

A photograph of a server room with rows of server racks and a robotic arm in the center aisle. The racks are filled with server units, and the robotic arm is positioned in the center aisle, extending across the width of the room. The lighting is dim, with a green light emanating from the robotic arm.

Half year report 2021-2022

Consolidated financial statements
as of 30 September 2021

Gimv

Building leading companies.

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General information

Gimv NV

Public Limited Company

Registered office

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Enterprise number: BE 0220.324.117

Date of formation: 25 February 1980.

Financial year: 1 April 2021 - 31 March 2022

Financial service: KBC Bank

Number of shares (30 September 2021): 26,654,508

Interim consolidated financial statements as of 30 September 2021

The interim consolidated financial statements as of 30 September 2021 have not been audited. The statutory auditor has conducted a review of these interim consolidated statements as of 30 September 2021. A review is less extensive than a full year-end audit. The comparative figures as of 30 September 2020 have also not been audited, but the comparative figures as of 31 March 2021 have been audited.

1. Interim consolidated statement of comprehensive income for the first six months ending 30 September 2021

in EUR 1,000	Note	30/09/2021	30/09/2020
Operating income		208,921	172,998
Dividend income	4	7,349	473
Interest income	4	12,516	10,340
Realised gain on disposal of investments	4;5	44,439	41,115
Unrealised gains on financial assets at fair value through P&L	4	143,830	120,186
Management fees	4	272	311
Turnover	4	114	117
Other operating income	4	402	457
Operating expenses		-60,410	-67,546
Realised losses on disposal of investments	4;5	-22	-450
Unrealised losses on financial assets at fair value through P&L	4;5	-16,956	-43,496
Impairment losses on debt assets investment portfolio	4;6	-15,208	-5,769
Selling, general and administrative expenses		-7,045	-5,551
Personnel expenses		-9,278	-8,548
Depreciation of intangible assets		-70	-90
Depreciation of property, plant and equipment		-970	-969
Other operating expenses		-10,861	-2,673
Operating result: profit (loss)		148,511	105,452
Finance income		89	248
Finance costs	8	-5,991	-4,466
Result before tax: profit (loss)		142,609	101,234
Tax expenses		-591	28
Net profit (loss) of the period		142,019	101,261
Minority interests		5,037	7,222
Share of the group		136,982	94,039

Earnings per share (in EUR)	Note	30/09/2021	30/09/2020
Basic earnings per share		5.22	3.67
Diluted gains earnings per share		5.22	3.67

Net earnings per share for the period are calculated using the weighted average number of shares outstanding during the reporting period. As of 30 September 2021, Gimv NV had a weighted average number of shares outstanding of 26,242,839 compared to 26,047,134 shares as of 30 September 30, 2020.

Total comprehensive income (in EUR 1,000)	Note	30/09/2021	30/09/2020
Net profit (loss) of the period		142,019	101,261
Other comprehensive income			
Actuarial gains (losses) DB pension plans		-	-
Items that cannot be reclassified to profit or loss in subsequent periods (i)		-	-
Items that can be reclassified to profit or loss in subsequent periods (ii)		-	-
Total other elements of the comprehensive income (i + ii)		-	-
Total comprehensive income		142,019	101,261
Minority interests		5,037	7,222
Share of the group		136,982	94,039

2. Interim consolidated balance sheet

Assets (in 1,000 EUR)	Note	30/09/2021	31/03/2021
Non-current assets		1,385,525	1,243,090
Intangible assets		298	368
Property, plant and equipment		9,078	9,793
Financial assets at fair value through P&L (FVPL)	5	1,067,475	950,521
Financial receivables from investee companies	6	308,674	282,408
Current assets		396,091	519,893
Trade and other receivables		1,631	1,835
Cash, deposits and cash equivalents		393,972	517,480
Marketable securities and other instruments		-	-
Other current assets		488	578
Total assets		1,781,616	1,762,984
Liabilities (in 1,000 EUR)	Note	30/09/2021	31/03/2021
Equity		1,384,127	1,303,707
Equity - group share		1,375,267	1,274,280
Issued capital	7	253,020	247,254
Share premium	7	96,903	73,971
Reserves		1,025,343	953,055
Minority interests		8,860	29,427
Liabilities		397,489	459,276
Non-current liabilities		387,275	362,681
Financial debts - bonds	8	350,000	350,000
Financial debts - lease liabilities	8	1,219	1,630
Provisions	9	36,055	11,051
Deferred tax liabilities		-	-
Current liabilities		10,214	96,595
Financial debts - lease liabilities	8	953	1,001
Trade and other payables		4,944	8,665
Income tax payables		787	300
Other liabilities	11	3,530	86,629
Total equity and liabilities		1,781,616	1,762,984

3. Interim consolidated statement of changes in equity

<u>First six months ended 30/09/2021 (in 1,000 EUR)</u>	<u>Note</u>	<u>Issued capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Actuarial gains (losses) DB pension plans</u>	<u>Treasury Shares</u>	<u>Equity - Group share</u>	<u>Minority interests</u>	<u>Total equity</u>
01-04-2021		247,254	73,971	955,078	-896	-1,090	1,274,280	29,427	1,303,707
Net Result for the period		-	-	136,982	-	-	136,982	5,037	142,019
Other comprehensive income		-	-	-	-37	-	-	-	-
Total comprehensive income		-	-	136,982	-37	-	136,982	5,037	142,019
Capital increase / decrease	7	5,766	22,933	-	-	-	28,698	-865	27,833
Acquisition / disposal of subsidiaries	9	-	-	-	-	-	-	-8,784	-8,784
Dividends to shareholders		-	-	-65,118	-	-	-65,118	-	-65,118
Net purchase / sale own shares		-	-	-	-	-	-	-	-
Other changes	9	-	-	424	-	-	424	-15,954	-15,530
30/09/2021		253,020	96,903	1,027,366	-933	-1,090	1,375,267	8,860	1,384,127

