



PRESS RELEASE

REGULATED INFORMATION

25 February 2022

LAUNCH OF THE LARGEST ENTREPRENEURIAL AND DIGITAL HUB IN AFRICA (11,000 m²) AS WELL AS AN AMBITIOUS REAL ESTATE PROJECT (94 housing units)

TEXAF's Board of Directors drew up the company's statutory accounts (in accordance with Belgian law on annual accounts) and consolidated accounts (in accordance with the IFRS standards as adopted in the European Union) as at 31 December 2021.

REAL ESTATE

After 2 years of the Covid-19 pandemic, the group returned at year end to an occupancy rate of almost 100%.

The 33 apartments in the "Bois Nobles" project were put on the market and rented in a few weeks.

In a megacity such as Kinshasa, where getting around is increasingly difficult, the **UTEXAFRICA** compound offers a unique, resolutely family-friendly space, located along the Congo River over more than 50 hectares, combining housing, offices and shops as well as numerous cultural, sporting and leisure activities.

The video report available at <https://vimeo.com/659924308> illustrates the spirit of the community created by **TEXAF** over twenty years.

TEXAF started in 2021 its largest development ever, called "Promenade des Artistes", which will include 94 housing units in addition to the existing 330. Particular attention is being paid to the carbon footprint of the project, with special emphasis on soft mobility within the development. The housing units will be put on the market at the end of 2023 and will contribute to a 15% increase in the group's rental income.

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



SANDSTONE QUARRYING ACTIVITY

CARRIGRES, the sandstone construction quarry owned by **TEXAF**, is located on the outskirts of Kinshasa. Faced, in recent years, with strong informal competition and a reduction in international financing, **CARRIGRES** is returning to profit in 2021, with promising prospects driven by the resumption of several infrastructure projects in the city.



DIGITAL ACTIVITY

Investments in the digital sector are growing exponentially in Africa. According to the study carried out by PARTECH, African technology grew even faster in 2021 than any other region, with activity two times greater than last year and the amount invested three times higher: 681 financing rounds brought in a total of USD 5.2 billion. If debt is included, the total figure rises to USD 6 billion from 724 financing rounds.

TEXAF, convinced of the enormous opportunity that digital technology represents for the DRC, has made it its third line of business. It sees it as an opportunity for creating a digital ecosystem in Kinshasa. For the time being, this activity functions as an observation post that will make it possible to seize opportunities for financing young companies, supporting foreign groups in the DRC, training and management services, etc.

In September 2019, it launched its “**SILIKIN VILLAGE**” initiative by renovating former industrial buildings in an initial 700 m² phase comprising training and co-working spaces arranged in a “loft” configuration, ideally located in the city centre.

The first partnership was quickly established with KINSHASA DIGITAL ACADEMY to train Congolese coders and developers.

A second phase of the “**SILIKIN VILLAGE**” initiative was completed in 2021, bringing the offering to nearly 2,000 m², including an auditorium and training rooms, as well as shared office spaces, fully let.

Convinced of the potential of Congolese youth who have a thirst for knowledge (50% of Congolese are under 18) and in order to meet ever-increasing demand, **TEXAF** decided at the end of 2021 to launch the third phase of this project, which will encompass more than 11,000 m², thereby becoming the largest entrepreneurial and digital hub in Africa. These spaces will open during the first half of 2023.

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

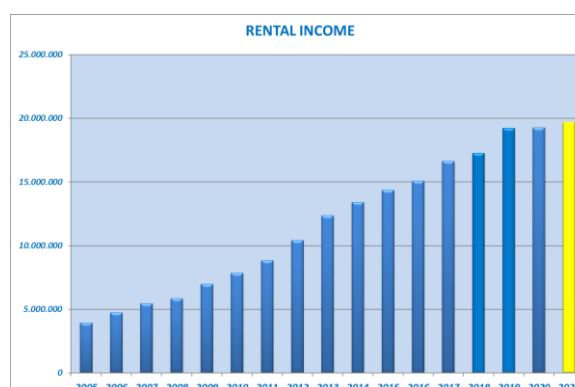
TEXAF invested €1 million in the first PARTECH AFRICA I fund in 2019. The results from this fund are very encouraging and **TEXAF** plans to subscribe to the new PARTECH II fund (Q2/2022).

