

ANNUAL REPORT

2022

LUXEMPART
GROWING TOGETHER

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MESSAGE FROM THE EXECUTIVE CHAIRMAN

FOR A FAMILY BUSINESS, TRANSMITTING VALUES IS WHAT MATTERS

The Foyer Group celebrated its 100th anniversary in October 2022.

This anniversary ceremony provided an opportunity to remind us of the major events throughout its history. Amongst those, was the gradual takeover, as majority shareholder of BIL Participations in 1992.

This portfolio company, listed on the Luxembourg stock exchange changed its name to Luxempart and transformed our family business from a pure insurance company into a leading financial group in the Grand Duchy of Luxembourg.

At first sight, the industrial logic was not obvious between Foyer and Luxempart. Today, with hindsight, this decision has proven to be quite sound enabling to diversify our assets and to venture into new opportunities.

It was also rewarding for our shareholders since an average annual return on investment of 15,5% was generated over the last 30 years.

After focusing its investments mainly in the Grand Duchy of Luxembourg, Luxempart developed over time its activities as a professional investor across Europe, and more recently in the United States. A talented international team manages today a portfolio in excess of EUR 2.0 billion.

During this period, I have lived through an unforgettable entrepreneurial and human adventure.

I had the opportunity to meet and work with several outstanding people who placed their trust in me. I am thinking in particular of the Schwertzer family, Gaston, honorary Chairman and co-founder with me of Luxempart, and his son Jacquot, with whom I later developed Luxempart's activities beyond our borders. I also want to mention André Elvinger, whose valuable advice has proven to be very helpful.

To all my partners and colleagues, a warm thank you!

Today I am leaving the Board of Directors of Luxempart and its Chairmanship, with strong emotions in tow. On such occasion, one looks back to grasp the essential.

Personally, I am particularly proud to have been able to preserve an entrepreneurial spirit and the unity of our family.

I attribute the success and continuity of our business to a great extent to the five following key values:

- A corporate culture relying on creativity, honesty and transparency
- A passion for our businesses and their development
- The quest for excellence
- A shared vision and clear objectives
- A strong appetite for measured risk-taking.

The world is in constant motion, and most would even agree to say that change is accelerating.

Flexibility and adaptability are becoming more than ever the guarantors of a company's successful existence over time. In this perpetual whirlwind, family values, passed on from generation to generation, are the bedrock a family business needs to strive.

I would particularly like to thank Pierre Drion who, after 15 years, leaves the Board of Directors with me. Pierre has participated in many important moments of Luxempart and Foyer. His advice and incisive opinions have always been of great value. Pierre is a man of heart and action, a dear friend, whose youthful spirit amazes me every day.

I leave the Chairmanship of Luxempart to François Gillet, a widely recognised investment professional.

François knows Luxempart very well and for many years I have appreciated his loyalty, competence and business approach within our Board of Directors. I am confident that François, supported by his highly professional colleagues on the Board, will give the right guidance to Luxempart in the future.

To the co-managing directors, John Penning and Olaf Kordes and their team, I wish them, luck, courage and inspiration in their new adventure.

Last but not least, I would like to thank all Board members and shareholders who have trusted and supported me all the way.

François Tesch
Co-Founder

WHAT WE STAND FOR

Luxempart is a Luxembourg listed investment company with 30 years of existence and an estimated net asset value of EUR 2.2 billion as of December 31, 2022. Our growing team of close to 30 investment professionals and support staff is based in Luxembourg and actively covers our target markets of France, Benelux, DACH region and Northern Italy. We aim to be a long term and trusted partner to successful entrepreneurs and families.

Luxempart shareholders and management believe in value creation through patient involvement and a shared vision with our partners. We foster an ambitious team spirit, led by young and talented colleagues, that are close to our strategic markets, and that are empowered early on.

Our track record over the last thirty years has been positive with a group IRR above 15%, while paying out a steadily increasing dividend.

STRATEGIC HEADLINES

Direct Investments:

- Equity investments between EUR 25 and 100m per line
- Majority or active minority stakes
- Privately held (private equity) or listed companies
- Focus on France, DACH, Benelux and Northern Italy.
- No specific sector preference, but affinity for financial services & insurance, telecommunication, security, healthcare and industrials
- Supportive, hands-on approach, good understanding of family dynamics

Investment Funds:

- Investments usually between EUR 2.5 and EUR 15m per fund
- Wide range of strategies – venture capital, growth capital and buyouts
- Geographical diversification – Europe, USA, Asia
- Co-investment opportunities

WHAT WE OFFER

LUXEMPART has a stable family shareholding structure, that promotes:

FOR OUR SHAREHOLDERS

- A resilient and diversified portfolio of growing European companies
- A direct access to private equity investments managed by a seasoned team
- An access to top-class private equity funds operating worldwide
- A steadily increasing dividend
- The first-class governance of a listed company

FOR OUR BUSINESS PARTNERS

- Tailor-made solutions for founders, family businesses and managers
- An entrepreneurial and industrial mindset
- An active support on all major strategic decisions and available capital to foster growth initiatives or to resist hard times
- No exit pressure with investment horizons beyond traditional private equity funds
- The ability to help national champions to become truly European and develop worldwide

MESSAGE TO OUR SHAREHOLDERS

This year, marked by two quite different periods, can be summarized as a year of consolidation for Luxempart.

The first half of the year was placed under the sign of sideration, generated by events that we thought long-gone: war in Europe, high inflation, rapidly increasing financing costs and a trend towards regionalization led by geopolitical tensions.

During the first six months, Luxempart's model has proven its resilience. Our portfolio is overweight in very resistant sectors (namely financial services and healthcare) and has shown a continued increase in the portfolio companies' financial results. Furthermore, the investment strategies focusing on less mature companies (venture and growth, that are experiencing comparably stronger headwinds) are relatively recent in Luxempart's fund portfolio and as such our Investment Fund portfolio has no significant exposure to these strategies as of yet. As a result, Luxempart experienced a somewhat limited decrease of its Net Asset Value ("NAV") as of June 30, faring significantly better than our benchmark. The execution of our strategy was nevertheless pursued. We proceeded to three investments, therein two already known to Luxempart (reinforcing of an existing listed line and re-investment in a company sold by a sponsored investment fund) and have pursued our exit activity, selling three companies under very favorable conditions.

During the second half of the year, a certain return of confidence has generated a more favorable and less tense economic climate. However, significant uncertainties persisted, such as potential energy shortages in the winter period or the continuing negative impact of the zero-Covid policy in China on global supply chains.

In this context, Luxempart has resumed its investment activity both in Investment Funds (new commitments of EUR 28.4m and investments of EUR 58.4m during H2 2022) and Direct Investments, where we invested in Nexus and Tonies. These two investments translate a certain level of caution though: Nexus operates in a very resilient sector (software for the healthcare space) and Tonies, even though a little less mature, is well known to Luxempart. In total, Luxempart has invested EUR 151.3m in the second half of 2022, an increase of 54% over the first half, bringing total investments for the year to EUR

249.4m (EUR 161.0m in Direct Investments and EUR 88.4m in Investment Funds). In parallel, we have also maintained our divestment activity, selling Rimed under very favorable conditions and above our NAV as of June 2022 (while rolling over a small stake to benefit from future upside).

The return of confidence was also felt by the stock market in the second half, invigorating valuation levels of companies comparable to those in our portfolio. Hence, the weighted average multiple of our Direct Investment portfolio (excluding listed lines) increases from 9.6x EBITDA as of June 30 to 9.9x as of December 31, 2022 (but still below the level of December 2021, which stood at 10.3x). But this is not the only factor maintaining our portfolio valuation. The underlying operational results of our portfolio companies have continued to grow in 2022¹, progressing by ca. 2.5% as of December 2022, in comparison to December 2021. This has cemented the good performance of our portfolio, and hence our results for this year. We are also happy to mention the outstanding performance of our portfolio of Investment Funds, that shows a return of 10.6% in 2022. Not only is this return above peers, it is also generating EUR 134.6m in cash proceeds in 2022 (counting for 60% of this return), mainly thanks to two of our very successful sponsored teams.

We have the honor to report that our NAV as of December 2022 is broadly in line with December 2021 at EUR 2182.9m EUR, increasing by EUR 13.8m over the year (+0.6%) and by 5.1% since June 30, 2022. Restated for the dividend paid out in 2022, the overall shareholder performance amounts to 2.3% in 2022. Compared to our benchmark, we deem this performance to be very resilient, and as in the last years, a portion of the performance translated into cash, due to the sustained streamlining of our portfolio.

We consider this streamlining to be well advanced as of today, and we will start to deploy our significant cash position (EUR 451m, increasing since June 30 due to the sale of Rimed and the completion of several transactions signed prior to June 2022) in line with our long-term strategy. The minority stake taken in Kestrel Vision at EUR 110m, announced on February 6, 2023, is a first step in this direction.

In summary, we believe our portfolio to be extremely resilient and to have proven so in 2022, a year that will be for long remembered for its fair share of difficulties and uncertainties.

2022 is also the last full year of our Chairman's service. François Tesch, during his 30 years of involvement, and supported by a close and valuable team of professionals, has left a permanent mark in Luxempart's history. We hope, but are humbly confident, that we have the means to consolidate the development of your company, by perpetuating the principles laid out by François: professionalism, entrepreneurial spirit, agility and respect of a strict governance at the service of our shareholders.

In this context, the consolidation of a very solid portfolio is not the only ingredient to success. Luxempart is in a people's business. Our team, that we would like to congratulate and thank for their continued work and implication in 2022, but actually since much longer, is our most precious asset. This outstanding team has been reinforced over the last three years and we are convinced that we have reached a high-caliber structure that will contribute to perpetuate Luxempart's development.

We would like to particularly thank Jo Santino, member of the Executive Committee in charge of the Investment Fund activity, who has retired this spring, leaving in place a team that will step up to the challenge. Alain Huberty succeeded him, after leaving his CFO position to Lionel de Hemptinne, who joined in April 2022. Eventually, Rudolf Ohnesorge, who capitalizes on a long experience in private equity investments in Germany has joined the Luxempart senior investment team in September. The Executive Committee now counts five members focusing on collegial, nimble and professional decision-taking. It manages today a team of 27 people, thanks to the 5 net additions in 2022.

The team is supported and supervised by our Board of Directors, that will also undergo a certain change. We are very happy to welcome François Gillet as our new Chairman, who, during his already 30 years of active collaboration at our Board of Directors has proven his contribution to Luxempart's development. We would also like to thank Pierre Drion, who will retire from the Board of Directors. We will miss his always incisive and business-

minded insights. We would be honored to welcome Xavier Coirbay and Owen Tesch, who will add their competencies and experiences to a Board of Directors that re-invents itself perpetually. As Managing Directors, we are impatient to work with them if you, as shareholders, validate their candidacies. We are convinced of their professionalism and of the value they will add to the Board of Directors.

We strongly believe that with this renewed set-up, we will be able to continue to invest your funds wisely, creating value for the long term, in accordance with the strategy that we have been advocating for the last three years, and that the present annual report outlines again. The world is prone to uncertainties and risks. But no more than in 2008, 2011 or 2020. Luxempart has proven its strong resilience during the last crises. We are convinced that the entrepreneurial spirit, associated to a certain level of prudence, will guide us and allow us to perpetuate the development of your company. Such development needs to increasingly take into account the principles of responsible investing. Over the year, our teams have been closely associated to our ESG initiatives, which we would like to become a guiding principle shared and applied by the whole structure. Our work in this area will intensify in 2023, based on the progress made in 2022 and outlined in the sustainability report.

Please, allow us a more personal closing statement dedicated to François Tesch. François completes a rich career that only few entrepreneurs in Europe can match. But for us, he has reached what every entrepreneur handing over his baby can wish for: at every important decision, we will wonder what François would have thought... We sincerely hope to step up to the challenge, to pursue your company's development in the years to come, and to give sense to our introductory concept of consolidation. We humbly thank him for his confidence and assure you that we will work tirelessly to be worthy of it!

John Penning and Olaf Kordes on behalf of the whole team

¹ EBITDA, except for companies in the financial services sector, where the computation is based on operating result

THE YEAR AT A GLANCE

Direct investments

+1.4%
Positive performance



portfolio streamlining continues, but sustained investment activity

€161m investments



€32m
31.5%

SALICE

€25m
6.7%

nexus/ag

€72.7m
8.4%

+ reinforcement in 2 existing lines

€214.7m divestments

RIMED

€52.8m



€76.2m

+4 other exits closed in 2022

Investments funds

strong performance of **10.6%**, therein 60% translating into cash

€134.6m
in cash proceeds

New investments of **€88.4m**

€78.9m
in new commitments, therein 83% outside Europe

Portfolio valuation **9.9x EBITDA** (vs 10.3x in 2021)

EBITDA growth 2.5%

8 Portfolio companies growing through acquisitions in 2022

Total NAV **€2182.9m** (+€ 13.8m)

Resilient Portfolio

historic cash position at **€451m** (+ €107m)

continued exit activity generating proceeds above valuations of prior year

Total shareholder return **+2.3%**

Out-performance of benchmark index



ACTIVITY REPORT

LUXEMPART INVESTMENT STRATEGY

In accordance with what we stand for, we strive to deploy our investment activity based on a two-pillar strategy.

Our core business is the **Direct Investment** activity, which focuses on deploying an average EUR 50 - 100m per transaction in growing, profitable companies located in our core markets. We look for continuous growth in the companies we invest in, generating long-term returns for our shareholders. That is why we consider investments over longer terms with no predefined exit horizons. This is the main differentiating factor to classic private equity funds operating in our space.

Such investment projects can be realized in both public and private companies under the form of leveraged buyouts or growth capital investments (with no external debt) and can grant Luxempart either minority or controlling stakes in the company.

The strategy in the Direct Investment activity has been developed many years ago, but has evolved as follows since 2020. Given the size of our Net Asset Value, it was decided to increase the average investment ticket to EUR 50m, with a lower limit at EUR 25m (but with a view to increase investment over time), in order to have a meaningful impact on our Net Asset Value. Also, in order to be able to actively create value, it was decided that all portfolio companies, whatever capital stake Luxempart holds in them, should grant us adequate governance rights. Such rights should enable us to contribute to shaping our portfolio companies' strategy and to assess its implementation in a timely and professional manner.

This strategy has led the management to take a number of arbitrage decisions since 2020 in a view of streamlining our portfolio.

Hence, our objective is to manage within a few years a more concentrated portfolio, composed of 20 to 25 companies that all fit the above-mentioned criteria and present recurring profitability, significant growth prospects and good visibility. This portfolio will continue to contain both public and private companies.

The second pillar of our strategy is the **Investment Funds** activity.

Historically, this indirect investment activity was centered on four long-term relationships with investment teams in Belgium, France, Germany and Italy, where Luxempart used to be an important cornerstone investor. Their investment activity was to a large extent complementary to our Direct Investment activity, which even resulted in Luxempart sometimes co-investing alongside these partners.

Based on the success of this early-days fund of funds strategy, it was decided to allocate additional means to this activity, and to use it as a diversification tool for Luxempart, next to its European Direct Investment activity, to invest in new geographies, new sectors and in companies with other maturity levels.

The ambition defined for the Investment Funds activity was to double its size by 2025, by reinvesting proceeds received and by tapping into existing cash reserves of Luxempart.

The target is to commit between EUR 75m and EUR 100m per annum to 8-10 new funds, with a specific focus on North America and (more marginally) on Asia. It not only focuses on investments in buy-out and secondary funds, but also diversifies to seek investment opportunities in compelling earlier stage venture and growth funds, sometimes complemented by smaller, more passive co-investments.

2022 GLOBAL PERFORMANCE

As stated in the message of our Managing Directors, our portfolio activity resisted well in 2022 despite the difficult environment, and was characterized by a strong cash flow generation.

Our overall NAV grew slightly to EUR 2,182.9m, compared to EUR 2,169.1m at December 31, 2021. Adjusted for the 2022 dividend, the Group's performance was slightly positive at +2.3%.

This performance compares favourably when measured relatively to the markets in general, and in particular to our benchmark index, the MSCI Europe Mid Cap Net return index, which tracks the performance of European small and mid cap companies. This index generated a negative return of -19.3% in 2022.

When measured on a longer 4-year period in order to flatten market volatilities, Luxempart generated an IRR of ca. 13.8% over this reference period, largely outperforming the ca. 7.5% IRR realized by the MSCI Europe Mid Cap Net return index over the same period.

Our portfolio activity translated into a strong cash flow generation in 2022 in our various activities, due to the sale of several investments both in our Direct Investment portfolio and in some of our historical sponsored Funds. This led to a significant increase of our Group's cash position to EUR 451.1m, compared to EUR 344.1m as at December 31, 2021, or 20.6% of our total balance sheet.

As a result, Luxempart shows a strong net financial position by end of 2022, with a total Shareholders' Equity of EUR 2,182.9m and a Group's net cash position of EUR 451.1m in the absence of any financial debts.

Breakdown of Group's NAV



Shareholder's performance 2022

2.3%

Annualized performance 2019-2022

13.8%

MSCI Europe Mid cap 2019-2022 annualized performance

7.5%

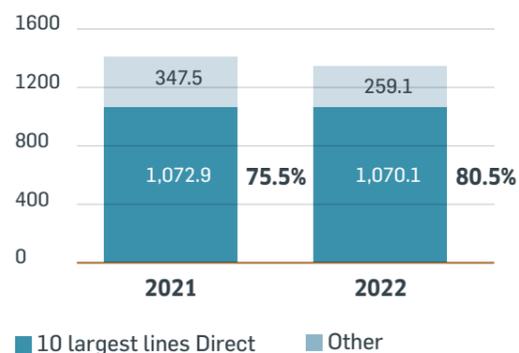
Dividend increase 2023

+10%

DIRECT INVESTMENTS

DIRECT PORTFOLIO PERFORMANCE

Direct Investments focus on larger lines



Breakdown of Direct Investments



The performance of our Direct Investment portfolio is slightly positive in 2022, at +1.4%. The overall NAV of Direct Investments declines by -6.2%, under the effect of both new investments but more so of significant divestments.

This is a good performance when compared to the listed markets, and is mainly due to overall resilient operational results of our portfolio, whose average EBITDA increased by 2.5% over the course of the year, together with a bounce-back of our peer group multiples (used in our valuation processes) during the second half of the year (average weighted multiple of 9.9x compared to 9.6x as of June 2022 and to 10.3x as of December 2021). This improvement is mainly attributable to the sector exposure of our unlisted portfolio. Our listed portfolio (representing 19% of the Direct Investment NAV), more geared towards technology, has had a negative contribution to our NAV, but its decline remains well below the overall decline of our benchmark index.

The combination of these factors led to an improvement of our valuations per December 31, 2022 compared to end of 2021 (+1.4%).

In absolute terms, the NAV of our Direct Investments decreased by -6.2% to EUR 1,329.1m, as a result of the continued portfolio streamlining in 2022, that generated EUR 214.7m in cash proceeds for the group. Those disposals generated additional capital gains of EUR 28.3m in 2022, compared to those assets' valuations as at December 31, 2021, showing again the realistic but conservative approach we use in our valuation processes at Luxempart in general.

Despite the global uncertainties in 2022, we have pursued our investment activity in a cautious manner, by investing in 3 new companies in 2022 - Nexus, Metalworks and Salice - for a total amount of EUR 129.8m, and making add-on investments mainly in two existing listed portfolio companies, Tonies and Technotrans, for EUR 31.2m in total. In our investment decisions last year, we valued in particular companies with strong leadership positions on their markets, having a high pricing power, and active in resilient sectors. Our three new investments were structured in a way as to give us significant governance rights and means to adequately play our role as an active partner.

As of December 31, 2022 we had 29 companies in our Direct Investments portfolio, including the three new investments, compared to 33 by end of 2021. Indeed we have realized 6 exits but also had to write-off our investment in WDS (NAV of EUR 11m as of June 30, 2022) following its bankruptcy filing.

Though we expect the pace of the portfolio streamlining to slow down over the next months or years, we keep a strong focus on building up a more concentrated portfolio of bigger lines in which we can play an active role, regardless of being a minority or majority shareholder.

We also pay special attention to maintain a healthy balance within our portfolio in terms of exposure to industrial sectors and geographies (France, DACH, Northern Italy, Belux).

INVESTMENT ACTIVITY

We deployed EUR 161m in our Direct Investment activity in 2022, mainly across 3 new investments and 2 add-on investments.

Between February and March 2022, we reinforced our position in Technotrans, a listed German company already in our portfolio, and active in the field of thermal management. This move was complemented, in December 2022, by additional acquisitions. In total we invested EUR 7.2m in Technotrans in 2022, allowing us to pass the 20% ownership threshold in this company.

In May 2022, our sponsored fund Bravo Capital Partners I found an agreement with Deutsche Beteiligung AG on the sale of its participation in the Italian company Metalworks, active in the production of metal and plastic accessories used mainly in the luxury industry. Still very

positive about Metalworks's management and future outlooks, we decided to reinvest a portion of our proceeds back in the company alongside Deutsche Beteiligung AG. Our investment amounted to EUR 32m, for a 31.5% stake in the company.

In June 2022, we co-invested alongside Cobepa in the buy-out of another Italian company, Salice, which is a leading producer of opening systems and functional components for the furniture industry. We invested EUR 25m in this transaction, which granted us a 6.7% stake in the company.

In August 2022, the German listed company Nexus invited us to participate in a reserved capital increase by issuing already authorized capital. Nexus is a company that develops software solutions for the healthcare sector. We integrally subscribed the capital increase, for an amount of EUR 72.7m. This allowed us, with 8.4% of the company's shares, to become at once a significant reference shareholder of the company.

Eventually, in November we decided to participate for an amount of EUR 20m in a capital increase of Tonies, a listed company having created an innovative audio system for the children entertainment industry. We are already indirectly invested in Tonies via entities that are managed by one of our fund managers, Armira. We continue to believe in this appealing growth story and international rollout in the USA and the UK.

All these investments fit our investment strategy as described before. They were made with a view to commit to the long term, in sectors that show interesting growth perspectives.

You will find hereafter a short description of each of the new investments realized in 2022.



- NEW INVESTMENT : METALWORKS
- Amount invested : EUR 32.0 m
- Luxempart stake: 31.5 %

METALWORKS IN A NUTSHELL

- Metalworks is a group of Italian manufacturers of metal and plastic accessories, serving the luxury industry.
- The Group employs over 250 people at its locations in Bergamo, in Tuscany and in Paris.
- Investor in Metalworks since December 2016, via our sponsored fund Bravo Capital Partners I, we had the opportunity to exit in June 2022, at an IRR of 37.7%. Still positive about the future potential of Metalworks, Luxempart decided nevertheless to reinvest directly a part of its proceeds alongside the buyer Deutsche Beteiligungs AG.

INVESTMENT THESIS

- Good knowledge of the company and its sector.
- Strong past performance
- Significant growth perspectives ahead, both organically and through selected buy and build opportunities
- Strong relationship built up with the management team over the past years



- NEW INVESTMENT : NEXUS
- Amount invested : EUR 72.7m
- Luxempart stake: 8.4 %

NEXUS IN A NUTSHELL

- Nexus is a leading healthcare software company in Europe.
- The company provides software solutions for hospital information systems (HIS) and diagnostics software (DIS).
- It generated EUR 213m sales in 2021, mainly in Germany, Switzerland and the Netherlands.

INVESTMENT THESIS

- A structural growth market across Europe benefiting from megatrends (healthcare, digitalization, local business without global supply chain exposure), accelerated by favourable short-to-mid-term subsidy programs (e.g. KHZG in Germany)
- Nexus has strong market positions in its focus markets (e.g. Switzerland, Germany, Netherlands)
- Scalable software business model with historically high recurring revenues (>50%), high EBITDA margins (>20%) and a strong cash conversion (>60%)



- NEW INVESTMENT : SALICE
- Amount invested : EUR25.0m
- Luxempart stake: 6.7%

SALICE IN A NUTSHELL

- Salice is a leading global producer of high-quality, mission-critical and functional components for the high-end furniture industry. The group is historically focused on hinges and opening systems, but it successfully diversified its product portfolio over time into runners & drawers, sliding systems and other accessories.
- Salice has three production facilities in Italy and is present in 10 countries with commercial subsidiaries.

INVESTMENT THESIS

- Leading European player
- Ambitious growth plan, driven by geographical expansion and penetration of new segments
- Founding family remains committed to the future success of Salice
- Co-Investment alongside Cobepa, an investor that shares our values and long-term approach

DIVESTMENT ACTIVITY

As part of our normal portfolio rotation and in line with our streamlining strategy, we decided to divest from several portfolio companies in 2022. In total, we exited at least partially from 6 companies in our Direct Investment activity over the course of 2022, of which from 4 totally, generating cash proceeds of EUR 214.4m. We also generated small proceeds from other portfolio activities for EUR 0.3m.

Our exits of the past year are summarized in the table below:

Company	Activity	Proceeds (€m)	Comment
 VIVALTO HOME	Vivalto Home Belgian nursing home operator with more than 30 facilities	20.2	Closing in January 2022 of a sale signed in late 2021.
 NOVOTERGUM PHYSIOTHERAPIE	Novotergum German group of physiotherapy centers employing more than 600 people in over 50 centers.	22.9	Total sale to a group of funds led by Quadriga Capital.
 eduPRO group	Edupro Leading Austrian-German education group active in adolescent and adult-training programs	76.2	Total sale to Invision.
 MARLINK ABOVE AND BEYOND	Marlink Service provider in the global satellite communication industry	29.3	Closing of the partial sale to Providence Equity, signed in 2021. Remaining stake of 3.2% in the company.
 TALBOT SERVICES	Talbot Leading player in support services to the railway sector, offering a wide range of maintenance services for manufacturers and operators	13.0	Sale, by Quip Group, of its subsidiary Talbot to its management and new investors.
 RIMED	Rimed Leading Swiss diagnostic radiology company	52.8	Partial exit of our stake in Rimed to Unilabs. Roll over of a 5.5% stake in the company.
	TOTAL	214.4	

All of these exits have generated capital gains in line with if not above our long-term IRR targets (12-15%). Furthermore, all companies were sold at a positive mark-up towards the NAV recognised in our financial statements as of December 2021.

INVESTMENT FUNDS

INVESTMENT FUNDS PORTFOLIO CONSTRUCTION

Our Investment Funds portfolio is shaping according to the redefinition of our strategy initiated two years ago. This activity represents a total exposure of EUR 620.4m (ie. NAV + undrawn commitments), spread across 23 management teams and 42 funds.

This is the result of the in-depth work of our internal team that analyses the market in a systematic way. Our objective is to detect the best teams and to spot the right market opportunities, while keeping a permanent focus on creating, over the long term, a well-balanced and diversified portfolio in terms of geographies, strategies and vintages.

In line with our long-term Investment Fund strategy, we build up our fund allocation based on five principles:

- 1) Extensive analysis of the market
- 2) Selection of the best managers
- 3) Geographical diversification
- 4) Strategy diversification
- 5) Vintage investing

An in-depth knowledge of the market is essential to understand its dynamics and to detect early on the future winners. This requires an extensive analysis of the market, mapping the successful teams in different verticals, building up close relationships with relevant actors within the industry, and gathering information on market trends and macro economical tendencies. Without being foolproof, this initial high-level approach should allow us to build up a performance edge on the long term, by selecting the right strategies at the right times.

Then, the choice of the better fund managers is absolutely key to realize above-average performances in this sector. Our investment decisions are made after a thorough due diligence process of their teams, in which we systematically involve our external consultant, Cambridge Associates. We evaluate the quality of the teams according to various criteria among which: past performance, in absolute terms and in terms of recurrence; team composition and stability; existence of plans with the promotion of younger

partners; team incentivization and performance sharing; partners' alignment with the investors; and adherence to our ESG values and principles. All those elements, together with informal contacts with the partners and cross references, allow us to build a strong judgement on the teams we decide to partner with. An allocation defined on a manager will be spread over different vintages and will be reviewed on a regular basis.

An important goal of this second pillar of our strategy is to serve as a diversification tool to our Direct Investment activity. We therefore strive to take a large part of our new commitments outside Europe, mainly in the USA - which is by far the largest private equity market in the world - and are looking for some limited exposure in Asia, where opportunities exist to capture these fast-growing markets.

We aim, at term, to have a geographical diversification as follows:

- Europe: 40-50%
- North America: 40-50%
- Asia: 10-20%

In terms of investment strategies, we ambition to build the following allocation over time, with a good sectorial diversification as well:

- Buyouts: 40-50%
- Growth: 20-30%
- Venture: 10-20%
- Secondaries/co-investments: 10-20%

The current portfolio builds up on a successful group of three close relationships in Europe : Armira in Germany, Bravo Capital in Italy and Ekkio Capital in France. It is still overweighted on those managers, but we target it to be shaped according to our diversification goals by the end of 2025.

The plan over the next three years is to take further commitments such as to reach a level of undrawn commitments between EUR 250 and 300m depending on capital draw-down pacing, and to generate long term net returns between 12 and 15% per annum.

INVESTMENT FUNDS PORTFOLIO PERFORMANCE

Our Investment Fund activity performed very well in 2022, generating a positive return of EUR +50.0m, or +10.6%. This strong performance is largely attributable to our historical sponsored funds, Bravo Capital and Ekkio Capital, who realised significant exits in 2022 - among which the sale of Metalworks - that generated excess returns of EUR 30m above their 2021 NAV. Given the important weight of those funds in our portfolio, those divestments had a strong impact on our portfolio's overall performance. The rest of our portfolio remained broadly stable in 2022, even though with a sum of positive and negative impacts by strategy.

In absolute terms, our Investment Funds NAV remained stable at EUR 384.4m in 2022, compared to EUR 384.0m in 2021. This is the result of the exits mentioned hereabove, that generated proceeds largely exceeding the capital calls funded during the year. Those proceeds also contributed positively to our consolidated cash generation for Luxempart.

in € m	Buyout	Growth	Venture	Secondary	TOTAL	%
Europe	5.2	4.7	3.7	-	13.6	17%
USA	39.2	-	4.7	-	43.9	56%
Global / Asia	-	9.4	-	12.0	21.4	27%
Total	44.4	14.1	8.4	12.0	78.9	100%

The total capital calls funded during the year amount to EUR 88.4m. This brings our undrawn commitments by 31 December 2022 to EUR 236.0m.

PROCEEDS

In 2022, our Investment Funds activity generated EUR 134.6m of proceeds. Almost the entire amount (ie. EUR 119.6m) came from our sponsored funds as a result of the exits described above. The remainder of our funds' portfolio now has a rather long duration. We therefore expect less proceeds coming back in the next couple of years, before increasing again in the medium term.

At the end of 2022, ICP, a Belgian fund sponsored by Luxempart and De Eik, closed the sale of its last portfolio company, Axi, to Strada Partners. This exit ends Luxempart's commitment to ICP, after more than 20 years of a successful partnership.

INVESTMENT ACTIVITY

In 2022, Luxempart has taken EUR 78.9m of new commitments in 12 new funds. This amount is lower than last year, and translates our cautious approach in a difficult environment. Out of those new commitments, 3 were given to new vintages of existing relationships, and 9 to new managers. In line with our stated strategy, most of these commitments were taken with a focus to invest outside of Europe.

The new commitments are broken down as follows:

Selected relationships

Alpine Investors	North America	Buyout: Mid Cap
Armira	Europe	Buyout: Mid Cap
Blackstone	Asia	Buyout: Large Cap
Bravo	Europe	Buyout: Small Cap
Committed Advisors	Global	Secondary Funds
Ekkio Capital	Europe	Buyout: Small Cap
Five Arrows	Europe / North America	Secondary Funds / Buyout: Mid Cap
General Atlantic	Global	Growth Equity
Headline	North America / Global	VC: Early Stage / Growth Equity
Insight Partners	North America	VC: Multi - Stage/ Growth Equity
LGT Capital Partners	Global	Secondary Funds
New Enterprise Associates	North America	VC: Multi - Stage/ Growth Equity
Quadrille Capital	Global	VC: Late/Expansion Stage
STG Partners	North America	Buyout: Mid Cap
Thoma Bravo	North America	Buyout: Mid Cap / Buyout: Large Cap
Webster Equity Partners	North America	Buyout: Mid Cap

MAIN FINANCIAL INDICATORS (IFRS)

The financial statements of Luxempart have been prepared in compliance with the International Financial Reporting Standards for the year ending 31 December 2022.

