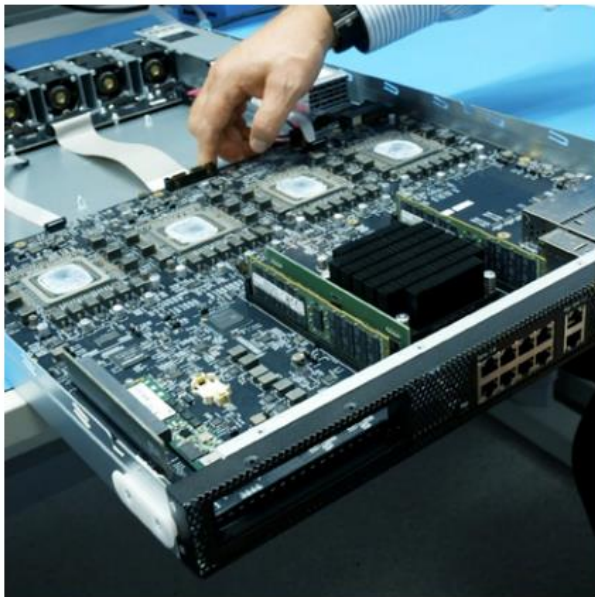


HALF-YEAR FINANCIAL REPORT 2022



SOFINA

Purpose & Patience

Our mission

We aspire to be the preferred partner of entrepreneurs and families who lead growing companies by backing them with patient capital and supportive advice.

OUR GOAL AT SOFINA IS TO CREATE ECONOMIC VALUE WITH A HUMAN APPROACH

We believe that the entrepreneurial spirit that differentiates many family businesses and growth companies is a source of progress. By supporting these entrepreneurs and innovators, we intend to contribute to global growth, development and innovation.

WE BELIEVE SUCCESSFUL ENTREPRENEURS HAVE TO BE COMPETITIVE IN A GLOBALISED MARKET

Our mission is to provide patient capital, expertise and advice, to growing companies led by entrepreneurs and families and to support them as a long-term partner with a horizon few other investors can match.

OUR HERITAGE AND CULTURE MAKE US UNIQUE

We put human relationships at the heart of what we do. All our investments are stories of shared values, friendships, and ambitious projects with talented entrepreneurs and their management teams. By following these principles, we aspire to be the preferred investment partner of all stakeholders sharing our beliefs and vision.

Key information for shareholders

Financial calendar

6 September 2022	Half-year financial report 2022
January 2023	Newsletter #11
30 March 2023	Annual report 2022
4 May 2023	General Meeting of Shareholders
July 2023	Newsletter #12
5 September 2023	Half-year financial report 2023

Visit our website

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

- Financial reports
- Description of our strategy (including ESG strategy)
- Description of our investments
- Overview of our teams
- Corporate brochure

Contact investors and press

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- Statutory auditor's report
- Glossary
- Responsible person ⁽¹⁾

Foreword

This Half-year financial report has been redesigned to offer an improved reading experience in line with the evolution of our external reporting over the last few years. The Management report has been replaced by the Highlights, Key figures and Events, and ESG, with the aim to provide a quick overview of the essentials. The Notes to the financial statements include from now on additional data on the evolution of our business and the concentration of the portfolio. This updated report is part of our continuing efforts to provide investors with the information necessary for them to understand our portfolio and the evolution, challenges and opportunities of our business.

(1) Sections of the interim Management report.

Highlights



A FAMILY RUN
AND CONTROLLED
INVESTMENT COMPANY

FOUR FOCUS SECTORS



CONSUMER AND RETAIL



DIGITAL TRANSFORMATION



EDUCATION



HEALTHCARE

3

COMPLEMENTARY
INVESTMENT STYLES



SOFINA DIRECT

30%

OF NET ASSET VALUE ⁽¹⁾

LONG-TERM MINORITY INVESTMENTS

19%

OF NET ASSET VALUE ⁽¹⁾

SOFINA GROWTH – INVESTMENTS
IN FAST-GROWING BUSINESSES

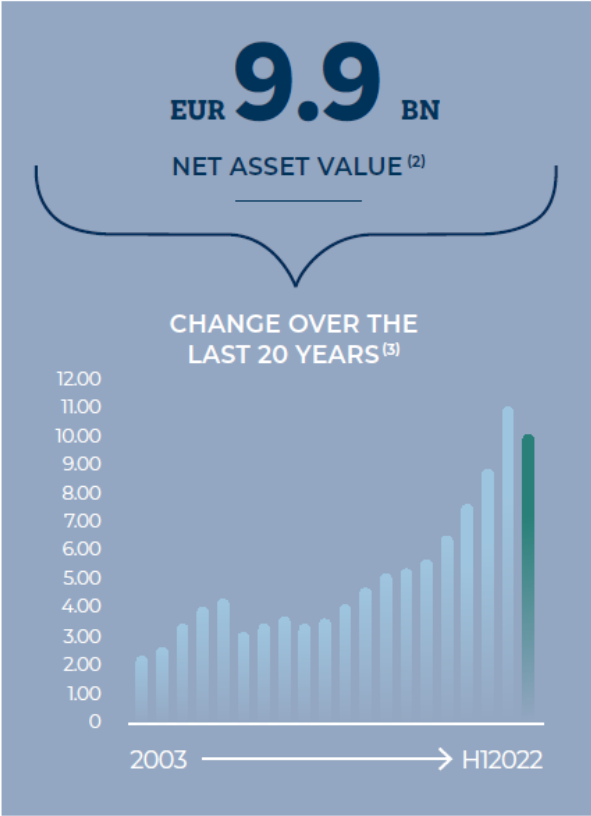
SOFINA PRIVATE FUNDS

51%

OF NET ASSET VALUE ⁽¹⁾

INVESTMENTS IN VENTURE AND
GROWTH CAPITAL FUNDS

(1) Considering the portfolio in transparency as at 30 June 2022.



(2) As at 30 June 2022.

(3) The financial data at 31 December are prepared under IFRS standards since the financial year closed at 31 December 2004. The Net Asset Value for financial years prior to 2004 corresponds to the estimated value of the assets at 31 December. For 2022, the financial data are prepared under IFRS standards as at 30 June.

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.

Key figures

We are now regrouping the two investment styles where the Sofina group directly owns shares in portfolio companies or is involved through a syndication vehicle, namely Long-term minority investments and Sofina Growth, under a new common umbrella named **Sofina Direct**.

This new denomination is the alter ego of **Sofina Private Funds** where our involvement relies on building long-term partnerships with carefully selected external General Partners.

Sofina Direct and Sofina Private Funds are mutually additive to compound knowledge and networks in the growth and innovation ecosystems across focus sectors and geographies.

OVERVIEW OF THE HALF-YEAR

	30/06/2022	31/12/2021
Net Asset Value (in EUR million)	9,875	11,354
Net Asset Value per share (in EUR) ⁽¹⁾	294.95	337.86
Loan-to-value in transparency (in %)	-0.0%	-2.9%

	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Net result (share of the group) (in EUR million)	-1,336	1,600
Net result (share of the group) per share (in EUR) ⁽²⁾	-39.80	47.52

As a reminder, the General Meeting of Shareholders of 5 May 2022 decided to pay a gross dividend of EUR 3.128571 per share.

BALANCE SHEET IN TRANSPARENCY ⁽³⁾

in thousand EUR

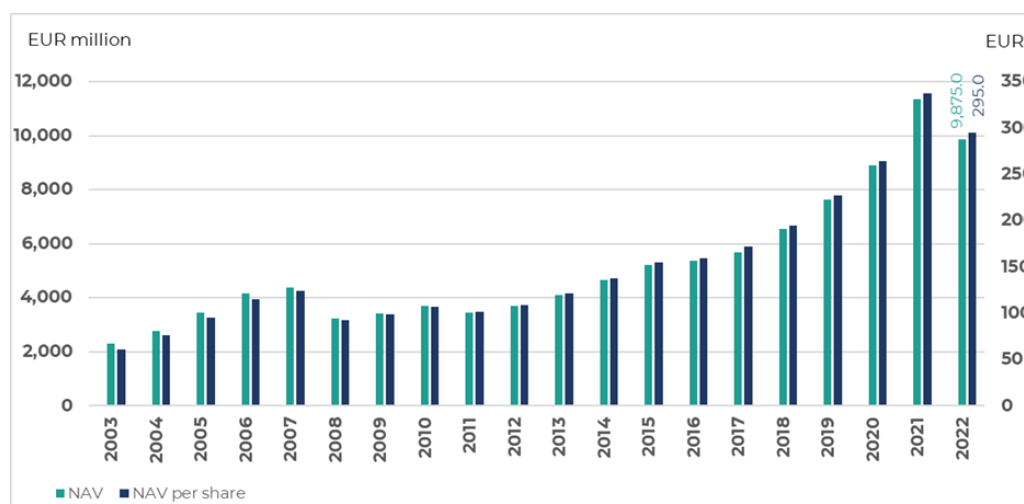
BALANCE SHEET IN TRANSPARENCY	30/06/2022	% OF NAV	31/12/2021	% OF NAV
Investment portfolio	9,847,761	100%	11,063,415	97%
Sofina Direct	4,788,192	49%	5,810,894	51%
<i>Long-term minority investments</i>	2,898,989	30%	3,884,345	34%
<i>Sofina Growth</i>	1,889,203	19%	1,926,549	17%
Sofina Private Funds	5,059,569	51%	5,252,521	46%
Net cash	124	0%	319,082	3%
Gross cash	695,237	7%	1,048,594	9%
Financial debts	-695,113	-7%	-729,512	-6%
Other	27,071	0%	-28,156	0%
NAV	9,874,956	100%	11,354,341	100%

(1) Calculation based on the number of outstanding shares (33,479,972 shares as at 30 June 2022 and 33,607,072 shares as at 31 December 2021).

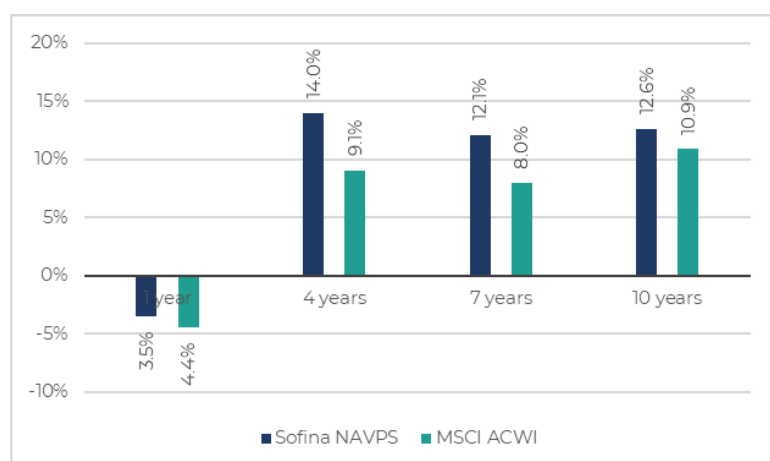
(2) Calculation based on the weighted average number of outstanding shares (33,565,782 shares as at 30 June 2022 and 33,678,993 shares as at 30 June 2021).

