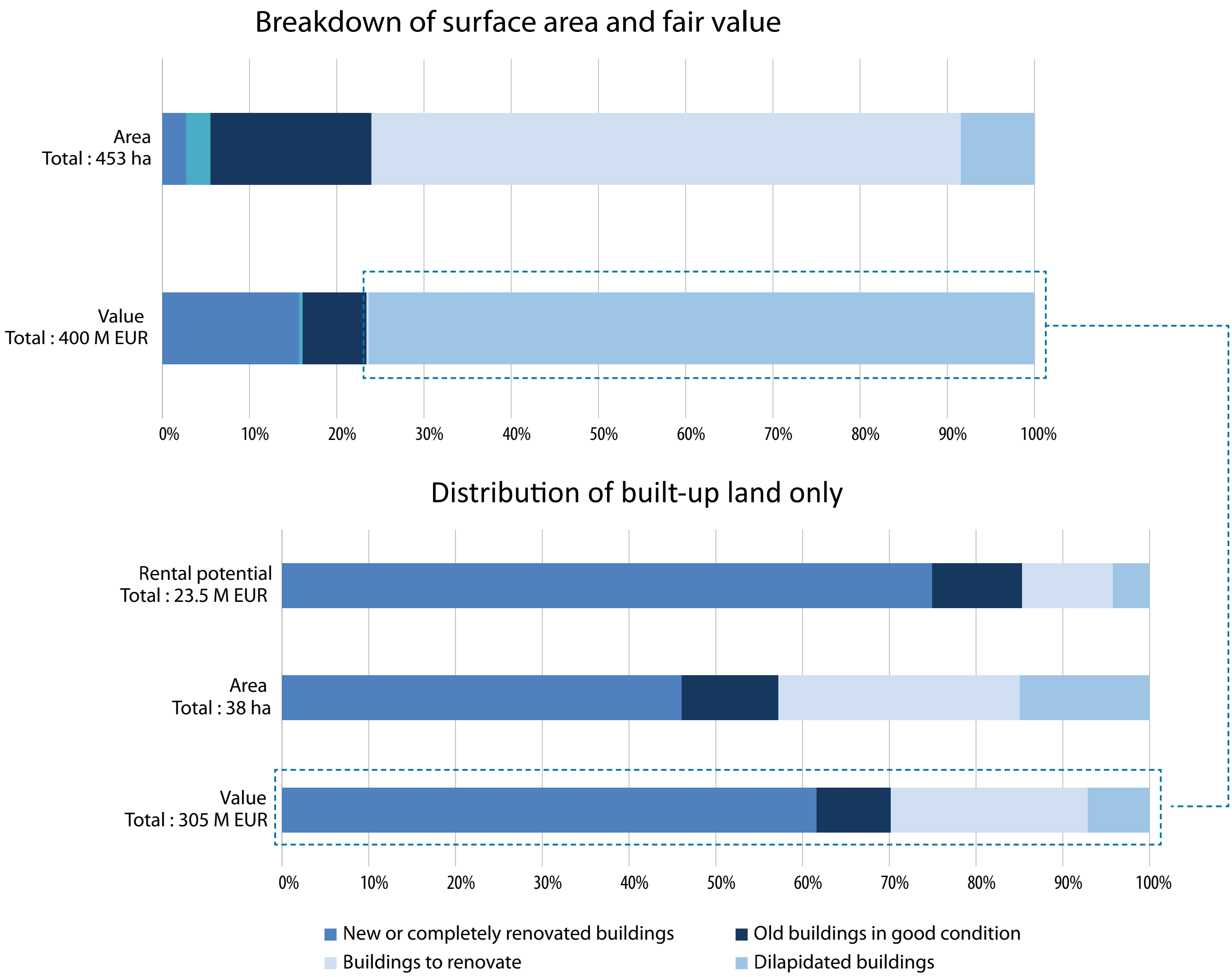
FUTURE PROJECTS

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

1) The construction of homes on free space estimated at 14 hectares of the Utexafrica concession

2) 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

3) The 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:

- a 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

- Silikin Village III, a complex of furnished offices, co-working spaces and meeting rooms 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.

PROJECTS: JARDINS DE KINSUKA

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.

“Promenade des Artistes” project
© Atelier d’architecture DDV kin sprl

2. DIGITAL BUSINESS

TEXAF has decided to invest in the African digital economy, based on the observations that :
- 40% of Africa's 1.25 billion people are under the age of 15,
- the economic and social needs of this population cannot be met without the use of appropriate and low-cost technologies,
- Mobile internet penetration is growing extremely fast,
- African start-ups are emerging and have raised USD 6.5 billion in venture capital in 2022.

The economic stakes linked to this demographic evolution are enormous. **TEXAF** considers that the digital revolution is set to become a significant economic growth sector in Africa as these technologies allow for accelerated development and has therefore decided to invest in innovative African companies in these technologies.

First of all, **TEXAF** has decided to accompany long-standing technology investment specialists by committing EUR 1 million to the first venture capital fund **PARTECH AFRICA** (https://partechpartners.com/). Through this investment, the group intends to rapidly acquire a better knowledge of this field of activity in order to be able to invest in companies and turn it into a new development pole, in co-investment with **PARTECH AFRICA** or by itself. The excellent performance of this first fund convinced **TEXAF** to participate in the second fund, also for EUR 1 million.

Then it created the **SILIKIN VILLAGE**. What has become the major digital innovation centre in the Democratic Republic of Congo, celebrated its second year of operation in 2022, despite opening at the height of the COVID-19 pandemic. The pandemic forced organisations around the world to change their approaches to work, highlighting the lack of tools and methods to improve performance and efficiency. Silikin Village currently houses 27 startups and SMEs in shared office space, with nearly sixty workstations hosting a range of young startups, each with an average of 2 to 3 employees.

SILIKIN VILLAGE recognises the challenges of digital entrepreneurship and is addressing them through digital skills training and support for the creation of start-ups. Digital technology has brought significant changes to vocational training, complementing short-term skills to accelerate the employability of youth and women. As a result, **SILIKIN VILLAGE** has become a platform for economic intelligence and support for the growth and development of startups in the DRC.

SILIKIN VILLAGE offers various support programmes in partnership with its funders, positioning itself as a key platform for entrepreneurs and investors, given the many opportunities and possibilities offered by the emerging DRC market.

From fintech to edutech, e-health, foodtech, and more, Silikin Village continues to foster innovation and promote the growth of startups in the DRC.

SILIKIN VILLAGE is proud to announce that it has signed a two-year incubation programme (2023-2025) for 50 entrepreneurs, as well as an acceleration programme for 60 startups in partnership with **ENABEL**, the Belgian cooperation agency. These programmes aim to provide entrepreneurs with the tools and resources to succeed in their businesses. Through the collaboration with **ENABEL**, it strives to improve economic growth and promote innovation in the DRC by supporting startups and entrepreneurs.

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 may also be capital intensive and **TEXAF** is ready to co-invest with solid companies in the creation of a digital eco-system in the DRC. This policy took concrete form in 2022 with the creation of two joint ventures: one with **CLOSE THE GAP** for the import and refurbishing of IT equipment, the other with **OPEN ACCESS DATA CENTRES** for the construction and operation of the 1er independent data centre in the DRC. This data centre of 1,000 m² will be operational in 2023.

To make TEXAF the partner for African or other groups who want to establish themselves in the DRC.

©: BBC

HOJA TAXIS, a promising start-up hosted at SILIKIN VILLAGE

More than 60,000 taxis are the main means of transport for the 15 million inhabitants of Kinshasa. But a few years ago, kidnappings of female passengers by criminal taximen became common. Ursula Ndombele and Magalie Bueysadila created **HOJA TAXIS** to fight against this scourge. They have launched a smartphone application that allows passengers to scan a QR code on the taxi door and check its legitimacy and the identity of the driver. Thanks to a partnership with the city of Kinshasa, this registration has been extended to the entire taxi fleet.

A short collaboration of 9 months with the French company Heetch allowed Hoja to seize the opportunity to launch its own urban mobility service.

On this basis, **HOJA** logically develops a taxi reservation and tracking application. **SILIKIN VILLAGE** supports them in this entrepreneurial adventure.

The founders are actively involved in improving the education and financial inclusion of the many drivers in the informal sector.

PARTECH AFRICA

In 2022, overall funding for African startups increased slightly (+8%) to $6.5bn thanks to a large share of debt ($1.5bn). Equity funding actually fell slightly (-6%), but this compares with the -35% year-on-year decline in venture capital funding globally. After the pandemic, 2022 again proves the resilience of the African ecosystem in difficult times. But this overall annual figure for 2022 hides a sharp movement when we break it down by quarter. Actual capital deployed fell in Q3ème (-65% vs Q3 2021) with a slight recovery in Q4 (-35% vs Q4 2021). We believe this slowdown is still ongoing, as its effects in Africa lag the global market by at least a quarter. However, we also see signs that the forces driving growth in the African ecosystem have weathered the global slowdown well. We see many opportunities ahead.

During this complex year, Partech Africa's portfolio companies confirmed the strength of their assets, while focusing on building a healthy economy and an accelerated path to profitability or a runway long enough to weather the crisis. This has resulted in strong activity with 21 equity and debt deals totalling over $500 million, again accounting for almost 10% of total African market financing this year. Partech Africa also added one final company to its Fund I portfolio, Vendease, a Nigeria-based B2B marketplace serving the African food industry.

Partech Africa's Fund I portfolio consists of 17 companies that started in 9 African countries and now serve 27 African countries, some of which have expanded to over 200 countries worldwide. More than 4,000 direct jobs have been created on the continent, more than one million informal traders have been digitised and more than 20 million direct end customers have been served. These companies are also category leaders in attracting capital on the global stage, with over $1.2 billion raised in the last 24 months.

With the renewed support of its investor base, Partech announced in January 2023 the first closing of Partech Africa Fund II, the second fund in its successful Africa-focused strategy, at €245 million, which is already above the fund's target size of €230 million. Partech Africa Fund II continues the strategy of Fund I, with seed to Series B+ size of US$1-15 million, to continue to partner with talented entrepreneurs who are building technology category leaders with the ambition to transform industries in Africa across a range of sectors, from fintech and healthcare to edtech and logistics.

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.

Nomba: a fintech company founded in 2016 as Kudi, providing a digital payment and collection platform for the cash economy. Nomba leverages a network of agents to offer cash deposit and withdrawal as well as billing and airtime payment to end 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.

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

Vendease: a Nigerian food supply platform for hotels and restaurants, integrated with inventory management and food costing solutions. Vendease, established in 2019, has already raised USD 33m and serves over 3,000 business customers.

Djamo: an app combined with a Visa card that allows unbanked people to make online payments in a simple and secure way. Djamo currently covers the Ivory Coast and is aiming to expand to West Africa.

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

As a major economic player in the D.R. Congo, the Texaf Group is concerned about the impact of its activities on the environment and on social relations with its employees. As the only listed company fully dedicated to the DRC, good governance is one of its distinctive advantages. This is why it has long integrated ESG concepts into its corporate management philosophy, despite the country's still very embryonic environmental framework.

For these reasons as well, the **TEXAF** group adheres to the **Ten Principles of the United Nations Global Compact** (www.unglobalcompact.org/what-is-gc/mission/principles) and aims not only to be among the most responsible companies in the D.R. Congo, but also to continuously improve its performance in these areas.

As illustrated below, the following ESG themes are already well developed within the group and reflect **TEXAF**'s values in some way, so that they fit naturally into the day-to-day decision-making process:

ENVIRONMENT

CONTROLLING CO2 EMISSIONS

Although building standards are still relatively limited in the D.R. Congo, the **TEXAF** group has proactively decided to get as close as possible to Belgian and European standards for all new construction in order to control its carbon footprint. Thus, the bricks, cement and paving stones used in all new construction are selected taking into account European standards and all new buildings are equipped with insulation in the walls, floors and roofs, in order to limit their energy consumption as much as possible, which is mainly impacted by air conditioning given the equatorial climate in which it operates.
In order to go even further, some office buildings are equipped with solar panels, as is the case for "Petit-Pont" which benefits from a daily production of 380kWh/day thanks to the sun.

With a view to proactively managing its real estate porfolio, **TEXAF** has also carried out an inventory of buildings requiring partial or in-depth renovation in 2022. During renovation work, the emphasis is also placed on controlling energy costs, with the systematic insulation of roofs in the oldest buildings.

The day-to-day management of the real estate porfolio also provides for the regular recording of electrical consumption in order to identify any anomalies and to be able to deal with them quickly. Similarly, air conditioning systems are regularly maintained and defective equipment is either repaired or replaced with the latest generation units.

It should be remembered that one of the particularities of the Congo is that 100% of the electricity used comes from green energy, thanks to the Inga I and Inga II dams located on the Congo River, which have a capacity of 350MW and 1400MW respectively.

ENVIRONMENTAL MANAGEMENT OF THE QUARRY

In compliance with the mining law, **CARRIGRES** conducts an environmental impact assessment and a five-year environmental management plan, which contains binding objectives to minimise environmental impacts. Thus, the quarry operation is subject to the application of the following measures:

- Noise abatement measures when using explosives, as well as adherence to strict time schedules (during office hours, where possible);
- Vibration mitigation measures during quarrying, including regular maintenance of rolling stock and the use of modern mining techniques, as well as regular maintenance and/or replacement of crushers;
- Planting of trees to create dust screens;
- Covering of sieves and watering of traffic and loading areas during the dry season;
- Information measures for the population, setting up a medical care structure, regular health checks for staff and setting up a framework for consultation with the neighbourhood,

SUSTAINABLE WATER MANAGEMENT

Water is a crucial element on a global scale and therefore deserves special attention. It is also with this in mind that **TEXAF** operates its real estate in accordance with the 3R's principle (reduce, reuse, recycle).

As with electricity, a regular consumption monitoring system has been set up, making it possible to monitor tenants' consumption, but also to detect any water leaks requiring repair. In order to go further, **TEXAF** developed an application at the end of 2022 which will make it possible to digitalise the monitoring process of consumption.

In addition to controlling consumption, emphasis is also placed on effective rainwater harvesting. Thus, the entire Kinshasa real estate concession is equipped with a road system that allows rainwater to be channelled efficiently and prevents flooding.

At **CARRIGRES**, particular attention is paid to the use of water. It pumps and treats its own water needs without depending on the saturated urban network. The quality of the drainage water is measured, the run-off water network is reviewed to capture suspended matter and an oil separator has been installed to avoid any pollution resulting from an accidental hydrocarbon leak.

CIRCULAR ECONOMY

Being aware of the fact that natural resources are limited, **TEXAF** also pays particular attention to waste separation, recycling and the use of paper.

An active policy of sorting the tenants' waste has been put in place within the concession: green waste is treated and composted, plastics (bottles, etc.) are recovered by an external company for recycling and unsorted waste is evacuated to an official dump.

In order to limit the use of paper, the group encourages all its interlocutors (suppliers, customers, employees) to digitalise the sending of letters and official documents and is also studying various initiatives to digitalise processes.

Finally, at **CARRIGRES,** no waste is generated by the exploitation of minerals, all by-products being used.

SOCIAL

HEALTH AND WELL-BEING

The group has always attached particular importance to the well-being and health of its customers.

The **UTEXAFRICA** concession is one of the lungs of the capital of Kinshasa. Located in the heart of the city and bordering the Congo River, it is a green setting that the group strives to preserve. The spaces are maintained, trees are planted and everything is done to offer the inhabitants a pleasant living environment.
In addition, a great deal of emphasis is placed on the safety of tenants, both in the homes (smoke detectors, fire-fighting equipment, etc.) and in the communal areas, which are constantly monitored.

Finally, aware of the opportunities that the country offers for its success, the **TEXAF** Group devotes part of its budget each year to the development of non-profit activities that contribute to the human development of the country. A chapter dedicated to these activities is included in Part 3 of this annual report.

HUMAN CAPITAL

The development of the **TEXAF** Group would not be possible without the contribution of its employees. It is therefore important to ensure their well-being and the development of each individual, so that the vision developed by the company becomes a reality.

On this basis, the group obviously respects Congolese social legislation (which is close to Belgian legislation). The staff is represented by trade union delegations with which the management is in regular consultation and is covered by collective labour agreements negotiated with the trade union delegations. These agreements cover, among other things, workers' economic benefits, working hours, working conditions, holidays, trade union representation ....

The group also provides medical cover for all its employees, with regular compulsory medical checks.
In addition, the group partially covers school fees, transport costs and accommodation costs.

Training is offered by the company according to need. Specific and continuous training courses are offered to employees in order to train them and enable them to develop within the company. First aid training and team coaching are also part of the training offer.

A campaign to raise awareness of the company's values took place in 2022 and the evaluation system was also reviewed and digitalised, ensuring the application of clear and transparent criteria.

Finally, the safety and well-being of employees is given special attention. Thus, adequate equipment is made available to all workers, regardless of their function, and the work areas comply with safety standards. Technical staff are equipped with individual protective equipment that must be worn. This equipment complies with mining standards for **CARRIGRES** personnel, who also have an extensive safety procedures manual.

RELATIONS WITH SUBCONTRACTORS

As a major player in the D.R. Congo, the Texaf Group attaches particular importance to the relationship it has with its subcontractors, as well as to their reputation.

Also, the group only works with suppliers who are formally registered with the tax authorities and have a good reputation. Its main transport and construction suppliers are well established in the D.R. Congo and, for example, publicly display their environmental commitments, as well as their health and safety rules for their workers.

The group ensures that it treats all its suppliers fairly by drawing up clear invitations to tender with detailed specifications and is opposed to all forms of corruption. It advocates respect for international sanctions and condemns modern forms of slavery.

❞ The values of the TEXAF Group ❞

SHARING ECONOMY

Since 2021, **TEXAF** has been investing in the development of co-working spaces and common meeting rooms in **Silikin Village**, allowing companies to share common spaces and thus limit the need for new construction, while allowing users access to modern technology and remote working.
The development of this type of space constitutes a real alternative in the consumption of resources and space and thus contributes to a sustainable development approach.
The **TEXAF** Group also promotes the sharing economy within its residential property portfolio, with the provision of community and leisure spaces for its tenants, and plans to develop this concept further by promoting the creation of common spaces allowing tenants to access various services.

GOVERNANCE

PROFITABILITY AND ASSET PRESERVATION

The TEXAF Group is attentive to its level of profitability and the preservation of its assets, which are the reflection of the good management of the company. A sufficient level of profitability enables it to make sustainable, quality investments on the one hand, and to fulfil its economic and social role on the other.
All investments made by the TEXAF Group follow the ESG philosophy and principles outlined above.

CORRUPTION

The group includes in all its rental contracts a clause against corruption, against modern forms of slavery and advocating compliance with international sanctions.

DECISION-MAKING PROCESS

The company makes all decisions in accordance with the values promoted by the management team and in line with the guidelines set by the Board of Directors.

The four-eyes principle is applied in all circumstances, for the validation of contracts and expenditure, reducing the risk of errors and fraud.

The group also follows the Belgian Corporate Governance Code 2020 and publishes its governance charter. It draws up an annual governance report (see pages 41 and following).

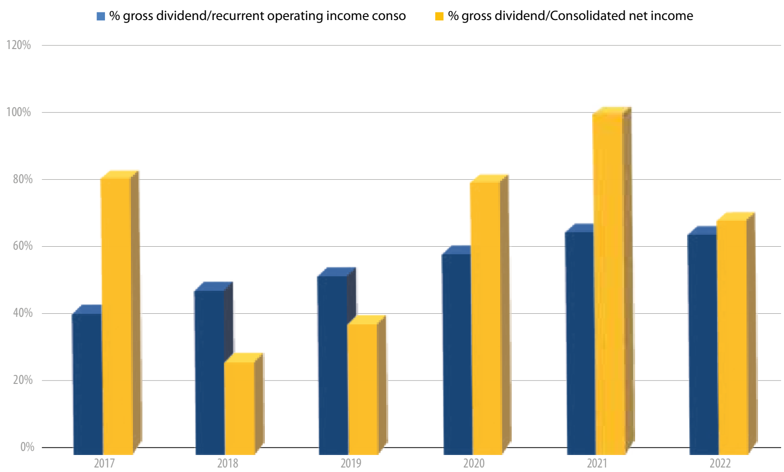
Aware of the difficulties faced by the Congolese population and recognising the opportunities that the country offers for its success, the TEXAF Group attaches increasing importance to the development of activities that do not necessarily have a direct link with its social objective but which contribute to the human development of the country.

