

5 September 2023 – after 5.40pm  
Regulated information

## HALF-YEAR REPORT 2023



SOFINA

Purpose & Patience

# Our mission

We aspire to partner with leading entrepreneurs and families, backing them with patient capital and supportive advice to foster sustainable growth of their businesses.

Our goal is to create sustainable economic value by supporting owner-led and innovative growing businesses

We believe the entrepreneurial spirit that characterises owners of many family businesses and growing companies is a source of economic and social progress. We intend to support these entrepreneurs and innovators in their quest for outstanding governance, sustainable growth and inclusive development.

Our heritage and culture make us unique

Relationships and alignment are at the heart of what we do. Our investments are stories of shared values, friendships, ambitious projects and healthy incentives gathering partners, entrepreneurs and their teams. By being faithful to our human-centric approach, we aspire to be the preferred investment partner of all like-minded stakeholders.

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We believe successful entrepreneurs need long-term, knowledgeable and well-connected partners to be competitive and responsible in a globalised market

We provide patient capital, global networks and strong expertise and advice to support growing entrepreneurial and innovative companies as a reliable long-term partner. Few other equity providers can match our depth of connections and experience.

# Key information for shareholders

## Financial calendar

January 2024	Newsletter #13
28 March 2024	Annual report 2023
8 May 2024	Annual General Meeting
July 2024	Newsletter #14

## Visit our website

Additional information can be found on our website ([www.sofinagroup.com](http://www.sofinagroup.com)), such as:

- Financial reports
- Description of our strategy (including ESG strategy)
- Description of our investments
- Overview of our teams
- Details on our governance

## General enquiries

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## Investors and media

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## Responsible person

In accordance with Article 12, §2, 3° of the Royal Decree of 14 November 2007, Harold Boël, Chief Executive Officer, certifies in the name and on behalf of the Board of Directors that, to the best of his knowledge :

- The interim condensed consolidated 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 the Company and of the fair value of its investment subsidiaries;
- The interim Management report contains a fair review of the development of the business, the results and the position of the Company and its investment subsidiaries, as well as a description of the principal risks and uncertainties they face.

1. Sections of the interim Management report. SDGs stands for United Nations [Sustainable Development Goals](#).

# Message to shareholders

Dear Shareholders,

Sofina's half-year results point again to the stability in our foundation and our ability to invest across cycles. More than halfway into 2023, we continue to see turbulence in global markets, value corrections and a challenging funding environment for growing companies. This period has been a reality check on fundamentals for growth investing. Sofina's diversified portfolio, long-term focus, anchor shareholder and clear strategy allow to focus on the opportunities in this environment. Opportunities to learn, certainly, but also opportunities to seize.

Despite the volatility across sectors and geographies, our Net Asset Value (NAV), the central measure of our performance, has stabilised after last year's declines (EUR 9.215 bn at 30/06). The most important driver is the underlying performance of our portfolio companies within Sofina Direct. They keep growing, day after day. Also affecting our results are the expected lag in value adjustments in Sofina Private Funds, as well as currency headwinds compared to last year.

We have adjusted our investment activity to the current economic environment. We have been more active in supporting our existing portfolio companies, in their strategic investments and acquisitions. Biobest Group or SellerX are good examples. In pursuing new investments, where oftentimes, value expectations of market participants seem unrealistic, we remain disciplined and selective in our capital deployment for start and scale-ups. Opportunities include Too Good To Go or Mistral AI. We crystallised value through (partial) divestments in Groupe Petit Forestier and Biotech Dental.

With confidence in our investment strategy, strong long-term potential of our sectors and a quality portfolio, we feel well placed to continue what we do best: support the next generation of entrepreneurs. At heart, what we do is work with the best people, in-house and at our investment partners, to identify the best founders. They are the ones that build first-class businesses. We step in when we see a vision, robust fundamentals, promising growth and reasonable valuation.

Across our portfolio, we also look to create synergies. They reinforce each-other and strengthen the structure of the group. One such area is ESG, where we're encouraging and guiding all companies across our portfolio to consider Environmental, Social and Governance (ESG) goals as drivers for growth and impact. For us, they are principles for responsible investment and the core of building to last, in line with our guiding principles of Purpose & Patience, which are more relevant than ever in the current environment.



Dominique Lancksweert, *Chairman*  
Harold Boël, *Chief Executive Officer*

# Key indicators

Sofina SA adopted the Investment Entity status in application of IFRS 10, §27, which provides that a company, as long as it meets the definition of an Investment Entity, does not consolidate its subsidiaries. In the present Half-year report, the interim condensed consolidated financial statements as an Investment Entity give the fair value of Sofina SA's direct investments (in portfolio investments or in investment subsidiaries). The Net Asset Value ("NAV") reported below under the Investment Entity status or in transparency (i.e. considering all portfolio investments whether held by Sofina SA directly or indirectly through its investment subsidiaries) is the same.

## Key financial figures

### INTERIM FINANCIAL STATEMENTS - OVERVIEW OF THE HALF-YEAR<sup>2</sup>

	30/06/2023	31/12/2022
Total assets (in million EUR)	9,947	10,198
Net Asset Value (in million EUR)	9,215	9,313
Net Asset Value per share (in EUR) <sup>3</sup>	276.79	279.41
	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Net result (share of the group) (in million EUR)	14	-1,336
Net result (share of the group) per share (in EUR) <sup>4</sup>	0.42	-39.80

As a reminder, the Annual General Meeting of 4 May 2023 decided to pay a gross dividend of EUR 3.24 per share.

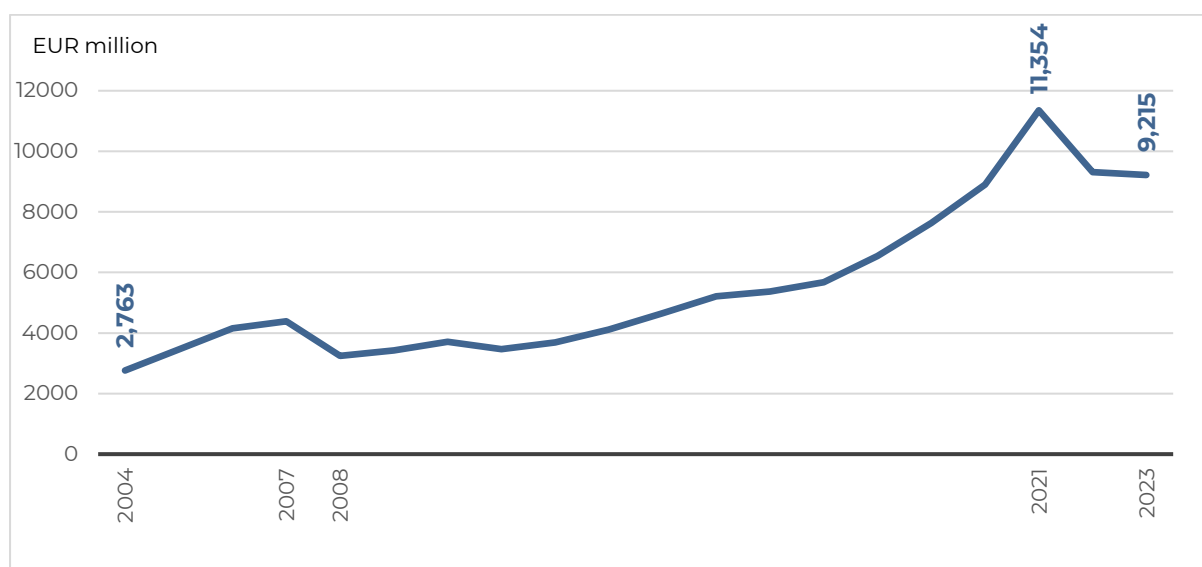
### FINANCIAL FIGURES IN TRANSPARENCY<sup>5</sup> (IN MILLION EUR)

KEY FIGURES IN TRANSPARENCY	30/06/2023	31/12/2022
Net debt / (Net cash)	-123	-233
Investment portfolio	9,061	9,062
Loan-to-value (in %)	-1.4%	-2.6%
KEY COMPREHENSIVE INCOME FIGURES IN TRANSPARENCY	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Dividends	23	29
Net result of the investment portfolio	12	-1,321
Total comprehensive income	14	-1,336
KEY CASH FLOW STATEMENT FIGURES IN TRANSPARENCY	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Investments in portfolio	-244	-744
Divestments from portfolio	240	614

- The interim condensed consolidated financial statements are presented under the Investment Entity status, in application of which direct subsidiaries of Sofina SA are stated at fair value, including the fair value of their equity investments and other assets and liabilities (mainly intra-group debts and receivables), through profit and loss. For further explanation, see the Glossary at the end of this Half-year report.
- Calculation based on the number of outstanding shares (33,290,572 shares at 30 June 2023 and 33,332,072 shares at 31 December 2022).
- Calculation based on the weighted average number of outstanding shares (33,330,492 shares at 30 June 2023 and 33,510,733 shares at 30 June 2022).
- Based on the portfolio in transparency (see point 2.1 of the Notes to the interim condensed consolidated financial statements). For a definition of the different terms used, see in the Glossary at the end of this Half-year report.

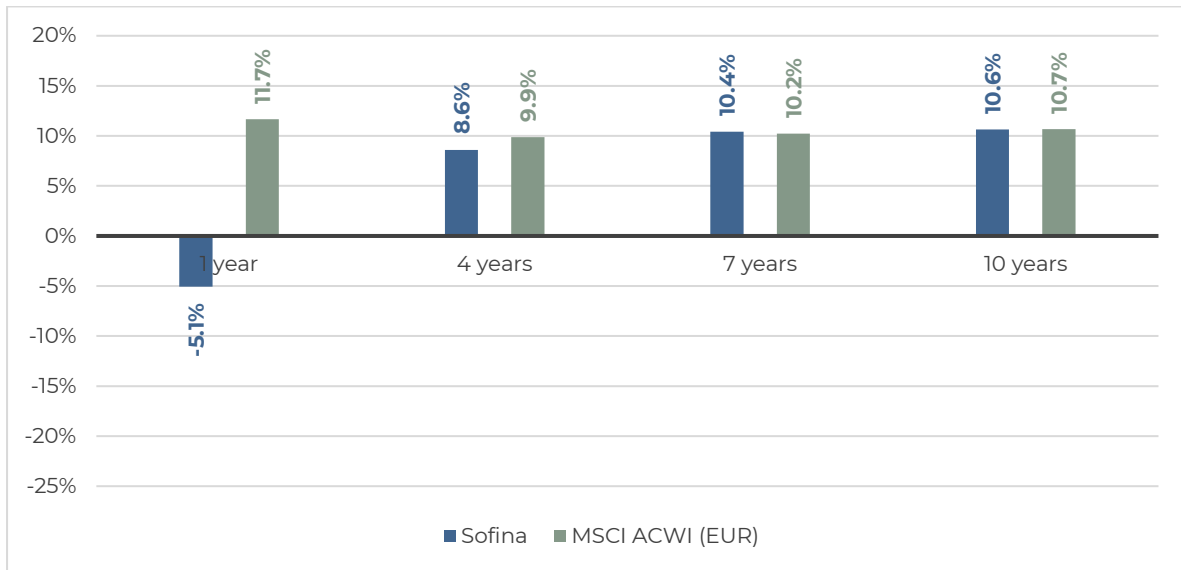
<b>BALANCE SHEET IN TRANSPARENCY</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
<b>Investment portfolio</b>	<b>9,061</b>	<b>9,062</b>
Sofina Direct	4,847	4,760
<i>Long-term minority investments</i>	2,811	2,797
<i>Sofina Growth</i>	2,036	1,962
Sofina Private Funds	4,214	4,302
<b>Net cash</b>	<b>123</b>	<b>233</b>
Gross cash	819	929
Financial liabilities	-696	-696
<b>Other</b>	<b>31</b>	<b>18</b>
<b>NAV</b>	<b>9,215</b>	<b>9,313</b>

#### EVOLUTION OF THE NET ASSET VALUE OVER THE LAST 20 YEARS <sup>6</sup>

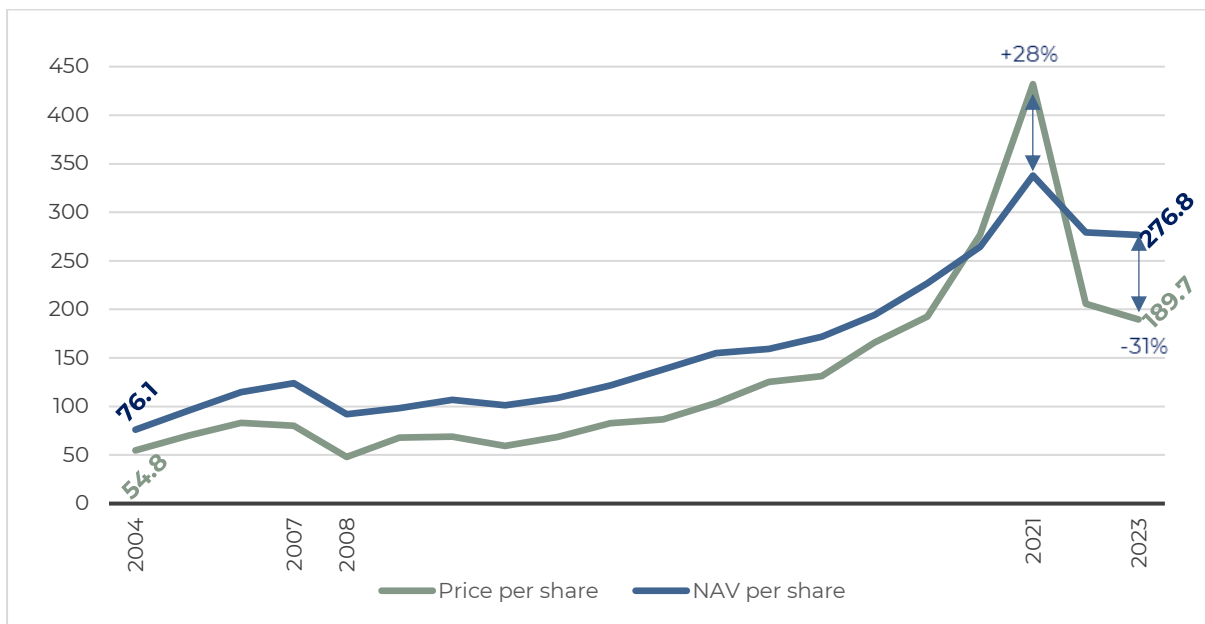


6. Data at 31 December, except for 2023 which provides for data at 30 June. The financial data are prepared under IFRS standards since the financial year closed at 31 December 2004. Figures relating to 2016 and 2017 have been restated in accordance with IAS 28, §18 to ensure that the Net Asset Value for 2016 and 2017 can be compared with that of the following years as set up under the Investment Entity status.

### AVERAGE ANNUAL RETURN<sup>7</sup>



### EVOLUTION OF THE SHARE PRICE AND THE NAV PER SHARE OVER THE LAST 20 YEARS (IN EUR)<sup>8</sup>

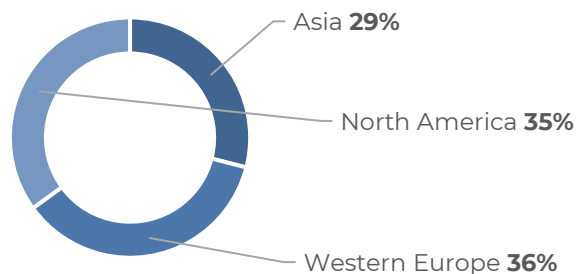


7. For a definition of the different terms used, see in the Glossary at the end of this Half-year report.

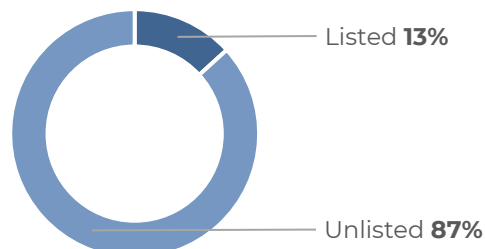
8. Data at 31 December, except for 2023 which provides for data at 30 June.

# Key portfolio indicators

## BY GEOGRAPHIC REGION<sup>9</sup>



## BETWEEN LISTED AND UNLISTED INVESTMENTS<sup>10</sup>



## TOP 10 OF SOFINA DIRECT<sup>11</sup>

1	SC CHINA CO-INVESTMENT 2016-A (BYTEDANCE)
2	GROUPE PETIT FORESTIER
3	LERNEN MIDCO 1 (COGNITA)
4	CAMBRIDGE ASSOCIATES
5	DRYLOCK TECHNOLOGIES
6	NUXE INTERNATIONAL
7	BIOMÉRIEUX
8	VER SE INNOVATION
9	MÉRIEUX NUTRISCIENCES
10	SALTO SYSTEMS

## TOP 10 OF SOFINA PRIVATE FUNDS<sup>13</sup>

1	SEQUOIA CAPITAL (US, CHINA & INDIA)
2	LIGHTSPEED
3	INSIGHT PARTNERS
4	BATTERY VENTURES
5	ICONIQ CAPITAL
6	THOMA BRAVO
7	TA ASSOCIATES
8	ANDREESSEN HOROWITZ
9	SPARK CAPITAL
10	VENROCK

The 10 largest investments of Sofina Direct represent 27% of the fair value of the portfolio in transparency.