Main KPI (in M EUR)	31/12/2022	31/12/2021	Variation
Equity (group share)	2,183	2,169	0.6%
Net result	46	499	-91%
Equity per share (EUR)	108.28	107.78	0.5%

The Group equity of Luxempart remained relatively stable at 31 December 2022 compared to last year, as a result mainly of the good performance of our portfolio (EUR +71.7m), our operational expenses and taxes of the year (EUR -21.7m), and the dividend paid out to our shareholders (EUR -36.2m).

In the statutory accounts of Luxempart (established under Lux GAAP) the equity decreased from EUR 1,259m as at December 31, 2021 to EUR 1,234m as at December 31, 2022 and the net result decreases over the same period from EUR 160m to EUR 12m.

For more details, please refer to the IFRS financial statements and Lux GAAP statutory accounts.

Dividend increase 2022:



DIVIDEND

The Annual General Meeting of the shareholders held on April 25, 2022 approved the payment of a gross dividend of EUR 1.80 per share. This dividend represented a total amount of EUR 36.2m for Luxempart in 2022, which was paid out on May 16, 2022. Based on a Luxempart stock price of EUR 74,5 per share at the date of December 31, 2022, this represented a gross dividend yield of 2.4% for our shareholders.

The Board of Directors will propose to the Annual General Meeting on April 24, 2023 to approve the payment of a gross dividend of EUR 1.98 per share. This increase of dividends of 10 % is globally in line with the dividend policy applied since 1993. Assuming the approval of this proposal, the dividend will be payable as from Monday, May 15, 2023.

OWN SHARES

As at December 31, 2022, Luxempart holds a total of 540,413 own shares which corresponds to 2.6% of the issued share capital for a book value of EUR 16.7m. During the year, Luxempart sold 59,303 own shares for EUR 2.4m, mainly in the context of stock options exercised. These shares represent 0.28% of the share capital. The Annual General Meeting of the shareholders held on April 25, 2022 has authorized to buy back up to 30% of own shares for a price up to EUR 150 per share. This authorization expires at the Annual General Meeting of April 24, 2023 where it will be proposed for renewal.

STOCK PERFORMANCE

Luxempart's shares are traded on the Luxembourg Stock Exchange. In order to improve liquidity, KBC intervenes as liquidity provider on an independent but remunerated basis. It buys and sells on the market in line with the market movements. Our stock price ended the year 2022 at EUR 74.5, at the same level where it started the year. This is a good performance compared to overall stock markets in 2022.

RECENT POST CLOSING EVENTS

During the first months of 2023, Luxempart invested in one new company, and sold its stake in another one.

The operations are the following:

- On February 5, 2023 Luxempart signed an investment agreement to take a 26% stake in Kestrel Vision, a global leading player in the development of machine vision-based quality control and inspection solutions for the rigid packaging industry. This investment, which amounts to EUR 110m in total, will strengthen the company's financial structure in order to deploy its future strategy.
- Between January 27 and February 27, 2023, Luxempart has sold its 6.1% stake in the listed Danish company TCM. The sale was realized at an average price of EUR 9.5 per share, representing a total cash inflow of EUR 5.3m.

On February 10, 2023, the Tribunal Supremo, the Spanish highest criminal jurisdiction, took a judgement in the fraud case of Pescanova, that filed for insolvency in 2013, bringing the loss of Luxempart's investment. The Court confirmed prison sentences for most of the culprits but reversed the criminal liability of the auditor, BDO, thereby increasing delays to potentially perceive indemnification. This decision of the Supreme Court does not have any negative impact on Luxempart's financial situation as the loss was already completely recognized in our accounts by 2014.

On March 10, 2023, the US Government decided to close in emergency the Silicon Valley Bank (SVB), after it faced a massive bank-run from its customers, upon fears of solvency problems. In order to avoid a possible contagion effect on other banking institutions, the US Government decided to guarantee the deposits of all the bank's customers, allowing its client base, mainly composed of venture funds and their portfolio companies, to be reassured on the continuing access to their liquidities. At Luxempart, our exposure to the US venture capital sector is mainly indirect, through Investment Funds, and limited. The Funds Luxempart invested in have communicated that no significant unfavorable impact is to be reported. We hence do not assess this incident to have a material impact on our Group's Net Asset Value.

To our knowledge, there were no other significant events since December 31, 2022 that would impact the financial and patrimonial situation of the Group.

IMPACT OF THE RUSSIAN INVASION OF UKRAINE

The war in Ukraine has sadly entered its second year, with no visible signs of improvement.

After strong tensions created on the supply chains during the first months of the conflict, the circuits have since been reorganized and the impact of this aggression on the world economy has to a certain extent normalized. The same is true for energy prices, which have returned to their pre-crisis levels after six months of extreme volatility.

Our portfolio companies have on the whole withstood this crisis context well, having no subsidiaries or significant commercial activities in neither Russia nor Ukraine, and not being heavily dependent on raw materials - other than energy - stemming from those countries.

OUTLOOK

Looking towards 2023, we are confident but also vigilant in the face of a still uncertain environment.

Even though the last macro-economic updates have become more optimistic again, we still need to keep in mind possible recession scenarios in 2023 or 2024, in the current context of higher interest rates. Such scenarios would impact the activity levels of our portfolio companies with a delay. The evolution of the war in Ukraine is another uncertainty when looking at the year ahead, along with other geopolitical developments, especially in Asia. All of this prompts us to remain cautious in setting the budgets and business plans of our portfolio companies, and to carefully monitor their performance.

But this uncertain environment may also be a source of opportunity, as competition has slowed on the buy-side, particularly from US investors to Europe, and as more companies might seek equity financing to strengthen their balance sheets. Our significant cash position is in this regard a real strength, as it will allow us to dynamically look at opportunities on the market.

MAIN RISKS AND UNCERTAINTIES

Luxempart faces specific risks due to the nature of its activities. Each of its investments is exposed to particular risks, mainly due to the business, location, regulation, customer base and strategy decisions. Luxempart implements governance rules and closely liaises with the management of the major portfolio investments to mitigate the risk factors.

A major risk of Luxempart on all levels of the group is the market risk. All our assets are impacted by the evolution of financial markets and macroeconomic indicators (stock markets, comparable transactions of peer companies, valuation multiples, interest rates, inflation...).

The liquidity risk is limited for Luxempart, as the Company is not an investment fund submitted to exit constraints. Our Group is a patient investor who is not driven by the financial markets and their volatility cycles. Our investment teams and our Audit, Risk and Compliance Committee closely follow the evaluation of the portfolio investments. Investment and divestment decisions depend more on specific company analysis than financial market or fund investment cycles.

The financial risks (market, interest rate, foreign exchange, credit and liquidity risk) are disclosed in the note 24 of the Financial Statements. The Group management risk system is described in more detail in the Corporate Statement section of the 2022 annual report.

RESEARCH AND DEVELOPMENT

Luxempart does not pursue any research and development activities.

BRANCHES

Luxempart does not have any branch.

TRANSPARENCY

Responsibility of the Board of Directors

The Board of Directors' responsibilities are determined by law. In that regard, it is responsible for the true and fair preparation and presentation of the annual financial statements in accordance with Luxembourg law. The Board of Directors considers that it has fully complied with these obligations.

Statement by the responsible persons

Pursuant to the Law of 11 January 2008 regarding transparency obligations relating to information on issuers whose transferable securities are admitted for trading on a regulated market, John Penning and Olaf Kordes, Managing Directors, hereby certify in the name and on behalf of the Board of Directors that, to the best of their knowledge:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of Luxempart and the companies included in the consolidation;
- the present management report contains a fair review of the development of the business, the results and the position of Luxempart and the companies included in the consolidation, together with a description of the principal risks and uncertainties that they face.

Law of 19 December 2002

The corporate governance statement required by the Law of 19 December 2002 concerning the trade and company register as well as the accounting and annual accounts of companies (Article 68ter) is included in the dedicated section of the present report.

INFORMATION REGARDING PUBLIC TAKEOVER OFFERS PURSUANT TO THE LAW OF 19 MAY 2006

Luxempart share capital amounts to EUR 51,750,000 represented by 20,700,000 fully paid-up ordinary shares with no determined par value. There are no other categories of shares, or options, or preferential rights granting entitlement to the issue of shares in another category that may have a dilutive effect on the number of shares issued. The shares issued all enjoy the same rights, in terms of their voting rights at Ordinary and Extraordinary General Meetings, as well as of the dividend voted by the shareholders at General Meetings. There are no restrictions on the transfer of securities, or any special rights of control granted to some holders of the securities. No shareholders' agreement that may entail restrictions on the transfer of securities or on voting rights has been entered into.

The Company's shares are listed on the Luxembourg Stock Exchange. Foyer Finance S.A., an unlisted financial investment company, which represents the largest group of companies of which the Company is a member, is the beneficial owner of 10,434,240 shares in the Company, or 50.4% out of a total of 20,700,000 shares issued. Luxempart has arranged for a "Stock Option Plan" for the members of the Group Executive Committee and different staff members. The Company freely decides whether there are grounds to allot option rights every year. The allotment of options is subject to a flat-rate tax model when the options are granted. Where applicable, the option rights are allotted annually depending on each individual's achievement of performance targets. The option rights are subject to a lock-up period of four years and must be exercised within a period of ten years as from their allotment.

The members of the Board of Directors are appointed by the General Meeting of Shareholders, on the recommendation of the Board of Directors, and once the Board of Directors has gathered the opinion of the Nomination and Remuneration Committee. They are appointed for a maximum term of six years. The term of office for Luxempart Directors is usually three years and the expiry periods are staggered, in such a way that roughly one third of the offices are renewed every year. The Directors' offices are renewable. In principle, a Director's office ends following the Annual General Meeting of Shareholders that appoints their replacement.

The General Meeting of Shareholders may dismiss the Directors at any time. In the event that a Director's office falls vacant, the Board of Directors may arrange for its replacement, while nonetheless complying with the rules governing the appointment of Directors. The shareholders decide on the definitive appointment, in principle for the remaining term of office of the Director who has been replaced, at the next General Meeting of shareholders.

The Board of Directors, which is the body responsible for the management of Luxempart, has the powers to take any decisions and perform any measures that are necessary or useful for the achievement of the Company's corporate purpose, except for the powers exclusively reserved for the General Meeting of Shareholders by the law or the Articles of Association. The Board of Directors' task is to ensure the long-term success of the Company and of its business activities in the interests of the shareholders, while considering the interests of other stakeholders in the community in which the Company operates.

The Board of Directors is first and foremost responsible for the strategic management of the Company and for monitoring the conduct of its business affairs.

An Extraordinary General Meeting must be convened in order to vote on any amendment to the Articles of Association, as well as on any increase or decrease in the share capital, except if the shareholders have previously authorised the Board of Directors to increase the share capital under determined conditions. Such an Authorised share capital currently exists within Luxempart. It will be proposed at the next Extraordinary General Meeting of April 24, 2023, to cancel this Authorised Capital.

There is no agreement to which Luxempart may be party that would be substantially amended, or even terminated in the event that a public takeover offer occurs. Likewise, no agreement has been entered into by the Company and members of its Board of Directors or its staff providing for compensation in the event of resignation or dismissal without valid grounds, or in the event that their job is terminated as the result of a public takeover offer.

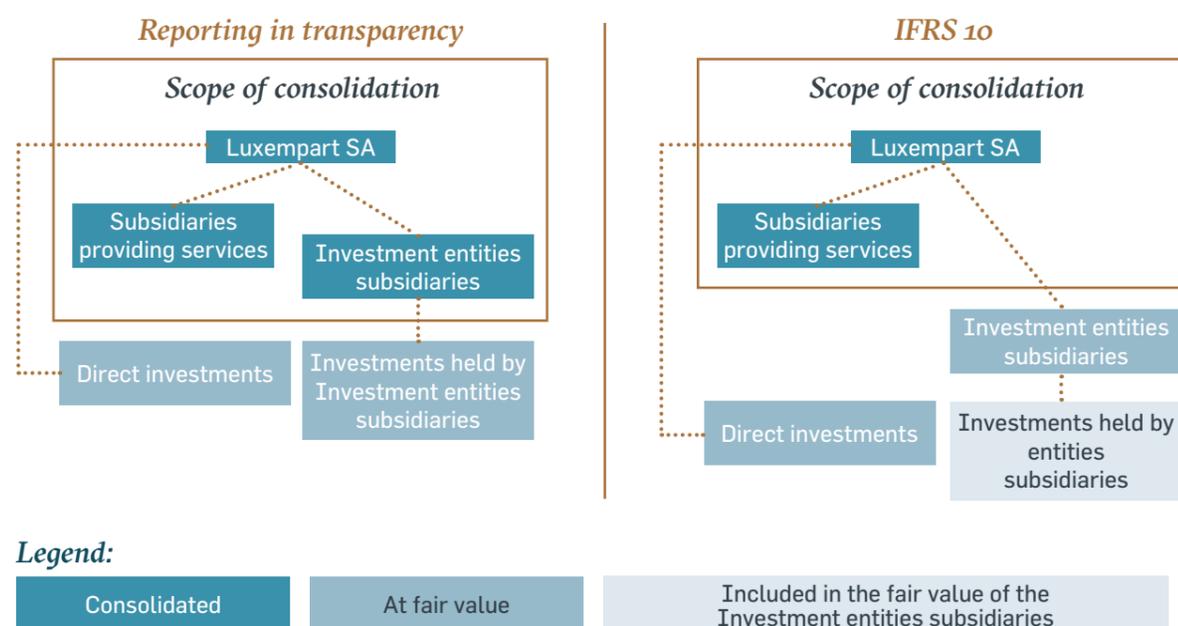
RECONCILIATION BETWEEN IFRS AND THE PORTFOLIO ACTIVITY REPORT

The Group makes investments in portfolio companies directly and indirectly through intermediate "Investment entities subsidiaries" (Luxempart Capital Partners SICAR S.A., Luxempart French Investments S.à.r.l. and Luxempart German Investments S.A.). The application of IFRS 10 requires the Group to measure at fair value its Investment entities subsidiaries that were previously consolidated line by line.

This fair value approach prevents the reader of the IFRS Financial Statements to have all the information on the activity and the performance of the Group, as it is not possible to look through the investment entities subsidiaries to understand their operations and results.

The dividends and interest received, the expenses incurred and other financial information of these entities are aggregated on one single line in the IFRS Financial Statements. Moreover, intragroup operations that were previously eliminated on consolidation are now presented separately.

The Portfolio activity reporting is a different presentation that looks through the investment entities subsidiaries to provide a more understandable view of the operations and financial situation of the Group.



The tables below present the reconciliation of the IFRS financial indicators and the KPI used by the Management for its reporting in transparency.

PROFIT OR LOSS AS AT 31 DECEMBER 2022

(in €M)	IFRS	Adjustments	P&L transparency
Dividend received	58	1	59
Net gains / (losses) on financial assets	8	-1	7
Result on ordinary activities and tax	-20	-	-20
Profit for the year	46	-	46

Dividends received from the sale of participations are recognized under "net gains/ (losses) on financial assets" for the sake of transparency reporting.

NET ASSET AS AT 31 DECEMBER 2022

(in €M)	IFRS	Adjustments	Net asset in transparency
Financial assets at fair value through profit and loss	1,978	-265	1,714
Cash	206	245	451
Cash and cash equivalents	181	270	451
Bank deposit	25	-25	-
Other assets and liabilities	-1	19	18
Total equity / Net asset value	2,183	-	2,183

The Group Executive Committee manages the cash of the Group as being composed of the sum of the cash accounts and bank deposits of Luxempart and all its subsidiaries, whereas "Cash and cash equivalents" under IFRS are only composed of the current accounts of Luxempart and its subsidiaries that provide investment-related services (management companies).

CASH FLOWS IN 2022

(in €M)	IFRS	Adjustments	Cash in transparency
Cash at 31/12/2021	127	217	344
Investments	-198	-57	-249
Divestments	243	106	349
Other cash movements	16	-9	7
Cash at 31/12/2022	189	262	451

The investment and divestment items under IFRS consist of movements relating to Luxempart. In the transparency reporting, the investment and divestment items are additionally composed of all movements in Luxempart Capital Partners and non-consolidated subsidiaries.

Other Alternative Performance Measures (APMs)

Luxempart assesses its performance using some indicators that are not defined by the IFRS and are considered by the regulators as Alternative Performance Measures (or APMs). Further to the reporting of the portfolio in transparency, that also meets the definition of APMs, Luxempart uses additional APMs.

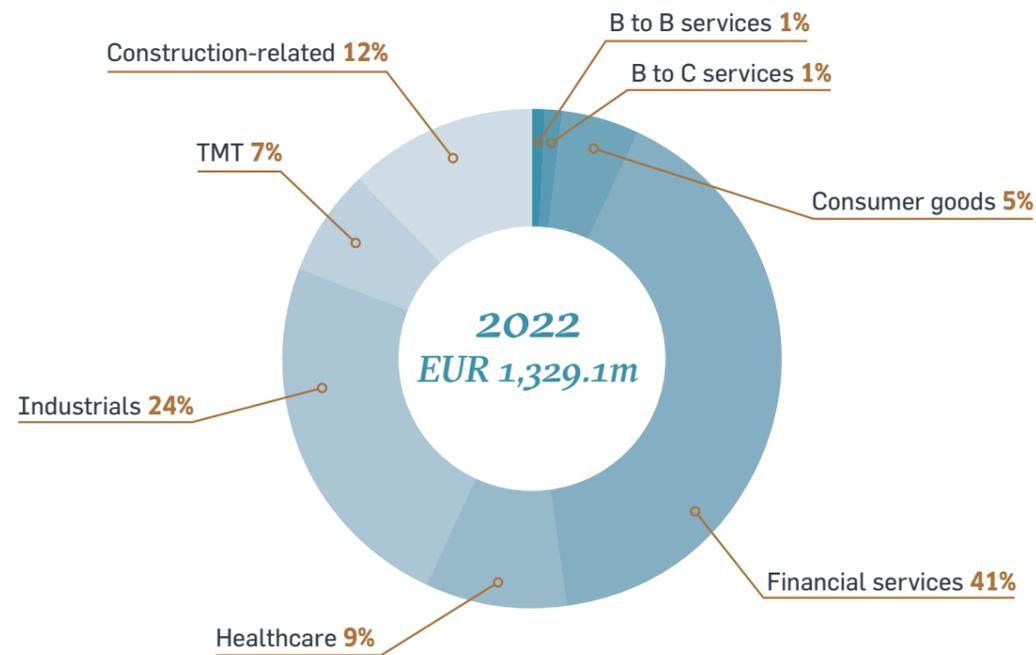
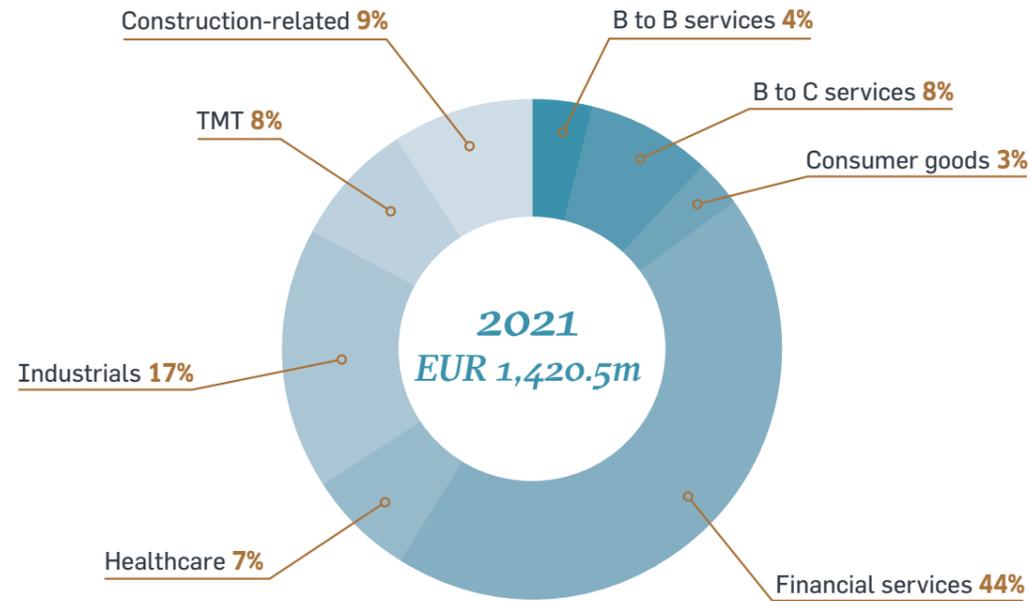
APM	Purpose	Calculation	Reconciliation to IFRS
NAV- net asset value	Measures the value creation to the shareholders	Total Assets less total liabilities (excl. equity)	NAV equals equity under IFRS
EBITDA – Earnings Before Interest, Taxes, Depreciations and Amortizations	unit of measurement for evaluating the operating performance of a portfolio company	As reported in the consolidated income statement	APM not used for evaluating Luxempart, and therefore cannot be reconciled to the IFRS financial statements
Net debt	accurate indicator of ability to meet its financial obligations	Sum of financial liabilities, less cash and cash equivalent as reported in the statement of financial position	APM not used for evaluating Luxempart, and therefore cannot be reconciled to the IFRS financial statements
Total shareholder return	Unit of measurement of the financial performance for Luxempart's shareholders	% of increase of the NAV per share + gross dividend paid	Equity in the statement of financial position, Number of shares in circulation in note 15 and dividend paid in note 16
IRR	The internal rate of return (IRR) is a metric used to estimate the profitability of investments.	IRR is a discount rate that makes the net present value (NPV) of all cash flows equal to zero in a discounted cash flow analysis.	APM not used for evaluating Luxempart, and therefore cannot be reconciled to the IFRS financial statements
Performance / Return	Unit of measurement of the value creation of the activity over one year	(Variation of the unrealized + dividends) / (NAV beginning of the period + acquisition of the period)	APM not used for evaluating Luxempart, and therefore cannot be reconciled to the IFRS financial statements



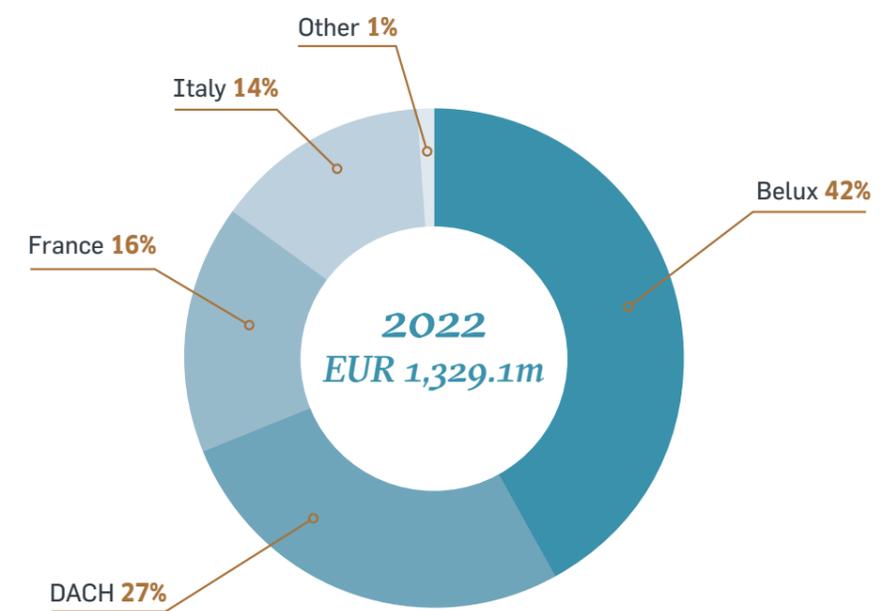
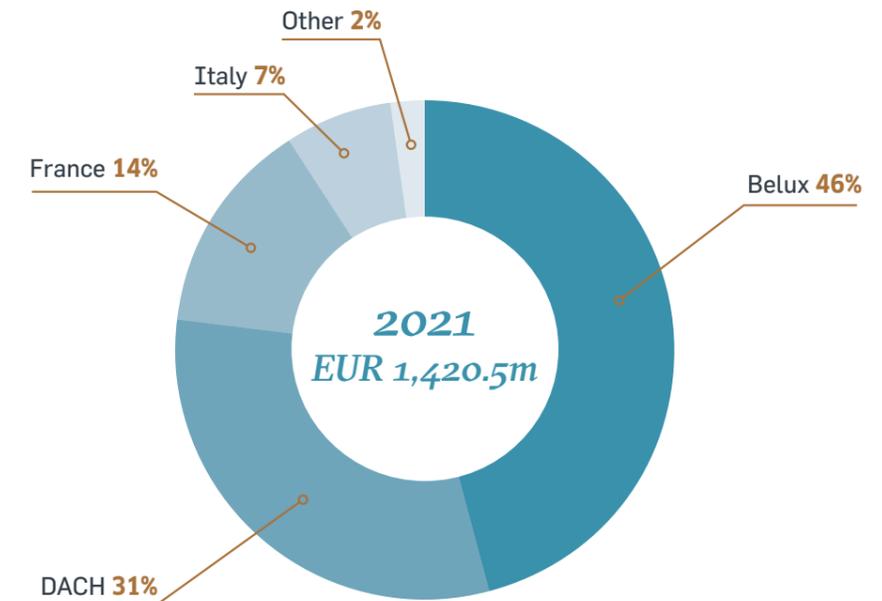
PORTFOLIO

SELECTED DIRECT INVESTMENTS INDICATORS

Breakdown of Direct Investments by Sector



Breakdown of Direct Investments by Geography



THE 16 COMPANIES PRESENTED HEREAFTER REPRESENT TOGETHER 55.6% OF OUR NAV.

49% Percentage of interest

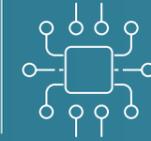
2019 Investment Year



Registered office
Lüdenscheid, Germany



Website
www.assmann.com



Business Sector
IT, Technology Hardware
& Equipment



Assmann Group is a leading supplier of server, network and peripheral infrastructure products and solutions, based in Germany with a direct component sourcing know-how in Asia and a Pan-European distribution infrastructure.

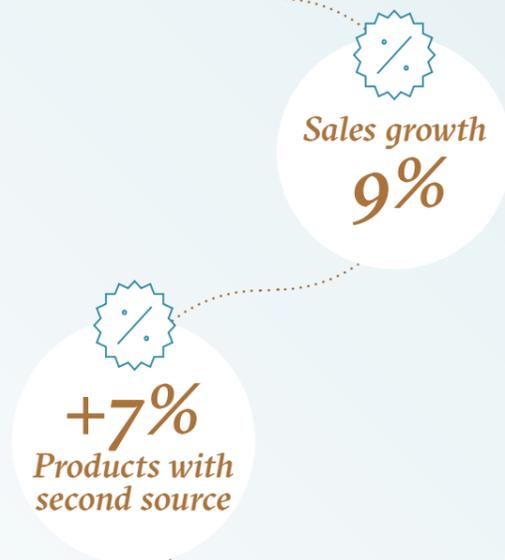
INVESTMENT THESIS

Partner up with a second generation family entrepreneur in a primary deal to support the transition from a family-led to an independently managed company.

Assmann's growth is supported by:

- Attractive target addressable market with high single digit growth;
- Omni-channel distribution mainly through indirect sales (85%) which allow for recurring revenue streams and limited reliance on individual clients or project-related revenues;
- Best-in-class operating model with ability to guarantee quality, regulatory compliance, availability and just-in-time delivery;
- Full digitalisation allowing to serve clients and manage the company efficiently.

The partnership with Luxempart allows Assmann Group to continue its growth story with a new strategic plan which is centred around further strengthening the product offering and geographical footprint supported by opportunistic M&A.



2022 PERFORMANCE AND OUTLOOK

- Strong sales growth in FY22 despite challenges due to the Ukraine war and supply chain disruptions.
- Profitability has temporarily suffered from higher freight costs and raw material prices.
- Assmann is expected to continue to grow in line with the market (high single digit) while re-establishing its previous profitability levels.

ESG INITIATIVES

- Initiatives for environmentally friendly packaging (less plastic, more paper) are ongoing (increasing awareness on customer side but also reducing burden of recycling fees).
- Electrification of the company fleet is going hand in hand with the previous installation of a solar energy plant with 220 kWp on the headquarters company roof.



LUXEMPART VIEW

- We have invested in a company that has continued to show good resilience in 2022, which confirms our investment thesis. It underlines the fact that the company's products are in high demand due to the sustained trend in digitalisation, which requires growing investments in network infrastructure, including the last mile.
- We believe Assmann Group to be well-positioned for future growth and, thanks to our very cooperative governance structure, we are prepared to support it wherever needed, including by providing additional capital.

10.7% Percentage of interest

2006-2020 Investment Year



Registered office
La Hulpe, Belgium



Website
www.atenor.eu



Business Sector
Real estate development



Atenor is a property developer active mainly in the office building sector, and more marginally in the residential and retail sectors, with a portfolio of 35 projects accounting for c. 1,300,000 sqm currently under development. Present in 10 European countries and 16 cities, the company has successfully expanded and diversified its geographic exposure outside of Belgium with large-scale projects which meet strict criteria in terms of urban planning and respect of the environment, offering attractive economic fundamentals and high growth potential. Atenor is active in the entire real estate development value chain while adhering to ESG principles in each step of the value creation cycle.

INVESTMENT THESIS

Atenor is well positioned in European office real-estate development to take advantage of the underlying trend, with market demand increasingly shifting towards assets requiring high quality and environmental standards. Atenor's risk profile has improved over the years owing to: (i) the internationalisation strategy, which led to balancing its geographical exposure across 10 European countries, (ii) the exposure to countries offering stronger growth prospects and shorter pre-building phases (Hungary, Romania, Poland); and (iii) a well-recognised know-how in terms of selecting projects, planning, project management, marketing, and urban planning concepts.

**1,300,000 sqm
in development
10 European
countries
16 cities**

**35 large-scale
& sustainable
projects in
the portfolio**



2022 PERFORMANCE

Following a net consolidated result of EUR 9.0 million for the first half of 2022, Atenor ended the 2022 financial year close to break-even at EUR (0.8 million), compared to EUR 38.0 million in 2021. This is mainly resulting from lease or purchase transactions being postponed (not cancelled), scarcity of certain materials, as well as an increasing inflation and interest rates impacting yields and having a somewhat negative impact on real estate players.

ESG INITIATIVES

Atenor has continued its efforts in the field of sustainable development and its ESG policy has been recognised internationally with the GRESB 5 stars award as a Sector Leader in 2022. Moreover, Atenor successfully increased the share of green financing within its consolidated indebtedness, going from 13% financing by green bond & bank debt as of Dec-21 to 28% as of Jun-22.



LUXEMPART PERSPECTIVE

Volumes of construction permits requests and issuances are developing as expected, despite the increased uncertainty caused by macroeconomic factors. However, this uncertainty only affects the timing of Atenor's projects realisation.

Thanks to its unique positioning in sustainability and internationalisation, Atenor's business model has shown resilience in 2021 and an improvement in the average maturity of projects across the portfolio in 2022, despite the postponement of several transactions. Long-term prospects remain favourable, with a gross margin of EUR 300 million expected by the end of 2025, representing c. 50% of the current portfolio.

18.23 % *Percentage of interest*

2020 *Investment Year*



*Registered Office
Bodio Lomnago, Italy*



*Website:
www.crealisgroup.com*



*Business Sector
Wine closures*



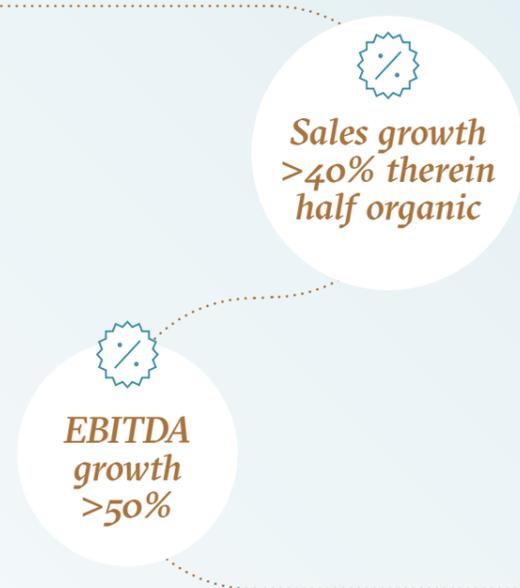
Born from the combination of the Italian Enoplastic and the French Sparflex, Crealis (formerly named Enoflex) is the global leader in the B2B manufacturing of high-end wine and spirits closure solutions. The Company stands for Italian creativity and French quality in the wine closure industry with continuous research for more and more customised design and eco-friendly products. Its product offering includes a wide range of solutions, such as capsules for sparkling and still wine, wire hoods, screw caps, synthetic corks and seals, all designed and customised for each client. Employing c. 2,000 people, Crealis has local facilities in Italy, France, the USA, Mexico, Spain, Australia, and New Zealand.