A chapter on these activities is included in Chapter 3 of this annual report.

INFORMATION FOR SHAREHOLDERS

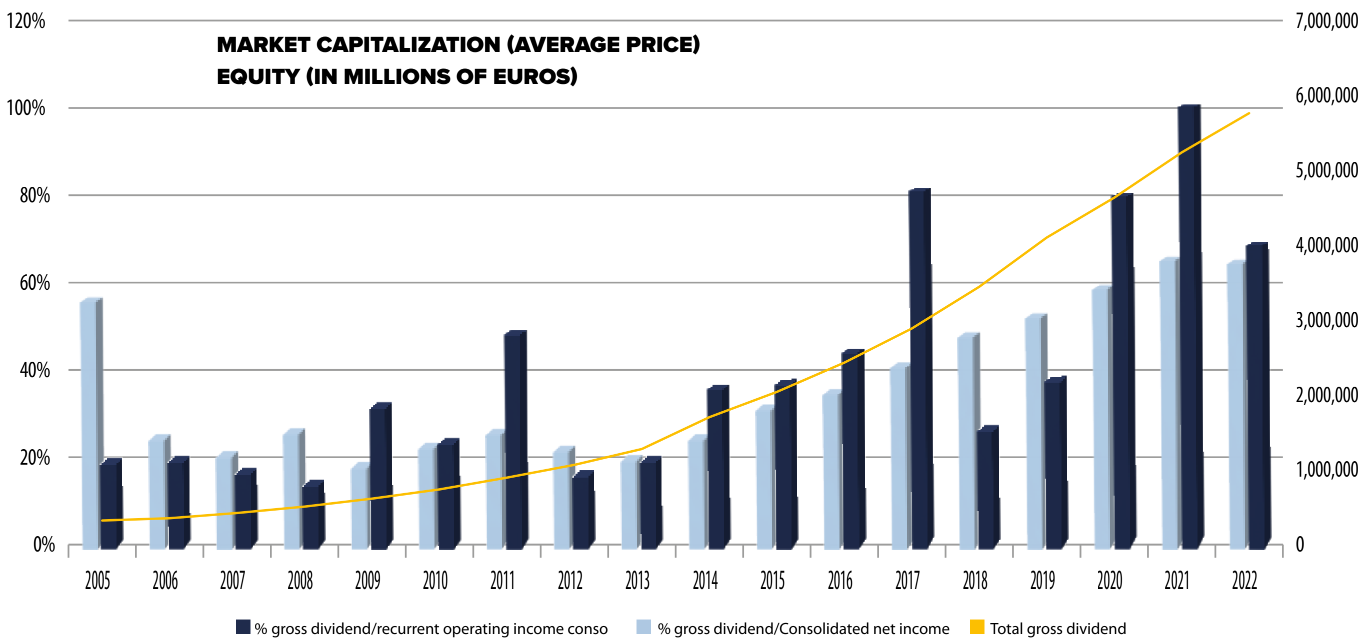
DIVIDEND

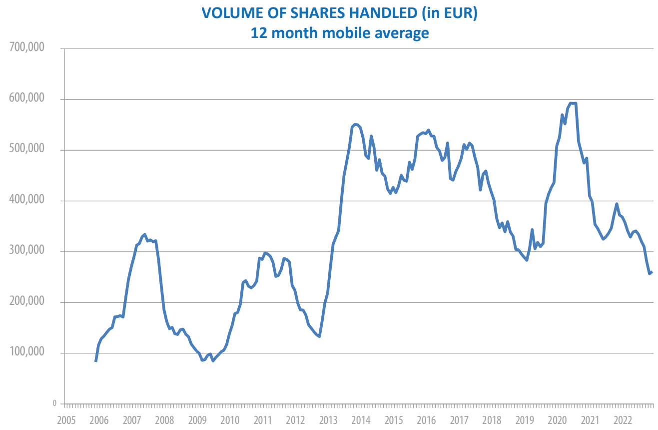
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2020	2021	2022
Gross dividend par share	0.16	0.19	0.23	0.28	0.33	0.40	0.48	0.58	0.69	0.81	0.97	1.16	1.29	1.43	1.57	1.29	1.43	1.57
Net divi-dend per share	0.12	0.14	0.17	0.21	0.25	0.30	0.36	0.42	0.48	0.57	0.68	0.81	0.90	1.00	1.10	0.90	1.00	1.10
Total gross div-idend (in EUR k)	506	612	736	893	1,063	1,276	1,701	2,039	2,430	2,886	3,442	4,101	4,633	5,238	5,762	4,633	5,238	5,762
Differ-ence	20 %	21 %	20 %	21 %	19 %	20 %	33 %	20 %	19 %	19 %	19 %	19 %	13 %	13 %	10 %	13%	13%	10 %

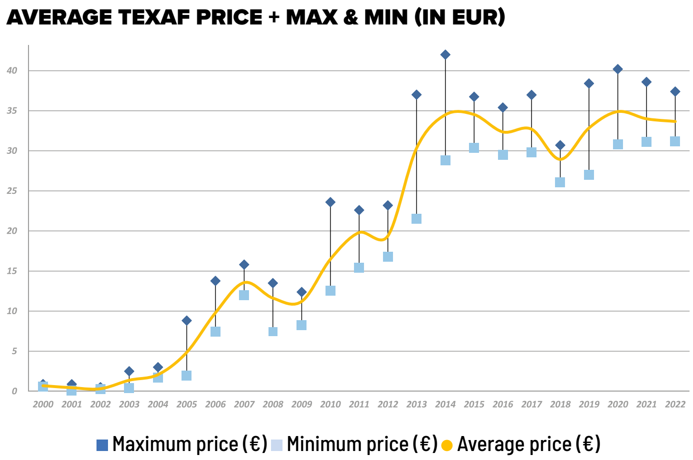


SHARE TREND

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 high-light 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.





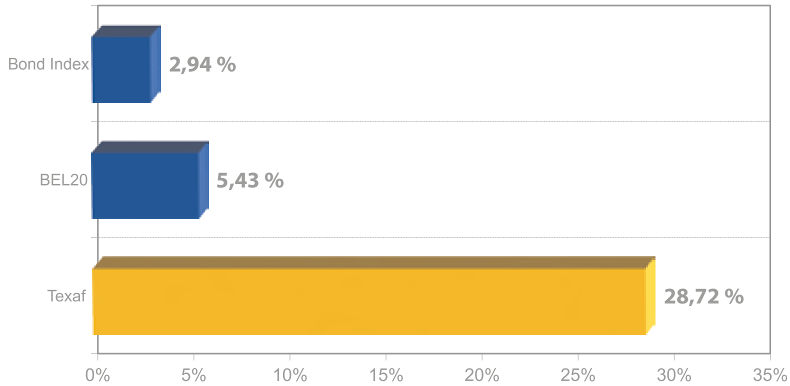


SHAREHOLDING STRUCTURE

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.

Total issued shares	3,666,556	100.00 %
Main shareholders		
Société Financière Africaine	2,300,082	62.73 %
Middle Way Ltd	366,656	10.00 %

MARKET RETURN
20 YEAR MARKET RETURN (AS A % COMPOSED PER YEAR)



SHAREHOLDERS' CALENDAR

Friday 07 April 2023
Publication of 2022 annual report

Tuesday 11 April 2023
Publication of 1st quarter report

Tuesday 09 May 2023
at 11 am: Annual General Meeting

Friday 26 May 2023
Payment of dividend

Friday 08 September 2023
Publication of half-yearly results

Friday 10 November 2023
Publication of 3rd quarter report

Friday 23 February 2024
Publication of the yearly 2023 results

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

REPORTS OF THE BOARD OF DIRECTORS

02

MANAGEMENT REPORT

GENERAL CONTEXT IN 2022

In 2022, as in the previous year, economic growth in the DRC was stronger than expected at 8.5% (vs. 6.2% in 2021) according to the latest estimates of February 2023. But this growth was particularly uneven with 20% for the mining sector and 3.2% for the rest of the economy. Despite the growth in mining exports, the current account balance has deteriorated due to increased imports and a deterioration in the terms of trade, linked to the fall in the prices of copper and cobalt, the country's main products. The government accounts have deteriorated to a deficit of 3.6% of GNP (vs. 1% in 2021), despite an increase in tax revenues, due to both military spending in the East and poor management of public expenditure. As a result, the public debt has risen above USD 10 billion.

Inflation, which had been under control in recent years, has picked up again, with consumer prices rising by 13.1% pa at the end of the year (vs 5.3% at the end of 2021). The Congolese franc, which had remained stable against the dollar throughout the year, began to depreciate in early 2023. The Central Bank's foreign exchange reserves remain relatively good at USD 4.6 billion.

GDP growth is expected to remain strong in 2023 at around 8% pa but the war in the East, the prospects for elections and the risks to import and export prices make this forecast fragile. As recommended by the International Monetary Fund, control of public spending, including control of the procurement chain, the fight against corruption, governance in the collection of tax revenues and transparency on the beneficiaries of public orders, must be the priority and the improvement of the business climate is essential for investment growth.

The conflicts in the east of the country show no sign of resolution despite the support of the Ugandan army, the creation of a new international force led by Kenya and multiple diplomatic interventions. This only increases the precariousness of a large part of the population, which is expected to reach 100 million by 2023.

Presidential elections are due to be held in December 2023 but, at the time of writing, no candidate has yet officially announced his or her candidacy.

REAL ESTATE ACTIVITY

The real estate activity benefits from the rents of the projects completed in 2021 over a full 12-month period: 33 flats in Bois Nobles Phase II, 3,000 m^2 of offices in Petit-Pont and the rehabilitation of the offices damaged by fire in 2020. The occupancy rate for both offices and flats has returned to almost 100%.

The centre of this activity is the **UTEXAFRICA** concession, which combines housing, offices and shops on a 50-hectare site along the Congo River. Ongoing efforts are being made to improve the services offered to residents. Thus, after a gym and games for the little ones, in 2022 padel, volleyball and multi-sports courts were installed.

TEXAF has invested EUR 17 million in 2022, double its historical average, and is continuing the construction of its two largest residential and professional projects. The first is a complex of 94 flats, called "Promenade des Artistes", which will be added to the existing 332. They will be progressively available at the beginning of 2024. In parallel, the first part of phase III of Central Africa's largest digital hub, **SILIKIN VILLAGE**, is due to be delivered in the second half of 2023. This includes 6,000 m^2 of co-working spaces and private offices, a 180-seat auditorium, a food court, etc., which will complete the existing 2,700 m^2. In addition to this project, **TEXAF** and **OADC** have started work on the first data centre to meet international standards in the DRC.

Despite these ambitious projects, which contribute to Kinshasa's international reputation, the group is facing increasingly aggressive attempts by opportunists to steal two of its land assets: the undevelopable land between its **UTEXAFRICA** concession and the River and part of its land in Kinsuka, in the western suburbs of the city, on which it has a development-sales project of 2,000 homes for the Kinshasa middle class. This project has been slowed down by the uncertainty caused by these attempts, which are seriously affecting the business climate.

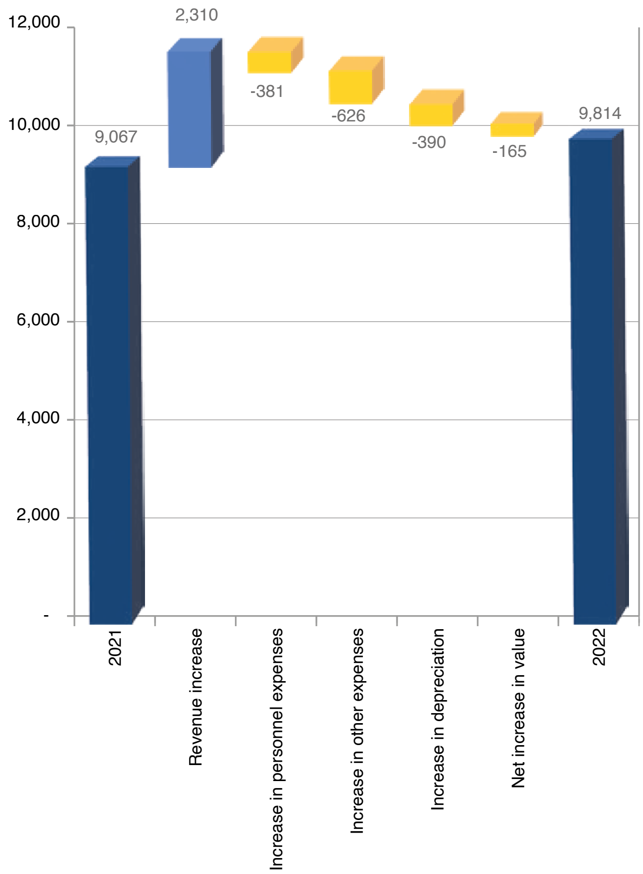
Rental income increased by 12% to 22,083 k EUR. This evolution comes from the availability over the whole 12 months of 2022 of properties delivered in 2021: Bois Nobles II, Petit Pont and Silikin

Village II. At the same time, the occupancy rate, which had fallen as a result of the sanitary restrictions in 2020, remained at a level of almost 100% throughout the financial year.

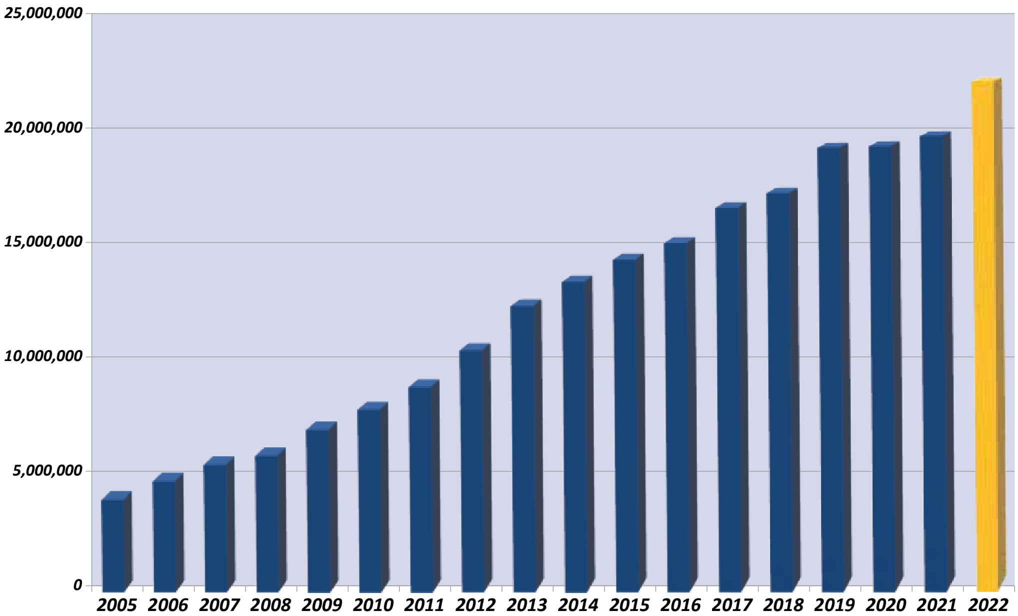
The recurring operating result rose by 8% to 9,808 k EUR. Expenses were affected by several elements, the main ones being the 11% rise in the dollar against the euro, a doubling of property taxes (impact of + 300 k EUR) and particularly high security costs to protect assets targeted by spoliation attempts. A non-recurring charge of 154 k EUR relates to the legal costs of the August 2020 fire. These two projects, currently under construction, will increase the Group's rental potential by 22%.

The result before deferred taxes reached 6,880 k EUR, a slight increase. The tax charge for the year increased after the expiry of an investment exemption. Conversely, the provision for deferred taxes decreased by 1,794 k EUR so that the net result (group share) is 8,664 k EUR (+ 3,354 k EUR vs. 2021). This provision derives from the latent capital gain on the real estate portfolio.

Change in real estate operating income (in k EUR)



Rental income



Voici le lien vers Texaf yourent

POUR EN SAVOIR PLUS

Here is the link to Texaf yourent

FOR MORE INFORMATION

Results of the real estate activity

IMMO (K EUR)	2018	2019	2020	2021	2022	Var.
Revenue from ordinary activities	17,305	19,230	19,331	19,729	22,083	11.9%
Recurring operating result	8,638	9,300	9,065	9,115	9,814	7.7%
Operating result	10,016	14,420	8,648	9,070	9,660	6.5%
Result before deferred taxes	7,224	10,013	6,203	6,839	6,886	0.7%
Net result (share of the group)	13,148	10,924	5,593	5,351	8,696	62.5%

Quarry – CARRIGRES

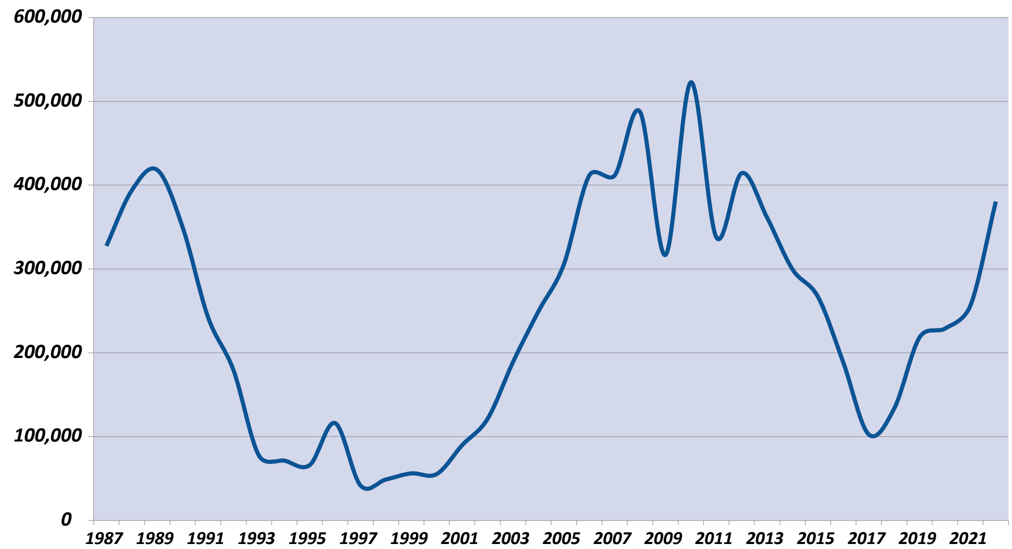
CARRIGRES, the construction sandstone quarry, benefited in 2022 from an increase in both prices and volumes, which enabled it to make a significant contribution to the group's cash flow. If it had not been confronted with very frequent power cuts, it could have generated even higher volumes and margins.

Demand was sustained throughout the financial year, so that turnover rose by 85% to 5,349 k EUR and prices are trending upwards. In volume, sales amounted to 380,463 tonnes (+48%).

