



FLORIDIENNE

GROUP

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FLORIDIENNE

GROUP



FINANCIAL REPORT 2013

Consolidated accounts 2013

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Consolidated balance sheet

ASSETS IN EUR THOUSANDS	Note	Pro forma		
		31/12/2013	31/12/12*	31/12/12
NON-CURRENT ASSETS		95,341	137,150	107,443
Intangible assets	11	2,504	5,232	3,077
Goodwill	11	35,069	33,859	33,740
Tangible assets	12	44,954	71,950	42,941
Participations accounted for using the equity method	13	4,704	4,336	4,396
Deferred tax assets	14	3,965	4,755	4,322
Other assets	15	4,144	17,019	18,967
CURRENT ASSETS		126,425	148,027	177,734
Assets held for sale	16	169	739	739
Assets on abandoned activities	24	8,810	0	46,094
Inventories	17	35,804	43,858	35,315
Biological inventories	17	655	954	954
Trade receivables	27	50,845	53,978	47,475
Current tax assets		3,709	3,696	2,918
Other financial assets	18	6	10,206	10,206
Cash and cash equivalents	19	19,914	18,922	16,925
Other assets	15	6,513	15,675	17,106
TOTAL ASSETS		221,766	285,177	285,177

EQUITY AND LIABILITIES IN EUR THOUSANDS	Note	Pro forma		
		31/12/2013	31/12/12*	31/12/12
TOTAL EQUITY		88,403	113,617	111,444
Floridienne equity		84,504	107,642	107,642
Minority interests		3,899	5,975	3,801
LIABILITIES		133,363	171,559	173,733
Non-current liabilities		52,839	76,251	51,969
Interest-bearing debt		46,005	67,012	46,610
Subsidies received		1,942	2,475	1,986
Provisions		2,218	2,891	1,017
Staff benefits		866	1,439	833
Deferred tax liabilities		1,808	2,434	1,523
Current liabilities		80,524	95,309	121,764
Interest-bearing debt		26,282	49,166	41,075
Liabilities on abandoned activities		8,810	0	39,607
Subsidies received		405	640	482
Provisions		334	853	292
Staff benefits		85	75	75
Trade payables		31,951	31,763	29,458
Current tax liabilities		2,418	1,648	1,210
Other liabilities		10,240	11,164	9,564
TOTAL LIABILITIES		221,766	285,177	285,177

* The figures presented for comparative purposes have been reprocessed in order to take account of the application of the revised IAS standard 19 on employee benefits. This has a negative (retrospective) impact on the Other elements of the overall result up to 31/12/2012 of -0.8 million euro and concerns the recognition of actuarial gaps that had not been recognised in the past in application of IAS standard 19.

The total balance sheet is 63.4 million euro lower than in 2012. This can be explained by two factors:

- The loss in the financial year of 20.3 million euro
- The treatment of Floridienne Chimie according to the IFRS 5 standard ('Non-current assets held for sale and abandoned activities'), which requires valuing the assets and liabilities of this company at the lowest amount between their accounting value and their fair value reduced by the costs of the sale. This valuation was estimated at 8.8 million euro, which is 37.3 million euro lower than in 2012.

More explanations on the valuation of Floridienne Chimie's assets and liabilities are available in note 24 of the annual report.

In order to allow for easy analysis of the evolution of the balance sheet of the Floridienne Group's recurring activities, a pro forma consolidated balance sheet, taking up the values of Floridienne Chimie's assets and liabilities up to 31 December 2012 on one 'Abandoned activities' line, has been presented with regard to the 2012 official presentation.

