M O P O L I

PALMBOOMEN CULTUUR MAATSCHAPPIJ MOPOLI N.V.

ANNUAL REPORT

2016 - 2017

PALMBOOMEN CULTUUR MAATSCHAPPIJ MOPOLI
Naamloze Vennootschap
(PALMERAIES DE MOPOLI)
Société Anonyme

Registred office : 13, J.W. Frisolaan-2517 JS LA HAYE
Headquarter : 2, Place du Champ de Mars-1050 BRUXELLES

MOPOLI
ANNUAL REPORT

104th FINANCIAL YEAR 2016/2017

General meeting of shareholders
as at 19th December 2017

BOARD OF DIRECTORS

Mr Hubert FABRI, President

Mr Philippe de TRAUX, Director

AFICO, represented by Mr Luc BOEDT

Mr Daniel HAAS, Director

PUBLIC ACCOUNTANT

Baker Tilly Berk N.V., represented by
Mr Jeroen Spiekker

CONTENTS

DIRECTORS' REPORT

To be presented to the Annual Ordinary General Meeting of Shareholders of 19 December 2017.

Directors have pleasure in submitting their report together with the audited financial statements for the year ended the 30th June 2017.

1. BUSINESS ACTIVITIES

Mopoli is a holding company with its main activity is holding an available for sales investment in the company Socfin. The company is listed on the Belgium stock exchange.

The general meeting of shareholders has authorized the company to buy back its own shares. This program has been active for several years, however the availability of shares is limited. The strategy of the company remains to buy back their own shares in case any shares are offered to the market.

Mopoli has sold its investment in Socfin shares and has an outstanding loan to Socfinaf and a new loan granted to Afico.
As such, management recognizes that the main risk is credit risk regarding the recoverability of the loans.
For this risk management is willing to accept the risk and does not hedge or mitigate these factors.

No formal risk procedures are implemented to mitigate the identified risks.

2. INVESTMENTS

Mopoli held 703,000 shares of Société Financière de Caoutchoucs "Socfin". On 28 December 2016, all of these shares have been sold to Afico for a total amount of EUR 14,151,390 or EUR 20.13 per share.
The price per share was determined by the average share price over the period from 1 July 2016 to 9 December 2016 minus an illiquidity discount of 10%.
A payment of EUR 4,151,390 has been received while a loan was issued for the remaining EUR 10,000,000.
As Afico is a shareholder of Mopoli, this is a related party transaction.

3. FINANCIAL STATEMENTS ON 30 JUNE 2017

At the closing date, the profit after taxes is EUR 12.61 million, and comes mainly from:
- Profit from non-current assets (disposal of Socfin): EUR 11.62 million;
- Financial earnings (interest) for EUR 1.25 million;
- Operational expenses made up of services and various goods for EUR 0.19 million;
- Dividends for EUR 0.07 million;

The total equity is EUR 54 million against EUR 55 million a year ago.

As of 30 June 2017 the Company is highly solvent as equity far exceeds the company's liabilities. The cash flow for this year has been positive. Furthermore the liquidity position of the company is good and has proven to be stable. As such, the Company does not expect any need to obtain external financing in the coming year.
All funds are deposit to ING Bank. The creditworthiness of the bank is verified through the evaluations of credit rating agencies.

4. CAPITAL STRUCTURE

The subscribed and fully paid capital of EUR 2,314,279 is represented as follows:

100,000: Common shares of a nominal value of Nlg 50 (EUR 22.69) (listed on Euronext Brussels) - 1 vote per share - 98.04% of issued capital.

100: Preferred stock of a nominal value of Nlg 1,000 (EUR 453.78) (not listed on the stock exchange) - 20 votes per share - 1.96% of issued capital.

2,400: Founders' shares with no nominal value. (listed on Euronext Brussels) - No voting right

There is no restriction on share transfer. The voting rights attached to the common and the preferred shares can only be executed by the shareholders during the general meeting for shareholders.

Notification of shareholding:

Due to the reporting obligation of substantial holdings, as of 30 June 2017, the following registrations were reported to the AFM:

Shareholders	Number of shares	Percentage held	Voting rights	Date of notification
AFICO SA L-1650 Luxembourg	6,809	6.68%	6.80%	05/14/2007
GESELFINA SA FL-9490 Vaduz	76,536	76.13%	76.46%	25/02/1992

5. TREASURY SHARES

The Extraordinary General Meeting held on the 10th June 2008 authorized the company to buy back its own shares with due observance of article 2:98 of the Dutch Civil code. A third renewal was approved by the General Meeting on 15th December 2015 for 18 months from 10th December 2015.

Today, the company holds 5,753 common and 218 founders shares.

6. POST BALANCE SHEET EVENT

None.

7. DIRECTORS' REGULATIONS

Directors are appointed, dismissed or suspended by the General Meeting of Shareholders. They are appointed for a mandate of six years. They can be reappointed.
The board only consists of male members. For any new appointing of board members, this balance will be taken into account, but the quality of the board members prevails over the sex of these members.
Directors' remuneration is regulated by art. 12 of the articles of association standing that the Directors fee is equivalent of 10% of the distributed profit.
No director's remuneration will be paid in 2017-2018.