The 5 largest investments of Sofina Direct represent more than 15% but less than 20% of the portfolio in transparency, whereas the 7 largest investments represent more than 20% of the portfolio in transparency.<sup>11</sup>

Out of the above-listed investments taken individually, when taking into account our combined holdings through Sofina Direct and Sofina Private Funds when applicable, ByteDance is the sole asset representing more than 5% of the fair value of the portfolio in transparency.<sup>12</sup>

The 10 largest General Partners of Sofina Private Funds represent 24% of the fair value of the portfolio in transparency.

9. Based on the portfolio in transparency considering the country of the main or historical headquarters of the investments as used in the management information (see point 2.6 of the Notes to the interim condensed consolidated financial statements).

10. Based on the portfolio in transparency.

11. Largest investments in terms of representation in the fair value of the portfolio in transparency and following the valuation principles set in point 2.5 of the Notes to the interim condensed consolidated financial statements. Listed in decreasing order of fair value at 30 June 2023. The ranking of our Sofina Direct investments does not take into consideration indirect holdings in these entities through certain partnerships of Sofina Private Funds.

12. Based on latest reports obtained from the General Partners until mid-August 2023. The valuation of such investments through Sofina Private Funds is therefore based either on a report at 30 June 2023 or on a report at 31 March 2023.

13. Largest General Partners in terms of estimated representation of their funds in the fair value of Sofina's portfolio in transparency. Listed in decreasing order of fair value at 30 June 2023.

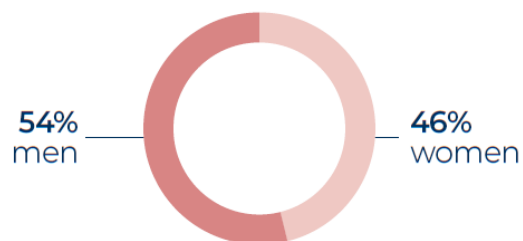


# Key ESG indicators <sup>14</sup>

**62%**  
of independent Directors



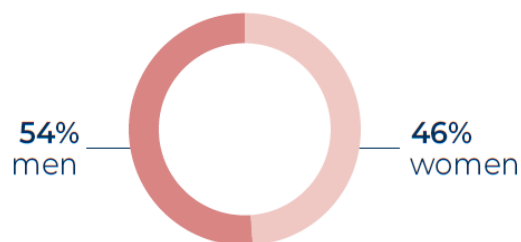
## Gender diversity at the Board



**16**  
nationalities



## Gender diversity at Sofina



**100%**  
of investment opportunities  
subject to the ESG framework  
when applicable (Sofina Direct  
and Sofina Private Funds)

**30%**  
of Sofina Direct invested  
in SDG contributors



14. At 30 June 2023.

# Strategy

## What makes us unique

### RELIABILITY ...

#### Family-run

Investment company with +120 years history



#### Patient capital

Reliable partner through economic cycles



#### Diversification

Across sectors, geographies and investment styles



#### Purpose-driven

Helping companies build sustainable businesses and embedding ESG in operations & investment decisions



#### Strong partnerships

Longstanding relationships with like-minded entrepreneurs and investors



#### Teamwork

Diverse talents with shared values and sector expertise



### ... & DYNAMISM

#### Growth investor

Investments at all stages of the lifecycle to foster further growth



#### Active ownership

Supportive advice for portfolio companies



#### Value creation

Delivering competitive long-term return



#### Innovation

We believe innovation drives economic and societal progress



#### Liquid exposure

To top-tier private businesses



#### Agility

Fast decision-making process



# A diversified strategy ...

## 4 sectors of focus

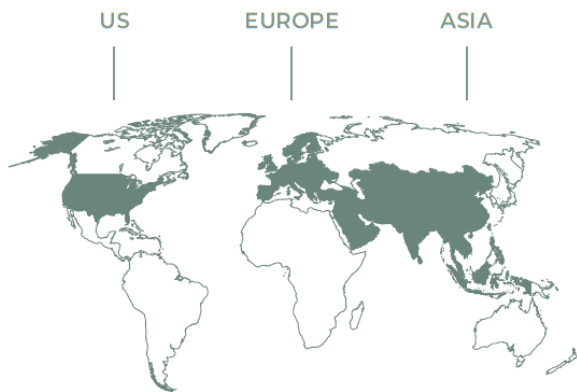


## 3 complementary investment styles

SOFINA DIRECT  
 Long-term minority investments  
 Sofina Growth

SOFINA PRIVATE FUNDS

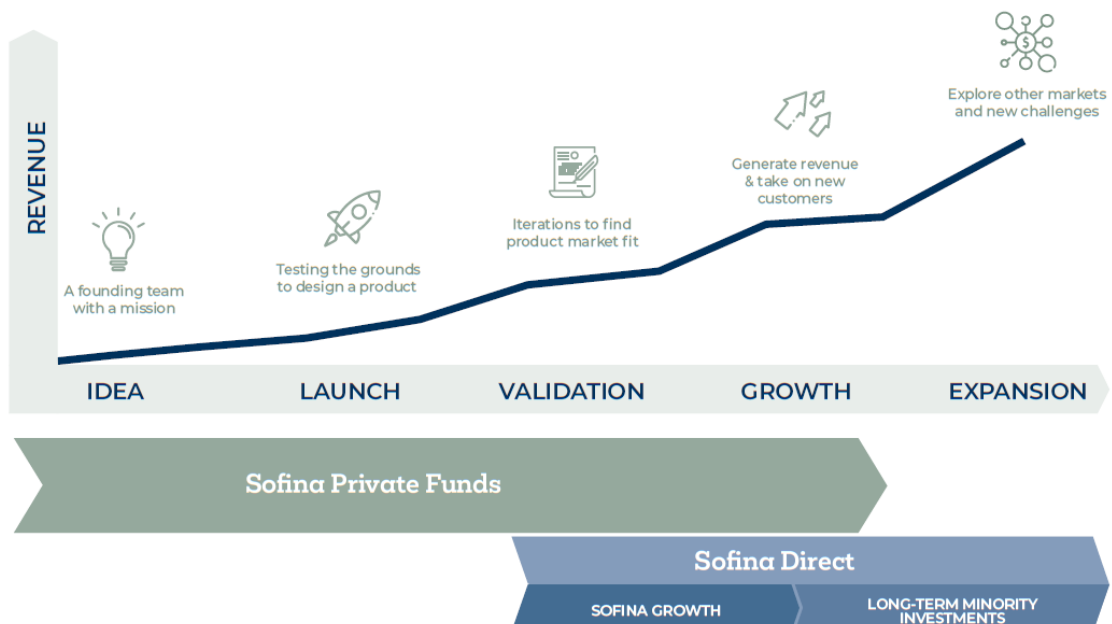
## 3 regions



## Valuing Environmental, Social and Governance impact



# ... across stages of a business lifecycle



# Key events <sup>15</sup>

## Sofina Direct <sup>16</sup>

### New investments

#### CONSUMER AND RETAIL



Sofina invested in **Too Good To Go**, a pioneering B Corp certified company dedicated to reducing food waste. It operates a leading B2C marketplace for discounted surplus food that connects retailers looking to sell surplus food that would otherwise go to waste, with consumers looking for a good deal in return. The investment was made through a syndication vehicle managed by Blisce.

Our partnership aims to empower communities and drive sustainable change within the global food industry.



#### DIGITAL TRANSFORMATION

### MISTRAL AI

**Mistral AI** is a generative AI company based in France with the ambition of creating the leading LLM\* open-source alternative to OpenAI's ChatGPT. Sofina invested alongside Lightspeed in this company co-founded by three French researchers from Meta's LLaMA and Deepmind's RETRO labs.

\* Large Language Models (LLMs) are foundational machine learning models that use deep learning algorithms to process and understand natural language.



### Follow-on investments

#### CONSUMER AND RETAIL



**Dott** is a micromobility company operating a fleet of shared e-scooters and e-bikes. Sofina subscribed to the Series C round which first tranche closed in September 2022 and second tranche closed in March 2023.



Sofina increased its existing holding in **Biobest**, a global leader in biological crop protection and natural pollination in which Sofina initially invested in 2022.



15. Overview of the main events of 2023 until the date of this Half-year report, i.e. 5 September 2023.

16. Sofina Direct combines Long-term minority investments and Sofina Growth, the two investment styles in which the Sofina group directly owns shares in portfolio companies or is involved through a syndication vehicle.



**SellerX** is building a portfolio of next generation brands that touch people's everyday lives.

In the context of SellerX's merger with Elevate, Sofina purchased additional shares and lead the Series C round which closed in June 2023.



**Vinted** is Europe's largest online marketplace dedicated to second-hand fashion.

Sofina further increased its stake through a secondary purchase.

## HEALTHCARE AND LIFE SCIENCES



**Birdie** is a B Corp certified company established in the United Kingdom that operates an all-in-one homeware software which connects health practitioners, care communities and patients to ensure the best care outcomes.



## Divestments

## CONSUMER AND RETAIL



**Lenskart** is a leading eyewear manufacturer and retailer in India, in which Sofina saw part of its indirect stake divested.

## EDUCATION



**K12 Techno Services** is an educational services platform which provides a suite of services including academic support, administration, and technology solutions.

Sofina subscribed to the Series E round whose first tranche closed in November 2022 and second tranche closed in July 2023.



## HEALTHCARE AND LIFE SCIENCES



BIOTECH DENTAL

As previously announced, Sofina signed an agreement with Henry Schein, the world's largest provider of healthcare solutions to office-based dental and medical practitioners, for the sale of its entire stake in **Biotech Dental**, a European dentistry leader. The deal closed in April 2023.



**Groupe Petit Forestier** - Sofina disposed a portion of its stake to the Forestier family and retains 34% in the company.



A small part of Sofina's indirect stake in **Aohua**, one of the leading Chinese endoscopy equipment and consumables manufacturers, has been divested.



# Sofina Private Funds

## Market update

The start of 2023 saw a slowdown in sums committed to venture capital and growth funds, with just over USD 90 billion raised over the first 6 months, compared to a total of almost USD 300 billion in 2022. Myriad factors combined to buffet the markets, including the protracted war in Ukraine, other geopolitical uncertainties, concerns about the global banking system, stubbornly high inflation, and still-increasing interest rates. While valuations in the technology space are under pressure, innovation continues to be robust driven by generative AI. Sofina's portfolio funds managers are actively looking at the latest developments in generative AI, assessing the risks and opportunities for their existing portfolio companies, and looking at promising new entrants.

Sofina's Private Funds activity remains disciplined in its commitments approach, maintaining a stable pace across vintages and supporting its portfolio funds managers in navigating a difficult fundraising environment.

## Valuation update since Newsletter #12

The difference between the NAV of the Newsletter #12 including the preliminary financial figures of the first semester and the NAV of this Half-year report amounts to EUR 75 million. The decrease is explained by the valuation adjustments of Sofina Private Funds taking into account the reports as of 30 June 2023, received from the General Partners since the publication of the Newsletter #12 on 24 July 2023 and some valuation adjustments of the Sofina Direct investments. More than 70% of the Sofina Private Funds fair value is based either on reports at 30 June 2023 or valuations based on market prices or transaction prices.

## ESG

On 15 February 2023, Euronext Brussels launched the BEL ESG index with the aim to identify and track the companies within the BEL 20 and the BEL Mid indices that have demonstrated the best ESG practices. According to Euronext, the BEL ESG index is "designed to facilitate the adoption of mainstream ESG investment solutions by investors". Sofina is member of the BEL ESG Index since its inception.



The Investment team continued to engage with the management teams of our portfolio companies on their ESG and sustainability priorities. Setting up **sustainability roadmaps** will allow Sofina to closely monitor the ESG performance of its portfolio companies, based on agreed milestones. Our **ESG frameworks** were also applied to inform our investment decisions in Sofina Direct and Sofina Private Funds around ESG.

As indicated, Sofina has the ambition to be a United Nations [Sustainable Development Goals](#) (SDGs) contributor. You can find a mapping of our investments towards these goals on page 20.

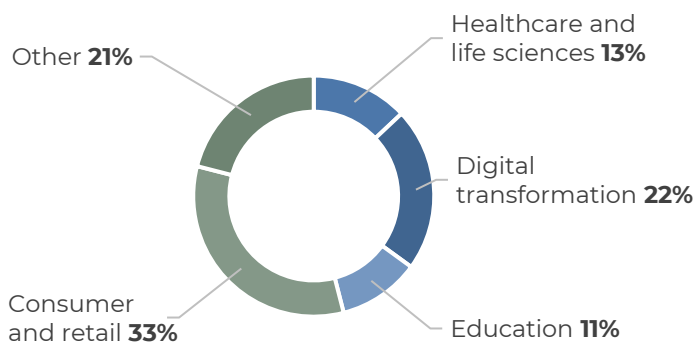
Our teams follow a programme of **internal ESG trainings** to ensure they have the right tools to include ESG considerations in their decision-making and work with our portfolio companies on their ESG journey.

# Investment styles

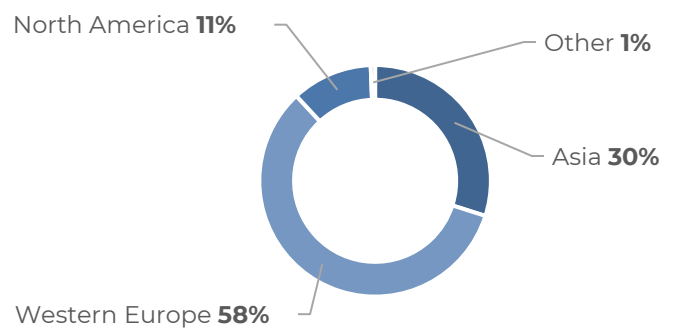
## Sofina Direct

### Breakdown of the portfolio in transparency <sup>17</sup>

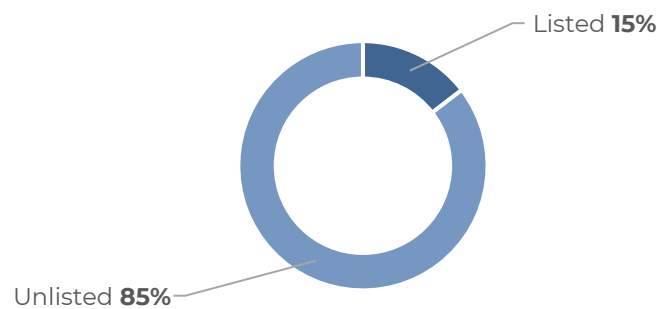
#### BY SECTOR



#### BY GEOGRAPHIC REGION



#### BETWEEN LISTED AND UNLISTED INVESTMENTS



17. Based on the fair value of the Sofina group's investments at 30 June 2023 (portfolio in transparency). At closing date, Sofina had 79 portfolio companies in its portfolio.

## Long-term minority investments



31% of the portfolio in transparency<sup>18</sup>



Minority stakes in private and listed companies



Companies mainly in Europe with global exposure



Flexible approach seeking alignment with trusted partners



Investment size between EUR 100 million and EUR 300 million



In partnership with entrepreneurs and families for 60 years



Patient capital and reference shareholder with a long-term horizon to create sustainable value



Taking into account Environmental, Social and Governance criteria in our investment decisions

## Sofina Growth



22% of the portfolio in transparency<sup>19</sup>



Minority stakes in private and listed companies



Flexible approach seeking alignment with trusted partners



High-growth sectors with a global approach



Investment size between EUR 20 million and EUR 100 million



First investment in 2010



Patient capital and reference shareholder with a long-term horizon to create sustainable value



Taking into account Environmental, Social and Governance criteria in our investment decisions

18. Based on the fair value of the Sofina group's investments at 30 June 2023 (portfolio in transparency). At closing date, Sofina had 25 companies in its portfolio.