Consolidated income statement

	Note	31/12/2013	31/12/12*
OPERATING INCOME		264.188	254.293
Turnover		259.231	247.611
Other operating income	6	4.957	6.682
OPERATING EXPENSES (-)		-260.831	-250.068
Raw materials and consumables		-156.162	-149.060
Staff costs		-41.626	-40.699
Depreciation and amortisation	7	-7.841	-7.765
Other operating expenses	6	-55.202	-52.544
OPERATING RESULT		3.357	4.225
Result from disposal of non-current assets	8	-7.414	720
Debt burden		-3.028	-3.089
Financial result	9	-914	-7.384
Share of the net result of equity-accounted companies		1.081	63
RESULT BEFORE TAX		-6.916	-5.465
Tax on the result	10	-2.128	-1.700
NET RESULT FOR THE ACTIVITIES CARRIED OUT		-9.044	-7.165
Result on abandoned activities		-11.286	-9.204
NET RESULT FOR THE FINANCIAL YEAR		-20.331	-16.369
Net result attributable to Floridienne		-21.251	-16.437
Minority interests		920	69
Net result attributable to Floridienne by base share	25	-21,56	-18,00
Net result attributable to Floridienne by diluted share	25	-21,56	-18,00

* Reclassifications have been carried out on the presentation of the 2012 consolidated income account in accordance with the application of the 'Abandoned activities' IFRS 5 standard, which also requires the processing of the result on abandoned activities in 2012. The turnover linked to Floridienne Chimie was therefore removed in 2012 and the result achieved by this subsidiary in 2012 appears on a separate line.

Floridienne Group's 2013 turnover came to 259 million euro by comparison with 248 million euro in 2012 as the increases in the turnovers of the Food and Life Sciences Divisions have almost completely compensated for the removal from the turnover of Floridienne Chimie, which came to 30 million euro.

The EBITDA came to 11.2 million euro against 12 million euro in 2012.

The net result of recurring activities is slightly positive, at 0.2 million euro, by comparison with 0.7 million euro in 2012.

The non-recurring losses linked to Floridienne Chimie and 5N Plus came respectively to -11.3 million euro and -9.2 million euro, i.e. a total of -20.5 million euro.

Floridienne closed its results on 31 December 2013 with a net consolidated income of -20.3 million euro by comparison with -16.4 million euro on 31 December 2012. The share of the Group in this net income comes to -21.2 million euro.

Consolidated statement of comprehensive income

	31/12/2013	31/12/12*
Net result for the financial year	-20,331	-16,369
Changes in equity outside the profit and loss account		
Aspects that can be refiled in the profit and loss account in future financial years		
Gain / loss (net) on financial assets available for sale		
Gain / loss (net) on cash flow hedges	326	-302
Gain / loss (net) on foreign operations	-2,679	369
Transfer of reserves between minority interests and the Group	0	-571
Other variations		-3,578
Aspects that cannot be refiled in the profit and loss account in future financial years		
Reevaluation of the pension plan with defined contribution	0	-674
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAXES	-22,684	-21,125
Attributable to the		
Floridienne Group	-23,056	-17,543
Minority interests	372	-3,582

Table of consolidated cash flows

	31/12/2013	31/12/12
Result for the financial year before taxes	-6,916	-14,761
Depreciation and amortisation	7,704	18,479
Result of companies accounted for using the equity method	-1,081	-48
Provisions and deferred taxes	0	-474
Capital gains / losses on the disposal of assets	8,622	-763
Taxes for the financial year	-1,742	-1,563
Financial expenses	3,474	5,259
Others	-167	379
SELF-FINANCING GROSS MARGIN	9,894	6,508
Changes in current assets / liabilities		
Inventories	-294	8,047
Receivables and others	-539	2,300
Debt	3,730	-3,810
CHANGE IN THE WORKING CAPITAL REQUIREMENT	2,897	6,537
NET CASH FLOW RELATING TO OPERATING ACTIVITIES	12,791	13,045
Acquisitions of intangible assets	-407	-395
Acquisitions of tangible assets	-8,821	-11,893
Acquisitions of financial assets	-4,452	-1,685
New loans to participations	-525	-299
TOTAL INVESTMENTS	-14,205	-14,272
Disposals of intangible assets	0	1
Disposals of tangible assets	379	537
Disposals of financial assets	9,202	0
Income from participations	982	634
Repayment of loans	12,745	5
TOTAL DIVESTMENTS	23,308	1,177
CASH FROM INVESTMENTS	9,103	-13,095
Financing transactions		
Capital increases	0	10,000
Acquisitions and disposals of financial assets	-68	0
Changes in debts and subsidies	-14,831	1,440
Financial expenses	-3,474	-5,259
Dividends paid by the mother company	0	-2,904
Changes of equity	0	-94
Dividends paid to third parties	-335	-305
CASH FROM FINANCING ACTIVITIES	-18,709	2,878
CHANGES IN CASH POSITION	3,186	2,828
Cash in hand at the start of the financial year	18,922	15,590
Net change	3,186	2,828
Currency translation	-1,021	205
Change of scope	558	298
Cash at the beginning of the period of abandoned companies	-1,731	0
Other movements / Impairments	0	0
Cash in hand at the end of the financial year	19,914	18,921