INVESTMENT THESIS

The combination of Enoplastic with French market leader Sparflex has given birth to the undisputed global #1 player in wine closures with a physical presence in all main wine producing regions. More recently, the Group entered the T-corks business to diversify in spirit closures.

This investment was a unique opportunity to get access to pure primary deal situations with significant operational improvements reached in the combined entity.

Together with the lead financial investor, Cobepa, and alongside Management, we were to implement the Group's integration plan, discuss acquisitions, and to continuously seek to improve operations.



2022 PERFORMANCE

Crealis has shown very strong organic growth in 2022, both in volumes and prices, allowing it to minimise the impact of increases in production costs.

Thanks to continued operational improvements, negative cost impacts were more than compensated, allowing EBITDA to grow faster than sales.

Crealis acquired Supercap Group in April 2022, an Italian/Mexican producer of T-corks (for spirits, notably Tequila) of c. EUR 30m sales.

ESG INITIATIVES

Setting up of a "Be Green" employee program (20% of employees participating) and a Sustainability Committee to promote ESG initiatives and follow their development.

Crealis has developed 3 new lines of sustainable products with innovative materials made of recycled, bio-based and compostable materials. These innovations decreased by c. -22% the new capsules and T-bar products' carbon footprint.



LUXEMPART PERSPECTIVE

The first step of the investment thesis, i.e. the successful merger of two best-in-class family-run companies, has been completed, generating synergies. Further increases in operational efficiencies are still possible following the more recent acquisitions (i.e. PE.DI, Supercap, Corchomex).

Based on a very strong operating and commercial set-up, Crealis continues to increase its market position worldwide, reinforcing its diversification in adjacent product categories.

27.6% Percentage of interest

2015 Investment Year



Registered office
Fürstenfeldbruck,
Germany



Website
www.esg.de



Business Sector
Engineering services



ESG Elektroniksystem- und Logistik-GmbH is one of the leading German process and technology companies for the design, integration and operation of complex, security-related electronic and IT systems.

INVESTMENT THESIS

ESG Elektroniksystem- und Logistik-GmbH is a provider of development, testing and maintenance services for complex electronic and IT systems, primarily for the public sector and public authorities in the areas of security and defense. We co-invested in ESG alongside Armira, an investment holding focused on direct investments in privately-held, medium-sized businesses in the DACH region, being convinced that the company will profit from:

- its excellent positioning in future-oriented areas and major projects already launched
- the high barriers of entry due to necessary certifications (e.g. in the aviation sector)
- its historically grown customer relationships and diversified, long-term oriented, bluechip customer structure in both the public sector and industrial sectors
- the rising spending in all end markets driven by technological megatrends as a basis for organic growth
- the ongoing consolidation trends in Europe on both the demand and the supply side

Group sales
€ 285m⁽¹⁾

Adjusted EBITDA margin
12.5%⁽¹⁾



2022 PERFORMANCE

On a top-line level, 2022 was negatively impacted by project shifts, mainly in the divisions Land and Air, and recruitment delays, resulting in a sales development below expectations. However, the group's adjusted EBITDA margin could be significantly increased further, driven by increased logistics services and positive effects from divestments in prior years, despite a challenging environment.

A strong order entry that came in substantially above plan has laid the ground for a continued positive development of ESG. Going forward, growth is expected to be mainly fuelled by an ongoing focus on organic growth through an early positioning of the group in major long-term security projects.



LUXEMPART PERSPECTIVE

Luxempart will continue to provide active support to ESG's further growth as a leading partner for the public sector and public authorities in the successful execution of critical technology and innovation projects in security and defence. ESG is perfectly positioned to help its customers to achieve their ambitious targets in a highly dynamic environment, fuelled by the recent fundamental revision of Europe's approach to security.

ESG INITIATIVES

- Heating of the company headquarters by means of district heating from renewable energies
- Installation of 17 charging points for electric vehicles at the company headquarters
- ESG membership in the "Family Pact of Bavaria", supporting improvement in work/life balance in Bavaria
- Regular commitment to donations and sponsoring in favour of youth, art and culture
- Clear commitment to ESG aspects in the official corporate mission statement, as well as in the official guidelines for ESG sustainability policy and compliance



CHRISTOPH OTTEN, CEO

"Since 2022, security in Europe has been deeply rethought. The turning point in history, described as "Zeitenwende" by German chancellor Olaf Scholz, requires a reorientation of the strategic compass for European security provision. With the active support of Luxempart, ESG has positioned itself to meet these new challenges and makes a significant contribution to securing democratic values in Europe."

¹⁾ Based on adj. prel. FY2022 figures

40%

Percentage of interest

2021

Investment Year



Registered office
Maurepas, France



Business Sector
Infrastructure works
and green spaces
management



Evariste is a French multi-solutions construction Group organised as a federation of more than 140 regional entities and employing more than 5,700 employees. The Group provides services related to (i) infrastructure works (renovation/maintenance of roads, urban transformation...), (ii) green spaces management (creation and maintenance of green spaces, irrigation systems, sport pitches), (iii) specialised interim for the construction industry and (iv) hygiene and cleaning services.

The group has a strong local foothold in Ile-de-France and has a continuously growing presence in Hauts-de-France, Rhône- Alpes, Centre-Auvergne, Bourgogne, Normandy, Brittany and Belgium.

INVESTMENT THESIS

Investment in a French leading multi-services group positioned on rapidly growing underlying markets which should benefit from numerous large-scale infrastructure projects (such as the Grand Paris, the Olympic Games 2024, Canal Seine-Nord, the Plan Très Haut Débit etc.).

Evariste has demonstrated its ability to consolidate its highly fragmented markets (more than 45 entities acquired since 2010), leveraging on its federation model, and aims to continue doing so. Investment alongside a seasoned entrepreneur who will retain a majority stake in the Group.



Sales growth
ca. 40% therein
ca. half organic



EBITDA
growth ca. 25%



2022 PERFORMANCE

Strong group sales in 2022 driven by all of the group's segments, each growing organically by more than 10%.

Evariste continued its buy and build strategy with 10 successful acquisitions in 2022. These transactions allowed the Group not only to reinforce its existing activities in Ile-de-France and Hauts-de-France, but also to expand its geographical footprint to Burgundy and Occitanie.

ESG INITIATIVES

Digitalisation of employment contracts (70k pages saved per year), shifting to chemical-free hygiene products and starting to transition its vehicle fleet to electrical vehicles.



LUXEMPART PERSPECTIVE

In a difficult macroeconomic environment, Evariste has delivered on our investment thesis in the first year of our ownership, having grown both sales and results organically, while accelerating acquisitions. This trend is expected to continue, thanks to its original positioning, complementary activities and continued active acquisition strategy.

Evariste will continue consolidating its markets thanks to its appealing business model aimed at helping family-owned businesses to maintain their identity, while teaming up in a structured group. This model can be exported to other countries in Europe and we expect Evariste to internationalise in the coming years.

32% *Percentage of interest*

1998 *Investment Year*



Registered office
Leudelange, Luxembourg



Website
www.foyer.lu



Business Sector
Insurance & wealth management



Foyer S.A. is an independent financial group and market leader in the Luxembourg insurance industry with a strong presence in domestic non-life insurance, domestic and international life insurance as well as wealth management in the Benelux region.

INVESTMENT THESIS

Since its foundation in 1922, Foyer has been the market leader in the Luxembourg insurance industry and is now present in several European countries.

Foyer's strengths include:

- Family shareholder structure and strong local anchorage;
- Strong brand;
- Outstanding service quality;
- Broad agent network;
- Dynamic management of its asset portfolio while maintaining high levels of shareholder funds.

Luxempart investment case is based upon supporting management with our hands-on, long-term private equity approach in order to shape and execute the strategy of Foyer. Priorities are strengthening its local market leadership, digitalizing its business model in order to further improve service quality for clients and agents and overall efficiency, develop its international activities and improve its capital efficiency.

+14.4%
Operational performance

+11.2%
Turnover non-life insurance



2022 PERFORMANCE

Net result has decreased to € 147.7m despite strong operational performance, driven by a lower number of claims than previous years, which has not allowed to compensate the impact of rising interest rates and a generally challenging market environment on the investment portfolio.

Foyer will continue executing its growth strategy in 2023, which will allow to structurally improve its operational performance, while taking advantage of the opportunity to reinvest its investment portfolio at higher interest rates.



LUXEMPART PERSPECTIVE

We consider Foyer as an anchor investment in our portfolio not only because of the size of our stake but also due to the strong market position and the solid, recurring financial performance of the company. We consider ourselves as a long-term shareholder and will continue to play our role as a professional institutional shareholder alongside Foyer Finance S.A.

ESG INITIATIVES

- Calculation of carbon footprint and action plan to reduce CO2 emissions
- Integration of ESG criteria into service offering
- ESG in the workplace: promotion of diversity, work on stereo types and cognitive biases, work from home and generally more flexibility in working hours

7.2 % Percentage of interest

2021 Investment Year



Registered office
Paris, France



Website
www.imgp.com



Business Sector
Insurance &
Financial Services -
Asset Management



iM Global Partner is a global distribution platform for top-performing asset management products. It selects entrepreneurial asset managers ("Partners") and invests in them through minority stakes. Then it distributes them on its own platform and increases their revenues by adding Assets Under Management.

Revenues for iM Global Partner hence notably stem from Partners' dividends, management fees from proprietary asset management vehicles and distribution fees.

INVESTMENT THESIS

Join two outstanding investors in a global, fast-growing financial services company

- Asset Management follows secular growth trends (ageing population, financing of retirement models)
- iM Global Partner has a strongly differentiating business model, fostered by Eurazeo and Amundi
- Allows to enter into symbiotic relationship: iM Global Partner increases Assets Under Management of its Partner through distribution capabilities and the Partner enhances iM Global Partner's top performing product range
- Target to attract 6-10 new Partners between 2021 and 2026 and deploy additional capital

€ 34.8 bn
Assets under
management

2
acquisitions
of new Partners
in 2022



2022 PERFORMANCE AND OUTLOOK

iM Global Partner has proven the resilience of its business model in 2022 with Assets under Management dropping less than the wider financial markets mainly due to strong net inflows (>20% increase in a market suffering from net outflows) which are driven by both the relative outperformance of its partners as well as the continuously strengthening distribution capabilities of iM Global Partner.

iM Global Partner was able to complete 2 acquisitions in order to strengthen its own service offering (US equities with focus on dividend investing) as well as supporting the growth of its partners (broadening service offering of Polen Capital with US high yield investments). The bulk of these investments was financed with external debt, increasing equity performance.

Financial performance has remained strong with both revenues and adjusted EBITDA growing more than 20% versus 2021. Management however remains prudent in the short to medium term given the still high uncertainties in the market and the significant USD exposure of the Company. Structurally, iM Global Partner will remain a growth story with management looking to further strengthen investment and distribution capabilities to be able to take advantage of the rebound in financial markets in the coming years.



LUXEMPART PERSPECTIVE

2022 has been a challenging year for asset managers due to the turmoil in financial markets which may very well extend into 2023. iM Global Partner has however proven the resilience of its business model focusing on top decile asset managers who outperform in downturns and have allowed to attract significant new money in an overall difficult market environment. We continue to believe in iM Global Partners' strategy and will support their growth story with additional capital in the coming years.

The investment in iM Global Partner also perfectly underlines our ability to invest longer-term and in more cyclical businesses as we are able to continue to support our portfolio companies in their structural development despite any short to medium-term volatility as we do not have any portfolio rotation constraints.

ESG INITIATIVES

- Signatory of the UN PRI
- More than 80% of SICAV funds distributed are now Article 8 or 9
- Successfully launched iMGP RBA Responsible Global Allocation ETF
- iM Global Partners Donation Fund launched in 2022 and actively supporting many projects across Europe and the US

15.8% *Percentage of interest*

2013 *Investment Year*



*Registered office
Landiona, Italy*



*Website
www.mirato.it*



*Business Sector
Consumer goods*



Mirato is an Italian producer and distributor of personal hygiene products. The company has a coverage of all market segments but strongly focused in the mass-market through proprietary strong local brands and private labels.

INVESTMENT THESIS

- Strong market share providing defensive position in Italy
- Organic growth fueled by private label trends
- Good cash conversion and deleveraging abilities
- Strong buy-&-build opportunities (share and asset deals)
- Internationalization of the company with accelerating organic growth in developing countries

Sales growth but temporary margin pressure

Strong cash generation in 2022



2022 PERFORMANCE

Mirato 2022 financials have been impacted both by a surge in inflation on its raw materials and an increase in energy costs in H1 2022. Mirato was nevertheless able to increase its selling prices with a full year effect to be materialized in 2023.

However, those increased costs were not fully offset by the price increases and weighed negatively on the group EBITDA in 2022.

The financial position of Mirato is nevertheless sound with a strong balance sheet and a positive net cash position.

For 2023, we expect the company to scale up its margins back to normal levels.



LUXEMPART PERSPECTIVE

Despite challenging market conditions on the cost side, Mirato was able to take appropriate measures during 2022 to initiate margin to recovery historic levels from 2023 onwards. Mirato maintains a strong financial position and both shareholders are ready to accelerate its organic development through external growth if suitable opportunities were to arise.

30.5%

Percentage of interest

2022 Investment Year



Registered Office
Castelli Calepio, Italy



Website:
www.mtwh.it



Business Sector
Industrial components/
Luxury



MTWH is a leading platform investing in Italian companies which are active in the production of metalware accessories for global luxury brands.

The group is fully integrated along the entire value chain (product development, industrialization, production, and finishing), with a wide and diversified high-quality offer, distinctive prototyping expertise, short lead times and best-in-class client service. In 2022, the group opened a French office to be closer to the French fashion and luxury brands.

At the time of acquisition, the Group was comprised of three operating companies Metalworks, FGF and M&N. In December 2022 Fixo, a company specialised in low tonnage metal components with a production site in Veneto and a sourcing office in Hong Kong joined the group following its acquisition.

INVESTMENT THESIS

Being already familiar with MTWH through our sponsorship of the Bravo Invest team in Italy, we have seized the opportunity to invest in a new buy-out operation alongside DBAG, a reputable international private equity fund with a local team in Italy, and the management team of MTWH.

There are still lots of small companies active in the sector in Italy with top 10 players accounting for only 50% of total value. Global brands are keen to rely on sizable suppliers able to keep pace with their strong growth and to be a source of proposals in terms of creativity.

MTWH has dramatically grown both organically and through M&A over the past few years which should continue in the future, and the group is ready to participate actively in the consolidation of the sector.



+12%
organic growth
in FY 2022

**FY 2022
PF EBITDA
> EUR 15m**



2022 PERFORMANCE

Strong organic growth in 2022 on the back of a dynamic luxury market and a good development with some key clients.

EBITDA margin increased slightly thanks to better coverage of fixed costs, partially offset by increases in energy, raw materials, and transportations costs.

First acquisition since our direct investment closed in December 2022 with Fixo.



LUXEMPART PERSPECTIVE

Perspectives for the luxury sector in the coming months remain positive. We are confident in the capacity of MTWH to increase its share of wallet with its existing client portfolio, thanks to its above competition client service and shorter lead times. MTWH will keep on consolidating its market, widening its offer and strengthening its position as a key supplier to most of the global luxury brands.

ESG INITIATIVES

Soon after our investment a sizable investment in a new MIM (Metal Injection Molding) production line, to increase the company capacities in stainless steel production, has been decided. Some major international brands have decided to progressively replace brass components with stainless steel which is better in regard to environmental issues.

8.4%

Percentage of interest¹⁾

2022

Investment Year



Registered Office
Donaueschingen, Germany



Website:
www.nexus-ag.de



Business Sector:
Healthcare software

Nexus is one of the leading healthcare software companies in Europe.

INVESTMENT THESIS

Nexus provides software solutions for hospital information systems (HIS) and diagnostics software (DIS). Our investment thesis is built on several attractive attributes:

- A structural growth market across Europe benefitting from megatrends (healthcare, digitalization, local business w/o global supply chain exposure), accelerated by favourable short-to-mid-term subsidy programs (e.g. KHZG in Germany)
- Nexus has strong market positions in its focus markets (i.e. Switzerland, Germany, Netherlands)
- Scalable software business model with historically high recurring revenues (>50%), high EBITDA margins (>20%) and a strong cash conversion (>60%)
- The company is active in a still fragmented market and has a proven and successful M&A track record financed by internal cash generation
- Particularly strong management which is well-aligned through significant shareholding

Group sales
+11.1% YoY

EBIT margin
21.2%



2022 PERFORMANCE

Nexus showed strong FY 2022 results in line with its long-term guidance and had limited impact from the current economic environment (war in Ukraine, Covid, supply chain disruptions). Revenue reached EUR 209.1m (+11.1% YoY), driven by high growth in Switzerland, Netherlands and Austria as well as bolt-on acquisitions (EUR 3.7m of sales acquired). Although German government subsidy programs have led to an order intake worth c. EUR 70m so far, they have not yet translated into significant revenue (c. EUR 2.5m additional revenue in 2022).

EBITDA margin reached 21.2% (vs. 21.7% in FY21) burdened by EUR 1.7m integration costs and higher other operating costs (c. +21% YoY). The increase in other operating costs was mainly due to higher travel activity, higher marketing expenses (c. +55% YoY), and increased energy costs.

The company has published its new mid-term outlook until 2026 with a sales CAGR of 13-14% (21-26) and an EBITDA margin of 25%. The sales target includes assumed sales of c. EUR 60m from M&A. The results of 2022 confirm the positive trajectory to reach those goals.



LUXEMPART PERSPECTIVE

We are very pleased to be a new anchor shareholder and partner to support Nexus' ambitious long-term oriented growth plan. The strong 2022 results support our conviction that Nexus' capabilities and its strong management team will continue to thrive in a market which is expected to have high ongoing structural growth in the foreseeable future and which offers multiple opportunities for further consolidation.

ESG INITIATIVES

- Goal to become climate-neutral (Scope 1&2 emissions) by the end of 2028
- Efficiency of power consumption improved by 27% in 2022 versus 2019 – target of 2024 already achieved in 2022 (e.g. consolidation of decentralized data centers)
- Use of renewable energy sources including the installation of own photovoltaic systems Introduction of a multi-level Compliance Management System based on the requirements of ISO 37301.

¹⁾ as of latest voting rights notification (31/08/2022)

SALICE

6.7%

Percentage of interest⁽¹⁾

2022 Investment Year



Registered Office
Novedrate, Italy



Website:
www.salice.com



Business Sector
Industrial components



Salice is a leading Italian manufacturer of furniture hinges and adjacent high-quality functional hardware components for the high-end furniture industry. Founded in 1926 by Arturo Salice, the Group has 3 production sites in Italy and is present across the globe with 10 foreign subsidiaries. The company started as a specialized producer of hinges focused on the premium furniture segment but over time successfully entered in adjacent markets for guides, sliding systems and accessories, thereby creating a comprehensive offering of high-quality products for manufacturers of kitchen furniture and producers of furniture cabinets and wardrobes. Salice holds a well-established position worldwide.

INVESTMENT THESIS

Luxempart invested a minority stake alongside the majority owner Cobepa and the founding family to support the next growth stage. Thanks to a strong reputation in the market for its excellent design and innovation capabilities, Salice is ideally positioned for a prolonged organic growth period, both in terms of geographical expansion as well as penetration of new market segments. Its premium positioning on high-quality and mission-critical components provides strong entry barriers, which we aim to leverage into further growth opportunities.

As for many industries, Covid-19 related lockdowns and restrictions had a very negative short-term impact on the furniture industry in 2020. But the medium- to long-term effects of the pandemic turned out to be positive as people are now more conscious of the importance of feeling comfortable within their home. This results in an increase in spending for furniture and a shift towards the high-end segment of the market. Consequently, this leads to sustainable positive effects for the functional hardware components industry, driven by both volume and premiumization trends, and Salice is ideally positioned to benefit from those favourable market tailwinds.



2022 PERFORMANCE

Despite a weak market environment restrained by Covid lockdowns, increasing raw material prices, supply chain issues and the Ukraine war, Salice was able to achieve a revenue growth of 9% compared to 2021. For 2023 we foresee further strong growth on the back of improving market conditions and a strong order book.



LUXEMPART PERSPECTIVE

We are delighted to support Cobepa and the founding family during the next chapter of Salice's history. We are convinced that Salice has a superior competitive positioning on its markets thanks to its cutting-edge R&D capabilities resulting in several major innovations in the past and a portfolio of c. 600 active patents, coupled with a full vertical integration across all production steps and state-of-the-art "made in Italy" production.

We will continue to build on the brand heritage and family values while stimulating the potential and the entrepreneurial spirit of a reinforced management team to accompany them in their journey to become the global leader in high-quality, premium functional solutions for the furniture industry.

ESG INITIATIVES

Salice has been certified ISO 14001 since 1998, demonstrating the company's attentiveness to the protection of the environment.



Listed on Frankfurt Stock Exchange
ISIN: DE0007203705

PORTFOLIO

10.01% Percentage of interest ⁽¹⁾

2020 Investment Year



Registered office
Heidelberg, Germany



Website:
www.snpgroup.com



Business Sector
IT Software & Services

SNP Schneider-Neureither & Partner SE is a leading provider of an automated IT migration software and related consulting services for selective data transformation in ERP-related IT landscapes, applied in the context of M&A, carve-outs and divestitures, ERP upgrades, cloudification and others.

INVESTMENT THESIS

SNP is a growing provider of an automated IT migration software and related consulting services for selective data transformation. The company strongly benefits from:

- Attractive end markets with structural growth driven by ongoing SAP version upgrades and the growing importance of migration and management of data for companies in general
- Its unique value proposition to deliver complex data transformations faster and at a higher quality than manually executed transformations thanks to its Crystal Bridge software solution
- General shortage of skilled IT professionals supporting the use of SNP's software and services
- Strong potential to further enhance profit margins on the back of a growing software share in the overall business-mix
- Potential for further internationalization as sales are still concentrated on the DACH region / Europe

Order entry
EUR 193m
(+10% YoY²)

Group sales
EUR 172m
(+8% YoY²)
2022



2022 PERFORMANCE

FY2022 preliminary figures came in below the guidance: sales of EUR 172m (+8% YoY*) were a bit below the latest guidance of EUR 175m. Similarly, EBIT is also expected to be below the guidance of EUR 10.5m – preliminary numbers indicated a result slightly above the 2021 result of EUR 6.3m. As the progress on operational improvements and the implementation of the partner strategy were slower than expected, the financial results remained below expectations. However, a solid order entry of EUR 193m (+10% YoY²) should provide a good basis for further growth in 2023..

The financial performance was also reflected by a share price performance below peers and relevant indices. On the one hand, the overall economic environment has been very challenging and made customers more cautious on initiating large IT transformation projects in the short term. On the other hand, the company had to deal with internal challenges (e.g. the CFO left by mutual agreement in March, the Chairman stepped down in September, inefficient cost structures).

After the resignation of the Chairman Prof. Heinrich, the Board elected Richard Roy as its new Chairman on October 1, 2022. On January 16, 2023, the new CEO Jens Aml started at SNP as part of the planned succession of his predecessor. He brings a strong track record from his various senior management roles at SAP in Germany and abroad. This should help him to develop SNP's software business, to improve internal processes and to also sharpen SNP's internationalisation strategy. The search to replace the current interim CFO was finalized in March 2023.



RICHARD ROY, CHAIRMAN OF THE BOARD OF DIRECTORS

« During the current transformation of SNP with a new management team, it is crucial to have strong support from all stakeholders on our journey to unlock SNP's full potential. The board of SNP is pleased to be able to count on Luxempart's continued commitment as a long-term anchor shareholder. »



LUXEMPART PERSPECTIVE

SNP has a good market position, mainly based on the company's differentiated software solutions and a strong service offering in data transformation projects. The market dynamics are favourable and should allow SNP to accelerate its growth again after a difficult year 2022. SNP has a strong customer base of global bluechip companies and well-established relationships with 13 of the top 20 global system integrators to build on. With our +10% stake and Sebastian Repegather represented on the Board of Directors of SNP, we aim to continue supporting the company and its new management as an anchor shareholder in this crucial stage of its development.

ESG INITIATIVES

- Agreement on sustainable financing reached with Commerzbank in December 2022, with sustainability component linked to achievement of ESG KPIs
- Global employee survey conducted in 2021/22 in order to identify further potential for improvement with regard to employee satisfaction and to derive concrete optimization measures
- SNP's headquarters in Heidelberg powered by green electricity since 2018

1) as of latest voting rights notification (08/12/2021)

2) like-for-like comparison with adjustments for acquisitions and divestments

10.7% Percentage of interest

2021 Investment Year



Registered office
Issy-les-Moulineaux,
France



Website
www.sogetrel.fr



Business Sector
Telecom, security and smart city
installation and maintenance



Sogetrel is a leading French specialist in the design, installation and maintenance of outdoor communication networks. The group also expanded over the last years into the non-residential Security & Smart City markets. The group provides two types of services: Design & Build (D&B), consisting in system or solution engineering and deployment, and Digital Field Services (DFS), diversified field interventions related to user connection, equipment maintenance, system operation, or system upgrade services. Sogetrel operates more than 100 agencies with leading positions in each of its addressable French markets, and has also started growing in Belgium, Switzerland, and Germany.

INVESTMENT THESIS

Investment in one of the largest French actors in the design, installation, and maintenance of communication networks markets benefiting from increase in data usage (data traffic per capita was expected to increase by 23% per year by 2022) and in "very high broad band" use cases. Sogetrel has an ambitious diversification plan and is well positioned to further strengthen its position:

- in the security market, it already stands among the top 10 players on the most dynamic market segments of Video Surveillance Access Control
- in the Smart City market, leveraging its solid experience on telecom networks so as to cover major aspects of smart city use cases (smart parking, energy efficiency, pollution control...)

Sales > €750m

EBITDA margin >5%



2022 PERFORMANCE

In line with the anticipated decrease of network construction activity in France, sales have decreased. However, the difficult macro-economic environment has led clients to exercise significant pressure on margins.

The accelerated development of diversification activities in 2022 was not able to fully compensate for this trend, and an increasing cost base has led to a decline in EBITDA in 2022, without affecting the Group's overall financial position.

Furthermore, Sogetrel was able to complete its first acquisition in Germany, allowing it to further diversify its activities in a market where fibre optics networks are expected to develop strongly over the coming years.



LUXEMPART PERSPECTIVE

Despite mitigated results in a year characterised by a complex and inflationary environment, we believe that Sogetrel is well positioned to accelerate again starting in 2023.

Indeed, its diversification activities are ramping up according to plan and will allow the group to better balance its growth profile.

Its strongly involved management team, a significant shareholder in Sogetrel, is fully committed to further develop the Group.

ESG INITIATIVES

Sogetrel has mandated an independent certification entity to assess its ESG commitment on a yearly basis (Sogetrel achieved platinum grade in 2021 – i.e. top 1%). The group monitors and acts on improving dedicated key indicators for 6 main priorities: 1) health of its employees 2) inclusive workplace 3) environmental footprint 4) responsible purchasing 5) ethical and responsible behaviour, and 6) data security.

15%

Percentage of interest¹

2016 Investment Year



Registered office
Garching, Germany



Website
www.suss.com



Business Sector
TMT



Süss MicroTec SE is a leading supplier of innovative systems and process solutions for micro structuring applications for the semiconductor industry (advanced back-end and frontend process steps) and related niche markets (e.g. MEMS sensors, 3D integration, LED). The company operates through four divisions, namely back-end lithography (60% of FY 2021 sales), photomask processing (18%), wafer bonding (12%) and micro-optical components (10%).

INVESTMENT THESIS

Our investment thesis is built on several attractive attributes:

- Structurally growing markets, driven by mega trends such as digitization and 5G, which create significant demand for semiconductors
- Market and technology leadership, being a leading player for mask aligners, coater / developer clusters, wafer bonders and photomask cleaning equipment
- Strong value creation potential fuelled by significant revenue growth and margin enhancement

Order entry
EUR 445m
(+32% YoY)

Group sales
EUR 300m
(+14% YoY)

Group EBIT
margin 9 - 10%
(2021: 8.6%)



2022 PERFORMANCE

Despite the continued impact from component shortages and increasing freight costs, Süss achieved strong results in 2022. Order intake increased by c. 32% YoY to c. EUR 445m (vs. EUR 337m in 2021), supported by strong demand across all segments but with the strongest growth recorded in the photomask and wafer bonder segments.

After supply chain related bottlenecks over the first 9 months of the year, Q4 was supported by a high number of deliveries, resulting in sales and an EBIT margin substantially above expectations. Based on preliminary figures, sales are expected to reach c. EUR 300m (+14% YoY).

In terms of profitability, management expects the EBIT margin to reach between 9% and 10%, adjusted for a positive extraordinary non-operating effect (2021: 8.6%), with positive volume effects partly offset by higher operational expenses.

In February 2023, the company published its new mid-term outlook until 2025, with sales expected to reach EUR 400m (c. 10% CAGR), coupled with an EBIT margin of 15%. The preliminary results of 2022 confirm the positive trajectory to reach those targets. Furthermore, Süss is expected to profit from the current market dynamics of numerous major investment programs in the US, Europe, China, and Taiwan which will result in the construction of further chip factories.

On a strategic level, management declared its new vision for Süss to become the „leader in enabling innovative advanced back-end and photomask solutions“ and that it is, consequently, undergoing a strategic review for Süss micro-optics.



LUXEMPART PERSPECTIVE

With its 70+ year track record, Süss has established itself as a strategic partner for global IDMs (integrated device manufacturers) and foundries across the globe. As a key technology provider for the semiconductor front-end and advanced back-end industry, the company is well-positioned to capture opportunities arising from the ongoing uplift in the global chip industry. A record order intake in 2022, which has been realized despite a challenging macroeconomic environment, confirms the company's mission-critical positioning. Since our investment in 2016, Süss has made strong progress on a technological, strategic, and operational level. Consequently, we remain confident that Süss is well placed to achieve its sales and EBIT margin targets for 2025 of EUR 400m and +15%, respectively.

ESG INITIATIVES

- Switching the power supply at the German sites in Garching and Sternenfels to 100% green electricity - thereby reducing Scope 2 emissions to zero
- Continued investments in energy efficiency, e.g. replacement of fan motors in the clean room in Sternenfels and expansion of building control systems
- Introduction of an annual, mandatory training concept for compliance and anti-corruption for all employees
- Development of a new solution for the not yet addressed wafer cleaning market which aims to replace the hazardous chemicals used so far with significantly less critical means. A successful implementation would be more sustainable and significantly reduce costs for our customers

1) as of latest voting rights notification (30/03/2020), joint shareholding of the Acting-in-Concert composed of Luxempart and Teslin Capital Management; c. 8% held by Luxempart on a standalone basis

20.1% Percentage of interest⁽¹⁾

2016 Investment Year



Registered Office
Sassenberg, Germany



Website:
www.technotrans.de



Business Sector
Industrial thermal
management equipment



Technotrans SE is an internationally leading technology and service company specialised in thermal management applications for diverse end markets such as energy management, healthcare & analytics, print, plastics and others.