(3) 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 financial report.

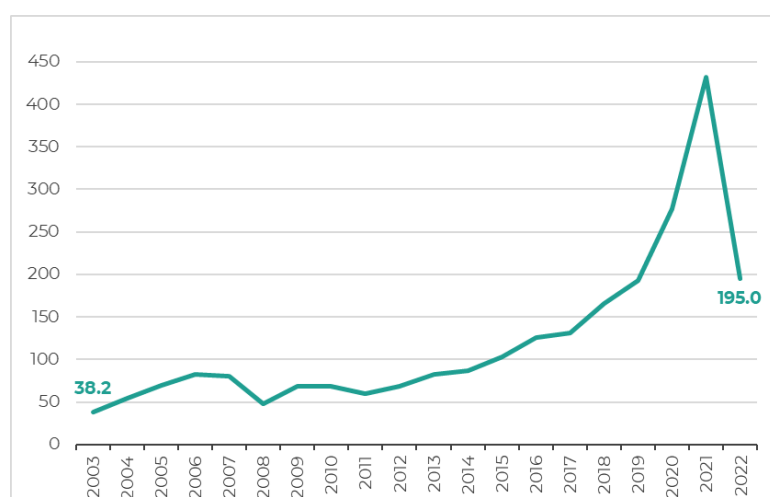
EVOLUTION OF THE NET ASSET VALUE OVER THE LAST 20 YEARS ⁽⁴⁾



AVERAGE ANNUAL RETURN ⁽⁵⁾



EVOLUTION OF THE STOCK PRICE ⁽⁶⁾ OVER THE LAST 20 YEARS (IN EUR)



(4) The financial data at 31 December are prepared under IFRS standards since the financial year closed at 31 December 2004. The Net Asset Value for financial years prior to 2004 corresponds to the estimated value of the assets at 31 December. For 2022, the financial data are prepared under IFRS standards as at 30 June.

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.

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

(6) Stock price at 31 December except for 2022 which provides the stock price at 30 June.

THE 10 LARGEST INVESTMENTS OF SOFINA DIRECT REPRESENT 25% OF ITS NET ASSET VALUE ⁽⁷⁾ ⁽⁸⁾

1	GROUPE PETIT FORESTIER
2	BYJU'S
3	COGNITA
4	SC CHINA CO-INVESTMENT 2016-A
5	CAMBRIDGE ASSOCIATES
6	BIOMÉRIEUX
7	DRYLOCK TECHNOLOGIES
8	VERSE INNOVATION
9	NUXE
10	MÉRIEUX NUTRISCIENCES

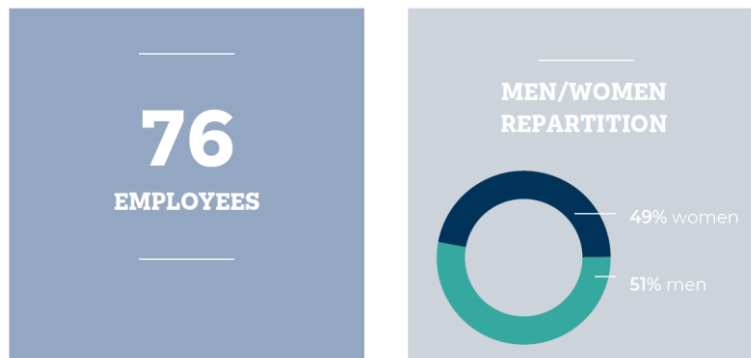
THE 10 LARGEST GENERAL PARTNERS OF SOFINA PRIVATE FUNDS REPRESENT 26% OF ITS NET ASSET VALUE ⁽⁷⁾

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

⁽⁷⁾ Listed in decreasing order of fair value as at 30 June 2022 (portfolio in transparency).

⁽⁸⁾ 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.

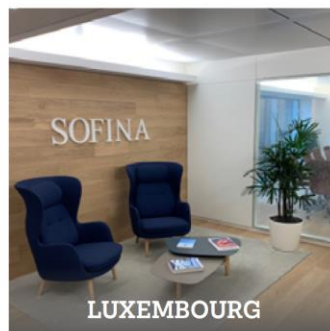
A DIVERSE AND MULTICULTURAL TEAM



16 nationalities



5 new hires (60%/40% gender balance)
during the first semester across our 3 offices



Key events

OVERVIEW OF THE MAIN EVENTS OF 2022 (UNTIL 6 SEPTEMBER)

JANUARY

Sofina Growth closed the second tranche of the partial sale of its stake in **Pine Labs** initiated in late 2021, and further increased its stake in **Vinted** and **MedGenome**.



FEBRUARY

We invested in **Biobest**, a global leader in biological crop protection and natural pollination.



Sofina Growth invested in **Labster**, a company established in Denmark that developed the world's leading platform for virtual labs and science simulations, **Typeform**, a Spanish company which developed a cloud-based web application designed to offer engaging and conversational online forms, and further added to its position in **FORMA**.

MARCH

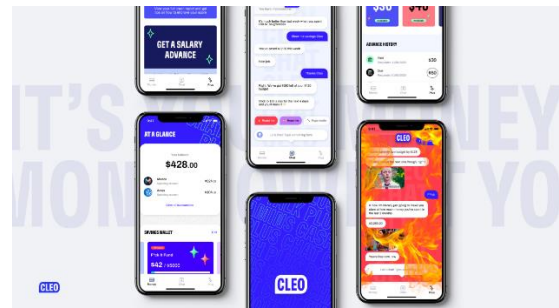
We closed the sale of our shareholding in **Hillebrand**.

Sofina managed to collect and dispatch 58 boxes of supplies as part of an initiative to gather supplies for Ukraine, organised by **Biotech Dental**, a Sofina portfolio company.



APRIL

Sofina Growth invested in **Cleo**, a UK company that developed an app that supercharges the financial health of young generations, and **Vizgen**, a US life science company dedicated to improving human health by visualising single-cell spatial genomics information.



MAY

Sofina Growth invested in **Birdie**, a BCorp certified company established in the UK that developed an all-in-one homecare software which connects health practitioners, care communities, patients and their relatives to ensure the best care outcomes, and **Skillmatics**, an Indian company building a global direct-to-consumer education brand for affordably priced physical and digital learning games that help kids aged 1-12 years to develop various skills through play.

Sofina Growth also further increased its stake in **Mamaearth** and fully divested its holdings in **Missfresh**, an e-commerce platform offering fresh groceries in China in which Sofina had been an investor since 2018.

Sofina supported **BEforUkraine**, a non-profit organisation which raises funds in Belgium to procure ambulances, refurbish and equip them with medicines and medical equipment and then send them to Ukraine where they are used as mobile mini-hospitals. Sofina employees, with partial matching from the Company, financed the purchase of two ambulances and their equipment. Four employees participated in the convoy that drove the ambulances to the Ukrainian border. Following this first delivery, two refrigerated trucks were also sent to Ukraine after having been refurbished with the sponsorship of Sofina, its family shareholders and **Groupe Petit Forestier**, a Sofina portfolio company.



JUNE

We invested in **Rohlik**, a Czech Republic based technology leader in e-grocery with a focus on convenience, assortment and local sourcing, and **CoachHub**, a German B2B online platform designed to provide personalised business coaching globally for large enterprises and mid-market companies.



Sofina Growth also further increased its investment in **CRED** and **VerSe Innovation**.



JULY – AUGUST

We invested in **Everdrop**, a German-based eco-friendly household product and personal care brand, with the ambition to make a sustainable lifestyle accessible through the products that touch our lives every day.



Our Singapore team organised an offsite teambuilding in Bangkok.



Sofina Growth participated to a capital increase in our existing portfolio company **MedGenome**.

SOFINA PRIVATE FUNDS

Private markets are in a period of transition to adapt to the volatile market environment. Macroeconomic worries, high inflation and rising interest rates have caused multiples to contract. The cost of capital has increased, affecting appetite for risk and valuations of high growth assets. Seed and early-stage investing has remained active, while late-stage and technology-growth investing slowed down as it is more correlated to public markets. The value of Sofina Private Funds' exposure to technology companies will be affected in the short term by the current adjustment of the sector pricing in the public markets. The trend should however be mitigated by the quality of the underlying portfolio companies and the strength of the secular themes supporting their performance over an extended horizon. Our General Partners are guiding their portfolio companies to weather the cycle. Venture capital valuations and investment terms have begun to reflect the public markets, opening opportunities for patient market participants in the innovation economy.

In line with its strategic objectives, Sofina sold a portion of non-core investments in funds through a secondary sale to focus its exposure on core venture and growth General Partners and crystallise performance. A portion of the transaction was signed at the end of the past semester, with the remainder signed after 30 June 2022. In total, about 7% of the Sofina Private Funds portfolio will be transferred, mostly in our LBO and secondary strategies. The NAV reflects the terms of this sale. We expect the transfer of the portfolio to be finalised by the first half of 2023.

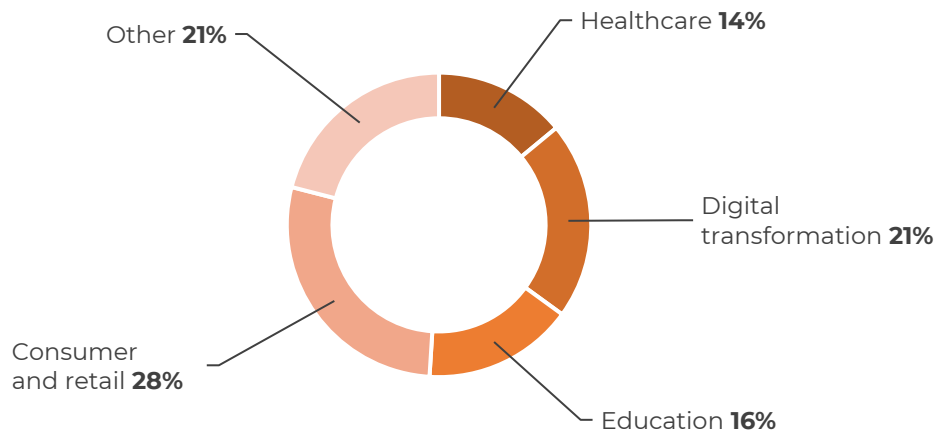
The difference between the NAV of the Newsletter #10 including the preliminary financial figures of the first half and the NAV of this Half-year report amounts to EUR 226 million. The decrease is explained by the valuation adjustments of Sofina Private Funds taking into account the reports as of 30 June 2022, received since the publication of the Newsletter #10 on 25 July 2022 and other minor post-closing adjustments. More than 80% of the Sofina Private Funds fair value is based either on reports as of 30 June 2022 or valuations based on market prices or transaction prices.

