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PRESS RELEASE

- HALF-YEAR RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020 -

- Net assets of €1.44 billion, i.e. -8.3% after dividend
- Shareholder return over the period: - 6.4% (including dividend paid)
- Net consolidated income: - €101 million due to net portfolio value adjustment of €106 million

KEY FINANCIAL DATA

Key figures of consolidated financial statements (group share) (€ million)	30 June 2020 (6 months)	31 December 2019 (12 months)	30 June 2019 (6 months)
Shareholders' equity	1,444	1,575	1,460
Net comprehensive income	-101	207	92

The consolidated net income as at 30 June 2020 is composed mainly of results from investments of -€97 million (dividends, realised and unrealised gains and losses).

Other financial information (€ million) ⁽¹⁾	30 June 2020 (6 months)	31 December 2019 (12 months)	30 June 2019 (6 months)
Market capitalisation	940	1,064	1,084
Dividends collected	12	23	24
Realised and unrealised gains and losses for the period	-110	193	73
Investments	111	169	44
Divestments	100	127	33
Net cash and other assets and liabilities	115	155	185
Securities portfolio	95	79	54

⁽¹⁾ Unaudited information in addition to that contained in the IFRS financial statements as at 30 June 2020. For more information, see the semi-annual report published on Luxempart's website.

The significant decrease in market multiples impacted the valuation of our portfolio and write-downs had to be booked on 30 June 2020. The unrealised losses are not final and will be reversed if the economic outlook of our investments improves.

The IFRS half-year results for the six months ended 30 June 2020 were approved by the Board of Directors on 26 August 2020.

Managing directors John Penning and Olaf Kordes commented on the half-year period as follows:

“Our results are commensurate with a very difficult economic context which will probably not have a long-lasting impact on our portfolio. The losses recorded are not realised and as Luxempart is not under pressure to sell its investment lines, it has time to wait for the recovery, all the more so as its portfolio is of good quality. Our performance compares favourably with the MSCI Europe Mid Cap which dropped by more than 13% over the period, thanks to a judicious sectoral breakdown, the sound operational performance of our main portfolio companies and our cash position.”

HIGHLIGHTS OF THE FIRST SIX MONTHS OF FINANCIAL YEAR 2020

Direct investments

Despite the health crisis, Luxempart invested around €111 million, including in Enoflex, a leading company in closure systems for wine and champagne bottles, in the capital increase of Atenor and in strengthening its securities portfolios.

The Group also managed to divest €100 million, thereby reducing further its position in SES and selling two listed lines - all before the crisis broke out. In addition, the Group took advantage of the positive environment in the e-commerce market to realise part of its profit on Zooplus. The ensuing capital gains amounted to €15 million.

Despite the COVID-19 crisis, the main lines of the portfolio are solid and not affected much in operational terms.

Investment funds

The investment fund portfolio represents 23% of net assets. It is composed of small cap funds managed by the Bravo Capital, Armira, Indufin and Ekkio teams, stock portfolios and venture capital funds. The net performance of the investment funds was negative for the six months ended 30 June, particularly in the Ekkio funds, which are extensively exposed to the tourism sector.

The second pillar of our strategy should enable us to generate a stable and recurring return thanks to an effective geographical and sectoral performance.

ESTIMATED NET ASSETS

The estimated net assets amounted to €1,444 million as at 30 June 2020, compared with €1,575 million as at 31 December 2019, a decrease of 8.3% and 6.4% before the dividend was paid out to our shareholders. Our *Direct Investments* portfolio represents 69% of our net assets, the Investment Funds 23%, and cash and other net assets 8%. Together with the portfolio of highly liquid securities, funds available for investment exceed €200 million. The listed portfolio represents 21% of net assets. The discount of Luxempart shares to net asset value as at 30 June 2020 amounts to 35% (32% on 31 December 2019).

OUTLOOK

The uncertainties caused by the COVID-19 pandemic that affect the pace and intensity of economic recovery make forecasting the outlook more difficult. It is therefore risky to predict how our portfolio will perform in terms of valuation and thus indirectly impact our net result for 2020.

The following positive elements should be borne in mind:

- The solid financial fundamentals, lack of any debt on Luxempart's balance sheet, and low level of debt of most of its portfolio companies;
- The cash position and the portfolio of liquid securities which together exceed €200 million, and access to lines of credit;
- A stable, professional and international team in Luxembourg with staff based partly in our target markets (Germany, France and Belgium);
- A stable shareholder base with an entrepreneurial background and long-term vision;
- The good quality of our portfolio lines which have adapted well to the crisis and are ready for the recovery.

ADDITIONAL INFORMATION

Additional, more detailed information is provided in the semi-annual management report and the IFRS financial statements as at 30 June 2020, available on the company's website: www.luxempart.lu

The Board of Directors
Leudelange, 26 August 2020

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