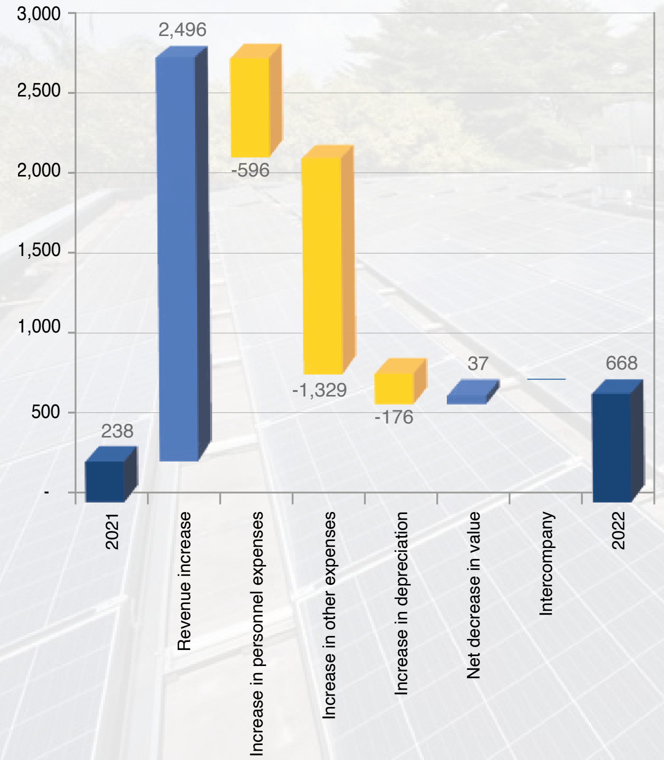
The operating result is up sharply to 674 k EUR (+186%). Nevertheless, it does not fully reflect the company's cash flow generation because it is affected by non-cash items such as a negative change in inventories (487 k EUR) due to the sale of inventories accumulated in previous years, an increase in provisions for pensions (181 k EUR) and an increase in depreciation (175 k EUR).

The result before deferred taxes, which includes financial income, is EUR 646k and the net result is EUR 765k.

Carrigrès sales (in tonnes):



Change in quarry operating income (in k EUR)



Results of the quarry activity

CARRIGRES (k EUR)	2018	2019	2020	2021	2022	Var.
Revenue from ordinary activities	1,612	2,460	2,556	2,897	5,349	84.6%
Recurring operating result	-261	-71	-39	236	668	183.4%
Operating result	-109	-69	-1,339	236	668	183.4%
Result before deferred taxes	248	193	-1,029	381	640	67.7%
Net result (share of the group)	335	248	-617	452	759	68.0%

Digital

DIGITAL ACTIVITY

TEXAF, convinced of the opportunity that the digital economy represents for the DRC, has made it its third branch of activity.

It thus launched its **SILIKIN VILLAGE** initiative in September 2019 by rehabilitating former industrial buildings into a first phase of 700 m² comprising training and co-working spaces fitted out in "loft" mode. A second phase of **SILIKIN VILLAGE** was completed in 2021, bringing the offer to almost 2,000 m2, including an auditorium and training rooms, as well as fully rented, serviced office space.

SILIKIN VILLAGE currently hosts 27 start-ups and SMEs in shared offices, with nearly sixty workstations.

In order to meet the ever increasing demand, **TEXAF** has started the third phase of this project which will cover more than 11,000 m² to be built in 2 phases, thus becoming the most important entrepreneurial and digital hub in Africa. The first half of this phase will open in the second half of 2023.

Here is the link to Silikin Village

POUR EN SAVOIR PLUS

Rudy Yaone, Cecilia Bituka, Jessy Kanda Poyi - Guylaine Agenor Tende, Raymond Mendi, Grace Tshimpaka, Gérald Croonenberghs

SILIKIN VILLAGE
THE DIGITAL HEART OF KINSHASA

SILIKIN VILLAGE
by TEXAF DIGITAL

In just two years, Silikin Village has become the place to be for all digital-related activities. Since its creation, it hosts the Kinshasa Digital Academy, which trains web developers and digital marketeers. K-Impact is an incubation and acceleration programme organised by Ovation and Silikin Village and supported by the King Baudouin Foundation and ENABEL; the second edition took place in 2022.

New programmes were added in 2022: the Citypreneurs coaching programmes of the World Federation of United Nations Associations and the United Nations Development Programme, training by the African Institute of Cybersecurity and Infrastructure Security, bootcamps by Total Energies, entrepreneurial capacity building by Orange POESAM…

The quality of the infrastructure and the central location means that Silikin Village is constantly used for seminars, company training, conferences, etc.

All in all, it has become a stopover for political and business personalities who come to Kinshasa, as these photos show.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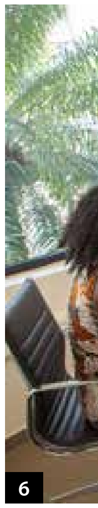
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1. African Institute for Cybersecurity and Infrastructure Security - graduation ceremony
2. Visit of the Walloon Economic Mission 6 February 2023
3. K-Impact Incubation and Acceleration Programme with Ovation 2 July 2022
4. Experience sharing with start-ups from all over Africa in collaboration with Kinshasa Digital and the Dutch Embassy 22 November 2022
5. Kinshasa Digital Academy - Class of 2022
6. Visit of Senegalese ambassador Papa Talam Diao 13 December 2022
7. Secretary of State Anthony Blinken and Chairman of the Electoral Commission Denis Kadima to Silikin Village 10 August 2022
8. Visit of European Commissioners Jutta Urpilainen and Thierry Breton 4 March 2023
9. Haskè Venture - 20 May 2022
10. Visit of HM the King of the Belgians and the Queen 08 June 2022
11. Workshop on optical fibre with the Telecom Regulation Authority, Kinshasa Digital and Meta 20 September 2022
12. Visit of Mr Douglas Pierce from the World Bank for the creation of a centre for SMEs in Silikin Village 10 June 2022
13. Workshop on optical fibre with the Telecom Regulation Authority, Kinshasa Digital and Meta 20 September 2022

SILIKIN VILLAGE offers various support, training and incubation programmes in partnership with funders and operational partners, positioning itself as a key platform for entrepreneurs. It has i.a. signed a two-year incubation programme (2023-2025) for 50 entrepreneurs, as well as an acceleration programme for 60 start-ups in partnership with ENABEL, the Belgian cooperation agency.

Numerous personalities have honoured us with visits to the hub, including the King of the Belgians and the Queen, the Belgian and Congolese prime ministers, the American Secretary of State Anthony Blinken, etc. These prestigious visits continued in 2023 with the European Commissioners Jutta Urpilainen and Thierry Breton

Digital activities will be carried out mostly in partnership. A joint venture agreement has been signed with **OPEN ACCESS DATA CENTRES** (www.openaccessdc.net), a subsidiary of the **WIOCC** group (www.wiocc.net), to build and operate the first data centre to international standards in the DRC. The construction of this 580 rack project started at the end of 2022. Similarly, a joint venture has been set up with **CLOSE THE GAP** (www.close-the-gap.org) to supply refurbished computers in the DRC.

Encouraged by the performance of the first PARTECH AFRICA fund in which it had invested EUR 1 million, TEXAF committed the same amount to the second fund which has just been closed.

The result of the activity, still in its start-up phase, is EUR -443k (excluding rental income).

The group responded to capital calls from PARTECH AFRICA for 179k EUR, bringing its contribution to 848 k EUR. These new financing rounds led the fund to revalue certain existing participations. In accordance with its valuation rule, TEXAF recorded this unrealized revaluation not in its income statement but in its comprehensive income. It amounts to EUR 1,284 k EUR before tax.

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 1.1 M EUR, a level close to that of last year. Taking into account the financial income and the reversal of deferred taxes, the net result amounts to -661 k EUR (vs -431 k EUR in 2021).

Results of the holding activity

HOLDING (k EUR)	2018	2019	2020	2021	2022	Var.
Revenue from ordinary activities	0	0	0	0	0	n.s.
Recurring operating result	-1,208	-1,398	-975	-1,182	-1,148	n.s.
Operating result	-1,208	-1,330	-975	-1,182	-1,148	n.s.
Result before deferred taxes	-351	-592	-380	-598	-835	n.s.
Net result (share of the group)	-573	-402	-219	-431	-661	n.s.

Texaf team in Brussels

Charlotte Francois, Christophe Evers, Thierry Vanolande, Hubert de Ville, Jean-Philippe Waterschoot

Consolidated result

The group's turnover increased by 21% to 27,432 k EUR, driven both by the increase in rents and by the growth in sales of crushed stone. Recurring operating costs also rose sharply to 16,376 k EUR. This increase is due in part to the 11% increase in the USD against the EUR; in fact, most of the expenses are linked to this currency. The other elements are a negative variation of the stocks of crushed materials (destocking of products from previous years), an increase in the provisions for retirement, an increase in the costs of guards required by attempts at spoliation, the depreciation of new projects and a strong increase in property taxes. As a result, the recurring operating result was 8,891 k EUR, up 9%.

The only non-recurring item is, as in 2021, the legal costs related to the fire in 2020, so that the operating result reaches 8,737 k EUR (vs 8,097 k EUR in 2020).

The net financial charges remain stable at 18 k EUR (vs 35 k EUR), so that the result before taxes reaches 8,574 k EUR (vs 7,922 k EUR). It should be noted that from now on the donations to social responsibility activities decided each year by the General Assembly are presented on a separate line whereas they were previously included in the operating expenses.

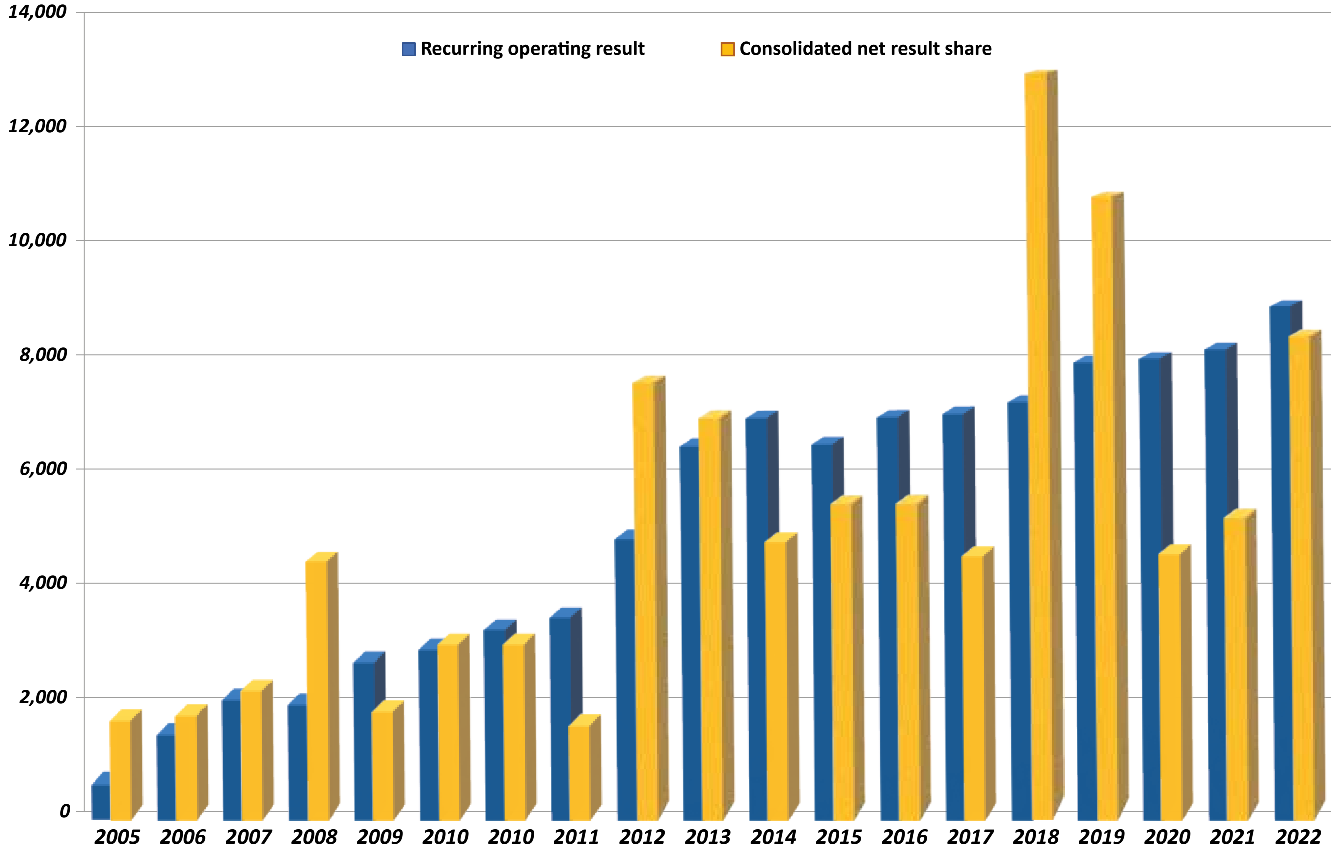
The current tax charge increases to 2,325 k EUR (vs. 1,467 k EUR) due to the improvement of the profit and the end of an investment exemption. The result before deferred taxes decreases slightly to 6,249 k EUR (vs. 6,454 k EUR).

The provision for deferred taxes decreases by 2,118 k EUR (vs an increase of 1,242 k EUR in 2021). This item is very volatile because it comes essentially from the unrealised tax gain on the group's buildings and because it depends both on the evolution of the Congolese franc against the euro and on an annual tax revaluation coefficient. In total, the net result, group share, amounts to 8,352 k EUR (compared to 5,205 k EUR one year earlier).

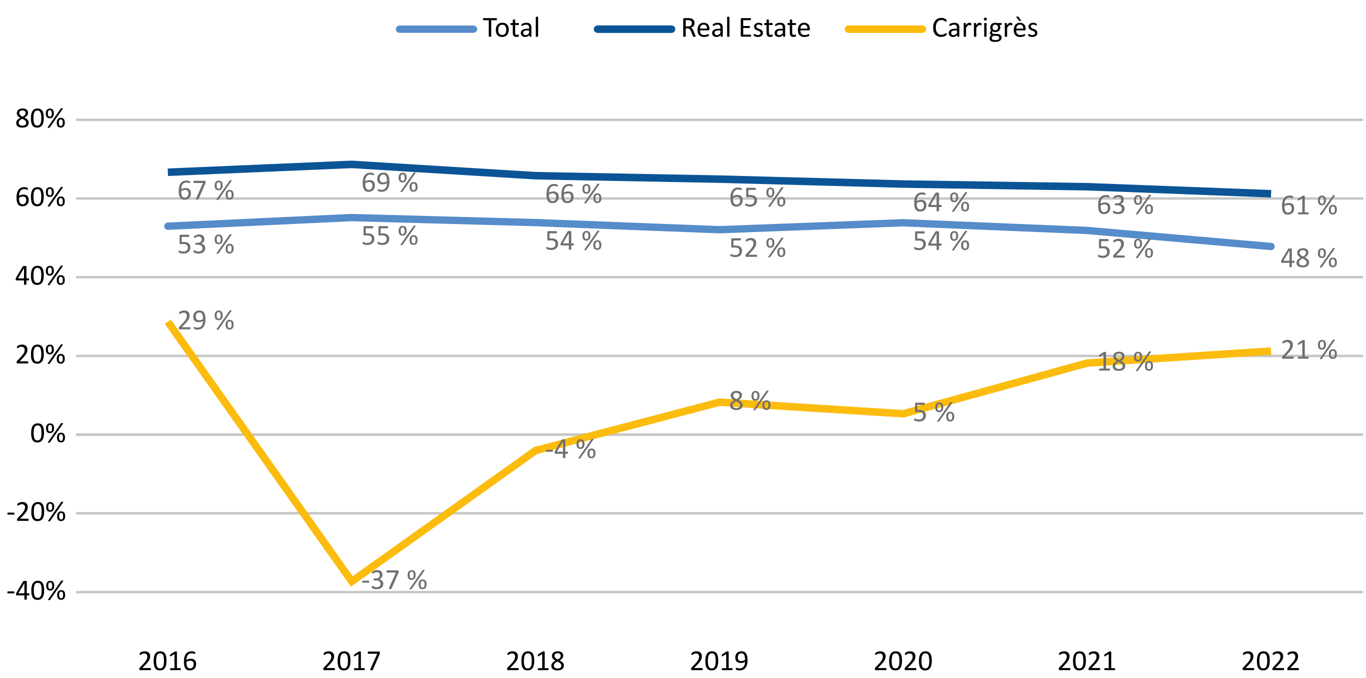
Consolidated Profit & Loss Account

(k EUR)	2018	2019	2020	2021	2022
Revenue from ordinary activities	18,869	21,691	21,868	22,727	27,432
Other recurring operating income	1,423	1,530	1,425	2,055	2,053
Recurring operating expenses	-10,127	-11,925	-11,521	-12,990	-16,376
Recurring EBITDA	**10,165**	**11,296**	**11,773**	**11,791**	**13,109**
% of turnover	*50%*	*49%*	*51%*	*48%*	*44%*
y-1	1%	11%	4%	0%	11%
Depreciations	-2,943	-3,382	-3,801	-3,649	-4,218
Recurring operating result	**7,222**	**7,914**	**7,972**	**8,142**	**8,891**
% of turnover	*36%*	*34%*	*34%*	*33%*	*30%*
y-1	3%	10%	1%	2%	9%
Non-recurring operating items	1,531	5,190	-1,716	-45	-154
Operating result	**8,753**	**13,105**	**6,256**	**8,097**	**8,737**
y-1	157%	50%	-52%	29%	8%
Financial expenses	-438	-223	-38	-35	-18
Results before tax	-54	-83	-109	-141	-145
Operating result	**8,261**	**12,799**	**6,108**	**7,922**	**8,574**
y-1	272%	55%	-52%	30%	8%
Current taxes	-1,140	-3,183	-1,502	-1,467	-2,325
Result before deferred taxes	**7,121**	**9,616**	**4,606**	**6,454**	**6,249**
% of turnover	*35%*	*41%*	*20%*	*26%*	*21%*
Deferred taxes	5,811	1,176	-25	-1,242	2,118
Net result after tax	**12,932**	**10,793**	**4,581**	**5,212**	**8,366**
y-1	184%	-17%	-58%	14%	61%
y-1	184%	-17%	-58%	14%	60%
PER SHARE					
Recurring operating result (in EUR)	*2.04*	*2.23*	*2.21*	*2.22*	*2.42*
Operating result in EUR	*2.47*	*3.70*	*1.74*	*2.21*	*2.38*
Consolidated net result (share of the group) in EUR	*3.64*	*3.04*	*1.27*	*1.42*	*2.28*
Number of outstanding shares	*3,543,700*	*3,543,700*	*3,603,536*	*3,666,556*	*3,666,556*

Results (in k EUR):



Recurring EBITDA as % of income from ordinary activities



Comprehensive income

(in thousands of euros)	2018	2019	2020	2021	2022
Result for the financial year	**12,932**	**10,793**	**4,581**	**5,212**	**8,366**
Foreign Currency Spread Movements			6		
Variations (after tax) in revaluation reserves		-28			
Variations (after tax) in pension provisions		-19	-55	28	103
Variations (after tax) in reserves for available-for-sale financial assets				419	498
COMPREHENSIVE INCOME	**12,932**	**10,746**	**4,532**	**5,659**	**8,967**
ALLOCATED TO					
TEXAF shareholders	**12,909**	**10,724**	**4,521**	**5,646**	**8,953**
By security	*3.64*	*3.03*	*1.25*	*1.54*	*2.44*
Minority interests	23	22	11	13	15

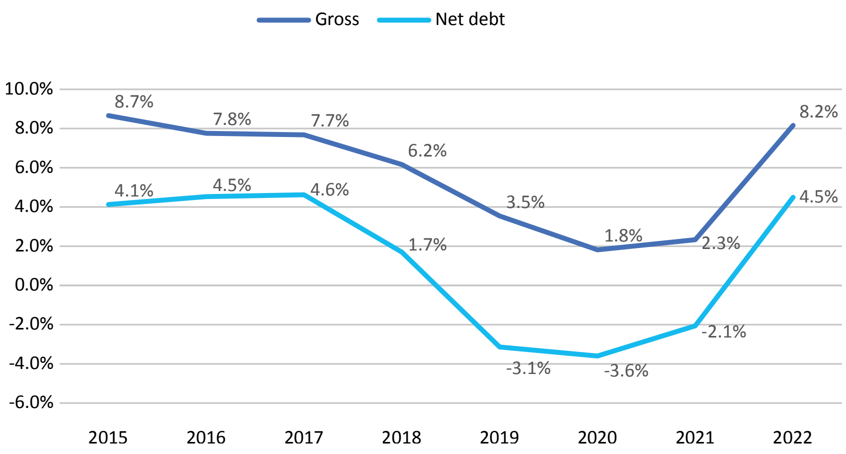
As indicated above, the comprehensive income benefits from a revaluation of the investment in the PARTECH AFRICA fund in the amount of 498 k EUR after tax.