Investment styles

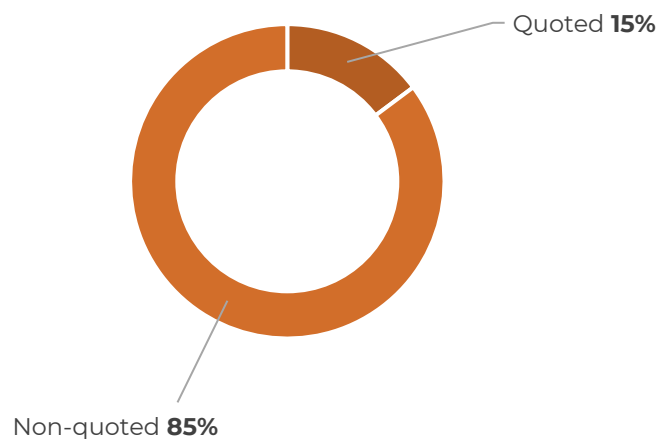
SOFINA DIRECT – OWNERSHIP OF SHARES IN COMPANIES

Breakdown of the portfolio in transparency⁽¹⁾

By sector



Between quoted and non-quoted

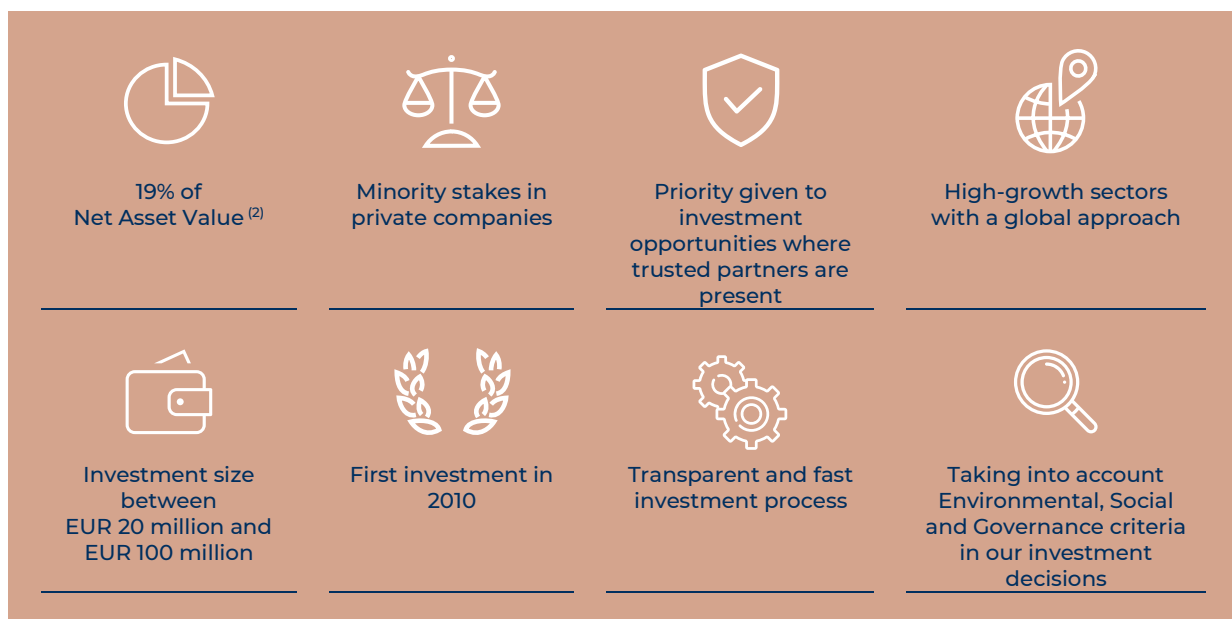


(1) Based on the fair value of the Sofina group's investments as at 30 June 2022 (portfolio in transparency).

Long-term minority investments



Sofina Growth

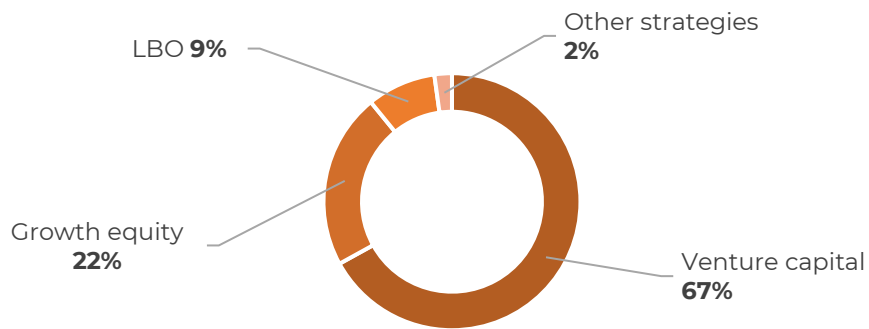


(2) Based on the fair value of the Sofina group's investments as at 30 June 2022 (portfolio in transparency).

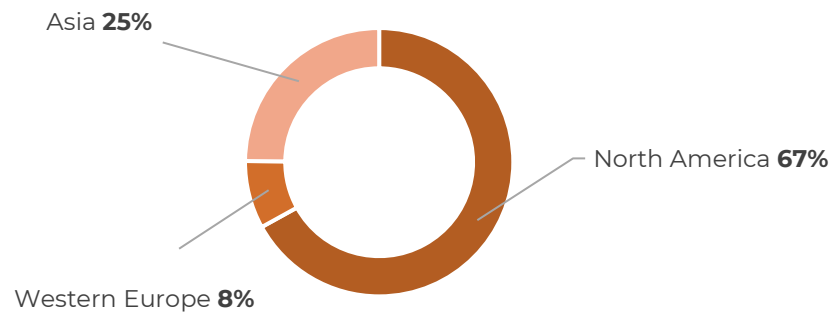
SOFINA PRIVATE FUNDS – INVESTMENTS IN VENTURE AND GROWTH CAPITAL FUNDS









Breakdown of the portfolio in transparency⁽³⁾

By strategy



By geography



			
51% of Net Asset Value ⁽³⁾	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	Incorporates social and environmental aspects

(3) Based on the fair value of the Sofina group's investments as at 30 June 2022 (portfolio in transparency).

Focus sectors

SELECTED PORTFOLIO COMPANIES IN OUR FOCUS SECTORS

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.

 CONSUMER AND RETAIL	 DIGITAL TRANSFORMATION	 HEALTHCARE	 EDUCATION
        	        	       	      

ESG

As an investor and owner, Sofina's ambition is to become an SDG (United Nations' Sustainable Development Goals) contributor, as we believe that a positive impact on communities and environments where businesses operate will be a growing driver of sustainable value creation. Against this backdrop and considering the outcome of the ESG performance review of the Sofina Direct portfolio, the investment team is currently engaging with the management teams of these portfolio companies on their ESG priorities and roadmaps.

A number of recent investments have been made in companies with products and services that positively contribute directly to the UN SDGs, as highlighted in the table below. Sofina is also pleased to welcome its first B-Corp company, **Birdie**, in the portfolio.

<p>Through its sustainable crop management, Biobest participates in safekeeping soil & food quality.</p>	<p>Through its mix-at-home dry soaps, Everdrop significantly reduces waste generation.</p>
<p>Vizgen generates new insights into biological systems & diseases through spatial transcriptomics.</p>	<p>By extending the lifetime of clothing, Vinted promotes responsible consumption.</p>
<p>Skillmatics supports early childhood development and pre-primary education by building core skills through systematic play.</p> <p>Labster's virtual labs increase access to affordable scientific education from high school to university.</p>	<p>Rohlik adopts a <i>closed-loop & circularity</i> mindset by sourcing food locally and delivering it in reusable bags with its increasingly electric fleet.</p> <p>Birdie empowers and promotes the inclusion of the elderly by supporting them in staying longer in the comfort of their homes.</p>

Interim condensed consolidated financial statements as at 30 June 2022

Sofina meets the conditions for Investment Entity status under IFRS 10, §27, which requires not to consolidate its investment subsidiaries and to record direct subsidiaries of a company that qualifies as an Investment Entity 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	30/06/2022	31/12/2021
Non-current assets		9,126,774	10,395,475
(In) tangible assets		9,391	9,602
Investment portfolio	3.1	9,117,383	10,385,873
<i>Investments</i>		9,116,037	10,385,873
<i>Receivables</i>		1,346	0
Deferred tax assets		0	0
Current assets		1,461,154	1,689,572
Deposits and other current financial assets	3.3	511,503	749,615
Receivables from subsidiaries	3.8	875,671	796,320
Other current receivables		97	97
Taxes		1,618	2,798
Cash and cash equivalents	3.4	72,265	140,742
TOTAL ASSETS		10,587,928	12,085,047

LIABILITIES		in thousand EUR	
	NOTES	30/06/2022	31/12/2021
Shareholders' equity		9,874,956	11,354,341
Share capital	3.5	79,735	79,735
Share premium		4,420	4,420
Reserves		9,790,801	11,270,186
Non-current liabilities		701,569	700,763
Provisions for pensions		4,398	4,398
Other provisions for risks and charges		767	289
Non-current financial debts	3.6	695,113	694,512
Deferred tax liabilities		1,291	1,564
Current liabilities		11,403	29,943
Current financial debts	3.7	6,040	2,112
Debts to subsidiaries	3.8	265	943
Trade and other current payables	3.7	5,098	26,888
Taxes		0	0
TOTAL LIABILITIES		10,587,928	12,085,047