INVESTMENT THESIS

Technotrans is a manufacturer of application-specific thermal management solutions in technologically demanding applications. Our investment thesis is based on the following investment attractions:

- Leading thermal management specialist for technologically demanding applications with strong market positions in focus markets
- Positioned in attractive end markets with long-term structural growth prospects, especially in new markets like energy management and healthcare, building on historically resilient print markets
- Well-balanced value creation potential between continuous growth and margin improvement
- Asset-light business model with a high service share (approx. 25% of sales) and a strong cash generation potential.
- Significant M&A potential after Technotrans established a scalable organization in a highly fragmented market



2022 PERFORMANCE

Technotrans had an overall successful FY 2022, reaching the upper end of its guidance, despite continuous supply chain-related challenges. Revenues are expected to reach EUR 220-230m (+4% to 9% YoY), with strong development in all segments and focus markets. A particularly strong development was achieved in energy management and healthcare and analytics. After a Covid-related dip in the print market in 2020 and early 2021, the segment continued to recover dynamically and contributed positively to group sales.

After successful completion of the first phase of its "Future Ready 2025" strategy, management will focus in 2023 on accelerating growth based on further reinforcing Technotrans' position in key markets and further internationalization. Mid-term targets with revenues of EUR 265-285m and an EBIT margin of 9-12% remain confirmed. M&A could further enhance the mid-term growth potential.



LUXEMPART PERSPECTIVE

2022 was marked by numerous challenges like the war in Ukraine, persisting supply chain bottlenecks, rising inflation and ongoing Covid setbacks. Nevertheless, Technotrans was able to progress substantially in the implementation of its "Future Ready 2025" strategy and to deliver its growth targets, both on the top- and the bottom-line. For 2023 and beyond, we remain positive on the market potential and Technotrans' ability to capture opportunities thanks to its strong value proposition. As an anchor shareholder holding more than 20%, we aim to continue supporting management to successfully implement phase 2 of its 2025 strategy. The appointment of Sebastian Reppegather, Head of Listed Investments at Luxempart, to the Supervisory Board of Technotrans in May 2022, has been an important milestone in this context.

ESG INITIATIVES

- New production site in Holzwickede, in line with newest standards ("KfW 55 Effizienzhausstandard") with 99kWp solar panels
- Investment in green hydrogen in Holzwickede
- Publication of the roadmap toward CO2 neutrality in 2030
- Launch of new product families (e.g. ECOtec.chiller, teco ci eco), allowing for c. 90% lower electricity consumption and c. 60% less coolant vs. traditional technology



MICHAEL FINGER (CEO)

"technotrans has continued to implement its strategy and successfully completed phase 1 even under the difficult conditions of 2022. The consistent support of our growth course by our long-standing anchor shareholder Luxempart is very valuable for us."

3.15%

Percentage of interest¹⁾

2016

Investment Year



Registered Office
Düsseldorf, Germany



Website:
www.tonies.com



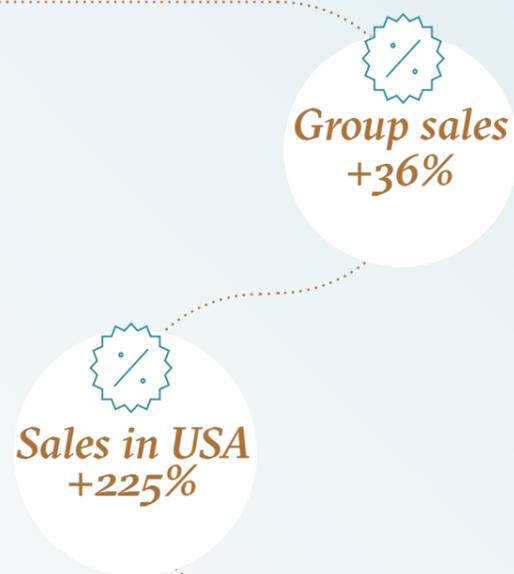
Business Sector
Consumer electronics



Tonies is a category-defining figurine-based audio streaming system for children composed of a smart speaker box (Toniebox) and complementary small figurines (Tonies) delivering audio content over a cloud infrastructure.

INVESTMENT THESIS

- Category-defining properties of Tonies audio system with potential to become a leading global player, with proof of concept for business model in DACH markets and first success in international markets (USA, UK, France)
- Repeat / "razorblade" business model and established barriers to entry due to the high installed base and existing licenses with content providers
- Significant market potential, driven by positive trends (increasing toy spend per child, trend to reduce screen-time, stable birth rates) in underlying markets for toys and games / children audio content
- Strong sales and margin growth potential, driven by replication of success from the DACH region in international markets



2022 PERFORMANCE

Tonies successfully continued its growth path in 2022 with group sales reaching EUR 255m (+36% YoY). Particularly strong growth was realized in international markets, in particular the US (+225% YoY), accounting for EUR 65m sales (25.5% of group sales, vs. 10.6% in 2021).

Despite solid operational, organizational and strategic progress, margins continued to be negatively impacted by growth investments to accelerate international expansion and global supply chain related issues. A positive margin in the DACH region partly compensated these effects leading to a Group EBITDA margin of about -2%.

Guidance for 2023 foresees revenues to grow to €350m and EBITDA margin to turn positive.



LUXEMPART PERSPECTIVE

Tonies has shown an impressive growth path over the past years, with proof-of-concept achieved in the DACH region and significant success in 2022 in international markets, such as the USA. This paves the way for the company to enter the next phase of growth in 2023 and beyond. We will continue showing our support and our participation in the capital increase in November 2022 has been an important milestone in this context.

ESG INITIATIVES

- Launch of "Preloved Toniebox", i.e. sale of refurbished, used Tonieboxes to customers
- Dedicated research on sustainable materials, e.g. sustainable packaging and water-soluble inks for Tonies
- Introduction of various sustainability measures at HQ, e.g. vegan catering, massive reduction of domestic flights



 Sector: Industrials

 www.aeb-group.com

Shareholding: 6.3%

Agencia Enologica Bresciana ("AEB") is one of the leaders in wine & beer ingredients, also active in detergents and equipment used in Food & Beverage production processes. AEB enables winemakers and brewers around the world to improve natural processes, using 99% natural ingredients. It offers a one stop shop solution: ingredients can be bundled with detergents solutions and equipment. AEB develops formulas, assembles raw materials, tests them, outsources yeast production and distributes its advice and products on a global scale. 2022 has been a strong growth year, with EBITDA reaching a record high.

INVESTMENT THESIS

- AEB is one of the global leaders in its core wine ingredients sub-sector
- AEB benefits from strong cross-selling opportunities
- Global company with direct sales presence across several continents
- Active in a fragmented market with some worldwide bolt-on M&A opportunities
- AEB is set to further (i) expand oenology in underpenetrated markets, (ii) maintain tactical positioning in beer segment, (iii) reinforce its presence in the detergent business and (iv) enhance its equipment offering, all contributing to organic growth.



 Sector: TMT

 www.ascom.com

Listed on Zurich Stock Exchange - Shareholding : 4.1%¹

ASCOM Holding AG is a global provider of critical information and communication solutions focused on healthcare institutions (c. 68% of sales, hospitals, nursing homes, etc) and enterprises (32% of sales, broad range of industrial sectors). The core product portfolio comprises nursecall systems, telephony and mobile devices, messaging and alerting software, and related project management, service and support. Ascom operates globally through its own subsidiaries and distribution partners. It is particularly well positioned to benefit from the global growth in healthcare and the digitalisation of healthcare workflow processes. Ascom's strategy focuses on the development of products and solutions around mobile workflow solutions in its healthcare and enterprise matters.

INVESTMENT THESIS

Structural and secular growth in healthcare, supported by favourable demographic trends driving demand for continuous digitalization. Good position in healthcare niche markets (e.g. emergency call and alarm systems, mobile workflow solutions). Ascom's ongoing transformation from a hardware to a more software- and service-focused organization with a more attractive growth and profitability profile.

FY2022 preliminaries indicate a positive development of the company, despite an ongoing shortage of components. Revenues are expected to reach CHF 297m, reflecting c. 2.0% YoY growth (+7.2% at constant currencies). Order intake increased to CHF 336m (+3.3% YoY at constant currencies). Margins remain impacted by global supply chain issues in FY 2022, with the adjusted EBITDA margin coming out at around 9.8% However, improved execution and cost efficiencies started to pay off in 2022 and are expected to support a further positive development of the company.

¹) as of latest voting rights notification (05/09/2019)



 Sector: Hospitality

 www.campings.com

Shareholding: 11.4%

Campings.com is the European leader in the intermediation of outdoor accommodations. It sells camping vacation stays either to the final end users (vacationers) or to other travel agencies in France, Spain, Italy, Croatia and Portugal. Campings.com offers a catalogue of c. 4,500 campsites spread across 10 European countries.

INVESTMENT THESIS

- Top-line growth driven by organic growth and international expansion
- Robust business model with retail and commissioning offerings balancing the gross margin
- Diversified sales channels, leveraging both direct and indirect sales
- Co-investment alongside Ekkio Capital, which enjoys an extensive knowledge of the leisure and accommodation sector in Europe with a strong track record.

In 2022, the company went through a major step in its development with the acquisition of Bungalow Bookerz, the leading booking platform in the Netherlands. The combined entity is expected to cross the €200 million mark of gross margin (business volume) in 2023.



 Sector: Healthcare equipment

 www.fxshouldersolutions.fr

Shareholding: 19.1%

FX Solutions specialises in the design, manufacture and distribution of shoulder implants and surgical instruments. The company's product offering is comprised of shoulder prostheses meeting all existing needs in the shoulder arthroplasty: joint trauma (accident, shock) or degenerative disease (body ageing).

INVESTMENT THESIS

- Large niche extremities market (worth \$1.1bn at entry) with strong organic growth potential
- Quality products, strong reputation will help to gain key opinion leaders
- Strong organic growth driven by US market penetration, further market share gain in France, release of new products, and natural market growth
- Co-investment with an established financial sponsor with long-lasting experience in the healthcare sector.

In 2022, FX Solutions was able to deliver a >40% top line growth and continued to perform strongly by gaining market share in its two core markets France and the US while continuing to invest in R&D and achieving key regulatory milestones in the US.



 Sector: TMT

 www.ihstowers.com

Listed on the New York Stock Exchange
Shareholding : 0.3%

With >39,000 towers under management, IHS the third largest independent tower owner, operator and developer globally, covering 11 countries in Africa, the Middle East and Latin America.

INVESTMENT THESIS

- resilient business model with recurring revenue
- strong and seasoned management team
- services are mission critical and benefit from high barriers to entry
- strong organic growth and further 4G & LTE rollout acceleration
- one of the biggest tower operators in Africa well positioned to act as a consolidator in Nigeria and other African countries
- embedded growth will be further enhanced by economies of scale (increase in lease-up rate)
- develop new services.

The company was listed on the New York Stock Exchange in October 2021, with a very disappointing share price trajectory since then. However, the company continues to deliver its growth plan, evaluating M&A opportunities and optimising utilisation of existing assets. Despite stable and robust fundamentals, the share price has been affected by the broader market downturn in 2022 and the path to recovery remains uncertain at this stage.



 Sector: Healthcare

 www.pflegebutler.de

Shareholding: 11.5%

Unternehmensgruppe Pflegebutler is a leading regional ambulatory care operator offering an innovative alternative care model consisting of serviced living, day care and ambulatory care all under the same roof. Pflegebutler is benefitting from strong market growth supported by secular trends notably demographics (increasing share of >65y olds and recipients of care) and growing preference towards ambulatory care. The Company is operating in Lower Saxony, Rhineland Palatinate & Hesse.

INVESTMENT THESIS

Leveraging strong market by continuing organic growth, opening of new care centers and selectively acquiring regional ambulatory care operators to enter into new regions.

Pflegerbutler has displayed strong operating and financial performance in FY22 with the opening of several new homes and the acquisitions of proVida (a regional ambulatory home care provider in Lower Saxony) and Haus Deul (a senior citizen's residential home in Rhineand-Palatinate) which have allowed to display revenue growth of c. 30% and maintaining profitability levels despite inflationary pressure and wage increases.



 Sector: B to B Services

 www.quip.de

Shareholding: 53.7%

Quip Group provides industrial services and temporary staffing across various industries. Headquartered in Aachen, Germany, Quip generates c. EUR 100m in sales and is well positioned to benefit from the reshoring of manufacturing activities as it provides its customers with flexible industrial services focused on mechanical and electrical assembly, as well as tailored staffing solutions.

INVESTMENT THESIS

Leverage synergistic business model combining industrial services and temporary staffing in order to provide customers an integrated service offering as well as substantial added value and flexibility across their manufacturing processes. The combined service offering additionally differentiates Quip versus other temporary staffing agencies as it allows potential employees to enhance their skillset within its industrial services business unit and thus enhance their employability.

FY22 was characterized by the hiring of a new management team which initiated a strategic review of the group and a streamlining of its services and brands. As part of the reorganisation, which included the sale of Talbot Services GmbH, Quip aims to shift its focus towards its core strengths in industrial services and temporary staffing. To support this next growth stage, the company substantially invested in digitalized processes, new recruitment channels and a group rebranding. Thanks to these efforts, we expect Quip to benefit from the improving market conditions and foresee a strong financial performance over the next years.



 Sector: Industrials

 www.rattay.de

Shareholding: 40%

Rattay Group is a leading supplier and development partner for metal hoses and compensators (with own technology patents) for various non-automotive related industries. Rattay generates annual sales in excess of EUR 35m and exports its products worldwide. The Group has subsidiaries in Austria, Denmark, France, Hungary, the Czech Republic and UK, as well as sales offices and agents overseas.

INVESTMENT THESIS

Capitalise on its position as a niche market leader producing system critical components used in demanding and harsh environments.

Despite the overall difficult market environment, Rattay's financial performance has substantially rebounded in FY22 thanks to numerous project wins across demanding end markets including the semiconductor and LNG industry. We see continued strong demand for Rattay products in FY23 driven by the strong macro trends within its end markets.

Shareholding: 5.5%

RIMED is one of the leading medical radiology groups in Switzerland and operates twelve radiology centres across the German- and Italian-speaking parts of Switzerland.

INVESTMENT THESIS:

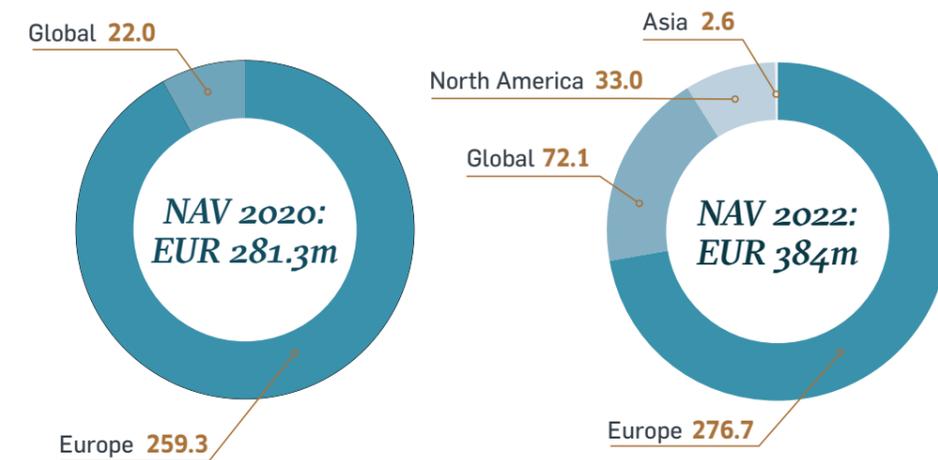
Providing a unique healthcare platform for patients, referring physicians, and hospitals with a patient-oriented service approach covering a wide range of high-quality diagnostics services.

In 2022 RIMED joined forces with Unilabs to create an integrated medical diagnostics group to support patients and doctors with a comprehensive diagnostic offer from one single source. In the course of this transaction, Luxempart reduced its stake in RIMED from 27.4% to 5.5%. Luxempart had partnered up in 2016 with the founder of RIMED, Dr Kim B. Laver, to support the buy & build strategy across Switzerland. Over the course of this partnership, from 2016 until 2022, revenues grew by over 60%.

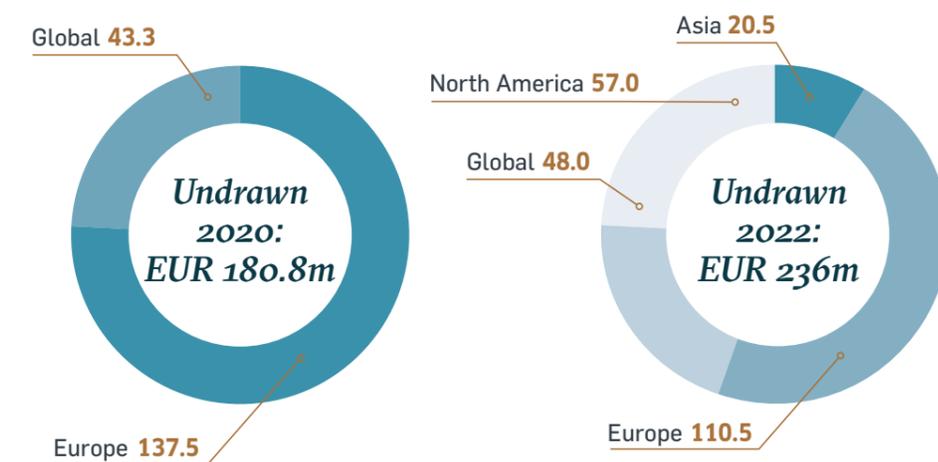
SELECTED INVESTMENT FUNDS INDICATORS

We present 2020 as a reference since the new Investment Fund strategy started its implementation in the second half of 2020.

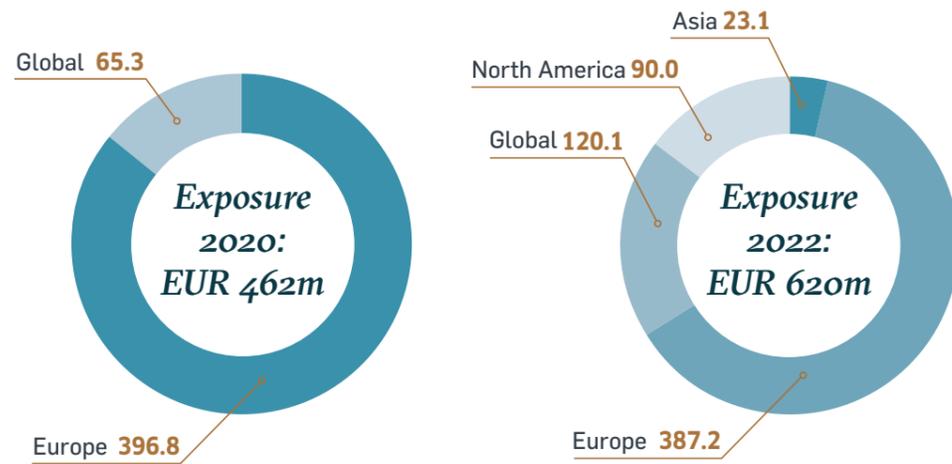
NAV breakdown per geography



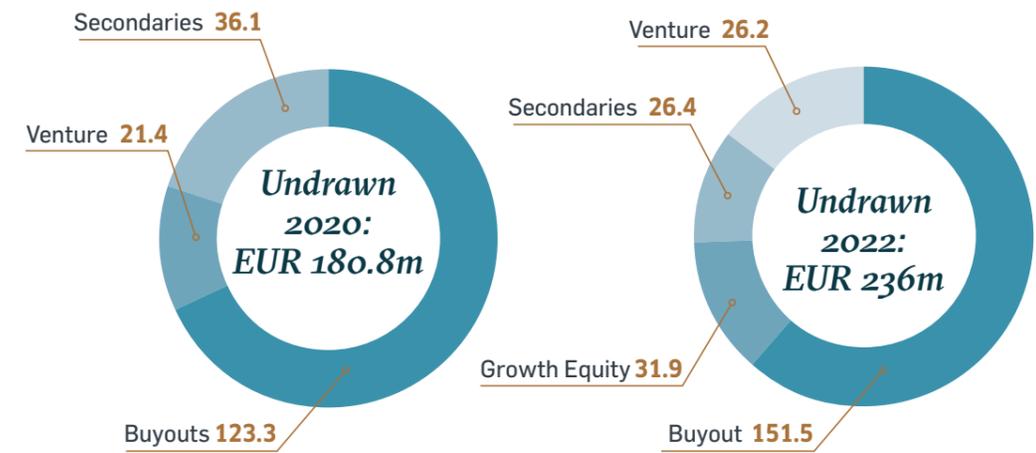
Undrawn capital breakdown per geography



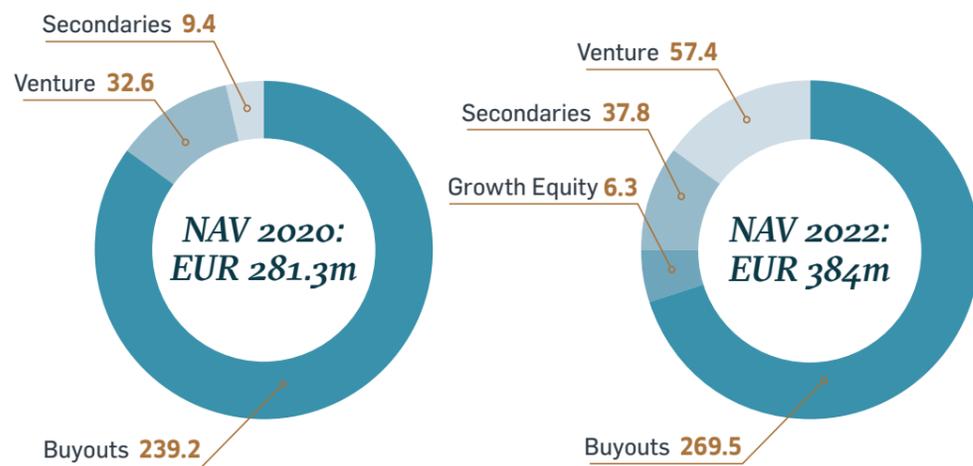
Total exposure (NAV + Undrawn)breakdown per geography



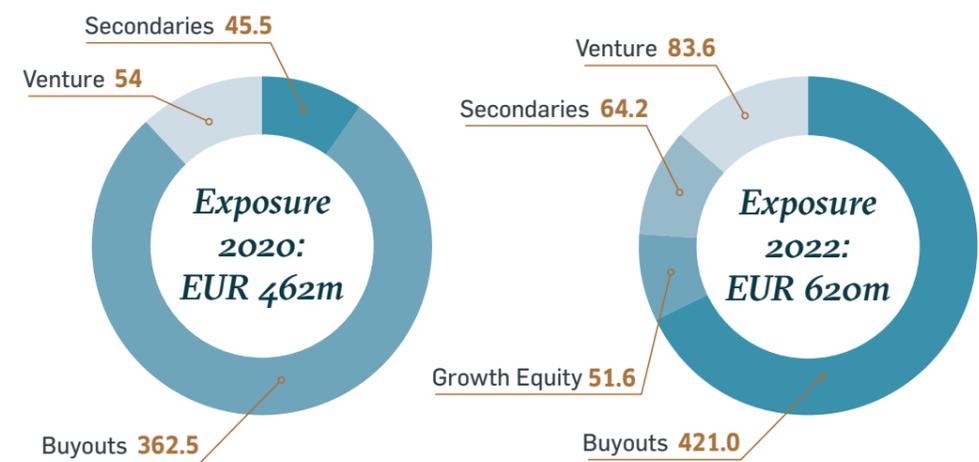
Undrawn capital breakdown per strategy



NAV breakdown per strategy



Total exposure (NAV + Undrawn)breakdown per strategy





SUSTAINABILITY REPORT

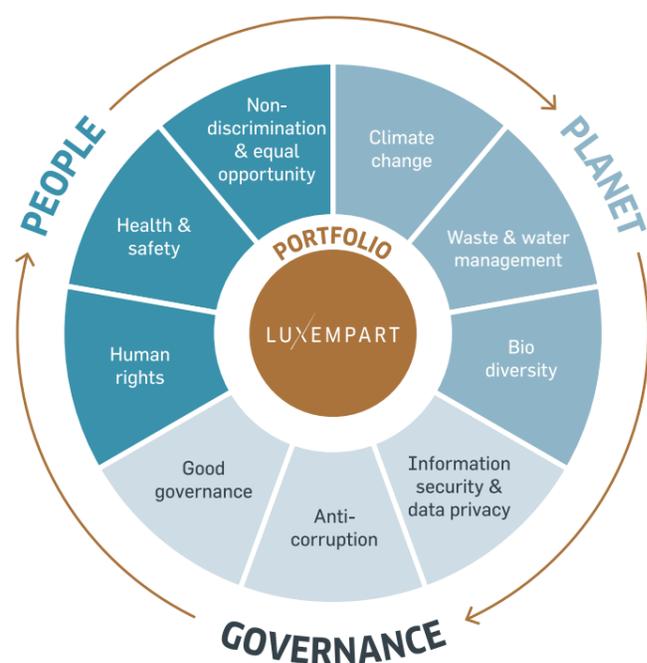
SUSTAINABILITY REPORT

LUXEMPART'S AMBITIONS

Luxempart is a family-owned investment company, whose business is driven by our family values: long-term value creation through patient involvement and shared vision with our partners – hence our baseline: **Growing together**. We carry out our mission in accordance with our core values, which are:

- Trust and reliability
- Transparency
- Excellence
- Honesty and honourability

Since 2021, the Board of Directors and the Group Executive Committee have implemented a more structured way to consider ESG factors in the strategy and operations of the Group. In this context, Luxempart has set up a working group, organised many workshops, and onboarded the entire team to develop and implement its sustainability vision. The purpose of this process is to deliver competitive returns and to consider ESG risks so as to protect against negative impacts but also to pursue value creating opportunities. This way Luxempart is progressively making the shift from a financial-only to a sustainable investment approach.



Our tailored sustainability framework

As there is not one single widely recognised ESG framework, we have chosen to develop and regularly update our own sustainability framework based on a methodical analysis of:

- our values and our own priorities
- the expectations of our shareholders and other stakeholders resulting from periodic stakeholder engagement surveys;
- the priorities of the respective industry our portfolio companies are part of.

Our sustainability framework has been defined in a collaborative approach with our stakeholders and by considering the specificities of the industries we are invested in. Luxempart is committed to an ongoing dialogue with its stakeholders, being its employees, its portfolio companies, its partners and co-investors, the authorities and regulators.

The outcome has resulted in a materiality matrix that encompasses common and relevant environmental, social and governance standards. We have defined 9 indicators representing our priorities in corporate and portfolio actions around the three ESG areas: planet, people and governance. We have previously reported that we focus on 16 criteria. A more thorough analysis has allowed us to integrate all 16 criteria in the 9 mentioned in the matrix on the left-hand side.

ESG ACTIONS AT CORPORATE LEVEL

At corporate level, Luxempart has already taken actions on the three ESG pillars.

Governance

Luxempart has always applied first-class governance standards, following the 10 Principles of Corporate Governance of the Luxembourg Stock Exchange. We emphasize the principles of ethics, integrity and compliance.

Sustainability is the main strategic challenge of Luxempart for the coming years. The Board of Directors is responsible for the strategy of Luxempart, which is determined in order to generate long-term value creation for the Group. The Board of Directors has entrusted the Sustainability Committee to give guidance in terms of sustainability strategy. This committee is also in charge of following the changes in laws and regulations in relation to ESG, that could have an impact on Luxempart. It validates corporate and portfolio sustainability action plans and evaluates their results.

The Group Executive Committee is responsible of the day-to-days operations. The priorities followed in 2022 were:

- the organisation of workshops and seminars in order to onboard the entire Luxempart teams.

- to reassess the ESG framework and priorities,
- to review and approve the ESG KPIs and due diligence questionnaire for the Direct Investments
- to review and approve the ESG due diligence questionnaire for the Investment Funds.

High standards of good governance are value drivers. That is why Luxempart has carried out the following actions:

- **With its shareholders:** Luxempart maintains a continuous dialogue with its shareholders and pays great attention to improving its communication to the market.
- **With its stakeholders:** Luxempart commits to regularly engage with each stakeholder group, for example by the way of survey.
- **Implementing and updating policies and procedures:** Code of good conduct including ethics principles and whistleblowing procedures, investment procedures updated in order to include ESG matters, GDPR and data privacy, anti-money laundering and counterfinancing terrorism (AML/CFT procedures), IT security...

People

Our people are our most important asset and for this reason Luxempart aims to be a responsible and attractive employer. In this view, concrete measures have been taken to improve social cohesion in the Company, such as:

- **Increasing the health and well-being of the team:** break room, fitness club, regular health checks, free fruits and beverages, healthy meals at reduced price, ergonomic workplace, hospitalisation insurance paid for the employees and their family, efficient IT infrastructure and tools enabling work from home, appointment and training of a health & safety worker
- **Focus on talent development:** focus on attracting talent and enabling them to develop their potential, increase training opportunities and foster career development in a growth mindset
- **Promote non-discrimination and equal opportunity:** remuneration policy and processes in place assuring equal remuneration for equal work, oversight by the Nomination and Remuneration Committee.

Planet

Luxempart aims at keeping its impact on the environment as low as possible. With this aim in mind, we have taken different environmental protection initiatives, such as:

- **Reduce waste:** new waste recycling system, less paper consumption by increasing digital solutions, replacement of plastic cups and water bottles by glass cups and water fountains, food waste reduction programme put in place at the canteen
- **Reduce carbon footprint:** decrease of the heating of the office spaces, electric car charging stations available, office rented in a recent building that meets high norms and standards, home office developed for employees, replacement of a great part of business travel by video conference system, car policy limiting high emissions cars,
- **Promote a healthy ecosystem:** increasing part of local and organic food served at the canteen, meat free Tuesday, optimising water consumption.

SUSTAINABILITY VISION FOR LUXEMPART'S PORTFOLIO

Luxempart recognizes the impacts and interdependencies of Environmental, Social and Governance factors. By incorporating ESG factors into its decision process, Luxempart aims to future-proof itself against oncoming issues and to enhance value creation. If companies do not have a proper sustainability strategy, they are going to be uncompetitive and risk to become unattractive assets. That is why Luxempart aims to provide its portfolio companies with levers for action to undertake the shift to a more sustainable value creation process. This will result in including key sustainability criteria into strategic decisions.

Embedding ESG into our investment strategy

The sustainability strategy applies to both our Direct Investments and Investment Funds, but given the nature of these activities, it applies differently.

Direct Investments

Exclusion list

In order to reflect our core values in our investment decision, Luxempart has put into action:

- its exclusion list that comprises activities and business sectors that are strictly prohibited;
- a list of sensitive business areas that comprises activities and sectors that present higher environmental, social and/or governance risks. It is not prohibited to invest into a sensitive business area, but further risk analysis should be conducted.

Companies that have in a recent past severely breached one or more principle(s) of the UN Global Compact shall also be considered as having a higher ESG risk that requires further procedures.

ESG due diligence questionnaire and ESG KPIs

The 9 sustainability priorities described above are the common thread to better help assess and mitigate ESG risks through our entire investment cycle – from the screening of investment opportunities through the holding period to the exit.

Based on its 9 sustainability priorities, Luxempart has developed a questionnaire in order to assess the ESG maturity of its investments. This assessment will focus on both our existing portfolio as well as on new investment opportunities. We will have completed the analysis of our existing portfolio in the course of the year 2023 and will, if needed, launch priority initiatives to improve the ESG maturity in selected areas.

Luxempart aims to maintain and develop a constant dialogue with its portfolio companies not only on financial matters, but also on sustainability subjects.

Investment Funds

The nature of the investment into Funds makes the sustainability approach different to the one used for Direct Investments. Our sustainability assessment is based on the following points of attention:

- ESG-related policies
- ESG commitments
- ESG risks and opportunities identification in the pre-investment phase
- GP contribution to its portfolio companies with regard to ESG mitigation and value creation
- ESG reporting and disclosure to LPs

The Investment Funds team uses a tailor-made ESG assessment tool to rate the Investment Funds and reports to the Group Executive Committee.

CLIMATE AND OTHER ENVIRONMENTAL RISK MANAGEMENT

The Group is not directly exposed to significant climate-related or other environmental risks. Luxempart acknowledges that ESG factors are having an increasing impact on its business environment. As presented above, Management is working on how to better monitor and manage the ESG risks in general and the climate-related risks in particular. Luxempart has developed a framework that is the cornerstone of an ESG risk management system in order to limit the ESG risk and to seize ESG opportunities to create value. Based on this framework, Management continues to closely monitor the portfolio companies and to support their sustainability initiatives.