Consolidated statement of changes in equity

	Share capital	Share premium at issue	Cash flow hedging	Actuarial gaps IAS 19R
Opening balance on 01/01/2012 PUBLISHED	4,420	21,005	(597)	
Correction IAS 19 R				(66)
Opening balance on 01/01/2012 REPROCESSED	4,420	21,005	(597)	(66)
Result for the financial year				
Other comprehensive income			(302)	(489)
Total comprehensive income	-	-	(302)	(489)
Capital increase	435	9,565		
Operations on business combinations				
Dividends and bonuses paid				
Treasury shares				
Share-based payments				
Others				
Closing balance on 31/12/2012 REPROCESSED	4,855	30,570	(899)	(555)
Opening balance on 01/01/2013 PUBLISHED	4,855	30,570	(899)	
Correction ias 19 R				(555)
Opening balance on 01/01/2013 REPROCESSED	4,855	30,570	(899)	(555)
Result for the financial year				
Other comprehensive income elements			326	-
Total comprehensive income	-	-	326	-
Capital increase	-	-		
Operations on business combinations				-
Dividends and bonuses paid				
Treasury shares				
Share-based payments				
Transfer of reserves				
Abandoned activities	-			555
Closing balance on 31/12/2013	4,855	30,570	(573)	-

Most of the Floridienne Group's pension commitments were born by Floridienne Chimie, whose assets and liabilities have been transferred into 'Abandoned activities' and have therefore been taken out of the changes in equity. This transfer is taken up in the 'Transfer of reserves' and 'Abandoned activities' lines.

In 2013, the company did not pay a dividend for the 2012 financial year. Given the difficult situation that Floridienne Chimie has been experiencing and the Group's wish to keep its resources to pursue its goal of reducing its debt, a proposal will be made to Floridienne's General Meeting not to pay a dividend per share for the 2013 financial year either.

Own shares	Reserves	Results	Conversion losses	Floridienne equity	Minority interests	Total equity
(1,186)	57,623	38,400	(1,415)	118,250	6,675	124,925
				(66)	(25)	(91)
(1,186)	57,623	38,400	(1,415)	118,184	6,650	124,834
		(16,437)		(16,437)	(3,510)	(19,947)
	(571)		256	(1,106)	(72)	(1,178)
-	(571)	(16,437)	256	(17,543)	(3,582)	(21,125)
				10,000	3,000	13,000
	-			-	212	212
	(2,904)			(2,904)	(305)	(3,209)
(94)				(94)		(94)
				-		-
	38,400	(38,400)		-		-
(1,280)	92,548	(16,437)	(1,159)	107,643	5,975	113,618
(1,280)	92,548	(16,437)	(1,159)	108,198	6,185	114,383
				(555)	(210)	(765)
(1,280)	92,548	(16,437)	(1,159)	107,643	5,975	113,618
		(21,250)		(21,250)	920	(20,330)
	-		(2,132)	(1,806)	(548)	(2,354)
-	-	(21,250)	(2,132)	(23,056)	372	(22,684)
				-	-	-
	(83)	-		(83)	-	(83)
	-			-	(335)	(335)
-				-		-
				-		-
	(16,437)	16,437		-		-
	(555)	-		-	(2,113)	(2,113)
(1,280)	75,473	(21,250)	(3,291)	84,504	3,899	88,403

Statutory auditor's report to the general meeting of shareholders on the consolidated financial statements of Floridienne SA For the financial year ended 31 december 2013

As required by law, we report to you on the performance of our mandate of statutory auditor. This report includes our opinion on the consolidated financial statements, as well as the required additional statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2013, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2013, and the explanatory notes.