CONSOLIDATED INCOME STATEMENT

in thousand EUR			
	NOTES	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Dividend income		9,147	13,642
Interest income	3.9	2,831	2,716
Interest expenses	3.9	-4,088	-10
Net result of the investment portfolio	3.1 & 3.10	-1,315,091	1,597,431
<i>Investments</i>		-1,315,091	1,597,431
Gains		72,805	1,655,948
Losses		-1,387,896	-58,517
<i>Receivables</i>		0	0
Gains		0	0
Losses		0	0
Other financial results	3.11	-8,063	827
Other income		4,054	5,696
Other expenses	3.12	-25,107	-20,361
RESULT BEFORE TAX		-1,336,317	1,599,941
Taxes		269	390
RESULT OF THE PERIOD		-1,336,048	1,600,331
SHARE OF THE GROUP IN THE RESULT		-1,336,048	1,600,331
<i>Earnings per share (EUR) ⁽¹⁾</i>		-39.8039	47.5172
<i>Diluted earnings per share (EUR) ⁽²⁾</i>		-39.5679	46.8038

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in thousand EUR			
	NOTES	1 ST SEMESTER 2022	1 ST SEMESTER 2021
RESULT OF THE PERIOD		-1,336,048	1,600,331
OTHER COMPREHENSIVE INCOME ⁽³⁾			
Other items		0	107
Income and expenses recognised directly in shareholders' equity and subsequently reclassified in net revenue		0	107
Income and expenses recognised directly in shareholders' equity and subsequently not reclassified to net revenue		0	0
TOTAL OTHER COMPREHENSIVE INCOME ⁽³⁾		0	107
TOTAL RECOGNISED INCOME AND EXPENSES (COMPREHENSIVE INCOME)		-1,336,048	1,600,438
Attributable to non-controlling interests		0	0
Attributable to shareholders of the parent company		-1,336,048	1,600,438

(1) Calculation based on the weighted average number of outstanding shares (33,565,782 shares as at 30 June 2022 and 33,678,993 shares as at 30 June 2021, i.e. a net change in treasury shares of -113,211).

(2) Calculation based on the weighted average number of outstanding shares diluted per share (33,765,932 shares as at 30 June 2022 and 34,192,343 shares as at 30 June 2021, i.e. a net change in treasury shares of -426,411).

(3) These items are presented net of taxes.

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

in thousand EUR

	NOTES	CAPITAL	SHARE PREMIUM	RESERVES	TREASURY SHARES	GROUP SHARE	NON-CONTROLLING INTERESTS	TOTAL
BALANCE AS OF 31/12/2020		79,735	4,420	8,994,286	-178,030	8,900,411	0	8,900,411
Result of the period				1,600,331		1,600,331		1,600,331
Other comprehensive income				0		0		0
Distribution of profit				-103,239		-103,239		-103,239
Changes in treasury shares				767	5,217	5,984		5,984
Other				2,100		2,100		2,100
Changes in non-controlling interests						0		0
BALANCE AS OF 30/06/2021		79,735	4,420	10,494,245	-172,813	10,405,587	0	10,405,587
BALANCE AS OF 31/12/2021		79,735	4,420	11,489,863	-219,677	11,354,341	0	11,354,341
Result of the period				-1,336,048		-1,336,048		-1,336,048
Other comprehensive income				0		0		0
Distribution of profit	3.5			-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
BALANCE AS OF 30/06/2022		79,735	4,420	10,051,616	-260,815	9,874,956	0	9,874,956

CONSOLIDATED CASH FLOW STATEMENT

in thousand EUR			
	NOTES	1 ST SEMESTER 2022	1 ST SEMESTER 2021
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3.4	140,742	232,354
Dividend income		6,287	15,884
Interest income		2,830	2,716
Interest expenses		-161	-10
Acquisitions of current financial assets (deposits with a maturity of more than 3 months)		-35,000	0
Disposals of current financial assets (deposits with a maturity of more than 3 months)		0	125,000
Acquisitions of current financial assets (treasury investment portfolio)		-37,000	-57,160
Disposals of current financial assets (treasury investment portfolio)		309,177	50,139
Acquisitions of other current financial assets		-639	-120
Disposals of other current financial assets		0	0
Other current receipts		3,523	2,508
Administrative expenses and miscellaneous		-42,345	-33,859
Net taxes		-4	2,739
Cash flow from operating activities		206,668	107,837
Acquisitions of (in)tangible assets		-106	-398
Disposals of (in)tangible assets		0	0
Disposals of consolidated companies		0	0
Investments in portfolio	3.1	-46,621	-178
Divestments from portfolio	3.1 & 3.10	20	50,238
Movements in other non-current assets		0	0
Cash flow from investing activities		-46,707	49,662
Acquisitions of treasury shares		-44,231	-4,707
Disposals of treasury shares		2,595	9,002
Distribution of profit	3.5	-104,881	-101,550
Movements in receivables from subsidiaries		-81,921	51,204
Movements in debts to subsidiaries		0	-114,430
Receipts from financial debts		100,000	0
Repayments of financial debts		-100,000	0
Cash flow from financing activities		-228,438	-160,481
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3.4	72,265	229,372

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 investments and divestments from portfolio which are not revenue generators, are considered as part of investing activities and not of operating activities.

As a reminder, 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 three in number and provide 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 was 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 2022 have been approved by the Board of Directors held on 6 September 2022, 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 2021.

Accounting principles

The standards, amendments and interpretations published but not yet effective in 2022 have not been early adopted 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 in the preparation of the consolidated financial statements for the year ended 31 December 2021.

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.

We are now regrouping the two investment styles where the Sofina group directly owns shares in portfolio companies or is involved through a syndication vehicle, namely Long-term minority investments (formerly known as 1st pillar) and Sofina Growth (formerly known as 3rd pillar), under a new common umbrella named **Sofina Direct**.

This new denomination is the alter ego of **Sofina Private Funds** (formerly known as 2nd pillar) where our involvement relies on building long-term partnerships with carefully selected external General Partners.

Sofina SA is the parent company of the Sofina group. It manages its portfolio on the basis of total investments held at the parent company level either by owning shares in portfolio investments themselves or by investing in them through investment subsidiaries. In preparing the financial statements as an Investment Entity, the fair value of the shares directly held at the parent company level (in portfolio investments or in investment subsidiaries) is recorded as an asset in the balance sheet. In 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 on the one hand the total of the investment portfolio (the total of the three investment styles covered by Sofina Direct and Sofina Private Funds) and on the other hand 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 subsidiaries of Sofina SA;
- **Reconciliation items 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 hereafter;
- **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 2022

in thousand EUR

COMPREHENSIVE INCOME (1ST SEMESTER 2021)	Sofina Direct	Sofina Private Funds	Total	<i>Reconciling items</i>	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
Total comprehensive income			-1,336,048	0	-1,336,048

in thousand EUR

BALANCE SHEET (30/06/2022)	Sofina Direct	Sofina Private Funds	Total	<i>Reconciling items</i>	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 debts</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
NAV			9,874,956	0	9,874,956

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

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (1ST SEMESTER 2022)	Sofina Direct	Sofina Private Funds	Total Gross cash	Financial debts	Total Net cash
Net cash at the beginning of the period			1,048,594	-729,512	319,082
Dividends ⁽¹⁾	15,880	6,069	21,949		21,949
Management expenses ⁽²⁾			-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
Distribution of profit			-104,881		-104,881
Other items			-47,216	-601	-47,817
Repayments of financial debts			-35,000	35,000	0
Net cash at the end of the period			695,237	-695,113	124

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (1ST SEMESTER 2022)	Fair value at 31/12/2021	Investments ⁽³⁾		Divestments ⁽³⁾ and revenues		Market impact	FX impact	Fair value at 30/06/2022	Value creation % ⁽⁵⁾
		Cash	Non- cash ⁽⁴⁾	Cash	Non- cash ⁽⁴⁾				
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%
Total Investment portfolio	11,063,415	743,762	90,226	-636,345	-121,731	-1,835,008	543,442	9,847,761	-11%

(1) Difference with Dividends presented in the Comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

(2) Difference with Management expenses presented in Comprehensive income is mainly due to the payment in the current period of the Long-Term Incentive Plan (LTIP) accrual of the previous period.

(3) Net of intragroup transfers.

(4) Mainly composed of escrows, cut-offs and roll-overs of investments.

(5) 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.

Situation as at 30 June 2021

in thousand EUR

COMPREHENSIVE INCOME (1 ST SEMESTER 2021)	Sofina Direct	Sofina Private Funds	Total	Reconciling items	Financial statements
Dividends	22,501	0	22,501	-8,859	13,642
<i>Long-term minority investments</i>	22,501				
<i>Sofina Growth</i>	0				
Net result of the investment portfolio	498,029	1,107,507	1,605,536	-8,105	1,597,431
<i>Long-term minority investments</i>	151,644				
<i>Sofina Growth</i>	346,385				
Management expenses			-29,579	9,218	-20,361
Other			1,980	7,746	9,726
Total comprehensive income			1,600,438	0	1,600,438

in thousand EUR

BALANCE SHEET (30/06/2021)	Sofina Direct	Sofina Private Funds	Total	Reconciling items	Financial statements
Investment portfolio	5,409,335	4,559,423	9,968,758	-554,493	9,414,265
<i>Long-term minority investments</i>	3,881,245				
<i>Sofina Growth</i>	1,528,090				
Net cash			421,172	-109,483	311,689
<i>Gross cash</i>			421,172	-109,483	311,689
<i>Financial debts</i>			0	0	0
(In)tangible fixes assets			11,004	-387	10,617
Other assets and liabilities			4,653	664,363	669,016
NAV			10,405,587	0	10,405,587

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (1 ST SEMESTER 2021)	Sofina Direct	Sofina Private Funds	Total Gross cash	Financial debts	Total Net cash
Net cash at the beginning of the period			586,620	0	586,620
Dividends ⁽⁶⁾	24,743	0	24,743		24,743
Management expenses ⁽⁷⁾			-47,278		-47,278
Investments in portfolio	-145,283	-298,632	-443,915		-443,915
Divestments from portfolio	93,727	292,761	386,488		386,488
Distribution of profit			-101,550		-101,550
Other items			16,064		16,064
Receipts from financial debts			0	0	0
Net cash at the end of the period			421,172	0	421,172

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (1 ST SEMESTER 2021)	Fair value at 31/12/2020	Investments ⁽⁸⁾		Divestments ⁽⁸⁾ and revenues		Market impact	FX impact	Fair value at 30/06/2021	Value creation % ⁽¹⁰⁾
		Cash	Non- cash ⁽⁹⁾	Cash	Non- cash ⁽⁹⁾				
Sofina Direct	4,862,973	145,283	38,640	-118,470	-39,621	420,789	99,741	5,409,335	10%
Sofina Private Funds	3,457,990	298,632	0	-292,761	-11,945	982,184	125,323	4,559,423	29%
Total Investment portfolio	8,320,963	443,915	38,640	-411,231	-51,565	1,402,973	225,064	9,968,758	18%

(6) Difference with Dividends presented in the Comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

(7) Difference with Management expenses presented in Comprehensive income is mainly due to the payment in the current period of the Long-Term Incentive Plan (LTIP) accrual of the previous period.