REAL ESTATE ACTIVITIES

IMMO (000 EUR)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities	16,730	17,305	19,230	19,331	19,730	2.1%
Recurring operating result	8,861	8,638	9,300	9,065	9,118	0.6%
Operating result	8,861	10,016	14,420	8,648	9,073	4.9%
Result before deferred taxes	6,141	7,224	10,013	6,203	6,838	10.2%
Net result (Group's share)	7,604	13,148	10,924	5,593	5,351	-4.3%

- ◇ The group is continuing to develop its property leasing activity in Kinshasa: residential housing, industrial buildings and offices.
- ◇ Rents increased slightly to EUR 19,730 K. This change is the result of contrasting elements. On the one hand, the fire in August 2020 deprived the group of rent from a completely destroyed warehouse and, in the first half of 2021, of rent from an office complex that had to be renovated. On the other hand, the 33 apartments in the Bois Nobles Phase II project were delivered in the middle of the year and all found tenants immediately. The occupancy rate, which had fallen at the end of 2020 as a result of health restrictions and the uncertainty of the pandemic, rose steadily over 2021, such that only 4 out of 333 units are currently available for rent.
- ◇ The recurring operating result stabilised at EUR 9,118 K after taking into account particularly high costs for the legal and physical protection of the group's land. A non-recurring charge of EUR 45 K relates to the consequences of the August 2020 fire.
- ◇ The result before deferred taxes was EUR 6,838 K, up 10%. An increase in the provision for deferred taxes of EUR 1,479 K impacted the net result (Group's share), which came to EUR 5,351 K. This provision stems from the unrealised capital gain on the real estate portfolio
- ◇ The last two construction projects, the "Petit-Pont" office building (3,366 m² net) and the three Bois Nobles II buildings (33 apartments), are fully let. This success has strengthened the group's conviction in implementing its two largest residential and office projects:
 - Promenade des Artistes will include 94 apartments of 1-4 bedrooms in a pedestrianised setting with underground garages. Its budget has been fixed at EUR 18 M (excluding land) and it has rental potential of EUR 3 M per year. It will be delivered in the 2nd half of 2023.
 - Silikin Village Phase III will be the largest space dedicated to start-ups and digital enterprises in Africa and will include 7,500 m² net of offices and 4,000 m² of services (conference rooms, co-working space, etc.). This EUR 6.5 M project (including furniture) has a rental potential of EUR 1.8 M per year and will be available in early 2023.