Composition of the board of directors:

Name	First nomination	End of mandate
Hubert Fabri	AGM 1998	AGM 2022
Philippe de Traux	AGM 2001	AGM 2020
Daniel Haas	AGM 2008	AGM 2020
AFICO represented by Luc Boedt	AGM 2014	AGM 2021

8. STATUTORY REQUIREMENTS

The General Meeting of Shareholders by a majority of two thirds of the votes has the right to change the statutory requirements.

9. CORPORATE GOVERNANCE

The company is a small holding company without employees. The only activity at 30 June 2017 is the cash loan to Socfinaf and Afico. The company has no routine business processes and no Supervisory Board. The Board of Directors is aware that the company does not comply with the Dutch Corporate Governance Code. However, the company has started a buy back of its own shares. At the end of the program, the Board will estimate how the Corporate Governance code is applicable and to what extent the Code can be implemented taking into account the size and nature of the company at that time.
There is no audit committee or other oversight board implemented.

10. INVESTMENT POLICY

Mopoli is a holding company investing in agro industry projects.

11. RISK MANAGEMENT POLICIES

Line of Guidance
The purpose of the company is the exploitation of palm oil and rubber oil, either directly or indirectly. This is a sector of risk and we do not have the skills and knowledge to achieve that goal as an operating company.
The current policy is therefore to invest indirectly in this sector.

Business risk
As investor in tropical agro business projects, the company has to deal with potential high risk. That is why the company is not investing directly in the projects but through well structured listed companies that have developed the know-how in that business and are designed to manage the risk.

Market risk
Since the Company has sold its investment in Socfin whose shares are listed on Luxembourg stock exchange, there is no more any market risk.

Credit risk
In 2014, we have entered into a loan agreement with the company Socfinaf. We consider this as a limit credit risk since Socfinaf is a listed company with a low debt ratio. Funds are advanced in the context of new investments and a portion of the loan was already repaid.
A new loan is also granted to Afico. This is a limited credit risk since the company is a shareholder of Mopoli.

Liquidity risk
Prudent liquidity risk management implies maintaining cash available for investment opportunities. Mopoli manages cash and short term deposit according to the needs. Mopoli currently has limited liquidity risk.

Hedging of risks
The policy of the company is not to hedge any of the aforementioned risks.

Modifications
No significant changes are expected to be made to the risk management system.

12. FORECAST FOR 2017/2018

Earnings will depend on the remuneration of loans and cash deposits.

13. SUGGESTION FOR DIVIDENDS

In accordance with the statutory disposition regarding the affectation of results, the Board of Directors proposes the following suggestion for dividends:

- EUR 31.76 to the 100 preferred shares

If the general meeting of shareholders approve this proposal, the dividends will be payable from 31 December 2017 at the desk of ING Luxembourg, Route d’Esch, 52 – 2965 Luxembourg.

14. TRUE AND FAIR VIEW STATEMENT

With reference to section 5.25c paragraph 2c of the Financial Markets Supervision Act, the Board of Directors states that, to the best of its knowledge:

- the financial statements which have been prepared in accordance with IFRS adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code gives a true and fair view of the assets, liabilities, financial position and profit or loss of Mopoli;
- the directors' report provides a fair review of the situation on the balance sheet date and of developments during the financial year of Mopoli whose information has been included in the financial statements, together with a description of the main risks the company faces.

Brussels,

Daniel Haas
Director

Philippe de Traux
Director

AFICO represented by Luc Boedt
Director

Hubert Fabri
Director

Brussels, 31st October 2017
MOPOLI
BOARD OF DIRECTORS

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

ASSETS

(in thousands of euro)		Notes	30 June 2017	30 June 2016
NON-CURRENT ASSETS			10,000	16,528
I.	Available for sale investments	2	0	16,528
II.	Other receivables	3	10,000	0
CURRENT ASSETS			43,959	38,879
III.	Other receivables	3	20,382	35,001
IV.	Cash and short-term deposits	4	23,574	3,875
V.	Other current assets		3	3
TOTAL ASSETS			**53,959**	**55,407**

EQUITY AND LIABILITIES

(in thousands of euro)		Notes	30 June 2017	30 June 2016
EQUITY			**53,919**	**55,316**
I.	Share capital	5	2,314	2,314
II.	Revaluation reserves	5	0	13,941
III.	Statutory reserves	5	231	231
IV.	Available reserves	5	523	523
V.	Result for the year	5	12,613	1,653
VI.	Retained earnings	5	41,560	39,910
VII.	Treasury Shares	5	-3,322	-3,256
NON-CURRENT LIABILITIES			**0**	**58**
VIII.	Deferred tax	6	0	58
IX.	Other long-term payables		0	0
CURRENT LIABILITIES			**40**	**33**
X.	Trade and other payables	7	40	32
XI.	Other current liabilities		0	1
TOTAL EQUITY AND LIABILITIES			**53,959**	**55,407**