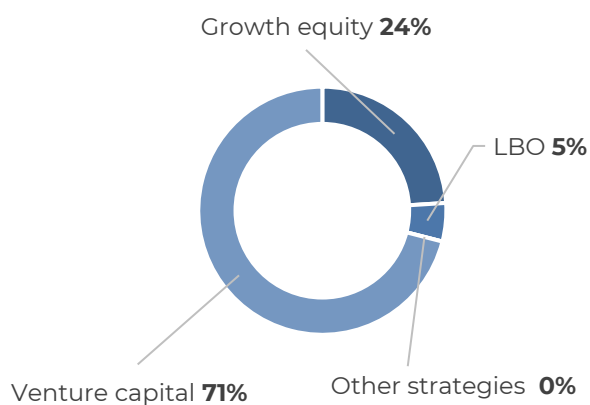
19. Based on the fair value of the Sofina group's investments at 30 June 2023 (portfolio in transparency). At closing date, Sofina had 54 companies in its portfolio.



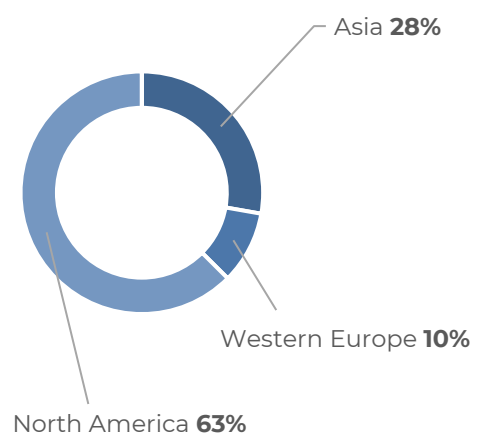
# Sofina Private Funds – investments in venture and growth capital funds

## Breakdown of the portfolio in transparency<sup>20</sup>

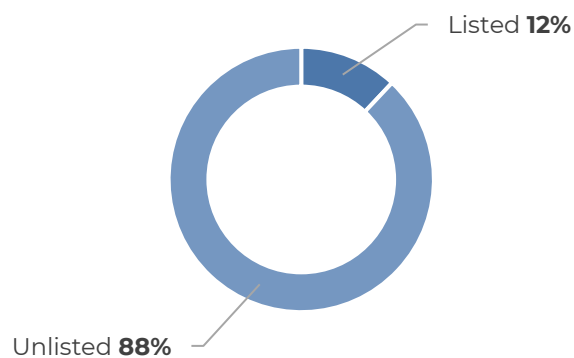
BY STRATEGY



BY GEOGRAPHIC REGION



BETWEEN LISTED AND UNLISTED INVESTMENTS<sup>21</sup>



20 Based on the fair value of the Sofina group's investments at 30 June 2023 (portfolio in transparency). At closing date, Sofina had 496 funds in its portfolio.

21. Estimated based on available information provided by the General Partners.

## Sofina Private Funds



47% of the portfolio in transparency<sup>22</sup>



Mainly venture and growth capital funds



~80 core General Partners



Active in the US, Asia and Europe



Equity commitment between EUR 5 million and EUR 50 million



First investments in 1978



Long-term partner across cycles



Taking into account Environmental, Social and Governance criteria in our investment decisions



22. Based on the fair value of the Sofina group's investments as at 30 June 2023 (portfolio in transparency).

# Selected portfolio companies in our sectors of focus

Sector knowledge is paramount. We have teams focusing on our four preferred sectors with the belief, in line with our mission, that these sectors are well positioned to contribute to global growth, development and innovation.

We have gathered significant industry expertise and investment experience in those areas through our investment styles. This knowledge, alongside our partners' industry experience, enables us to support the growth of our portfolio companies.

 <b>CONSUMER AND RETAIL</b>	 <b>DIGITAL TRANSFORMATION</b>	 <b>EDUCATION</b>	 <b>HEALTHCARE AND LIFE SCIENCES</b>
        	        	     	       

# Sustainable development goals

Sofina has the ambition to become a United Nations [Sustainable Development Goals](#) (SDGs) contributor, as it believes that positive impact on communities and environments where businesses operate will be a growing driver of sustainable value creation.

A number of recent investments have been made in companies with products and services that directly positively contribute to the **SDGs**, as highlighted here below. Some of them, such as Too Good to Go and Birdie, are additionally **B Corp certified** companies. We are also pleased to count Felix Capital, who also became B Corp certified, among our core European GPs.

Updated SDG mapping of our portfolio at 30 June 2023:



# Interim condensed consolidated financial statements as at 30 June 2023

Sofina meets the conditions for Investment Entity status under IFRS 10, §27, which requires that investment subsidiaries should not be consolidated and that direct subsidiaries of a company that qualifies as an Investment Entity should be recorded at fair value in the consolidated financial statements, including the fair value of their equity investments and their other assets and liabilities.

## CONSOLIDATED BALANCE SHEET

### ASSETS

		in thousand EUR	
	NOTES	30/06/2023	31/12/2022
<b>Non-current assets</b>		<b>8,511,608</b>	<b>8,549,094</b>
(In)tangible assets		8,931	9,111
Investment portfolio	3.1	8,502,677	8,539,983
<i>Investments</i>		8,501,263	8,538,603
<i>Receivables</i>		1,414	1,380
Deferred tax assets		0	0
<b>Current assets</b>		<b>1,435,228</b>	<b>1,648,741</b>
Deposits and other current financial assets	3.3	597,249	436,686
Receivables from subsidiaries	3.8	740,896	823,998
Other current receivables		97	97
Taxes		1,338	2,474
Cash and cash equivalents	3.4	95,648	385,486
<b>TOTAL ASSETS</b>		<b>9,946,836</b>	<b>10,197,835</b>

### LIABILITIES

		in thousand EUR	
	NOTES	30/06/2023	31/12/2022
<b>Shareholders' equity</b>		<b>9,214,575</b>	<b>9,313,329</b>
Share capital	3.5	79,735	79,735
Share premium		4,420	4,420
Reserves		9,130,420	9,229,174
<b>Non-current liabilities</b>		<b>698,403</b>	<b>697,825</b>
Provisions for pensions		2,235	2,235
Other provisions		274	83
Non-current financial liabilities	3.6	695,894	695,507
Deferred tax liabilities		0	0
<b>Current liabilities</b>		<b>33,858</b>	<b>186,681</b>
Current financial liabilities	3.7	5,370	2,010
Payables to subsidiaries	3.8	25,026	175,634
Trade and other current payables	3.7	3,462	9,037
Taxes		0	0
<b>TOTAL LIABILITIES</b>		<b>9,946,836</b>	<b>10,197,835</b>

## CONSOLIDATED INCOME STATEMENT

in thousand EUR			
	NOTES	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Dividend income		11,736	9,147
Interest income	3.9	14,302	2,831
Interest expenses	3.9	-3,858	-4,088
Net result of the investment portfolio	3.1 & 3.10	-379	-1,315,091
<i>Investments</i>		-379	-1,315,091
Gains		218,968	72,805
Losses		-219,347	-1,387,896
<i>Receivables</i>		0	0
Gains		0	0
Losses		0	0
Other financial results	3.11	9,336	-8,063
Other income		936	4,054
Other expenses	3.12	-17,988	-25,107
<b>RESULT BEFORE TAX</b>		<b>14,085</b>	<b>-1,336,317</b>
Taxes		-4	269
<b>RESULT OF THE PERIOD</b>		<b>14,081</b>	<b>-1,336,048</b>
<b>SHARE OF THE GROUP IN THE RESULT</b>		<b>14,081</b>	<b>-1,336,048</b>
<i>Net result per share (EUR)<sup>1</sup></i>		0.4225	-39.8039
<i>Diluted net result per share (EUR)<sup>2</sup></i>		0.4200	-39.5679

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousand EUR			
	NOTES	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
<b>RESULT OF THE PERIOD</b>		<b>14,081</b>	<b>-1,336,048</b>
<b>OTHER COMPREHENSIVE INCOME<sup>3</sup></b>			
Other items		0	0
<b>Income and expenses recognised directly in shareholders' equity and subsequently reclassified in net revenue</b>		<b>0</b>	<b>0</b>
<b>Income and expenses recognised directly in shareholders' equity and subsequently not reclassified to net revenue</b>		<b>0</b>	<b>0</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME<sup>3</sup></b>		<b>0</b>	<b>0</b>
<b>TOTAL RECOGNISED INCOME AND EXPENSES (COMPREHENSIVE INCOME)</b>		<b>14,081</b>	<b>-1,336,048</b>
Attributable to non-controlling interests		0	0
Attributable to shareholders of the parent company		14,081	-1,336,048

1. Calculation based on the weighted average number of outstanding shares (33,330,492 shares as at 30 June 2023 and 33,565,782 shares as at 30 June 2022, i.e. a net change in treasury shares of -235,290).
2. Calculation based on the weighted average number of outstanding shares diluted per share (33,524,042 shares as at 30 June 2023 and 33,765,932 shares as at 30 June 2022, i.e. a net change in treasury shares of -241,890).
3. These items are presented net of taxes.

## CHANGES IN THE CONSOLIDATED SHAREHOLDERS' EQUITY

in thousand EUR

	NOTES	CAPITAL	SHARE PREMIUM	RESERVES	TREASURY SHARES	GROUP SHARE	NON-CONTROLLING INTERESTS	TOTAL
<b>BALANCE AS AT 31/12/2021</b>		<b>79,735</b>	<b>4,420</b>	<b>11,489,863</b>	<b>-219,677</b>	<b>11,354,341</b>	<b>0</b>	<b>11,354,341</b>
Result of the period				-1,336,048		-1,336,048		-1,336,048
Other comprehensive income				0		0		0
Dividends				-107,154		-107,154		-107,154
Changes in treasury shares				2,120	-41,138	-39,018		-39,018
Other				2,835		2,835		2,835
Changes in non-controlling interests						0		0
<b>BALANCE AS AT 30/06/2022</b>		<b>79,735</b>	<b>4,420</b>	<b>10,051,616</b>	<b>-260,815</b>	<b>9,874,956</b>	<b>0</b>	<b>9,874,956</b>
<b>BALANCE AS AT 31/12/2022</b>		<b>79,735</b>	<b>4,420</b>	<b>9,521,570</b>	<b>-292,396</b>	<b>9,313,329</b>	<b>0</b>	<b>9,313,329</b>
Result of the period				14,081		14,081		14,081
Other comprehensive income				0		0		0
Dividends	3.5			-108,023		-108,023		-108,023
Changes in treasury shares				-222	-8,635	-8,857		-8,857
Other				4,045		4,045		4,045
Changes in non-controlling interests						0		0
<b>BALANCE AS AT 30/06/2023</b>		<b>79,735</b>	<b>4,420</b>	<b>9,431,451</b>	<b>-301,031</b>	<b>9,214,575</b>	<b>0</b>	<b>9,214,575</b>

# CONSOLIDATED CASH FLOW STATEMENT

in thousand EUR

	NOTES	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	3.4	<b>385,486</b>	<b>140,742</b>
Dividend income		16,746	6,287
Interest income		14,269	2,830
Interest expenses		-586	-161
Acquisitions of current financial assets (deposits of more than 3 months)		0	-35,000
Disposals of current financial assets (deposits of more than 3 months)		0	0
Acquisitions of current financial assets (treasury investment portfolio)		-145,800	-37,000
Disposals of current financial assets (treasury investment portfolio)		0	309,177
Acquisitions of other current financial assets		0	-639
Disposals of other current financial assets		150	0
Other current receipts		6,690	3,523
Administrative expenses and miscellaneous		-17,927	-42,345
Net taxes		-7	-4
<b>Cash flow from operating activities</b>		<b>-126,465</b>	<b>206,668</b>
Acquisitions of (in)tangible assets		-119	-106
Disposals of (in)tangible assets		0	0
Disposals of consolidated companies		0	0
Investments in portfolio	3.1	-59,787	-46,621
Divestments from portfolio	3.1 & 3.10	96,749	20
Movements in other non-current assets		0	0
<b>Cash flow from investing activities</b>		<b>36,843</b>	<b>-46,707</b>
Acquisitions of treasury shares		-9,997	-44,231
Disposals of treasury shares		1,140	2,595
Dividends paid	3.5	-108,027	-104,881
Movements in receivables from subsidiaries		66,843	-81,921
Movements in payables to subsidiaries		-150,175	0
Receipts from financial liabilities		0	100,000
Repayments of financial liabilities		0	-100,000
<b>Cash flow from financing activities</b>		<b>-200,216</b>	<b>-228,438</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	3.4	<b>95,648</b>	<b>72,265</b>

For Sofina, the primary revenue generator is the evolution of the NAV (a non-monetary item that appears in the income statement but not in the consolidated cash flow statement). In this context, cash flows related to portfolio investments and divestments, which are not revenue generators, are considered to be part of investing activities and not of operating activities.

It should be remembered that the management cash flow statement (in transparency) is available in point 2.1 of the Notes to the interim condensed consolidated financial statements.



# Notes to the interim condensed consolidated financial statements

The notes to the interim condensed consolidated financial statements are grouped in three sections, providing the following information:

1. **Statement of compliance and accounting policies** – includes the statement of compliance, accounting policies and significant changes.
2. **Key management information and segment reporting** – includes segment information and reconciliations to the financial statements as well as information on the portfolio in transparency (as if the group were applying the consolidation principles).
3. **Notes to the financial statements as an Investment Entity** – includes the notes to the interim condensed consolidated financial statements of Sofina as an Investment Entity.

## 1. Statement of compliance and accounting principles

Sofina SA is a public limited liability company incorporated under Belgian law, with its registered office at rue de l'Industrie, 31, 1040 Brussels.

The interim condensed consolidated financial statements of the Sofina group as at 30 June 2023 have been approved by the Board of Directors held on 5 September 2023, have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union and have been prepared in accordance with IAS 34 - Interim Financial Reporting.

These interim condensed consolidated financial statements do not include all the information required for complete financial statements. Accordingly, they should be read in conjunction with the information provided in the Annual report containing the consolidated financial statements as at 31 December 2022.

### Accounting principles

The standards, amendments and interpretations published but not yet effective in 2023 have not been adopted in advance by the Sofina group (see point 3.17 below).

The valuation and consolidation principles, methods and techniques used in these interim condensed consolidated financial statements are identical to those applied by the Sofina group when preparing the consolidated financial statements for the year ended 31 December 2022.

A summary of the main accounting policies is presented in point 3.17 below.

## 2. Key management information and segment reporting

### 2.1 Segment information - reconciliation with financial statements

IFRS 8 on operating segments requires Sofina to present segments on the basis of reports presented to management for the purpose of making decisions about resources to be allocated to each segment and assessing the performance of each segment.

Sofina SA is the parent company of the Sofina group. The investments in portfolio managed by the group are held by the parent company, Sofina SA, either by owning shares directly in portfolio investments or by investing in them through its investment subsidiaries. When preparing the financial statements as an Investment Entity, the fair value of the shares held directly at the parent company level (in portfolio investments or in investment subsidiaries) is recorded as an asset in the balance sheet. By contrast, segment management information (based on internal reporting) is prepared on the entire portfolio in transparency (i.e. on all portfolio investments wherever they are held in the Sofina group legal structure), and thus on the basis of the total fair value of each portfolio investment ultimately held in companies or in funds. The presentation of dividends or cash flows follows the same logic.

To reconcile the items related to the group's total portfolio with the financial statements, the information is presented as follows:

- **Total** – which represents the total of the investment portfolio (the total of the three investment styles covered by Sofina Direct and Sofina Private Funds) on the one hand and the items not allocated to the investment styles (i.e. expenses and income or other balance sheet items not monitored in a segmented way per investment style), whether they are recognised at the parent company level or in the Sofina SA subsidiaries, on the other;
- **Items for reconciliation with the financial statements** – which represent the adjustments necessary to reconcile the details per investment style (as used internally in the day-to-day management of the Sofina group) with the consolidated financial statements under Investment Entity status. These consist of reclassifications between both views of the portfolio (in transparency or not), as explained in point 2.3 below;
- **Financial statements** – which represent the consolidated financial statements under the Investment Entity status.

The presentation of the comprehensive income and the balance sheet is aggregated as it appears in the reports to management. Definitions of terms can be found in the Glossary at the end of this Half-year financial report.

## Situation as at 30 June 2023

in thousand EUR

COMPREHENSIVE INCOME (1 <sup>ST</sup> SEMESTER 2023)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Dividends	22,553	146	22,699	-10,963	11,736
<i>Long-term minority investments</i>	22,553				
<i>Sofina Growth</i>	0				
Net result of the investment portfolio	127,582	-115,910	11,672	-12,051	-379
<i>Long-term minority investments</i>	50,805				
<i>Sofina Growth</i>	76,777				
Management expenses			-25,322	7,334	-17,988
Other <sup>4</sup>			5,032	15,680	20,712
<b>Total comprehensive income</b>			<b>14,081</b>	<b>0</b>	<b>14,081</b>

in thousand EUR

BALANCE SHEET (30/06/2023)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Investment portfolio	4,847,242	4,213,924	9,061,166	-558,489	8,502,677
<i>Long-term minority investments</i>	2,811,356				
<i>Sofina Growth</i>	2,035,886				
Net cash			122,704	-135,820	-13,116
<i>Gross cash</i>			818,598	-135,820	682,778
<i>Financial liabilities</i>			-695,894	0	-695,894
(In)tangible fixed assets			10,491	-1,560	8,931
Other assets and liabilities <sup>4</sup>			20,214	695,869	716,083
<b>NAV</b>			<b>9,214,575</b>	<b>0</b>	<b>9,214,575</b>

The management cash flow statement below provides cash flow information in transparency for all group subsidiaries.