Consolidated balance sheet (before appropriation of income)

The Group is now in a net debt position at 31 December of 6,347 k EUR (vs. 3,157 k EUR of net cash one year earlier). Indeed, investments almost doubled to 17,409 k EUR (vs. 8,916 k EUR) to carry out the major projects of Promenade des Artistes and Silikin Village III.

(k EUR)	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
NON-CURRENT ASSETS	**112,236**	**115,252**	**115,957**	**116,579**	**130,554**
Property, plant and equipment	*9,658*	*9,911*	*8,309*	*8,665*	*8,362*
Investment property	*102,347*	*105,029*	*107,211*	*106,605*	*119,608*
Intangibles	*15*	*9*	*6*	*2*	*8*
Other financial assets	*217*	*304*	*432*	*1,307*	*2,576*
CURRENT ASSETS	**12,296**	**15,995**	**12,927**	**18,583**	**18,388**
Assets available for sale	*0*	*0*	*0*	*5,207*	*5,219*
Inventory	*4,948*	*4,633*	*4,346*	*4,622*	*4,552*
Receivables	*692*	*1,312*	*897*	*952*	*678*
Tax assets	*807*	*1,044*	*558*	*1,602*	*2,059*
Cash and cash equivalents and short term investments	*5,564*	*8,767*	*6,979*	*5,933*	*5,462*
Other current assets	*285*	*239*	*145*	*267*	*417*
TOTAL ASSETS	**124,531**	**131,247**	**128,884**	**135,162**	**148,942**
EQUITY	**90,213**	**97,516**	**99,837**	**104,280**	**106,692**
Capital	*21,508*	*21,508*	*23,398*	*25,497*	*25,497*
Group reserves	*68,361*	*75,642*	*76,054*	*78,387*	*80,783*
Minority interests	*344*	*366*	*384*	*397*	*412*
NON-CURRENT LIABILITIES	**23,426**	**20,052**	**18,740**	**20,413**	**28,231**
Deferred tax liabilities	*13,999*	*12,805*	*12,806*	*12,882*	*12,292*
Other non-current liabilities	*9,427*	*7,247*	*5,934*	*7,530*	*15,939*
CURRENT LIABILITIES	**10,892**	**13,679**	**10,307**	**10,469**	**14,020**
Liabilities associated with assets available for sale	*0*	*0*	*0*	*0*	*0*
Other current liabilities	*10,892*	*13,679*	*10,307*	*10,469*	*14,020*
TOTAL LIABILITIES	**124,531**	**131,247**	**128,884**	**135,162**	**148,942**

Financial debt (in per cent of balance sheet total)



Cash flows

Cash flow from operating activities was 13.2 M EUR, up 37% compared to 2021.

Capital expenditure in 2022, at EUR 17.4 million, was higher than in 2021 (EUR 8.9 million), due to the major construction projects of Promenade des Artistes and Silikin Village III.

The dividend flow amounted to EUR 5.2m, while the financial debt increased by EUR 9.0m thanks to a new 6-year loan from a Congolese bank at 5.5% pa.

Source of funds	*2018-2022*		*Use of funds*
*Cash flow from operating activities **	*70,298*	*45,855*	*Investments*
Divestments	*7,251*	*16,377*	*Tax*
Increase in capital	*3,989*	*20,300*	*Dividends*
Augmentation de dette	*2,782*	*1,789*	*Increase in cash and cash equivalents*
TOTAL	***84,320***	***84,320***	***TOTAL***

** : Net of tax*

(in thousands of euros)	**2018**	**2019**	**2020**	**2021**	**2022**
Cash and cash equivalents and short term investments at the beginning of the year	**3,674**	**5,564**	**8,767**	**6,979**	**5,933**
Cash flow from operating activities after tax	8,892	10,038	9,986	10,313	10,879
Change in need of working capital	2,850	706	-1,395	-665	2,318
Cash flows from operating activities	**11,742**	**10,744**	**8,591**	**9,648**	**13,196**
Investments	-6,180	-7,484	-5,829	-8,942	-17,420
Divestments	764	6,444	7	26	10
Cash flows from investment activities	**-5,416**	**-1,040**	**-5,823**	**-8,916**	**-17,409**
Increase in capital			**1,890**	**2,099**	0
Dividends	-2,886	-3,442	-4,101	-4,633	-5,238
Changes in debts	-1,550	-3,059	-2,346	756	8,981
Cash flows from financing activities	**-4,436**	**-6,501**	**-4,557**	**-1,778**	**3,743**
Net increase (decrease) of cash and cash equivalents	**1,890**	**3,203**	**-1,788**	**-1,046**	**-470**
Cash and cash equivalents and short term investments at year's end	**5,564**	**8,767**	**6,979**	**5,933**	**5,463**

Impact of the war in Ukraine

The Group is only indirectly impacted by the war in Ukraine, through inflation in the price of construction materials which significantly increases the cost of new projects, without however compromising attractive profitability.

Dividend

The Board will propose to increase the dividend to EUR 5,761,736 or EUR 1.57143 (EUR 1.10 net) per share, an increase of 10% per share. This will be payable from May 26th, 2023 upon presentation of coupon no. 12.

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 77.

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

With **SILIKIN VILLAGE**, we bet on the creativity and potential **40 million youth** of DRC

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:

- o 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;

- o 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;

- o 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;

- o 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 2022 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, has evolved from its automotive roots into a diversified holding company that invests in sustainable medium-sized European companies.

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 director and general treasurer 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 in law (KU LEUVEN). She graduated magna cum laude from ESCP EUROPE (Paris & London) with a Master in International & European Business. She started her professional career with a lot of experience in FMCG. She was marketing director and member of the management committee of her division at L'Oréal. She then joined VisionHealthCare as Group Marketing Director and was responsible for various strategic projects in digital & e-commerce. She is currently developing the Baobab Collection brand in the United States. She is the daughter of Mr Philippe Croonenberghs.

GERALD CROONENBERGHS (1988)

Proposed to the Assembly of May 9th 2023

EXECUTIVE

Gérald Croonenberghs has experience in the aviation industry. Prior to joining the group, he spent 10 years as a co-pilot and then captain, flying Boeing aircraft for commercial airlines, namely in Indonesia, Belgium and Dubai. This experience gave him a perspective on different cultures and an understanding of the importance of effective communication and teamwork. He holds a master's degree in business from HULT International Business School and is currently in charge of the development of TEXAF's digital business. He is the eldest son of Philippe Croonenberghs.

WILLIAM CROONENBERGHS (1994)

Proposed to the Assembly of May 9th 2023

NON-EXECUTIVE

William Croonenberghs holds a Master's degree in Management from the IE Business School after having obtained his Bachelor's degree in Management Engineering from the University of Antwerp. He started his career as a consultant at CBRE, where he worked in the field of commercial real estate for 2.5 years. He then joined the Belgian real estate developer ION, where he worked for two years as a Business Development Consultant in charge of the acquisition of new residential and commercial real estate opportunities in Belgium and the Grand Duchy of Luxembourg. In addition to his practical knowledge, he graduated from the KU Leuven in the "Postgraduaat Vastgoedkunde/Postgraduat in Real Estate Studies" programme, covering the different facets of real estate. He is currently based in Johannesburg, South Africa, and he supports TEXAF in its real estate activities. He is the son 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 2023

CFO, EXECUTIVE

After graduating in business engineering at Solvay Brussels School (ULB), Christophe Evers began his career at the Umicore Group. 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 of Finance and of Strategy at the Solvay Brussels School and author of several publications.

JOSEPH FATTOUCH (1990)

Representation of JFA Management

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)

Mandate expired on September 7th 2022

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.

ELINE PARDAENS (1985)

Proposed to the Assembly of May 9th 2023

INDEPENDENT

Eline Pardaens holds a Master's degree in Business Engineering (ICHEC), option finance, magna cum laude. She started her career in the Texaf group as financial manager of the subsidiaries in DRC. She then became financial director of Korongo Airlines, a partnership in Congolese aviation between Brussels Airlines, George Forrest International and other Congolese investors. After 3 years in the aviation sector, she continued, for 6 years, in the Forrest International Group where she was respectively management controller based in Lubumbashi and financial director of A.E.M.I. (industrial pole) in Kinshasa. She is currently working for Connexafrica DRC, one of the leaders in multimodal logistics based in DRC and Zambia, as well as representative of the Hapag-Lloyd shipping line. She is in charge of the finance and controlling of the company and provides financial support to the related 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.

NATHALIE ULRICH (1967)

Representative of People Partners srl

Proposed to the Assembly of May 9th 2023

INDEPENDENT

Nathalie Ulrich obtained a Master's degree in Germanic Philology (KU Leuven) and in Pedagogy (UC Louvain) as well as a diploma in SME Management (Solvay). She has gained extensive experience in Human Resources at local and international level (Befimmo, Proximus, Millicom), notably as Director of Human Resources and Communication at HeidelbergCement and as a member of the Board of CBR SA, some of its subsidiaries and pension funds. In parallel, she contributed to the creation of start-ups active in the IT and commercial field. She is also involved in philanthropic activities as a board member of SOCIALware (Techsoup) Benelux.

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)

Mandate expired on May 10th 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 five times in 2022.

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

- Vincent Bribosia*[1]	5	100%
- Charlotte Croonenberghs	5	100%
- Philippe Croonenberghs	5	100%
- Isabelle Esselen	4	80%
- Christophe Evers	5	100%
- Joseph Fattouch	4	80%
- Michel Gallez	5	100%
- Danielle Knott	2	50%
- Dominique Moorkens	5	100%
- Pascale Tytgat	5	100%
- Jean-Philippe Waterschoot	5	100%
- Albert Yuma Mulimbi	2	50%

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.

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**
- Negotiation with the **WIOCC** group
- 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.

1 Representative of Chanic SA

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

The Audit Committee is composed 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 2021 financial year
- Information on the fair value of investment properties and the sandstone deposit
- Establishing the interim situation on June 30, 2022
- 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 2022 closing of the accounts topics.

REMUNERATION AND NOMINATION COMMITTEE

After the resignation of Mrs Danielle Knott, the Remuneration and Nomination Committee is composed of Dominique Moorkens, chair, and Vincent Bribosia*[2], Joseph Fattouch and Philippe Croonenberghs. In 2022, the Committee met four times. All members were present at each meeting.

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

- Setting the variable remuneration of executive management
- Changing the composition of the Board of Directors
- Setting up a system for the assessment of the management, 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.

2 Representative of Chanic SA

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 Corinne Magnin (May 2022-May 2025).

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 77 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

In 2022, a study was carried out on the consistency and evolution of rent pricing. The digitalisation of the purchasing process has been started and will be completed in 2023. In 2023, various tasks are planned: a cybersecurity audit, analysis of risk monitoring and efficiency improvement of two new IT programmes, an integrated rental management system and a collaborative construction site monitoring software.

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 2022..

The following transactions in TEXAF shares were conducted by the following persons in 2022:

Sales by Mr Christophe Evers :
- Sale of 1,000 shares at € 33.53 on 23/07/22 on Euronext Bxl for € 33,530
- Sale of 1,000 shares at € 32.66 on 27/07/22 on Euronext Bxl for € 32,657
- Sale of 2,114 shares at € 33.14 on 19/12/22 on Euronext Bxl for € 70,061
- Sale of 230 shares at € 33.00 on 20/12/22 on Euronext Bxl for € 7,590
- Sale of 154 shares at € 33.00 on 21/12/22 on Euronext Bxl for € 5,082
- Sale of 221 shares at € 33.27 on 22/12/22 on Euronext Bxl for € 7,353
- Sale of 2,860 shares at € 33.00 on 22/12/22 over the counter for € 94,380

Purchases by Société Financière Africaine (SFA) :
- Purchase of 2,500 shares at € 34.00 on 06/12/22 (OTC) for € 85,000
- Purchase of 2,860 shares at € 33.00 on 22/12/22 (over the counter) for EUR 94,380

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, 2022 the Company declared to the FSMA (art. 74 TOB law):

TOTAL ISSUED SHARES	3,666,566	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

It is proposed to the General Assembly, which will be convened on 9 May 2023

- To renew the expiring mandates of
  - Philippe Croonenberghs
  - Vincent Brib-sia, representing Chanic s.a.
  - Charlotte Croonenberghs
  - Christophe Evers
  - Michel Gallez
  - Pascale Tytgat
  - Jean-Philippe Waterschoot
- In order to replace vacant mandates, to confirm the appointment made by the Board of Directors of
  - Gérald Croonenberghs
  - William Croonenberghs
- To appoint as independent directors
  - Joseph Fattouch, representing JFA Management s.r.l.
  - Eline Pardaens
  - Nathalie Ulrich, representing People Partners s.r.l.

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 since 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 car.

SUMMARY OF THE REMUNERATION OF THE NON-EXECUTIVE DIRECTORS IN 2022

In EUR	Fixed remuneration	Attendance fees	Total remuneration
Chanic s.a. represented by Vincent Bribosia	15,000	10,800	25,800
Charlotte Croonenberghs	15,000	6,000	21,000
Philippe Croonenberghs	25,000	13,200	38,200
Gérald Croonenberghs	0	0	0
William Croonenberghs	0	0	0
Isabelle Esselen	15,000	4,800	19,800
Joseph Fattouch	15,000	7,200	22,200
Michel Gallez	0	0	0
Danielle Knott	11,250	4,800	16,050
Dominique Moorkens	16,875	14,400	31,275
Pascale Tytgat	22,500	9,600	32,100
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.

Kinshasa: the Management Committees (Real Estate - Digital - Career)

Front row, from left to right: Serena Lumingu, Roger Akala, Jean-Philippe Waterschoot, Julie Morelle, Marleen Reeskens, Olivier Pirotton

Second row: Philippe Stuyck, Olivier Pollet, Yolande Nimy, Hilarion Mwayesi

Standing: Gérald Croonenberghs, Monina Kiadi, Raymond Mendy

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 relevant compensation will be reimbursed ("claw-back").

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. an error is observed in the accounts, the relevant compensation will be reimbursed ("claw-back").

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

The executive directors are as follows:

- Jean-Philippe Waterschoot (CEO), Christophe Evers (CFO) and Gérald Croonenberghs (Manager of the Digital activity)

- 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, was set at EUR 340,477 in 2022.

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 2022, the application of the formula would give him the right to a short term variable remuneration of 54,859 EUR and, for the period 2020-2022, to a long term variable remuneration of 95,298 EUR.

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 benefit 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 2022, the application of the formula would give him the right to a short term variable remuneration of 41,144 EUR and, for the period 2020-2022, to a long term variable remuneration of 95,298 EUR.

Gérald Croonenberghs (Manager Digital activity) 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, was set at EUR 162,453 in 2022.

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

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 3,000 when this component is higher than it was the year before
- and a supplementary bonus of EUR 600 per % improvement.

In 2022, the application of the formula would give him the right to a short term variable remuneration of 8,259 EUR and, as he became a director only on November 9 2022, he is not yet eligible to a long term variable remuneration.

The variable remuneration calculated on the basis of the performance criteria (recurring operating result and result before tax) in 2022 was as follows:

in thousands of euros	2021	2022
Recurring operating result (*)	8,002	8,746
Result before tax	7,922	8,574
Difference		
Recurring operating result		9,30 %
Result before tax		8,23 %
Number of instalments		
Recurring operating result		2,84
Result before tax		2,65
Average		**2,74**
Bonus per instalment		
Gérald Croonenberghs		3,000 €
Christophe Evers		15,000 €
Jean-Philippe Waterschoot		20,000 €
Bonus		
Gérald Croonenberghs		8,259 €
Christophe Evers		41,144 €
Jean-Philippe Waterschoot		54,859 €
Total		**104,262 €**

Variable long term compensation for the 2020-2022 period

Market capitalization end 2019 (in k EUR)	116,233		
Dividends (net of reinvestment) 2020-2022 (in k EUR)	9,983		
Market capitalization end 2022 (in k EUR)	123,196		
Growth of capitalization (dividends reintegrated)		**14.6%**	
Bonus for 100% growth		750,000 €	
Share of the market capitalization growth criterium		70 %	
Contribution of the market capitalization growth criterium to the long-term varibale compensation			76,541 €
Recurring income (operating + financial) in 2019 (in k EUR)	7,608		
Recurring income (operating + financial) in 2022 (in k EUR)	8,877		
Growth of the recurring result (2020 - 2022)		**16.7%**	
Bonus for 100% growth		750,000 €	
Share of the recurring result growth criterium		**15 %**	
Contribution of the operating result growth criterium to the long term variable compensation			18,757 €
Cash non-recurring income over the 2017-2019 period (in k EUR)	290		
Cash non-recurring income over the 2020-2022 period (in k EUR)	-75		
Growth of the non-recurring income		**n.a.**	
Bonus for 100% growth		750,000 €	
Share of the non-recurring income growth criterium		0 %	
Contribution of the non-recurring income growth criterium to the long term variable compensation			0 €

Long term variable compensation over the 2020-2022 period

Christophe Evers		**95,298 €**
Jean-Philippe Waterschoot		**95,298 €**

SUMMARY OF THE REMUNERATION OF THE EXECUTIVE DIRECTORS IN 2022

In EUR	Fixed remuneration	Variable remuneration	Pension plan	Company car	Total	% Fixed	% Variable
CEO	340,477	100,000	In accordance with DRC law	Yes	440,477	77 %	23 %
CFO	155,000	62,200	29,996	Yes	247,196	75 %	25 %
Manager for Digital	162,453		In accordance with DRC law	Yes	162,453	100 %	0 %

In 2022 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 2,75.
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	2018	2019	2020	2021	2022
Recurring operating result	100	109	113	110	112
Result before tax	100	155	74	74	96
Remuneration of the executive directors	100	102	72	71	90
Average remuneration of employees	100	105	93	98	108

CORPORATE SOCIAL RESPONSIBILITY

03

CHIRPA ASBL AND CHAIN OF HOPE BELGIUM:

AN EXTRAORDINARY MEDICAL CHALLENGE

Faithful support for Chaîne de *l'Espoir Belgium*, in addition to its financial support, the TEXAF group also provides valuable assistance in solutions logistics (2022: import of equipment for a total of 600 kg (e.g. emergency equipment for the successful completion of the surgical mission). Our support to the medical teams in Kinshasa is provided through relational support, various actions to facilitate missions on the spot with local operators, but also in the moments of relaxation and conviviality that allow lasting friendships to be established.

For more than 25 years, the NGO Chain of Hope Belgium - Keten van Hoop België has made children's rights and health its priority. It is dedicated to helping children with deformities who need surgical care in countries where such access is not available. It works with local partners to provide quality medical care.

Currently, it is active in 4 countries on the African continent (Benin, Democratic Republic of Congo, Rwanda and Senegal) where it works with a range of actors, the respective governments, hospitals and their staff, but also local associations and private sponsors.