STATEMENT OF COMPREHENSIVE INCOME

For the year-ended 30 June 2017

(in thousands of euro)			Notes		30 June 2017		30 June 2016
I.	Revenue				70		422
	A.	Dividends		70		422	
	B.	Other operating revenues		0		0	
II.	Other operating expenses				-189		-169
	A.	Administrative costs		-189		-169	
Operating profit					*-119*		*253*
III.	Profit/Loss from non-current assets		8		11,622		0
IV.	Financial income		9		1,253		1,402
V.	Financial expenses		9		-53		-2
Profit before tax					*12,703*		*1,653*
VI.	Income tax expenses		10		-90		0
Profit for the year					*12,613*		*1,653*

Other comprehensive income		30 June 2017	30 June 2016
Net loss/gain on available-for-sale financial Assets	2	-13,941	-3,297
Deferred taxes liabilities on unrealized gain on AFS	6	58	13
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**0**	**-3,284**
Total comprehensive income for the year, net of tax		**-1,270**	**-1,631**
Profit Attributable to equity holders of the parent		**-1,270**	**1,653**
Total comprehensive income attributable to equity holders of the parent		-1,270	-1,631
Earnings per share (profit for the year attributable to common shares) :	11		
Basic earnings per share		67.48	9.33
Diluted earnings per share		67.48	9.33
Earnings per share (profit for the year attributable to founder shares) :	11		
Basic earnings per share		2,290.84	281.17
Diluted earnings per share		2,290.84	281.17

CASH FLOW STATEMENT
For the year ended 30 June 2017

(in thousands of euro)	Notes	30 June 2017	30 June 2016
Profit for the year	5	12,613	1,653
Adjustments for:			
Dividend income		-70	-422
Interest income	9	-1,253	-1,402
Capital gain on disposal of assets	8	-11,622	0
Changes in working capital			
Variation other current assets	4	0	0
Variation trade payables	7	8	-18
Variation other current liabilities		0	1
Variation other rec (excl. loan and accrued interest)	3	-9	60
Dividends received		70	422
Interest received		880	1,751
Income taxes	10	90	0
Operating cash flows		**707**	**2,045**
Financial expenses / Interest paid		**51**	**0**
Income taxes		**-90**	**0**
Purchase of available-for-sale investments	2	0	0
Disposal of available-for-sale investments	2	14,151	0
Loan granted	3	-10,000	0
Loan repaid	3	15,000	0
Investing cash flows		**19,151**	**0**
Dividend paid	5	-3	-3
Purchase treasury shares		-66	-69
Financial expenses / Interest paid	9	-51	0
Financing cash flows		**-120**	**-72**
Net cash flow		**19,699**	**1,973**
Cash and cash equivalent at beginning of year	4	3,875	1,902
Cash and cash equivalent at end of year		23,574	3,875
Movement of the year		**19,699**	**1,973**

STATEMENT OF CHANGES IN EQUITY
As at 30th June 2017

(in thousands of euro)	Number of Share	Share capital	Revaluation reserves	Statutory reserves	Available reserves	Retained earnings	Profit for the year	Treasury Shares	Total
As at 30th June 2015	**100,100**	**2,314**	**17,225**	**231**	**523**	**38,759**	**1,154**	**-3,187**	**57,019**
Other comprehensive income			*-3,284*						*-3,284*
Profit for the year							1,653		1,653
Total comprehensive Income for the year			*-3,284*				*1,653*		*-1,631*
Dividends						-3			-3
Transfer from previous year						1,154	-1,154		0
Treasury Shares								-69	-69
As at 30th June 2016	**100,100**	**2,314**	**13,941**	**231**	**523**	**39,910**	**1,653**	**-3,256**	**55,316**
Other comprehensive income			*-13,941*						*-13,941*
Profit for the year							12,613		12,613
Total comprehensive income for the year			*-13,941*				*12,613*		*-1,328*
Dividends						-3			-3
Transfer from previous year						1,653	-1,653		0
Treasury shares								-66	-66
As at 30th June 2017	**100,100**	**2,314**	**0**	**231**	**523**	**41,560**	**12,613**	**-3,322**	**53,919**

See Note 5 for details

Disclosures

Note 1: Accounting Principles and Methods of Appraisal

A. Corporate information
Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) NV (here after referred to as Mopoli) is a public limited company governed by Dutch law, subject to all legislative texts applicable to commercial companies in the Netherlands. It is registered at the Dutch Chamber of Commerce under number 27035538.

Its registered offices are located at 13, J.W. Frisolaan, 2517 JS the Hague, and its administrative headquarters are located at 2, Place du Champ de Mars, 1050 Ixelles. The company is listed on Euronext Brussels.

Mopoli is a holding company investing in agro industry project.

B. Accounting policies

B.1 Basis of preparation

Statement of compliance
In application of European Regulation no. 1606/2002 of 19 July 2002 on International Accounting Standards, the accounts for the 2016-2017 financial period are draw up in conformity with IFRS (International Financial Reporting Standards) as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code. This reference system includes the International Accounting Standards and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and its predecessor, the Standard Interpretation Committee (SIC).

The financial statements for an individual entity have been prepared on a historical cost basis, except for available-for-sale investments that have been measured at fair-value.

The board of Directors have authorised the financial statement for issue on 19th December 2017.

The financial statements are presented in euros and all values are rounded to the nearest thousand (‘000) except when otherwise indicated.