<u>First six months ended 30/09/2020 (in 1,000 EUR)</u>	<u>Note</u>	<u>Issued capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Actuarial gains (losses) DB pension plans</u>	<u>Treasury Shares</u>	<u>Equity - Group share</u>	<u>Minority interests</u>	<u>Total equity</u>
01-04-2020		241,365	51,629	812,826	-896	-	1,104,924	18,897	1,123,821
Net Result for the period		-	-	94,039	-	-	94,039	7,222	101,261
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	94,039	-	-	94,039	7,222	101,261
Capital increase / decrease	7	5,890	22,341	-	-	-	28,231	77	28,308
Acquisition / disposal of subsidiaries		-	-	-	-	-	-	81	81
Dividends to shareholders		-	-	-63,567	-	-	-63,567	-	-63,567
Other changes		-	-	-	-	-	-	-1	-1
30/09/2020		247,254	73,971	843,298	-896	-	1,163,627	26,276	1,189,903

4. Interim consolidated statement of cash flow

This cash flow statement is based on Gimv and its subsidiaries. Gimv group reports its majority shareholdings at market value based on the exception for investment entities (in line with IFRS 10). Gimv group has no claim whatsoever on the cash balances of its majority shareholdings. Gimv group is responsible solely for the value of the group's investment in the company in question.

Gimv uses the direct method for the cash flow statement. This provides the best and most relevant insight into Gimv's actual cash flows.

Cash flow statement (direct method) in 1,000 EUR	Note	30/09/2021	30/09/2020
Cash flow from operating activities		-22,051	-19,004
Management fees from managed funds		208	394
Payments to employees and directors		-12,597	-10,365
Other operating expenses		-9,445	-9,076
Paid/recovered CIT and other taxes		-217	43
Cash flows from investing activities		-56,328	-1,562
Investments in investee companies	6;7	-142,278	-105,533
Proceeds from divested investee companies	6;7	87,402	103,370
Interest received	4	209	1,658
Dividend received	4	7,332	473
LTIP payments	9	-9,167	-1,642
Other cash flows from investment activities		175	112
Cash flows from financing activities		-45,130	-44,600
Proceeds from borrowings		-	-
Interest received on cash deposits		49	7
Paid interest and fees on cash deposits and credit lines		-8,802	-8,477
Dividends to shareholders	5	-36,378	-35,336
Sale (Purchase) Own Shares		-	-
Other cash flow from financing activities		-	-794
Change in cash during period		-123,508	-65,166
Cash at beginning of period		517,480	368,041
Cash at end of period		393,972	302,875

Notes to the consolidated interim financial statements

1. Statement of conformity

These interim consolidated financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. They do not contain all the information required for complete financial statements and should be read in conjunction with the information provided in the annual report on the consolidated financial statements as of 31 March 2021.

The interim consolidated financial statements cover the first six months of the financial year ending on 31 March 2022 and are in accordance with IAS 34.

New and amended Standards and Interpretations adopted by the Group

During the current period, the Group has applied all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as endorsed by the European Union, which are effective for the financial year beginning on 1 April 2021. The Group has not applied any new IFRS guidelines that are not yet effective as of 30 September 2021.

The following new and revised Standards and Interpretations, issued by the IASB and IFRIC, and as endorsed by the EU, are in force for the current period:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16- Interest Rate Benchmark Reform - phase 2 (August 2020)
- Amendment to IFRS 16 Leases - COVID-19-Related Rent Concessions beyond 30 June 2021 (March 2021)
- Amendment to IFRS 4 Insurance Contracts - Amendments regarding the expiry date of the deferral approach (June 2020)

The application of these new Standards, Interpretations and Amendments has not led to any significant changes in the Group's accounting policies.

Standards and Interpretations issued but not yet effective in the current period

The Group has elected not to adopt in advance the following new Standards, Interpretations and Amendments, which have been issued by the IASB and IFRIC, but which are not yet effective and/or endorsed by the EU as of 30 September 2021, and of which the impact which might be relevant.

- Annual improvements 2018–2020 (May 2020)
- Amendments to IFRS 3 Business Combinations - References to the Conceptual Framework (May 2020)
- IFRS 17 Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (includes a deferral of the effective date to annual periods beginning on or after 1 January 2023) (June 2020) *
- Amendments to IAS 1 Presentation of Financial Statements - classification of liabilities as current or non-current (January 2020) * and Amendments to defer the effective date of amendments published in 2020 (July 2020) * and Amendments to the disclosure of accounting policies (February 2021) *
- Amendments to IAS 8 Accounting Policies, changes in accounting estimates and errors - Definition of accounting estimates (February 2021) *
- Amendments to IAS 12 Income Taxes - Deferred tax related to assets and liabilities arising from a single transaction (May 2021) *
- Amendments to IAS 16 Property, Plant and Equipment - Proceeds before intended use (May 2020)
- Amendments to IAS 37 Provisions, contingent liabilities and contingent assets – onerous contracts –cost of fulfilling a contract (May 2020)

* Not yet endorsed by the EU as of 30 September 2021

None of the other new and revised Standards and Interpretations issued by the IASB and IFRIC and effective for periods after 1 April 2021, and not yet effective and/or endorsed by the EU as of 30 September 2021, are expected to have a material effect on the Group's subsequent financial reporting

Significant judgements and estimates

In compiling the statement of financial position and the statement of comprehensive income, estimates or assumptions are often made that influence the assets or liabilities at reporting date and the income and charges for the reporting period. Although such estimates are made in a rational fashion, based on management's knowledge of the business, it is possible that actual figures will differ from the estimated figures. The largest risk of material adaptations relates to the estimates made in determining the fair value of the financial assets and loans to companies in the investment portfolio.