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



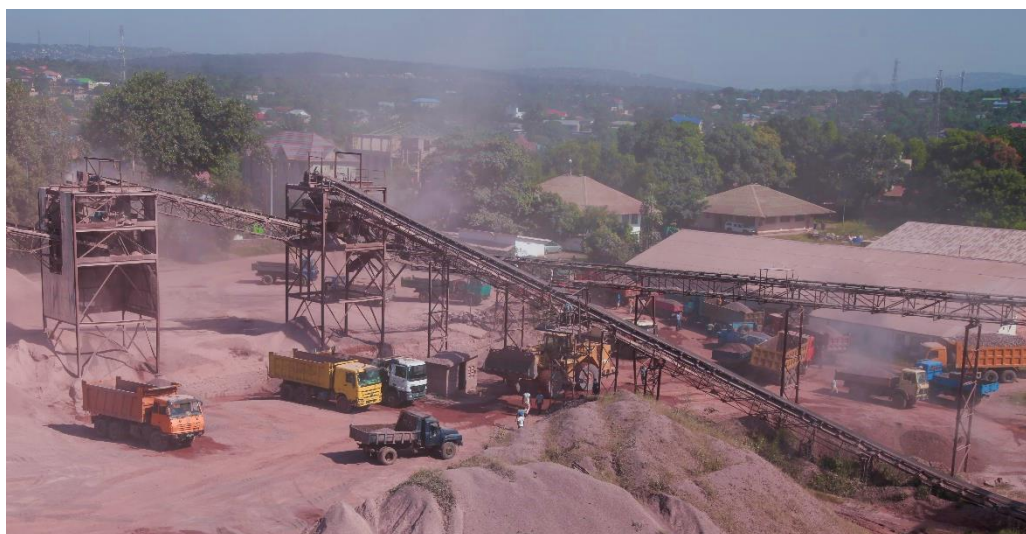


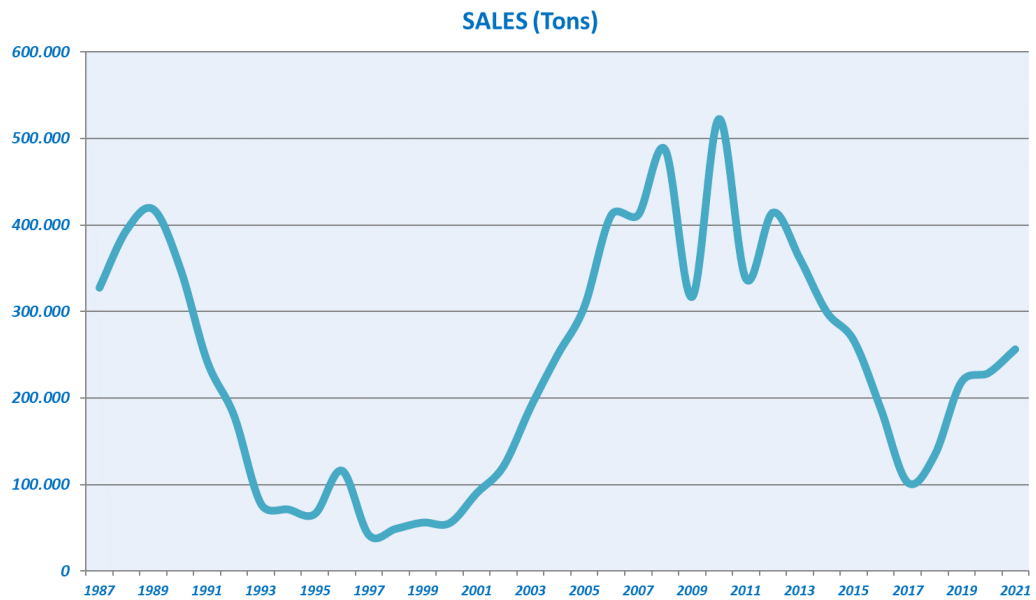
Rentable surface area [m ²]	31/12/2020	31/12/2021
Residential	58,484	62,192
Offices	21,663	23,234
Commercial	3,079	3,079
Warehouses	30,146	30,146
Other	1,177	1,177
TOTAL	114,549	119,828

CARRIGRES

CARRIGRES (000 EUR)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities	1,584	1,612	2,460	2,556	2,959	15.8%
Recurring operating result	-894	-261	-71	-39	231	n.s.
Operating result	-4,454	-109	-69	-1,339	231	n.s.
Result before deferred taxes	-3,954	248	193	-1,029	381	n.s.
Net result (Group's share)	-2,762	335	248	-617	452	n.s.

- ◇ **CARRIGRES** operates a crushed sandstone quarry located 10 km from the centre of Kinshasa.
- ◇ While the quarry was almost at a standstill in the 1st quarter due to problems with the delivery of spare parts, activity duly resumed over the following quarters with an upward trend in selling prices emerging at the end of the year. Over the whole year, turnover increased by 15% to EUR 2,959 K. Sales, in terms of volume, totalled 256,386 tonnes (+12%).
- ◇ The operating result became positive again at EUR 231 K.
- ◇ The result before deferred taxes, which includes financial income, was EUR 381 K and the net result EUR 452 K. The 2020 financial year was impacted by an impairment on the sandstone deposit.





DIGITAL

DIGITAL (EUR 000)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities				29	102	244.7%
Recurring operating result				-187	-167	N/A
Operating result				-187	-167	N/A
Result before deferred taxes				-187	-167	N/A
Net result (Group's share)				-187	-167	N/A

◇ In 2020, the Group created a new digital economy activity and reports its results separately.