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (1 <sup>ST</sup> SEMESTER 2023)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL GROSS CASH	FINANCIAL LIABILITIES	TOTAL NET CASH
<b>Net cash at the beginning of the period</b>			<b>928,558</b>	<b>-695,507</b>	<b>233,051</b>
Dividends <sup>5</sup>	15,956	146	16,102		16,102
Management expenses <sup>6</sup>			-25,761		-25,761
Investments in portfolio	-84,764	-158,981	-243,745		-243,745
Divestments from portfolio	123,754	116,119	239,873		239,873
Dividends paid			-108,027		-108,027
Other items			11,598	-388	11,210
Repayment of financial liabilities			0	0	0
<b>Net cash at the end of the period</b>			<b>818,598</b>	<b>-695,895</b>	<b>122,703</b>

4. This includes the deferred tax liabilities (of EUR 2.17 million) for the temporary tax differences recognised by some investment subsidiaries between the carrying amount and the tax base of portfolio investments impacting their fair value recognised in Sofina SA's investment portfolio. Moreover, there are accumulated profits within Sofina Private Funds which could become taxable at a 25% tax rate in the theoretical scenario where the relevant investment subsidiaries holding such portfolio were to be liquidated and profit repatriated to Sofina SA, which will however not materialise in the current going-concern context. Depending on the theoretical scenarios considered (such as a sale or a liquidation of Sofina Private Funds), 0% to 60% of the Net Asset Value of the investment subsidiaries holding Sofina Private Funds could become taxable at 25%. However, this hypothetical tax has not been recognised because the trigger events are under the control of Sofina SA, and moreover not probable. Furthermore, the investment subsidiaries of Sofina SA do not recognise deferred tax assets for tax losses carried forward because their recovery is not considered probable. Here also, since there is no deferred tax asset recognised by the investment subsidiaries in this respect, their fair value is not impacted.

5. Difference compared with the dividends presented in the comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

6. Difference compared with the management expenses presented in the comprehensive income is mainly due to the payment in the current period of accruals relating to bonus granted on the previous financial year.

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (1 <sup>ST</sup> SEMESTER 2023)	FAIR VALUE AT 31/12/2022	INVESTMENTS <sup>7</sup>		DIVESTMENTS AND REVENUES <sup>7</sup>		MARKET IMPACT	FX IMPACT	FAIR VALUE AT 30/06/2023	VALUE CREATION % <sup>8</sup>
		Cash	Non-cash <sup>9</sup>	Cash	Non-cash <sup>9</sup>				
Sofina Direct	4.759.857	83.489	67	-137.815	-8.559	172.934	-22.731	4.847.242	3%
Sofina Private Funds	4.302.404	154.350	425	-113.497	-13.848	-43.750	-72.160	4.213.924	-3%
<b>Total investment portfolio</b>	<b>9.062.261</b>	<b>237.839</b>	<b>492</b>	<b>-251.312</b>	<b>-22.407</b>	<b>129.184</b>	<b>-94.891</b>	<b>9.061.166</b>	<b>0%</b>

## Situation as at 30 June 2022

in thousand EUR

COMPREHENSIVE INCOME (1 <sup>ST</sup> SEMESTER 2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Dividends	23,014	6,069	29,083	-19,936	9,147
<i>Long-term minority investments</i>	22,892				
<i>Sofina Growth</i>	122				
Net result of the investment portfolio	-1,126,304	-194,345	-1,320,649	5,558	-1,315,091
<i>Long-term minority investments</i>	-730,980				
<i>Sofina Growth</i>	-395,324				
Management expenses			-38,159	13,052	-25,107
Other			-6,323	1,326	-4,997
<b>Total comprehensive income</b>			<b>-1,336,048</b>	<b>0</b>	<b>-1,336,048</b>

in thousand EUR

BALANCE SHEET (30/06/2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Investment portfolio	4,788,192	5,059,569	9,847,761	-730,378	9,117,383
<i>Long-term minority investments</i>	2,898,989				
<i>Sofina Growth</i>	1,889,203				
Net cash			124	-122,058	-121,934
<i>Gross cash</i>			695,237	-122,058	573,179
<i>Financial liabilities</i>			-695,113	0	-695,113
(In)tangible fixed assets			10,258	-867	9,391
Other assets and liabilities			16,813	853,303	870,116
<b>NAV</b>			<b>9,874,956</b>	<b>0</b>	<b>9,874,956</b>

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (1 <sup>ST</sup> SEMESTER 2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL GROSS CASH	FINANCIAL LIABILITIES	TOTAL NET CASH
<b>Net cash at the beginning of the period</b>			<b>1,048,549</b>	<b>-729,512</b>	<b>319,082</b>
Dividends <sup>10</sup>	15,880	6,069	21,949		21,949
Management expenses <sup>11</sup>			-58,843		-58,843
Investments in portfolio	-467,873	-275,889	-743,762		-743,762
Divestments from portfolio	348,513	265,883	614,396		614,396
Dividends paid			-104,881		-104,881
Other items			-47,216	-601	-47,817
Repayment of financial liabilities			-35,000	35,000	0
<b>Net cash at the end of the period</b>			<b>695,237</b>	<b>-695,113</b>	<b>124</b>

7. Net of intragroup transfers.

8. Fair value at the end of the period + Divestments and revenues of the period divided by Fair value at the beginning of the period + Investments of the period.

9. Mainly composed of escrows and cut-offs (i.e. differences when the realisation of a transaction and its cash impact occur in two different periods).  
10. Difference compared with the dividends presented in the comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

11. Difference compared with the management expenses presented in the comprehensive income is mainly due to the payment in the current period of the Long-Term Incentive Plan (LTIP) accrual of the previous year.

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (1 <sup>ST</sup> SEMESTER 2022)	FAIR VALUE AT 31/12/2021	INVESTMENTS <sup>12</sup>		DIVESTMENTS AND REVENUES <sup>12</sup>		MARKET IMPACT	FX IMPACT	FAIR VALUE AT 30/06/2022	VALUE CREATION % <sup>13</sup>
		Cash	Non-cash <sup>14</sup>	Cash	Non-cash <sup>14</sup>				
Sofina Direct	5,810,894	467,873	37,219	-364,393	-60,111	-1,236,554	133,265	4,788,192	-17%
Sofina Private Funds	5,252,521	275,889	53,007	-271,952	-61,620	-598,454	410,178	5,059,569	-3%
<b>Total Investment portfolio</b>	<b>11,063,415</b>	<b>743,762</b>	<b>90,226</b>	<b>-636,345</b>	<b>-121,731</b>	<b>-1,835,008</b>	<b>543,442</b>	<b>9,847,761</b>	<b>-11%</b>

## Situation as at 31 December 2022

in thousand EUR

COMPREHENSIVE INCOME (2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Dividends	46,549	6,149	52,698	-4,560	48,138
<i>Long-term minority investments</i>	46,427				
<i>Sofina Growth</i>	122				
Net result of the investment portfolio	-1,214,478	-613,388	-1,827,866	-50,185	-1,878,051
<i>Long-term minority investments</i>	-835,315				
<i>Sofina Growth</i>	-379,163				
Management expenses			-73,433	28,167	-45,266
Other			-20,468	26,578	6,110
<b>Total comprehensive income</b>			<b>-1,869,069</b>	<b>0</b>	<b>-1,869,069</b>

in thousand EUR

BALANCE SHEET (31/12/2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL	RECONCILING ITEMS	FINANCIAL STATEMENTS
Investment portfolio	4,759,857	4,302,404	9,062,261	-522,278	8,539,983
<i>Long-term minority investments</i>	2,797,444				
<i>Sofina Growth</i>	1,962,413				
Net cash			233,051	-109,636	123,415
<i>Gross cash</i>			928,558	-109,636	818,922
<i>Financial liabilities</i>			-695,507	0	-695,507
(In)tangible fixes assets			9,773	-662	9,111
Other assets and liabilities			8,244	632,576	640,820
<b>NAV</b>			<b>9,313,329</b>	<b>0</b>	<b>9,313,329</b>

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (2022)	SOFINA DIRECT	SOFINA PRIVATE FUNDS	TOTAL GROSS CASH	FINANCIAL LIABILITIES	TOTAL NET CASH
<b>Net cash at the beginning of the year</b>			<b>1,048,594</b>	<b>-729,512</b>	<b>319,082</b>
Dividends <sup>15</sup>	46,630	6,148	52,778		52,778
Management expenses <sup>16</sup>			-92,210		-92,210
Investments in portfolio	-570,705	-442,685	-1,013,390		-1,013,390
Divestments from portfolio	399,408	774,564	1,173,972		1,173,972
Dividends paid			-104,885		-104,885
Other items			-101,301	-995	-102,296
Repayment of financial liabilities			-35,000	35,000	0
<b>Net cash at the end of the year</b>			<b>928,558</b>	<b>-695,507</b>	<b>233,051</b>

12. Net of intragroup transfers.

13. Fair value at the end of the period + Divestments and revenues of the period divided by Fair value at the beginning of the period + Investments of the period.

14. Mainly composed of escrows and cut-offs (i.e. differences when the realisation of a transaction and its cash impact occur in two different periods) and roll-overs of investments.

15. Difference compared with the dividends presented in the comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

16. Difference compared with the management expenses presented in the comprehensive income is mainly due to the payment in the current year of the Long-Term Incentive Plan (LTIP) accrual of the previous year.

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (2022)	FAIR VALUE AT 31/12/2021	INVESTMENTS <sup>17</sup>		DIVESTMENTS AND REVENUES <sup>17</sup>		MARKET IMPACT	FX IMPACT	FAIR VALUE AT 31/12/2022	VALUE CREATION % <sup>18</sup>
		Cash	Non- cash <sup>19</sup>	Cash	Non- cash <sup>19</sup>				
Sofina Direct	5,810,894	570,705	1,093	-446,038	-9,671	-1,188,487	21,361	4,759,857	-18%
Sofina Private Funds	5,252,521	442,685	2,512	-780,713	-7,362	-889,333	282,094	4,302,404	-11%
<b>Total Investment portfolio</b>	<b>11,063,415</b>	<b>1,013,390</b>	<b>3,605</b>	<b>-1,226,751</b>	<b>-17,033</b>	<b>-2,077,820</b>	<b>303,455</b>	<b>9,062,261</b>	<b>-15%</b>

17. Net of intragroup transfers.

18. Fair value at the end of the year + Divestments and revenues of the year divided by Fair value at the beginning of the year + Investments in the year.

19. Mainly composed of escrows and cut-offs (i.e. differences when the realisation of a transaction and its cash impact occur in two different financial years).

## 2.2 Comments on the evolution of the portfolio in transparency

The main movements in acquisitions and disposals relating to the Sofina Direct portfolio in the first half of 2023 (with a fair value in excess of EUR 10 million) concern the following financial assets:

	CORPORATE RIGHTS	
	% OWNERSHIP INVESTED <sup>20</sup>	% OWNERSHIP SOLD <sup>20</sup>
BA-K1 (Too Good To Go)	89.24%	
Biobest Group	7.28%	
Drylock Technologies	2.91%	
Biotech Dental		24.75%
Appalachian Mountains (Aohua)		0.00%

The main net movements of more than EUR 10 million at 30 June 2023 relating to the Sofina Private Funds' portfolio concern investments in Sequoia and partial disposals of Iconiq funds.

The main Sofina Direct level 1<sup>21</sup> investments (with a fair value in excess of EUR 10 million) held by the Sofina group as at 30 June 2023 are as follows:

	YEAR OF THE 1 <sup>ST</sup> INVESTMENT	CORPORATE RIGHTS HELD		FAIR VALUE (IN THOUSAND EUR)
		NUMBER OF SHARES	% OWNERSHIP	
bioMérieux	2009	2,282,513	1.93%	219,395
The Hut Group (THG)	2016	115,542,400	8.29%	109,716
GL events	2012	4,768,057	15.90%	94,121
Luxempart	1992	1,257,500	6.07%	91,798
Colruyt Group	1975	2,332,064	1.74%	79,640
SCR - Sibelco	2005	6,968	1.48%	32,471
IHS Holding	2014	1,465,816	0.44%	13,193

The main Sofina Direct level 2 and level 3<sup>21</sup> investments (with a fair value in excess of EUR 10 million) held by the Sofina group as at 30 June 2023 are as follows:

	YEAR OF THE 1 <sup>ST</sup> INVESTMENT	CORPORATE RIGHTS HELD	
		NUMBER OF SHARES	% OWNERSHIP
B9 Beverages (Bira 91)	2018	3,784,140	6.60%
Biobest Group	2022	116,365	10.63%
Birdie Care Services	2022	3,924,379	15.46%
Cambridge Associates	2018	24,242	23.64%
Carebridge Holdings	2016	15,347,479	4.11%
Cleo AI	2022	4,237,499	12.77%
CoachHub	2022	15,089	9.32%
Collibra	2020	6,936,516	2.91%
Dreamplug Technologies (Cred)	2021	57,596	1.95%
Drylock Technologies	2019	169,782,750	25.00%
emTransit (Dott)	2021	10,143,368	20.25%
Everdrop	2022	5,669	10.11%
Grand Rounds (Included Health)	2018	11,358,956	1.86%
Grasper Global (Skillmatics)	2022	379,198	10.34%
Green Agrevolution (DeHaat)	2021	479,611	12.08%
Groupe Petit Forestier	2007	1,244,172	42.82%
Hector Beverages	2015	3,576,234	18.11%
Honasa Consumer (Mamaearth)	2021	3,304,434	9.49%
IHS Holding	2014	2,001,758	0.60%
K12 Techno Services	2020	3,463,319	19.65%
Labster Group	2022	2,870,989	4.47%
M.Chapoutier	2007	3,124	14.20%
MedGenome	2017	7,842,600	16.73%
Mérieux NutriSciences	2014	43,278	15.45%
Moody E-Commerce Group	2021	95,610	3.63%

20. Changes in undiluted ownership percentage as at 30 June 2023 due to new acquisitions and disposals of the period.

21. For the definitions of levels, see point 2.3 below.

MXP Prime Platform (SellerX)	2021	6,604	7.89%
Nuxe International	2019	193,261,167	49.00%
Oviva	2021	101,207	11.44%
PETKIT Technology	2021	10,746,355	5.06%
Pine Labs	2015	147,582	1.88%
Rohlik	2022	48,776	8.73%
Salto Systems	2020	22,293	12.17%
Tessian	2021	3,637,815	4.69%
Think & Learn (Byju's)	2016	230,902	5.14%
ThoughtSpot	2017	3,263,785	2.74%
Twin Health	2021	1,394,322	2.87%
Typeform	2022	69,208	6.93%
Veepee	2016	3,756,786	5.56%
Ver Se Innovation	2019	415,952	7.16%
Vinted	2019	2,875,747	3.00%
Vizgen	2022	1,312,818	4.79%
ZenCore (Cayman) (ZhenGe)	2021	6,438,337	3.86%

The main Sofina Direct level 2 and level 3<sup>22</sup> investments (with a fair value in excess of EUR 10 million) held through syndication vehicles gathering part of the shareholder base as at 30 June 2023 are as follows:

	YEAR OF THE 1 <sup>ST</sup> INVESTMENT	CORPORATE RIGHTS HELD		ESTIMATED ECONOMIC INTEREST IN THE UNDERLYING INVESTMENT
		NUMBER OF SHARES	% OWNERSHIP	
Aevum Investments (Xinyu)	2018	-	100.00%	4.90%
Appalachian Mountains (Aohua)	2018	13,000	46.43%	4.05%
Atlantic Foods Labs Co-Invest II (Getir)	2021	-	47.62%	0.20%
Atlantic Foods Labs Co-Invest III (Getir)	2021	-	77.71%	
BA-K1 (Too Good To Go)	2023	1,667	89.24%	1.51%
Ergon opseo Long Term Value Fund (opseo)	2016	-	8.82%	7.41%
GoldIron (First Eagle)	2016	21,721	70.68%	3.97%
Iconiq Strategic Partners III Co-Invest (Series RV)	2018	-	7.15%	0.26%
Kedaara Norfolk Holdings (Lenskart)	2019	158,355	50.00%	0.99%
Lernen Midco 1 (Cognita)	2019	252,517,893	15.55%	13.76%
M.M.C. (Chapoutier)	2007	15,256	19.83%	15.33%
MxBEE (Biobest Group)	2022	7,820,093	26.64%	1.97%
Polygone (GL events)	2012	221,076	20.96%	11.86%
SC China Co-Investment 2016-A (ByteDance)	2016	-	41.67%	0.18%
TA Action Holdings (ACT)	2016	-	44.44%	3.65%
TA Vogue Holdings (TCNS)	2016	-	48.72%	7.62%

The main General Partners that manage investment funds on our behalf, whose value individually exceeds EUR 10 million as at 30 June 2023 are Alpha JWC, Andreessen Horowitz, Archipelago, Atlantic Labs, Atomico, Bain, Battery; Bessemer, Bling, Blossom, Bond, Chryscapital, Crescent Point, DST, Everstone, Falcon House, Felix, Formation 8, Founders Fund, Foundry, Francisco, General Atlantic, Genesis, GGV, Highland, Iconiq, Insight, Institutional Venture Partners, InvAscent, Isola, Kedaara, Kleiner Perkins, Lightspeed, Local Globe, Lux Capital, Lyfe, Multiples, New Enterprise Associates, Northzone, OpenView, Qiming, Redpoint, Sequoia, Social+Capital, Sofindev, Source Code, Spark, Summit, TA Associates, TAEL, Thoma Bravo, Thrive, Tiger Global, Trustbridge and Venrock.