In the case of the Democratic Republic of Congo, the Belgian Chain of Hope has been active there since 2003 and is associated with CHIRPA asbl (Chirurgie **Pédiatrique** en Afrique). This association, which is governed by Congolese law, has as its mission the strengthening of medical and management capacities in hospitals. To offer quality health care, in order to contribute to the physical and mental well-being of the population, but also to redevelop local capacity in the DRC, by training medical staff and securing the technical and sanitary environment of hospitals..

A FIRST IN THE DRC

With the financial support of the Congolese government and numerous contributors, of which TEXAF has been a part for many years, two international paediatric cardiac surgery missions with extracorporeal circulation allowing the repair of congenital malformations inside the heart (a first in the DRC) could be organised at the Ngaliema clinic, one in March 2022 and the other in January 2023.

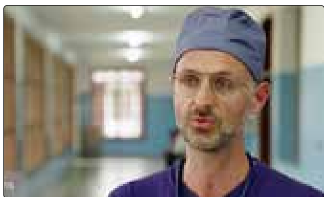
In total, twenty children were operated on and several dozen children received specialised consultation, all thanks to a team of 18 experts, all volunteers, providing them with expert care.

Each mission is the result of many months of work, preparation and exchanges between the Congolese doctors and the Belgian team. Indeed, quality surgical interventions, in complete safety, cannot be improvised.

The results are very positive. At the end of the two missions, the children were able to return to a normal life, and the families finally dare to imagine a better future for their child.

See our video:
Chain of Hope

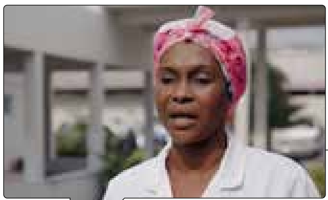
POUR EN SAVOIR PLUS



"Preparation is crucial, this mission is preceded by a long process, involving many meetings and much planning.

"It's fantastic to see children who were sick a few days ago and are now living normally with their families"

– Dr Jeff **WILLEM** –
paediatric resuscitator



"We prepared everything in collaboration with our interfaces in Brussels".

"Seeing your child grow up is the greatest gift in the world"

Maguy Bilonda **NSANGAMAYI** – Head Nurse of the CCP ward of the Ngaliema clinic

"The smile of mothers and fathers is exceptional, it is unequalled, it is worth all the money in the world"

Professor Jean **RUBAY** – Heart surgeon and President of the Chain of Hope.

COOPERATION, TRAINING, AUTONOMY

This programme, initiated 25 years ago, combines medical cooperation and international aid and aims to treat children in their own country, surrounded by their parents, but also to train Congolese medical staff in very specific disciplines.

The Congolese doctors trained will thus eventually be able to perform operations themselves and achieve total autonomy.

It is thanks to the efforts of everyone... government, doctors, nurses, volunteers, hospitals, associations, sponsors... that such results have been achieved, and are a real sign of hope for health care and the hospital environment in the DRC.

"We need confidence, solidarity and commitment, and with these three words I think we reflect what allowed us to achieve today's result. It is not an individual success, but a collective success." .

Anita **CLÉMENT** – Director of the Chain of Hope.

TEXAF BILEMBO

A VAST PROJECT EDUCATIONAL AND ARTISTIC

Concerned about the importance of the educational missions developed by the Texaf-Bilembo teams, and to ensure their sustainability, our group continues to provide concrete support through the provision of the provision of a vast 1000m2 plateau free of charge, its upkeep and maintenance. All This is done in the spirit of making our former industrial area safe. Bilembo also benefits from support for our teams to improve operational efficiency and management in the prospect of some form of autonomy.

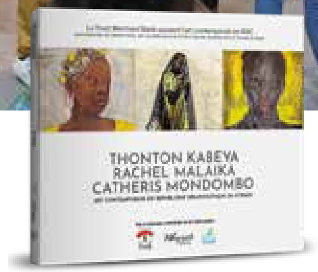
Inaugurated in November 2003, the Espace Texaf Bilembo is spreading in Kinshasa and in the provinces thanks to the educational and environmental project *SOS Planète Congo*, which is becoming more professional and more widespread. This 100% Congolese educational activity to raise awareness of environmental, cultural and climatic issues in the DRC includes a basic publication, workshops, training courses, teaching materials and bilingual Lingala and Swahili school books. It raises awareness among the Congolese public to protect and become aware of the value of the natural and cultural heritage of the DR Congo.

The project is currently installed in four districts of Kinshasa and in Central Kongo around the Luki biosphere. To make it sustainable and autonomous, the team regularly carries out monitoring and evaluation missions.

In 2022, the association received support from Bracongo and TMB to raise awareness in 18 schools in Kinshasa - 1,000 pupils and 40 teachers - and to offer them a 12-hour training course for each pupil, 18 teaching kits and 1,040 textbooks. The Belgian Embassy supported the training of 11 environmental journalists at Texaf Bilembo by Nadine Ngeleta. Enabel invited the team to present the project at the Educaid climate conference in Brussels and the film made by Simon Hardenne at the request of our partner Olivier Weyrich was decisive. This film was also presented at the University of Rimouski in Quebec on 6 December as part of the COP15 on biodiversity. In December, the *SOS Planète Congo* project*: protection and enhancement of the natural and cultural heritage of the DR Congo* was selected by the King Baudoin Foundation and received a grant for the year 2023, thanks to the DRC New Generation Fund.

In the province of Central Kongo, the *SOS Planète Congo* project is partnered with the Africamuseum, whose PilotMAB project aims to develop research, training and education activities in the DRC's Man and Biosphere Reserves (MAB) within the tropical forest biome. To date, we are supporting 6 rural animators, 24 teachers and 12 headmasters from 12 schools located around the Luki reserve (Manterne Lemba and Kinzau Manterne axis). An agricultural institute of 1st and 2nd secondary with 476 pupils is part of these schools. 2091 pupils are sensitised to the forest and induce changes in the mentality of their environment. The services of the trainers enable them to continue their studies. Our work over two years with rural radio stations and local television stations to identify and communicate about *success stories* with green jobs, as well as intra-school

Meeting with the royal couple during their visit in June 2022, in the presence of Prime Minister Alexander De Croo and his wife, and the Prime Minister of the DR Congo: Jean-Michel Sama Lukonde Kyenge



2091 pupils are made aware of the threats to the forest and bring about changes in their surroundings

competitions, have raised awareness among 16728 people in this area.

Education remains the foundation of communities and the spearhead of rural development, by valuing women. *SOS Planète Congo makes it* possible to learn in a playful way, to put meaning into agricultural and forestry practices, to boost the learning of French, the official language, and to allow everyone, children and adults, to have access to current content, in Lingala and Swahili, on the country's issues.

In terms of its "plastic arts" activities, Texaf Bilembo organises group and thematic exhibitions each year, such as *Street art from belgium*, *Trilogy*, *Universe, etc.,* and individual exhibitions such as those of Gozette Lubondo, Pierre Holtz and Catheris Mondombo. These exhibitions highlight the creative effervescence of the Congolese art world.

Texaf Bilembo professionalizes his publications, makes them bilingual (French-English) and inserts them in the collection of books dedicated to contemporary art. This collection is an original creation of Texaf Bilembo. After studying popular painters, then the works of Steve Bandoma, Kura Shomali and Raymond Tsham, the third book is devoted to Rachel Malaika, an activist photographer, Thonton Kabeya, painter of Rumba and love, and Catheris Mondombo, whose anonymous portraits made on recycled tarpaulins evoke history or daily life. This publication, which was sponsored by the TMB, was presented to the public during two joint and complementary exhibitions at Le Monde des Flamboyants and Texaf Bilembo.

The permanent collection includes works by renowned artists such as Freddy Tsimba, Pume Bylex, Amani Bodo, Raymond Tsham, Steve Bandoma, Maman Lucia, Catheris Mondombo... It will increase in value over the years.

The visibility of TEXAF BILEMBO, in particular during the visit of the Belgian royal couple last June and the Secretary of State Chrysoula Zacharopoulou, should greatly increase its notoriety.

See our video:
SOS PLANETE CONGO

POUR EN SAVOIR PLUS

TEXAF BILEMBO

CONGO BIENNALE 2022 - CONTEMPORARY ART FESTIVAL

Texaf, in partnership with Texaf-Bilembo and Kin ArtStudio, hosted the second "Congo Biennale" from 16 September to 30 October 2022, an event that has become a must in the Congolese capital.

AN ART MARATHON IN KINSHASA

The year 2022 has vibrated to the rhythm of this Festival of Contemporary Visual Arts which is held every two years. It is a great opportunity to present and discover the art of Congolese artists and those from different backgrounds. It is also a moment of opportunity for the promoters of Congolese contemporary art to get closer and develop new synergies.

The international exhibition, for which Visthois Mwilambe Bondo is the artistic director, took over the Kin ArtStudio and the Espace Texaf-Bilembo, both located within the Utexafrica concession, but also public spaces and other places in Kinshasa (Académie des Beaux-Arts, Monde des Flamboyants, Institut Français, Monts des Arts, Musée National...).

"BREATH OF THE ANCESTORS"

Through this new edition, the Congo Biennale wanted to invite the participants to work on the public space and rethink the social, common and shared space through the theme "The Breath of the Ancestors". By choosing this theme, the Congo Biennale celebrated the links between Africa, its diasporas and its Afro-descendants; the common roots and the diversity of cultural and artistic expressions. More than 45 artists, in addition to designers, architects, art historians, curators, art critics, etc. from the five continents were able to present their projects.

NEW PARTNERSHIPS

For the 2022 biennium, Texaf-Bilembo strengthened its collaboration with the artist Vitshois and established partnerships with international artists such as Maliza Kiazuwa. Texaf-Bilembo was honoured to welcome the talented cellist/composer Okorie Johnson, whose talent could be admired during his concert at the opening. An Atlanta-based performing cellist, looper, improviser and storyteller, Okorie "*OkCello*" Johnson's work is centered on themes and expressions of the African diaspora, but also his personal truths, a deep love and celebration of women, and a commitment to musical prayer.

Finally, it should be noted that the 2022 biennial has also enabled a rapprochement with the Swiss Gandur Foundation, which is very active in supporting contemporary African art.

PERSPECTIVE

The organisation of the 3rd edition of the Biennale under the theme "A century of modern art in Congo" remains a priority for 2023, because as Vitshois told us, "*the biennale is prepared in one year*". This time, it will be a question of presenting art in the DRC before 1920. Through its theme, this edition will celebrate the links between African artworks, those of the Congolese diaspora living in Europe and those of African-Americans. It will also be a remarkable opportunity to develop artistic exchanges between America, African countries and the DR Congo. The goal is to present Congolese artists at the Museum of Atlanta.

In addition to the next edition of the biennial, the artistic director is planning to build a large contemporary creation space in Kinshasa, a long-term project for which he hopes to lay the first stone in 2023.

The Pride of Origins IX. Collage on old engraving (1876). 35 x 45 cm, 2020. Courtesy of the artist Maliza Kiazuwa

The Pride of Origins X. Collage on old engraving (1876). 35 x 45 cm, 2020. Courtesy of the artist Maliza Kiazuwa

TEXAF SPONSOR OF CONTEMPORARY ART

KIN ART STUDIO

Kin Art Studio is an independent arts organisation that promotes creativity in the visual arts and other forms of contemporary expression. Founded in 2011 by artist Vitshois Milambwe Bondo, the space builds the artistic capacity of young people to become professionals in their field.

• Wooden bust, raffia, rubber and porcupine spikes.
170 cm x 35 cm x45 cm, 2019
Created by the artist Maliza Kiazuwa

Established on 2,500 m^2 of our former textile factory, the space has several art studios, offices, design spaces, a library, technical workshops and a bistro-restaurant.

Its mission is to initiate and root artistic values in young Congolese living in Kinshasa and to open them to the outside artistic world. To achieve this, Vitshois, who is passionate about the arts, moves heaven and earth to find partnerships and collaborations with artists from around the world. "*The various international collaborations and partnerships allow us to create a solid network and an international showcase for young people,*" says Vitshois.

TMB gives wings to Culture

For several years now, **Trust Merchant Bank**, well known by its acronym TMB, is a commercial bank founded by Robert Levy in 2004. The bank, which opened its doors in 2004, has become one of the largest banks in the DRC in terms of regulatory capital, balance sheet and turnover. In order to promote the contemporary art of the DRC, TMB has become a partner of the Espace TexafBilembo to support its major art exhibitions and the beautiful collection of books dedicated to talented Congolese artists who shine throughout the world.

NDAKO YA BISO

GOOD NEWS: 3000 CHILDREN GATHERED

The TEXAF group is a loyal supporter of the Association Ndako Ya Biso for the past ten years. Note will is to be a sustainable and reliable support for the association to can count us among its partners who consolidate it. In addition to this support, Texaf is also a concrete support in their children's clothing collection action.

For a good eighteen years, Father Jean-Pierre Godding and his team have been trying to help the so-called street children to build their future in their family or in a foster home, insisting each time that the street has never had a child and that the place of each child is in his family.

This year was special, as the centre celebrated the three thousandth (3000e) reunification since its inception. Reunification means the restoration of family unity by reintegrating a child into his or her family. A triumphant shout from a team satisfied with having achieved one of the objectives and not the least.

Jean-Pierre **GODDING**, coordinator of the centre NDAKO YA BISO

Since 2005, innocent little feet have been walking the dangerous roads of Kinshasa to get to the Ndako Ya Biso reception centre. Sometimes they run, full of hope and curiosity, sometimes not. Some are accompanied, others unaccompanied, like lone wolves, looking for a place to hide while recalling the crimes committed during the evening.

On average, about fifty children, both boys and girls, are welcomed daily at the Ndako ya Biso centre.

As a reminder, the centre receives street children, offers them a home where they can feel at home, receive affection and attention, play, learn, relax, ... in a word, have access to the same basic rights as all children in the world, before returning to spend the night under the stars, because the centre is unfortunately not an orphanage.

These children are very excited to walk through the gate of the centre every morning, just at the thought of free food acquired without violence.

Dieudonné and Grâce[1] are young children in their early teens who found themselves on the street for various reasons (abandoned children, difficult family situation, accusations of witchcraft, etc.). These children, and more than a hundred others, have been lucky enough to find a home today thanks to the bravery of the Ndako Ya biso team. The particularity of these last two children is that they represent the three thousandth reunification of children with their families, since the creation of the centre in 2005.

It all took place during a solemn mass celebrated on 24 September. It was sad to hear the testimonies of the children after the homily: one, born of a chance meeting between his mother and a passing lawyer, found himself on the street after his mother's family called him a "child sorcerer", when he was just being unruly like most boys of his age. The other, a victim of his parents' divorce, was left to fend for himself as his family blamed him for his mother's repeated business failures.

Today, all of them have been reunited with their families, and the centre has supported them as much as it could, to facilitate their new integration. If for Dieudonné, it was necessary to make the family aware of the possible behaviour of young children, before finding a foster home for him (his paternal aunt kindly agreed to keep him), and sending him to school, for Grâce, the situation was different. It was a question of improving the family's living conditions, renovating the house had become necessary, and granting a credit to her family to ensure better care, before enrolling her in school.

Today, both of them shine in their studies and make their relatives happy. Brother Jean-Pierre Godding reminded everyone that *"reconciliation and family reunification remains the main objective of Ndako Ya Biso, even if it is a long and difficult process.*

Finding the families and starting the mediation with them is not always an easy task, but the happiness of seeing a family united again remains a satisfaction rather than a goal for the teams.

1 Dieudonné and Grâce are aliases to keep the children anonymous

ON THE ROAD TO SCHOOL AND THEN TO AUTONOMY

The majority of reunified children attend school for three years, which can be extended when the family situation is difficult. This is great, but it requires energy from the teams to find a place for each child, and a financial investment to provide them with school supplies. This year, a total of 379 children were enrolled in some fifty different establishments with which agreements have been signed.

The older youth, those over 16, have not been forgotten. A listening centre was set up in 2013 with the support of partners who support the project and are involved in preparing their professional future.

By taking the time to discuss with them the realities on the ground, we come to the conclusion that training in itself does not necessarily lead to the possibility of finding a job.

To remedy this, the magnificent project "Ndako Ya Elikya", which translates as "*House of Hope*", was initiated. This programme helps young people who have completed their training to start an activity. In this sense, an integration kit is given to the young people to help them stand on their own two feet: masonry, electricity, fitting and welding, cutting and sewing, aesthetics and hairdressing, mechanics, construction, aluminium and painting, are the trades in demand.

> This year, **a total of 379 children** were enrolled in about 50 different schools

3,000E REUNIFICATION, AND AFTER?

Even though the team, which gives its all to this mission, faces major problems that hinder its functioning, the desire to see a bright future open up for these young people who have been reunited with their families, remains the driving force. However, this noble sentiment unfortunately does not exclude the realities it faces. In particular, the growing need for more office space.

The team soon finds itself cramped in the only room where the psychologist, the centre's managers (girls and boys) and the trainers meet. Moreover, this place, which serves as Ndako ya Biso's offices, is located in a property that is prone to family conflicts and disputes. The acquisition of new offices (for rent or purchase) could enable the teams to carry out their missions.

Now that the milestone of 3,000 reunifications has been reached, the team of 44 employees is aiming high. "It is *not only a question of increasing these figures, but also of consolidating related projects, particularly by creating a self-financing mechanism,"* explains the head of the boys' centre. An internal reflection is being carried out to identify one or more lucrative activities that the centre could develop in order to generate funds and not rely solely on partners.

Finally, we should also mention relapses: children who return to the street or to delinquency. Faced with this sad reality, the construction of a reception centre outside the city of Kinshasa (in Mencao, on the property of the Chemin Neuf Community) could be envisaged. It is a question of cutting them off from life in Kinshasa and keeping them focused on various enriching and useful activities (e.g. agriculture). Jean-Pierre appeals to the partners who have always accompanied them since the beginning of this adventure and without whose help none of this would be possible.

SANKURU YEMA YEMA

EDUCATION A POWERFUL TOOL TO REDUCE POVERTY

It could be described as a “heart of hearts” project, as the support of the Texaf group was essential to its success to become a reality. I was quickly convinced by Pierre-Albert’s enthusiasm and exceptional motivation, Texaf has made all its available infrastructure available on site so that the educational project can become a reality. In addition to annual financial support, in 2022 our group funded the complete renewal of the computer equipment, in support of Olivier Van Eynde and the Close project the Gap, an international social enterprise that aims to bridge the digital divide in developing countries development and emerging markets.

For more than ten years, the ASBL Sankuru yema yema has been providing concrete solutions in the fields of education, health, agriculture and environmental protection to the inhabitants of Sankuru, a particularly underdeveloped territory in the centre of the country due to its isolation.

Since the creation of the association, several schools have been established and each year new projects are developed. The main objective of the association is the empowerment of the inhabitants of this somewhat forgotten region, with an emphasis on the importance of the role of women in rural areas.

The good results obtained by the secondary section in the state examination demonstrate the quality of the teaching of our school, which makes it more attractive

EDUCATION AS A POWERFUL TOOL TO REDUCE POVERTY

In 2023, there was a real increase in the number of children attending the school that the ASBL opened about ten years ago. Today, more than 1000 children are enrolled. This success is due to the fact that the primary school was made state-run and became free for the primary section. “The good results obtained by the secondary section in the state examination show the quality of the teaching of our school, which makes it more attractive.

STILL LOOKING FOR VOLUNTEERS

About the school for mothers, its programme is articulated over 3 years, and consists of learning mathematics, reading, writing, education (citizenship, women’s rights) and the creation of an income generating activity with a management component.

Today there is a real demand from the women of Lodja who want to take their destiny into their own hands. Unfortunately, the ASBL is facing a shortage of volunteer teachers, which is why Pierre-Albert and Béatrice Yseboodt are trying to find temporary solutions with trainees in order to relieve the current volunteers who are getting tired.