(8) Net of intragroup transfers.

(9) Mainly composed of escrows, cut-offs and roll-overs of investments.

(10) 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.

Situation as at 31 December 2021

in thousand EUR

COMPREHENSIVE INCOME (31/12/2021)	Sofina Direct	Sofina Private Funds	Total	Reconciling items	Financial statements
Dividends	52,289	6,921	59,210	-23,166	36,044
Long-term minority investments	52,289				
Sofina Growth	0				
Net result of the investment portfolio	647,579	1,973,383	2,620,962	-21,605	2,599,357
Long-term minority investments	153,202				
Sofina Growth	494,377				
Management expenses			-83,017	24,092	-58,925
Other			-1,638	20,679	19,041
Total comprehensive income			2,595,517	0	2,595,517

in thousand EUR

BALANCE SHEET (31/12/2021)	Sofina Direct	Sofina Private Funds	Total	Reconciling items	Financial statements
Investment portfolio	5,810,894	5,252,521	11,063,415	-677,542	10,385,873
Long-term minority investments	3,884,345				
Sofina Growth	1,926,549				
Net cash			319,082	-126,066	193,016
Gross cash			1,048,594	-161,066	887,528
Financial debts			-729,512	35,000	-694,512
(In) tangible fixes assets			10,692	-1,090	9,602
Other assets and liabilities			-38,848	804,698	765,850
NAV			11,354,341	0	11,354,341

in thousand EUR

MANAGEMENT CASH FLOW STATEMENT (31/12/2021)	Sofina Direct	Sofina Private Funds	Total Gross cash	Financial debts	Total Net cash
Net cash at the beginning of the year			586,620	0	586,620
Dividends ⁽¹¹⁾	56,370	6,921	63,291		63,291
Management expenses ⁽¹²⁾			-67,563		-67,563
Investments in portfolio	-653,693	-629,952	-1,283,645		-1,283,645
Divestments from portfolio	352,734	807,955	1,160,689		1,160,689
Distribution of profit			-101,550		-101,550
Other items			-38,760		-38,760
Receipts from financial debts			729,512	-729,512	0
Net cash at the end of the year			1,048,594	-729,512	319,082

in thousand EUR

INVESTMENT PORTFOLIO BRIDGE (31/12/2021)	Fair value at 31/12/2020	Investments ⁽¹³⁾		Divestments ⁽¹³⁾ and revenues		Market impact	FX impact	Fair value at 31/12/2021	Value creation % ⁽¹⁵⁾
		Cash	Non-cash ⁽¹⁴⁾	Cash	Non-cash ⁽¹⁴⁾				
Sofina Direct	4,862,973	653,693	41,654	-409,104	-38,190	467,119	232,749	5,810,894	13%
Sofina Private Funds	3,457,990	629,952	-699	-814,876	-150	1,604,691	375,612	5,252,521	48%
Total investment portfolio	8,320,963	1,283,645	40,955	-1,223,980	-38,339	2,071,811	608,361	11,063,415	28%

(11) Difference with Dividends presented in the Comprehensive income is mainly due to cut-offs between declaration and payment periods or to withholding taxes.

(12) Difference with Management expenses presented in Comprehensive income is mainly due to the payment in the current period of the Long-Term Incentive Plan (LTIP) accrual of the previous period.

(13) Net of intragroup transfers.

(14) Mainly composed of escrows, cut-offs and roll-overs of investments.

(15) 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.

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 2022 (with a fair value exceeding EUR 10 million) concern the following financial assets:

	CORPORATE RIGHTS	
	% OWNERSHIP INVESTED ⁽¹⁶⁾	% OWNERSHIP SOLD ⁽¹⁶⁾
Biobest Group	3.68%	
Birdie Care Services	15.44%	
Cleo AI	12.37%	
CoachHub	8.81%	
Grasper Global (Skillmatics)	10.34%	
IHS Holding	11.34%	
Labster Group	4.47%	
MxBEE (Biobest)	26.64%	
Rohlik	8.22%	
Typeform	6.93%	
Ver Se Innovation	1.17%	
Vizgen	4.24%	
Hillebrand Group		20.91%
Pine Labs		1.65%

The main net movements of more than EUR 10 million at 30 June 2022 relating to the Sofina Private Funds' portfolio concern investments into Sequoia funds and partial disposals of Astorg, Iconiq and Sequoia funds.

The main Sofina Direct level 1 ⁽¹⁷⁾ investments (with a fair value exceeding EUR 10 million) held by the Sofina group as at 30 June 2022 are as follows:

	CORPORATE RIGHTS HELD		FAIR VALUE (IN THOUSAND EUR)
	NUMBER OF SHARES	% OWNERSHIP	
bioMérieux	2,282,513	1.93%	212,730
THG	115,542,400	8.29%	110,938
Luxempart	1,257,500	6.07%	88,654
GL events	4,768,057	15.90%	74,000
Colruyt Group	2,332,064	1.74%	60,517
SCR - Sibelco	6,968	1.48%	34,840

(16) Changes in undiluted ownership percentage as at 30 June 2022 due to new acquisitions and disposals of the period.

(17) For the definitions of levels, see point 2.3. below.

The main Sofina Direct level 2 and level 3 ⁽¹⁸⁾ investments (with a fair value exceeding EUR 10 million) held by the Sofina group as at 30 June 2022 are as follows:

	CORPORATE RIGHTS HELD	
	NUMBER OF SHARES	% OWNERSHIP
Istdibs.com	2,613,568	6.90%
B9 Beverages (Bira 91)	3,784,140	8.62%
Biobest Group	36,670	3.68%
Biotech Dental	6,154,900	24.75%
Birdie Care Services	3,924,379	15.44%
Bright Lifecare (HealthKart)	196,420	0.05%
Cambridge Associates	24,242	23.79%
Carebridge Holdings	15,347,479	4.14%
Cleo AI	4,156,785	12.37%
CoachHub	14,006	8.81%
Collibra	6,936,516	2.94%
Dreamplug Technologies (Cred)	57,596	1.96%
Drylock Technologies	150,000,000	25.64%
emTransit (Dott)	5,077,576	12.68%
Grand Rounds (Included Health)	11,358,956	1.87%
Graphcore	11,131,375	2.71%
Grasper Global (Skillmatics)	379,198	10.34%
Green Agrevolution (DeHaat)	3,034	8.20%
Groupe Petit Forestier	1,244,172	43.39%
Hector Beverages	3,436,475	24.61%
Honasa Consumer (Mamaearth)	2,290	9.64%
IHS Holding	1,737,254,528	11.34%
K12 Techno Services	2,216,550	14.43%
Labster Group	2,870,898	4.47%
Lemonilo	25,323	6.02%
M.Chapoutier	3,124	14.20%
M.M.C. (Chapoutier)	15,256	19.83%
MedGenome	7,341,849	17.48%
Mérieux NutriSciences	43,278	15.43%
Moody E-Commerce Group	95,610	3.63%
MXP Prime Platform (SellerX)	6,604	7.89%
Nuxe International	193,261,167	49.00%
Oviva	101,207	11.44%
PETKIT Technology	10,746,355	5.06%
Pine Labs	147,582	1.76%
Polygone (mainly GL events)	221,076	20.96%
Practo	2,020,659	6.37%
Rohlik	48,776	8.22%
Salto Systems	22,293	12.17%
Tessian	3,637,815	4.77%
Think & Learn (Byju's)	230,902	5.24%
ThoughtSpot	3,263,785	2.74%
Twin Health	1,394,322	2.85%
Typeform	69,208	6.93%
Veepee	3,756,786	5.62%
Ver Se Innovation	415,952	7.16%
Vinted	2,875,747	3.00%
Vizgen	1,312,818	4.24%
ZenCore (Cayman) (ZhenGe)	6,438,337	3.86%

(18) For the definitions of levels, see point 2.3. below.

The main Sofina Direct level 2 and level 3 ⁽¹⁹⁾ investments (with a fair value exceeding EUR 10 million) held through syndication vehicles gathering part of the shareholder base ⁽²⁰⁾ as at 30 June 2022 are as follows:

	CORPORATE RIGHTS HELD	
	NUMBER OF SHARES	% OWNERSHIP
Aevum Investments (Xinyu)	-	100.00%
Appalachian Mountains (Aohua)	13,000	46.43%
Atlantic Foods Labs Co-Invest II (Gorillas)	-	47.62%
Atlantic Foods Labs Co-Invest III (Gorillas)	-	77.71%
Ergon opseo Long Term Value Fund (opseo)	-	8.82%
FPCI Alven Ankorstore (Ankorstore)	20,000	97.49%
GoldIron (First Eagle)	21,721	70.68%
Iconiq Strategic Partners III Co-Invest (Series RV)	-	7.15%
Kedaara Norfolk Holdings (Lenskart)	158,355	50.00%
Lernen Midco 1 (Cognita)	252,517,893	15.55%
MxBEE (Biobest)	7,820,093	26.64%
SC China Co-Investment 2016-A	-	41.67%
TA Action Holdings (ACT)	-	44.44%
TA Vogue Holdings (TCNS)	-	48.72%

The main General Partners that manage investment funds on our behalf, whose value individually exceeds EUR 10 million as at 30 June 2022 are Aberdeen Standard, Alantra, Alpha JWC, Andreessen Horowitz, Archipelago, Atlantic Labs, Atomico, Bain, Battery, Berkshire, Bessemer, Bling, Blossom, Bond, Charlesbank, Chriscapital, Crescent Point, DST, Everstone, Falcon House, Felix, Formation 8, Founders Fund, Foundry, Francisco, General Atlantic, Genesis, GGV, GTCR, Guidepost, Harbourvest, Highland, Housatonic, Huaxing, Iconiq, Insight, InvAscent, Isola, IVP, Kedaara, Kleiner Perkins, KPS, Lakestar, Lightspeed, Local Globe, Lux Capital, Lyfe, Mérieux, Multiples, NEA, Nexus India, Northzone, Oak, OpenView, Qiming, Redpoint, Sequoia, Serent, Silver Lake, Social+Capital, Source Code, Spark, Summit, Sycamore, TA Associates, TAEL, Thoma Bravo, Thrive, Tiger Global, Trustbridge and Venrock.