Significant judgments, estimates and assumptions
In the process of applying the company’s accounting policies, management may have to use its judgements and made estimates in determining amounts recognised in the financial statements.

A treasury agreement was signed with Socfinaf.
Since the amount paid can be claimed on demand, this transaction has been recognized as a current receivable.
Despite the fact that this loan is outstanding since 20th November 2014, we consider it as a current receivable.
Indeed, we recovered a substantial portion of this loan.

Risk Management Policies

Line of Guidance
The purpose of the company is the exploitation of palm oil and rubber oil, either directly or indirectly. This is a sector of risk and we do not have the skills and knowledge to achieve that goal as an operating company.
The current policy is therefore to invest indirectly in this sector.

Business risk
As investor in tropical agro business projects, the company has to deal with potential high risk. That is why the company is not investing directly in the projects but through well structured listed companies that have developed the know-how in that business and are designed to manage the risk.

Market risk
Since the Company has sold its investment in Socfin whose shares are listed on Luxembourg stock exchange there is no more any market risk.

Credit risk
In 2014, we have entered into a loan agreement with the company Socfinaf. We consider this as a limit credit risk since Socfinaf is a listed company with a low debt ratio. Funds are advanced in the context of new investments and a portion of the loan was already repaid.
A new loan is also granted to Afico. This is a limited credit risk since the company is a shareholder of Mopoli.

Liquidity risk
Prudent liquidity risk management implies maintaining cash available for investment opportunities. Mopoli manages cash and short term deposit according to the needs. Mopoli currently has limited liquidity risk.

Hedging of risks
The policy of the company is not to hedge any of the aforementioned risks.

Modifications
No significant changes are expected to be made to the risk management system.

C. <u>Summary of significant accounting policies</u>

Conversion of foreign currency transactions
No foreign currency transactions occurred and was subject to conversion.
The functional currency is the euro.

Revenue recognition
Interest revenue is recognised as interest accrues using the effective interest rate.
Dividends from investment are accounted upon establishment of the right of the shareholders to receive payment.

Financial charges
The cost includes the interest charged on the debt.

Income taxes
The Company calculates current taxes on income in compliance with the applicable tax legislation.
According to IAS 12 standard "Income Taxes", any temporary difference between the accounting values of the assets and liabilities and their taxes bases will give rise to the computation of a deferred tax, according to the variable carry-forward method, using the tax rate adopted, or substantively-adopted, at balance sheet date. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available. This assessment is made annually.

Available-for-sale financial investments
Available-for-sale financial investments are those which are designated as such or do not qualify to be classified as designated at fair value through profit or loss, held to maturity or loans and advances.

Initial value of assets is measured at cost, i.e., generally, at acquisition cost, plus transaction costs.

The fair value of shares in listed companies is the stock exchange price as at balance sheet date while the fair value of the shares of non listed companies is based in generally accepted valuation models like discounted cash flow.
Unrealised variations in fair value are recognised directly through other comprehensive income. When the shares are disposed, the cumulative gains and losses are transferred from equity to the income statement.

If the fair value cannot be reliably determined, the shares are entered at their purchase price. In the event of an objective indication of durable depreciation, an irreversible loss of value is noted against the results.

Derecognition of financial assets and liabilities

Financial assets
The loans granted are valued at amortized cost.
A Financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:
- the rights to receive cash flow the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a ‘pass through’ arrangement; or
- the Company has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Other receivables
Trade and other accounts receivables are current financial assets initially recognized at fair value; this generally corresponds to the nominal value, in the absence of a significant discounting effect.
Upon each closing, the receivables are appraised at amortized cost, minus any losses in value taking account of any possible risk of non-collection.

Cash assets and cash-equivalents
Cash and cash-equivalents consist of cash in hand, bank balances and short-term deposits in money market instruments. These investments, with maturities less than three months, are easily convertible into cash, and are subject to negligible risks of changes in value and risks of non-transferability.

Segment reporting
No segment reporting is disclosed, since the business segment is unique, i.e., finance, and since the geographical segment is also unique (Belgian).

Deferred tax liabilities
Deferred tax liabilities reflect the net tax effect of timing differences between the carrying amounts of the customer bases for financial reporting purposes and the amounts used for income tax purposes.

Deferred income tax liabilities are measured at the tax rates that are expected to apply to the year when the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Cash flow statement
The cash flow statement is prepared by using the indirect method. The cash flow statement distinguishes operating, investing and financing activities. When applicable, cash flows in foreign currencies are converted at the average rates during the reporting period. Currency exchange differences are separately presented. Payments and receipts of corporate taxes as well as financial income (dividend, interest) and expenses are included in cash flows from operating activities. Cash flows resulting from acquisitions/divestures of financial interests in subsidiaries are included in cash flows from investments activities, net of cash acquired. Dividends paid are part of the cash flow from financing activities.

