



Foreword

We are pleased to start the year with this newsletter. Its purpose is to allow you to follow the evolution of our shareholders' equity throughout the year and to provide you with the latest news on our key

investment activities. We will issue this newsletter twice a year in January and July, in addition to the publication of our detailed Annual and Half-Year Financial Reports.



Harold Boël
Chief Executive
Officer



**Founded
120 years
ago** (°1898)



3 Office locations
Brussels - Luxembourg
Singapore



**€ 5.6 Bn
shareholders'
equity**¹



**Listed
on Euronext
Brussels (SOF.BR)**



**Global
equity
investments**



**3 Comple-
mentary
investment
styles**



**~ 22
Investment
professionals**

A family run and controlled investment company

Shareholders' equity

Sofina's shareholders' equity (preliminary and unaudited) as at 31 December 2017 is currently estimated at € 5.66 Bn², i.e. € 168/share³.

Investment activity

1. Long term minority investments

Sofina's sourcing and dealflow activities were intense during the last semester. Sofina's investment team reviewed several investment opportunities in the US and in the EU.

Sofina participated to the capital increase of **The Hut Group**, the leading multi-site distributor in the UK and now holds more than 8% of the share capital. It also reinforced its stake in **JF Hillebrand**, one of the world's market leading logistics provider active in the beverage trade.

Sofina further proceeded to some divestments as part of the rotation of its portfolio. As such, it divested its entire shareholding in **Caledonia**, a UK investment trust listed on the London Stock Exchange and sold more than half of its stake in **Deceuninck**. In addition, it completed a top slicing transaction in **Orpea**, the European leader in high dependency care.



*** ~ 51% of
shareholders' equity**



**Equity commitment
€ 75 - € 200 M**



Mainly in Europe



**Patient minority stakes
in privately owned and
listed companies with
long term reference
shareholders**



**Companies with
an enterprise value
between € 250 M
and € 3.0 Bn**

* This pie chart takes into account a ~12% cash or cash equivalent

¹ As at 31 December 2017 (preliminary and unaudited). ² For the two most significant portfolio companies reported under the equity method, i.e. Petit Forestier and JF Hillebrand, this figure is based on an estimate of the annual results for the financial year 2017 and is therefore subject to change. ³ On the basis of a number of 33.644.742 shares.

2. Investments in top tier VC and PE funds

The deployment of Sofina's private equity portfolio continued in the past six months. Sofina subscribed to new funds for a total amount of € 182 million, focusing on top world managers in high demand. Sofina invested mainly in venture and growth funds in the US and Asia. In parallel,

Sofina slightly rebalanced the LBO portfolio towards smaller mid-market funds and value managers. Sofina also continued to build its nascent European Venture Capital portfolio with the objective of deploying c. 10% of the private equity portfolio in this strategy.

-  ~ 26% of shareholders' equity
-  Equity commitment US\$ 10 – US\$ 25 M
-  Mainly exposed to the US and Asia
-  Venture capital and growth equity
-  ~ 60 core GPs

3. Sofina Growth - Investments in fast-growing businesses

Sofina performed several investments during the last semester both in Asia and in the US. It invested in **Medgenome**, a leading genomics research and genetic diagnostics company active both in the US and India. It recently closed an investment in **Miss Fresh**, a leading fresh-centric, grocery e-commerce Chinese player. It also increased its holding in existing portfolio companies such as **Carebridge**

(Jiahui International Hospital), a Chinese integrated healthcare services network based in Shanghai, **1stdibs**, a US based online market place for decorative objects, and **Byju's**, a leading provider of supplemental education solutions in India. Finally, it participated to the share buy-back programme launched by **Flipkart**, a leading Indian e-commerce platform, selling ~15% of its stake.

-  ~ 11% of shareholders' equity
-  Equity commitment US\$ 15 – US\$ 50 M
-  Emerging markets and fast growing sectors
-  Focus on high growth sectors
-  In partnership with trusted partners

Creating value for Society

Sofina held an event on Thursday 9 November in its offices to welcome the new candidates selected by the Platform for Education and Talent, an organization set up in 2011 by Sofina and its family shareholders. The Platform is managed together with the King Baudouin Foundation and aims to

support education and training of talent in Belgium through individual grants and the provision of support to university and high school students as well as to craftsmen. [\[Pictures and videos are available on the website through this link\]](#)

-  54 scholarships granted to university students
-  95 scholarships granted to craftsmen
-  Support to the success of almost 100 high school students from an unfavoured social environment in secondary education (Boost programme)

They have joined Sofina

Sofina strengthened its investment teams in Brussels, Luxembourg and Singapore. We are pleased to welcome:



Ainhoa Manterola-Solans
Senior Investment Manager

- Based in Brussels
- Previous positions at Bain Capital Private Equity and McKinsey & Company
- Graduate from Institut Supérieur de l'Aéronautique et de l'Espace (Supaero)



Tanya Sen
Investment Manager

- Based in Singapore
- Previous positions at Bain & Company and Deutsche Bank
- Graduate from University of Oxford and the Wharton School, University of Pennsylvania



Yashvin Singh Boparai
Investment Associate

- Based in Luxembourg
- Previous positions at Barclays and Royal Bank of Scotland
- Graduate from University of Oxford (Financial Economics)



Bertrand Fawe
Investment Associate

- Based in Brussels
- Previous positions at Mediobanca and LFPI
- Graduate from Solvay Brussels School

Financial calendar

22 January 2018
Sofina Newsletter #1

30 March 2018
Annual Report 2017

3 May 2018
Annual General Meeting
of Shareholders

July 2018
Sofina Newsletter #2

6 September 2018
Half-Year Financial Report
2018