22. For the definition of levels, see point 2.3 below.



## 2.3 Investment portfolio in transparency

### Main valuation rules for the investment portfolio

The Sofina group uses a fair value hierarchy that reflects the significance of the data used for valuation purposes:

- **Level 1** – Assets valued under level 1 are valued at the market price at the closing date;
- **Level 2** – Assets valued under level 2 are valued based on observable data such as the market price of the main asset held by the company;
- **Level 3** – Assets valued under level 3 are valued at fair value using principles derived from the International Private Equity and Venture Capital Valuation Guidelines ("IPEV" Valuation Guidelines of December 2022).

Unlisted securities are valued at each reporting date using a commonly accepted valuation method in these IPEV Valuation Guidelines, or at net asset value.

The different valuation methods are detailed in the table on the methods applied in accordance with IFRS 13 to determine the fair value of unlisted level 3 assets of the investment portfolio in transparency (Long-term minority investments, Sofina Growth and Sofina Private Funds).

Note that the IPEV Valuation Guidelines no longer consider the recent transaction price as a default valuation technique but rather a starting point for estimating fair value. The recent transaction price as a valuation technique is therefore only used when the recent transaction is sufficiently close to the balance sheet closing date (and meets the market and market participant criteria). It should also be noted that the context of the transaction is analysed and could therefore consider not only the primary components of a transaction but also the secondary components of the same transaction (e.g., retaining a blended price instead of the primary round price only).

The principle of calibration, which consists of testing or calibrating the valuation techniques to be used at subsequent valuation dates, using valuation parameters derived from the initial or most recent transaction, is applied as appropriate to all our valuations of unlisted investments (Long-term minority investments and Sofina Growth), provided that the price of the initial or most recent transaction is representative of the fair value at the time of the transaction and can be calibrated. The calibration makes it possible to derive from the entry price the discount or the premium against the group of comparable companies by comparing the rate of return expected by Sofina with the theoretical cost of capital for a given investment in the context of the implementation of the discounted cash flow method. The calibration also makes it possible to determine, directly at the transaction date, the discount or the premium against the group of comparable companies in the context of the implementation of the market multiples method. This technique explains the wide range of discounts, costs of capital or discount factors, as these are the result of the calibration.

This being said, Sofina may have to change the valuation technique depending on the circumstances from one valuation exercise to another (e.g. due to a new type of data available, a new recent transaction), with the objective of maximising the use of observable data and minimising the use of non-observable data.

In this respect, the following table provides information on the methods applied in accordance with IFRS 13 – Fair Value Measurement – to determine the fair value of unlisted level 3 assets.

It should also be noted that Sofina uses the option pricing method (OPM) to allocate the estimated equity fair value to various classes of equity shares considering their rights and preferences (if applicable). This allocation approach may significantly reduce the valuation of earlier equity rounds with reduced rights and preferences compared to the latest round.

The current economic crisis increases the uncertainty of the future performance of the investments held by Sofina. These uncertainties regarding the performance of these investments lead to a higher degree of subjectivity in the determination of level 3 fair values in the IFRS 13 hierarchy. This has prompted Sofina to be more vigilant in the application of its valuation methods. The following are especially worth mentioning:

- Particular vigilance regarding the consistency between the estimates of the portfolio companies and the use of these estimates compared to the use of the multiples of comparable companies;
- Particular vigilance regarding the validation of the most recent transaction by ensuring that this recent transaction takes into account the current context of the economic crisis (while respecting the other validation criteria of the most recent transaction such as being sufficiently close to the closing date) as well as ensuring that the context of the recent transaction is properly understood by considering both primary and secondary components (if applicable);
- Particular vigilance regarding the financial situation of the portfolio companies (e.g., cash burn estimates).

We also took into account the IPEV Board Special Valuation Guidance of December 2022.

It should be noted that Sofina has engaged Kroll, an independent valuation firm, to assist in the valuation of the unlisted investments by the Sofina Direct portfolio. The assistance provided by Kroll does not, therefore, cover Sofina Private Funds. All these unlisted investments (the "Investments"), covered by Kroll's assistance, represent 46% of the fair value of the portfolio in transparency, as illustrated below<sup>23</sup>.

FAIR VALUE HIERARCHY	LONG-TERM MINORITY INVESTMENTS	SOFINA GROWTH	SOFINA PRIVATE FUNDS	% OF KROLL COVERAGE ON TOTAL LEVEL
Level 1	Not covered	Not covered	Not applicable	0%
Level 2	Covered	Covered	Not applicable	100%
Level 3	Covered	Covered	Not covered	50%
<b>Total portfolio in transparency</b>				<b>46%</b>

This assistance included various limited procedures that Sofina identified and requested Kroll to perform. In connection with and as a result of these limited procedures<sup>24</sup>, Kroll concluded that the fair value of the "Investments", as determined by Sofina, was reasonable.

Sofina Private Funds' investments in venture and growth capital funds are valued on the basis of the latest reports obtained from the General Partners of these investment funds until mid-August and their valuation is therefore based either on a report as at 30 June 2023 or on a report as of 31 March 2023. The values of the reports as at 31 March 2023 are adjusted to take into account (i) capital calls and distributions that have occurred since the date of issuance of the last report, (ii) changes in the stock market prices of the listed companies held by these funds and (iii) significant events that have occurred since this last valuation date and the closing date of 30 June 2023. The values as at 30 June 2023 are not adjusted as they reflect the fair value at the closing date. Finally, the values retained are converted into euro using the closing exchange rate. As the case may be, the funds for which a purchase and sale agreement was signed as at the date of this Half-year financial report are valued in accordance with the terms of the purchase and sale agreement. As at 30 June 2023, more than 72% of the Sofina Private Funds fair value is based either on reports as at 30 June 2023 or valuations based on market prices or transaction prices.

23. Covered: covered by Kroll's assistance; Not covered: not covered by Kroll's assistance; Not applicable: no value present at this level in the relevant investment style.

24. Limited procedures are not an audit, review, compilation or other form of examination or certification in accordance with generally accepted auditing standards. In addition, the limited procedures were not performed in anticipation of or in connection with any investment made or contemplated by Sofina. Accordingly, any party contemplating an investment in these "Investments" or any party contemplating an investment directly in the capital of Sofina should not consider the performance of these limited procedures by Kroll to be sufficient in light of the aforementioned investments. The results of Kroll's analysis should not be construed as a fairness opinion on any transaction or as a statement of creditworthiness. The limited procedures performed by Kroll are in addition to the procedures that Sofina is required to perform to estimate the fair value of the "Investments". The result of the analyses conducted by Kroll was taken into account by Sofina in its assessment of the fair value of the "Investments".

## Methods applied in accordance with IFRS 13 to determine the fair value of unlisted level 3 assets in the investment portfolio in transparency

VALUATION TECHNIQUE	USE OF THE TECHNIQUE	SIGNIFICANT UNOBSERVABLE DATA	LINKS BETWEEN UNOBSERVABLE DATA AND FAIR VALUE
Price of the most recent investment (PORI)	Whenever a recent and significant transaction has taken place for the investment at the balance sheet date and provided that the transaction meets the market and market participant criteria. Note that the IPEV Valuation Guidelines no longer consider the recent transaction price as a default valuation technique but rather as a starting point for estimating fair value. Therefore, the recent transaction price as a valuation technique is only used when the recent transaction is sufficiently close to the closing date (and meets the market and market participant criteria). Funds for which a purchase and sale agreement was signed as at the date of this Half-year financial report, are valued at the terms of the purchase and sale agreement and are hence considered as part of this valuation technique.	The fair value of the most recent transaction is considered unobservable data.	As the unobservable data increases, the fair value increases.
Discounted Cash Flow model	Applied for mature companies or for companies where sufficient information is available. This method consists in discounting future expected cash flows.	Cost of capital from calibration.	The higher the cost of capital, the lower the fair value.
		Terminal value based on a long-term growth rate.	The higher the long-term growth rate, the higher the fair value.
		Terminal value based on an exit multiple.	The higher the exit multiple, the higher the fair value.
Market multiples - sales or EBITDA or earnings multiples or a mix of sales or EBITDA multiples (based on comparable listed companies)	In the absence of a recent transaction on the investment at the closing date and when the Discounted Cash Flow model is not applied. The calibration principle is used to determine the discount to the group of comparable listed companies.	Discount <sup>25</sup> resulting from the calibration against the group of comparable companies.	The higher the discount, the lower the fair value.
Probability Weighted Expected Returns Model or Scenario Methods (PWERM)	Start-ups or "early stage" companies or certain companies for which significantly different scenarios remain possible, when other methods cannot be applied (recent transaction, Discounted Cash Flow model, market multiples), are valued according to scenarios. Such companies are valued on the basis of different possible future scenarios (probability-weighted fair value of future outcomes).	Discount factor from the calibration.	The higher the discount factor, the lower the fair value.
		Weights attributed to the different scenarios (generally 3 to 4 scenarios, from extremely pessimistic to optimistic).	The higher the weight of the pessimistic scenario, the lower the fair value.
		Exit value based on an exit multiple.	The higher the exit multiple, the higher the fair value.
Milestones approach	This valuation method is applied to start-ups or "early-stage" companies or companies for which important milestones must be achieved and when other methods (i.e. recent transaction, discounted cash flow model, market multiples and PWERM) are not applicable. Such companies are valued using the milestone approach. This method consists in assessing whether there is an indication of change in fair value based on a consideration of one or more milestones. One or several key milestones are commonly established in function of the stage of development of the company. Milestones can for example include financial measures, technical measures and marketing and sales measures.	Discount applied per level according to the predefined milestones.	A discount is applied per milestone. If a milestone is achieved, the more the unobservable data increases or decreases, the more the fair value increases or decreases. If the first milestone is not achieved, the more the unobservable data decreases, the more the fair value decreases.
Revalued net assets recognised at fair value	This valuation method is based on the latest available statements from the General Partners. This method consists in using the reported net assets value of a fund interest which is adjusted for (i) the capital calls and distributions that took place after the last statement received and the measurement date, (ii) the evolution of the listed companies held by the funds and (iii) any other significant events. The underlying investments of the fund must be reported at fair value.	Fair value based on General Partners' reports is considered unobservable data.	As the unobservable data increases, the fair value increases.
Other methods	In exceptional cases, another methodology is considered to better reflect the fair value of the investment or a portion of the investment (e.g. an appraisal report on the value of land or property).	Fair value based on expert reports is considered unobservable data.	As the unobservable data increases, the fair value increases.

25. In some cases, a premium is applied against the group of comparable companies, also based on the calibration principle. In some exceptional cases, the discount is estimated on the basis of methods other than calibration.

**Method applied to allocate the estimated equity fair value to various classes of equity shares considering their respective rights and preferences**

VALUATION TECHNIQUE	USE OF THE TECHNIQUE	SIGNIFICANT UNOBSERVABLE DATA	LINKS BETWEEN UNOBSERVABLE DATA AND FAIR VALUE
Option pricing model (OPM)	Applied for companies where rights and preferences may differ significantly between the classes of shares. Applied when applicable and relevant (e.g. different rights and preferences exist per class of shares and market participant would consider those rights and preferences).	Volatility	An increase of the volatility can either increase or decrease the fair value depending on the classes of shares held.
		Time to expiration (e.g. time of exit or liquidity event)	An increase of the time to expiration can either increase or decrease the fair value depending on the classes of shares held.
		Interest rate in local currency	An increase of the interest rate can either increase or decrease the fair value depending on the classes of shares held.

## 2.4 Fair value of the total investment portfolio in transparency

in thousand EUR

	<b>TOTAL AS AT 30/06/2023</b>	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>
<b>Investment portfolio</b> <sup>26</sup>	<b>9,061,166</b>	<b>658,546</b>	<b>55,556</b>	<b>8,347,254</b>
Sofina Direct	4,847,242	658,546	55,556	4,133,140
<i>Long-term minority investments</i>	2,811,356	635,172	0	2,176,184
<i>Sofina Growth</i>	2,035,886	23,374	55,556	1,956,956
Sofina Private Funds	4,213,924	0	0	4,213,924
	<b>TOTAL AS AT 31/12/2022</b>	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>
<b>Investment portfolio</b>	<b>9,062,261</b>	<b>559,699</b>	<b>84,419</b>	<b>8,418,144</b>
Sofina Direct	4,759,857	559,699	84,419	4,115,739
<i>Long-term minority investments</i>	2,797,444	545,544	0	2,251,900
<i>Sofina Growth</i>	1,962,413	14,155	84,419	1,863,839
Sofina Private Funds	4,302,404	0	0	4,302,404

The underlying portfolio of the funds held in Sofina Private Funds is composed of listed and unlisted assets. The listed assets fair value<sup>27</sup> is estimated at EUR 497,275 thousand as at 30 June 2023 and at EUR 489,644 thousand as at 31 December 2022.

During the period, a part of our investment in IHS Holding has been transferred from level 2 to level 1.

### Sensitivity analysis of level 3

Level 3 consists of unlisted securities subject to price risk, but this risk is mitigated by the wide variety of investments made by the Sofina group. The objective of long-term value creation pursued by the Sofina group contributes towards mitigating this risk.

In the case of investments in venture and growth capital funds of Sofina Private Funds, the General Partners may decide more quickly to modify a negative spread. Market risk may also have an indirect impact on unlisted securities compared to securities listed on stock markets.

Moreover, liquidity risk has a greater impact on unlisted securities than on listed securities, which can make their value difficult to estimate. This risk may have an impact on the holding period of unlisted securities as well as on the exit price. It is difficult to quantify the influence of these risks on unlisted securities in level 3.

26. Information on the investment portfolio in the balance sheet as at 30 June 2023 can be found under point 2.1 above.

27. Estimated fair value based on available information provided by the General Partners.

## Sensitivity analysis for the level 3 investment portfolio in transparency as at 30 June 2023

in million EUR

VALUATION TECHNIQUE	FAIR VALUE	OPM APPLIED?	UNOBSERVABLE DATA (WEIGHTED AVERAGE)	SENSI-TIVITY	IMPACT VALUE	SENSI-TIVITY	IMPACT VALUE
Price of the most recent investment (PORI)	4	No	The fair value of the most recent transaction is considered to be unobservable data	+10%	0	-10%	-0
Discounted Cash Flow model	1,814	No	Cost of capital from calibration between 7.2% and 18.3% (11.9%)	+10%	-262	-10%	332
			Perpetual growth rate of 2.5% and 3.5% (3.1%)	+10%	67	-10%	-65
			Output multiple between 5.3x and 19.2x (12.8x)	+10%	155	-10%	-130
Market multiples	1,339	No	Median peers revenue multiple between 0.5x and 13.2x (3.7x)	+10%	108	-10%	-108
			Median peers gross profit multiple between 6.2x and 6.2x (6.2x)	+10%	1	-10%	-1
			Median peers EBITDA multiple between 9.0x and 13.8x (11.3x)	+10%	59	-10%	-57
			Median peers net income multiple between 2,0x and 17,0x (9.5x)	+10%	72	-10%	-72
			Discount resulting from calibration between 6.7% and 50.9% <sup>28</sup> (21%)	+10%	39	-10%	-40
	818	Yes	Median peers revenue multiple between 0.9x and 13.6x (9.4x)	+10%	172	-10%	-180
			Median peers gross profit multiple between 6.6x and 11.4x (8.4x)	+10%	6	-10%	-6
			Discount resulting from calibration between 15.3% and 57.6% <sup>29</sup> (33.3%)	+10%	22	-10%	-22
			Volatility between 21.9% and 85.5% (44.6%)	+10%	-87	-10%	87
			Time to expiration between 0.5 years and 7.5 years (3.7 years)	+10%	-70	-10%	74
			Interest rate between 1.1% and 7.1% (4.4%)	+10%	-22	-10%	22
Revalued net assets recognised at fair value <sup>30</sup>	4,274	No	The fair value based on General Partners' reports is considered to be unobservable data	+10%	428	-10%	-428
Milestone approach	6	No	Discount of 20% per level (20%)	Upper level <sup>31</sup>	1	Lower level	-1
Other methods	92	No	Fair value is considered to be unobservable data	+10%	9	-10%	-9
<b>Total level 3 (in transparency)</b>	<b>8,347</b>						
Reconciling items	-273						
<b>Total level 3 (financial statements)</b>	<b>8,074</b>						

The reconciling items between the presentation in transparency and the balance sheet presentation are detailed, at all levels, in point 2.1 above.