Treasury shares
Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

IFRS Standards and IFRIC Interpretations

New and amended standards and interpretations

- Amendments to IAS 1 *Presentation of Financial Statements* – Disclosure Initiative, effective 1 January 2016
- Amendments to IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* – Clarification of Acceptable Methods of Depreciation and Amortisation, effective 1 January 2016
- Amendments to IAS 16 *Property, Plant and Equipment* and IAS 41 *Agriculture* – Bearer Plants, effective 1 January 2016
- Amendments to IAS 27 *Separate Financial Statements* – Equity Method in Separate Financial Statements, effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception, effective 1 January 2016
- Amendments to IFRS 11 *Joint Arrangements* – Accounting for Acquisitions of Interests in Joint Operations, effective 1 January 2016
- Annual Improvements to IFRS Standards 2012-2014 Cycle (Issued September 2014), effective 1 January 2016

Changes in accounting policy and disclosure
There is no change in the accounting policy and disclosures for the period covered by those financial statements.

Standards issued but not yet effective

- Amendments to IAS 7 *Statement of Cash Flows* – Disclosure Initiative, effective 1 January 2017 (*)
- Amendments to IAS 12 *Income Taxes* – Recognition of Deferred Tax Assets for Unrealised Losses, effective 1 January 2017 (*)
- Amendments to IAS 40 *Investment Property*– Transfers of Investment Property, effective 1 January 2018 (*)

- Amendments to IFRS 2 *Share-based Payment* - Classification and Measurement of Share-based Payment Transactions, effective 1 January 2018 (*)
- Amendments to IFRS 4 Insurance contracts- Applying IFRS 9 *Financial instruments* with IFRS 4, effective 1 January 2018 (*)
- IFRS 9 *Financial Instruments*, effective 1 January 2018
- IFRS 15 *Revenue from Contracts with Customers*, including amendments to IFRS 15, effective 1 January 2018
- Clarifications to IFRS 15 *Revenue from Contracts with Customers*, effective 1 January 2018 (*)
- IFRS 16 *Leases*, effective 1 January 2019 (*)
- IFRS 17 *Insurance Contract*, effective 1 January 2021 (*)
- IFRIC 22 *Foreign Currency Transactions and Advance Consideration*, effective 1 January 2018 (*)
- IFRIC 23 *Uncertainty over Income Tax Treatments*, effective 1 January 2019 (*)
- Annual Improvements to IFRS Standards 2014-2016 Cycle (Issued December 2016), effective 1 January 2017 or 1 January 2018 (*)

(*) not yet endorsed by EU

None of the new standards is expected to have significant impact. However, under IFRS 9 the company will have the choice to recognise fair value changes on equity shares currently held as AFS through profit or loss or through OCI. The former would increase volatility in recorded profit or loss. In case of the latter, previously unrealised gains/losses would remain in OCI when the equity instruments are impaired or derecognised, without recycling to profit or loss. The company has not yet made a decision on this policy choice.

Note 2 : Non-current financial assets

Financial Fixed Assets

	2017		2016	
	Number of Shares	%	Number of Shares	%
Other Financial fixed assets				
SOCFIN S.A.	0	0.00	703,000	4.94

(in thousands of euro)	Available-for-sale investments
As at 30 June 2015	19,825
Acquisitions	0
Fair value adjustment	-3,297
Sales	0
As at 30 June 2016	16,528
Fair value adjustment	449
Sales	-14,151
Result of the sales	-2,826
As at 30 June 2017	0

	Evaluation at cost (historical)		Evaluation at fair value	
(in thousands of euro)	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Available-for-sale investments				
Shares	0	2,529	0	16,528

Available-for-sale investments are invested in shares listed on regulated European markets and may be subject to large and/or sudden variation of price. The only shares held were Socfin shares (listed and quoted) until 28 December 2016.
This instrument is qualified as a level 1 according to the fair value hierarchy.

See note 12 for details of the sales transaction of the Socfin shares.

Note 3 : Other receivables

(in thousands of euro)	30 June 2017	30 June 2016
Loan granted	30,000	35,000
Other receivables	10	1
Interest to be received on loan granted	372	0
Total of Other receivables	**30,382**	**35,001**
Other receivables whose recovery is awaited 1 year at the most	**20,382**	**35,001**
Other receivables whose recovery is awaited between 1 and 5 years	**10,000**	**0**

The decrease of the other receivables (EUR 4,618,425) is explained by the fact that Socfinaf reimburse EUR 15,000,000 for a remaining balance of EUR 20,000,000. A new loan of EUR 10,000,000 is granted to Afico.
These 2 loans are receivables on related parties. Also, the loan granted to Afico is a loan issued to a statutory director.

There is due interest on the loan to Socfinaf and Afico for the last quarter and December 2016 meanwhile interest of previous year was already paid before the end of June 2016.

Note 4 : Cash and cash equivalents

Cash and cash-equivalents consist of cash in hand, bank balances and short-term deposits in money market instruments.

(in thousands of euro)	30 June 2017	30 June 2016
Cash at banks and in hand	21,104	1,402
Short-term deposits	2,470	2,473
Cash and cash equivalents	23,574	3,875

There are not undrawn borrowing facilities.
There is no restriction to the availability of cash and cash equivalents.