- ◇ This division, called **SILIKIN VILLAGE** is developing the digital economy hub in Kinshasa which will bring together on a single site training, incubation and hosting of start-ups as well as international companies looking to develop in the DRC.
- ◇ In terms of infrastructure, it includes the **SILIKIN CAMPUS**, which hosts training activities and co-working spaces, 1,000 m² of furnished offices and meeting rooms to cater for start-ups and small organisations in the digital sector, inaugurated in 2021, and soon the new **SILIKIN VILLAGE** Phase III building with 7,500 m² net of offices and 4,000 m² of services (conference rooms, co-working space, gym, food court, etc.).
- ◇ In terms of activities, the second group from the KINSHASA DIGITAL ACADEMY, which trains web developers over seven intensive months (40 learners selected from 1,300 applicants), has started their training, several mobility start-ups have moved into the SILIKIN VILLAGE, the K-Impact programme, financed by the KING BAUDOIN FOUNDATION, focused on Kinshasa sustainable city, has led to the selection of young promising entrepreneurs, cyber security training has been organised, etc.
- ◇ The result from the activity, still in its start-up phase, was EUR -167 K.



HOLDING COMPANY

HOLDING COMPANY (EUR 000)	2017	2018	2019	2020	2021	Var.
Revenue from ordinary activities	0	0	0	0	0	N/A
Recurring operating result	-947	-1,208	-1,398	-975	-1,182	21.1%
Operating result	-997	-1,208	-1,330	-975	-1,182	21.1%
Result before deferred taxes	-96	-351	-592	-380	-598	57.2%
Net result (Group's share)	-300	-573	-402	-219	-431	96.6%

- ◇ Expenses totalled EUR 1,182 K.
- ◇ The net result was EUR -431 K (compared with EUR -219 K). It includes income from interest.



Silikin Village III project

CONSOLIDATED RESULTS

EUR 000	2017	2018	2019	2020	2021
Revenue from ordinary activities	18,208	18,869	21,691	21,868	22,727
Other recurring operating income	1,493	1,423	1,530	1,425	2,055
Recurring operating expenses	-9,663	-10,180	-12,008	-11,631	-13,131
Recurring EBITDA	10,038	10,111	11,213	11,663	11,651
<i>As % of turnover</i>	51%	50%	48%	50%	47%
Amortisation and depreciation	-3,018	-2,943	-3,382	-3,801	-3,649
Recurring operating result	7,020	7,168	7,831	7,863	8,002
<i>As % of turnover</i>	36%	35%	34%	34%	32%
Non-recurring operating items	-3,610	1,531	5,190	-1,716	-45
Operating result	3,410	8,699	13,022	6,147	7,956
Financial income and expenses	-1,190	-438	-223	-38	-35
Result before tax	2,220	8,261	12,799	6,108	7,922
Current taxes	75	-1,140	-3,183	-1,502	-1,467
Result before deferred taxes	2,295	7,121	9,616	4,606	6,454
<i>As % of turnover</i>	12%	35%	41%	20%	26%
Deferred taxes	2,255	5,811	1,176	-25	-1,242
Net result after tax	4,550	12,932	10,793	4,581	5,212
Consolidated net result (Group's share)	4,542	12,909	10,771	4,569	5,205
Per share					
<i>Recurring operating result (in EUR)</i>	1.98	2.02	2.21	2.18	2.18
<i>Operating result in EUR</i>	0.96	2.45	3.67	1.71	2.17
<i>Consolidated net result (Group's share) in EUR</i>	1.28	3.64	3.04	1.27	1.42
<i>Number of shares in circulation</i>	3,543,700	3,543,700	3,543,700	3,603,536	3,666,556