2. Accounting principles

Gimv has applied the same accounting policies and computation methods in its interim consolidated financial statements as in its 2020-2021 consolidated financial statements, except where new standards and interpretations apply for the first time for periods starting on (or after) 1 April 2021.

Other new and amended standards and interpretations issued by the IASB that will apply for the first time in subsequent reporting periods are not expected to impact Gimv, as they are either not relevant to Gimv's activities or are already consistent with Gimv's current valuation rules.

a) Consolidation principles

The consolidated financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union.

Exemption from the consolidation obligation for investment entities

The general application of IFRS 10 'Consolidated financial statements' requires entities to consolidate participations over which they exercise de facto control.

Since 20 November 2013, the amendment to IFRS 10, IFRS 12 and IAS 27 entitled 'Investment Entities' has been approved by the European Union. This amendment introduces an exemption for investment entities to the general principle that a parent must consolidate all of its subsidiaries.

Given that Gimv meets the definition of an investment entity, the group measures all majority shareholdings at fair value through profit and loss, in accordance with IFRS 9 'Financial Instruments'.

IFRS 10 defines an investment entity as an entity that:

- obtains funds from one or more investors for the purpose of providing these investors with investment management services;
- commits to its investor(s) to achieve capital gains or other investment income or a combination of both (corporate purpose);
- measures and evaluates the performance of substantially all of its investments on a fair value basis.

b) Scope of consolidation

Given that Gimv meets the definition of an investment entity, it measures both all subsidiaries (majority shareholdings) and associates at fair value through profit and loss. Associates are undertakings in which Gimv has significant influence over the financial and operating policies, but which it does not control.

Subsidiaries and associates are presented in the balance sheet as "financial assets at fair value through profit and loss". Changes in fair value are taken into profit or loss in the period in which the change takes place.

A full list of subsidiaries is given in the 2020-2021 Annual Report. There have been no significant changes in the scope of consolidation since 1 April 2021.

3. Segment information

Gimv reports its investment activities on the basis of four platforms. The management reporting also follows this structure in line with the requirements of IFRS 8.

The four segments are: Consumer, companies with a clear vision of the needs and preferences of the customer of the future; Health & Care, solutions for the health and care sector that cater to a growing, ageing and health-conscious society; Smart Industries, suppliers of smart systems and services that offer added value through intelligent and differentiating technologies; and Sustainable Cities, services, utilities and infrastructure with a sustainable impact on society. The additional segment 'Other' consists mainly of investments in third-party funds and infrastructure.

For the six months ending 30/09/2021 per platform (in 1,000 EUR)	Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Business Services & General	Total
Gains	23,528	63,249	68,980	35,528	16,849	-	208,134
Portfolio Income - Dividend	-		7,271		78	-	7,349
Portfolio Income - Interest	4,668	2,460	2,051	3,074	263	-	12,516
Realised gains on disposal of investments	240	77	38,485	43	5,594	-	44,439
Unrealised gains on financial assets at fair value through P&L	18,620	60,712	21,173	32,411	10,914	-	143,830
Losses	-12,444	-10,316	-7,452	-	-1,974	-	-32,187
Realised losses on disposal of investments	-	-	-22	-	-	-	-22
Unrealised losses on financial assets at fair value through P&L	-6,784	-4,414	-3,784	-	-1,974	-	-16,956
Impairment losses on loans and receivables	-5,660	-5,902	-3,646	-	-	-	-15,208
Portfolio result	11,084	52,933	61,527	35,528	14,874	-	175,947
Turnover and Management fees	22	-	41	-	108	215	386
Other operating income	78	20	161	6	40	97	402
Services, Goods and Administration (SG&A)	-427	-487	-1,744	-993	-5	-3,389	-7,045
Personnel Expenses	-1,485	-1,876	-1,363	-1,279	-	-3,275	-9,278
Depreciation of (in)tangible assets and rights-of-use	-	-	-	-	-	-1,040	-1,040
Other operational expenses	-522	-2,540	-1,117	-2,269	-4,110	-303	-10,861
Operating result	8,750	48,050	57,505	30,993	10,907	-7,695	148,511
Financial result	-	-	-	-	-	-5,902	-5,902
Tax expenses	-	-	-	-	-	-591	-591
Net result							142,019
Assets & Liabilities							
Assets	237,379	420,752	290,265	287,163	140,590	405,467	1,781,616
Liabilities	-	-	-	-	-	1,781,616	1,781,616
Other segment information							
Additional investments in investee companies via :	2,217	24,161	14,225	20,493	1,251	-	62,348
Financial assets at fair value through P&L (FVPL)	-6	21,839	3,525	9,121	1,251	-	35,731
Financial receivables from investee companies	2,223	2,322	10,700	11,372	0	-	26,617