HEALTH ACCESSIBLE TO ALL

The figures speak for themselves: since 2021, twenty-two “diabetes houses” have been opened within the health centres. Diabetes is a disease that is largely ignored by the population: information and screening are necessary.

For several years, the teams of Nobel Peace Prize winner Dr Denis Mukwege have been coming to Lodja to perform fistula operations and repair some of the women victims of sexual violence. However, they are confronted with poor hygiene conditions and dilapidated hospital infrastructures. Thus, the year 2022 was marked by the beginning of the construction of a modern maternity hospital, a project to which Pierre-Albert and his wife are particularly attached. They hope that women will be able to give birth in dignified conditions by the end of 2023, and that each child will have a birth certificate.

AGRICULTURE A KEY FOCUS FOR THE ASBL

The efforts of the previous years on the cocoa plantation allowed the first chocolate to be born! In this context, Pierre-Albert and his wife are willing to develop contacts with Kinshasa to allow the development of this activity. Promoting sustainable agriculture that respects the conservation of the forest is essential.

The beehive project is not developing as quickly as expected, due to a lack of staff trained in beekeeping techniques and insufficient protective equipment. However, the association is not giving up, given the importance of bees for agricultural activity.

> **The year 2022** was marked by the start of the construction of a modern maternity hospital

THE PROTECTION OF THE ENVIRONMENT IS A MATTER FOR ALL

The landlocked nature of Sankuru has not shielded it from the process of destruction of its biodiversity. As in many regions, the quality of the biotope is threatened by the harmful behaviour of the population, which is particularly distressing in the vicinity of Salanga Park. In order to reduce the pressure on this park, the Belgian Cooperation and the European Union have set up a project to revive and produce rubber. As a partner in this project, the ASBL Sankuru Yema Yema carries out awareness-raising, education and women’s involvement in these processes in rural areas. An important place is given to women to whom the organisation has entrusted the allocation of community land, but also the choice of crops to be planted between the lines of rubber trees. Women also play an important role in managing family budgets and the income from rubber sales.

In collaboration with Texaf-Bilembo through the ‘SOS Planète Congo’ project, the association is also raising awareness among young pupils of environmental issues and the protection of their forest through a training cycle. The need and urgency to protect the forest of the Congo River basin is at the heart of the project.

COMEQUI

COFFEE CULTIVATION AT THE HEART OF THE PROJECT TRAINING

Friendship, loyalty and mutual esteem perfectly describe the relationships that The TEXAF group is linked to COMEQUI. Being historically supportive means to give credibility to a project that has become totally autonomous. Inking of Texaf in the Lake Kivu region is historic and it is important to It is the group's heart to maintain this link by supporting the local population.

Since its creation in 2008, Comequi's main objective is to give tools to the rural populations of Lake Kivu (DRC), allowing them to increase their income and improve their living conditions.

Comequi acts mainly on the improvement of agricultural production and in particular coffee production, on the creation of local cooperatives, the promotion of production, professional training, and the financing of harvests.

To carry out these actions, Comequi relies on a dozen permanent employees and numerous seasonal workers whose mission is to supervise the projects. The association underlines the total commitment of the Congolese employees who, despite the difficult conditions, are extraordinarily involved in the actions carried out and, with limited means, achieve astonishing results.

The Société Coopérative des Producteurs Novateurs du Café au Kivu (**SCNCPK),** based on the beautiful island of Idjwi, has 2,135 members. The cooperative has completed the distribution of several thousand coffee seedlings resulting from the creation of a nursery co-financed by Comequi in 2020. About fifteen coffee farmers have successfully completed the module offered by the coffee academy. The objective is to help develop the coffee culture in Kivu through training by taking advantage of the potential wealth of the region.

TUMAINI is active in Miti Kabare, about 20 km from Bukavu in the province of South Kivu, with 1,444 members, 953 of whom are women, and is magically managed by them.

During 2022, the cooperative benefited from the advice of an agricultural engineer to meet the requirements for obtaining the BIO label. Comequi co-financed the construction of an additional washing microstation.

KIVU COFFEE

Kivu coffee is a vehicle for local development: the Kivu region offers the ideal characteristics for the production of high quality Arabica coffee as it is located at high altitude and enjoys a warm and humid climate.

SUPPORT TO THREE COFFEE COOPERATIVES IN LAKE KIVU

AMKA which brings together more than 2,000 coffee producers on the shores of Lake Kivu, has obtained Fair Trade and organic certification. The cooperative exports some five containers a year of a speciality coffee at a high price to Europe, the United States and Asia, enabling its members to earn enough income to meet the basic needs of their families. In order for this cooperative to be fully autonomous, it should be able to acquire three motorised dugout canoes to ensure the transport of coffee cherries to the washing stations in a short timeframe that guarantees the quality of the product.

THE SUCCESS OF SCHOOL GARDENS:

By the end of 2022, there will be ten school gardens. For the schools, they are a source of income through the sale of the market garden produce, a training ground for the children, a teaching tool, and a significant source of food given the state of child malnutrition. This requires long-term management by the schools to ensure the smooth running and maintenance of the garden. They can always count on the advice of the Asbl's agronomists.

These schools also benefit from a decentralised library supported by the resources of the central library in Minova with over 13,000 books. The idea is to encourage children to read through the mini-libraries installed in the partner schools. .

> By the end of 2022, there are **ten school gardens**

INCOME-GENERATING ACTIVITIES

BEEKEEPING

Beekeepers' trainings are going well, and 2022 has confirmed the development of the COOPROMIELKI cooperative with more than 400 members.

Community fields: six women's farming associations were still able to benefit from Comequi's technical support in 2022 to plough approximately 16 ha of land. Unfortunately, the tractor made available by the Congolese government in 2012 has been taken back by the government. A solution must be found quickly.

PROJECTS AND NEEDS IN 2023

Concerning the coffee sector, support to the three cooperatives mentioned above will be maintained at various levels. A special effort will be made to support the Tumaini cooperative. Thanks to specific funding from the Gillès Foundation, the steps to obtain the Fairtrade label have been initiated.

As far as its needs are concerned, Comequi is fortunate to be able to count on the precious help of its partners such as Texaf to cover the costs inherent in the running of the association on the ground. However, it will have to be creative when it comes to exceptional costs, which are more related to the replacement or purchase of equipment (tractors, dugouts, etc.).

ANNUAL ACCOUNTS

04

IFRS consolidated financial statements on December 31, 2022

Consolidated balance sheet

(in thousands of euros)

	Note	31/12/2020	31/12/2021	31/12/2022
ASSETS				
Non-current assets				
Property, plant and equipment	6	8,225	8,631	8,362
Investment property	7	107,211	106,605	119,608
Intangibles	8	6	2	8
Other non-current financial assets	10	432	1,307	2,422
Other assets recognized as rights of use	11	84	33	154
		115,957	**116,579**	**130,554**
Current assets				
Assets held for sale	12	-	5,207	5,219
Inventory	12	4,346	4,622	4,552
Clients and other debtors	12	897	952	678
Tax assets	12	558	1,602	2,059
Cash and cash equivalents	12	6,979	5,933	5,462
Other current assets	12	145	267	417
		12,927	**18,583**	**18,388**
Total assets		**128,884**	**135,162**	**148,942**
EQUITY				
Capital and reserves allocated to shareholders of the parent company				
Share capital	13	23,398	25,497	25,497
Reserves		76,055	77,075	80,783
		99,453	102,572	106,280
Minority interests		384	391	412
Total equity		**99,837**	**102,963**	**106,692**
LIABILITIES				
Non-current liabilities				
Bank loans	14	773	1,810	9,658
Post-employment benefits liabilities	16	1,025	1,179	1,304
Deferred tax liabilities	17	12,806	14,200	12,292
Other non-current liabilities		4,136	4,542	4,976
		18,740	**21,731**	**28,231**
Current liabilities				
Bank loans	14	1,196	966	2,151
Suppliers and other current creditors	18	4,831	5,387	8,202
Other current liabilities		4,280	4,116	3,666
		10,307	**10,469**	**14,020**
Total liabilities		**29,047**	**32,199**	**42,251**
Total liabilities and equity		**128,884**	**135,162**	**148,942**

The notes constitute an integral part of the consolidated financial statements

Consolidated financial statements

(in thousands of euros)	Note	Year closed on 31/12/2020		Year closed on 31/12/2021		Year closed on 31/12/2022	
Revenue from ordinary activities	*20*	21,868		22,727		27,432	
Operating charges		(17,148)		(16,830)		(20,893)	
Raw materials and consumables			*(1,358)*		*(1,963)*		*(2,627)*
Changes in inventory			*(216)*		*286*		*(138)*
Payroll expenses	*21*		*(3,144)*		*(3,627)*		*(4,790)*
Depreciation allocation	*22*		*(3,801)*		*(3,649)*		*(4,218)*
Impairments	*23*		*(1,639)*		*(19)*		*(150)*
Other operating charges	*24*		*(6,772)*		*(7,824)*		*(9,131)*
Exchange differences			*(217)*		*(34)*		*162*
Other operating income	*25*	1,425		2,055		2,043	
Capital gain on non-current assets		0		4		10	
Operating result		**6,146**		**7,956**		**8,592**	
Financial expenses	*27*	(136)		(56)		(18)	
Financial income		98		22		0	
Result before tax		**6,108**		**7,922**		**8,574**	
Current taxes	*28*	(1,502)		(1,467)		(2,325)	
Result before deferred taxes		**4,606**		**6,454**		**6,248**	
Deferred taxes	*17*	(25)		(1,242)		2,118	
Net result for the year		**4,581**		**5,212**		**8,366**	
Allocated to:							
Shareholders of the parent company		*4,570*		*5,206*		*8,352*	
Minority interests		*11*		*7*		*14*	
		4,581		*5,212*		*8,366*	
Result per share: result allocated to shareholders of the parent company (in euro per share based on the weighted average number of shares)	*28*						
– basis		1.27		1.42		2.28	
– diluted		1.27		1.42		2.28	

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

Consolidated income statement

(in thousands of euros)	Year closed on 31/12/2020	Year closed on 31/12/2021	Year closed on 31/12/2022
Result for the financial year	4,581	5,212	8,366
Variations in exchange translation differences	6	-	-
Variations (after tax) in revaluation reserves	-	419	498
Actuarial changes (after tax) to post-employment liabilities	(55)	29	103
Comprehensive result	**4,532**	**5,660**	**8,967**
Allocated to:			
Shareholders of the parent company	*4,522*	*5,653*	*8,952*
Minority interests	*10*	*7*	*15*
	4,532	*5,660*	*8,967*

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, 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	-	-	(55)	-	6	0	(50)
Changes to scope	1,890	-	-	-	-	-	1,890
Increase in capital	-	-	(13)	6	-	7	0
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	2,099	-	-	-	-	-	2,099
Increase in capital	-	-	-	-	-	-	0
Dividend distributed	-	-	(4,633)	-	-	-	(4,633)
Balance on December 31, 2021	25,497	0	72,033	4,981	62	391	**102,963**
Income for the financial year 2022	-	-	8,352	-	-	14	8,366
Other items of the comprehensive income	-	-	102	498	-	0	601
Changes to scope	-	-	-	-	-	-	0
Increase in capital	-	-	(13)	6	0	7	0
Dividend distributed	-	-	(5,238)	-	-	-	(5,238)
Balance on December 31, 2022	25,497	0	75,236	5,485	62	412	**106,692**

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.

CHANGES **2022**

There was a positive actuarial change net of tax to post¬employment liabilities of EUR 103 k (gross EUR 147 k, tax EUR 44 k) (notes 16 and 17). This amount is included in the comprehensive result.

The positive change of EUR 498 k (gross EUR 664 k EUR, tax 166 k EUR) in the revaluation reserves is due to the unrealized capital gain on the stake in the Partech Africa fund. This amount is included in the comprehensive result. The distributed dividend of EUR 5,238 k concerns the result for the financial year 2021.

Consolidated statement of cash flows

(in thousands of euros)	Note	Year closed on 31/12/2020	Year closed on 31/12/2021	Year closed on 31/12/2022
Cash and cash equivalents and bank overdrafts at opening		**8.767**	**6.979**	**5.933**
Cash flow from operating activities				
Cash from operations	31	10,131	11,149	15,540
Interest paid	27	(136)	(56)	(18)
Interest received		98	22	-
Income tax	28	(1,502)	(1,467)	(2,325)
		8,591	**9,648**	**13,196**
Cash flow from investment activities				
Acquisition of intangible assets		0	0	(6)
Acquisition of property, plant and equipment and investment property	6 and 7	(5,694)	(8,625)	(16,963)
Income from the disposal of property, plant and equipment and investment property	6 and 7	0	26	10
Reduction (increase) in other financial assets		(128)	(317)	(451)
		(5,822)	**(8,916)**	**(17,409)**
Cash flow from financing activities				
Increase in capital of parent company (*)		-	-	-
Dividends to shareholders of the parent company	39	(2,214)	(2,535)	(5,238)
Increase in loans	14	0	1,520	10,000
Repayment of loans	14	(2,294)	(713)	(966)
Repayment of rental contracts		(50)	(51)	(53)
		(4,557)	**(1,779)**	**3,743**
(Decrease)/increase in cash and cash equivalents and bank overdrafts		**(1,788)**	**(1,047)**	**(470)**
Split of Imbakin				
Cash and cash equivalents and bank overdrafts at closing		**6,979**	**5,933**	**5,462**
Of which TEXAF SA		*2,108*	*819*	*625*

The notes constitute an integral part of the consolidated financial statements.
* 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, 2023 and the IFRS accounts (including the appendices) were adopted by the Board of Directors on March 29, 2023. 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 2022.

The accounting policies used are in continuity with those used to prepare the financial statements on December 31, 2021.

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, 2022, but the changes are not significant or relevant to the TEXAF 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)

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, 2022. The TEXAF Group did not adopt them early, but analyzed the impact on the consolidated financial statements of the Group.

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (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 and Non- current Liabilities with Covenants (applicable for annual periods beginning on or after 1 January 2024, 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)

- 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)

- 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)

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1 January 2024, 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 2023.

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

2. CONSOLIDATION SCOPE

On December 31, 2022 the Group is made up of TEXAF SA and a set of subsidiaries and associates, totalling eight entities registered in Belgium or the Democratic Republic of Congo (DRC).

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

CONGOTEX (in liquidation) is still recognized proportionally. .

1. FULLY CONSOLIDATED COMPANIES						
Company	**City**	**Activity**	**Functional currency**	**% net financial stake on December 31, 2020**	**% net financial stake on December 31, 2021**	**% net financial stake on December 31, 2022**
Anagest	Brussels	Holding	EUR	98.90%	98.90%	98.90%
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	95.07%	95.07%	95.66%
Texaf Digital	Kinshasa	Digital	USD			100.00%
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, 2020**	**% net financial stake on December 31, 2021**	**% net financial stake on December 31, 2022**
Congotex en 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

a. Risks relating to the real estate activity

i. 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.

ii. 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.

iii. 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.

iv. 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.

v. Accidents

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

b. Risks relating to the quarry activity

i. 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.

ii. 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.

iii. 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.

iv. 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.

c. Risks related to investments in the digital segment

i. 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.

ii. 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

a. 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.

b. 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.

c. 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.

3.4 POLITICAL, LEGAL AND REGULATORY RISKS

a. 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.

b. 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.

c. 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.

d. 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.

e. 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

a. 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 10,912 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 2021 and 2022.

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, 2022, this (gross) receivable was EUR 1.699 k.

The sensitivity to a euro/dollar exchange rate fluctuation is therefore as follows:
- Income before tax: EUR -33,032 per dollar percentage point rise
- Investment cost: EUR -139,160 per dollar percentage point rise
- Cash flow from operating activities and investments: EUR -173,392 per dollar percentage point rise
- Result after tax and equity: EUR -22,121 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 -16,990 per Congolese franc percentage point fall
Result after tax and equity: EUR -11,893 per Congolese franc percentage point fall.

These sensitivities are linear and symmetrical. They are based on the balance sheet situation on December 31, 2022, 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, 2022. These are short-term assets and liabilities only.

Assets in USD	3,434 k EUR	Liabilities in USD	3,680 k EUR
Assets in CDF	2,549 k EUR	Liabilities in CDF	1,074 k EUR

b. Interest risks

All bank loans are in euros at a fixed rate. On the other hand, cash and cash equivalents, which were EUR 5,462 k on December 31, 2022, 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 +54,620 on an annual basis on the result before tax and cash flows and EUR +38,234 on the result after tax and equity. This impact is linear and only applies to the short term.

c. 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 14.

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.

d. 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 2020, 2021 and 2022, 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.

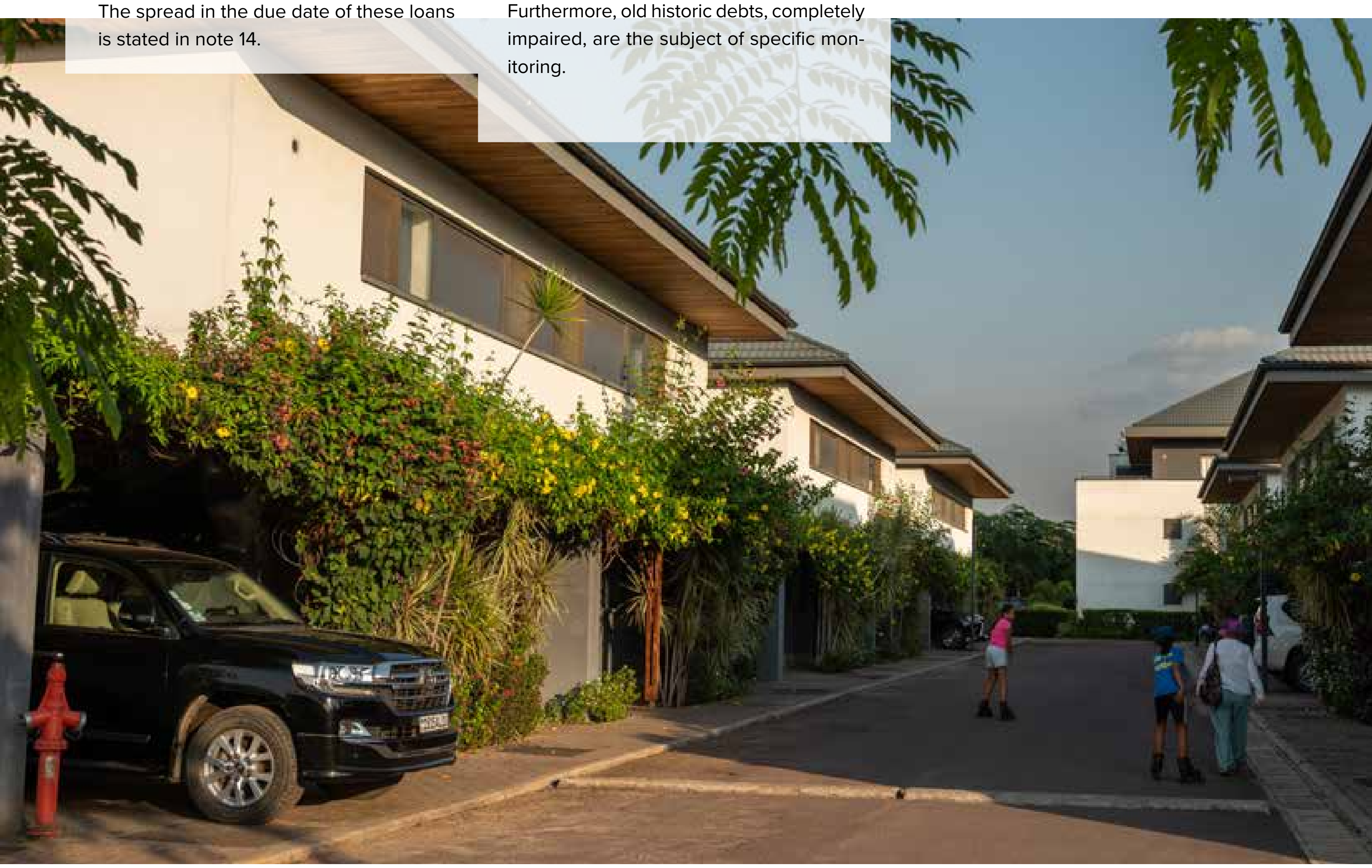
The net value of client receivables at the end of 2022 was EUR 442 k, including EUR 151 k in receivables more than 120 days due, some of which are covered by rental guarantees or corresponding debts. The age balance of client debts is stated in note 12.