28. In some cases, a premium is applied against the group of comparable companies. The premiums applied range from 12.3% to 793.1% (weighted average of 284.2%). In certain exceptional cases, the discount is estimated on the basis of methods other than calibration.

29. In some cases, a premium is applied against the group of comparable companies. The premiums applied range from 1.5% to 882.4% (weighted average of 173.5%). In certain exceptional cases, the discount is estimated on the basis of methods other than calibration.

30. Mainly concerns the portfolio of Sofina Private Funds and to a limited extent investments by Sofina Growth.

31. No upper level was reached.

## Sensitivity analysis for the level 3 investment portfolio in transparency as at 31 December 2022

in million EUR

VALUATION TECHNIQUE	FAIR VALUE	OPM APPLIED?	UNOBSERVABLE DATA (WEIGHTED AVERAGE)	SENSITIVITY	IMPACT VALUE	SENSITIVITY	IMPACT VALUE
Price of the most recent investment (PORI)	116	No	The fair value of the most recent transaction is considered to be unobservable data	+10%	12	-10%	-12
Discounted Cash Flow model	1,699	No	Cost of capital from calibration between 6.95% and 17.7% (11.9%)	+10%	-270	-10%	343
			Perpetual growth rate of 2.5% and 4.0% (3.1%)	+10%	48	-10%	-44
			Output multiple between 6.5x and 17.91x (13.07x)	+10%	126	-10%	-126
Market multiples	1,377	No	Median peers multiple between 0.9x and 17.2x (5.1x)	+10%	118	-10%	-118
			Discount resulting from calibration between 0.2% and 58% <sup>32</sup> (12.7%)	+10%	-39	-10%	39
	771	Yes	Median peers multiple between 0.5x and 22.3x (6.6x)	+10%	48	-10%	-47
			Discount resulting from calibration between 15% and 58% <sup>33</sup> (35.6%)	+10%	-30	-10%	29
			Volatility between 27% and 70% (44.3%)	+10%	-7	-10%	6
			Time to expiration between 1.0 years and 8.0 years (4.2 years)	+10%	-7	-10%	7
			Interest rate between 1.3% and 7.2% (4.5%)	+10%	-4	-10%	4
Revalued net assets recognised at fair value <sup>34</sup>	4,348	No	The fair value based on General Partners' reports is considered to be unobservable data	+10%	435	-10%	-435
Milestone approach	9	No	Discount of 20% per level (20%)	Upper level <sup>35</sup>	0	Lower level	-2
Other methods	98	No	Fair value is considered to be unobservable data	+10%	10	-10%	-10
<b>Total level 3 (in transparency)</b>	<b>8,418</b>						
Reconciling items	-267						
<b>Total level 3 (financial statements)</b>	<b>8,151</b>						

The reconciling items between the transparency presentation and the balance sheet presentation are detailed, at all levels, in point 2.1 above.

32. In some cases, a premium is applied against the group of comparable companies. The premiums applied range from 1.7% to 1,043% (weighted average of 319%). In certain exceptional cases, the discount is estimated based on methods other than calibration.

33. In some cases, a premium is applied against the group of comparable companies. The premiums applied range from 4% to 967% (weighted average of 282.4%). In certain exceptional cases, the discount is estimated based on methods other than calibration.

34. Mainly concerns the portfolio of Sofina Private Funds and to a limited extent investments by Sofina Growth.

35. No upper level was reached.

## 2.5 Financial risks in transparency

### Foreign exchange risk

The investment portfolio is subjected, among other things, to foreign exchange risk. The main foreign exchange risk relates to assets denominated in US dollars, British pounds and Indian rupees. For information purposes, a 10% increase or decrease in the exchange rate of these three currencies as at 30 June 2023 would result in a variation in the fair value of the portfolio as shown in the table below:

	USD			GBP			INR		
	-10%	0%	+10%	-10%	0%	+10%	-10%	0%	+10%
Exchange rate sensitivity									
Fair value	6.027	5.425	4.932	548	493	448	727	654	595
Impact on revenue	602	0	-493	55	0	-45	73	0	-59

### Price risk

Price risk is defined as the risk that unfavourable changes in stock prices impact Sofina's portfolio. Sofina is exposed to market fluctuations in its portfolio.

The risk analysis of level 1 and level 2 investments is shown below. A variation interval of -10% and +10% has been applied to the valuation as at 30 June 2023. This variance influences the result.

	LEVEL 1			LEVEL 2		
	-10%	0%	+10%	-10%	0%	+10%
Stock price sensitivity						
Fair value	593	659	724	50	56	60
Impact on revenue	-66	0	66	-6	0	6

### Interest rate risk and liquidity risk

The interest rate risk is the risk that the interest flow on the financial debt and the gross cash flow may be adversely affected by an unfavourable change in interest rates. In the case at hand, the risk is limited as the financial liabilities are mainly at fixed rates. Moreover, Sofina's net cash position is positive. However, Sofina has commitments to disburse funds in relation to the Sofina Private Funds investments. Considering its positive Net cash position, the existence of bank credit lines (unused – please refer to point 3.13), the investments in shares listed on liquid markets and therefore easily realisable (in the Long-term minority investments and Sofina Private Funds portfolios), and if need be the ability to transact on the secondary market for Sofina Private Funds, the liquidity risk faced by Sofina is extremely moderate.

<b>SOFINA PRIVATE FUNDS' RESIDUAL COMMITMENT BRIDGE</b>	<b>30/06/2023</b>	31/12/2022
<b>Beginning of the period</b>	<b>1,336</b>	<b>976</b>
New commitments	126	810
Investments	-154	-445
Other <sup>36</sup>	5	-86
FX impact	-23	81
<b>End of the period <sup>37</sup></b>	<b>1,290</b>	<b>1,336</b>

### Credit risk

The credit risk is the counterparty risk on gross cash. It is limited a priori by the choice of reputable financial institutions.

36. Others mainly comprises recallable distributions, disposals and termination of funds with residual uncalled commitments.

37. Additional residual commitments in relation to Sofina Direct investments of EUR 46 million as at 30 June 2023 and of EUR 7 million as at 31 December 2022 bring the total uncalled commitments to EUR 1,336 million and EUR 1,343 million respectively.



## Concentration risk

The 10 largest investments of Sofina Direct represent 27% of the fair value of the fair value of the portfolio in transparency<sup>38</sup>:

1	SC China Co-Investment 2016-A (ByteDance)
2	Groupe Petit Forestier
3	Lernen Midco 1 (Cognita)
4	Cambridge Associates
5	Drylock Technologies
6	Nuxe International
7	bioMérieux
8	Ver Se Innovation
9	Mérieux NutriSciences
10	Salto Systems

It should be noted that:

- the 5 largest investments of Sofina Direct represent more than 15% but less than 20% of the total portfolio in transparency<sup>39</sup>.
- the 7 largest investments of Sofina Direct represent more than 20% of the total portfolio in transparency<sup>39</sup>.
- ByteDance, a global internet and technology company active in more than 150 countries, is the sole holding representing more than 5% of the fair value of the portfolio in transparency (when considering our combined holdings through Sofina Direct and Sofina Private Funds)<sup>40</sup>.

Sofina values its holding in SC China Co-Investment 2016-A (i.e. the vehicle holding Sofina direct's investment in ByteDance) on the basis of the market multiples valuation method with an illiquidity discount. Its holding in ByteDance at Sofina Private Funds level is valued on the basis of the valuation provided by the General Partners of the relevant funds.

The level 3 investments in the top 10 are valued according to the Discounted Cash Flow model, market multiples or the last recent transaction method as described in section 2.3 above.

The 10 largest General Partners of Sofina Private Funds represent 24% of the fair value of the portfolio in transparency<sup>41</sup>:

1	Sequoia Capital (US, China & India)
2	Lightspeed
3	Insight Partners
4	Battery Ventures
5	Iconiq Capital
6	Thoma Bravo
7	TA Associates
8	Andreessen Horowitz
9	Spark Capital
10	Venrock

Since the funds themselves are invested in a large number of companies, there is no concentration risk.

38. Listed in decreasing order of fair value as at 30 June 2023 (portfolio in transparency). The ranking of our Sofina Direct investments does not take into consideration indirect exposures on these entities, held through some funds of Sofina Private Funds.

39. Largest investments in terms of representation in the fair value of the portfolio in transparency. Listed in decreasing order of fair value at 30 June 2023 (portfolio in transparency). The ranking of our Sofina Direct investments does not take into consideration indirect holdings in these entities through certain partnerships of Sofina Private Funds.

40. The holding in ByteDance through Sofina Private Funds is an estimate based on the information contained in the reports of the General Partners made available to us at the date of this Half-year financial report.

41. Largest General Partners in terms of estimated representation of their funds in the fair value of Sofina's portfolio in transparency. Listed in decreasing order of fair value at 30 June 2023.

## War in Ukraine

As per ESMA's [recommendation of 14 March 2022](#) Public Statement of 13 May 2022 on Implications of Russia's invasion of Ukraine on half-yearly financial reports, and Public Statement of 28 October 2022 on the European common enforcement priorities for 2022 annual financial reports, Sofina can confirm that it has very limited specific exposure to the Ukraine crisis, which has had no material direct impact on its activities. The group is not impacted by the economic sanctions enforced by the European Union. Sofina Direct portfolio companies with notable operations or exposure in Ukraine or Russia represent 3% of total portfolio fair value in transparency as at 30 June 2023. Sofina Private Funds is marginally exposed to underlying companies with some presence in Ukraine or in Russia which are estimated to represent a small proportion of total number of companies in the underlying portfolio. General Partners have investigated their potential Russian ties including tracing Russian money in their investors base and they have not reported any significant issue in this respect. The main potential economic consequences of the Ukraine crisis on the portfolio are not specific in nature as they relate to its impact on raw material prices including energy, potential supply chain disruptions, concerns about an increasing risk of cyber-attacks and more generally, the macro-economic impact on GDP growth, inflation and interest rates. A large number of portfolio companies and General Partners and their employees are engaged in a variety of initiatives to support Ukraine in line with that which Sofina has been doing.

## 2.6 Sectoral, geographical and strategy breakdown of the portfolio in transparency

### Breakdown of portfolio by geographic region <sup>42</sup>

in million EUR

GEOGRAPHIC REGION	30/06/2023				31/12/2022			
	PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS <sup>43</sup>		PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS	
<b>Sofina Direct</b>								
North America	553	11%	2	4%	516	11%	2	35%
Western Europe	2,828	58%	43	94%	2,610	55%	4	52%
Asia	1,436	30%	1	2%	1,616	34%	1	13%
Other	30	1%	0	0%	18	0%	0	0%
<b>Total Sofina Direct</b>	<b>4,847</b>	<b>100%</b>	<b>46</b>	<b>100%</b>	<b>4,760</b>	<b>100%</b>	<b>7</b>	<b>100%</b>
<b>Sofina Private Funds</b>								
North America	2,635	62%	736	57%	2,711	63%	778	58%
Western Europe	408	10%	179	14%	407	9%	191	14%
Asia	1,171	28%	375	29%	1,184	28%	367	28%
<b>Total Sofina Private Funds</b>	<b>4,214</b>	<b>100%</b>	<b>1,290</b>	<b>100%</b>	<b>4,302</b>	<b>100%</b>	<b>1,336</b>	<b>100%</b>
<b>TOTAL SOFINA DIRECT AND SOFINA PRIVATE FUNDS</b>								
North America	3,188	35%	738	55%	3,227	36%	780	58%
Western Europe	3,236	36%	222	17%	3,017	33%	195	15%
Asia	2,607	29%	376	28%	2,800	31%	368	27%
Other	30	0%	0	0%	18	0%	0	0%
<b>TOTAL OF THE PORTFOLIO <sup>44</sup></b>	<b>9,061</b>	<b>100%</b>	<b>1,336</b>	<b>100%</b>	<b>9,062</b>	<b>100%</b>	<b>1,343</b>	<b>100%</b>

### Breakdown of Sofina Direct by sector

The table below shows the sectoral breakdown of Sofina Direct as at 30 June 2023 and as at 31 December 2022 <sup>44</sup>

in million EUR

SECTOR	30/06/2023		31/12/2022	
	PORTFOLIO FAIR VALUE		PORTFOLIO FAIR VALUE	
Consumer and retail	1,595	33%	1,329	28%
Digital transformation	1,087	22%	987	21%
Education	537	11%	714	15%
Healthcare and life sciences	613	13%	740	15%
Other	1,015	21%	990	21%
<b>Total</b>	<b>4,847</b>	<b>100%</b>	<b>4,760</b>	<b>100%</b>

42. Based on the portfolio in transparency considering the country of the main or historical headquarters of the investments.

43. These amounts come mainly from subscriptions to investments by Sofina Private Funds amounting to EUR 1,290 million (see point 3.13 below). These commitments are subscribed by Sofina SA or by its investment subsidiaries (seen in transparency).

44. Based on the fair value of the Sofina group's investments as at 30 June 2023 and as at 31 December 2022 (portfolio in transparency – see point 2.4 above).

## Breakdown of Sofina Private Funds by strategy

in million EUR

STRATEGY	30/06/2023				31/12/2022			
	PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS <sup>45</sup>		PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS	
Venture capital	2,969	71%	784	61%	3,075	72%	830	62%
Growth equity	1,015	24%	431	33%	1,002	23%	422	32%
LBO	222	5%	63	5%	216	5%	72	13%
Other	8	0%	12	1%	9	0%	12	1%
<b>Total <sup>46</sup></b>	<b>4,214</b>	<b>100%</b>	<b>1,290</b>	<b>100%</b>	<b>4,302</b>	<b>100%</b>	<b>1,336</b>	<b>100%</b>

## Breakdown of Sofina Private Funds by vintage in transparency

in million EUR

VINTAGE	30/06/2023				31/12/2022			
	PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS <sup>45</sup>		PORTFOLIO FAIR VALUE		RESIDUAL COMMITMENTS	
Last 5 years	2,214	52%	1,187	92%	2,174	50%	1,230	92%
From 5 to 10 years	1,553	37%	72	6%	1,633	38%	74	6%
Older than 10 years	447	11%	31	2%	495	12%	32	2%
<b>Total <sup>46</sup></b>	<b>4,214</b>	<b>100%</b>	<b>1,290</b>	<b>100%</b>	<b>4,302</b>	<b>100%</b>	<b>1,336</b>	<b>100%</b>

45. Sofina is committed to responding to capital calls by certain private funds (see point 3.13 below).

46. Information on the Sofina Private Funds portfolio shown in the balance sheet as at 30 June 2023 can be found under point 2.1 above.

## 3. Notes to the financial statements as an investment entity

### 3.1 Investment portfolio

	in thousand EUR	
	30/06/2023	31/12/2022
<b>Investments</b>		
<b>Net value at the beginning of the period</b>	<b>8,538,603</b>	<b>10,385,873</b>
Acquisitions during the period	59,787	45,825
Disposals during the period	-96,878	-13,774
Changes in unrealised gains in profit and loss	218,968	95,883
Changes in unrealised losses in profit and loss	-219,217	-1,975,204
<b>Net value at the end of the period = 1</b>	<b>8,501,263</b>	<b>8,538,603</b>
<b>Receivables</b>		
<b>Net value at the beginning of the period</b>	<b>1,380</b>	<b>0</b>
Acquisitions during the period	67	1,345
Disposals during the period	0	0
Changes in unrealised gains in profit and loss	0	0
Changes in unrealised losses in profit and loss	0	0
Changes in accrued interest not yet due	-33	35
<b>Net value at the end of the period = 2</b>	<b>1,414</b>	<b>1,380</b>
<b>Net value = 1 + 2</b>	<b>8,502,677</b>	<b>8,539,983</b>

The difference between the amount of the disposals during the period (EUR 96,878 thousand) and the amount of the divestments shown in the consolidated cash flow statement (EUR 96,749 thousand) is mainly due to the capital losses realised on these divestments for an amount of EUR -129 thousand. In addition, the capital gains and losses realised (EUR -129 thousand) combined with the changes in unrealised capital gains and losses (EUR -250 thousand) form the net result of the investment portfolio (see point 3.10 below).