For the six months ending 30/09/2020 per platform (in 1,000 EUR)	Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Business Services & General	Total
Gains	17,955	47,783	33,250	56,198	16,928	-	172,114
Portfolio Income - Dividend	-	-	437	-	36	-	473
Portfolio Income - Interest	2,712	2,185	1,957	2,683	803	-	10,340
Realised gains on disposal of investments	7,107	2,742	179	30,857	229	-	41,115
Unrealised gains on financial assets at fair value through P&L	8,136	42,856	30,676	22,657	15,860	-	120,186
Losses	-14,047	-11,097	-10,028	-1,590	-12,953	-	-49,715
Realised losses on disposal of investments	-	-	-65	-	-384	-	-450
Unrealised losses on financial assets at fair value through P&L	-10,492	-10,267	-8,579	-1,590	-12,568	-	-43,496
Impairment losses on loans and receivables	-3,555	-831	-1,384	-	-	-	-5,769
Portfolio result	3,908	36,686	23,222	54,608	3,975	-	122,399
Turnover and Management fees	26	-	31	60	91	221	428
Other operating income	112	14	20	10	-66	366	456
Services, Goods and Administration (SG&A)	-912	-814	-219	-524	-13	-3,069	-5,551
Personnel Expenses	-1,217	-1,806	-1,162	-1,348	-	-3,016	-8,548
Depreciation of (in)tangible assets and rights-of-use	-	-	-	-	-	-1,059	-1,059
Other operational expenses	-	-	-63	-	-	-2,610	-2,673
Operating result	1,917	34,080	21,829	52,806	3,987	-9,167	105,452
Financial result	-	-	-	-	-	-4,218	-4,218
Tax expenses	-	-	-	-	-	28	28
Net result							101,261
Assets & Liabilities							
Assets	175,969	285,328	274,677	275,487	128,963	316,985	1,457,410
Liabilities	-	-	-	-	-	1,457,410	1,457,410
Other segment information							
Additional investments in investee companies via :	17,712	26,551	71,903	457	1,724	-	118,347
Financial assets at fair value through P&L (FVPL)	15,363	12,367	71,153	452	1,724	-	101,060
Financial receivables from investee companies	2,349	14,183	750	5	0	-	17,287

4. Operating result

Dividends, interest, management fees and turnover (in 1,000 EUR)	30/09/2021	30/09/2020
Dividend income	7,349	473
Interest income	12,516	10,340
Management Fees	272	311
Turnover	114	117
Total	20,251	11,241

Income from dividends, interest, management fees and turnover increased by EUR 9,010 thousand to EUR 20,251 thousand. Dividend income showed the strongest increase (+ EUR 6,876 thousand). The main component of this item is dividends from Kind Technologies (SI). The successful sale of a business unit here resulted in, among other things, a significant dividend payment to its shareholders and a capital reduction.

Interest income is EUR 2,176 thousand higher than in the first six months of the previous financial year. This is because the outstanding loans amount is 9% higher than at the end of the previous financial year (see note 7).

Realised gains and losses (in 1,000 EUR)	30/09/2021	30/09/2020
Realised gain on disposal of investments	44,439	41,115
Realised losses on disposal of investments	-22	-450
Total	44,417	40,665

The net realised result on the disposal of investments rose by EUR 3,752 thousand. The realised result on the disposal of investments is the difference between the selling price of the divested investments and their IFRS carrying value at the beginning of the financial year.

Realised gains and losses by platform (in 1,000 EUR)	Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Total
Realised gain on disposal of investments	240	77	38,485	43	5,594	44,439
Realised losses on disposal of	-	-	-22	-	-	-22
Total	240	77	38,462	43	5,594	44,417
Listed companies	-	-	-	-	-	-
Funds	-	-	-	-	5,594	5,594
Shareholdings	240	77	38,462	43	-	38,823
Total	240	77	38,462	43	5,594	44,417

The realised result in the first six months of FY 2021- 2022 financial year was mainly determined by the successful exit from Summa (SI). Together with various other partial disposals, the receipt of a small number of deferred payments from earlier disposals, and a small number of distributions from third party-managed funds, the proceeds from disposals of investments amount to EUR 87,402 thousand (including EUR 1,759 of deferred payments). The opening value of these divested entities amounted to EUR 42,985 thousand.

The realised proceeds in the previous related mainly to the successful exit from Sureca (SC).

Unrealised gains and losses (in 1,000 EUR)	30/09/2021	30/09/2020
Unrealised gains from financial assets at fair value	143,830	120,186
Unrealised losses from financial assets at fair value	-16,956	-43,496
Impairment losses	-15,208	-5,769
Total	111,666	70,921

Unrealised gains and losses by platform (in 1,000 EUR)	Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Total
Unrealised gains on financial assets at fair value through P&L	18,620	60,712	21,173	32,411	10,914	143,830
Unrealised losses on financial assets at fair value through P&L	-6,784	-4,414	-3,784	-	-1,974	-16,956
Impairment losses on debt assets	-5,660	-5,902	-3,646	-	-	-15,208
Total	6,176	50,395	13,743	32,411	8,940	111,666
Investments in listed companies	-	3,469	-	-	3,726	7,195
Funds	-	-	-	-	5,203	5,203
Other shareholdings	6,176	46,927	13,743	32,411	11	99,268
Total	6,176	50,395	13,743	32,411	8,940	111,666

The unrealised gains and losses item reflects the periodical revaluations of shareholdings in and loans to investee companies, in accordance with the IPEV valuation rules.

The significant growth of the portfolio companies in the first half of the 2021-2022 financial year results in a considerable increase in their valuation. The Health & Care investment platform provides the largest increase in value (+EUR 50,395 thousand). The already announced divestment of Equipe Zorgbedrijven has an important part in this result. This disposal is still pending approval by the competition authorities. The valuation of this group of specialized clinics has been adjusted to its sale value with the application of a limited discount reflecting the high probability of approval. In addition to Equipe Zorgbedrijven, Another strong contributor to the unrealized result in Health & Care is Medi-Markt, a service provider of aids for patients with incontinence.