The Sustainability Committee together with Management ensure that the Group is compliant with all the applicable sustainability laws and regulations.



STATEMENT OF GOVERNANCE

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STATEMENT OF CORPORATE GOVERNANCE



The publication of information on corporate governance is organised in two documents:

- The corporate governance charter, published on the website of Luxempart
- The statement on corporate governance included in this annual report.

INTRODUCTION

Luxempart's Corporate Governance Charter, which has factored-in the 4th edition corporate governance code published in December 2017 by the Luxembourg Stock Exchange, focuses on the following aspects:

- Luxempart's organisational structure; this section describes the organisation of the Company's management process; a description of Luxempart's share capital, its shareholder structure, and the liquidity of its shares;
- The role and operating method of the Shareholders' Meeting, and the policy for informing shareholders; the role, composition, chair, and operating method of the Board of Directors;
- The delegation of day-to-day management;
- The Board of Directors' Specialised Committees, including the Audit, Compliance, and Risk Committee, the Nomination and Remuneration Committee, and the Sustainability Committee, the role of these committees, their composition, and their operating method;
- The role and composition of the Management Committee and the duties of the Managing Directors and the other members of the Management Committee;
- Luxempart's external audit process.

The Charter also includes the following information:

- A definition of the independence of Directors;
- A definition of the Board of Directors' expertise;
- The prevention of transactions involving insider trading or market manipulation;
- The compensation policy for the Directors and the members of the Management Committee; the CSR policy;
- The application of and derogation from the corporate governance principles.

The Company's Articles of Association were extensively restated on April 30, 2007 in order to take corporate governance principles into account. They were last amended in April 2022.

The restated Articles of Association are available on www.luxempart.lu.

SHAREHOLDERS

As at December 31, 2022 Luxempart's shareholders are split as follows in terms of shares issued:

	Shares issued	Voting rights
Foyer Finance	50.4%	47.6%
Sofina Group	6.1%	6.8%
Stable shareholders	16.7%	18.7%
Public and institutional investors	24.2%	26.9%
Treasury shares	2.6%	-
Total	100%	100%

A liquidity agreement with KBC was signed in 2021 for an indetermined period.

THE BOARD OF DIRECTORS

Luxempart's Board of Directors consists of 13 members, including seven independent Directors who fully fulfil the independence criteria foreseen in the Luxembourg Stock Exchange's Corporate governance code.



ROLE

The Board of Directors is the body responsible for managing Luxempart. It meets as often as necessary to fulfil its obligations.

The Board of Directors is a collegiate body that has the powers to take any decisions and take any measures necessary or useful for the achievement of the Company's corporate purpose, except for the powers exclusively reserved to the General Meeting of Shareholders by law or the Articles of Association. The Board's task is to ensure the long-term development of the Company and of its business activities in the interests of all the shareholders,

while considering interests of other stakeholders, such as creditors, employees and generally speaking the community in which the Company operates.

The Board of Directors is first and foremost responsible for the strategic management of the Company and for monitoring the conduct of its business affairs, the shaping of values, objectives and key policies to be complied with.

COMPOSITION

Luxempart is administered by a Board of Directors (single-tier structure) that consists of 13 members who are natural persons or companies which have designated a permanent representative. The Directors are appointed by the General Meeting of Shareholders, on the recommendation of the Board of Directors, after the Board has gathered the opinion of the Nomination and Remuneration Committee.

Most of the members are non-executive directors. The Board of Directors includes at least two independent directors.

At 31 December 2022, Luxempart's Board of Directors consisted of 13 members:

- 3 Executive Directors, including representatives of shareholders;
- 10 Non-executive Directors, including 7 Independent Directors.

The Chairman of the Board of Directors is selected among the members of the Board. The meetings of the Board of Directors are currently chaired by Mr. François Tesch. He has held this position since 25 April 2016 and has assumed the role of Executive Chairman. Mr. Tesch served as Managing Director of Luxempart for many years. He is therefore thoroughly familiar with the Group and continues to discuss the strategic directions and main investments of Luxempart with the current executive team on a regular basis.

The composition of the Board of Directors has been supervised since 2007 by the Nomination and Remuneration Committee to ensure a balance between Independent Directors and Directors representing important shareholders. The size (13 members) is considered to be sufficient and the variety of competencies is quite broad and adapted to the Company's needs (investment bankers, entrepreneurs, legal experts, investment professionals, human resources and compensation). The Board of Directors is composed of ten men and three women of different nationalities (LU, DE, FR, BE, UK). The Company provides various training sessions to its Directors.

TERMS OF OFFICE EXPIRING IN 2023

The mandates of several Directors will come to a term at the Annual General Meeting of shareholders of April 24, 2023.

The mandates of Mrs. Kay Ashton, Mr. Frank Donck, Mr. Jacques Elvinger and Mr. Juergen Vanselow will be proposed for renewal for a new term of 3 years at the General Meeting of shareholders.

The mandates of Mr. François Tesch and Mr. Pierre Drion will not be renewed, both having expressed their will to retire from their duties within Luxempart. The Board of Directors wishes to thank them both for their immense contribution to the development of Luxempart over their long presence at the Company's Board of Directors.

The Board of Directors will present the candidacies of Mr. Owen Tesch and Mr. Xavier Coirbay as new Board of Directors members of Luxempart at the General Meeting of shareholders, for a term of 3 years.

Owen Tesch would act as a Non-Executive Director, representing the interests of important shareholders of Luxempart. Owen Tesch built up a solid experience in investment through various positions within funds and consulting companies. He currently acts as Observer at the Board of Directors of Luxempart.

Xavier Coirbay would act as a Non-Executive Director. Xavier Coirbay is a member of the Executive Committee of the Belgian listed holding company Sofina. He has an extensive expertise in Private Equity investment and in Investment Funds, notably through his board seat at Cambridge Associates.

CHANGE OF CHAIRMANSHIP IN 2023

Mr. François Tesch having decided to retire from his responsibilities within Luxempart at the next Annual General Meeting of shareholders, he will consequently also step down from his role as Executive Chairman of Luxempart.

The Board of Directors of Luxempart has decided to nominate Mr. François Gillet as the new Non-Executive Chairman of Luxempart, after the General Meeting of Shareholders of April 24, 2023.

Mr. François Gillet has been sitting at the Board of Directors of Luxempart since 1992, and has acted as Chairman of the Audit, Compliance, and Risk Committee over the last 5 years. He therefore has an excellent knowledge of Luxempart and totally shares its vision and strategy.

ACTIVITY REPORT

Issues discussed

The main topics discussed and decided upon by the Board of Directors in 2022 were the following:

- Review of the annual financial statements and of the consolidated financial statements for the 2021 financial year, as well as of the 2022 interim report, and approval of the related press releases;
- Preparation of the Annual General Meeting held on 25 April, 2022;
- Review of the conclusions and recommendations issued by the Specialised Committees;
- Valuation of the portfolio;
- Investment and disposal decisions;
- Strategic reviews of Luxempart's investment policy;
- 2022 budget and business plan 2023-2025;
- Investment of the cash position, and external financing;
- Governance
- Recruitments
- Compliance
- Sustainability strategy.

Frequency of the meetings and attendance

The Board of Directors met eight times during the year 2022. The Directors' average attendance rate in 2022 was 93%, attesting the active involvement of all the Directors.

ETHICS

In 2021, the Board of Directors has adopted a Code of good conduct applicable to all directors, management, staff and advisors to ensure business ethics that lay the foundation for the standard of conduct and define a unified set of guidelines.

The goal of the Code is to:

- outline common values and objectives
- define general rules of conduct
- give concrete examples and introduce policies to guide our daily behaviours
- define a trustful and an attractive work environment
- inspire our investment partners and portfolio companies to adopt a similar code of good conduct.

Luxempart has also adopted in 2021 a dealing code so as to prevent insider trading and ensure equal treatment of its shareholders. Furthermore, in view of the ties between Foyer Finance, the major shareholder, and Luxempart, and the position of certain Directors on the bodies of the two companies, mechanisms for managing conflicts of interest have been put in place. Ad hoc committees are set up when necessary and persons with conflicts of interest are excluded from the decision-making process.

CONFLICTS OF INTEREST

During 2022, we had three situations of conflicts of interest during Board of Directors meetings of Luxempart:

- At the meeting of the Board of Directors of July 5, 2022, Olaf Kordes abstained from voting on a potential acquisition, having a conflicting interest in this transaction, because Alpha Private Equity Funds, his former organisation in which he still holds financial interests, was the seller. The deal eventually didn't materialize for Luxempart.
- At the meeting of the Board of Directors of December 8, 2022, François Gillet abstained of voting on the proposal for him to become the next Chairman of the Board of Directors of Luxempart, after the Annual General Meeting of April 24, 2023.
- At the meeting of the Board of Directors of December 8, 2022, Jacquot Schwertzer abstained from voting on the proposal for him to be renewed as Vice Chairman of the Board of Directors of Luxempart, after the Annual General Meeting of April 24, 2023.

REMUNERATION

A remuneration was paid to the Directors for their office in 2022:

- Via an annual flat-rate allowance, on a pro rata basis, where applicable. The total amount of the annual gross flat-rate allowances allocated to all of the Directors was EUR 706.300 (incl. tax).
- Via an attendance fee for each meeting that the Directors attended. The gross total amount of the attendance fees allocated to all of the Directors was EUR 224.600 (incl. tax).

THE BOARD OF DIRECTORS' COMMITTEES

The Board of Directors may ask for assistance, in an advisory capacity, from specialised committees that it sets up and for which it determines the role, responsibilities, composition and operating method in specific areas. The powers of these Committees extend to all of the companies that make up the Luxempart Group.

The Board of Directors is currently assisted by three specialised committees:

- The Audit, Compliance, and Risk Committee
- The Nomination and Remuneration Committee
- The Sustainability Committee

DIRECTORS

The Board of Directors is composed of the following members:



FRANÇOIS TESCH

- François Tesch acts as the Executive Chairman of the Board of Directors as from 2017 (first term as Board Director in 1992).
- He was a member of the Luxempart Group Executive Committee from 1992 to 2002, and acted as Chairman of the Executive Committee from 2002 to 2017.
- François Tesch is also the Chairman of the Board of Directors of Foyer S.A., Vice Chairman of the Board of Directors of Capital at Work Foyer Group, Managing Director of Foyer Finance and Director of Luxunion.
- François Tesch joined the Foyer insurance Group as General Secretary and then served as Chief Executive Officer from 1986 to 2014.
- He started his career as a financial analyst in the MEA department at W.R. Grace & Co in New York from 1976 to 1980, and as financial manager at W.R. Grace & Co in Paris from 1980 to 1982.
- François Tesch holds a Master's Degree in Economics and an MBA from INSEAD.



JACQUOT SCHWERTZER

- Jacquot Schwertzer is Vice-Chairman of the Board of Directors as from 2020 (first term in 2015).
- He was a member of the Luxempart Group Executive Committee from 2001 to 2017, and acted as Chairman of the Executive Committee from 2017 to 2020.
- Jacquot Schwertzer is also a Board member of Foyer Finance.
- He has been running the business of the Socipar family holding (petrol stations, refurbishing of pressure vessels, gas business, real estate) since 1981.
- Jacquot Schwertzer holds a Master's Degree in Economics, business administration.



JOHN PENNING

- John Penning is a Managing Director of Luxempart since April 2020.
- John Penning is currently a Director in several companies, in particular: Foyer Finance, Atenor, Assmann (observer) and Luxaviation Holding Company.
- After working as a senior manager in corporate finance at Deloitte in Luxembourg, John Penning cofounded in 2009 Saphir Capital Partners SA, a corporate finance and private equity consultancy firm based in Luxembourg and London.
- John Penning holds a degree in political science and international relations from the Université Libre de Bruxelles (ULB), and an MBA from Otago University and the University of North Carolina at Chapel Hill.



OLAF KORDES

- Olaf Kordes is a Managing Director of Luxempart since April 2020.
- Besides his role as Managing Director of Luxempart, Olaf Kordes holds a non-executive directorship at Foyer SA, Evariste Holding, iMGlobal Partner and Sogetrel (observer).
- For more than 20 years, Olaf Kordes contributed to investing 5 successive investment vehicles in mid-sized transactions in France, Germany, Switzerland and Benelux.
- Olaf Kordes holds a degree from HEC Paris. He started his career at Arthur Andersen before joining the pan-European private equity fund Alpha.

DIRECTORS

The Board of Directors is composed of the following members:



MICHÈLE DETAILLE

- Michèle Detaille has been a Non-Executive and Independent Director as from 2012.
- She acts as chairwoman of the Sustainability Committee of Luxempart.
- Michèle Detaille is a Business Executive at ALIPA Group.
- She is Chairwoman of FEDIL (Luxembourgish Business Federation) and a member of the board of the Banque Centrale du Luxembourg (BCL).
- Michèle Detaille served as a regent of the National Bank of Belgium from 2009 to 2018.
- In 2005, Michèle Detaille became a member of the Board of Trustees of the Catholic University of Louvain.
- In 1988, Michèle Detaille turned to the private sector, becoming marketing and sales manager of Accor Services for the Benelux. In 1996, together with a partner, she took over various SMEs in Luxembourg, Belgium, and France to set up a small group in industrial packaging and hoisting.
- Holder of a degree in political science, Michèle Detaille started her career as a political advisor for the presidency of the Liberal Party. In 1983, she was the youngest mayor of Belgium, before serving as a member of parliament between 1985 and 1987.



KAY ASHTON

- Kay Ashton has been a Non-Executive and Independent Director of Luxempart as from 2020.
- She is a member of the Luxempart Audit, Compliance and Risk Committee.
- In 1992, Kay moved to Silverfleet Capital, a leading European private equity firm, becoming a partner in 1996. Kay Ashton was responsible for some of the firm's most successful investments in a variety of sectors including leisure and business services. Kay Ashton also served as deputy chairwoman of the investment committee for 14 years.
- In 1989, Kay Ashton began her career in private equity with NatWest Ventures (now Bridgepoint).
- After graduating, Kay joined the London office of PwC where she trained as a Chartered Accountant.
- Kay Ashton read Natural Sciences at Jesus College, Cambridge University.



MADELEINE JAHR

- Madeleine Jahr has been a Non-executive and Independent Director as from 2018.
- She started her career in an international audit firm. In 2006, she joined the group of family companies GCA Altium, an investment bank based in Munich, which holds 15 other establishments in 10 different countries. Today Madeleine Jahr is the managing director of the group.
- Madeleine Jahr is also the co-founder of Radi Pekseg, the fifth largest bakery chain in Hungary where she has been a member of the board since 1998.
- She holds a Master's degree in finance



FRANÇOIS GILLET

- François Gillet has been a Non-Executive Director as from 1992.
- He acts as Chairman of the Audit, Compliance and Risk Committee.
- François Gillet has joined Sofina in 1988, where he held various positions before becoming member of the Executive Committee.
- He is a member of the board of directors of Groupe Petit Forestier.
- François Gillet is a sales and management engineer (Louvain School of Management) and has an International Directors Programme Certificate in Corporate Governance from INSEAD.

DIRECTORS

The Board of Directors is composed of the following members:



GREGOIRE CHERTOK

- Grégoire Chertok has been a Non-Executive and Independent Director as from 2016.
- He is a member of the Group Executive Committee of Rothschild & Co.
- Grégoire Chertok has taken part in many financial operations and transactions for major French industrial groups as advisory banker. He has provided advice and support for the development of groups such as GDF Suez, Casino, Bouygues, Accord, Suez Environnement or Kering in France and abroad. He was a member of the economic analysis committee of the French Prime Minister from 2006 to 2010. In that capacity, he co-authored a report on the financing of SMEs in 2009.
- He is also a founding member of the Fondapol think tank where he is vice president of the supervisory board.
- He joined Rothschild & Cie Banque in 1991, where he has been a Managing Partner since 2000.
- Grégoire Chertok earned a degree from ESSEC in 1988 and obtained an advanced degree in financial analysis from SFAF in 1990 and an MBA from INSEAD in 1993.



FRANK DONCK

- Frank Donck has been a Non-Executive and Independent Director as from 2020.
- He is a member of the Sustainability Committee and of the Audit, Compliance and Risk Committee of Luxempart.
- Frank Donck has been the managing director of the family-owned investment company 3D investors NV as from 1998.
- Frank Donck has more than 30 years of experience as a professional investor and is active as either chairman or director of various listed and non-listed companies. He currently serves as chairman of Atenor Group and Barco, as non-executive director of KBC Group and of Elia Group.
- Frank Donck is also a member of Belgium's Corporate Governance Commission
- Frank Donck started his career as an investment manager for Investco NV (later, KBC Private Equity NV) where he was leading larger investments and M&A processes.
- Frank Donck holds a master's degree in law from the university of Ghent (Belgium) and a master in financial management from the Vlerick Business School.



JACQUES ELVINGER

- Jacques Elvinger has been a Non-Executive and Independent Director as from 2015.
- He is the Chairman of the Nomination and Remuneration Committee of Luxempart.
- Jacques Elvinger has been a lawyer at the Luxembourg Bar since 1984. He is a partner in the firm of Elvinger Hoss Prussen. He is a member of the High Committee of the Luxembourg Financial Centre and the Committee of Experts created by the Commission de Surveillance du Secteur Financier (CSSF) in the field of Investment Funds.
- Jacques Elvinger is also a member of the board of directors of the Association Luxembourgeoise des Fonds d'Investissement.



JÜRGEN VANSELOW

- Jürgen Vanselow has been a Non-Executive and Independent Director as from 2017.
- He is member of the Nomination and Remuneration Committee of Luxempart.
- Jürgen Vanselow joined Egon Zehnder International in 1995. In 2017, Jürgen Vanselow joined Russel Reynolds Associates in Frankfurt as a partner and general manager. Today he is at the heart of the group's activities in the financial services sector, specialized in capital investment and asset management.
- From 1987 to 1992, he worked in the corporate finance department of Booz Allen Hamilton.
- Jürgen Vanselow earned a master's degree in management from ESCP Europe in 1987 and attended the PMD programme at the Harvard Business School in 1999.

DIRECTORS

The Board of Directors is composed of the following members:



PIERRE DRION

- Pierre Drion has been a Non-Executive Director as from 2008.
- He is a member of the Nomination and Remuneration Committee of Luxempart.
- Pierre Drion is currently the president of the ULB Foundation (an institution under public law for the financing of research in the Free University of Brussels).
- Pierre Drion is also a director of Fund+, a company that specialises in investments in biotechnologies, and other non-listed companies.
- A graduate in management engineering from the Solvay Business School, ULB (French-speaking) Free University of Brussels, Pierre Drion has been a managing partner of the Petercam commercial bank and Director of several Belgian companies listed on the stock exchange.

THE AUDIT, COMPLIANCE, AND RISK COMMITTEE

ROLE

The Audit, Compliance, and Risk Committee assists Luxempart's Board of Directors, as well as the boards of directors of other companies within the Group, with their tasks relating to the oversight of the financial information process, the internal and external audit process and the internal control process.

COMPOSITION

- Mr. Francois Gillet, Chairman of the Audit, Compliance and Risk Committee, Non-Executive Director
- Mrs. Kay Ashton, Non-Executive and Independent Director
- Mr. Frank Donck, Non-Executive and Independent Director

ACTIVITY REPORT

Issues discussed

- Review of the 2021 annual results and 2022 interim results, the notes to the financial statements and the related management reports
- Review of the press releases
- Audit program
- Valuation of the portfolio
- External review of the financial statements
- Review of the changes to, and application of IFRS
- 2023 budget and 2023-2025 business plan
- The Statutory Auditor's independence
- Risk management and related procedures/ policies
- Management of conflicts of interest
- Related parties' transactions
- Group structure
- Ongoing litigations
- Incorporation of a foreign subsidiary
- IT security
- Dealing code, GDPR, AML and Code of Good Conduct

Frequency of the meetings

The Audit, Compliance, and Risk Committee met four times in 2022.

REMUNERATION

The members of the Audit, Compliance, and Risk Committee are entitled to an attendance fee for each Committee meeting that they attend. The gross total amount of the attendance fees allocated to all of the members of the Audit, Compliance, and Risk Committee in 2022 was EUR 38,350 EUR (incl. tax).

THE NOMINATION AND REMUNERATION COMMITTEE

ROLE

The Nomination and Remuneration Committee assists the Board of Directors with any issues relating to the nomination (or dismissal) of, and the remuneration paid to the Directors and to the members of the Management Committee.

COMPOSITION

- Mr. Jacques Elvinger, Chairman of the Committee, Non-Executive and Independent Director
- Mr. Pierre Drion, Non-Executive Director
- Mr. Jürgen Vanselow, Non-Executive and Independent Director

The Managing Directors and the Executive Chairman are also invited to assist the meetings on specific topics.

ACTIVITY REPORT

Issues discussed

- Review of the remuneration policy
- Annual remuneration report
- Proposal of executive remuneration increases
- Executive bonus payments
- Review of the Stock option plan
- Search for a new Executive committee member
- Replacement of François Tesch as Chairman of the Board
- New Board candidates
- Human resources organisation
- Significant HR topics
- Board and Committee composition.

Frequency of the meetings

The Nomination and Remuneration Committee met three times during the 2022 financial year.

REMUNERATION

The gross total amount of the attendance fees allocated to all of the non-executive members of the Nomination and Remuneration Committee in 2022 was EUR 33,825 (incl. tax).

THE SUSTAINABILITY COMMITTEE

ROLE

The role of the Sustainability Committee is to:

- give guidance in terms of sustainability strategy
- follow sustainability laws and regulations and their potential impact on Luxempart
- follow private equity market adaptation to ESG criteria
- validate corporate and portfolio sustainability action plan and evaluate the results
- review sustainability reports
- make ESG related recommendations to the Board of Directors

COMPOSITION

- Mrs. Michèle Detaille, Chairwoman of the Committee, Non-Executive and Independent Director
- Mr. Frank Donck, Non-Executive and Independent Director
- Mr. François Tesch, Executive Chairman
- Mr. Jacquot Schwertzer, Vice Chairman.

The Managing Directors are also invited to assist the meetings on specific topics.

ACTIVITY REPORT

Issues discussed

- General ESG context and regulatory framework
- Definition of Luxempart's ambitions in terms of sustainability
- Definition of an exclusion list
- Roadmap and action plan
- Determination of the sustainability governance

Frequency of the meetings

The Sustainability Committee met one time during the 2022 financial year.

REMUNERATION

The gross total amount of the attendance fees allocated to all of the non-executive members of the Sustainability Committee in 2022 was EUR 10,850 (incl. tax).

GROUP EXECUTIVE COMMITTEE

The Board of Directors has delegated the day-to-day management of Luxempart to two Managing Directors. The Managing Directors are supported by the Group Executive Committee in this role.

The Managing Directors and Group Executive Committee's responsibilities are:

- The day-to-day management of Luxempart and its subsidiaries
- The implementation of the strategy and decisions taken by the Board of Directors
- Monitoring the portfolio
- Sourcing and analysis of new investment opportunities and proposed divestments
- Any new investments or add on decision, up to EUR 25m, with the approval of the Executive Chairman
- Any disposal decision with the approval of the Executive Chairman
- Proposals to the Board of Directors for investments exceeding EUR 25m
- Decision on deals exceeding EUR 25m with the prior agreement of the Executive Chairman, in accordance with Luxempart's emergency procedures
- Managing and coordinating the human resources

COMPOSITION

The Group Executive Committee consists of the following members:

- Mr. Olaf Kordes, Managing Director
- Mr. John Penning, Managing Director
- Mr. Alain Huberty, Member
- Mr. Jo Santino, Member (until April 24, 2022)
- Mr. Lionel de Hemptinne, Member (as from April 19, 2022)
- Mr. Rudolf Ohnesorge, Member (as from October 1, 2022, formally nominated in 2023).

ACTIVITY REPORT

Issues discussed

The Group Executive Committee treated the following points during the 2022 financial year:

- Regular monitoring of portfolio companies
- Value creation of portfolio companies
- Sourcing and executing new deals
- Portfolio exits
- Discussing and adapting Luxempart Group's strategy
- Monitoring the Investment Fund activity
- Management of human resources and organisation chart
- Preparation of 2023 budget and 2023-2025 business plan
- Preparation of financial reports
- Cash management
- Negotiation of bank financings
- Preparation of the meetings of the Group's Boards of Directors
- Preparation of the General Meetings of the Group companies
- Relations with the supervisory authorities
- Validation of important contracts
- Compliance/ AML
- GDPR
- Risk management
- Communication and roadshows
- Creation and liquidation of subsidiaries
- Investor relationships.

Frequency of the meetings

The Group Executive Committee usually meets every week.



Left to right: Alain Huberty - Member / John Penning - Managing Director / Lionel de Hemptinne - Member / Olaf Kordes - Managing Director / Rudolf Ohnesorge - Member

REMUNERATION REPORT

The remuneration policy of Luxempart is defined by the Board of Directors on a proposal formulated by the Nomination and Remuneration Committee. The remuneration policy is regularly reviewed, often with the help of an external consultant, such as in 2019. The full remuneration policy is part of the Governance Chart. The present report describes the remunerations paid in 2022 and how they are in line with the performance achieved by the Company.

REMUNERATION SCHEME AT LUXEMPART

The remuneration scheme of Luxempart consists of three main components: a base salary package, an annual variable remuneration, and a stock option plan.

The **base salary package** is composed of a gross salary and other advantages, depending on the employee's function and seniority. This base salary package intends to be in line with the market standard for our industry, taking into account the cost of life in our various home markets. This package is reviewed regularly and career evolutions provide for more significant salary increases.

The second element of our remuneration package is the **annual variable remuneration**, called the PU (performance units) system. It is built up in a way as to get a maximum alignment with our shareholders, emphasizing collective performance, but with positive or negative adjustments for individual performance.

At Luxempart, we do not measure the performance of our teams on the nominal increase of our NAV, but relatively to a benchmark index constituted of listed comparables. After careful analysis of comparable indexes, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, has decided that the MSCI Europe Mid Cap Net Return index was the most relevant benchmark index to us, given our still strong exposure to European small and mid-caps.

In order to flatten volatile market behaviors and to align the team with the objective of long-term value creation, we compare this relative performance over a period of 4 years, on the year N-3 to N (year of attribution). We measure the annual performance of our NAV of the last 4 years, adjusted for the distributed dividends, and compare it to the performance of our benchmark index over the same period. A bonus is paid if over the reference period the net asset value per share (adjusted for the dividends paid) increased more than the reference index. This again creates an alignment with our shareholders who invest in Luxempart to generate better returns as if investing in a market index with a comparable scope.

The bonus is calculated, based on the following formula : $PU * \% vesting * NAV$, where :

- PU = number of PUs attributed to an employee, based on its function and seniority level.
- % vesting = percentage of realization of the objective, comprised between 0% and 100% for outperformances between 20% and 4%. The outperformance is capped at 4%.
- NAV = NAV per share at the end of year N (year of attribution), adjusted for the distributed dividends over the period.

The PU system can be complemented with a discretionary bonus in specific cases.

The third layer of our remuneration packages is the **stock option plan**. The stock option plan, which is reserved to the senior team members, creates a strong incentive over rolling periods of ten years to increase the market value of Luxempart. The underlying value of the options is aligned on the value of the stock price of Luxempart shares. It creates alignment between management and the shareholders.

At Luxempart, the stock options have lock-up period of 4 years and a maximum exercise period of 6 years as from the end of said lock-up period. The stock option plan develops a value over time in case the share price increases above the strike price. Each option entitles, at exercise, to receive one Luxempart share against a pre-defined strike price.

REMUNERATION

Members of the Board of Directors ("MOB")

The MOB are paid a fixed annual allowance (before tax) of EUR 50,000 and EUR 75,000 for the Executive Chairman. In order to incentivize attendance, an attendance fee of EUR 2,500 (EUR 5,000 for the Chairman) is paid for each meeting per member present.

The applicable VAT for 2022 is also paid by the Company. The MOB who are also members of the Nomination and Remuneration Committee, the Audit, Compliance and Risk Committee or the Sustainability Committee receive an attendance fee of EUR 2,500 (EUR 5,000 for the Chair) per attended meeting. No variable remunerations or other advantages are due, except for the Vice-Chairman and Executive Chairman who were attributed stock options and for long-term incentive bonus. Travel costs are borne by the Company. The total amount paid to the MOB amounts to EUR 1,013,925 for 2022.

Managing Directors

In 2022, the 2 Managing Directors were paid in total (gross amount) EUR 619,691 as a fixed remuneration. No Board fees were paid or kept. Each Managing Director has a monthly car leasing budget of EUR 1,200 or a car allowance of the same amount. Fuel costs for professional trips are also paid by the Company. They also benefit from pension plans.

The 2 Managing Directors benefit from an annual variable remuneration (PU). They were attributed Performance Units Cohort 2019-2022 ("PU 19-22") which measure the outperformance of Luxempart's NAV (dividends paid out reintegrated) over the cohort period 2019-2022 compared to the performance of the MSCI Europe Mid Cap net return over same period.

Due to a strong outperformance over the cohort period, the PU 19-22 were totally vested and will entitle to a cash bonus payment for both Managing Directors in April 2023.

The Managing Directors are also entitled to stock options of the Company, as described here above.

The following number of options were attributed in January 2022 (for the year 2022):

	2022	2021
John Penning	22,000	22,000
Olaf Kordes	22,000	22,000

The options can be exercised over a six-year period and for the first time four years after attribution.

The stock options for 2022 were granted in January 2022 and reported in the previous annual report under 2021. The strike price of these options is EUR 76.29.

The stock options for 2021 were granted in January 2021 and reported in the previous annual report under 2020. The strike price of these options is EUR 46.

Summary of the Managing Directors' remuneration

Amounts in EUR 000	2022	2021
Gross fixed salary	619.7	601.1
Variable remuneration/ LTIP*	1,592.6	857.9
Pension plan (fixed contribution)	184.3	85.9
Benefits in kind	11.5	21.3

*relative to the year N-1 but actually paid in N

The Managing Directors didn't receive any other benefits in 2022. The difference in variable remuneration between 2021 and 2022 is linked to (i) the increase in the number of PU attributed to Mr Kordes, equivalent to a full year contribution in 2021 vs 2020, (ii) the impact of the Luxempart performance through the Performance Unit scheme: increase in NAV/share and outperformance of the MSCI Europe Mid Cap index).

Other members of the Executive Committee

The 3 other members of the Executive Committee have a remuneration composed of:

- A fixed yearly gross salary of around EUR 300,000 per year, adjusted for indexation;
- An annual variable remuneration (PU)
- The attribution of stock options
- Contribution to a pension plan
- A monthly car leasing budget of EUR 1,200 or a car allowance of the same amount

Summary of the other members of the Executive Committee's remuneration

Amounts in € 000	2022	2021
Gross fixed salary	661.2	633.2
Variable remuneration/ LTIP	1,382.9	1,826.2
Pension plan (fixed contribution)	157.1	69.6
Benefits in kind	10.6	12.3

The following number of options were granted	2022	2021
Alain Huberty	22,000	22,000
Lionel de Hemptinne	n/a	n/a
Rudolf Ohnesorge	n/a	n/a
Jo Santino	4,400	13,000

In 2022, 2 GEC members joined during the year and 1 GEC member left during the year. Total number of GEC members in December 2022 (outside of the Managing Directors): 3

The Stock options for 2022 were granted in January 2022 and reported in the previous annual report under 2021. The strike price of these options is EUR 76.29.

The stock options for 2021 were granted in January 2021 and reported in the previous annual report under 2020. The strike price of these options is EUR 46.

Executive Chairman and Vice-Chairman

The Executive Chairman's remuneration can be summarized as follows:

Amounts in € 000	2022	2021
Gross fixed salary	316.5	305.2
Variable remuneration/ LTIP	388.6	236.4
Benefits in kind	28.3	28.3
Directors' allowance and fees (gross)	131.6	134.5

The Executive Chairman has transferred part of his variable remuneration and his Director's allowance in full to Foyer Finance.

The Vice-Chairman's gross remuneration was as follows:

Amounts in € 000	2022	2021
Board fees	96.5	96.5
Management fees/ LTIP	-	158.8

Both Executive Chairman and Vice-Chairman were granted stock options as follows:

	2022	2021
Executive Chairman	5,500	5,500
Vice-Chairman	5,000	5,500

The stock options for 2022 were granted in January 2022 and reported in the previous annual report under 2021.