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

a write-down of EUR 228 k in 2020, a write-down of 6 k EUR in 2021 and a write-down of 159 k EUR in 2022.

3.6 UKRAINE WAR RELATED RISKS

The Group is only indirectly affected by the war in Ukraine, through inflation of construction materials that significatively increases the cost of new developments, however without preventing to get an attractive return.



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.

(A) 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.

(B) 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, nor in 2022. The measurement of these assets, together with a sensitivity analysis of the calculation assumptions, is detailed in notes 6 and 7.

(C) 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.

(D) 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.

(E) 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.

(F) 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. As part of that inventory was under water, the external measurement could not be exploited in 2022 and a prudent valuation has been booked based on the production and the deliveries during the year.

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. 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.

Results 2022	Holding	Real estate	Textile	Digital	Quarries	Intercompany eliminations	Consolidated
Revenue from ordinary activities		22,083			5,349		27,432
Other operating income		1,921		54	126	(48)	2,053
Operating charges	(1,290)	(14,193)		(497)	(4,807)	48	(20,739)
of which payroll expenses	*(169)*	*(3,025)*		(339)	*(1,256)*		*(4,790)*
of which depreciations	*(53)*	*(3,699)*			*(467)*		*(4,218)*
of which impairments	*0*	*(149)*			*18*		*(131)*
Non-recurring items	*0*	*(154)*			*0*		(154)
Operating result	**(1,290)**	**9,656**	**0**	**(443)**	**668**	**0**	**8,592**
Financial result	579	(976)			379	0	**(18)**
Result before tax on the result	**(711)**	**8,680**	**0**	**(443)**	**1,047**	**0**	**8,574**
Current taxes	(124)	(1,794)			(407)		**(2,325)**
Result before deferred taxes	**(835)**	**6,886**	**0**	**(443)**	**640**	**0**	**6,248**
Deferred taxes	*174*	*1,824*			*119*		**2,118**
Result for the financial year	**(661)**	**8,711**	**0**	**(443)**	**759**	**0**	**8,366**

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 469 k (EUR 532 k in 2021) and various fees (including audit, lawyers and stock market listing) of EUR 312 k (EUR 251 k in 2021).

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 2020 and 2021 are presented below.

Results 2021	Holding	Real estate	Textile	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**	**0**	**(167)**	**236**	**0**	**7,956**
Financial result	586	(1,011)			390	0	**(34)**
Result before tax on the result	**(595)**	**8,058**	**0**	**(167)**	**625**	**0**	**7,922**
Current taxes	(3)	(1,220)			(244)		**(1,467)**
Result before deferred taxes	**(598)**	**6,838**	**0**	**(167)**	**381**	**0**	**6,454**
Deferred taxes	*167*	*(1,479)*			*70*		**(1,242)**
Result for the financial year	**(431)**	**5,359**	**0**	**(167)**	**452**	**0**	**5,212**

Résultats 2020	Holding	Real estate	Textile	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**	**0**	**(187)**	**(1,339)**	**0**	**6,146**
Financial result	618	(1,035)			379	0	**(38)**
Result before tax on the result	**(357)**	**7,613**	**0**	**(187)**	**(961)**	**0**	**6,108**
Current taxes	(23)	(1,410)			(68)		**(1,502)**
Result before deferred taxes	**(380)**	**6,203**	**0**	**(187)**	**(1,029)**	**0**	**4,606**
Deferred taxes	*161*	*(598)*			*412*		**(25)**
Result for the financial year	**(219)**	**5,605**	**0**	**(187)**	**(617)**	**0**	**4,581**

Segment assets and liabilities on December 31, 2022	**Holding**	**Real estate**	**Digital**	**Quarries**	**Intercompany eliminations**	**Consolidated**
Property, plant and equipment	197	2,135		6,030		8,362
Intangible and financial assets		85	2,274	71		2,430
Investment property		119,608				119,608
Other segment assets	14,645	13,834	594	15,461	(25,994)	18,541
Total assets	**14,843**	**135,662**	**2,868**	**21,562**	**(25,994)**	**148,940**
Bank loans		11,810				11,810
Deferred taxes	1,475	9,200	296	1,321		12,292
Other segment liabilities	1,350	41,306		1,484	(25,994)	18,146
Total liabilities (excluding equity)	**2,826**	**62,316**	**296**	**2,805**	**(25,994)**	**42,249**
Acquisitions of assets		**17,121**	**451**	**268**		**17,414**

- 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 loans by CARRIGRES, TEXAF and TEXAF DIGITAL to UTEXAFRICA.

In comparison, the table below details the segment assets and liabilities on December 31, 2020 and 2021, as well as the acquisitions of assets in the financial year ended on this date.

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**

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**

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, 2019								
Cost	15,102		5,770	547	2,476	693	3	24,591
Combined amortization	(6,518)		(5,397)	(456)	(2,028)	(415)		(14,814)
Net carrying amount	8,584	-	373	91	448	278	3	9,777
Changes in the financial year 2020								
Acquisitions		132	51		70			253
First consolidation (net)								
Disposals								
Reallocations								
Depreciation allocation	(149)		(112)	(25)	(149)	(70)		(505)
Value adjustment	(1,300)							(1,300)
Other								
Changes in the period	(1,449)	132	(61)	(25)	(79)	(70)		(1,552)
On December 31, 2020								
Cost	15,102	132	5,821	547	2,546	693	3	24,845
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								
Other								
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
Changes in the financial year 2022								
Acquisitions	293		273	106	227			900
First consolidation (net)								
Disposals								
Reallocations	(439)							(439)
Depreciation allocation	(104)		(357)	(57)	(189)	(23)		(730)
Value adjustment								
Other								
Changes in the period	(250)		(84)	49	38	(23)		(269)
On December 31, 2022								
Cost	14,995		6,765	729	3,065	693	3	26,250
Combined amortization	(8,208)		(6,077)	(501)	(2,524)	(578)		(17,888)
Net carrying amount	6,786		688	227	541	116	3	8,362

Land and buildings includes EUR 4,302 k (net of EUR 7,233 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 nine financial years 2014 to 2022, the quarry produced 2.24 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 4,302 k on December 31, 2022. 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 2009-2022 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, nor in 2022. 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%	1,233,651 €	3,054,608 €	4,875,564 €	6,696,521 €	8,517,478 €
	14%	1,268,819 €	2,751,119 €	4,233,420 €	5,715,720 €	7,198,020 €
	16%	1,285,004 €	2,518,213 €	3,751,422 €	4,984,631 €	6,217,840 €
Net book value on 31-12-22			4,302,158 €			
Average sale price 2009-2021			14.53 €			
Average sale price 2022			14.05 €			
		Value of the deposit				
Scenario 1	Average sales price 2022	4,004,155 €				
Scenario 2	Adjusted product mix	11,886,122 €				
Scenario 3	Average 2009-22	4,700,717 €				
Average		6,863,665 €				

7. INVESTMENT PROPERTY

	Land	Assets under construction	Other Investment property	Total
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**
Changes in the financial year 2022				
Acquisitions		15,411	652	16,062
Disposals/Withdrawals				0
Reallocation	145	(450)	693	388
Reallocation of assets held for sale			(12)	(12)
Depreciation allocation		(53)	(3,382)	(3,435)
Value adjustment				0
Changes in the period	145	14,907	(2,049)	13,003
At December 31, 2022				
Cost	47,040	19,566	95,721	162,327
Combined amortization and depreciation		(53)	(42,666)	(42,719)
Net carrying amount	**47,040**	**19,513**	**53,055**	**119,608**

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 2024 and 2041. Renewal is inexpensive. The Group has no assets held on lease.

In 2022, the investment property generated rental revenue of EUR 22,083 k and direct costs (mainly maintenance and repair) of EUR 1,599 k.

On December 31, 2022, property worth EUR 693 k in book value was pledged to banks (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[1].

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.

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 latest version of the Knight Frank Africa Report 2022/23 no longer includes the yields required by investors for the Kinshasa market. However, the average of the markets that are actually included in the study[2] and that had the same yields as Kinshasa in 2020/21 is still 10% for offices and 8% for residential.

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.

1 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.”

2 Blantyre, Dakar, Tunis, Kampala, Lusaka and Harare

KINSHASA PRIME RENTS AND YIELDS
(Source: Knight Frank LLP, Africa Report 2020/21)

	Prime rents: USD/m^2/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/m^2 (EUR 436/m^2), 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 m^2 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/m^2 (USD 1,100/m^2). In 2022, TEXAF has agreed with OADC to sell the land for the data centre at 1,000 USD/m^2. Transactions in the municipality of Gombe, close to the compound, were completed at USD 1,000/m^2.

The company obtained an independent local assessment at the beginning of 2018, valuing the COTEX sites at USD 1,012/m^2. 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/m^2.

The Board of Directors cautiously maintained the price of 650 EUR/m^2 used since 2017 as a reasonable fair value for downtown sites.

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

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

VALUATION OF DEVELOPED AREAS

Each building is allocated a condition co-efficient from 1 (New or completely renovated) to 4 (Run-down). The fair value of the investment properties in the table below is estimated on the basis of their yield value, taking into account the contractual rents and the yield rate of 9.12%, 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)	9.6			**9.6**
Land with old buildings in good state (category 2 development)	12.3			**12.3**
Land with buildings that require renovation (category 3 development)	11.3	0.1		**11.4**
Land with buildings in poor state (category 4 development)	2.3	2.5		**4.8**
Total developed land	**35.4**	**2.7**	**0.0**	**38.1**
Grand total	**60.4**	**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)	12.9	9.12%	140.7	NA		**140.7**
Land with old buildings in good state (category 2 development)	6.9	9.12%	75.8	NA		**75.8**
Land with buildings that require renovation (category 3 development)	2.8	NA		650.0	73.6	**73.6**
Land with buildings in poor state (category 4 development)	0.9	NA		650.0	15.8	**15.8**
Total developed land	23.5		216.5		89.4	**305.9**
Grand total					**184.1**	**400.6**

CONCLUSIONS

Based on these assumptions, the gross fair value of investment property on December 31, 2022 is EUR 401 m (EUR 314 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 120 m (or EUR 108 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 401 m, varies as follows, based on the two main parameters - the required yield and the value per square meter in downtown Kinshasa.

Estimated value (eur M):

Yield	Value of the land par m2 in center of town		
	€ 450	**€ 650**	**€ 850**
8%	380	432	484
10%	330	383	435
12%	297	350	402

8. INTANGIBLES

This is accounting and management software 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, 2022 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, 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
Changes 2022			
New investments	420	31	451
Repayments			
Impairment	664		664
On December 31, 2022			
Gross value	1,902	876	2,778
Combined impairments	372	(727)	(356)
Net carrying amount	2274	148	2,422

- The net value of the shares and loans (EUR 2,422 k) is made up of the released part of the investment in the Partech Africa fund and of advance payments on the creation of OADC Texaf Digital (DRC), the data centre joint-venture.

- 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, 2022 is made up of deposits and guarantees.

- The fair value of the other non-current financial assets on December 31, 2022, December 31, 2021 and December 31, 2020 is close to their net book value on these dates.

11. OTHER ASSETS RECOGNIZED AS RIGHTS OF USE

Op de balans	Assets recognized as rights of use	Deferred tax assets	Debt to lessors payable in more than 12 months	Debt to lessors payable in 12 months or less
On December 31, 2019	**136**	**1**	**79**	**56**
Depreciations	-53			
Effective payment of rent			-53	
Discount factor	-1		-1	
Deferred tax on the difference with the actual rent		-0		
On December 31, 2020	**82**	**0**	**25**	**56**
Depreciations	-53			
Effective payment of rent				-53
Transfer			-27	27
Discount factor	2		2	
Deferred tax on the difference with the actual rent		1		
On December 31, 2021	**31**	**1**	**0**	**30**
New contract	173		173	
Depreciations	-50			
Effective payment of rent				-51
Transfer			-82	82
Discount factor			3	
Deferred tax on the difference with the actual rent		-0		
On December 31, 2022	**154**	**0**	**95**	**61**

In the income statement	2020	2021	2022
Depreciations	-53	-53	-50
Reversal of payment of rent	53	0	51
Financial charge	1	-2	-3
Deferred tax on the difference with the actual rent	-0	1	-0
Impact on the period's result	**1**	**-54**	**-2**

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

	31/12/2020	31/12/2021	31/12/2022
Assets held for sale			
Buildings held for sale (gross value)	0	5,381	5,393
Depreciations		(174)	(174)
Net value	**0**	**5,207**	**5,219**
Inventory			
Spare parts – Gross value	2,394	2,695	2,868
Spare parts – Impairment	(269)	(279)	(262)
Finished products – Gross value	2,167	2,154	1,667
Finished products – Impairments	-	-	-
Other stocks – Gross value	54	52	280
Other stocks – Impairment	-	-	-
Net value	**4,346**	**4,622**	**4,552**
Clients			
Clients – Gross value	1,267	1,326	1,157
Clients – Impairments	(561)	(570)	(715)
Net value	**706**	**757**	**442**
Other debtors			
Other debtors – Gross value	376	379	428
Other debtors – Impairment	(184)	(184)	(192)
Net value	**192**	**195**	**236**
Tax assets	**558**	**1,602**	**2,059**
Cash and cash equivalents			
Cash at bank	39	-	-
Bank balances	3,785	4,133	5,462
Short-term accounts	3,155	1,800	1
Net value	**6,979**	**5,933**	**5,463**
Other current assets			
Charges to be carried forward	17	17	19
Income acquired	128	250	398
Net value	**145**	**267**	**417**

- 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:

[IN K EUR]	Gross value	Loss of value	Net value
0-60 days	207,493		207,493
60-120 days	88,563	-5,056	83,508
> 120 days	860,814	(709,749)	151,064
Total	**1,156,870**	**(714,805)**	**442,065**

[IN K EUR]	Clients receivables	Turnover	% Receivables on Turnover
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, 2021, gross value	1,326		
Impairments	(570)		
Net value	**757**	22,727	3.3%
Increase of provisions	(162)		
Decrease of provisions	3		
On December 31, 2022, gross value	1,157		
Impairments	(715)		
Net value	**442**	27,432	1.6%

Client debtor provisions

	2020	2021	2022
Clients and other debtors	705	757	442
Clients – gross value	1,267	1,326	1,157
Clients – impairments	(562)	(570)	(715)
Net value	**705**	**757**	**442**

- 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 2,868 k. The net value of the clients includes EUR 151 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 1,699 k.

- The fair value of clients, other debtors and other current assets on December 31, 2022, December 31, 2021 and December 31, 2020 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
Changes in the financial year 2022	0
Number of shares on December 31, 2022	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

	31/12/2020	31/12/2021	31/12/2022	Variations monétaires	Variations non monétaires
Non-current					
Guarantees and deposits received	3,813	4,371	4,853	482	0
Debt to lessors payable in more than 12 months	34	0	95	95	0
Other non-current debts	289	171	28	-143	0
Bank loans	773	1,810	9,658	7,849	0
	4,909	6,352	14,635	8,283	0
Current					
Bank loans	1,196	966	2,151	1,185	0
Debt to lessors payable in less than 12 months	56	35	61	26	0
	1,252	1,001	2,212	1,211	0
Total borrowings and other financial liabilities	**6,161**	**7,353**	**16,846**	9,494	**0**
Next due date:					
Less than one year	1,252	1,001	2,212	1,211	0
1-5 years	4,909	6,352	14,635	8,283	0
	6,161	**7,353**	**16,846**	9,494	**0**
Depending on currency					
Euro	6,161	7,353	16,846	9,494	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.

- In 2022, IMMOTEX agreed a EUR 8,000 k loan with a Congolese bank at a rate of 5.50%, repayable in 60 monthly instalments beginning in May 2023.

- The guarantees and deposits received concern rental guarantees deposited by clients and performance bonds deducted from the invoices of building contractors.

- The fair value of the guarantees received cannot be determined with precision, as the contracts are open ended. The fair value of the current and non-current bank loans is close to their book value, as the impact of the conversion to current value is negligible.

15. NET FINANCIAL DEBT

(in k EUR)	Note	31/12/2020	31/12/2021	31/12/2022
Bank debt	14	1,969	2,776	11,810
Payable to Imbakin	34	371	341	342
Cash investments	10	-6,979	-5,933	-5,462
Net financial debt		**-4,639**	**-2,816**	**6,690**

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

16. PENSION LIABILITIES AND SIMILAR BENEFITS

	31/12/2020	31/12/2021	31/12/2022
Liabilities recorded on the balance sheet under:			
Post-employment pension and medical payments	**1.025**	**1.179**	**1.304**
Changes in the financial year:			
Credited to the income statement	(66)	195	272
Change of actuarial assumptions debited in equity	79	(41)	(147)
	13	154	125
Discounted value of unfunded liabilities	1.025	1.179	1.304
	2020	**2021**	**2022**
Cost of services rendered	(66)	195	272
Net actuarial loss recognized during the financial year	79	(41)	(147)
Losses linked to the reduction of pension plans	-	-	-
Total amount included in the costs relating to employee benefits	13	154	125
The main actuarial assumptions used are as follows:	**31/12/2020**	**31/12/2021**	**31/12/2022**
Discount rate	1,7%	1,9%	4,0%
Future rate of salary raises	3,0%	3,0%	4,6%
Inflation rate			

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 (3.96%) and the rate at which salaries rise (4.62%) 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 1,304 k provision to the actuarial assumptions is stated in the table below:

PROVISION FOR POST-EMPLOYMENT LIABILITIES (IN EUR K)

Discount rate in USD	Nominal rate of salary raises in USD			
	2%	3%	4%	5%
1%	1,377	1,584	1,838	2,153
2%	1,207	1,374	1,578	1,828
3%	1,068	1,205	1,371	1,572
4%	955	1,069	1,204	1,368

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.

		31/12/2020	31/12/2021	31/12/2022
Deferred tax liabilities recoverable in more than 12 months		12,806	14,200	12,292
Deferred tax assets reallocated to liabilities recoverable in less than 12 months	-	-	-	-
		12,806	14,200	12,292

The gross change to deferred taxes is shown below:			
On December 31, 2019	**12,805**	**12,805**	**12,805**
Deferred taxes on actuarial changes reallocated to equity	(24)	(24)	(24)
Other tax charged to the income statement under “Deferred taxes”	25	25	25
On December 31, 2020	**12,806**	**12,806**	**12,806**
Deferred taxes on actuarial changes reallocated to equity		12	12
Deferred taxes on changes to revaluation reserves		140	140
Other tax charged to the income statement under “Deferred taxes”		1,242	1,242
On December 31, 2021		**14,200**	**14,200**
Deferred taxes on actuarial changes reallocated to equity			44
Deferred taxes on changes to revaluation reserves			166
Other tax charged to the income statement under “Deferred taxes”			(2,118)
On December 31, 2022			**12,292**

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, 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**
Transfer from one item to another				0
Debited from (credited to) the income statement 2022	(1,862)	(174)		(2,036)
On December 31, 2022	**10,912**	**1,475**	**0**	**12,388**

Deferred tax assets	Tax losses	Post-employment benefits	Other	Total
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)**
Recognized in other items of the comprehensive result	-	44	166	210
Credited to the income statement 2022		(82)	0	(82)
On December 31, 2022	**-**	**(391)**	**296**	**(95)**

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 10,912 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 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. In 2022, this provision was decreased by 1,862 k EUR due to the decrease of the EUR against the CDF. This provision may be increased in the future if the EUR/CDF exchange rate and the tax remeasurement coefficient diverge.

