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## PRESS RELEASE

### - ANNUAL RESULTS AS OF DECEMBER 31, 2022 -

- Stable Net Asset Value of EUR 2,182.9 million (+0.6%)
- Global performance of 2.3% for our shareholders, mainly driven by hard capital gains on exits
- Consolidated net income of EUR 46.4 million
- Strong cash generation during the year
- Proposed gross dividend of EUR 1.98 per share (+10.0%)
- Executive chairman and founder, François Tesch, stepping down. François Gillet proposed as new Chairman of the Board.

The Managing Directors, John Penning and Olaf Kordes, commented on the year as follows:

First of all, we would like to honor and thank François Tesch, our inspiring and entrepreneurial Chairman, and founder, who will step down from his mandate at the coming Annual General Meeting, after having left an indelible mark on Luxempart. We look forward to working with his successor and would like to thank both of them for their trust and assure them of our continued commitment and motivation.

In an uncertain environment, characterized by the war in Ukraine, turmoil in global supply chains and inflation, we are pleased to show a stable (+0.6%) evolution of our Net Asset Value, and hence a positive global performance to our shareholders, well above global market evolutions.

This performance is the result of the last years' efforts to deploy our revised strategy, which relies on both streamlining our portfolio and on focusing on new transactions that allow to create significant value over the long term. Those new investments were targeted to be solid and to provide good visibility, in order to allow for resilience in crisis periods.

Our portfolio as a whole has proven to be what we target: resilient, counter-cyclical, able to generate growing results even under difficult conditions, and with a good balance between younger and more mature companies, allowing to trigger significant cash events even in such periods.

We realized several successful exits in 2022, at valuations above previous year's NAV, generating a significant cash inflow over the year. And we invested our capital in very promising new projects, showing

that our differentiating and flexible investment policy is paying off. Our Investment Funds activity has proven to fulfil its strategic purpose: in uncertain times, it provides diversification, stability and generates cash.

2022 was also a year of consolidation for Luxempart, with the strengthening of our team, and the preparation of the retirement of François Tesch, our Executive Chairman. We now have an Executive Committee composed of five members, and have kept growing both our Investment and Support teams as well.

#### KEY FINANCIAL INFORMATION

Key figures from the consolidated financial statements (IFRS) (in € millions)	31/12/2022	31/12/2021
Shareholders' equity	2,183	2,169
Profit for the year	46	499

Consolidated net income at December 31, 2022 such as approved by the Board of Directors is mainly composed of received dividends and capital gains, including the fair market revaluation of the portfolio. Consolidated equity, the best indicator of the Group's financial strength, increased by 0.6 %. The equity per share thus increased to EUR 108.3 against EUR 107.8 last year.

To reflect Luxempart's dynamics, other unaudited indicators are presented below:

Other financial information <sup>(1)</sup> (non-IFRS, in EUR millions)	31/12/2022	31/12/2021
Investments	249	266
Divestments and proceeds	349	393
Group cash position	451	344

(1) This information is complementary to the IFRS financial statements. It corresponds to the total portfolio in transparency, i.e. the entire investments and divestments of the portfolio held directly by Luxempart or indirectly by its investment subsidiaries.

Our portfolio activity translated in a strong cash flow generation in 2022 in our various activities, due to the sale of several investments both in our Direct Investment portfolio and in some of our historical sponsored funds. This led to a significant increase of our Group's cash position at EUR 451 million, compared to EUR 344 million as of December 31, 2021.

#### ACTIVITY REPORT

Luxempart pursues two strategic goals, namely to manage a concentrated portfolio of direct investments in its target markets and to deploy commitments with private equity investment funds in buy-out, venture and growth capital at a global level.

In our Direct Investment activity, we continued our portfolio streamlining during 2022, with 6 exits realized over the year, generating proceeds of EUR 214 million. But we also continued to invest in new companies, 3 new investments being realized over the year, together with 2 significant add-on

investments in existing lines, totalling EUR 161 million of new deployments. Our portfolio companies were also quite active during the year, 8 of them having together realized more than 20 buy-and-build operations in 2022.

Our Investment Funds activity also generated significant proceeds in 2022, at EUR 135 million, mostly from our historical sponsored relationships, that realized significant exits. In line with our diversification strategy, we took EUR 79 million new commitments over the year, in 12 new funds located mostly outside of Europe.

## **GLOBAL PERFORMANCE**

In total, Luxempart generated a return of 2.3% for its shareholders in 2022, through the dividend paid and the increase in equity per share. This performance compares very favourably to the MSCI Europe Mid Cap Net Return benchmark (-19.3% over the same period). Over a four-year period, Luxempart has outperformed the MSCI index by 6.3% annually.

The Luxempart share is listed on the Luxembourg Stock Exchange. During 2022, the share price remained stable, at EUR 74.5 per share. This share price represents a 31% discount to our equity per share of EUR 108.3 as of December 31, 2022.

## **DIVIDEND**

In line with its dividend policy for more than 25 years that targets a steadily increasing dividend, the Board of Directors will propose a dividend of EUR 1.98 gross per share, an increase of 10.0 % compared to 2022. It will be payable on 15 May 2023 subject to approval by the company's Annual General Meeting on April 24, 2023.

## **POST-CLOSING EVENTS AND OUTLOOK**

In the first few months of 2023, Luxempart sold its participation in the listed Danish company TCM, and signed an investment agreement to take a 26% stake in Kestrel Vision, a global leading player in the development of machine vision-based quality control and inspection solutions for the rigid packaging industry. This represents a sizeable investment of EUR 110 million but depending on very resilient markets (mainly the food & beverage industry), perfectly in line with our investment strategy.

We remain cautious regarding the year to come, as economic and geo-political uncertainties remain, and could continue to influence our portfolio, even though the last three years have shown its remarkable resilience. The recent insolvency of Silicon Valley Bank in California and the difficulties met by Credit Suisse, though not significantly affecting Luxempart, if at all, is there to remind us how fragile the economic situation is worldwide, in the context of high inflation and rising interest rates.

We see in this respect our historically high cash situation as very favorable, as it confers a solid security buffer to face tougher times, while allowing us to benefit from attractive opportunities both in new investments as well as in external growth opportunities for our existing portfolio companies.

## **ADDITIONAL INFORMATION**

The date of the Annual General Meeting is scheduled for 11.00 a.m. on April 24, 2023 at the registered office in Leudelange. The Annual General Meeting will be preceded by an Extraordinary General Meeting at 10:00 a.m. on the same day, where a cancellation of the authorised capital and the dematerialisation of our shares will be proposed. Shareholders who are unable to attend may vote by proxy. Shareholders will be able to ask questions in writing prior to the meeting. The documents relating to the General Meetings will be available from March 24, 2023 on the company's website: [www.luxempart.lu/shareholders-meeting](http://www.luxempart.lu/shareholders-meeting).

Additional and more detailed information is presented in the annual report as of December 31, 2022 and will be presented on the company's website: [www.luxempart.lu](http://www.luxempart.lu)

Leudelange, March 24, 2023

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