(19) For the definition of levels, see point 2.3 below.

(20) This table shows the holding in the intermediary vehicle and not the holding in the underlying investment which is shown between brackets as the case may be.

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** – Financial 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 2018).

Non-quoted 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 non-quoted 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 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 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 hence 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 only the primary round price).

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 transaction, is applied as appropriate to all our valuations of non-quoted investments (Long-term minority investments and Sofina Growth), provided that the price of the initial transaction is representative of the fair value at the time of the transaction and can be calibrated. The calibration allows to derive from the entry price the discount or the premium compared to 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. And the calibration allows determining 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 the other (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 table below provides information on the methods applied in accordance with IFRS 13 – Fair Value Measurement – to determine the fair value of non-quoted level 3 assets.

The current health and economic crisis increases the uncertainty of the future performance of the investments of Sofina. These uncertainties in 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 led Sofina to be more vigilant in the application of its valuation methods. In particular, we can mention:

- A 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;
- A 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 or Covid- 19 pandemic (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 well apprehended by considering both primary and secondary components (if applicable);
- A 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 March 2020.

It should be noted that Sofina has engaged Kroll, an independent valuation firm, to assist in the valuation of the non-quoted investments of the Sofina Direct portfolio. Sofina Private Funds is therefore not covered by Kroll's

assistance. All these non-quoted investments (the "Investments"), covered by Kroll's assistance, represent 42% of the fair value of the portfolio in transparency, as illustrated below ⁽²¹⁾.

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	45%
Total portfolio in transparency				42%

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 ⁽²²⁾, 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 of 30 June 2022 or on a report as of 31 March 2022. The values of the reports as of 31 March 2022 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 quoted companies held by these funds and (iii) significant events that have occurred since this last valuation date and the closing date of 30 June 2022. The values at 30 June 2022 are not adjusted as they reflect the fair value at the closing date. The retained values are finally converted into euro using the closing exchange rate. The valuation methodology for 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 2022, more than 80% of the Sofina Private Funds fair value is based either on reports as of 30 June 2022 or valuations based on market prices or transaction prices.

(21) 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.

(22) 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".

Table on the methods applied in accordance with IFRS 13 to determine the fair value of non-quoted 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
Value of the last recent transaction	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 last 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 quoted 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 quoted companies.	Discount ⁽²³⁾ 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 quoted 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.

(23) 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.

2.4 Fair value of the total investment portfolio in transparency

in thousand EUR

	TOTAL AS AT 30/06/2022	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio ⁽²⁴⁾	9,847,761	612,142	96,275	9,139,344
Sofina Direct	4,788,192	612,142	96,275	4,079,775
<i>Long-term minority investments</i>	2,898,989	593,537	0	2,305,452
<i>Sofina Growth</i>	1,889,203	18,605	96,275	1,774,323
Sofina Private Funds	5,059,569	0	0	5,059,569
	TOTAL AS AT 31/12/2021	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio	11,063,415	962,015	117,302	9,984,098
Sofina Direct	5,810,894	962,015	117,302	4,731,577
<i>Long-term minority investments</i>	3,884,345	911,845	0	2,972,500
<i>Sofina Growth</i>	1,926,549	50,170	117,302	1,759,077
Sofina Private Funds	5,252,521	0	0	5,252,521

During the period, the investment in Spartoo was transferred from level 2 to level 1.

Sensitivity analysis of level 3

Level 3 consists of non-quoted 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 to 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 non-quoted securities compared to securities quoted on stock markets.

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

(24) Information on the investment portfolio in the balance sheet as at 30 June 2022 can be found under point 2.1 above.

Sensitivity analysis table for the level 3 investment portfolio in transparency as at 30 June 2022

in million EUR

VALUATION TECHNIQUE	FAIR VALUE	UNOBSERVABLE DATA (WEIGHTED AVERAGE)	SENSITIVITY	IMPACT VALUE	SENSITIVITY	IMPACT VALUE
Value of the last recent transaction	757	The fair value of the most recent transaction is considered unobservable data	+10%	76	-10%	-76
Discounted Cash Flow model	1,743	Cost of capital from calibration between 6.0% and 17.3% (10.6%)	+10%	-253	-10%	317
		Perpetual growth rate of 1.5% and 3.0% (2.6%)	+10%	42	-10%	-38
		Output multiple between 5.1x and 16.0x (10.2x)	+10%	122	-10%	-122
Market multiples	1,802	Discount resulting from calibration between 7% and 58% ⁽²⁵⁾ (33.7%)	+10%	-92	-10%	92
Revalued net assets recognised at fair value ⁽²⁶⁾	4,745	The fair value based on General Partners' reports is considered unobservable data	+10%	474	-10%	-474
Milestones approach	10	Discount of 15% per level (15%)	Upper level ⁽²⁷⁾	0	Lower level	-1
Other methods	82	Fair value is considered unobservable data	+10%	8	-10%	-8
Total level 3 (in transparency)	9,139					
<i>Reconciling items</i>	<i>-410</i>					
Total level 3 (financial statements)	8,729					

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

(25) In some cases, a premium is applied against the group of comparable companies. The premiums applied range from 3% to 1,594% (weighted average of 254%) and reflect for example a higher growth rate of the portfolio investments compared to comparable companies. In certain exceptional cases, the discount is estimated on the basis of methods other than calibration.

(26) Mainly concerns the portfolio of Sofina Private Funds and to a limited extent investments of Sofina Growth.

(27) No upper level was reached.

Sensitivity analysis table for the level 3 investment portfolio in transparency as at 31 December 2021

in million EUR

VALUATION TECHNIQUE	FAIR VALUE	UNOBSERVABLE DATA (WEIGHTED AVERAGE)	SENSITIVITY	IMPACT VALUE	SENSITIVITY	IMPACT VALUE
Value of the last recent transaction	956	The fair value of the most recent transaction is considered unobservable data.	+10%	96	-10%	-96
Discounted Cash Flow model	1,641	Cost of capital from calibration between 6.2% and 16.3% (10.2%)	+10%	-238	-10%	300
		Perpetual growth rate between 1.5% and 3.0% (2.6%)	+10%	36	-10%	-34
		Exit multiple between 5.0x and 15.8x (10.6x)	+10%	111	-10%	-111
Multiples of the market	1,823	Calibration discount between 2% and 52% ⁽²⁸⁾ (35.4%)	+10%	-87	-10%	88
Revalued net assets recognised at fair value ⁽²⁹⁾	5,453	The fair value based on the General Partners' reports is considered unobservable data	+10%	545	-10%	-545
Milestones approach	18	Discount of 15% per level (15%)	Upper level ⁽³⁰⁾	0	Lower level	-3
Other methods	93	Fair value is considered unobservable data	+10%	9	-10%	-9
Total level 3 (in transparency)	9,984					
<i>Reconciling items</i>	<i>-102</i>					
Total level 3 (financial statements)	9,882					

The reconciling items between the transparency presentation 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 6% to 310% (weighted average of 67.9%). In certain exceptional cases, the discount is estimated on the basis of methods other than calibration.

(29) Mainly concerns the portfolio of Sofina Private Funds and to a limited extent investments of Sofina Growth.

(30) No upper level was reached.

2.5 Financial risks in transparency

Foreign exchange risk

Non-quoted securities are subjected to, among other things, 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 at 30 June 2022 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	6.938	6.244	5.676	572	515	468	958	862	784
Impact on revenue	694	0	-568	57	0	-47	96	0	-78

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 at 30 June 2022. This variance influences the result.

	LEVEL 1			LEVEL 2		
	-10%	0%	+10%	-10%	0%	+10%
Stock price sensitivity						
Fair value	551	612	673	86	96	106
Impact on revenue	-61	0	61	-10	0	10

Interest rate risk and liquidity risk

Interest rate risk is the risk that the interest flow on the financial debt and the gross cash flow be adversely affected by an unfavourable change in interest rates. In the case at hand, the risk is limited as the financial debts 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 section 3.13), the investments in equities listed on liquid markets and therefore easily realisable (in the Long-term minority investments and Sofina Private Funds portfolios), and if needed the ability to transact on the secondary market for Sofina Private Funds, the liquidity risk faced by Sofina is extremely moderate.

SOFINA PRIVATE FUNDS' RESIDUAL COMMITMENT BRIDGE	30/06/2022	31/12/2021
Beginning of the period	976	932
New commitments	689	542
Investments	-266	-629
Other ⁽³¹⁾	14	51
FX impact	110	80
End of the period ⁽³²⁾	1,523	976

Credit risk

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

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

(32) Additional residual commitments in relation to Sofina Direct investments of EUR 31 million as at 30 June 2022 and of EUR 12 million as at 31 December 2021 bring the total uncalled commitments to EUR 1,554 million and EUR 988 million respectively.

Concentration risk

The 10 largest investments of Sofina Direct represent 25% of its Net Asset Value ⁽³³⁾.

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

There are no dominant positions. 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 26% of its Net Asset Value.

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

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

War in Ukraine

As per ESMA's [recommendation of 14 March 2022](#), Sofina can confirm that it has very limited specific exposure to the Ukraine crisis, which 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 less than 3% of total portfolio fair value in transparency as at 30 June 2022. 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 tune with what Sofina has been doing as described in the Key events section here above.

(33) Listed in decreasing order of fair value as at 30 June 2022 (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.

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

Breakdown of Sofina Direct by sector in transparency

In comparison with 2021, sectoral breakdown is now based on a “focus sector” classification, which shows Sofina’s four preferred investment sectors, namely *Healthcare*, *Digital transformation*, *Education*, *Consumer and retail*, and regroups the other sectors in the eponymous category. The objective is to better align the financial reporting with the strategy of the Sofina group.

The table below shows the sectoral breakdown of Sofina Direct as at 30 June 2022 and as at 31 December 2021⁽³⁴⁾:

SECTOR	in million EUR			
	30/06/2022		31/12/2021	
	PORTFOLIO'S FAIR VALUE		PORTFOLIO'S FAIR VALUE	
Healthcare	655	14%	714	12%
Digital transformation	1,002	21%	1,103	19%
Education	779	16%	1,048	18%
Consumer and retail	1,348	28%	1,618	28%
Other sectors	1,004	21%	1,328	23%
Total	4,788	100%	5,811	100%

Sofina considers that a geographical breakdown is not relevant for the total portfolio in transparency (not relevant for the Long-term minority investments, e.g. for companies with global activities, and also less and less relevant for the portfolio of Sofina Growth whose past local activities have also extended globally).