In the Sustainable Cities investment platform, the largest unrealised value increases are provided by Groupe Claire and Incendin (+ EUR 32,411 thousand). Groupe Claire produces and distributes elements for drinking water networks. Incendin develops and produces environmentally-friendly fire retardant additives for the construction and transport sectors.

Cegeka and Televic are mainly responsible for the appreciation of the portfolio in the Smart Industries investment platform (+EUR 13,743 thousand). Cegeka is an independent European ICT service provider. Televic supplies high-tech, high-quality communication systems for specific markets.

The Consumer investment platform provided a value increase of EUR 6,176 thousand. The most important increases are seen at Wolf Lingerie (designer, producer and distributor of lingerie) and AgroBiothers (pet care products and accessories).

The 'Others' category includes Infrastructure investments and funds managed by third parties. The increase in this segment (+ EUR 8,940 thousand) is mainly due to the positive price evolution of TINC.

Financial assets measured at fair value through P&L (participations) versus loan receivables from companies in the investment portfolio (debt instruments).

Participations or capital investments are classified as financial assets and measured at fair value through P&L. These investments are initially recorded at cost. After an initial market valuation, the unrealised gains and losses resulting from the periodical revaluations are recognised through P&L. The equity investments produced a net unrealised gain during the first six months of FY 2021- 2022 of EUR 120,689 (note 5).

Receivables from portfolio companies are financial assets with contractually fixed payments that are not listed in an active market. After initial recognition, these financial assets are measured at nominal value less any impairment losses whenever there are doubts as to the recoverability of the loan. Specifically, net impairments of EUR 9,023 were recorded in the first six months of FY 2021- 2022 (note 6).

Debt instruments are subject to the SPPI (Solely Payments of Principal and Interest) test in accordance with IFRS 9 'Financial Instruments'. Any debt instruments, such as a convertible loan or a receivable with warrants, that do not pass the SPPI test are measured at fair value through P&L. Where debt instruments pass the SPPI test, the receivable is measured at amortised cost.

The entire portfolio of both equity investments and loans is revalued quarterly based on the decisions of the valuation committee. This committee determines the fair value in accordance with IFRS 13, using the methodology of IFRS 9. Equity investments and loan receivables that do not pass the SPPI test are measured at market value with fluctuations through P&L. Loans and other debt instruments that pass the SPPI test are measured at nominal value less any impairment losses.

Listed investments are measured based on the bid price at the reporting date, taking into account any trading limitations. Where no stock market price is available, the fair value is determined using the valuation methods most appropriate to the particular type of investment.

The key driver of the net unrealised result of the first six months of the previous financial year (+ EUR 70 921 thousand) was the strong recovery of the capital markets during the first quarter of that financial year. This stock market recovery led to higher valuation multiples compared to 31 March 2020. In addition, a large proportion of the companies in the investment portfolio showed a resilient performance.

5. Financial assets at fair value through P&L

Total financial fixed assets (complete investment portfolio)

Financial assets (in 1,000 EUR)	30/09/2021	31/03/2021
Financial assets at fair value through P&L (FVPL)	1,067,475	950,521
of which listed shareholdings	62,770	48,132
Financial receivables from investee companies	308,674	282,408
Total	1,376,149	1,232,929

Total financial fixed assets (equity investments and loans) increased by EUR 143,220 thousand. In the first half of FY 2021-2022, Gimv invested EUR 62,348 thousand, adding four new companies to the financial fixed assets: WDM-Deutenberg (SI; producer of welded mesh solutions), Anjarium (HC; biotech), Klotter (SC; end-to-end electrotechnical solutions) and Projective (SC; consulting company specialized in change processes for the financial sector). Added to these were also significant follow-up investments in Alro Group (SI; industrial coating of car and truck parts), France Thermes (HC; thermal spas) and Dental Partners (HC; development of a group of dental practices), and additional capital rounds for Life Sciences companies.

The cash flow statement mentions an investment amount of EUR 142,278 thousand. The difference of EUR 79,930 thousand relates to a number of new investments contracted before the end of the previous financial year but where the short-term conditions precedent were fulfilled only after the end of the previous financial year. The payment of these investments was made shortly after the closing date and was reported on 31 March 2021 under other current liabilities (note 11).

In terms of disposals of investments, Summa (SI; producer of cutting machines for the graphics sector) was divested completely. In addition, a significant partial disposal was made at Kind Technologies (SI; machine vision solutions in agritech). Together with the receipt of a small number of deferred payments from earlier disposals, and a small number of distributions from third party-managed funds, the sales proceeds from these disposals of investments amount to EUR 87,402 thousand compared with a booked-out opening value of EUR 42,985 thousand. This results in a net capital gain on the realization of investments of EUR 44,417 thousand.

The evolution of the financial assets measured at fair value through P&L follows in this note. The evolution of loans to investment portfolio companies can be found in note 6.

The evolution of financial assets measured at fair value through P&L

Financial assets at fair value through P&L (in 1,000 EUR)	30/09/2021	31/03/2021
Opening balance	950,521	773,531
Investments	35,731	168,320
Divestments (-)	-39,466	-150,908
Unrealised gains in fair value	137,645	197,543
Unrealised losses in fair value	-16,956	-38,487
Increase (+) or decrease (-) due to exchange rate differences	-	-
Other increase (+) or decrease (-)	-	523
Closing balance	1,067,475	950,521
Of which		
Shares - listed	62,770	48,132
Shares - unlisted	1,004,705	902,389
Fair value changes recognised in P&L during the period	120,689	159,056
Shares - listed	1,044	1,980
Shares - unlisted	119,645	157,076

In the first half of FY 2021-2022, Gimv invested EUR 101,060 thousand via equity instruments. Investments with an opening carrying value of EUR 39,466 thousand were disposed of. The net unrealised valuation result amounts to EUR 120,689 thousand, reflecting the periodical revaluation of the entire portfolio. These fluctuations are explained in note 4.