The strike price of these options is EUR 76.29.

The stock options for 2021 were granted in January 2021 and reported in the previous annual report under 2020. The strike price of these options is EUR 46.

Exercise of options

The number of options exercised by the members of the Executive Committee and Executive Chairman in 2021 and 2022 was as follows:

	2022	Strike price EUR	2021	Strike price EUR
Jacquot Schwertzer	10,500	52.61	10,400	33.99
François Tesch	8,625	22.50	9,920	27.40
François Tesch	7,997	31.20	7,185	23.64
Alain Huberty	7,531	34.51	7,358	31.20
Alain Huberty	7,700	33.99	-	-
Jo Santino	7,200	52.61	5,000	33.99
Jo Santino	-	-	4,319	31.20
Jo Santino	-	-	5,304	34.51

TRANSACTIONS IN LUXEMPART'S SECURITIES

A report regarding the transactions in Luxempart's securities performed by individuals who hold management responsibilities at the Luxempart Group and by individuals who have regular or occasional access to inside information must be published on Luxempart's website. Twenty-six statements were published in 2022.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

INTERNAL ENVIRONMENT

The internal environment is a major factor in the Group's culture, since it determines the staff's level of awareness in terms of the need for monitoring and managing risks. It forms the basis for all of the other internal control aspects. Factors that have an impact on the internal environment specifically include:

- Integrity and ethics
- Family values
- The management style
- The policy for delegating responsibilities
- The organisation policy
- The staff's expertise
- The training policy.

RISK MANAGEMENT POLICY

The risk management policy is implemented by the Group Executive Committee under the supervision of the Audit, Compliance and Risk Committee and of the Board of Directors. It includes the definition of targets, the assessment of risks and responses to such risks.

The work relating to risk management is summarised in a risk map, which is reviewed and discussed by the Audit, Compliance and Risk Committee on a regular basis.

The risks relating to the investments vary significantly and are addressed by management and the entire team. Luxempart is involved in managing its investments' risks by attending the meetings of Board of Directors, Audit Committees, or via other means.

DEFINITION OF TARGETS, THE ASSESSMENT OF RISKS, AND RESPONSE TO RISKS

Financial risks

The main risks that the Group faces are financial risks, and especially market risks. The financial risks are set out in note 24 to the consolidated financial statements.

In the case of the listed securities portfolio, the risk of price fluctuations relating to changes in the market price is determined by price volatility on the stock exchanges on which the Group operates (Paris, Frankfurt, Brussels, London, etc). The price risk relating to the listed assets is reduced thanks to the portfolio's diversification, from both a geographical and sector standpoint.

The financial risks relating to the private equity portfolio are primarily correlated to trends in the financial markets and the listing exchanges in the countries in which Luxempart's equity investments operate but are also influenced by the financial multiples recorded at the time of purchase and sale transactions. Furthermore, private equity portfolios have experienced lower volatility than listed equity portfolios in general since 2008. Nevertheless, the financial risks incurred by Luxempart's private equity portfolio are also mitigated by the geographical diversification of the investments, by the type of intervention (Investment Funds and Direct equity investments), as well as by the sector-based diversification of investments.

Risks relating to the preparation of financial information

Luxempart has an accounting department that processes the accounting information received. The department works in such a way that tasks are performed on an ongoing basis in the event that one person is absent. The detailed process for monitoring and encoding accounting documents is explained in an accounting procedure.

Risk relating to non-compliance with the legislation

Luxempart pays attention to the trends and to complying with the legislation and regulations. The processing of specific transactions is the subject of a specific assessment, which includes consulting the statutory auditor or other specialists.

Reputational risk

Luxempart ensures that the Company's core values and behavioural rules are complied with.

Climate-related and other ESG risk

The Group is not directly exposed to significant climate-related or other environmental risk. Luxempart acknowledges that the ESG factors are having an increasing impact on its business environment. Management is working on better monitoring and managing the ESG risk in general and the climate-related risk in particular. Luxempart has developed a framework as well as a risk management system that allows to limit the ESG risk and to seize ESG opportunities to create value. Based on this framework, Management continues to closely monitor the portfolio companies and to support their sustainability initiatives.

The Sustainability Committee together with Management, ensures that the Group is compliant with all applicable sustainability laws and regulations.

Control activities

Day-to-day tasks relating to internal control are under the supervision of the CFO and the Audit, Compliance and Risk Committee.

Luxempart has introduced a policy aimed at separating tasks and delegating authority in order to make it hard to intentionally carry out fraud and to make identifying any mistakes easier.

As part of its assignment for reviewing the Group's financial statements, the statutory auditor reviews

the internal control system relating to preparing and presenting the financial statements in effect at the Group. The statutory auditor informs the Board of Directors and the Audit, Compliance and Risk Committee, where applicable, of any significant weaknesses in the internal control process relating to the preparation of the financial information that they may record during their audit.

The Audit, Compliance and Risk Committee's role in preparing the financial information and preventing risk

The Audit, Compliance and Risk Committee reviews the financial information, the consolidation process and the valuation of Luxempart's financial assets. Furthermore, the Audit, Compliance and Risk Committee reviews the internal control system in terms of finance, accounting and legal and compliance issues. The Audit, Compliance and Risk Committee also monitors the financial reporting process.

The Audit, Compliance and Risk Committee ensures the following in that context:

- The independence of its members
- The prior approval of the selection process of the statutory auditor and its compensation
- Obtaining an annual statement of independence from the statutory auditor
- Proper communication between the statutory auditor and the accounting department and the Company's Management
- The performance of one-off internal audit assignments in addition to the work performed by the financial controller;
- The proper preparation of the financial information
- The review and approval of the financial information by the Company's Management
- Making recommendations to the Board of Directors in the following areas:
 - The year-end process, and the management reports containing financial information
 - Identifying and managing the Group's main risks
 - The accounting procedures
 - The rules for preventing insider trading and market manipulation offences

The Chairman of the Audit, Compliance and Risk Committee prepares a report on its work for each Board of Directors' meeting and issues tangible recommendations to the Board of Directors on the aforementioned points and makes sure they are implemented.

The Board of Directors reviews and approves the yearly and half-yearly financial information.

Information and communications

Luxempart makes efforts to obtain and provide all of the relevant and high-quality information required for its proper operation. The human dimension of its team enables effective internal communications. Internal information systems are in place and enable the communication of relevant information, e.g. the documentation used to prepare the various committees and meetings and communication of management data (NAV, internal memos and reports).

OVERSIGHT AND STEERING

The Board of Directors and the Audit, Compliance and Risk Committee assess the implementation and proper operation of the risk management and internal control system on an annual basis.

The oversight and monitoring activities are performed by the Board of Directors and the Audit, Compliance and Risk Committee. Given Luxempart's size, no independent internal audit function has been set up at the Company to date. The Audit, Compliance and Risk Committee assesses the need to commission one-off assignments entrusted to an external service provider on an annual basis.

COMPLIANCE WITH THE PRINCIPLES OF STOCK EXCHANGE COMPANY GOVERNANCE

Luxempart adopted a clear, transparent and public corporate governance regime (principle 1). Its Board of Directors is competent, diversified and aware of the interests of the Company and its shareholders (principle 3). Specialised Committees are operational. The positions of Chairman and Managing Director are separate. The Board of Directors functions as a collective body and ensures the long-term interest of the company (principle 2). The Board of Directors conducts regular self-assessments that result in concrete recommendations improving governance.

As regards the independence criteria (principle 3, recommendation 3.5), more than half of the members of the Board are independent Directors. Three women sit on the Board at this time.

The members of the Board of Directors are appointed by an independent Nomination Committee (principle 4). One of the members of the Committee has extensive human resources skills, being a partner of an international HR consultancy and recruitment firm.

The Board of Directors has adopted a Code of good conduct including rules governing conflicts of interest as well as a Dealing Code regulating the trading of Luxempart securities and interests in portfolio companies, including the directors of direct or indirect parent companies, in order to comply with principle 5: «ethics».

The Group Executive Committee is composed of high-level professionals with complementary skills (principle 6). Controversial debate and respect for critical opinions are cultivated in the Group Executive Committee.

The Company has adopted a remuneration policy (principle 7) published in the Governance charter.

The fixed remuneration is in line with market practice. The variable remuneration was reviewed thoroughly in 2019 with the help of a consultant. The variable remuneration is long term and is designed such as to outperform the European stock market index and to align team interests with shareholder interests. Moreover, the stock option plan is a long term scheme aimed at retaining talented managers in a highly competitive human resources environment.

The amounts paid out each year to the Directors and to Management are published, including the status of the stock options. The compensation policy was vetted by a specialized firm and the calculations are regularly reviewed by the auditor.

The financial reporting, internal control and risk management (principle 8) are carried out by an internal team composed of accountants, legal experts, investment managers (for the valuations) and a financial controller with auditing experience. They all act under the supervision of an experienced Chief Financial Officer, who is also member of the Group Executive Committee. The Audit, Compliance and Risk Committee is chaired by a specialist with extensive knowledge in audit and finance. The advisory services provided by the auditor were limited to a minimum in order to safeguard his independence. Tax advice has accordingly been transferred entirely to third party service providers.

Finally, as regards respect for the rights of shareholders and equal treatment (principle 10), the Company appointed a compliance officer to monitor compliance with the transparency rules, the egalitarian dissemination of information and the application of procedures to prevent insider trading. The General Meetings of Shareholders are held in accordance with the law and a discussion by and between Management, the Board of Directors and the shareholders is ensured.



**CONSOLIDATED
FINANCIAL
STATEMENTS**
at 31 December 2022

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39, Avenue John F. Kennedy
L-1855 Luxembourg

To the Shareholders of
Luxempart S.A.
12, rue Léon Laval
L-3372 Leudelange
Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Luxempart S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial assets

a) Why the matter was considered to be one of most significance in our audit of the consolidated financial statements for the year ended 31 December 2022

Refer to Note 2 Consolidation principles, valuation rules, and accounting standards, Note 10 Financial assets at fair value through profit or loss and Note 24 Financial risks to the consolidated financial statements.

The Group holds financial assets which are measured at fair value in accordance with IFRS. Those financial assets represent 90% of total assets, and 87% of financial assets are investments for which the fair value is not determined by reference to a quoted price ("non-quoted investments").

For non-quoted investments, the fair value is determined through the application of valuation techniques in accordance with International Private Equity and Venture Capital Valuation Guidelines, and relevant IFRS. The application of valuation techniques involves the exercise of significant judgment by Management in relation to the choice of valuation technique employed and assumptions used for the respective models.

The judgment involved and the significance of the amount relative to other captions in the consolidated financial statements led us to identify the fair value of non-quoted investments, as key audit matter.

b) How the matter was addressed in our audit

Our procedures over the valuation of financial assets include, but are not limited to:

- Gaining an understanding of the Management's process and controls related to valuation of financial assets.
- Assessing compliance of valuation techniques with the International Private Equity and Venture Capital Valuation Guidelines, and relevant IFRS
- Verifying key inputs to the valuation models used by Management and checking the accuracy of the computation of the valuation models.
- Obtaining the external expert valuation report used by Management to assess the fair value of a sample of investments as at 31 December 2022.
- For a sample of instruments, involving our valuation specialists to inspect valuation models and challenge key assumptions applied by Management.
- Verifying the completeness, relevance and accuracy of the disclosures in relation to the impairment of financial assets.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated report including the consolidated management report and the Corporate Governance Statement but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the réviseur d'entreprises agréé for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our responsibility is to assess whether the consolidated financial statements have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance 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, actions taken to eliminate threats or safeguards applied.

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

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the shareholders on 25 April 2022 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is one year.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2022 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to:

- Consolidated financial statements prepared in a valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of Luxempart S.A. as at 31 December 2022, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our audit report only refers to the consolidated financial statements of Luxempart S.A. as at 31 December 2022, identified as luxempart-2022-12-31.zip, prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Luxembourg, 23 March 2023

KPMG Audit S.à r.l.
Cabinet de révision agréé

Thierry Ravasio
Partner

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2022

in thousands of €	Notes	31/12/2022	31/12/2021
Dividend income	6	58,213	50,179
Net gains / (losses) on financial assets	10	7,912	462,780
Profit on investment activities		66,126	512,959
Services / recovery of services		1,498	2,148
Staff costs	5	-14,829	-7,528
Operating expenses	4	-6,822	-6,569
Depreciation and amortisation of non-current assets	9	-85	-99
Profit from operating activities		45,888	500,910
Financial income	7	2,213	471
Financial expenses	7	-537	-1,667
Profit before tax		47,564	499,715
Tax expenses	8	-1,161	-988
Profit for the year		46,403	498,727
Attributable to the owners of the Company		46,403	498,727
Earnings per share attributable to the owners of the Company			
Basic weighted average number of shares	15	20,121,560	20,100,894
Diluted number of shares		20,677,276	20,587,857
Earnings per share - attributable to the owners of the Company (in €)			
Basic		2.31	24.81
Diluted		2.24	24.22

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

in thousands of €	Notes	31/12/2022	31/12/2021
Consolidated profit for the year		46,403	498,727
Items that could be reclassified subsequently to profit or loss :		-	-
Total comprehensive income		46,403	498,727
Attributable to the owners of the Company		46,403	498,727
Comprehensive income attributable to the owners of the Company			
Basic weighted average number of shares	15	20,121,560	20,100,894
Diluted number of shares		20,677,276	20,587,857
Comprehensive income per share attributable to the owners of the Company (in €)			
Basic		2.31	24.81
Diluted		2.24	24.22

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2022

ASSETS

in thousands of €	Notes	31/12/2022	31/12/2021
Non-current assets			
Financial assets at fair value through profit and loss	10	1,978,304	2,015,795
Loans and receivables	11	2,612	62
Bank deposits	13	25,000	35,000
Intangible and tangible assets	9	352	368
Total non-current assets		2,006,268	2,051,224
Current assets			
Loans and receivables	12	8,068	19,356
Cash and cash equivalents	13	180,762	107,599
Total current assets		188,830	126,955
Total assets		2,195,098	2,178,179

The accompanying notes are an integral part of these consolidated financial statements.

EQUITY AND LIABILITIES

in thousands of €	Notes	31/12/2022	31/12/2021
Equity attributable to the owners of the Company			
Capital and share premium	14	66,860	66,860
Reserves	15	2,069,600	1,603,533
Profit for the year attributable to the owners of the Company		46,403	498,727
Total equity attributable to the owners of the Company		2,182,864	2,169,120
Total equity		2,182,864	2,169,120
Non-current liabilities			
Non-current provisions	17	2,253	4,193
Total non-current liabilities		2,253	4,193
Current liabilities			
Trade and other payables	18	9,981	4,866
Total current liabilities		9,981	4,866
Total liabilities		12,234	9,059
Total equity and liabilities		2,195,098	2,178,179
Total equity attributable to the owners of the Company (in thousands of €)			
Number of outstanding shares	15	20,159,587	20,125,265
Equity per share - attributable to the owners of the company (in €)		108.28	107.78

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2022

in thousands of €	Notes	31/12/2022	31/12/2021
Profit for the year		46,403	498,727
Adjustments for :			
Depreciation and amortisation of non-current assets		85	99
Stock option plan	15	3,137	-
Net gains / (losses) on financial assets	10	-7,912	-462,780
		41,713	36,046
Acquisition of financial assets	10	-198,042	-257,447
Disposal of financial assets	10	243,444	304,099
Net change in loans and receivables		8,740	-14,144
Net change in borrowings and debts		3,175	993
Bank borrowing		-	-19,169
Other changes		-	686
Net cash flows from operating activities		99,030	51,064
Including :			
<i>Taxes paid</i>		-1,906	-143
<i>Interest paid</i>		-142	-300
<i>Interest received</i>		169	10
Acquisitions / disposals of tangible and intangible assets	9	-70	-85
Net cash flows from investing activities		-70	-85
Transfer from / (to) deposits accounts	13	10,000	50,000
Disposals / acquisitions of own shares	15	448	-190
Dividends paid	16	-36,244	-32,168
Net cash flows from financing activities		-25,796	17,642
Net increase/ (decrease) in cash		73,163	68,621
Cash at the beginning of the year	13	107,599	38,978
Cash at the end of the year	13	180,762	107,599
Net increase / (decrease) in cash		73,163	68,621

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2021 AND 2022

in thousands of €	Notes	Capital and Share premium	Own shares	Legal Reserve	Other reserves	Profit for the year	Total equity attributable to owners of the Company
Equity at 31/12/2020		66,860	-16,838	5,175	1,490,172	156,695	1,702,064
Dividends paid by the Company	16	-	-	-	-32,168	-	-32,168
Allocation of profit		-	-	-	156,695	-156,695	-
Operations on own shares	15	-	306	-	190	-	497
Comprehensive income for the year		-	-	-	-	498,727	498,727
Equity at 31/12/2021		66,860	-16,531	5,175	1,614,889	498,727	2,169,120
Dividends paid by the Company	16	-	-	-	-36,244	-	-36,244
Allocation of profit		-	-	-	498,727	-498,727	-
Operations on own shares	15	-	-182	-	630	-	448
Stock option plan	15	-	-	-	3,137	-	3,137
Comprehensive income for the year		-	-	-	-	46,403	46,403
Equity at 31/12/2022		66,860	-16,714	5,175	2,081,139	46,403	2,182,864

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2022

NOTE 1 - GENERAL INFORMATION

Luxempart S.A. ("the Company" or "Luxempart") is an investment company whose registered office is located at 12, rue Léon Laval, L-3372 in Leudelange. The Company was founded on 25 April 1988 in Luxembourg, under the name BIL Participations. The Annual General Meeting held on 15 September 1992 decided to change the Company's name to Luxempart S.A. The consolidated financial statements for the financial years ending on 31 December 2021 and 31 December 2022 incorporate the financial statements of the Company and its subsidiaries ("the Group") and the Group's share in associates. The Company is listed on the Luxembourg Stock Exchange and registered on the trade register under no. B27846.

Luxempart is primarily active in Benelux, DACH Region, France and Italy; it actively manages a portfolio of listed and non-listed companies.

On 23 March 2023, the Board of Directors approved the consolidated financial statements as at 31 December 2022. The consolidated financial statements will be submitted for approval and publication authorisation during the Annual General Meeting to be held on 24 April 2023.

NOTE 2 - CONSOLIDATION PRINCIPLES, VALUATION RULES, AND ACCOUNTING STANDARDS

DECLARATION OF CONFORMITY

The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

FRAMEWORK FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The consolidated financial statements are presented in thousands of euros (€). The functional currency is the euro (€).

The consolidated financial statements are prepared based on the historical cost, with the exception of financial assets at fair value through profit and loss and financial assets held for trading, which are measured at fair value.

The valuation principles, methods and techniques are applied consistently within the Group.

The consolidated financial statements have been prepared for the accounting periods ended 31 December 2021 and 31 December 2022 and are presented before allocation of the Company's profit. The allocation of profit for the year 2022 will be proposed at the Annual General Meeting on 24 April 2023.

SIGNIFICANT MANAGEMENT JUDGMENTS

Qualification as an "investment entity"

Luxempart's management has made significant judgments when determining that Luxempart qualifies as an investment entity. Luxempart has the following characteristics of an investment entity:

- It has more than one investment;
- It has more than one investor;
- Being listed, Luxempart has investors that are not related parties;
- It has ownership in form of equity or similar interests, mostly shares in the portfolio companies.

Luxempart's purpose is to invest its capital solely for returns from capital appreciation and investment income. To meet this objective, Luxempart has built a strategy on two pillars: the Direct Investments and the Investment Funds. The Direct Investments are made with a medium to long-term perspective to grant our portfolio companies sufficient time to implement their strategy, execute their business plan and develop their potential. Each of our pillars has an exit strategy designed by the Board of directors, which is composed of a majority of independent members who will take the decision in the best interest of Luxempart.

Valuation of Investments

In preparing the financial statements, the application of the accounting principles and methods described hereafter requires Luxempart's management to make assumptions and estimates that may have an impact on the amounts recognised in the statement of profit or loss, on the valuation of assets and liabilities, on the statement of financial position, and on the information presented in the accompanying notes. Management makes these estimates and assumptions based on the information available on the date on which the consolidated financial statements are drawn up and may be required to exercise its judgment. By nature, valuations based on these estimates are subject to a number of risks and uncertainties before their future realisation. Consequently, the actual results of the operations in question may differ from these estimates and therefore may have a material impact on the consolidated financial statements.

CONSOLIDATION PRINCIPLES

Qualifying as an investment entity, Luxempart does not consolidate its subsidiaries and does not apply IFRS 3 when it acquires control over another entity.

There is one exception to this treatment for subsidiaries providing services that relate to Luxempart's investment activities. These subsidiaries are fully consolidated.

Investments in subsidiaries not providing services that relate to Luxempart's investment activities and investments where Luxempart has significant influence or joint control are classified as Financial assets at fair value through profit or loss, in accordance with IFRS 9.

A list of non-consolidated subsidiaries is set out in note 19.

SUBSIDIARIES THAT PROVIDE INVESTMENT-RELATED SERVICES (FULLY CONSOLIDATED)

A subsidiary providing investment-related services is a company over which Luxempart has control. The Company has control when it:

- has power over the entity,
- is exposed, or has rights, to variable returns from its involvement with the entity,
- has the ability to use its power over the entity to affect the amount of its returns.

These companies are fully consolidated as from the date the Group obtains the control and ceases when this control is lost.

Non-controlling interests are presented in equity on the consolidated statement of financial position, separately from "Equity attributable to the owners of the Company", and classified under "Non-controlling interests". Non-controlling interests in the Group's profit are also indicated separately on the consolidated statement of profit or loss and classified under "Non-controlling interests".

Expenses, income, assets, and liabilities of subsidiaries are fully incorporated into the consolidated financial statements. Transactions between companies of the Group, intercompany accounts, and unrealised profits on intragroup transactions are fully eliminated.

A list of the Group's subsidiaries is presented in note 19.

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions carried out in foreign currencies are converted into the functional currency at the exchange rate in force as at the transaction date. At the end of each reporting period, the monetary items in foreign currencies are converted at the rate of the last day of the financial year. Losses or profits from the realisation or conversion of monetary elements denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

The following exchange rates were used for conversion of the consolidated financial statements. As at 31 December 2022, one euro is equal to:

US Dollar	1.0666 USD
Pound Sterling	0.8845 GBP
Swiss Franc	0.98742 CHF
Danish Crown	7.43644 DKK

INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

Intangible assets with a finite useful life are valued at cost less accumulated amortisation and accumulated impairment losses. Amortisation is applied according to the straight-line method based on an estimate of the fixed asset's useful life and its possible residual value.

Intangible assets are not subject to revaluations. The useful life is as follows:

Acquired software	3 years
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TANGIBLE ASSETS

Tangible assets are measured at cost (including transaction costs) less accumulated amortisation and accumulated impairment losses. Depreciation is applied according to the straight-line method based on an estimate of the useful life of the said asset. Costs related to maintenance are recognised in the consolidated statement of profit or loss.

Tangible assets are not subject to revaluations.

The estimated useful lives are as follows:

Facilities and transport equipment	3 - 5 years
Other tangible assets, furnishings	10 years

PRINCIPLE OF IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Group reviews the carrying amount of tangible and intangible assets in order to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher value between the asset's fair value less costs to sell and its value in use. The value in use is the discounted value of estimated future cash flows expected from continued use of the asset.

FINANCIAL ASSETS

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss ("AFVPL") are initially measured at their acquisition cost.

They are stated at fair value and measured at the end of each reporting period. Unrealised capital gains and losses are recognised in the consolidated statement of profit or loss.

In the event of a sale of an AFVPL, the difference between the net proceeds from the sale and the carrying amount is recognised in the consolidated statement of profit or loss under "Net gains/(losses) on financial assets". The transaction is recognised as at the settlement date.

Financial assets held for trading

Financial assets held for trading classified in current assets are assets acquired mainly with a view to be sold in the short term.

They are stated at fair value and measured at the end of each reporting period. Changes in fair value are recognised in the consolidated statement of profit or loss under "Net gains/(losses) on financial assets"

In the event of disposal of a financial asset held for trading, the difference between the net proceeds from the sale and the carrying amount is recognised in the consolidated statement of profit or loss under "Net gains/(losses) on financial assets". The transaction is recognised as at the settlement date.

Loans and receivables

Loans and receivables are assets not listed on the stock exchange and repayable with fixed maturity. They originate when the Group either makes funds, assets, or services available. They are part of current assets insofar as their maturity does not exceed twelve months after the end of the reporting period (short term). Otherwise, they are part of non-current assets (long-term).

Loans and receivables are measured at amortised cost according to the effective interest rate method. In the event of a significant loss in value, loans and receivables are impaired through the consolidated statement of profit or loss. Loans and receivables are considered to be held within a held-to-collect business model consistent with the Group's continuing recognition of the receivables. Loans and receivables have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Any gain or loss on derecognition is recognized in profit or loss.

Cash and cash equivalents, Bank deposits

Cash and cash equivalents include liquidities, sight deposits, and short-term deposits of less than three months, as well as highly liquid, easily convertible investments.

Cash deposits having a term above three months are presented under "Bank deposits" in the consolidated statement of financial position.

Cash and cash equivalents and Bank deposits are measured at fair value.

FAIR VALUE OF FINANCIAL ASSETS

Fair value measurements

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, on the principal or most advantageous market, at the measurement date.

Financial assets are measured at their fair value at the end of each reporting period.

Listed shares are measured based on their market price on the closing date.

Non-listed financial assets are measured based on valuation methods in line with the requirements of the International Private Equity and Venture Capital Valuation (IPEV). During the measurement of the fair value of the financial assets in non-listed companies, Luxempart adopts a multi-criteria approach and applies one or several of the methods described in the table hereafter.

Discounts may be applied to the values obtained by using each of these methods (discounts for illiquidity, for small companies, etc.).

Assets categorised as level 3 assets are valued by Luxempart's investment managers. The valuations are based on information received from the portfolio companies' management or by external evaluators and on IFRS compliant market data (mainly market multiples) that are provided by Capital IQ. The investment managers perform a calibration exercise at entry date to determine the valuation models used to assess the fair value of the portfolio companies. The unaudited information used in the valuations is back-tested at each reporting date, when audited information is available. After being reviewed in detail by the business controller and or CFO, these valuations are submitted to the Group Executive Committee for approval. Finally, they are submitted to the Audit, Compliance and Risks Committee, which conducts a detailed analysis of the methods and assumptions used. The Management and Audit, Compliance and Risks Committee review and analyse the changes in fair value measurement at each period end. The Board of Directors ultimately approves the fair value measurement of the financial assets when it approves the consolidated financial statements.

Fair value hierarchy

The Group uses a fair value hierarchy that reflects the significance of the data allowing valuations to be established.

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** Data other than quoted market prices included within level 1 that are observable for the asset or liability, either directly (for example, prices) or indirectly (for example, elements derived from prices);
- **Level 3:** Data about the asset or liability not based directly on observable market data.

When a level 1 asset is no longer listed, it is reclassified as a level 3 asset as soon as it is delisted. When data on a level 2 asset is no longer observable on a market, that asset is reclassified as a level 3 asset at the period-end.

CAPITAL

Issued shares are considered to be representative of the share capital. Issued equity is recognised at the proceed net of direct issue costs.

When a company of the Group acquires shares of the parent company, the price paid and the related incurred costs are recognised and deducted directly in equity at the moment when these shares are cancelled or transferred. When shares are transferred, the transfer price net of expenses incurred during this transaction and net of taxes is added to the equity.

BANK BORROWINGS

Bank borrowings bearing interest are recognised at the amount of the cash obtained after deducting any direct expenses. Transaction expenses (if they are material) are amortised over the remaining life of the debt.

SHARE-BASED PAYMENT ARRANGEMENTS

A stock option plan has been granted to the Management and some employees. Each option entitles at exercise to receive one Luxempart's share (equity-settlement), in exchange of the payment of the strike price. The fair value of the amount granted to employees with respect to the stock option plan, is recognised at attribution as an expense with the corresponding increase in equity. The fair value is determined with the Black and Scholes model at initial recognition and is not remeasured subsequently.

CURRENT AND DEFERRED TAXES

Income taxes are calculated according to the legal requirements. Advances paid are recognised as receivables and income tax expenses (corporate income tax and municipal business tax) are estimated and recognised as provisions.

Deferred taxes originate when a temporary difference appears between the taxable base of an asset or liability and the value at which it appears on the consolidated statement of financial position. Deferred tax is calculated by applying the tax rate as well as the provisions of the law in force at the time of the calculation.

Deferred tax assets are recognised for all deductible temporary differences (on tax loss carry forwards or other temporary differences) to the extent that it is probable that taxable profits will be available, against which those deductible temporary differences can be utilised, or when compensation is possible with existing deferred tax liabilities.

PROVISIONS AND OTHER LIABILITIES

Provisions are recognised once the Group has an actual obligation (legal or implied) resulting from past events that will probably generate an outflow of resources representative of economic benefits at an amount that can be reasonably estimated.

Other liabilities are recognised at their nominal value.

SEGMENT INFORMATION

Operating segments are the components of the Group whose results are regularly reviewed by the Group Executive Committee to make decisions about resources to be allocated to the segment and assess its performance.

The segmental information follows Luxempart's investment strategy built on two pillars:

- The **"Direct Investments"** that consists in taking direct participations in companies in the target geographical regions, which primarily consist of the Benelux Region (Belgium, Luxembourg), France, DACH Region (Germany, Austria, Switzerland) and Italy
- The **"Investment Funds"** that consists in the acquisition of shares in Investment Funds mainly active in private equity and venture capital.

The Group Executive Committee monitors the performance of the Group based on reportings disclosing these segments. A geographical segmentation is considered not relevant for Luxempart but presented in note 3 in application of IFRS 8.33.

INCOME FROM ORDINARY ACTIVITIES

Luxempart and some of its subsidiaries provide services to other entities within the Group. These services are defined in a service agreement between the entities involved and are recognised based on the degree of progress.

DIVIDEND INCOME

The Group recognises dividends when they are received or when the right to receive payment is established. They result from the distribution of profits to holders of equity instruments in proportion to the rights that they hold in a category of securities making up the capital.

CONSOLIDATED STATEMENT OF CASH FLOWS

Luxempart is a company whose purpose is the acquisition, holding and sale of shareholdings. The cash flows associated with this activity are classified as net cash flows from operating activities. Dividends received are included in the net income.

Net cash flows from investing activities are composed of flows related to tangible and intangible assets.

Net cash flows from financing activities are composed of transactions on equity (e.g., dividends paid to the shareholders, transactions on own shares, capital increase and decrease...) and flows from and to bank deposits.

CHANGES IN ACCOUNTING METHODS

The new IAS/IFRS and their interpretations listed below, which entered into force in 2022, had no impact on the Group's consolidated financial statements:

- Amendments to IFRS 3 Business Combinations;
- Amendments to IAS 16 Property, Plant and Equipment;
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets;
- Annual Improvements 2018-2020.

Luxempart has not anticipated the application of the new standards, interpretations and amendments to standards published by the International Accounting Standards Board (IASB) since 31 December 2022. The Group doesn't anticipate a significant impact on consolidated financial statements.

These standards are:

- Amendments to IFRS 17 Insurance contracts (effective for periods beginning on or after January 1st 2023)
- Amendments to IAS 12 Income Taxes (effective for periods beginning on or after January 1st 2023)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (effective for periods beginning on or after January 1st 2023)
- Amendments to IAS 8 Accounting policies (effective for periods beginning on or after January 1st 2023)
- IFRS 17 Insurance Contracts (effective for periods beginning on or after January 1st 2023)
- Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current – Deferral of Effective Date and Non-current Liabilities with covenants* (effective for periods beginning on or after January 1st 2024)
- Amendments to IFRS 16 Leases (effective for periods beginning on or after January 1st 2024).

NOTE 3 - SEGMENT INFORMATION

Strategy segmentation

The segmental information follows Luxempart's investment strategy built on two pillars:

- The "Direct Investments" that consists in taking direct participations in companies in the target geographical regions, which primarily consist of the Benelux region (Belgium, Luxembourg), France, DACH region (Germany, Austria, Switzerland) and Italy.
- The "Investment Funds" that consists in the acquisition of shares in Investment Funds mainly active in private equity and venture capital.