Note 5 : Equity

Capital (In units)	Common shares	Preferred shares	Founder shares
Number of shares as at 30 June 2015	**100,000**	**100**	**2,400**
Changes during the year	0	0	0
Number of shares as at 30 June 2016	**100,000**	**100**	**2,400**
Changes during the year	0	0	0
Number of shares as at 30 June 2017	**100,000**	**100**	**2,400**
Number of shares issued, fully paid	100,000	100	2,400

The subscribed and fully paid capital of EUR 2,314,279 is represented as follows:
100,000: Common shares of a nominal value of NLG 50 (EUR 22.69) (listed on Euronext Brussels)
100: Preferred stock of a nominal value of NLG 1,000 (EUR 453.78) (not listed on Euronext Brussels)
2,400: Founders' shares with no nominal value. (listed on Euronext Brussels)

Shares outstanding (In units)	Common shares	Preferred shares	Founder shares
Number of shares outstanding as at 30 June 2016	**94,476**	**100**	**2,182**
Changes during the year	-229	0	0
Number of shares outstanding as at 30 June 2017	**94,247**	**100**	**2,182**

At year end, the company owned 5,753 (2016 : 5,524) of its own common shares, and 218 (2016 : 218) of its founder shares.
The extraordinary general meeting as at 10th June 2008 authorised the company to acquire its own shares.
The General Meeting as at 15th December 2015 renewed the authorization for 18 months from 10th December 2015. At the end of the year, 218 founder's shares and 5.753 have been bought back for a total of EUR 3.322 million, deducted from the Shareholder's equity.

Reserves (in thousands of euro)	Revaluation reserves	Statutory reserves	Available reserves
	Not distributable	Not distributable	Distributable
30 June 2016	**13,941**	**231**	**523**
Changes during the year	-13,941	0	0
30 June 2017	**0**	**231**	**523**

The revaluation reserves on available-for-sale investments concern the fair value adjustments on the Socfin shares.

The statutory reserves are relative to article 12, 3. a) of the company statutes. These reserves are no more funded as they reached 10% of the capital.

Distribution of profit (in thousands of euro)	Retained earnings	Result for the year
30 June 2015	**38,759**	**1,154**
Profit of the year	0	1,653
Dividends	-3	0
Transfer from previous year	1,154	-1,154
30 June 2016	**39,910**	**1,653**
Profit of the year	0	12,613
Dividends	-3	0
Transfer from previous year	1,653	-1,653
30 June 2017	**41,560**	**12,613**

A dividend of EUR 31.76 per preferred share (EUR 3,176) will be proposed at the next General Meeting. The dividend of EUR 3,176 related to 2015/2016 was adopted at the AGM and paid in February 2017.

PROPOSAL FOR DISTRIBUTION OF PROFIT (in thousands of euro)

The Board of Directors submits the following proposal for the distribution of income and attribution of dividends to the approval of the General Meeting for Shareholders in accordance with article 12 of the Articles of Association. The purchased treasury shares corrected for the available reserves restrict the distributable reserves (2.799).

(in thousands of euro)	
Net result of the financial	12,613
Profit brought forward	41,563
Profit to be distributed	54,176
First:	
Dividend to preferred shares	3
Transferred to profit carried forward	54,173

Note 6 : Deferred tax

(in thousands of euro)	30 June 2017	30 June 2016
As at 1 July	**58**	**71**
Revaluation of available-for-sale investments	-58	-13
As at 30 June	**0**	**58**

Given the size of the company and the value of the participation, the revaluation of available-for-sale investments was not subject to income tax but to a specific tax on capital gains of 0.412%.

All deferred taxes have been used with the sale of the participation of Socfin in December 2016,

The Deduction for Notional Interest is also completely used this year. (expiration date : 31/12/2018). These deferred tax assets on unused notional interest deductions have not been recognised.

Deferred tax liabilities are related to items included in other comprehensive income only.

Note 7 : Trade and other payables

(in thousands of euro)	30 June 2017	30 June 2016
Trade	31	32
Other payables	9	0
Total of Trade and other payables	**40**	**32**
Trade and other payables whose recovery is awaited 1 year at the most	**40**	**32**

Note 8 : Profit/Loss from non-current assets

(in thousands of euro)	
Revaluation reserve as of 30 June 2016 (note 5)	13,941
Deferred tax liabilities as of 30 June 2016 (note 6)	58
Gain on available-for-sale assets from previous years	**13,999**
Gain on available-for-sale financial assets for the current year up the moment of the selling of Socfin shares	449
Result on the sales transaction of Socfin shares	-2,826
Total profi/loss from non-current assets	**11,622**

Note 9 : Financial income and expense

(in thousands of euro)	30 June 2017	30 June 2016
Interests	-51	0
Other financial costs	-2	-2
Total of financial costs	**-53**	**-2**
Interests	1,253	1,402
Other financial revenue	**1,253**	**1,402**
Financial result	**1,200**	**1,400**

The interests received are mainly related to the loan granted to a related party, bearing a higher interest rate than the bank account.
The increase is due to the duration of the loan (12 months for this year compared to 7 months last year).

The interest paid are calculated on cash deposit with negative rate since January 2017.