In the course of the first half, no loans were converted into shares, nor were warrants exercised. Thus there were no other movements in equity investments.

Overall, the equity investments recorded under financial fixed assets increased by EUR 116,954 thousand.

Carrying value versus market value and classification according to IFRS 9

The following table compares the carrying amounts and the market value of the financial assets and receivables and financial liabilities at reporting date. Gimv considers the carrying amounts of the following financial assets and receivables and financial liabilities to be a reliable approximation of their market value:

- Equity investments and loans
- Trade receivables
- Cash & cash equivalents
- Loans and borrowings
- Trade payables

Gimv applies the following hierarchy for determining and disclosing the fair value of financial instruments, classified by valuation technique:

- Level 1: listed (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other methods in which all variables have a significant effect on the calculated fair value and are observable, either directly or indirectly;
- Level 3: techniques using inputs which significantly affect the recorded fair value but are not based on observable market data.

Classification in 1,000 EUR	Carrying value		Fair value		
	30/09/2021	Classification IFRS 9	Level 1	Level 2	Level 3
Investment portfolio	1,376,149		51,858	255,492	1,068,799
<i>Equity investments</i>	1,067,475	<i>Fair value through profit and loss</i>	51,858	10,912	1,004,705
<i>Debt instruments failing SPPI test</i>	64,094	<i>Fair value through profit and loss</i>	-	-	64,094
<i>Loans and other debt instruments</i>	244,579	<i>Amortized cost</i>	-	244,579	-
Trade and other receivables	1,631	Fair value through profit and loss	-	1,631	-
Cash, deposits and cash equivalents	393,972	Fair value through profit and loss	-	393,972	-
Financial debts - bonds	350,000	Amortized cost	-	350,000	-
Trade and other payables	4,944	Amortized cost	-	4,944	-

During the first six months of the 2021-2022 financial year, one transfer took place from a level 3 equity investment to level 2. This is an equity investment that was floated on the stock exchange during this reported period and is measured at closing price with a discount due to the fact that a significant proportion of shares are temporarily restricted and cannot be sold right now.

In addition, at the end of the previous financial year, investments were made in a debt instrument that failed the SPPI test and is therefore reported at level 3.

Classification in 1,000 EUR	Carrying value		Fair value		
	31/03/2021	Classification IFRS 9	Level 1	Level 2	Level 3
Investment portfolio	1,232,929		48,132	256,585	928,212
<i>Equity investments</i>	950,521	<i>Fair value through profit and loss</i>	48,132	-	902,389
<i>Debt instruments failing SPPI test</i>	25,823	<i>Fair value through profit and loss</i>	-	-	25,823
<i>Loans and other debt instruments</i>	256,585	<i>Amortized cost</i>	-	256,585	-
Trade and other receivables	1,835	Fair value through profit and loss	-	1,835	-
Cash, deposits and cash equivalents	517,480	Fair value through profit and loss	-	517,480	-
Financial debts - bonds	350,000	Amortized cost	-	350,000	-
Trade and other payables	8,665	Amortized cost	-	8,665	-

6. Loans to portfolio companies

Financial receivables from investee companies (in 1,000 EUR)	30/09/2021	31/03/2021
Opening balance	282,408	243,453
Gross carrying amount	324,070	278,085
Accumulated impairment (-)	-41,662	-34,632
Investments	26,617	55,623
Repayments (-)	-3,519	-28,442
Impairments (-)	-15,208	-14,922
Reversal of impairment (+)	6,185	6,407
Increase (+) or decrease (-) due to exchange rate differences	-	-
Conversion	-	-528
Accrued Interest	12,191	19,265
Other (increase (+), decrease (-))	-	1,551
Closing balance	308,674	282,408
Gross carrying amount	359,060	324,070
Accumulated impairments (-)	-50,386	-41,662

Total loans and other debt instruments to portfolio companies increased by EUR 26,266 thousand. During the first half of FY 2021-2022, EUR 26,617 thousand of new loans were granted. The most significant new investments here were to WDM-Deutenberg (SI; market leader in welded mesh solutions) and eGruppe (SC; facility management and structural installation services). During the first six months, EUR 3,519 thousand of loans (principal and capitalised interest) were repaid. The main repayments were received from Impression International (CO), along with some deferred payments related to earlier exits.

The net impact of value changes is EUR -9,023 thousand, due to impairments, mainly on Impact (CO; temporary employment agency for technical profiles) and Stiplastics (HC; medical plastics).

In the first half, accrued interest income of EUR 12,191 thousand was generated.

There are no new deferred escrow amounts arising from the disposals of investments during the first half of the current financial year.

7. Outstanding capital and share premium reserve

The Ordinary General Meeting of Gimv declared on 30 June 2021 a dividend in respect of FY 2020-2021 in an amount of EUR 65,118 thousand (EUR 2.50 per share). Shareholders could take their dividends in cash or in stock (*keuzedividend*). This led to the issue of 607,374 new shares at an issue price of EUR 47.25 per share. This capital increase of EUR 28,698 thousand took the form of a capital increase of EUR 5,765 thousand within authorised capital and an issue premium of EUR 22,933 thousand. The issue premium is the difference between the fractional value per share and the issue price.

Consequently, since 28 July 2021, the outstanding capital has amounted to EUR 253,020 thousand, represented by 26,654,508 fully paid-up no par ordinary shares. All shares have the same rights and fractional value.