## 3.2 Classification of financial instruments

in thousand EUR

	BOOK VALUE		FAIR VALUE		
	TOTAL AT 30/06/2023	IFRS 9 CLASSIFICATION	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio	8,502,677		428,383	0	8,074,294
<i>Investments</i>	8,501,263	<i>Fair value through profit and loss</i>	428,383	0	8,072,880
<i>Receivables</i>	1,414	<i>Designated at fair value through profit or loss</i>	0	0	1,414
Receivables from subsidiaries <sup>47</sup>	740,896	Designated at fair value through profit and loss	0	740,896	0
Deposits and other current financial assets	597,249		0	597,249	0
<i>Deposits</i>	0	<i>Designated at fair value through profit and loss</i>	0	0	0
<i>Current financial investments</i>	587,130	<i>Fair value through profit and loss</i>	0	587,130	0
<i>Other receivables</i>	10,119	<i>Designated at fair value through profit and loss</i>	0	10,119	0
Cash and cash equivalents	95,648	Designated at fair value through profit and loss	0	95,648	0
Non-current financial liabilities	695,894	At amortised cost	0	695,894	0
Current financial liabilities	5,370	At amortised cost	0	5,370	0
Other current receivables	97	At amortised cost	0	97	0
Payables to subsidiaries <sup>47</sup>	25,026	Designated at fair value through profit and loss	0	25,026	0
Trade and other current payables	3,462	At amortised cost	0	3,462	0

47. Receivables from and payables to subsidiaries are designated at fair value but as they are very short-term receivables and payables, there is no change in fair value to record.

in thousand EUR

	BOOK VALUE		FAIR VALUE		
	TOTAL AT 31/12/2022	IFRS 9 CLASSIFICATION	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio	8,539,983		389,095	0	8,150,888
<i>Investments</i>	8,538,603	<i>Fair value through profit and loss</i>	389,095	0	8,149,508
<i>Receivables</i>	1,380	<i>Designated at fair value through profit or loss</i>	0	0	1,380
Receivables from subsidiaries <sup>48</sup>	823,998	Designated at fair value through profit and loss	0	823,998	0
Deposits and other current financial assets	436,686		0	436,686	0
<i>Deposits</i>	0	<i>Designated at fair value through profit and loss</i>	0	0	0
<i>Current financial investments</i>	433,436	<i>Fair value through profit and loss</i>	0	433,436	0
<i>Other receivables</i>	3,250	<i>Designated at fair value through profit and loss</i>	0	3,250	0
Cash and cash equivalents	385,486	Designated at fair value through profit and loss	0	385,486	0
Non-current financial liabilities	695,507	At amortised cost	0	695,507	0
Current financial liabilities	2,010	At amortised cost	0	2,010	0
Other current receivables	97	At amortised cost	0	97	0
Payables to subsidiaries <sup>48</sup>	175,634	Designated at fair value through profit and loss	0	175,634	0
Trade and other current payables	9,037	At amortised cost	0	9,037	0

### The fair value of the items of the investment portfolio can be prioritised as follows:

Assets valued under level 1 are valued at the stock market price at the balance sheet closing date. Level 2 data are data on the assets or liabilities other than listed prices included in level 1 data which are observable either directly or indirectly. Level 3 data are unobservable data on the assets or liabilities.

Direct shareholdings in investment subsidiaries are considered to be level 3 and are valued based on the fair value of their own portfolio (level 1, 2 or 3) and the fair value of their other assets and liabilities. A detailed description of the valuation methods and the sensitivity of the fair value is given in points 2.3 and 2.4 above. The portfolio held in transparency is described under point 2.2 above.

### The fair value of the other financial instruments has been determined using the following methods:

- for short-term financial instruments, such as trade receivables and payables, the fair value is considered not to be significantly different from the carrying amount at amortised cost;
- for variable-rate loans and borrowings, such as deposits or receivables from or payables to subsidiaries, the fair value is considered not to be significantly different from the carrying amount at amortised cost;
- for foreign exchange rate or interest rate derivatives, fair value is determined based on models that discount future cash flows based on future interest rate curves or foreign exchange rates or other forward prices.

48. Receivables from and payables to subsidiaries are designated at fair value but as they are very short-term receivables and payables, there is no change in fair value to record.

## Financial risks

A description of the financial risks can be found in point 2.5 above.

### Details of movements for financial investments recognised at fair value in level 3

	in thousand EUR	
	30/06/2023	31/12/2022
<b>Investment portfolio</b>		
<b>Net value at the beginning of the period</b>	<b>8,150,888</b>	<b>9,881,560</b>
Acquisitions during the period	59,855	46,868
Disposals during the period	-96,878	-13,774
Changes in unrealised gains in profit and loss	172,407	95,778
Changes in unrealised losses in profit and loss	-211,945	-1,859,544
Changes in accrued interest not yet due	-33	0
Transfer to level 3	0	0
Transfer from level 3	0	0
<b>Net value at the end of the period</b>	<b>8,074,294</b>	<b>8,150,888</b>

## 3.3 Deposits and other current financial assets

	in thousand EUR	
	30/06/2023	31/12/2022
Deposits <sup>49</sup>	0	0
Current financial investments	587,130	433,436
Other receivables	10,119	3,250
<b>Deposits and other current financial assets</b>	<b>597,249</b>	<b>436,686</b>

Current financial assets are measured at fair value through profit and loss.

## 3.4 Cash and cash equivalents

	in thousand EUR	
	30/06/2023	31/12/2022
Bank and cash	75,644	140,304
Short-term investments and deposits	20,004	245,182
<b>Cash and cash equivalents</b>	<b>95,648</b>	<b>385,486</b>

Cash and cash equivalents consist of bank balances, cash on hand and investments in money market instruments with a maximum term of three months.

## 3.5 Share capital

	SHARE CAPITAL		TREASURY SHARES	
	NUMBER OF SHARES	AMOUNT OF CAPITAL	NUMBER OF SHARES	AMOUNT OF CAPITAL HELD
<b>Balances as at 31/12/2021</b>	<b>34,250,000</b>	<b>79,735</b>	<b>642,928</b>	<b>1,497</b>
Changes during the year	0	0	275,000	640
<b>Balances as at 31/12/2022</b>	<b>34,250,000</b>	<b>79,735</b>	<b>917,928</b>	<b>2,137</b>
Changes during the period	0	0	41,500	97
<b>Balances as at 30/06/2023</b>	<b>34,250,000</b>	<b>79,735</b>	<b>959,428</b>	<b>2,234</b>

<sup>49</sup>. Deposits between three months and one year.



The subscribed and fully paid-up capital consists of ordinary shares without nominal value. The owners of ordinary shares are entitled to receive dividends and are entitled to one vote per share at the Company's general meetings of shareholders.

The gross dividend for the financial year 2022, paid in 2023, was EUR 3.24 per share, i.e. a gross amount of EUR 108,023<sup>50</sup> thousand. The difference between this amount and the amount shown in the consolidated cash flow statement (EUR -108,027 thousand) corresponds to coupons from dividends prior to 2022 but paid in 2023.

As at 30 June 2022, Sofina SA held 959,428 own shares, compared with 917,928 own shares held as at 31 December 2022. During the first half of 2023, 50,000 own shares were acquired, and 8,500 own shares were disposed of.

### 3.6 Non-current financial liabilities

	in thousand EUR	
	30/06/2023	31/12/2022
Bonds issued	695,894	695,507
<b>Non-current financial debts</b>	<b>695,894</b>	<b>695,507</b>

The non-current financial liabilities result from a bond issuance amounting to EUR 700,000 thousand, maturing in 2028. The bonds bear an annual interest rate of 1% payable annually on the coupon due date.

### 3.7 Financial liabilities, trade and other current payables

	in thousand EUR	
	30/06/2023	31/12/2022
Bank loans	0	0
Payables to subsidiaries	25,026	175,634
Trade payables	1,595	1,373
Wage and social security payables	732	5,328
Current financial liabilities <sup>51</sup>	5,370	2,010
Other miscellaneous liabilities	204	687
Dividends relating to previous years	871	875
Miscellaneous taxes	60	774
<b>Financial liabilities, trade and other current payables</b>	<b>33,858</b>	<b>186,681</b>

### 3.8 Receivables from and payables to subsidiaries

	in thousand EUR	
	30/06/2023	31/12/2022
Receivables from subsidiaries <sup>52</sup>	740,896	823,998
Payables to subsidiaries <sup>53</sup>	-25,026	-175,634
<b>Receivables from and payables to subsidiaries</b>	<b>715,870</b>	<b>648,364</b>

Sofina SA has signed revolving credit facilities agreements with commitment with several of its subsidiaries. The loans thereby granted by Sofina SA to these subsidiaries bear interest at Euribor +3 months plus a margin.

With regard to its payables (deposits made by subsidiaries), Sofina SA remunerates them at a deposit rate that is reviewed regularly.

50. In accordance with Article 7:217, §3 of the Belgian Companies and Associations Code, the gross dividend amount presented in the Annual report 2022 has been adjusted to exclude the treasury shares held by Sofina on 11 May 2023 at 11.59 pm Belgian time (i.e., the trading date before ex. Date). The final gross dividend published in the statutory financial statements amounts to EUR 108 million.

51. Composed of accrued interest related to the bonds (see point 3.6 above).

52. The amount for the first semester of 2023 consists mainly of revolving credit facilities contracts and trade receivables from subsidiaries for an amount of EUR 56 thousand.

53. The amount for the first semester of 2023 consists mainly of a deposit made by a subsidiary, and trade payables to subsidiaries for an amount of EUR 26 thousand.

### 3.9 Interest income and expenses

	in thousand EUR	
	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Interest on non-current assets	33	1
Interest on receivables from subsidiaries <sup>54</sup>	12,126	2822
Interest on current assets	2,143	9
Interest on payables to subsidiaries	0	0
Interest to banks	0	-230
Interest on other liabilities <sup>55</sup>	-3,858	-3,858
<b>Interest income and expenses</b>	<b>10,444</b>	<b>-1,256</b>

### 3.10 Net revenue of the investment portfolio

Realised capital losses come from a divestment from a holding active in the field of dental implants.

Unrealised capital gains mainly come from our subsidiaries Sofina Capital, Sofina US, the increase in the share price of Colruyt and GL events, and from other investments active in personal hygiene products, biological crop protection and data management.

Unrealised capital losses are mainly due to investments active in online education and the rental of refrigerated vehicles.

	in thousand EUR	
	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
<b>Investments</b>		
Results due to sales	-129	20
<i>Realised capital gains</i>	0	20
<i>Realised capital losses</i>	-129	0
Results not due to sales	-250	-1,315,111
<i>Unrealised capital gains</i>	218,967	72,785
<i>Unrealised capital losses</i>	-219,217	-1,387,896
<b>Total investments</b>	<b>-379</b>	<b>-1,315,091</b>
<b>Receivables</b>		
Results due to sales	0	0
<i>Realised capital gains</i>	0	0
<i>Realised capital losses</i>	0	0
Results not due to sales	0	0
<i>Unrealised capital gains</i>	0	0
<i>Unrealised capital losses</i>	0	0
<b>Total receivables</b>	<b>0</b>	<b>0</b>
<b>Net result of the investment portfolio</b>	<b>-379</b>	<b>-1,315,091</b>

### 3.11 Other financial results

	in thousand EUR	
	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Foreign exchange results	959	300
Results on other current assets	8,377	-8,363
<b>Other financial results</b>	<b>9,336</b>	<b>-8,063</b>

54. For details, see point 3.8 above.

55. Composed of accrued interest related to the bonds (see point 3.6 above).

### 3.12 Other expenses

in thousand EUR		
	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Other financial expenses	-1,053	-1,000
Services and other goods	-8,013	-6,924
Remuneration, social security charges and pensions	-6,958	-12,422
Miscellaneous	-1,964	-4,761
<b>Other expenses</b>	<b>-17,988</b>	<b>-25,107</b>

Services and other goods mainly comprise consultancy services received and remuneration of the Directors.

### 3.13 Off-balance sheet rights and commitments

in thousand EUR					
		30/06/2023		31/12/2022	
		FOREIGN CURRENCY	EUR	FOREIGN CURRENCY	EUR
Investment portfolio, uncalled committed amounts <sup>56</sup>	EUR		126,929		91,499
	CAD	177	122	329	132
	USD	1,291,267	1,188,355	1,014,168	1,233,635
	GBP	17,729	20,658	8,159	17,250
			<b>1,336,064</b>		<b>1,342,516</b>
Obtained credit lines			1,125,000		925,000
<i>Used amount</i>			0		0
<i>Unused amount</i>			1,125,000		925,000
Credit lines granted to the investment subsidiaries			765,000		765,000
<i>Used amount</i>			338,532		420,537
<i>Unused amount</i>			426,468		344,463

### 3.14 Related party transactions

in thousand EUR		
<b>Assets and liabilities</b>	30/06/2023	31/12/2022
Long-term receivables from non-consolidated related companies	0	0
Short-term receivables from non-consolidated related companies	740,896	823,998
Payables to non-consolidated related companies	-25,026	-175,634
<b>Results from related party transactions</b>	1 <sup>ST</sup> SEMESTER 2023	1 <sup>ST</sup> SEMESTER 2022
Dividends received from non-consolidated related companies	0	0
Dividends received from associated companies	8,686	6,621
Interest received from non-consolidated related companies	12,126	2,822
Interest paid to non-consolidated related companies	0	0
Services provided to non-consolidated related companies	818	3,094
Services received from non-consolidated related companies	-380	-349

The receivables from and payables to non-consolidated related companies consist mainly of loans and deposits between Sofina and its subsidiaries. Their remuneration methods are detailed in point 3.8 above.

The services provided mainly include investment services and investment advisory services relating to investment opportunities and investments held by the service recipient.

<sup>56</sup> These amounts come mainly from subscriptions to investments of Sofina Private Funds for an amount of EUR 1,290 million (see point 2.6 of this Half-year financial report). These commitments are subscribed by Sofina SA or by its investment subsidiaries (seen in transparency).

The services received consist mainly of cash management services.

Sofina is the guarantor of the commitments of its non-consolidated related companies (i.e. its subsidiaries).

### 3.15 Post-closing date events

Events after the end of the financial mid-year are included in the section Key events, which forms an integral part of the interim Management report.

### 3.16 List of subsidiaries and associated companies

NAME AND HEADQUARTERS	LINK	CORPORATE RIGHTS HELD		CORPORATE RIGHTS HELD	
		NUMBER OF SHARES	% OWNERSHIP AS AT 30/06/2023	NUMBER OF SHARES	% OWNERSHIP AS AT 31/12/2022
<b>A. INVESTMENT SUBSIDIARIES - AT FAIR VALUE</b>					
<b>Sofina Ventures SA</b> 29, rue de l'Industrie - 1040 Bruxelles Company number 0423 386 786	Indirect	11,709	100	11,709	100
<b>Sofina Capital SA</b> 12, rue Léon Laval - LU-3372 Leudelange	Direct	5,872,576	100	5,872,576	100
<b>Sofina Partners SA</b> 12, rue Léon Laval - LU-3372 Leudelange	Indirect	46,668,777	100	46,668,777	100
<b>Sofina Private Equity SA SICAR</b> 12, rue Léon Laval - LU-3372 Leudelange	Indirect	5,910,000	100	5,910,000	100
<b>Sofina Global SA SIF</b> 12, rue Léon Laval - LU-3372 Leudelange	Indirect	17,500,000	100	17,500,000	100
<b>Global Education Holding SA</b> 12, rue Léon Laval - LU-3372 Leudelange	Indirect	277,262	82.01	277,262	82.01
<b>Global Beauty Holding SA</b> 12, rue Léon Laval - LU-3372 Leudelange	Indirect	300,000	100	300,000	100
<b>Sofina US, LLC</b> 160 Federal Street, 9th floor - MA 02110 Boston - USA	Direct	802,000	100	802,000	100
<b>Sofina Asia Private Ltd.</b> 108 Amoy Street # 03-01 - SG-069928 Singapore	Indirect	375,000	100	375,000	100
<b>B. ASSOCIATED COMPANIES - AT FAIR VALUE</b>					
<b>Groupe Petit Forestier</b> 11, route de Tremblay - 93420 Villepinte - France	Direct	1,244,172	42.82	1,244,172	43.39
<b>Biotech Dental</b> 305, Allées de Craponne - 13300 Salon-de-Provence - France	Direct	0	0.00	6,154,900	24.75
<b>Cambridge Associates</b> 125 High Street - MA 02110 Boston - USA	Indirect	24,242	23.64	24,242	23.64
<b>Drylock Technologies</b> Spinnerijstraat 12- 9240 Zele Company number 0479 766 057	Direct	169,782,750	25.00	150,000,000	25.64
<b>emTransit BV (Dott)</b> Bugerweeshuispad 101 - 1076ER Amsterdam - Netherlands	Indirect	10,143,368	20.25	8,612,248	17.51
<b>Polygone</b> 59, Quai Rambaud - 69002 Lyon - France	Direct	221,076	20.96	221,076	20.96
<b>Nuxe International</b> 127, rue d'Aguesseau - 92100 Boulogne-Billancourt - France	Indirect	193,261,167	49.00	193,261,167	49.00

Considering Sofina's compliance with the conditions set forth in Article 70 of the Luxembourg law of 19 December 2002, Luxembourg subsidiaries (except Sofina Private Equity SA SICAR and Sofina Global SA SIF) may be exempted from certain provisions relating to the publication of their statutory annual accounts.