Note 10 : Income taxes

Components of income tax

(in thousands of euro)	30 June 2017	30 June 2016
Current income tax	90	0
Income tax expense	**90**	**0**

Reconciliation of income tax expense

Profit before tax	12,703	1,653
Income tax	-90	0
Profit after tax	**12,613**	**1,653**
Profit before tax	12,703	1,653
Non-deductible expenses	36	30
Revenue exempt from tax	-11,689	-401
Deduction for notional interest current year	-653	-793
Deduction for notional interest from previous year	-131	-489
Profit to be taxable	**266**	**0**
Applicable local rate	33.99%	33.99%
Tax at the applicable local rate	**90**	**0**

See note 6 for information about deferred taxes.

Note 11 : Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to common equity holders of the parent by the weighted average number of common shares outstanding during the year and by dividing net profit for the year attributable to founder shares by the weighted average number of founder shares outstanding during the year.

The company did not issued any financing instrument requiring to disclose a diluted earnings per share.

(in thousands of euro)	30 June 2017	30 June 2016
Numerator		
Net profit from continuing operations	12,613	1,653
Preference dividends	-3	-3
Net profit	12,610	1,650
Net profit attributable to common shares	6,362	882
Net profit attributable to founder shares	4,999	615
Denominator		
Weighted average number of common shares	94,280	94,521
Weighted average number of founder shares	2,182	2,186
Net profit attributable to common shares per common share (in euro)	**67.48**	**9.33**
Net profit attributable to founder shares per founder share (in euro)	**2,290.84**	**281.17**

The common shares are entitled to a 5% interest distribution on the subscribed and fully paid share capital (2017: EUR 113k, 2016: EUR 113k). After this allocation 50% of the remaining Net profit is allocated to common shares (2017: EUR 6,248k, 2016: EUR 769k) and 40% is allocated to founder shares (2017: EUR 4,998k, 2016: EUR 615k). The remainder is not allocated, as when the AGM decides to pay out dividend the Board of Directors is entitled to 10% of the dividend.

It should also be noted that, in case of liquidation, the Board of Directors is not entitled to any remaining balances. In this case the EPS will exceed the above calculation. For further details we refer to the Statutory Provisions Concerning The Distribution of Profit, as included in the other information to these financial statements. The last time Mopoli paid out dividend was in 2001.

Note 12 : Related parties

(in thousands of euro)	30 June 2017	30 June 2016
Attendance fees (1)	0	0

(1) Amount actually paid to the Directors during the year

According to a declaration of participation (25 February 1992) Geselfina holds 76% of ordinary shares and 59% of the preferred shares of Mopoli.

The company paid an amount of EUR 73,205 for administrative assistance to Centrages, a company indirectly held by Socfin. All administrative and accounting services are provided by Centrages.

Mopoli held 703,000 shares of Société Financière de Caoutchoucs “Socfin”. On 28 December 2016, all of these shares have been sold to Afico for a total amount of EUR 14,151,390 or EUR 20.13 per share.
The price per share was determined by the average share price over the period from 1 July 2016 to 9 December 2016 minus an illiquidity discount of 10%.
A payment of EUR 4,151,390 has been received while a loan was issued for the remaining EUR 10,000,000.
As Afico is a shareholder of Mopoli, this is a related party transaction.

The Company has granted a loan of EUR 35 million to Socfinaf, a company affiliated to Socfin. Socfinaf repaid EUR 15 million during the year. This loan bears an interest rate of 4% and has an indefinite term, but it can be recalled at any time.
The Company has granted a loan of EUR 10 million to Afico, a shareholder company. This loan bears an interest rate of 4% and the term is fixed at 31th December 2021.

These loans are measured at amortized cost, which is equal to the nominal value of the loan.
The fair value of the loans equals the valuation at amortized cost. No guarantees have been issued on these loans. A provision for doubtful debts related to the amount of outstanding loans granted to Socfinaf and Afico is not deemed necessary.

The transactions with related parties are done at arm’s length.

Note 13 : Off balance sheet rights and commitments

(in thousands of euro)	30 June 2017	30 June 2016
Statutory deposits	1	1
Total of rights and commitments received	**1**	**1**

Note 14 : Subsequent events

None

Note 15 : Board remuneration

No remuneration was paid to directors this year.
According to article 7 clause 6 of the artciles of association the directors’ fee is at the disposal of the Annual General Meeting.

Note 16 : Auditor fees
(in thousands of euro)

	2017	2016
Ernst & Young Accountants LLP (Netherlands)	0	22.5
Baker Tilly Berk (Netherlands)	34.0	0

These fees solely relate to the audit of the financial statements.

BOARD OF DIRECTORS

Mr Hubert FABRI, President

Mr Philippe de TRAUX, Director

AFICO, represented by Mr Luc BOEDT

Mr Daniel HAAS, Director

OTHER INFORMATION

STATUTORY PROVISIONS CONCERNING THE DISTRIBUTION OF PROFIT (TRANSLATION)

Statutory provisions covered in article 12, for as long as they are applicable, state that:*
1. The Meeting, under article 14, decides what amortisations to apply.

2. After deduction of the aforementioned amortisations/ depreciation, at first a 7% dividend amount over the subscribed and paid preferred shares will be paid to the preferred shareholders.
The annual dividend payment on these preferred shares will never exceed 7%.