STATEMENT OF COMPREHENSIVE CONSOLIDATED INCOME

EUR 000	2017	2018	2019	2020	2021
Result for the financial year	4,550	12,932	10,793	4,581	5,212
Spread variations in foreign currencies				6	
Variations (after tax) in revaluation reserves	0		-28		
Variations (after tax) in pension provisions	-52		-19	-55	28
Movement (after tax) of the reserves for financial assets available for sale					419
COMPREHENSIVE INCOME	4,498	12,932	10,746	4,532	5,659
Allocated to:					
TEXAF shareholders	4,490	12,909	10,724	4,521	5,646
<i>Per share</i>	1.27	3.64	3.03	1.25	1.54
To minority interests	8	23	22	11	13

CONSOLIDATED BALANCE SHEET BEFORE APPROPRIATION OF THE RESULT OF TEXAF SA

EUR 000	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021
NON-CURRENT ASSETS	109,125	112,236	115,252	115,957	116,579
<i>Property, plant and equipment</i>	9,955	9,658	9,911	8,309	8,665
<i>Investment properties</i>	99,100	102,347	105,029	107,211	106,605
<i>Intangibles</i>	23	15	9	6	2
<i>Other financial assets</i>	47	217	304	432	1,307
CURRENT ASSETS	11,129	12,296	15,995	12,927	18,583
<i>Assets available for sale</i>	0	0	0	0	5,207
<i>Inventories</i>	4,769	4,948	4,633	4,346	4,622
<i>Receivables</i>	1,469	692	1,312	897	952
<i>Tax assets</i>	919	807	1,044	558	1,602
<i>Cash and short-term investments</i>	3,674	5,564	8,767	6,979	5,933
<i>Other current assets</i>	298	285	239	145	267
TOTAL ASSETS	120,254	124,531	131,247	128,884	135,162
EQUITY	80,167	90,213	97,516	99,837	104,280
<i>Capital</i>	21,508	21,508	21,508	23,398	25,497
<i>Group's reserves</i>	58,338	68,361	75,642	76,054	78,387
<i>Minority interests</i>	321	344	366	384	397
NON-CURRENT LIABILITIES	30,716	23,426	20,052	18,740	20,413
<i>Deferred tax liabilities</i>	19,810	13,999	12,805	12,806	12,882
<i>Other non-current liabilities</i>	10,906	9,427	7,247	5,934	7,530
CURRENT LIABILITIES	9,371	10,892	13,679	10,307	10,469
<i>Liabilities associated with assets available for sale</i>	0	0	0	0	0
<i>Other current liabilities</i>	9,371	10,892	13,679	10,307	10,469
TOTAL LIABILITIES	120,254	124,531	131,247	128,884	135,162



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

EUR 000	2017	2018	2019	2020	2021
Cash and short-term investments at the beginning of the year	3,911	3,674	5,564	8,767	6,979
Operating cash flow after tax	8,704	8,892	10,038	9,986	10,313
Changes in net working capital	2	2,850	706	-1,395	-665
Cash flows from operating activities	8,706	11,742	10,744	8,591	9,648
Investments	-6,625	-6,180	-7,483	-6,120	-8,942
Divestments	204	764	6,443	298	26
Cash flows from investment activities	-6,421	-5,416	-1,040	-5,822	-8,916
Increase in capital				1,890	2,099
Dividends	-2,430	-2,886	-3,442	-4,101	-4,633
Change in debt	-92	-1,550	-3,059	-2,346	756
Cash flows from financing activities	-2,522	-4,436	-6,501	-4,557	-1,778
Net increase (decrease) of cash and cash equivalents	-237	1,890	3,203	-1,788	-1,046
Cash and short-term investments at end of period	3,674	5,564	8,767	6,979	5,933