A description of the activities, including returns generated by these investment activities and the allocation of resources, is given in the Management report under Investment Strategy.

CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Profit or loss

in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2022
Dividend income	53,636	4,578	-	58,213
Net gains / (losses) on financial assets	-13,420	38,008	-16,676	7,912
Profit on investment activities	40,216	42,585	-16,676	66,126
Services / recovery of services	-	-	1,498	1,498
Staff costs	-	-	-14,829	-14,829
Operating expenses	-	-	-6,822	-6,822
Depreciation and amortisation of non-current assets	-	-	-85	-85
Profit from operating activities	40,216	42,585	-36,914	45,888
Financial income	-	-	2,213	2,213
Financial expenses	-	-	-537	-537
Profit before tax	40,216	42,585	-35,237	47,564
Tax expense	-	-	-1,161	-1,161
Profit for the year	40,216	42,585	-36,398	46,403

(*) All assets, liabilities, income and expenses that are not directly allocated to a segment are presented in "Others"

The investment in Foyer represents an important part of the section "Dividend income" and "Net gains / (losses) on financial assets". The investment in Foyer represents more than 10% of the total of profit on investment activities.

Assets

in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2022
Financial assets at fair value through profit and loss	1,355,520	384,448	238,330	1,978,304
Bank deposits, loans and receivables	2,612	-	25,000	27,612
Intangible and tangible assets	-	-	352	352
Total non-current assets	1,358,132	384,448	263,682	2,006,268
Total current assets	-	-	188,830	188,830
Total assets	1,358,132	384,448	452,511	2,195,098

Equity and liabilities

in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2022
Total equity	-	-	2,182,864	2,182,864
Total liabilities	-	-	12,234	12,234
Total equity and liabilities	-	-	2,195,098	2,195,098

CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Profit or loss				
in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2021
Dividend income	48,483	1,696	-	50,179
Net gains / (losses) on financial assets	298,818	159,039	4,924	462,780
Profit on investment activities	347,301	160,734	4,924	512,959
Services / recovery of services	-	-	2,148	2,148
Staff costs	-	-	-7,528	-7,528
Operating expenses	-	-	-6,569	-6,569
Depreciation and amortisation of non-current assets	-	-	-99	-99
Profit from operating activities	347,301	160,734	-7,125	500,910
Financial income	-	-	471	471
Financial expenses	-	-	-1,667	-1,667
Profit before tax	347,301	160,734	-8,320	499,715
Tax expenses	-	-	-988	-988
Profit for the year	347,301	160,734	-9,308	498,727

(*) All assets, liabilities, income and expenses that are not directly allocated to a segment are presented in "Others"

The investment in Foyer represents an important part of the section "Dividend income" and "Net gains / (losses) on financial assets". The investment in Foyer represents more than 10% of the total of profit on investment activities.

Assets

in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2021
Financial assets at fair value through profit and loss	1,434,191	384,008	197,597	2,015,795
Bank deposits, loans and receivables	62	-	35,000	35,062
Intangible and tangible assets	-	-	368	368
Total non-current assets	1,434,253	384,008	232,965	2,051,224
Total current assets	-	-	126,955	126,955
Total assets	1,434,253	384,008	359,920	2,178,179

Equity and liabilities

in thousands of €	Direct Investments	Investment Funds	Others(*)	31/12/2021
Total equity	-	-	2,169,121	2,169,121
Total liabilities	-	-	9,059	9,059
Total equity and liabilities	-	-	2,178,179	2,178,179

Geographic segmentation

The following table provides details on segmentation information based on country incorporation.

CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Profit or loss

in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2022
Dividend income	49,868	6,690	-	919	738	58,213
Net gains / (losses) on financial assets	-82,440	-3,426	56,757	59,199	-22,177	7,912
Profit on investment activities	-32,573	3,263	56,757	60,118	-21,439	66,126
Services / recovery of services	1,498	-	-	-	-	1,498
Staff costs	-14,764	-	-65	-	-	-14,829
Operating expenses	-6,764	-	-58	-	-	-6,822
Depreciation and amortisation of non-current assets	-85	-	-	-	-	-85
Profit from operating activities	-52,688	3,263	56,634	60,118	-21,439	45,888
Financial income	2,213	-	-	-	-	2,213
Financial expenses	-537	-	-	-	-	-537
Profit before tax	-51,012	3,263	56,634	60,118	-21,439	47,564
Tax expense	-1,160	-	-1	-	-	-1,161
Profit for the year	-52,172	3,263	56,633	60,118	-21,439	46,403

Assets

in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2022
Financial assets at fair value through profit and loss	892,687	432,474	375,642	215,076	62,425	1,978,304
Bank deposits, loans and receivables	27,550	-	-	-	62	27,612
Intangible and tangible assets	352	-	-	-	-	352
Total non-current assets	920,589	432,474	375,642	215,076	62,487	2,006,268
Total current assets	181,921	6,482	39	23	365	188,830
Total assets	1,102,510	438,956	375,681	215,099	62,852	2,195,098

Equity and liabilities

in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2022
Total equity	2,182,864	-	-	-	-	2,182,864
Total liabilities	11,705	443	34	1	52	12,234
Total equity and liabilities	2,194,569	443	34	1	52	2,195,098

CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Profit or loss						
in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2021
Dividend income	23,694	23,289	553	929	1,714	50,179
Net gains / (losses) on financial assets	157,304	215,326	70,030	31,328	-11,209	462,780
Profit on investment activities	180,998	238,615	70,583	32,257	-9,494	512,959
Services / recovery of services	1,968	180	-	-	-	2,148
Staff costs	-7,528	-	-	-	-	-7,528
Operating expenses	-6,569	-	-	-	-	-6,569
Depreciation and amortisation of non-current assets	-99	-	-	-	-	-99
Profit from operating activities	168,770	238,795	70,583	32,257	-9,494	500,910
Financial income	471	-	-	-	-	471
Financial expenses	-1,667	-	-	-	-	-1,667
Profit before tax	167,574	238,795	70,583	32,257	-9,494	499,715
Tax expense	-988	-	-	-	-	-988
Profit for the year	166,587	238,795	70,583	32,257	-9,494	498,727

Assets

in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2021
Financial assets at fair value through profit and loss	917,147	483,151	384,896	170,218	60,383	2,015,795
Bank deposits, loans and receivables	35,000	-	-	-	62	35,062
Intangible and tangible assets	368	-	-	-	-	368
Total non-current assets	952,515	483,151	384,896	170,218	60,445	2,051,224
Total current assets	121,699	4,807	-	23	426	126,955
Total assets	1,074,214	487,959	384,896	170,241	60,871	2,178,179

Equity and liabilities

in thousands of €	Benelux	DACH	France	Italy	Others	31/12/2021
Total equity	2,169,121	-	-	-	-	2,169,121
Total liabilities	8,716	311	20	-	13	9,059
Total equity and liabilities	2,177,837	311	20	-	13	2,178,179

NOTE 4 - OPERATING EXPENSES

The following table provides details on operating expenses:

in thousands of €	2022	2021
External advisors and other similar fees	2,724	3,611
Taxes other than income tax	738	848
Directors allowances	830	859
Administrative expenses and other operating expenses	1,975	719
Rental expenses	474	453
Insurance premiums	82	79
Total	6,822	6,569

All expenses are recognised in the consolidated statement of profit or loss at the time of the transaction.

NOTE 5 - STAFF COSTS

The following table provides details of staff costs and benefits:

in thousands of €	2022	2021
Remuneration, wages and bonuses	13,908	6,908
Social security contributions	455	306
Supplementary pension plan	466	314
Total	14,829	7,528

As at 31 December 2022, "Remuneration, wages and bonuses" comprised expenses amounting to € 990 thousand relating to the recognition of the stock options attributed to Management and employees in 2022, € 1,085 thousand relating to previous years' stock option attributions and an adjustment of € 1,787 thousand relating bonus 2021.

Pension plan

The Group has opted for a defined-contribution pension plan and pays annual contributions to a separate entity (Foyer Vie). The Group will have no legal or implied obligation to pay additional contributions if said entity does not have enough assets to cover the benefits corresponding to the services rendered by staff members during the current and prior periods.

Premiums are paid annually and recognised directly in the consolidated statement of profit or loss.

The Group offers defined-contribution pension plans to its employees. Luxempart pays contributions corresponding to a percentage of the payroll expenses into the retirement scheme in order to fund these benefits. The only obligation with regard to the retirement scheme involves paying these contributions which are recognised in staff costs.

Number of employees

The following table indicates the average number of employees over the year:

Category	2022	2021
Managers	6	5
Staff	21	19
Total	27	24

NOTE 6 - DIVIDENDS INCOME

The following table breaks down the dividends received during the year:

in thousands of €	2022	2021
Foyer	47,842	21,585
Atenor	1,907	1,816
ESG/Enoflex/Stoll	919	21,276
SES	-	175
Others	7,546	5,327
Total	58,213	50,179

NOTE 7 - FINANCIAL INCOME AND EXPENSES

A. FINANCIAL INCOME

Interests and similar income are mainly composed of interests received on deposit accounts with credit institutions (€ 318 thousand), of coupons received (€ 382 thousand) and of interest on loans to participations (€ 1,513 thousand). As at 31 December 2022, they amount to € 2,213 thousand (2021: € 471 thousand).

B. FINANCIAL EXPENSES

in thousands of €	2022	2021
Bank expenses and interest expenses	394	664
Other expenses	143	1,003
Total	537	1,667

Bank expenses and interest expenses primarily include interests paid on short-term cash advances and negative interests paid on cash at bank. The other expenses primarily include foreign exchange losses on current assets.

NOTE 8 - CURRENT TAX EXPENSES

The Group recognises the current tax expenses on the corporate profits as follows:

A. DETAIL OF TAXES

in thousands of €	2022	2021
Corporate income tax (IRC)	-6	10
Subtotal income tax expenses (b)	-6	10
Net wealth tax	1,167	978
Total	1,161	988

B. RECONCILIATION OF INCOME TAX EXPENSES TO THE ACCOUNTING PROFIT

in thousands of €	2022	2021
Profit before tax	47,564	499,715
Company's average tax rate	24.94%	25.69
Theoretical tax expense	11,862	128,377
Effect of non-taxable capital gains	-1,973	-117,799
Effect of non-taxable dividends	-14,518	-12,891
Effect of tax adjustments relating to previous years	-8	-
Other tax adjustments	4,631	2,323
Total tax expense	-6	10

NOTE 9 - INTANGIBLE AND TANGIBLE ASSETS

The movements in intangible and tangible assets that occurred during financial years 2021 and 2022 are as follows:

Cost				
in thousands of €	Software	Office and computer equipment	Vehicles	Total
as at 31/12/2020	61	552	244	857
Acquisitions	-	85	-	85
Disposals	-	-17	-115	-131
as at 31/12/2021	61	620	129	810
Acquisitions	-	70	-	70
Disposals	-	-	-	-
as at 31/12/2022	61	690	129	880
Depreciation				
in thousands of €	Software	Office and computer equipment	Vehicles	Total
as at 31/12/2020	31	224	222	477
Depreciation	7	69	22	98
Disposals	-	-17	-115	-131
as at 31/12/2021	38	276	129	443
Depreciation	7	78	-	85
as at 31/12/2022	45	354	129	528
Carrying amount				
in thousands of €	Software	Office and computer equipment	Vehicles	Total
as at 31/12/2021	23	345	0	368
as at 31/12/2022	16	336	0	352

NOTE 10 - FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The following tables provide details of changes in financial assets at fair value through profit or loss in 2021 and 2022

in thousands of €	Financial assets at fair value through profit or loss
Fair value as at 31/12/2020	1,599,666
Acquisitions	257,447
Disposals	-304,099
Net gains/(losses) on financial assets	462,780
Fair value as at 31/12/2021	2,015,794
Acquisitions	198,042
Disposals	-243,444
Net gains/(losses) on financial assets	7,912
Fair value as at 31/12/2022	1,978,304

Financial assets at fair value through profit or loss ("AFVPL") are classified into two segments, Direct Investments and Investment Funds. During the 2022 financial year, the Group invested:

- € 174,542 thousand in Direct Investments mainly in Salice, Metalworks, Rimed, and in listed assets (Nexus, Tonies, ...).
- € 14,701 thousand in the Investment Fund activities.
- € 8,799 thousand in Capital at Work portfolio and new bonds portfolio.

The Group sold:

- shares in the Direct Investments for € 2,607 thousand.
- bonds portfolio for € 4,933 thousand.

The Group received :

- a capital distribution for € 4,748 thousand.
- a capital reduction from Luxempart Capital Partners for € 231,156 thousand.

The net capital gains realised in 2022 correspond to the value increase since 31 December 2021.

Assets at fair value through profit or loss are categorised as level 1 and level 3 assets.

FAIR VALUE HIERARCHY OF FINANCIAL ASSETS

in thousands of €	Level1	Level2	Level3	Total
Fair value as at 31/12/2020	352,402	4,560	1,242,704	1,599,666
Acquisitions	78,126	-	179,322	257,447
Disposals	-260,292	-4,150	-39,656	-304,099
Net gains/(losses) on financial assets	109,653	-410	353,537	462,780
Fair value as at 31/12/2021	279,889	-	1,735,906	2,015,795
Level transfer	12,284	-	-12,284	-
Acquisitions	111,502	-	86,540	198,042
Disposals	-4,956	-	-238,488	-243,444
Net gains/(losses) on financial assets	-43,731	-	51,643	7,912
Fair value as at 31/12/2022	354,988	-	1,623,315	1,978,304

Level 1: Financial assets consist of listed investments, mainly in Atenor, Technotrans, SNP, Ascom, Tonies, Nexus and Capital at Work portfolio.

Level 3: Financial assets consist of private-equity investments, mainly in Foyer, Armira Holding, Evariste, Crealis, ESG and Luxempart Capital Partners SICAR SA.

The investment IHS has been transferred from the Level 3 to the Level 1 since the Group now holds the shares directly (they were previously held in a non-listed holding).

LEVEL 3 FINANCIAL ASSETS RISK ANALYSIS

The following table sets out the impacts of changes in non-observable data on the fair value of financial assets. The information on the methods used to determine the fair value of these assets (including the valuation techniques and input data used) is provided in note 2.

in thousands of €	Level 3 for financial assets			
Valuation techniques	Significant unobservable inputs	Fair value	Impact -10%	Impact +10%
Market multiple	Discount for illiquidity and/or minority	860,768	803,965	920,968
Revalued net asset	The net asset value communicated to the Group	762,547	686,427	838,668
Total		1,623,315	1,490,392	1,759,636

At 31 December 2022, the valuation methods have not significantly changed since 2021.

Level 3 fair value valuation techniques used

The following table provides information on the methods used according to IFRS 13 to determine the fair value of financial assets in private equity, as well as the valuation techniques and inputs used.

Valuation techniques	Use of the technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Market multiple	Primary valuation technique used by Luxempart (in absence of recent transactions involving an identical or similar asset)	Discount for illiquidity and/or minority between 1% and 41%	The higher the discount, the lower the fair value
Revalued net asset	For private equity funds and any similar structures as well as Investment entities with assets recognised at fair value	The net asset value communicated to the Group	The higher the net asset value, the higher the fair value

NOTE 11 - NON-CURRENT LOANS AND RECEIVABLES

The non-current loans and receivables consist of loans and receivables with a maturity of more than one year granted to a portfolio company. As at 31 December 2022, they amount to € 2,612 thousand (2021: € 62 thousand). The fair value of the non-current loans and receivables does not differ significantly from their carrying amount.

NOTE 12 - CURRENT LOANS AND RECEIVABLES

The following table provides details of the current loans and receivables:

in thousands of €	2022	2021
Receivable from non-consolidated controlled entity	73	12,730
Tax receivables	6,860	5,222
Trade receivables	703	1,136
Accrued interest not yet due	342	242
Other receivables	90	27
Total	8,068	19,356

As at 31 December 2022, Luxempart has claim of € 6,482 thousand against the German tax authorities.

The fair value of short-term receivables does not differ significantly from their carrying amount. The maturity of current loans and receivables is less than one year.

NOTE 13 - BANK DEPOSITS, CASH AND CASH EQUIVALENTS

The following table provides details of the bank deposits, cash and cash equivalents:

in thousands of €	2022	2021
NON-CURRENT ASSETS		
Bank deposits	25,000	35,000
Total	25,000	35,000

Bank deposits of the Group are placed on accounts with a maturity between 3 to 36 months. Deposits bear interest at variable rates in force on the market. An analysis of the liquidity risk is provided in note 24.

in thousands of €	2022	2021
CURRENT ASSETS		
Bank deposits	124,000	-
Cash and cash equivalents	56,762	107,599
Total	180,762	107,599

Bank deposits of the Group are placed on accounts with a maturity less than three months. Deposits bear interest at variable rates in force on the market. An analysis of the liquidity risk is provided in note 24.

NOTE 14 - CAPITAL AND SHARE PREMIUM

A. CAPITAL AND SHARE PREMIUM

in thousands of €	2022	2021
Subscribed capital	51,750	51,750
Share premium	15,110	15,110
Total	66,860	66,860

The authorised capital amounts to € 90,000 thousand.

B. CAPITAL MANAGEMENT

As at 31 December 2022, subscribed capital amounts to € 51,750,000 and is represented by 20,700,000 fully paid-up shares without designation of nominal value. Each share entitles the holder to a dividend and a vote during General Meetings.

There are no other share classes or options or pre-emptive rights entitling holders to the issuance of shares of another class that could have a dilutive effect on the number of shares issued.

The Company's share capital may be increased from its current amount to € 90,000,000 through the creation and issuance of new shares without designation of nominal value, with the same rights and benefits as existing shares.

The Board of Directors has the authorisation, until the 2023 Annual General Meeting, to buy back own shares. The accounting par value of the shares bought back, including own shares already previously acquired, may not exceed 30% of the subscribed capital. This own share buyback policy is intended to improve the security's liquidity on the stock exchange, grant shares to managers, cancel the own shares through a decision of the Extraordinary General Meeting, or transfer these shares to a new shareholder.

In view of the Group's liquidity, all new investments are funded only from the Company's equity. For investments in private equity, external debt may be used at the level of the investment.

NOTE 15 - RESERVES AND OWN SHARES

A. LEGAL RESERVE

From the net profit of the statutory accounts under Luxembourg GAAP, 5% must be deducted annually to build up the reserve fund required by Luxembourg law. This deduction will no longer be mandatory when the reserve fund reaches one-tenth of the share capital.

The legal reserve may not be distributed to the shareholders except in case of dissolution of the Company.

As at 31 December 2022, the legal reserve amounts to € 5,175 thousand (2021: € 5,175 thousand).

B. OTHER RESERVES

in thousands of €	2022	2021
Consolidated reserves	2,068,556	1,605,443
Special reserve	9,446	9,446
Stock option plan reserve	3,137	-
Total	2,081,139	1,614,889

Consolidated reserves

The consolidated reserves are composed of the income accumulated by the subsidiaries since their first consolidation, as well as some movements related to consolidation entries.

Special reserve

As at 31 December 2022, the special reserve includes the untaxed capital gains from disposal on participations. These capital gains, recognised in the equity, result from application of Article 54 of the income tax law and are to be reinvested within two years following the financial year of the disposal. If these gains are not reinvested within this two-year period, they will be reversed through the consolidated statement of profit or loss and subject to tax.

Stock option plan reserve

As at 31 December 2022, the stock option plan reserve amount to € 3,137 thousand. This reserve is composed of:

- € 990 thousand relating to the recognition of the stock option attributed to Management and employees in 2022. This expense for 2002 is recognised under "Remuneration, wages and bonuses" in the consolidated statement of profit or loss and disclosed in the note 5.
- € 2.146 thousand relating to previous years stock option attribution (partially reclassified from the financial liabilities).

The fair value of the options is calculated according to the Black and Scholes model.

In 2009, Luxempart established a stock option plan for members of management and some employees. For financial year 2022, the Board of Directors granted 114.400 Luxempart options with an exercise price of € 76.29 per share.

The table below summarises the movements of the year:

	Total
Number of options outstanding as at 01/01/2022	462,592
Options exercised in 2022	-59,303
Options issued in 2022	114,400
Number of options outstanding as at 31/12/2022	517,689

The average exercise price of options exercised in 2022 is € 40.62.

The table below provides the plan's characteristics:

Tranche	Year	Exercise price	Exercise period	Share price when allotted
Tranche 7	2015	34.51	Jul 2019 - Jul 2023	33.79
Tranche 8	2016	33.99	Oct 2020 - Oct 2024	39.78
Tranche 9	2017	52.61	Aug 2021 - Aug 2025	50.00
Tranche 10	2018	56.50	June 2022 - June 2026	47.80
Tranche 11	2019	52.50	May 2023 - May 2027	53.00
Tranche 12	2020	47.73	April 2024 - April 2030	49.00
Tranche 13	2020	46.00	January 2025 - January 2031	49.00
Tranche 14	2022	76.29	January 2026 - January 2032	78.00
Dividend growth				2.1%
Historical volatility of share price				16.9%

As at 31 December 2022, 119,064 options can be exercised.

C. OWN SHARES AND RESERVE FOR OWN SHARES

	Number of shares issued	Number of own shares	Number of outstanding shares
As at 31/12/2020	20,700,000	609,678	20,090,322
Acquisitions and disposals	-	-34,943	34,943
As at 31/12/2021	20,700,000	574,735	20,125,265
Acquisitions and disposals	-	-34,322	34,322
As at 31/12/2022	20,700,000	540,413	20,159,587

As at 31 December 2022, Luxempart holds 540,413 own shares (2021: 574,735 own shares), with the reserve for own shares amounting to € -16,714 thousand (2021: € -16,531 thousand).

They were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive. The weighted average number of shares outstanding as at 31 December 2022 is 20,121,560 (2021: 20,100,894).

NOTE 16 - DIVIDENDS PAID

A dividend of € 1.80 gross per share was paid during the first half of 2022 in respect of the 2021 financial year, giving a total dividend of € 36,244,377 (2021: € 1.60 gross per share, giving a total dividend of € 32,168,065).

The consolidated financial statements as at 31 December 2022 do not include the dividend that will be proposed to the Annual General Meeting of 24 April 2023. It was not recognised as a liability in the 2022 consolidated financial statements.

The Board of Directors proposes an ordinary dividend of € 1.98 gross per share. The payment terms of the dividend will be communicated during the Annual General Meeting of 24 April 2023.

NOTE 17 - NON-CURRENT PROVISIONS

The following table provides details of the non-current provisions:

in thousands of €	2022	2021
Tax provisions	2,102	3,045
Other provisions	152	1,148
Total	2,253	4,193

The tax provisions relate to income taxes, municipal business taxes and net wealth tax for 2022 and previous years.

The provision for stock option plan initially recorded in Other provisions has been reversed in 2022. It was related to previous stock option plans.

NOTE 18 - CURRENT LIABILITIES

in thousands of €	2022	2021
Tax and social debts	605	473
Trade liabilities	8,790	4,000
Other debts	586	393
Total	9,981	4,866

Tax and social debts include amounts owed to the tax authorities for social security contributions. Trade liabilities and other debts are mainly composed of amounts due to the Group's suppliers and service providers, as part of its activities. They also include a provision for the 2022 bonuses, that will be paid in 2023.

The fair value of current liabilities does not differ significantly from their carrying amount.

NOTE 19 - LIST OF SUBSIDIARIES

A. SUBSIDIARIES PROVIDING INVESTMENT RELATED SERVICES, FULLY CONSOLIDATED

The following table lists all subsidiaries providing fully consolidated investment related services to the Company:

Subsidiary	Place of incorporation	Percentage held in 31/12/2022	Percentage held in 31/12/2021
Luxempart Invest S.à r.l.	Luxembourg	-	100.00%
Luxempart Management S.à r.l.	Luxembourg	100.00%	100.00%
Luxempart Conseil SAS	France	100.00%	-
Bravo Capital S.A.	Luxembourg	80.00%	80.00%

Given that Luxempart meets the criteria laid down in Article 70 of the Luxembourg Law of 19 December 2002, its subsidiaries are exempt from the requirements relating to the publication of statutory annual accounts.

B. NON-CONSOLIDATED ENTITIES

Subsidiary	Place of incorporation	Percentage held in 31/12/2022	Percentage held in 31/12/2021
Indufin NV	Belgium	40.00%	40.00%
M-Sicherheitsholding GmbH (Mehler)	Germany	30.00%	30.00%
Pescahold S.A.	Luxembourg	100.00%	100.00%
Pryco GmbH (Prym)	Germany	55.63%	55.60%
Foyer S.A.	Luxembourg	31.03%	31.03%
E-Sicherheitsholding GmbH (ESG)	Germany	23.06%	27.60%
DMB2 GmbH & Co (Stoll)	Germany	-	32.80%
Assmann Holding GmbH	Germany	49.01%	49.01%
Evariste Holding SAS	France	40.00%	40.00%
Luxco Invest S.à r.l. **	Luxembourg	80.53%	80.53%
Efesto Investment S.à r.l. (Metalworks)	Italy	30.53%	-

Subsidiary	Place of incorporation	Percentage held in 31/12/2022	Percentage held in 31/12/2021
Luxempart Capital Partners SICAR S.A. **	Luxembourg	100.00%	100.00%
Quip Holding GmbH	Germany	53.68%	51.00%
Bravo Microfiber	Luxembourg	-	61.97%
Bravo Capital Partners II SCA-SICAV-RAIF	Luxembourg	45.00%	-
Bravo Capital Partners SCA RAIF**	Luxembourg	100.00%	100.00%
Arbo S.p.a	Italy	-	40.00%
Metalworks S.p.a	Italy	-	53.30%
Bravo Luxury S.à r.l. (Vesta)	Italy	100.00%	100.00%
Luxempart German Investments S.A. **	Luxembourg	100.00%	100.00%
EduPRO GmbH	Austria	-	60.00%
Arwe Mobility Holding (in liquidation)	Germany	50.00%	50.00%
Rimed AG	Switzerland	-	27.77%
Rattay Group GmbH	Germany	39.90%	39.90%
WDS GmbH	Germany	44.00%	44.00%
Luxempart German Investments II S.à r.l.	Luxembourg	100.00%	100.00%
Novotergum GmbH	Germany	-	43.80%
Luxempart French Investment S.à r.l. **	Luxembourg	100.00%	100.00%
D'Alba Invest S.à r.l. **	Luxembourg	99.22%	99.22%
Indufin Capital Partners S.A. SICAR **	Belgium	50.00%	50.00%
Axithon S.A. (Axi)*	Belgium	-	51.40%

This table lists all entities under the Company's control or significant influence which are measured at fair value through profit or loss (note 10), as well as their own controlled or under influence subsidiaries. Luxempart neither provided nor committed to provide financial or other support to any of its non-consolidated subsidiaries.

* The percentages indicated are the percentages of ownership by Indufin Capital Partners, which is held at 50% by Luxempart Capital Partners SICAR.
 ** These entities are investments entities, such as defined by IFRS 10.

NOTE 20 - MAIN OFF-BALANCE SHEET RIGHTS AND COMMITMENTS

The Group has invested in Investment Funds through its subsidiary Luxempart Capital Partners SICAR.

The commitments represent amounts the Group has contractually committed in the Investment Funds but do not yet represent a cost or asset. It is an indication of committed future cash flows.

The commitments are recognised in the balance sheet at the moment of settlement.

The commitments at the year end do not impact the Group's financial results. As at 31 December 2022, Luxempart has the following undrawn commitment in the Investment Funds strategy :

in thousands of €	2022	2021
Undrawn commitments in EUR	132,748	180,576
Buyout	96,978	141,013
Co-investment	583	497
Secondary Funds	26,399	24,811
Venture Capital	8,788	14,255
Undrawn commitments in USD (converted in EUR)	104,243	68,760
Buyout	54,829	29,450
Co-investment	98	113
Growth Equity	31,905	32,162
Venture Capital	17,410	7,034
Total	236,991	249,336

NOTE 21 - DIRECTORS' ALLOWANCES AND EXECUTIVE MANAGEMENT REMUNERATION

in thousands of €	2022	2021
Directors' allowances and attendance fees	1,014	1,049
Management remuneration	5,675	5,157
Total	6,689	6,207

Directors' allowances and attendance fees as well as executive management remuneration for 2022 is recognised in "Operating expenses" (note 4) and in "Staff costs" (note 5). The remuneration of executive officers includes a provision for bonus payable in 2023, relating to 2022.

NOTE 22 - REMUNERATION OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

The following table shows fees paid to the Réviseur d'entreprises agréé. Audit fees cover the review of the interim consolidated financial statements as at 30 June and the audits of the statutory and consolidated financial statements as at 31 December. They do not cover work on subsidiaries' financial statements, which, where applicable, are audited by other auditors. The audit fees are recognised in "Operating expenses" (note 4).

in thousands of €	2022	2021
Audit services	100	87
Audit-related services	29	28
Tax services	25	9
Total	154	125

The Réviseur d'entreprises agréé of the Company is also the Réviseur d'entreprises agréé of some subsidiaries (Luxempart Capital Partners, Indufin Capital Partners, and Bravo Capital Partners). The remuneration of the Réviseur d'entreprises agréé for these subsidiaries is € 83 thousand (2021: € 78 thousand).

NOTE 23 - RELATED PARTIES

Luxempart has various related parties from relationships with entities managed by the Group :

- Subsidiaries, (including unconsolidated subsidiaries held at fair value due to the IFRS 10 treatment) and Investments
- Management

The related party transactions were made on terms equivalent to those that prevail in arm's length transactions

Subsidiaries and Investments

Transactions between Luxempart and its fully consolidated subsidiaries, which are related parties of the Company, are eliminated on consolidation. Details of related party transactions between the Company and its subsidiaries are detailed below.

Consolidated statement of profit or loss (in thousands of €)	2022	2021
Dividends	49,890	44,333
Services / recovery of services	828	855
Operating expenses	1,204	631
Financial income	1,513	5
Financial expenses	195	64

Consolidated statement of financial position (in thousands of €)	2022	2021
Financial assets at fair value through profit and loss as at 31/12/2021	1,635,883	1,209,752
Movements on Financial assets at fair value through profit and loss	-157,365	425,547
Financial assets at fair value through profit and loss as at 31/12/2022	1,478,518	1,635,883
Loans and receivables as at 31/12/2021	12,730	-
Movements on loans and receivables	-10,180	12,730
Loans and receivables as at 31/12/2022	2,550	12,730

Management

in thousands of €	2022	2021
Board Members, Executive Committee Members	6,689	6,207

NOTE 24 - FINANCIAL RISKS

MANAGEMENT OF MARKET RISK

The Group's major risk is the exposure of its financial assets to market risk. The risk management policy is established and controlled by the Group Executive Committee, the Board of Directors, and the Audit, Compliance and Risks Committee.

Market risk is the risk of loss in value of financial assets. The main risks and uncertainties to which the Group is exposed relate to the performance of the financial markets (stock markets, comparable transactions, market multiples, etc.). Luxempart does not systematically sell its participations based on financial market volatility. In principle, the Group does not use market risk hedging instruments. It nevertheless regularly monitors changes in the value of its investments.

The investments in companies listed on the stock exchange (mainly stock exchange of Luxembourg, Brussels, and Frankfurt) represent 16.3 % of the Net Asset Value as at 31 December 2022 (2021: 12.9%).

MANAGEMENT OF INTEREST RATE RISK

Interest risk is the risk that the interest flow on the financial debt and the gross cash may be affected by an unfavourable change in interest rates.

As at 31 December 2022, this risk is limited due to the small amount of receivables and payables and by the absence of financial debts.

MANAGEMENT OF FOREIGN EXCHANGE RISK

The Group invests mainly in positions in the Group's functional currency (EUR).

The portfolio of Luxempart is composed of 2 investments that are designated in foreign currency for € 16,541 thousand. No reasonable change in currency would have an impact on the accounts of Luxempart, as these investments represent 0.8% of the financial assets at fair value through profit or loss.

The portfolio of Luxempart Capital Partners is composed of investments in USD which represent 8.7% of the value of its total financial assets. No reasonable change in currency would have an impact on the accounts of Luxempart. Therefore, these investments are not hedged against foreign exchange risk because it is not significant.

