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PRESS RELEASE

- ANNUAL RESULTS AS OF DECEMBER 31, 2020 -

- Good resilience of the portfolio to Covid
- Overall net asset value performance of 10% for the shareholder
- Consolidated net income of € 157 million

KEY FINANCIAL INFORMATION

Key figures from the consolidated financial statements (IFRS) (in € millions)	31/12/2020	31/12/2019
Shareholders' equity	1,702	1,575
Comprehensive net result	157	207

Consolidated net result at December 31, 2020 is mainly composed of income from investment activities (dividends and capital gains) of €168 million less expenses from ordinary operations of €11 million.

Other financial information (1) (non-IFRS, in € millions)	31/12/2020	31/12/2019
Market capitalisation	985	1.064
Net gains on financial assets of the portfolio including gains looking through investment subsidiaries	155	193
Investments	112	149
Divestments	149	127
Net cash position	140	155

⁽¹⁾ Unaudited information in addition to that contained in the IFRS financial statements as at December 31, 2020. For further information, please see the annual report published on the website of Luxempart.

The annual result as of December 31, 2020 was approved by the Board of Directors on March 24, 2021.

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

"Luxempart's portfolio has held up well. After a decline in value at the end of the first half of 2020, we closed the year with an increase in our estimated portfolio value of 8% to reach €1.7 billion. We have achieved an annual growth in the estimated value per share of 10%, including the dividend per share paid during 2020. This performance compares favourably with that of the MSCI Europe Mid Cap Net Return, considered as our benchmark, which achieved a performance of 3.35% in 2020. This good performance is partly due to a turnaround in the financial markets but, above all, to the significant resilience of the portfolio and the limited exposure to the sectors most affected by the crisis. More than 50% of our companies have been able to increase their sales in 2020 and even more than 60% have improved their results for the past year.

STRATEGIC EVOLUTION

The strategic evolution, decided in 2020 and started since then, shows its first results:

- Two new Managing Directors have been appointed and a new member of the Executive Committee will be appointed in the coming months
- Management has begun to strengthen the investment teams in our two strategic pillars (Direct Investments and Investments Funds) to increase the search for new investment opportunities and improve execution and management capabilities
- Focus our direct investment portfolio on larger private equity lines and on a few selected listed companies after in-depth analysis
- Adaptation of the investment funds segment by extending our new venture, growth and buy-out commitments to the United States and Asia
- Investments of €112 million in 2020 and €50 million since 2021 (completed or in progress) and disposals of €149 million in 2020, generating returns in line with our expectations.

ACTIVITY REPORT

Investments of €112 million mainly concern (i) the acquisition of a minority stake in Enoflex, a leading company in closure systems for wine and champagne bottles, (ii) the capital increase of Atenor as part of a reinforcement of equity in line with the company's development plan and (iii) the acquisition of a 5.1% position in SNP, an IT services provider specialising in the field of data migration for ERP enterprise software, SAP in particular. In addition to these new investments, new commitments were made to investment funds in line with the strategy defined for this business segment. These commitments in European and American investment funds will be called over the next few years.

The divestments of €149 million mainly concern the sale of Mehler Vario System at a multiple of almost 4 times and the sale of LPKF at a multiple of 2.5 times. Luxempart also sold almost all its stake in SES. While retaining a significant stake in Zooplus, Luxempart took advantage of a significant increase in the share price of this growing company to sell part of its line. Finally, the Group received distributions from the investment funds of approximately EUR 25 million.

POST-CLOSING EVENTS

During the first months of 2021, Luxempart closed two new investments, strengthened some positions and disposed of one portfolio line as follows:

- Investment of €25 million in Sogetrel, a French company active in the construction and maintenance of telecommunication networks;
- Investment of €25 million in iM Global Partners (subject to regulatory approval), a global investment and distribution platform dedicated to asset management;
- Commitment to subscribe up to 20% of the €60 million convertible bond issued by Schaltbau AG, in order to maintain a position of reference shareholder, together with the partners acting in concert;
- Disposal of our 15% stake in NMC (via ICP) with a 15% annual return;
- USD 25 million commitment to a US investment fund, to be called up progressively over the next few years to finance high growth companies.

ESTIMATED NET ASSETS

The estimated net assets as at December 31, 2020 amount to €1,702 million compared to €1,575 million as at December 31, 2019, an increase of 8%. The overall performance of Luxempart, corresponding to the change in estimated net assets and the dividend paid in 2020, amounts to 10%.

The discount per share (difference between the net asset value per share and the share price) as at December 31, 2020 was of 42.2% (32.4% as at December 31, 2019)

DIVIDEND

The Board of Directors will propose a dividend of €1.60 gross per share, an increase of 8.1% compared to 2020.

OUTLOOK

Despite the lack of short-term visibility on the end of the Covid epidemic, we remain fundamentally optimistic. The consensus of economists expects a relatively strong economic recovery in 2021, but not to the pre-Covid level. In this context, although precise forecasts would be unreasonable, we are confident about 2021:

- Our portfolio has shown very strong resilience in 2020. In an uncertain but improving environment, we believe that our companies will be able to take advantage of the opportunities that will arise;
- The portfolio companies have low leverage levels and Luxempart itself has no significant debt on its balance sheet, and has significant cash reserves;
- The change in strategy initiated in 2020 is bearing fruit. Investment and divestment activity remain strong at the beginning of the year and we have been able to finalise promising investment projects. We maintain our objective of achieving a more concentrated direct investment portfolio, with less lines at higher average value within three years, and we believe that 2021 will see Luxempart making concrete steps in that direction.

ADDITIONAL INFORMATION

The date of the General Meeting is maintained at 26 April 2021. However, in view of the current circumstances, a physical meeting cannot be held. Shareholders will be able to vote by proxy to the Chairman or by correspondence. Shareholders will be able to ask questions in writing. Luxempart will set up a remote communication solution (webcasting) to present the items on the agenda and answer questions submitted in advance. Further details will be communicated at a later date. The documents relating to the General Meeting will be available as from 26 March 2021 on the website of the Company: <https://www.luxempart.lu/shareholders-meeting>

Further and more detailed information is presented in the annual report as at 31 December 2020 and will be available on the company's website: www.luxempart.lu

Leudelange, March 25, 2021

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