3. Of the amount after this distribution to preferred shareholders if possible:

a) an amount of 5% will be used to add to a reserve. As soon (and as long) as this reserve is 10% of the issued and paid up capital, no additional profits can be reserved for this purpose.

b) After this an amount will be due as a 5% interest amount on the subscribed and paid common shares.

4. The remaining profit after the aforementioned deductions and dividend payments will be distributed as follows:

10% to the Board of Directors
50% to the common shareholders
40% to founder shareholders

5. However, the Ordinary Annual Meeting of Shareholders can decide upon request of the Board of Directors that the 50% intended for ordinary shareholders will be fully or partially transferred to a special account or will be allocated to a special reserve.

6. The date on which the dividend amounts are payable, will be decided by the general meeting for shareholders.

7. Dividend amounts which are not claimed, five years after the date on which the dividend amount have been declared payable, will be released and booked as profit in the profit and loss account of the entity.

8. When a loss is recorded according to the income statement, which can not be compensated by any other reserve, no dividend payments will take place, as long as these losses are not compensated first.

Statutory provisions covered in article 22, for as long as they are applicable, state that:

The remaining balance after liquidation will at first and for all be used to repay the paid capital of the preferred shareholders including the arrears of the annual 7% dividend due on those preferred shares. After this the remaining balance will be used to repay the paid up capital to the common shareholders.

In case any balances remain after the distributions stated above, this will be distributed as follows:
55% to common shareholders;
45% to founder shareholders.

The payments will be made at the time and place to be determined by the general shareholder meeting.

* As an interpretation of the above we distribute profits by paying out the 7% dividend on the preferred shares and adding the remainder of the result for the year to the retained earnings.

Accountants

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INDEPENDENT AUDITOR'S REPORT
To: The shareholders of Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V.

Report on the audit of the financial statements 2016/2017 included in the annual report

Our opinion
We have audited the financial statements for the year ended 30 June 2017 Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V., based in The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. as at 30 June 2017, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:
1. the statement of financial position as at 30 June 2017;
2. the following statements for the year then ended: the statement of comprehensive income, the statement of changes in equity and the cash flow statement;
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Materiality
Based on our professional judgement we determined the materiality for the financial statements as a whole at € 1.071.000. The materiality is based on 2% of total assets. We have used total assets as a basis for determining our materiality. We consider an indicator based on total assets the most appropriate driver for setting materiality as Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. has limited activities and one of its focuses is to monitor the recoverability of the loans granted which are a significant part of total assets.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the board of directors that misstatements in excess of € 53.550 which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the board of directors . The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Disclosure of the selling transaction of the shares in Socfin S.A.

Risk
In 2016/2017, Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. has sold its financial interest of 4.94% in the entity Socfin S.A. These shares were sold to Afico S.A. The transaction can be classified as a related party transaction and is disclosed as such in the financial statements. This transaction is the most signification transaction in the financial statements 2016/2017. As this is a related party transaction, the nature of the transaction exposes Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. to a risk that the transaction was performed at conditions which were not at arm's length.

Our audit response
To address this risk we have assessed that the conditions in the sales agreement between Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. and Afico S.A. were based on assumptions in which the parties to the transaction are on an equal footing and that the conditions at which the transaction took place are on a market value basis.

Valuation and presentation of the loans granted to Socfinaf S.A. and Afico S.A.

Risk
Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. has issued material loans to Socfinaf S.A. and Afico S.A. which are two of the most significant accounts in the financial statements of the company. Socfinaf S.A. is a subsidiary of Socfin S.A. and Afico S.A. is an investment company controlled by the ultimate beneficial owner of Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V.
The loan granted to Socfinaf S.A., with a nominal amount as of 30 June 2017 of €20 million, and an interest rate of 4% has an indefinite term, but can be recalled by Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. at any point in time. The loan can be classified as a related party transaction, and is disclosed as such in the financial statements. As no guarantees have been provided this exposes Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. to a credit risk.
The loan granted to Afico S.A., with a nominal amount as of 30 June 2017 of €10 million, and an interest rate of 4% was issued in December 2016 and has a definite term of five years. The loan can be classified as a related party transaction, and is disclosed as such in the financial statements. As no guarantees have been provided this exposes Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. to a credit risk.

Our audit response
To address this risk we have assessed that Socfinaf S.A. and Afico S.A. paid all interest due and we have assessed that Socfinaf S.A. and Afico S.A. are both companies with sufficient solvability and liquidity.
As disclosed in note 12 of the financial statements, there are no guarantees obtained regarding these loans.

Report on the other information included in the annual report
In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:
- The directors' report;
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Emphasis of matter regarding corporate governance
We draw attention to paragraph 9 of the Director's Report, which indicates the non-compliance with the Dutch Corporate Governance Code and the lack of a supervisory board and audit committee.

Engagement
We were appointed by the Board of Directors on 20 July 2017 as auditor of Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V. as of the audit for the year 2016/2017 and have operated as statutory auditor since that date.

Responsibilities of management for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

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

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

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Accountants

BAKER TILLY BERK

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter in in public interest.

Rotterdam, 3 November 2017

Baker Tilly Berk N.V.

Signed by

J.H.J. Spiekker RA