However, we believe that the information is more relevant for Sofina Private Funds, and we provide below the information by geography and by strategy of this portfolio in transparency.

Breakdown of Sofina Private Funds by geography in transparency

GEOGRAPHY	in million EUR							
	30/06/2022				31/12/2021			
	PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS ⁽³⁵⁾		PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS	
North America	3,375	67%	956	63%	3,618	69%	589	60%
Western Europe	432	8%	214	14%	457	9%	132	14%
Asia	1,253	25%	353	23%	1,178	22%	255	26%
Total⁽³⁶⁾	5,060	100%	1,523	100%	5,253	100%	976	100%

Breakdown of Sofina Private Funds by strategy in transparency

STRATEGY	in million EUR							
	30/06/2022				31/12/2021			
	PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS ⁽³⁵⁾		PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS	
Venture capital	3,396	67%	821	54%	3,504	67%	420	43%
Growth equity	1,122	22%	480	31%	1,101	21%	358	37%
LBO	430	9%	150	10%	535	10%	126	13%
Other strategies	112	2%	72	5%	113	2%	72	7%
Total⁽³⁶⁾	5,060	100%	1,523	100%	5,253	100%	976	100%

Breakdown of Sofina Private Funds by vintage in transparency

VINTAGE	in million EUR							
	30/06/2022				31/12/2021			
	PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS ⁽³⁵⁾		PORTFOLIO'S FAIR VALUE		RESIDUAL COMMITMENTS	
Last 5 years	2,353	46%	1,367	90%	2,470	47%	853	87%
From 5 to 10 years	2,011	40%	107	7%	2,090	40%	89	9%
Older than 10 years	696	14%	50	3%	693	13%	34	4%
Total⁽³⁶⁾	5,060	100%	1,523	100%	5,253	100%	976	100%

(34) Based on the fair value of the Sofina group’s investments as at 30 June 2022 and as at 31 December 2021 (portfolio in transparency – see point 2.4 above).

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

(36) Information on the Sofina Private Funds portfolio shown in the balance sheet as at 30 June 2022 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	
	30/06/2022	31/12/2021
Investments		
Net value at the beginning of the period	10,385,873	7,866,894
Acquisitions during the period	45,275	131,997
Disposals during the period	0	-169,932
Changes in unrealised gains in the profit and loss	72,785	2,628,265
Changes in unrealised losses in the profit and loss	-1,387,896	-71,351
Net value at the end of the period = 1	9,116,037	10,385,873
Receivables		
Net value at the beginning of the period	0	0
Acquisitions during the period	1,345	0
Disposals during the period	0	0
Changes in unrealised gains in the profit and loss	-0	0
Changes in unrealised losses in the profit and loss	0	0
Changes in accrued interest not yet due	1	0
Net value at the end of the period = 2	1,346	0
Net value = 1 + 2	9,117,383	10,385,873

The difference between the amount of the disposals during the period (EUR 0 thousand) and the amount of the divestments shown in the consolidated cash flow statement (EUR 20 thousand) is mainly due to the capital gains and losses realised on these divestments for an amount of EUR 20 thousand. In addition, the realised capital gains and losses (EUR 20 thousand) combined with the changes in unrealised capital gains and losses (EUR -1,315,111 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 30/06/2022	IFRS 9 CLASSIFICATION	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio	9,117,383		388,233	0	8,729,150
<i>Investments</i>	9,116,037	<i>Fair value through profit and loss</i>	388,233	0	8,727,804
<i>Receivables</i>	1,346	<i>Designated at fair value through profit or loss</i>	0	0	1,346
Receivables from subsidiaries ⁽³⁷⁾	875,671	Designated at fair value through profit and loss	0	875,671	0
Deposits and other current financial assets	511,503		0	511,503	0
<i>Deposits</i>	260,000	<i>Designated at fair value through profit and loss</i>	0	260,000	0
<i>Current financial investments</i>	240,914	<i>Fair value through profit and loss</i>	0	240,914	0
<i>Other receivables</i>	10,589	<i>Designated at fair value through profit and loss</i>	0	10,589	0
Cash and cash equivalents	72,265	Designated at fair value through profit and loss	0	72,265	0
Non-current financial debts	695,113	At amortised cost	0	695,113	0
Current financial debts	6,040	At amortised cost	0	6,040	0
Other current receivables	97	At amortised cost	0	97	0
Debts to subsidiaries ⁽³⁷⁾	265	Designated at fair value through profit and loss	0	265	0
Trade and other current payables	5,098	At amortised cost	0	5,098	0

⁽³⁷⁾ Receivables from and debts to subsidiaries are designated at fair value but as they are very short-term receivables and debts, there is no change in fair value to record.

in thousand EUR

	BOOK VALUE		FAIR VALUE		
	TOTAL AT 31/12/2021	IFRS 9 CLASSIFICATION	LEVEL 1	LEVEL 2	LEVEL 3
Investment portfolio	10,385,873		494,777	9,536	9,881,560
<i>Investments</i>	10,385,873	<i>Fair value through profit and loss</i>	494,777	9,536	9,881,560
<i>Receivables</i>	0	<i>Designated at fair value through profit or loss</i>	0	0	0
Receivables from subsidiaries ⁽³⁸⁾	796,320	Designated at fair value through profit and loss	0	796,320	0
Deposits and other current financial assets	749,615		0	749,615	0
<i>Deposits</i>	225,000	<i>Designated at fair value through profit and loss</i>	0	225,000	0
<i>Current financial investments</i>	521,786	<i>Fair value through profit and loss</i>	0	521,786	0
<i>Other receivables</i>	2,829	<i>Designated at fair value through profit and loss</i>	0	2,829	0
Cash and cash equivalents	140,742	Designated at fair value through profit and loss	0	140,742	0
Non-current financial debts	694,512	At amortised cost	0	694,512	0
Current financial debts	2,112	At amortised cost	0	2,112	0
Other current receivables	97	At amortised cost	0	97	0
Debts to subsidiaries ⁽³⁸⁾	943	Designated at fair value through profit and loss	0	943	0
Trade and other current payables	26,888	At amortised cost	0	26,888	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 quoted 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 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 debts 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 on the basis of models that discount future cash flows based on future interest rate curves or foreign exchange rates or other forward prices.

⁽³⁸⁾ Receivables from and debts to subsidiaries are designated at fair value but as they are very short-term receivables and debts, 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	
	30/06/2022	31/12/2021
Investment portfolio		
Net value at the beginning of the period	9,881,560	7,232,145
Acquisitions during the period	46,620	131,997
Disposals during the period	0	0
Changes in unrealised gains in the profit and loss	72,680	2,567,217
Changes in unrealised losses in the profit and loss	-1,271,711	-38,021
Changes in accrued interest not yet due	1	0
Transfer to level 3	0	0
Transfer from level 3	0	-11,778
Net value at the end of the period	8,729,150	9,881,560

3.3 Deposits and other current financial assets

	in thousand EUR	
	30/06/2022	31/12/2021
Deposits ⁽³⁹⁾	260,000	225,000
Current financial investments	240,914	521,786
Other receivables	10,589	2,829
Deposits and other current financial assets	511,503	749,615

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

3.4 Cash and cash equivalents

	in thousand EUR	
	30/06/2022	31/12/2021
Bank and cash	72,265	90,742
Short-term investments	0	50,000
Cash and cash equivalents	72,265	140,742

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	NUMBER OF SHARES	AMOUNT OF CAPITAL HELD
Balances at 31/12/2020	34,250,000	79,735	611,528	1,424
Changes during the year	0	0	31,400	73
Balances at 31/12/2021	34,250,000	79,735	642,928	1,497
Changes during the period	0	0	127,100	296
Balances at 30/06/2022	34,250,000	79,735	770,028	1,793

(39) 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 2021, paid in 2022, was EUR 3.128571 per share, i.e. a gross amount of EUR 107,154 thousand. The difference between this amount and the amount shown in the consolidated cash flow statement (EUR -104,881 thousand) corresponds to the dividend on treasury shares of EUR 2,268 thousand.

On 30 June 2022, Sofina SA held 770,028 own shares, compared to 642,928 own shares held on 31 December 2021. During the first half of 2022, 146,550 own shares were acquired, and 19,450 own shares were disposed of.

3.6 Non-current financial debts

	in thousand EUR	
	30/06/2022	31/12/2021
Bonds issued	695,113	694,512
Non-current financial debts	695,113	694,512

The non-current financial debts result from a bond issuance of an amount of 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 debts, trade and other current payables

	in thousand EUR	
	30/06/2022	31/12/2021
Bank loans	0	0
Debts to subsidiaries	265	943
Trade debts	822	602
Wage and social security debts	3,694	25,033
Current financial debts ⁽⁴⁰⁾	5,439	2,112
Other miscellaneous debts	221	223
Dividends relating to previous years	879	874
Miscellaneous taxes	83	156
Financial debts, trade and other current payables	11,403	29,943

3.8 Receivables from and debts to subsidiaries

	in thousand EUR	
	30/06/2022	31/12/2021
Receivables from subsidiaries	875,671	796,320
Debts to subsidiaries	-265	-943
Receivables from and debts to subsidiaries	875,406	795,377

Since 1st January 2021, Sofina SA has updated the method of remuneration of the loans granted to its subsidiaries. It has signed revolving credit facility agreements with several of its subsidiaries. The loans granted by Sofina SA to these subsidiaries bear interest at Euribor +3 months plus a margin. A commitment fee is also charged on the amount not borrowed. In addition to these revolving credit facilities with commitment, Sofina SA has signed other revolving credit facilities agreements, which correspond to all other creditor positions between Sofina and its subsidiaries. These bear interest at Euribor +3 months plus a margin. When the Euribor +3 months is negative, the remuneration corresponds to the applicable margin.

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

(40) These are accrued interest related to the bonds.

3.9 Interest income and expenses

	in thousand EUR	
	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Interest received on non-current assets	1	0
Interest received on receivables from subsidiaries ⁽⁴¹⁾	2,822	2,464
Interest received on current assets	9	253
Interest paid on debts to subsidiaries	0	0
Interest accrued to banks	-230	-10
Interest paid on other debts ⁽⁴²⁾	-3,858	0
Interest income and expenses	-1,256	2,707

3.10 Net result of the investment portfolio

Unrealised capital gains mainly come from our subsidiary Sofina US and from other investments active in the rental of refrigerated vehicles and healthcare.