All shares are admitted to trading on the Continuous Market of Euronext Brussels under the share code GIMB (ISIN: BE0003699130)

In the previous FY 2020-2021, Gimv repurchased 40,000 of its own shares as part of a share purchase plan for employees. Prior to this buy-in, Gimv did not own any of its own shares. Before the end of the FY 2020-2021, 22,123 shares had been sold to employees. On 31 March 2021 the Group therefore owned 17,877 treasury shares. During the first half of FY 2021-2022, no additional treasury shares were purchased or sold to employees. As of 30 September 2021, these treasury shares represent a limited amount of capital (including share premium) of EUR 235 thousand, compared to EUR 220 thousand at the end of the previous financial year.

Gimv has not issued any securities that on exercise or conversion would produce an increase in the number of shares.

Outstanding capital and reserves (in 1,000 EUR)	30/09/2021	31/03/2021
Number of shares at start of period	26,047,134	25,426,672
Changes during the period	607,374	620,462
Number of shares at end of period	26,654,508	26,047,134
Capital at start of the period	247,254	241,365
Changes during the period	5,766	5,890
Capital at end of the period	253,020	247,254
Share premium at start of the period	73,971	51,629
Changes during the period	22,933	22,341
Share premium at end of the period	96,903	73,971
Number of own shares at start of period	17,877	-
Changes during the period	-	17,877
Number of own shares at end of period	17,877	17,877
Own shares : capital size at start of period	-	-
Changes during the period	0.2	0.2
Own shares : capital size at end of period	0.2	0.2

8. Non-current financial liabilities: loans and borrowings

In the first half of FY 2019-2020, Gimv successfully placed its first public bond issue, in the form of 7 and 12 year bonds in amounts of EUR 75,000 thousand (nominal interest rate of 2.875%) and EUR 175,000 thousand (nominal interest rate of 3.50%) respectively. In the second half of FY 2020-2021, an 8-year sustainable bond in an amount of EUR 100,000 thousand was placed at a nominal interest rate of 2.25%.

The bonds issued in 2019 are used for general financing purposes, i.e. to fund the further growth of Gimv and its portfolio companies while maintaining an adequate level of liquidity throughout the investment cycle. The 2026 bonds were offered to both retail and institutional investors. The 2031 bonds were offered to institutional investors only.

The recent sustainable bond-issue has been made possible by the establishment of a Sustainable Financing Framework which confirms Gimv's ambition as a responsible investor. With this framework Gimv wants to align its financing policy with its sustainable investment ambitions and further increase its impact on society. The framework will make it possible to attract sustainable financing also in the future. The issue was largely oversubscribed and placed with a wide group of institutional investors, a significant majority of which have sustainable profiles.

The table below summarizes the main features of these issues:

Bond characteristics (in EUR)	2031 12 year (175m)	2029 8 year (100m)	2026 7 year (75m)
Trade date	21-06-2019	08-03-2021	21-06-2019
Value date	05-07-2019	15-03-2021	05-07-2019
Maturity date	05-07-2031	15-03-2029	05-07-2026
Nominal value (100%)	175,000,000	100,000,000	75,000,000
Denomination	1,000	100,000	1,000
Issue Price	102.000%	100.000%	101.875%
Issue Value	178,500,000	100,000,000	76,406,250
Interest rate - nominal	3.500%	2.250%	2.875%
Interest rate - actuarial	3.296%	2.250%	2.579%
Payment date	05-07-20xx	15-03-20xx	05-07-20xx

At the beginning of July, gross interest of EUR 8,281 was paid to the holders of the bonds issued in 2019. The interest expense during the first six months of FY 2021-2022 amounted to EUR 5,280 thousand.

30/09/2021 (in 1,000 EUR)	Remaining term			Total
	< 1 year	1 to 5 years	> 5 years	
Financial debts				
Bonds	-	75,000	275,000	350,000
Lease liabilities (IFRS 16)	953	1,219	-	2,173
Total	953	76,219	275,000	352,173

31/03/2021 (in 1,000 EUR)	Remaining term			Total
	< 1 year	1 to 5 years	> 5 years	
Financial debts				
Bonds	-	-	350,000	350,000
Lease liabilities (IFRS 16)	1,001	1,630	-	2,631
Total	1,001	1,630	350,000	352,631

In addition to the bond obligation, there exists at reporting date a lease debt of EUR 2,173 thousand as per IFRS 16, of which EUR 953 thousand is short-term.

9. Provisions

As of 31 March 2021, the provisions amounted to EUR 11,051 thousand. In the first six months of FY 2021-2022, an additional provision of EUR 25,387 thousand was recorded in respect of the LTIP (long-term incentive plan), with EUR 383 thousand used for pay-outs. The provisions amounted to EUR 36,055 thousand at the end of the first half of FY 2021-2022.

The additional provisions were mainly created in the context of the historical co-investment structure LTIP 2013 (EUR 18,128 thousand). The participants in the 2013 co-investment structure sold their shares in the co-investment companies to Gimv in the first quarter of the current financial year. The amount of the sale price was determined by the net cash from realized net gains on the basket of investments in the relevant co-investment company. The full value for LTIP 2013 (realised and unrealised) was reported at the end of the previous financial year under non-controlling interests (EUR 24,738 thousand). By exercising the call option (EUR 8,784 thousand) and repurchasing of beneficiaries' shares, Gimv became 100% shareholder of the LTIP 2013 co-investment companies. The release of the minorities, being the difference between the value at the end of the previous financial year and the sales price, is included in the provisions and represents the net capital gains that have not yet been realised. If realised, an earn-out payment will be made to the LTIP 2013 beneficiaries.