### 3.17 Summary of significant accounting policies

The following new standards and interpretations became effective in 2023:

- IFRS 17 - Insurance Contracts (applicable for the annual period beginning on or after 1st January 2023);
- Amendments to IFRS 17 - Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (applicable for the annual period beginning on or after 1st January 2023);
- Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for the annual period beginning on or after 1st January 2023);
- Amendments to IAS 8 - Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1st January 2023);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1st January 2023); and
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately but not yet endorsed in the EU – disclosures are required for annual periods beginning on or after 1st January 2023).

The application of these standards and interpretations does however not have any material impact on the financial statements of Sofina.

Sofina has not anticipated the application of the new and amended standards and interpretations not yet applicable for the annual period beginning on or after 1<sup>st</sup> January 2023:

- Amendments to IAS 1 - Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (applicable for annual periods beginning on or after 1st January 2024, but not yet endorsed in the European Union);
- Amendments to IFRS 16 - Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1st January 2024, but not yet endorsed in the European Union); and
- Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures: Supplier Finance Arrangements (applicable for annual periods beginning on or after 1st January 2024, but not yet endorsed in the European Union).

The future application of these new standards and interpretations is not expected to have a significant impact on the consolidated financial statements.

#### Basis of evaluation

The IFRS consolidated financial statements are prepared on the basis of fair value through profit and loss except for trade and employee receivables and payables, which are measured at amortised cost.

In order to reflect the significance of the data used in fair value measurements, the Sofina group classifies these measurements into a hierarchy consisting of the following levels:

- **Level 1:** listed prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** data other than listed prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- **Level 3:** data for the asset or liability that are not based on observable market data (unobservable data).

#### Consolidation principles

In accordance with its status as an Investment Entity, Sofina does not consolidate its subsidiaries and does not apply IFRS 3 when it acquires control of another entity.

An exception to this is made for subsidiaries that only provide services related to Sofina's investment activities. These subsidiaries are fully consolidated.

Investments in other subsidiaries, which do not exclusively provide services related to Sofina's investment activities, are also measured at fair value through profit and loss in accordance with IFRS 9.

Investments in which Sofina exercises significant influence are also measured at fair value through profit and loss in accordance with IAS 28, §18 and IFRS 9.

The list of subsidiaries and associated companies is presented above under point 3.16. This list does not include companies in which Sofina holds more than 20% of the capital without exercising significant influence, because, for example, it has neither representation mandate on the board of directors nor veto rights (other than the usual protective rights, for reorganisations, capital increases, etc.).

## Transactions in foreign currencies

Transactions in foreign currencies are accounted for at the exchange rate in force on the date of the transaction.

The impact of foreign exchange is recognised in the income statement under Other financial income and expenses.

Monetary assets and liabilities denominated in foreign currencies are translated at closing rates. Exchange differences arising from these transactions, as well as exchange differences arising from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in force on the transaction date.

The financial statements of foreign companies included in the consolidation are translated into euro at the closing rate for balance sheet accounts and at the average exchange rate for the year for income statement accounts. The difference resulting from the use of these two different rates is recorded in the consolidated balance sheet under Reserves.

## Main foreign exchange rates

	30/06/2023	31/12/2022
<b>Closing rate</b>	1 EUR =	1 EUR =
USD	1.0866	1.0666
GBP	0.8583	0.8869
CHF	0.9788	0.9847
SGD	1.4732	1.4300
CAD	1.4415	1.4440
INR	89.2065	88.1710

## (In)tangible fixed assets

(In)tangible fixed assets are recorded on the assets side of the balance sheet at their acquisition or production cost, less accumulated depreciation and any impairment losses. (In)tangible fixed assets are depreciated over their estimated useful life using the straight-line method.

- Buildings: 30 years
- Equipment and furniture: 3 to 10 years
- Rolling stock: 5 years
- Licenses: 5 years

## Investments and receivables

Investments at fair value are recorded at the transaction date and are measured at fair value.

Equity investments at fair value consist of securities that are acquired with the aim of obtaining returns in the form of capital gains and/or investment income. They are measured at fair value at each balance sheet date. Unrealised gains and losses are recognised directly in the income statement. In the event of disposal, the difference between the net sale proceeds and the carrying amount is charged or credited to the income statement.

## Deposits and other current financial assets

Trade receivables are measured at amortised cost. IFRS 9 requires the recognition of credit losses on all debt instruments, loans and trade receivables on the basis of their useful life. This impairment model under IFRS 9 is based on the anticipation of losses and does not have a significant impact on the measurement of impairment of financial assets.

Deposits are designated at fair value through the income statement.

Receivables from subsidiaries are designated at fair value through the income statement.

Cash and cash equivalents comprise cash and term deposits with a maturity of less than three months.

## Treasury shares

Purchases and sales of treasury shares are deducted from and added to equity respectively. Changes during the period are explained in the statement of changes in equity. No result is recorded on these changes.

## Employee benefits

The Sofina group's employees benefit from "defined benefit", "defined contribution" and "cash balance" pension plans. These pension plans are financed by contributions from Sofina group companies and subsidiaries employing staff and by contributions from the staff.

For pension plans, the cost of pension obligations is determined using the "Projected Unit Credit" actuarial method for "defined benefit" plans and the "Traditional Unit Credit" method for "defined contribution" and "cash balance" plans in accordance with the principles of IAS 19. The present value of the promised benefits is calculated. This calculated present value is then compared with the existing funding and, if necessary, generates an accounting provision. The costs established by the actuaries are themselves compared with the premiums or contributions paid by the employer to the funding organisation and, if necessary, generate an additional expense in the consolidated income statement.

The amount recognised in the balance sheet corresponds to the present value of the pension obligations less the fair value of pension plan assets, in accordance with the principles of IAS 19. Actuarial differences, differences between the actual return on assets and the normative return on assets, as well as the effect of the asset ceiling (excluding the interest effect) are recognised in full in equity, without subsequent reclassification to the income statement.

Incentive plans granted are accounted for in accordance with IFRS 2. Under this standard, the fair value of the options at the grant date is recognised in the income statement over the vesting period. Options are valued using a generally accepted valuation model based on market conditions prevailing at the time of granting.

## Financial liabilities

Derivative financial instruments are initially recorded at fair value and revalued at each balance sheet date. Changes in fair value are recognised in the income statement.

Trade payables, loans and bank overdrafts are initially measured at fair value less transaction costs directly attributable to their acquisition or issue and subsequently measured at amortised cost.

Payables to subsidiaries are designated at fair value through the income statement.

IFRS 16 - Leases: when a lease is entered into (unless it is a short-term lease or concerns a low-value asset), a liability is recognised for the related commitment, valued at amortised cost, and the related asset is recognised as property, plant and equipment.

## Provisions

A provision is recognised when a legal or constructive obligation exists at the balance sheet date as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, the amount of which can be reliably estimated.

## Taxes

Taxes include income taxes and deferred taxes. Deferred taxes are recognised in the income statement except when they relate to items that have been recognised directly in equity, in which case they are also recognised directly in this item.

Income taxes consist of taxes payable on taxable income for the year, together with any adjustments relating to previous years.

Deferred taxes consist of income taxes payable or recoverable in future years in respect of temporary differences between the carrying amount of assets and liabilities and their tax base and in respect of unused tax loss carry forwards.

Deferred tax is not recognised on temporary differences arising from goodwill that is not deductible for tax purposes, from the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit at the time of the transaction, or from investments in subsidiaries, provided it is probable that the temporary difference will not be reversed in the foreseeable future.

Deferred taxes on unused tax losses are recognised only to the extent that taxable profits are likely to be realised, thereby enabling the losses to be utilised.

Taxes are calculated at the tax rates that have been enacted.

## **Income and expenses**

Income and expenses are recognised as follows:

- The gross amounts of dividends are recognised in the income statement at the date of allocation;
- Interest income is recognised when earned;
- Interest expense is recorded as incurred;
- Gains and losses on non-current assets and gains and losses on current assets are recognised at the date of the transaction that generated them;
- Other income and expenses are recognised at the time of the transaction;
- Sofina SA provides investment management services to non-consolidated subsidiaries. Each resulting service obligation is covered by a service contract and the related revenue is recognised as the service obligation is fulfilled (over the term of the contract). Services provided by non-consolidated subsidiaries to Sofina SA are treated in the same way;
- The gross amount of income and capital gains of non-consolidated foreign investments are recognised in the income statement.

## **Significant accounting judgments and sources of uncertainty in accounting estimates**

The main accounting estimates relate to the valuation of the investment portfolio: the significant assumptions and judgments are discussed in the notes on the fair value of the portfolio under point 2.4 above.

The significant judgments made by Sofina in determining its status as an Investment Entity relate to the assessment of the existence of a divestment strategy on portfolio investments, as well as the assessment of this divestment strategy on investments held by subsidiaries rather than on direct investments in these subsidiaries.



# Statutory auditor's report

## **Statutory auditor's report to the board of directors of Sofina SA on the review of the interim condensed consolidated financial statements as at 30 June 2023 and for the six-month period then ended**

### **Introduction**

We have reviewed the accompanying consolidated balance sheet of Sofina SA as at 30 June 2023, the consolidated income statement, statement of comprehensive income, changes in consolidated shareholders' equity and consolidated cash flow statement for the six-month period then ended, and notes ("the interim condensed consolidated financial statements"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as at 30 June 2023 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Brussels, 5 September 2023

EY Réviseurs d'Entreprises SRL  
Statutory auditor  
represented by

Jean-François Hubin  
Partner  
\*Acting on behalf of an SRL

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# Glossary

- **Average annual return:** Average annual growth rate calculated on the basis of the change in equity per share (NAVPS) during the reporting period from 1<sup>st</sup> July to 30 June, taking into account the gross dividend(s) per share of Sofina. It is expressed on an annualised basis. As an example, the average annual return over one year is calculated as follows and is based on the “XIRR” formula in Excel:

PERIOD	NAVPS (T-1)	GROSS DIVIDEND PAID (IN EUR)	NAVPS (T)	PERFORMANCE (IN %)
2023	294.95	3.24	276.79	-5.1%

It should be noted that the comparison of Sofina’s average annual return against a benchmark index is made on the basis of identical periods. Since 2016, the Company measured its long-term performance by comparing the evolution of its equity per share against a benchmark, the MSCI ACWI Net Total Return EUR Index. Sofina’s NAVPS is used instead of its share price in order to better reflect management performance and to better align with LTIP concepts.

- **Cash – Non-cash:** Defines whether a portfolio transaction generated a cash inflow or outflow (Cash) or not (Non-cash).
- **Company:** Sofina SA.
- **ESG:** Refers to Environmental, Social and Governance factors, as set out in Sofina’s Responsible Investment Policy.
- **Euro Stoxx 50 Net Return Index EUR (“EUR Stoxx 50”):** Ticker used by Bloomberg (SX5T Index). This index is also presented because of its wide use in the financial markets.
- **General Partners (“GPs” or “Managers”):** Specialised teams managing investment funds in unlisted companies, focusing on venture and growth capital funds.
- **Gross cash:** Net cash plus financial liabilities, in transparency.
- **Investment Entity:** Status adopted by Sofina SA since 1st January 2018 in application of IFRS 10, §27, which provides that, as long as it meets the definition of an Investment Entity, a company does not consolidate its subsidiaries (except for subsidiaries exclusively providing services related to investment activities). Direct subsidiaries are recorded at fair value in the consolidated financial statements, including the fair value of their equity investments and other assets and liabilities (mainly intra-group payables and receivables).

The direct subsidiaries of Sofina SA are stated at fair value through profit and loss in accordance with IFRS 9.

As required by IFRS 10, §B101, Sofina applied this accounting treatment as of 1<sup>st</sup> January 2018, when it met all the criteria of an Investment Entity. Indeed, Sofina has determined that it is an Investment Entity within the meaning of IFRS 10 because it meets the three criteria set by the standard. In fact, Sofina:

- uses the funds of its investors (who are shareholders of the listed company) to provide them with investment management services;
- makes investments with the aim of obtaining returns in the form of capital gains and/or investment income;
- monitors the performance of its investments by measuring them at fair value.

In addition, Sofina has all the typical characteristics of an Investment Entity as defined by IFRS 10:

- it has more than one investment;
- it has more than one investor;
- it has investors who are not related parties;
- it has ownership rights in the form of equity securities or similar interests.

As mentioned above, Sofina SA does not consolidate its subsidiaries (IFRS 10, §27).

- **Listed:** Level 1 and 2 investments as per the fair value hierarchy defined in point 2.3 of the Notes to the interim condensed consolidated financial statements.
- **Loan-to-value (%):** Ratio between (i) Net debt (or if negative, corresponds to Net cash) and (ii) the total value of the portfolio in transparency.
- **LTIP:** Long-term incentive plan organised within Sofina.
- **MSCI ACWI Net Total Return EUR Index (“MSCI ACWI”):** Ticker used by Bloomberg (NDEEWNR Index). This index is the benchmark used by Sofina. This benchmark is considered the most appropriate because of (i) Sofina’s global investment strategy (which called for a reference to a World Index (“WI”) for developed markets) and (ii) the Sofina group’s investments in Asia and the rest of the world (which justified the choice of the All Countries (“AC”) index for emerging markets). The Company’s essentially European shareholder base and its listing on Euronext Brussels ultimately guided the choice of the euro-denominated index.
- **Net Asset Value (“NAV”):** Net assets or shareholder’s equity. NAV per share (“NAVPS”) corresponds to the net assets per share or equity per share (calculation based on the number of outstanding shares at the end of the period). As a reminder, since 1<sup>st</sup> January 2018, Sofina has

adopted the status of Investment Entity according to IFRS 10. Since then, its equity, or NAV in the context of this Half-year financial report, corresponds to the fair value of its investments as well as of its direct subsidiaries and their investments and other assets and liabilities.

- **Net cash (or Net debt if negative):** Sum, in transparency, of "Cash and cash equivalents", "Deposits" and "Cash investments", less "Financial debts" of current and non-current liabilities. "Receivables from subsidiaries" and "Payables to subsidiaries" are not included in Net cash. The term is used in the key management information (see point 2.1. of the Notes to the interim condensed consolidated financial statements).
- **Other assets and liabilities:** Sum of "Deferred taxes" (on the assets side), "Other current financial assets", "Receivables from subsidiaries", "Other current debtors" and "Taxes" (on the assets side), less "Non-current provisions", "Non-current financial liabilities", "Deferred taxes" (on the liabilities side), "Payables to subsidiaries", "Current trade and other payables" and "Taxes" (on the liabilities side). These are not shown as separate lines in the internal information used for the management of the Sofina group and have therefore been grouped together to reflect this information (see point 2.1 of the Notes to the interim condensed consolidated financial statements).
- **Portfolio in transparency:** Sofina SA manages its portfolio on the basis of the total investments held either directly or through investment subsidiaries. When preparing the financial statements as an Investment Entity, the fair value of its direct investments (in portfolio investments or in investment subsidiaries) is recognised as an asset in the balance sheet. By contrast, segment management information (based on internal reporting) is prepared on the entire portfolio in transparency (i.e. on all portfolio investments whether held by Sofina SA directly or indirectly through its investment subsidiaries), and thus on the basis of the total fair value of each investment ultimately held. The presentation of dividends or cash follows the same logic.
- **Shareholders' equity:** Net Asset Value (as defined herein).
- **Sofina Direct:** Denomination combining Long-term minority investments and Sofina Growth as a result of some of their similar features, as opposed to Sofina Private Funds.
- **Total Shareholder Return ("TSR"):** Average annual return (as defined above).
- **Unlisted:** Level 3 investments as per the fair value hierarchy defined in point 2.3 of the Notes to the interim condensed consolidated financial statements.