For the rest (EUR 1,475 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 3,676 k of passive tax latency on December 31, 2022). 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, 2022).

Furthermore, the deferred tax assets not recognized on the balance sheet are EUR 92 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

	31/12/2020	31/12/2021	31/12/2022
Suppliers	1,419	1,290	3,922
VAT and other tax to be paid	2,957	3,652	3,841
Employee pay, social contributions and similar	37	9	48
Other creditors	418	435	391
	4,831	**5,387**	**8,202**

19. FINANCIAL INSTRUMENTS

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

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

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

- The financial assets classified as “Loans and receivables” under IAS 39, such as non-current liabilities, commercial receivables, cash and cash equivalents are classified and measured at amortized cost under IFRS 9.

- Financial assets, such as stakes in unlisted companies, classified as “Available-for-sale financial assets”, such as the other financial assets (shares) under IAS 39 are designated as being measured at fair value through the other items of the comprehensive income.

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

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

Financial instruments 31 12.2022	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	2,274		2,274	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		148	148	Level 2	Financial assets at amortized cost
Term deposits					Financial assets at amortized cost
Other receivables at amortized cost		2,712	2,712	Level 2	Financial assets at amortized cost
Other financial assets					
Non-current commercial receivables*					Financial assets at amortized cost
Current commercial receivables		442	442	Level 2	Financial assets at amortized cost
Cash and cash equivalents		5,463	5,463	Level 2	Financial assets at amortized cost
TOTAL	**2,274**	**8,765**	**11,039**		
Financial liabilities					
Loans					
Bank loans		11,810	11,810	Level 2	Financial liabilities at amortized cost
Bank overdrafts					Financial liabilities at amortized cost
Financing rental debts		61	61		Financial liabilities at amortized cost
Other financial liabilities		12,768	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		3,922	3,922	Level 2	Financial liabilities at amortized cost
Liabilities to related parties					Financial liabilities at amortized cost
TOTAL		**28,560**	**25,835**		

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 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

	31/12/2020	31/12/2021	31/12/2022
Sales of goods	2,547	2,894	5,347
Rental income	19,321	19,832	22,085
	21,868	**22,727**	**27,432**

QUARRIES

- The sale of property concerns the turnover of CARRIGRES.

- CARRIGRES has two clients that account for more than 10% of its tonnage sold each. The five biggest clients account for 58% of deliveries and the ten biggest for 69%

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	
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 23% of turnover and the ten biggest for 35% of turnover.

- The annual rental value of the rented properties is EUR 22 m.

21. PAYROLL EXPENSES

	31/12/2020	31/12/2021	31/12/2022
Wages, salaries and social benefits	3,611	3,865	4,944
Capitalized charges	(401)	(433)	(427)
Pension costs (defined benefit plan)	(66)	195	272
	3,144	**3,627**	**4,790**

The Group employs 234 people (193 in 2021).

22. DEPRECIATION ALLOCATION

The amortization allocation concerns intangible assets (EUR 1 k), property, plant and equipment (EUR 730 k) (see note 6), investment property (EUR 3,435 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, 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
Depreciation based on production .... (122) k EUR
Value at December 31, 2022 .... 4.302 k EUR

Write-downs, net of reversals, on stocks of EUR 92 k in 2020 and EUR 23 k 2021 were also recognized, while there was a net reversal of 17 k EUR in 2022.

(b) Financial assets
In 2020, 2021 and 2022, write-downs, net of reversals, on commercial receivables of respectively EUR 228 k, EUR 8 k and EUR 159 k EUR were also recognized.

24. OTHER OPERATING CHARGES

	31/12/2020	31/12/2021	31/12/2022
Rental expenses	32	23	(18)
Maintenance and repairs (subcontracted)	1,107	1,415	1,591
Fuel and lubricants	37	58	31
Water	223	194	280
Electricity	601	774	836
Office supplies	46	72	80
Communication costs	82	76	111
Third party fees and remuneration	1,782	2,127	2,383
Transport costs (rebilled)	41	50	89
Insurance	76	126	142
Travel costs	113	202	184
Advertising and representation costs	340	373	291
Directors	242	553	551
Tax	1,403	1,386	1,626
Various	646	397	953
	6,772	**7,824**	**9,131**

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

Taxes include Congolese tax on the rental revenue of TEXAF SA of EUR 912 k in 2022.
This tax is levied on gross revenue rather than the resulting profit.

25. OTHER OPERATING INCOME

	31/12/2020	31/12/2021	31/12/2022
Restaurant - pool house	261	487	490
Rebilling water, power, various expenses	920	1,105	1,212
Various	245	463	341
	1,425	**2,055**	**2,043**

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

26. NON-RECURRING OPERATING ITEMS

- The non-recurring operating items are income or expenses related to the operating activity of the Group that are uncommon, that is to say, they do not occur every year. Since 2017, these are limited to 1. gains or losses on disposal of non-current assets, 2. allocations to (or reversals of) write-downs on non-current assets and 3. costs relating to major restructuring, purchase or disposal of an activity (such as redundancy costs, plant closure and commissions paid to third parties to acquire or dispose of an activity).

- For the financial year ended on December 31, 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 years ended on December 31, 2021 and 2022, the only non-recurring expenditure are additional costs linked to the fire of August 7, 2020 (45 k EUR in 2021 and 154 k EUR in 2022).

27. FINANCIAL EXPENSES

	31/12/2020	31/12/2021	31/12/2022
Interest expense	243	127	278
Capitalized interest expenses	(106)	(71)	-2600
	136	**56**	**18**

From 2020, the exchange differences are recognized in operating income. In 2020, these were net losses for 224 k EUR.

28. INCOME TAX

(IN k EUR)	2020	2021	2022
Current taxes	(1.502)	(1.467)	(2.325)
Deferred taxes (Note 17)	(25)	(1.242)	2.118
	(1.527)	**(2.709)**	**(207)**

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.

In 2022, deferred taxes decreased by 2,118 k EUR, mainly (to the tune of 1,862 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)	2020	2021	2022
Tax expense based on the tax rate applicable to the parent company	**(1,527)**	**(1,980)**	**(2,143)**
Result before tax	6,108	7,922	8,574
Applicable tax rate	**25.00%**	**25.00%**	**25.00%**
Reconciliation items	**633**	**619**	**2**
Impact of the rates in other jurisdictions	(211)	(303)	(335)
Change in tax rate	0	0	0
Impact of deductible notional interest	0	0	0
Impact of non-taxable revenue	1.005	1.004	563
Impact of non-deductible expenses	(231)	(141)	(204)
Impact of used tax losses	80		
Impact of tax liabilities not recognized during the financial year	(10)	58	(86)
Impact of tax liabilities recognized during the financial year	0	0	44
Other	0	0	20
Tax expense based on the effective tax rate	**(894)**	**(1.362)**	**(2.141)**
Result before tax	6,108	7,922	8,574
Effective tax rate	***14.64%***	***17.19%***	***24.98%***
Adjustments to tax due in previous years	(99)	(1)	(44)
Adjustments to deferred taxes	(534)	(1,347)	1,978
Total taxes	**(1,527)**	**(2,709)**	**(207)**

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).

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)	31/12/2020	31/12/2021	31/12/2022
Net profit to shareholders of the parent company (in thousands of euros)	4,570	5,206	8,352
Weighted average number of ordinary shares in circulation	3,603,536	3,666,556	3,666,556
Basic result per share (EUR per share)	**1.27**	**1.42**	**2.28**

30. DIVIDEND PER SHARE

The net dividend of EUR 1.10 (gross EUR 1.57143) per share proposed to the General Meeting of May 9, 2023 to be charged to the financial year closed on December 31, 2022, representing a total distribution of EUR 5,762 k, is not recognized as a liability in the financial statements on December 31, 2022, in accordance with IFRS.

The dividend proposed for the financial year 2021 (a total of EUR 5,238 k) was approved by the General Meeting of May 10, 2022 and paid in 2022. This dividend was therefore no longer part of equity on December 31, 2022.

31. CASH FROM OPERATIONS

	Notes	31/12/2020	31/12/2021	31/12/2022
Result of the period		**4,581**	**5,212**	**8,366**
Adjustments				
– Tax	27	1,527	2,709	207
– Amortization of intangible assets		3	4	0
– Depreciation of property, plant and equipment	7	505	624	730
– Amortization of assets recognized as rights of use		50	50	53
– Depreciation of investment property	8	3,243	2,971	3,435
– Adjustment of depreciation of investment property	8	-	-	-
– Adjustment of valuation of non-current assets		1,300		
– Losses on assets and liabilities		-	-	-
– Loss / (profit) on disposal of non-current assets		-	(4)	(10)
– Losses (profits) on abandoned activities		-	-	-
– Net changes to provisions for other liabilities	15	-	-	-
– Net changes to liabilities resulting from post-employment benefits	16	(66)	195	272
– Impairments of assets through the income statement	25	339	19	150
– Interest expense	26	136	56	18
– Interest income		(98)	(22)	0
– Share in the result of associated enterprises				
– Unrealized exchange losses / (profits)		6		
Changes to working capital (excluding changes to scope and translation differences)				
– Inventory		195	(286)	138
– Clients and other debtors		763	(1,228)	(500)
– Rent guarantees received		(241)	558	482
– Suppliers and other creditors		(2,112)	291	2,198
Cash from operations		**10,131**	**11,149**	**15,540**

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.

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 693 k) is provided as collateral to Congolese banks to guarantee loans, initially totaling EUR 9,000 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 I fund for an amount of EUR 152 k and to the PARTECH AFRICA II fund for an amount of EUR 1,000 k, which have 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 334 k in purchases in 2022), a company co-controlled by Chanic, director.

Imbakin Holding, a company controlled by SFA, has a receivable from TEXAF of EUR 342 k, resulting from the spin-off of Imbakin Holding from Texaf in 2014.

The non-executive directors received the following remunerations in 2022:

in EUR	Rémunération fixe	Jetons de présence	Rémunération totale
Chanic s.a. represented by Vincent Bribosia	15,000	10,800	25,800
Charlotte Croonenberghs	15,000	6,000	21,000
Philippe Croonenberghs	25,000	13,200	38,200
Gérald Croonenberghs	0	0	0
William Croonenberghs	0	0	0
Isabelle Esselen	15,000	4,800	19,800
Joseph Fattouch	15,000	7,200	22,200
Michel Gallez	0	0	0
Danielle Knott	11,250	4,800	16,050
Dominique Moorkens	16,875	14,400	31,275
Pascale Tytgat	22,500	9,600	32,100
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 688 k in 2022, split as follows:

In Eur	Employer cost	Variable remuneration	Pension plan	Company vehicle	Total
CEO	340,477	100,000	In accordance with DRC law	Yes	440,477
CFO	155,000	62,200	29,996	Yes	247,196

36. REMUNERATION OF THE AUDITOR

- Fees relative to the duties of the auditor exercised for the Group in 2022: EUR 59 k ex VAT. There have been no fees for non-audit services performed by Deloitte Reviseur d'Entreprises over 2022.

- Fees relative to the duties of the auditor and the persons with which the auditor is connected (in 2022): EUR 50 k

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, 2022 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 shares	3.666.556	

• Transactions on TEXAF shares executed by persons initiated during the financial year 2022:
Sales by Mr Christophe Evers :
- Sale of 1,000 shares at € 33.53 on 23/07/22 on Euronext Bxl for € 33,530
- Sale of 1,000 shares at € 32.66 on 27/07/22 on Euronext Bxl for € 32,657
- Sale of 2,114 shares at € 33.14 on 19/12/22 on Euronext Bxl for € 70,061
- Sale of 230 shares at € 33.00 on 20/12/22 on Euronext Bxl for € 7,590
- Sale of 154 shares at € 33.00 on 21/12/22 on Euronext Bxl for € 5,082
- Sale of 221 shares at € 33.27 on 22/12/22 on Euronext Bxl for € 7,353
- Sale of 2,860 shares at € 33.00 on 22/12/22 over the counter for € 94,380

Purchases by Société Financière Africaine (SFA) :
- Purchase of 2,500 shares at € 34.00 on 06/12/22 (over the counter) for € 85,000
- Purchase of 2,860 shares at € 33.00 on 22/12/22 (over the counter) for EUR 94,380

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.

Research costs are, depending on their purpose, either allocated to investment properties or to the other properties they cover and depreciated in the same way as these properties, or, if they cannot be allocated to specific properties, depreciated over 3 years.

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.

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF TEXAF SA FOR THE FINANCIAL YEAR ENDED ON DECEMBER 31, 2022 - CONSOLIDATED ACCOUNTS

In the context of the statutory audit of the consolidated financial statements of Texaf SA ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 10 May 2022, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 décembre 2024. We have performed the statutory audit of the consolidated financial statements of Texaf SA for 7 consecutive periods.

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 décembre 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 148 942 (000) EUR and the consolidated statement of income shows a profit for the year then ended of 8 366 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 décembre 2022 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasises of matter

Without modifying the unqualified opinion expressed above, we draw your attention to the note 6 of the consolidated financial statements, which describes the analysis made on the valuation of the sandstone quarry that the group owns near Kinshasa in the Democratic Republic of Congo. As of 31 December 2022, the group's management updated the impairment test by taking the evaluation model of the future cash flows including three scenarios: a stabilisation of sales prices at the 2022 level with an unchanged product mix, a stabilisation of sales prices at the 2022 level with an optimised product mix and a gradual return of sales prices to the 2009-2022 average. This impairment test did not result in an additional impairment in 2022. This test is very sensitive to changes in the variables used, which, in the current environment in the Democratic Republic of Congo, are difficult to assess, particularly in terms of future revenue and which in different scenarios could lead to an additional impairment. As of 31 December 2022, the deposit presents a net book value of 4.3 MEUR.

We also draw attention to the note 7 of the consolidated financial statements, which includes an estimate of the fair value of the investment properties portfolio. This assessment is based on the judgment of the Board of Directors taking into account the lack of liquidity and transparency of the real estate market in the Democratic Republic of Congo and the virtual absence of comparable transactions.

Finally, we draw attention to the note 1 of the consolidated financial statements, which states that the Group's assets are mainly located in the Democratic Republic of Congo. The economic and regulatory environment of this country has been regularly affected by socio-political unrest. Therefore, it is very difficult to predict its medium-term evolution. However, the consolidated financial statements presented have been prepared in the context of stabilization of the local economic and regulatory environment.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

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

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

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

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

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

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

OTHER LEGAL AND REGULATORY REQUIREMENTS

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.

- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we have also performed the audit of the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

Based on our work, in our opinion, the format and the tagging of information in the digital consolidated financial statements included in the annual financial report of Texaf SA as of 31 décembre 2022 are, in all material respects, prepared in accordance with the ESEF requirements as stipulated by the Delegated Regulation.

Other statements

This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Zaventem.
The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Corine Magnin

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	2022
Operating result		7,956	8,737
Non-recurring items	*26*	45	154
Recurring operating result		8,002	8,891
Depreciation allocation	*6 and 7*	3,649	4,218
Recurring EBITDA		11,651	13,109

- 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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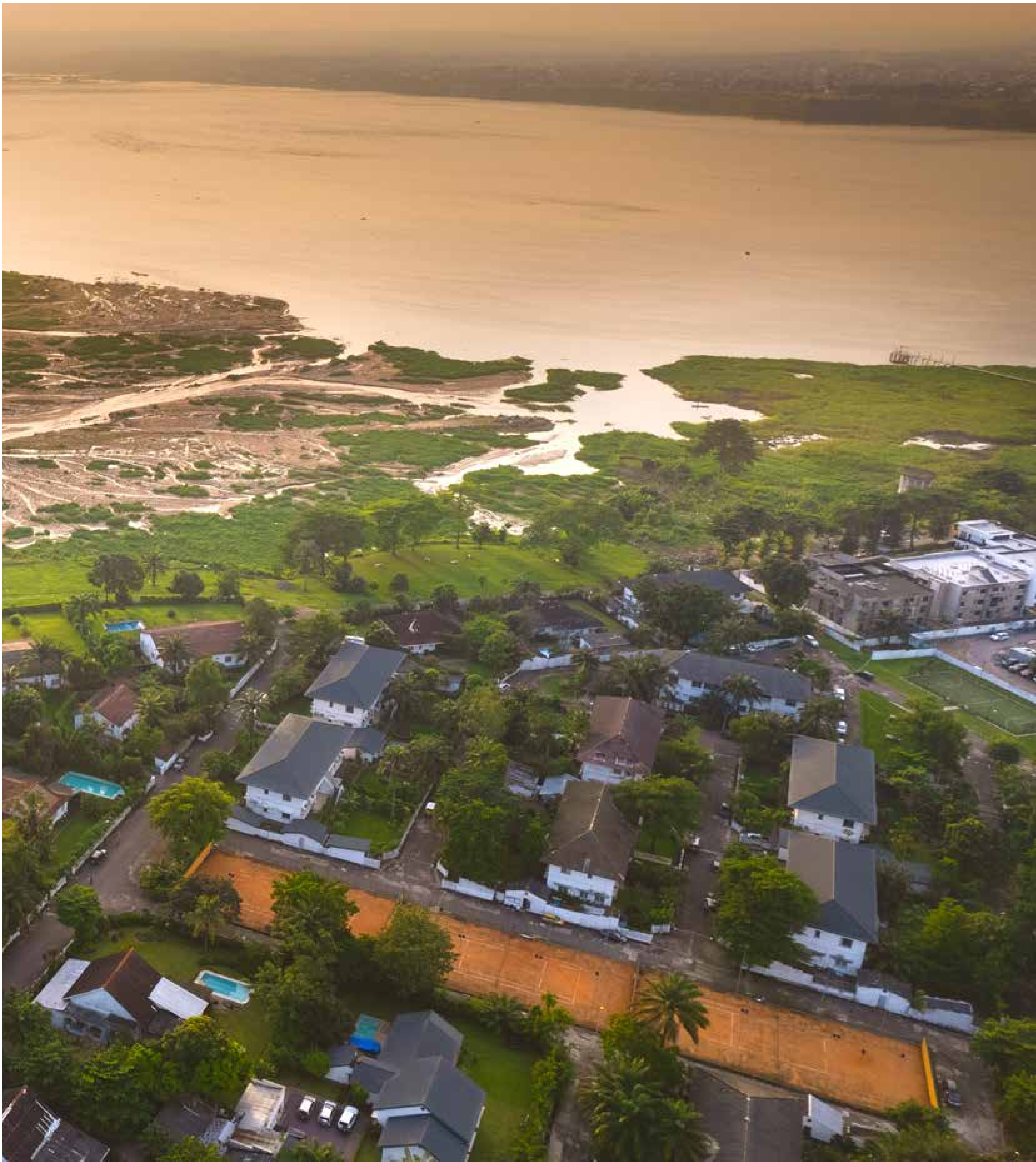
en français en in het Nederlands.
www.texaf.be

Name of reporting entity or other means of identification	TEXAF S.A.
Domicile of entity	AVENUE LOUISE 130 A – 1050 BRUSSELS – BELGIUM
Legal form of entity	S.A.
Country of incorporation	BELGIUM
Address of entity's registered office	AVENUE LOUISE 130 A – 1050 BRUSSELS – BELGIUM
Principal place of business	KINSHASA
Description of nature of entity's operations and principal activities	REAL ESTATE
Name of parent entity	TEXAF S.A.
Name of ultimate parent of group	TEXAF S.A.





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