Report on the consolidated financial statements – Unqualified opinion

We have audited the consolidated financial statements for the financial year ended 31 December 2013, prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, which show a consolidated statement of financial position total of EUR 221.766.(000) and a consolidated income statement showing a consolidated loss (Group share) for the year of EUR 21.251.(000).

Responsibility of the Board of Directors for the preparation of the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and 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 annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the company auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the company's internal control relevant to the preparation of consolidated financial statements that give a true and fair view, 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the Board of Directors and company officials the explanations and information necessary for performing our audit.

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

Unqualified opinion

In our opinion, the consolidated financial statements of FLORIDIENNE SA give a true and fair view of the Group's equity and financial position as at 31 December 2013, and of its results and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Emphasis of matter paragraphs

Without qualifying our opinion expressed here above, we would draw attention to some significant uncertainties set out in the notes attached to the consolidated financial statements and in the Director's report.

- The consolidated financial report [Note 24 and the Director's report] describes the valuations and classification retained as per 31 December 2013 for the FLORIDIENNE CHIMIE subsidiary in application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" as a result of the implementation of a co-ordinated plan to dispose of the activities under the authority of Court ("Procedure of Legal Reorganisation"). The fair value of assets

has been estimated by the Board of Directors at EUR 8,8 million, taking into account the uncertainties in the process of the ongoing disposals. The fair value of liabilities has been estimated at the same amount given that the debts, whether guaranteed or not, are recoverable only at the value of the realizable assets. The valuation of the assets will have to be reconsidered, upwards or downwards, depending on the evolution of the ongoing legal proceeding and the offers received by the attorney. Any modification of those valuations will determine the amounts ultimately distributable among creditors according to their priority.

In this respect, FLORIDIENNE points out that all the direct financial impacts on the Group, which are known to date, linked to the default of FLORIDIENNE CHIMIE have been taken into account in 2013 and that the disposal of the activities of FLORIDIENNE CHIMIE will not have any significant operational impact on the other entities of the Chemical Division.

- Among the accounting estimates and judgements made by management, the financial report mentions in particular [Note 2 (e)] the impairment tests and recognition of deferred tax assets. The evaluations made [Notes 11, 12 and 14] are based on budgeted data and methods and parameters that necessarily include elements of uncertainty, especially regarding loss-making entities. The financial report indicates that the budgets have been determined with caution, based on the best estimates available.
- The conflict opposing the FLORIDIENNE group against the former shareholders of LARZUL, a company owned at 50% until now, has, for several years, been subject to legal procedures, which prevent the Group from obtaining effective control of the company. In absence of sufficient information, uncertainties exist not only as to the measurement of the investment in LARZUL (EUR 2,6 million) but also on the recoverability of the Group's receivables on the company (EUR 1,9 million) pending an overall settlement of the dispute. The Board of Directors of FLORIDIENNE considers that, despite the uncertainty about taking control of LARZUL, the carrying amount of the investment, shown in *other financial assets*, is not higher than the recoverable amount of the investment. In case the Group can not take effective control of LARZUL, the value of the investment and the receivables will depend on the conditions of the settlement of the litigation.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the Director's report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standards which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the consolidated financial statements:

- The Director's report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties the companies included in the consolidation are faced with, the state of their affairs, their forecast development or the significant influence of certain events on their future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with the information we have acquired in the context of our appointment.

Brussels, 30 April 2014

Mazars Réviseurs d'Entreprises SCRL
Company auditor represented by
Philippe GOSSART

Financial calendar

1 st interim statement	19 May 2014
Annual general meeting	3 June 2014
Halfyear results	29 August 2014
2 nd interim statement	19 November 2014