The total payout in the context of the historical co-investment structures amounts to EUR 9,167 thousand during the first half of the current financial year, consisting mainly of the repurchase of the shares of the co-investment companies in the context of LTIP 2013 plus the earn-out payment in the context of LTIP 2010.

We refer to the remuneration report in the 2020-2021 Annual Report for more information about the historical co-investment structures.

In addition to the provision for LTIP 2013, a provision has also been made for LTIP 2018 (EUR 6,534 thousand). We refer to the remuneration report in the 2020-2021 Annual Report for more information about the renewed Long Term Incentive Plan that started on 1 April 2018.

Otherwise, there were no significant movements in provisions during the first half.

<u>30/09/2021 (in 1,000 EUR)</u>	<u>Warranties</u>	<u>Litigation</u>	<u>In respect of the LTIP</u>	<u>OCI: Remeasurement pension plans</u>	<u>Other</u>	<u>Total</u>
Opening Balance	608	-	9,510	933	-	11,051
Additional provisions	-	-	25,387	-	-	25,387
Use of provisions (-)	-	-	-383	-	-	-383
Reversal of unused provisions (-)	-	-	-	-	-	-
Changes in consolidation scope	-	-	-	-	-	-
Other increase (decrease (-))	-	-	-	-	-	-
Closing balance	608	-	34,514	933	-	36,055

31/03/2021 (in 1,000 EUR)	Warranties	Litigation	In respect of the LTIP	OCI: Remeasurement pension plans	Other	Total
Opening Balance	-	250	5,306	896	-	6,452
Additional provisions	608	-	5,946	37	-	6,591
Use of provisions	-	-200	-1,741	-	-	-1,941
Reversal of unused commissions	-	-50	-1	-	-	-51
Changes in consolidation scope	-	-	-	-	-	-
Changes due to discounting	-	-	-	-	-	-
Other increase (decrease (-))	-	-	-	-	-	-
Closing balance	608	-	9,510	933	-	11,051

10. Related parties

The related parties are disclosed in the 2020- 2021 Annual Report. No significant changes occurred in the first half of FY 2021-2022.

11. Other current liabilities

The strong decrease in other current liabilities from EUR 86,629 thousand as of 31 March 2021 to EUR 3,530 thousand as of 30 September 2021 reflects mainly the payment of a number of new investments that had been contracted before the end of the previous financial year and where the short-term conditions precedent were fulfilled only after the end of the previous financial year. The payment of these investments in an amount of EUR 79,930 thousand was made shortly after the closing date. This relates to the investments in Sofatutor (SI; online education platform), Apraxon (HC; modern wound care through ambulatory care) and Verkley (SC; specialist contractor for cable and pipeline networks for energy and water).

In addition, the other current liabilities at the closing date include as of 31 March 2021 the accrued interest charges for the bonds issued in FY 2019-2020 and for the sustainable bond issued in the second half of the FY 2020-2021. The interest charges for the bonds issued in FY 2019-2020 were paid at the beginning of the second quarter of the current financial year.

12. Off-balance sheet obligations and major pending litigation

There have been no significant changes compared to the off-balance sheet obligations stated in the annual report for FY 2020-2021.

All pending litigation in which Gimv is involved have been disclosed in the annual report for FY 2020-2021. There were no new elements during the first semester of the current fiscal year that would entail a change in the appropriate provisions set up at the end of previous fiscal year.

13. Events since the close of the half-year

- The valuation of our portfolio is based on market multiples at end-September 2021. Since then, we have closely followed stock market developments. To date, we have not noticed any evolution in market multiples that would indicate a need to adjust our valuation.
- On 15 October 2021, Onward Therapeutics completed a successful IPO on Euronext Brussels and Amsterdam.
- On 2 November 2021, Gimv announced the Baas-Verkley combination. The investment in Verkley, announced in April this year, is being expanded through a strategic combination with Baas. The combination creates a strong, national player operating in the design, construction and maintenance of essential infrastructure for energy, water and telecom.

14. Statement regarding risk

The future results of our businesses and the value development of our portfolio remain more than ever dependent on a number of external factors. These include (i) the duration of the problems associated with relaunching the economy after the pandemic, as evidenced by disrupted supply chains, limited availability of components and intermediates, high raw material and energy prices and rising inflation, (ii) the extent to which our companies can protect their margins by passing on higher purchase prices, (iii) the way our companies can pick up on new and changing trends post Covid-19 and show agility in adapting their business models accordingly (iv) the extent to which the vaccinations can provide adequate protection against potential new Covid variants, (v) the liquidity available in the banking system to support the companies, also with possible further financing needs, (vi) the geopolitical climate in various regions of the world, (vii) the stability of regulations and taxation in the markets in which both Gimv and our companies operate, (viii) the extent to which the market for investments and acquisitions remains active, accompanied by a sufficient level of liquidity and (ix) the extent to which the financial markets can maintain their stability. Assessing the impact of all these factors for the coming period is particularly difficult.

More information on the risks that Gimv faces, and on our risk management, can be found in our annual report, which is available at www.gimv.com.

The Statutory Auditor's report

Statutory auditor's report to the shareholders of Gimv NV on the review of interim consolidated financial information for the six-month period ended 30 September 2021

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Gimv NV as of 30 September 2021 and the related interim consolidated statements of comprehensive income, cash flows and changes in equity for the six-month period then ended, as well as the explanatory notes. The Board of Directors is responsible for the preparation and presentation of this interim consolidated 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 interim consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with ISRE (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 narrower 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 consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

Antwerp, 17 November 2021

BDO Bedrijfsrevisoren BV
Auditor
Represented by David Lenaerts

BDO Bedrijfsrevisoren BV
Auditor
Represented by Veerle Catry