Unrealised capital losses are mainly due to our subsidiary Sofina Capital, the decrease in the share price of Colruyt and other investments active in online education, healthcare, event industry and data management.

	in thousand EUR	
	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Investments		
Results due to sales	20	10,077
<i>Realised capital gains</i>	20	10,077
<i>Realised capital losses</i>	0	0
Results not due to sales	-1,315,111	1,587,354
<i>Unrealised capital gains</i>	72,785	1,645,871
<i>Unrealised capital losses</i>	-1,387,896	-58,517
Total investments	-1,315,091	1,597,431
Receivables		
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
Total receivables	0	0
Net result of the investment portfolio	-1,315,091	1,597,431

3.11 Other financial results

	in thousand EUR	
	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Foreign exchange results	300	672
Results on other current assets	-8,363	155
Other financial results	-8,063	827

(41) For details on interest rates, see point 3.7 above.

(42) These are accrued interest related to the bonds.

3.12 Other expenses

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

		30/06/2022		31/12/2021	
		CURRENCY	EUR	CURRENCY	EUR
Investment portfolio, uncalled committed amounts ⁽⁴³⁾	EUR		126,779		83,143
	CAD	237	177	329	228
	USD	1,462,941	1,408,435	1,014,168	895,434
	GBP	16,041	18,691	8,159	9,710
			1,554,082		988,515
Obtained credit lines			925,000		865,000
<i>Used amount</i>			0		35,000
<i>Unused amount</i>			925,000		830,000
Credit lines granted to the investment subsidiaries			765,000		765,000
<i>Used amount</i>			490,780		686,584
<i>Unused amount</i>			274,220		78,416

3.14 Related party transactions

in thousand EUR

Assets and liabilities	30/06/2022	31/12/2021
Long-term receivables from non-consolidated related companies	0	0
Short-term receivables from non-consolidated related companies	875,671	796,320
Payables to non-consolidated related companies	-265	-943

Results from related party transactions	1 ST SEMESTER 2022	1 ST SEMESTER 2021
Dividends received from non-consolidated related companies	0	9
Dividends received from associated companies	6,621	0
Interest received from non-consolidated related companies	2,822	2,464
Interest paid to non-consolidated related companies	0	0
Services provided to non-consolidated related companies	3,094	4,657
Services received from non-consolidated related companies	-349	-23
	12,188	7,107

The receivables from and debts 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.

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 listed in the section Key events, which forms an integral part of the interim Management report.

(43) These amounts come mainly from subscriptions to investments of Sofina Private Funds for an amount of EUR 1,523 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).

3.16 List of subsidiaries and associated companies

NAME AND HEADQUARTERS	LINK	CORPORATE RIGHTS HELD		CORPORATE RIGHTS HELD	
		NUMBER OF SHARES	% OWNERSHIP AS AT 30/06/2022	NUMBER OF SHARES	% OWNERSHIP AS AT 31/12/2021
A. INVESTMENT SUBSIDIARIES - AT FAIR VALUE					
Sofina Ventures SA 29, rue de l'Industrie - 1040 Bruxelles Company number 0423 386 786	Indirect	11,709	100	11,709	100
Sofina Capital SA 12, rue Léon Laval - LU-3372 Leudelange	Direct	5,872,576	100	5,872,576	100
Sofina Partners SA 12, rue Léon Laval - LU-3372 Leudelange	Indirect	46,668,777	100	46,668,777	100
Sofina Private Equity SA SICAR 12, rue Léon Laval - LU-3372 Leudelange	Indirect	5,910,000	100	5,910,000	100
Global Education Holding SA 12, rue Léon Laval - LU-3372 Leudelange	Indirect	277,262	82.01	277,262	82.01
Global Beauty Holding SA 12, rue Léon Laval - LU-3372 Leudelange	Indirect	300,000	100	300,000	100
Sofina US, LLC 160 Federal Street, 9th floor - MA 02110 Boston - USA	Direct	802,000	100	802,000	100
Sofina Asia Private Ltd. 108 Amoy Street # 03-01 - SG-069928 Singapore	Indirect	375,000	100	375,000	100
B. ASSOCIATED COMPANIES					
Sofindev III Lambroekstraat, 5D - 1831 Machelen Company number 0885 543 088	Indirect	54,790	27.40	54,790	27.40
Groupe Petit Forestier 11, route de Tremblay - 93420 Villepinte - France	Direct	1,244,172	43.39	1,244,172	43.16
Hillebrand Group 6, Carl-Zeiss-Straße - 55129 Mainz- Hechtsheim - Germany	Indirect	0	0.00	998,595	20.91
Biotech Dental 305, Allées de Craponne - 13300 Salon- de-Provence - France	Direct	6,154,900	24.75	6,154,900	24.75
Cambridge Associates 125 High Street - MA 02110 Boston - USA	Indirect	24,242	22.79	24,242	22.19
Drylock Technologies Spinnerijstraat 12- 9240 Zele Company number 0479 766 057	Direct	150,000,000	25.64	150,000,000	25.64
Polygone 59, Quai Rambaud - 69002 Lyon - France	Direct	221,076	20.96	221,076	20.96
Nuxe International 3, rue du Colonel Moll - 75017 Paris - 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) 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 2022:

- Amendments to IAS 16 - Property, plant and equipment: proceeds before intended use (applicable for annual periods beginning on or after 1st January 2022);
- Amendment to IFRS 16 - Leases: Covid-19 related rent concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1st April 2020);
- Amendments to IFRS 3 - Business combinations: reference to the conceptual framework (applicable for annual periods beginning on or after 1st January 2022);
- Annual improvements 2018-2020 to IFRS (applicable for annual periods beginning on or after 1st January 2022); and
- Amendments to IAS 37 - Provisions, contingent liabilities and contingent assets: onerous contracts - cost of fulfilling a contract (applicable for annual periods beginning on or after 1st January 2022).

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 1st January 2022:

- IFRS 17 - Insurance contracts (applicable for annual periods beginning on or after 1st January 2023, but not yet adopted at European level);
- Amendments to IFRS 17 - Insurance contracts: initial application of IFRS 17 and IFRS 9 – comparative information (applicable for annual periods beginning on or after 1st January 2023, but not yet adopted at the European level);
- Amendments to IAS 1 - Presentation of financial statements: classification of liabilities as current or non-current (applicable for accounting years beginning on or after 1st January 2023, but not yet adopted at the European level);
- Amendments to IAS 1 - Presentation of financial statements and to the statement of Practice in IFRS 2: disclosure of accounting policies (effective for annual periods beginning on or after 1st January 2023, but not yet adopted at the European level);
- Amendments to IAS 8 - accounting policies, changes in accounting estimates and errors: definition of accounting estimates (effective for annual periods beginning on or after 1st January 2023, but not yet adopted at the European level); and
- Amendments to IAS 12 - Income taxes: deferred taxes on assets and liabilities arising from the same transaction (applicable for accounting years beginning on or after 1st January 2023, but not yet adopted at the European level).

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 debts, 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:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** data other than quoted 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 treatment 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 at 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 prevailing at 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 prevailing 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

	30/06/2022	31/12/2021
Closing rate		
USD	1.0387	1.1326
GBP	0.8582	0.8403
CHF	0.9960	1.0331
SGD	1.4483	1.5279
CAD	1.3425	1.4393
INR	82.1130	84.2292
	1ST SEMESTER 2022	1ST SEMESTER 2021
Average rate		
SGD	n/a	1.6023

(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" plan and "Traditional Unit Credit" method for "defined contribution" and "cash balance" plans in accordance with the principles of IAS 19. A calculation is made of the present value of the promised benefits. This calculated present value is then compared with the existing funding and generates, if necessary, 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 generate, if necessary, 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 grant.

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.

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

IFRS 16 - Leases: when a lease is entered into (if it is not 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 reverse 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:

- Dividends and other income 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;
- Income and capital gains of non-consolidated foreign investments are recognised net of foreign taxes.

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.

The current health and economic crisis caused by the Covid-19 pandemic increases the uncertainty of the future performance of the investments of Sofina. These uncertainties in the performance of our investments lead to a higher degree of subjectivity in the determination of the fair values of level 3 in the IFRS 13 hierarchy (see point 2.3 and 3.10 above).

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 2022 and for the six-month period then ended

Introduction

We have reviewed the accompanying consolidated balance sheet of Sofina SA as at 30 June 2022, 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 2022 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, 6 September 2022

EY Réviseurs d'Entreprises SRL
Statutory auditor
represented by

Jean-François Hubin *
Partner
* Acting on behalf of a 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 1st 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 %)
2022	308.72	3.13	294.95	-3.5%

It should be noted that the comparison of Sofina’s average annual return to a benchmark index is made on the basis of identical periods. Since 2016, the Company measures its performance over the long term by comparing the evolution of its equity per share to 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 Responsible Investment Policy of Sofina.
- **General Meeting of Shareholders:** General meeting of shareholders fixed by the articles of association.
- **General Partners:** Specialised teams managing investment funds in non-quoted companies, focusing on venture and growth capital funds.
- **Gross cash:** Net cash plus financial debts, in transparency.
- **Investment Entity:** Status adopted by Sofina SA since 1st January 2018 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 (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 debts 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 1st 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 quoted 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).

- **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 finally 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 1st 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 "Debts 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).
- **Non-quoted:** Level 3 investments as per the fair value hierarchy defined in point 2.3 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", "Other current liabilities" and "Other current assets" "Non-current provisions", "Non-current financial liabilities", "Deferred taxes" (on the liabilities side), "Amounts owed 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. In preparing the financial statements as an Investment Entity, the fair value of its direct investments (in portfolio investments or in investment subsidiaries) is capitalised. In 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.
- **Quoted:** 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.
- **Shareholders' equity:** Net Asset Value (as defined herein).
- **Sofina Direct:** Denomination gathering Long-term minority investments and Sofina Growth as a result of some of their similar features, as opposed to Sofina Private Funds.

Responsible person

RESPONSIBLE PERSON FOR THE DOCUMENT

Harold Boël

Chief Executive Officer

DECLARATION OF THE RESPONSIBLE PERSON ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND THE INTERIM MANAGEMENT REPORT

Harold Boël, Chief Executive Officer, certifies in the name and on behalf of the Board of Directors that, to 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;
- the interim Management report (composed of the sections Highlights, Key figures, Key events and ESG) contains a fair presentation of the information that should be included therein.

STATUTORY AUDITOR

EY Réviseurs d'Entreprises SRL

Represented by Jean-François Hubin ⁽¹⁾

End of the mandate: May 2023

(1) Acting in the name of a limited liability company SRL/BV.