MANAGEMENT OF CREDIT RISK

Luxempart granted loans to companies of the Group totalling € 2,612 thousand as at 31 December 2022 (2021: € 62 thousand).

Luxempart has also receivables due from its subsidiaries for an amount of € 73 thousand (2021 : € 12,730 thousand).

Credit risk is the risk that third parties do not meet their commitments towards the Group during transactions entered into. Credit risk lies not at Luxempart level but at the level of the investments, which are responsible for managing their credit risk according to the specific terms appropriate for their situation.

If necessary, Luxempart may grant guarantees to companies in which it has invested.

Luxempart minimises its risk exposure by entering into commitments with financial institutions with a high rating between AA+ and A-. In order to minimise any concentration risk, Luxempart diversifies its exposure will working several banking institutions, with a maximum to 7.5% of the net asset value.

In 2022, there was no significant change in relation to the credit risk management.

MANAGEMENT OF LIQUIDITY RISK

Luxempart has € 236,991 thousand undrawn commitments resulting from its investments in funds (note 20). The Management follows the commitments and capital calls on a quarterly basis in order to make further cash available if necessary. As at 31 December 2022, Luxempart has a high level of cash at bank and bank deposits (€ 334,810 thousand included Luxempart Capital Partners) and liquid security portfolios (€ 103,436 thousand) that are available to face its commitments. Given this high level of liquidity, the risk for Luxempart is low.

CLIMATE-RELATED AND OTHER ESG RISK

The Group is not directly exposed to significant climate-related or other environmental risks. Luxempart acknowledges that ESG factors are having an increasing impact on its business environment. Management is working to better monitor and manage the ESG risks in general and the climate-related risks in particular (incl. the ones on supply on energy). Luxempart has developed a framework that is the cornerstone of an ESG risk management system in order to limit the ESG risk and to seize ESG opportunities to create value. Based on this framework, Management continues to closely monitor the portfolio companies and to support their sustainability initiatives.

The Board of Directors has set up a Sustainability Committee that follows sustainability laws and regulations and their impact on Luxempart, validates corporate and portfolio sustainability action plans and reviews the sustainability report, including the assessment of ESG risks.

The Sustainability Committee together with Management ensures that the Group is compliant with all the applicable sustainability laws and regulations.

NOTE 25 - POST CLOSING EVENTS

During the first months of 2023, Luxempart invested in one new company, and sold its stake in another one.

The operations are the following:

On February 6, 2023 Luxempart signed an investment agreement to take a 26% stake in Kestrel Vision, a global leading player in the development of machine vision-based quality control and inspection solutions for the rigid packaging industry. This investment, which amounts to EUR 110m in total, will strengthen the company's financial structure in order to deploy its future strategy.

Between January 27 and February 27, 2023, Luxempart has sold its 6.1% stake in the listed Danish company TCM. The sale was realized at an average price of EUR 9.5 per share, representing a total cash inflow of EUR 5.3m.

On February 10, 2023, the Tribunal Supremo, the Spanish highest criminal jurisdiction, took a judgement in the fraud case of Pescanova, that filed for insolvency in 2013, bringing the loss of Luxempart's investment. The Court confirmed prison sentences for most of the culprits but reversed the criminal liability of the Auditor, BDO, thereby increasing delays to potentially perceive indemnification. This decision of the Supreme Court does not have any negative impact on Luxempart's financial situation as the loss was already completely recognized in our accounts by 2014.

On March 10, 2023, the US Government decided to close in emergency the Silicon Valley Bank (SVB), after it faced a massive bank-run from its customers, upon fears of solvency problems. In order to avoid a possible contagion effect on other banking institutions, the US Government decided to guarantee the deposits of all the bank's customers, allowing its client base, mainly composed of venture funds and their portfolio companies, to be reassured on the continuing access to their liquidities. At Luxempart, our exposure to the US venture capital sector is mainly indirect, through Investment Funds, and limited. The Funds Luxempart invested in have reported that no significant unfavorable impact is to be reported. We hence don't assess this incident to have a material impact on our Group's Net Asset Value.

To our knowledge, there were no other significant events since December 31, 2022 that would impact the financial and patrimonial situation of the Group.



**STATUTORY
ANNUAL
ACCOUNTS**
at 31 December 2022

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REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of Luxempart S.A. (the "Company"), which comprise the balance sheet as at 31 December 2022, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2022 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial fixed assets

a) Why the matter was considered to be one of most significance in our audit of the annual accounts for the year ended 31 December 2022

Refer to Note 3.C Significant Accounting Policies for financial fixed assets, Note 5 Financial Fixed Assets and Note 13 Value Adjustments in Respect of Financial Assets of the annual accounts.

The Company holds financial fixed assets which are measured at historical acquisition price less permanent impairment in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of annual accounts. Management performs impairment test to assess whether the fair value of each of those financial assets is at least equal to their respective carrying value.

Those financial fixed assets represent 82% of total assets, and 70% of financial fixed assets are investments for which the fair value is not determined by reference to a quoted price ("non-quoted investments").

For non-quoted investments, the fair value is determined through the application of valuation techniques in accordance with International Private Equity and Venture Capital Valuation Guidelines, and relevant IFRS. The application of valuation techniques involves the exercise of significant judgment by Management in relation to the choice of valuation technique employed and assumptions used for the respective models.

The judgement involved and the significance of the amount relative to other captions in the annual accounts led us to identify the impairment of non-quoted investments, as key audit matter.

b) How the matter was addressed in our audit

Our procedures over the impairment of financial fixed assets include, but are not limited to:

- Gaining an understanding of the Management's process and controls related to valuation of financial fixed assets, identification of impairment indicators and impairment testing.
- Assessing compliance of valuation techniques with the International Private Equity and Venture Capital Valuation Guidelines, and relevant IFRS.
- Verifying key inputs to the valuation models used by Management and checking the accuracy of the computation of the valuation models.
- Obtaining the external expert valuation report used by Management to assess the fair value of a sample of investments as at 31 December 2022.
- For a sample of instruments, involving our valuation specialists to inspect valuation models and challenge key assumptions applied by Management.
- Verifying the completeness, relevance and accuracy of the disclosures in relation to the impairment of financial fixed assets.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, 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.

The Board of Directors is responsible for presenting the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the réviseur d'entreprises agréé for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

Our responsibility is to assess whether the annual accounts have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the Shareholders on 25 April 2022 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is one year.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

We have checked the compliance of the annual accounts of the Group as at 31 December 2022 with relevant statutory requirements set out in the ESEF Regulation that are applicable to annual accounts.

For the Company it relates to:

· Annual accounts prepared in a valid xHTML format.

In our opinion, the annual accounts of Luxempart S.A. as at 31 December 2022 identified as luxempart-2022-12-31.zip have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our audit report only refers to the annual accounts of Luxempart S.A. as at 31 December 2022 prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Luxembourg, 23 March 2023

KPMG Audit S.à r.l.
Cabinet de révision agréé

Thierry Ravasio
Partner

BALANCE SHEET AT 31 DECEMBER 2022

Assets

in thousands of €	Notes	31/12/2022	31/12/2021
Fixed assets			
Intangible fixed assets	4		
Concessions, patents, licences, trademarks, and similar rights and assets		16	24
Tangible fixed assets	4		
Other fixtures and fittings, tools and equipment		320	344
Financial fixed assets	5		
Shares in affiliated undertakings		223,161	440,011
Participating interests		334,878	305,631
Loans to undertakings with which the Company is linked by virtue of participating interests		2,550	-
Investments held as fixed assets		455,144	343,047
Total fixed assets		1,016,069	1,089,057
Current assets	6		
Trade debtors		723	1,182
<i>becoming due and payable within one year</i>		723	1,182
Amounts owed by affiliated undertakings		73	12,730
<i>becoming due and payable within one year</i>		73	12,730
Other debtors		7,426	5,605
<i>becoming due and payable within one year</i>		7,364	5,543
<i>becoming due and payable after more than one year</i>		62	62
Investments		26,715	36,533
<i>Own shares</i>	8	16,715	16,533
<i>Other investments</i>		10,000	20,000
Cash at bank and in hand		195,653	121,806
Total current assets		230,590	177,856
Total assets		1,246,659	1,266,913

The accompanying notes are an integral part of these annual accounts.

BALANCE SHEET AT 31 DECEMBER 2022

Liabilities

in thousands of €	Notes	31/12/2022	31/12/2021
Capital and reserves	8		
Subscribed capital		51,750	51,750
Share premium account		66,945	66,945
Reserves			
Legal reserve	9	5,175	5,175
Reserve for own shares		16,714	16,533
Other reserves		1,042,038	923,142
<i>Other available reserves</i>		1,026,339	907,443
<i>Other non available reserves</i>	10	15,699	15,699
Profit brought forward		40,000	35,500
Profit / (loss) for the financial year		11,813	159,822
Total capital and reserves		1,234,435	1,258,867
Provisions			
Provisions for taxation		2,254	3,097
Other provisions		-	25
Total provisions		2,254	3,122
Creditors	7		
Trade creditors		7,197	3,993
<i>becoming due and payable within one year</i>		7,197	3,993
Amounts owed to affiliated undertakings		1,527	-
<i>becoming due and payable after more than one year</i>		1,527	-
Other creditors		1,245	931
<i>Tax authorities</i>		394	262
<i>Social security authorities</i>		256	268
<i>Other creditors</i>		595	401
<i>becoming due and payable within one year</i>		595	401
Total creditors		9,970	4,924
Total liabilities		1,246,659	1,266,913

The accompanying notes are an integral part of these annual accounts.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

in thousands of €	Notes	31/12/2022	31/12/2021
Other operating income		981	1,260
Staff costs	11	-12,689	-7,528
<i>Wages and salaries</i>		-12,253	-7,222
<i>Social security costs</i>		-393	-267
<i>relating to pensions</i>		-371	-221
<i>other social security costs</i>		-22	-46
<i>Other staff costs</i>		-43	-40
Value adjustments		-85	-99
<i>In respect of tangible and intangible fixed assets</i>	4	-85	-99
Other operating expenses	12	-5,647	-5,177
Income from participating interests	15	48,777	41,285
<i>Derived from affiliated undertakings</i>		935	1,471
<i>Other income from participating interests</i>		47,842	39,813
Income from other investments and loans forming part of the fixed assets	15	10,466	147,653
<i>Other income</i>		10,466	147,653
Other interest receivable and similar income		2,244	501
<i>Derived from affiliated undertakings</i>		6	5
<i>Other interest and similar income</i>		2,238	496
Value adjustments in respect of financial assets and of investments held as current assets	5,13	-29,759	-15,685
Interest payable and similar expenses		-663	-914
<i>Other interest and similar expenses</i>		-663	-914
Profit after taxation		13,626	161,295
Other taxes not shown under items above	14	-1,813	-1,473
Profit/(loss) for the financial year		11,813	159,822

The accompanying notes are an integral part of these annual accounts.

NOTES TO THE ANNUAL ACCOUNTS AT 31 DECEMBER 2022

NOTE 1 - GENERAL INFORMATION

Luxempart S.A. (hereinafter «the Company» or «Luxempart») was incorporated on 25 April 1988 under the name BIL Participations. The Annual General Meeting of 15 September 1992 decided to change the Company's name to Luxempart S.A. The Company is registered on the trade and companies register of Luxembourg under no. B27846. The Company was created for an unlimited term.

The Company's registered office is established at 12, rue Léon Laval in Leudelange. The Company is listed on the Luxembourg Stock Exchange. The Company's financial year begins on 1 January and closes on 31 December of each year.

The Company's purpose is particularly the acquisition of holdings, in whatever form, in other companies as well as management, control, and development of these investments.

NOTE 2 - PRESENTATION OF THE ACCOUNTS

In addition to the annual accounts, on the basis of the legal and regulatory provisions established by Luxembourg law, the Company presents consolidated financial statements under IFRS as an investment entity and a consolidated management report, which are available at the Company's headquarters and on www.luxempart.lu.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

The annual accounts are prepared in accordance with generally accepted accounting principles and in accordance with the law and regulations in force in the Grand Duchy of Luxembourg.

The annual accounts are presented in thousands of euros (€). The functional currency is the euro (€). The financial information presented in a number of tables in the statutory annual accounts have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column.

The annual accounts have been prepared under the historical convention and following the going concern principle.

The main accounting policies adopted by the Company are as follows:

A. FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities, expressed in foreign currencies, are converted to euros (€) at the exchange rates in force as at year-end.

Transactions occurring in the financial year, expressed in foreign currencies, are converted to euros (€) at the exchange rates in force as at the transaction date.

The accompanying notes are an integral part of these annual accounts.

Only unrealised foreign exchange losses are recorded in the profit and loss account. Exchange gains are recorded in the profit and loss account at the time of their realisation.

B. INTANGIBLE AND TANGIBLE FIXED ASSETS

Intangible and tangible fixed assets whose use is limited over time are amortised/depreciated on a straight-line basis according to the following rates.

Asset	Rate
Computer equipment and software	33.3%
Vehicles	20.0%
Furniture and fixtures	10.0%

C. FINANCIAL FIXED ASSETS

Shares in affiliated undertakings

"Affiliated undertakings" refers to a company in which Luxempart has exclusive control, holding decision-making power on both financial and operational levels. In principle, this control is the consequence of directly holding more than 50% of the voting rights.

Shares in affiliated undertakings are valued at the historical acquisition price, which includes the expenses incidental thereto.

In case of permanent impairment, the shares in the affiliated undertakings are the subject to value adjustments in order to give them the lower value that should be attributed to them as at the end of the reporting period. These value adjustments are not maintained when the reasons that motivated them have ceased to exist.

Participating interests

"Participating interests" refers to a company in which Luxempart exercises significant influence through its participation in the political, financial, and operational decisions of the held company. Significant influence is assumed when Luxempart holds 20% or more of the voting rights. "Participating interests" also refers to companies under joint control.

"Participating interests" are valued at the historical acquisition price, which includes the expenses incidental thereto.

In case of permanent impairment, "participating interests" are subject to value adjustments in order to give them the lower value that should be attributed to them as at the end of the reporting period. These value adjustments are not maintained when the reasons that motivated them have ceased to exist.

Investments held as fixed assets

"Investments held as fixed assets" refer to a holding in which Luxempart does not exercise or control significant influence. This lack of significant influence is assumed if Luxempart does not directly or indirectly hold more than 20% of the voting rights.

Investments held as fixed assets are valued at the historical acquisition price, which includes the expenses incidental thereto.

In case of permanent impairment, investments held as fixed assets are subject to value adjustments in order to give them the lower value that should be attributed to them as at the end of the reporting period. These value adjustments are not maintained when the reasons that motivated them have ceased to exist.

D. DEBTORS

Debtors are stated at their nominal value and their estimated realisable value. They are subject to value adjustments when their realisable value is fully or partially unrecoverable.

These value adjustments are not maintained when the reasons that motivated their establishment have ceased to exist.

E. INVESTMENTS

Investments are assets acquired mainly with a view to be sold in the short term and present a profit-taking profile in the short term.

Investments are valued at the historical acquisition price, which includes the expenses incidental thereto.

If the realisation value is lower than the acquisition cost on the closing date, a value adjustment is recognised. These value adjustments are not maintained when the reasons that motivated them have ceased to exist.

Own shares are valued at the historical acquisition price and are used to cover the management stock option plan.

F. CREDITORS

Debts are recorded in liabilities at their redemption value.

G. PROVISIONS

Provisions are recognised once Luxempart has an actual obligation (legal or implied) resulting from past events that will probably generate an outflow of resources representative of economic benefits at an amount that can be reasonably estimated.

H. INCOME

In the event of disposal of financial assets, the difference between the net proceeds from the sale and the net book value is entered in the profit and loss account on the line "income from other investments and loans forming part of the fixed assets". The transaction is recorded on the settlement date.

The Company accounts the dividends received when they are acquired or when the right to receive payment is established. They are issued from the distribution of profits to the shareholders. And they are entered in the profit and loss account on the line "Income from participating interests".

NOTE 4 - INTANGIBLE AND TANGIBLE FIXED ASSETS

Movements in intangible and tangible fixed assets that occurred during the year are summarised in the table below. The intangible fixed assets of the Company are composed of acquired software. The tangible fixed assets comprise mainly computer equipment, vehicles, furniture and fixtures.

in thousands of €	Intangible fixed assets	Tangible fixed assets
Gross value as at 01/01/2022	62	739
Acquisitions for the year	-	54
Gross value as at 31/12/2022	62	794
Cumulative value adjustments as at 01/01/2022	-38	-395
Value adjustments of the year	-7	-78
Cumulative value adjustments as at 31/12/2022	-45	-473
Net book value as at 31/12/2022	16	320
Net book value as at 31/12/2021	24	344

NOTE 5 - FINANCIAL FIXED ASSETS

A. MOVEMENTS IN FINANCIAL FIXED ASSETS

The movements in financial fixed assets that occurred during the year can be summarised as follows:

in thousands of €	Shares in affiliated undertakings	Participating interests	Loans to undertakings with which the Company is linked by virtue of participating interests	Investments held as fixed assets
Gross value as at 01/01/2022	463,683	307,183	-	355,716
Acquisitions for the year	15,336	32,042	2,550	150,736
Disposals for the year	-231,739	-4,095	-	-9,861
Gross value as at 31/12/2022	247,280	335,130	2,550	496,591
Cumulative value adjustments as at 01/01/2022	-23,672	-1,552	-	-12,669
Value adjustments of the year	-1,005	-793	-	-28,779
Reversals of value adjustments of the year	558	2,093	-	-
Cumulative value adjustments as at 31/12/2022	-24,119	-252	-	-41,448
Net book value as at 31/12/2022	223,161	334,878	2,550	455,144
Net book value as at 31/12/2021	440,011	305,631	-	343,047

The item "Shares in affiliated undertakings" amounts to € 223,161 thousand as at 31 December 2022 (2021: € 440,011 thousand). This variation is principally due to:

- Capital calls in Luxco Invest,
- A redemption and cancellation shares in Luxempart Capital Partners.

The item "Participating interests" amounts to € 334,878 thousand as at 31 December 2022 (2021: € 305,631 thousand). The main movement is the investment in Metalworks.

The item "Loans to undertakings with which the Company is linked by virtue of participating interests" amounts to € 2,550 thousand as at 31 December 2022 (2021: € 0).

The item "Investments held as fixed assets" amounts to € 455,144 thousand as at 31 December 2022 (2021: € 343,047 thousand). This change is due to:

- Acquisitions for € 150,736 thousand (acquisition of Nexus, Salice, Rimed, Tonies, strengthening in the listed portfolio and portfolio bonds),
- Sale for € 9,861 thousand (mainly in the portfolio bonds and Armira),
- Value adjustments for € 28,779 thousand (mainly on SNP, Sogetrel and the listed portfolio and portfolio bonds).

B. UNDERTAKINGS IN WHICH LUXEMPART HOLDS AT LEAST 20% IN THE CAPITAL

Company name	Registered office	Holding %	Equity (excluding profit for the year) in thousands of €	Profit or loss for the year in thousands of €
Luxempart Capital Partner Sicar S.A.	12, Rue Léon Laval L-3372 Leudelange	100.00	524,812	55,747
Luxempart Conseil SAS	2 rue de Miromesnil F-75008 Paris	100.00	30	4
Luxempart Invest S.à r.l	12, Rue Léon Laval L-3372 Leudelange	100.00	679	-14
Luxempart Management S.à r.l	12, Rue Léon Laval L-3372 Leudelange	100.00	27	-3
Pescahold S.A.	12, Rue Léon Laval L-3372 Leudelange	100.00	8	-2
Luxco Invest S.à r.l	12, Rue Léon Laval L-3372 Leudelange	80.53	67,220	-40
Bravo Capital S.A.	12, Rue Léon Laval L-3372 Leudelange	80.00	61	-43
Pryco GmbH *	Maria-Theresia-Str. 11, D-81675 München	55.63	8,552	3,253
Assmann GmbH *	Auf dem Schüffel, D-58513 Lüdenscheid	49.01	14,526	5,230
Indufin S.A.	Interleuvenlaan 15 / D1 B-3001 Leuven - Haasrode	40.00	286	64
Evariste Holding SAS *	3 rue Galois ZA Pariwest F-78310 Maurepas	40.00	37,711	13,608
Foyer S.A.	12, Rue Léon Laval L-3372 Leudelange	31.03	1,051,074	146,851
M-Sicherheitsholding GmbH **	Maria-Theresia-Str. 11, D-81675 München	30.00	5,891	35,005
E-Sicherheitsholding GmbH *	Maria-Theresia-Str. 11, D-81675 München	23.06	-26,257	22,546
Efesto Investment S.à r.l. *	Sede legale in Via della Repubblica 21/A I-24060 Castelli Calepio	30.53	24,288	1,626

* Profit or loss 2021

** Profit or loss 2020

NOTE 6 - DEBTORS

As at 31 December 2022:

- Trade debtors amount to € 723 thousand (2021: € 1,182 thousand).
- Amounts owed by affiliated undertakings amount to € 73 thousand (2021: € 12,730 thousand).
- Other debtors becoming due and payable within one year amount to € 7,364 thousand (2021: € 5,543 thousand) and are made up of tax receivables and social security for € 6,874 thousand (2021: € 5,193 thousand), and other receivables for € 490 thousand (2021: € 350 thousand). The tax receivables are mainly composed of a tax to be recovered on the Mehler dividend and the other receivables are mainly accrued interest not collected.
- Other debtors becoming due and payable after more than one-year amount to € 62 thousand (2021: € 62 thousand). This is the loan towards the investment Nueva Pescanova.

NOTE 7 - CREDITORS

- Trade creditors amount to € 7,197 thousand (2021: € 3,993 thousand).
- Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests for € 1,527 thousand (2021: €0).
- Tax and social security debts total € 650 thousand (2021: € 530 thousand).
- Other creditors amount to € 595 thousand (2021: € 401 thousand).

NOTE 8 - CAPITAL AND RESERVES

The movements in the capital and reserves are broken down as follows:

in thousands of €	Subscribed capital	Share premium	Legal reserve	Reserve for own share	Other reserves	Profit brought forward	Profit for the year
As at 31/12/2021	51,750	66,945	5,175	16,533	923,142	35,500	159,822
Allocation of result							
Dividends							-36,244
Other reserves					119,078		-119,078
Reserve own shares				182	-182		-
Profit brought forward						4,500	-4,500
2022 profit							11,813
As at 31/12/2022	51,750	66,945	5,175	16,714	1,042,038	40,000	11,813

The subscribed capital is represented by 20,700,000 fully paid-up shares without designation of nominal value.

The accounting per value of the own shares is € 1,351 thousand. It represents 2.61% of the subscribed capital in accordance with Article 430-15 of the law of 10 August 1915.

The Ordinary Annual General Meeting of 25 April 2022 decided to distribute a gross ordinary dividend of € 1.80 per share for financial year 2021. This dividend was paid in May 2022.

NOTE 9 - LEGAL RESERVE

From the net profit, 5% must be deducted annually to build up the reserve fund required by Luxembourg law. This deduction will no longer be mandatory when the reserve fund reaches one-tenth of the share capital. The legal reserve may not be distributed to the shareholders except in case of dissolution of the Company.

NOTE 10 - OTHER NON AVAILABLE RESERVES

As at 31 December 2022, this item amounts to € 15,699 thousand (2021: € 15,699 thousand) and includes the untaxed capital gains from disposal on participations. These capital gains, recorded in liabilities on the balance sheet, result from application of Article 54 of the income tax law and are to be reinvested before the end of the second financial year of operation following the financial year of the disposal. If these capital gains are not reinvested within this two-year period, they are to be reversed through the profit and loss account and subject to tax.

As at 31 December 2022, an amount of € 2,885 thousand must be reinvested before the end of 2023.

NOTE 11 - STAFF COSTS

The average number of employees during financial year 2022 amounted to 27 (2021: 24), represented by the following categories:

Category	Number of people 2022	Number of people 2021
Managers	6	5
Support Staff	21	19
Total average of employees	27	24

Staff costs relating to the year are broken down as follows:

in thousands of €	31/12/2022	31/12/2021
Wages and salaries	12,253	7,222
Social security costs accruing by reference to wages and salaries	393	267
Other social security contributions	43	40
Total	12,689	7,548
Of which pensions	466	314

Staff costs include a provision for bonus payable in 2023.

NOTE 12 - OTHER OPERATING EXPENSES

During the year, Luxempart paid net fixed compensation of € 578 thousand to directors (2021: € 578 thousand) and a net attendance fee of € 252 thousand (2021: € 281 thousand). These amounts are included in "Other operating expenses."

NOTE 13 - VALUE ADJUSTMENTS IN RESPECT OF FINANCIAL ASSETS

This item includes:

- Value adjustments on shares in affiliated undertakings. As at 31 December 2022, Luxempart recorded value adjustments of € 1,005 thousand (2021: € 2,149 thousand).
- Value adjustments on participating interests. As at 31 December 2022, Luxempart recorded value adjustments of € 793 thousand (2021: € 1,300 thousand).
- Value adjustments on investments held as fixed assets. As at 31 December 2022, Luxempart recorded value adjustments of € 28,779 thousand (2021: € 12,236 thousand).

NOTE 14 - TAXES

The Company is fully taxable on its trade income at an effective rate of 24.94%. It is also subject to a wealth tax of 0.5% calculated on the basis of net assets at the beginning of the year. Taxes come from ordinary activities.

As at 31 December 2022, the tax expense is broken down as follows:

in thousands of €	31/12/2022	31/12/2021
Wealth tax	1,167	934
Other taxes	646	539
Total	1,813	1,473

NOTE 15 - INCOME FROM PARTICIPATING INTERESTS AND FROM OTHER INVESTMENTS

This item consists of:

- Dividends received from Luxempart's stakes in affiliated undertakings for € 935 thousand in 2022 (2021 : € 1,471 thousand);
- Dividends received from Luxempart's other financial fixed assets amounting to € 57,278 thousand in 2022 (2021: € 48,532 thousand);
- Capital gains generated on the sale of investments held as fixed assets, net of reversal from previous value adjustments, amounting to € 472 thousand in 2022 (2021: € 133,312 thousand);
- Reversals of value adjustments on shares in affiliated undertakings for € 558 thousand in 2022 (2021: € 5,622 thousand).

NOTE 16 - TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties comprise mainly :

- Luxempart rebills Foyer Finance, a part of Chairman of the Board of Directors salaries for a total of € 211 thousand (2021 : € 249 thousand);
- The Foyer Assurances group rebills, on a quarterly basis, office rental expenses and other related expenses, insurance expenses, and miscellaneous services for a total of € 1,204 thousand (2021: € 631 thousand);
- Transaction fees paid to Capital at Work, a subsidiary of the Foyer Group, amount to € 40 thousand (2021: € 27 thousand) and are included in "Interest payable and similar expenses".

NOTE 17 - OFF BALANCE SHEET COMMITMENTS

As at 31 December 2022, Luxempart has a total remaining commitment directly and through its subsidiary Luxempart Capital Partners SICAR of € 236,991 thousand.

Luxempart has a commitment on its office lease until 29 February 2024 for a monthly amount of € 29,995.

NOTE 18 - POST BALANCE SHEET EVENTS

During the first months of 2023, Luxempart invested in one new company, and sold its stake in another one.

The operations are the following:

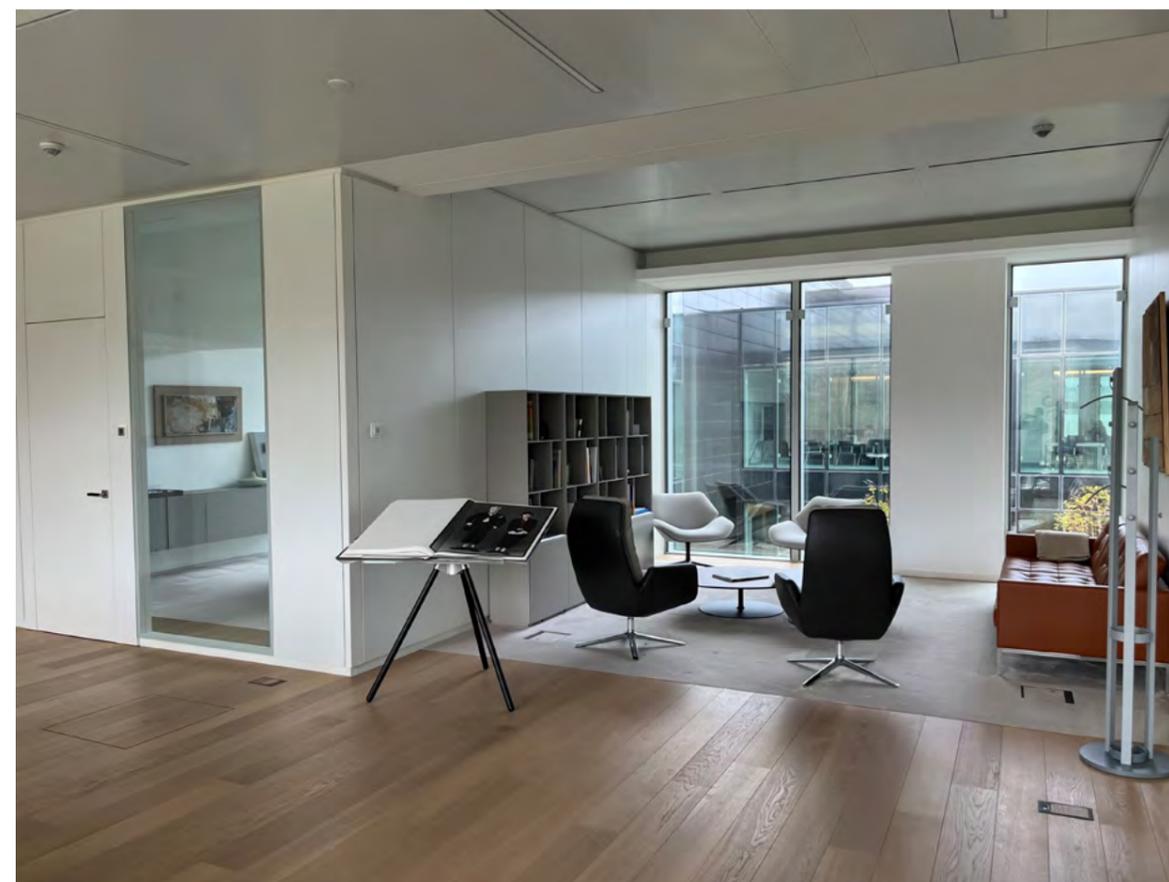
On February 6, 2023 Luxempart signed an investment agreement to take a 26% stake in Kestrel Vision, a global leading player in the development of machine vision-based quality control and inspection solutions for the rigid packaging industry. This investment, which amounts to EUR 110m in total, will strengthen the company's financial structure in order to deploy its future strategy.

Between January 27 and February 27, 2023, Luxempart has sold its 6.1% stake in the listed Danish company TCM. The sale was realized at an average price of EUR 9.5 per share, representing a total cash inflow of EUR 5.3m.

On February 10, 2023, the Tribunal Supremo, the Spanish highest criminal jurisdiction, took a judgement in the fraud case of Pescanova, that filed for insolvency in 2013, bringing the loss of Luxempart's investment. The Court confirmed prison sentences for most of the culprits but reversed the criminal liability of the Auditor, BDO, thereby increasing delays to potentially perceive indemnification. This decision of the Supreme Court does not have any negative impact on Luxempart's financial situation as the loss was already completely recognized in our accounts by 2014.

On March 10, 2023, the US Government decided to close in emergency the Silicon Valley Bank (SVB), after it faced a massive bank-run from its customers, upon fears of solvency problems. In order to avoid a possible contagion effect on other banking institutions, the US Government decided to guarantee the deposits of all the bank's customers, allowing its client base, mainly composed of venture funds and their portfolio companies, to be reassured on the continuing access to their liquidities. At Luxempart, our exposure to the US venture capital sector is mainly indirect, through Investment Funds, and limited. The Funds Luxempart invested in have reported that no significant unfavorable impact is to be reported. We hence don't assess this incident to have a material impact on our Group's Net Asset Value.

To our knowledge, there were no other significant events since December 31, 2022 that would impact the financial and patrimonial situation of the Group.





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