- ◇ The group's turnover increased by 4% to EUR 22,727 K, while other operating income increased by EUR 630 K, following an increase in the restaurant's turnover, higher electricity rebilling and late payment interest. Recurring operating expenses also increased to EUR 13,121 K, for a number of reasons, including a negative change in crushed stone stocks, an increase in provisions for retirement and an increase in legal and physical asset protection costs. The recurring operating result was consequently EUR 8,002 K, up 2%.
- ◇ The 2020 financial year had been affected by two significant non-recurring expenses: the direct impact of the 7 August fire (EUR -416 K) and an additional exceptional depreciation of the sandstone deposit of EUR -1.3 M. Only EUR 45 K of additional costs due to the fire were recorded in 2021 so that the operating result reached EUR 7,956 K (vs EUR 6,147 K in 2020).
- ◇ Net financial expenses remained stable at EUR 35 K (vs EUR 38 K), such that the result before tax reached EUR 7,922 K (vs EUR 6,108 K).
- ◇ The current tax charge also remained stable at EUR 1,467 K and the result before deferred taxes increased by 40% to EUR 6,454 K.
- ◇ The provision for deferred taxes increased by EUR 1,242 K, mainly that covering the unrealised capital gain on buildings. In total, the net result (Group's share) was EUR 5,212 K, compared with EUR 4,581 K one year before (+14%).
- ◇ As at 31 December, the Group remained in a net cash position of EUR 3,157 K (vs EUR 4,640 K a year earlier).
- ◇ **TEXAF** once again gave its shareholders the option of taking their 2020 dividend in cash or of contributing it as a capital increase ("optional dividend"). 65% of the net dividends were contributed to the amount of EUR 2,099 K, bringing the capital to EUR 25,497 K and the number of shares to 3,666,556 (+1.7%).

IMPACT OF THE COVID-19 CRISIS

- ◇ The Group still felt the impact of the Covid-19 crisis at the beginning of the year:
 - A higher than normal vacancy rate resulting from general uncertainty and the closure of the DRC's borders until 15 August 2020,
 - Difficulties in transporting equipment and materials that particularly impeded the quarry in the 1st quarter.
- ◇ These effects gradually receded and, at the end of 2021, the vacancy rate was at its lowest and the quarry was producing at a higher pace than in 2019.

AUDITOR'S REPORT ON THE CONSOLIDATED ACCOUNTS

The auditor has confirmed that his/her work is substantively completed and has not revealed any significant correction that should be included in the consolidated accounting information set out in this press release. However, he/she draws attention to the risks inherent in the presence of the Group's key assets in the DRC and this country's economic and regulatory environment, as well as the uncertainties this environment places on the valuation of the quarry and the determination of the fair value of investment properties.

OUTLOOK FOR 2022

- ◇ The Group expects earnings growth in 2022.
- ◇ In real estate, the full-year contribution of the 33 Bois Nobles II apartments and the decrease in the vacancy rate should increase rents and the recurring operating result.
- ◇ For **CARRIGRES**, the increase in volumes and prices should improve turnover and EBITDA. In terms of operating result, the effect will not be that strong after taking into account the depreciation of new machinery.
- ◇ The digital activity of **SILIKIN VILLAGE**, still in the launch phase, is not yet likely to contribute positively to the Group's results.



Promenade des Artistes project

APPROPRIATION OF 2021 EARNINGS

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

FINANCIAL AGENDA

- Friday 8 April 2022: Publication of the annual report
- Friday 6 May 2022: Publication of the quarterly press release
- Tuesday 10 May 2022 at 11 a.m.: Annual General Meeting
- Friday 27 May 2022: Dividend payment
- Friday 9 September 2022: Publication of half-yearly results
- Friday 11 November 2022: Publication of the quarterly press release

N.B. Definition of alternative performance indicators

- *Non-recurring items: 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 or reversals of allocations for write-downs on non-current assets;*
 - *costs relating to major restructuring, purchase or disposal of a business (e.g. redundancy or plant closure costs, commissions paid to third parties to acquire or dispose of an activity, etc.).*
- *EBIT: Operating result*
- *EBITDA: Operating result in which allocations for depreciation are reintegrated*
- *Turnover: Sum of income from ordinary activities and other recurring operating income*

TEXAF, established in 1925, is the only listed company with all its activities in the Democratic Republic of Congo. Currently, these are concentrated on property, quarries and the digital domain. This listing on the stock exchange and the resulting obligations in terms of good governance and transparency constitute a major asset of the Group for its development and for the promotion of the formal sector in the Democratic Republic of Congo.

Contact: *Philippe Croonenberghs, Chairman: +32 495 24 32 64*
Jean-Philippe Waterschoot, CEO: + 32 476 25 26 26
Christophe Evers, CFO: +32 495 24 32 60