



Geneva, 4 November 2020

Results at 30 September 2020

Key financial data ¹

	30 September 2020	30 September 2019	31 December 2019
	CHF million	CHF million	CHF million
Consolidated net result (Group share)	186	316	391
Net asset value	8'375	10'330	10'946
Market capitalization	6'479	6'501	6'814
Net debt*	59	113	116
Loan To Value**	1.0%	1.1%	1.0%

* Pargesa's net debt is presented, for comparability purposes, excluding the deferred payment price receivable for the sale of GBL shares held by a Group subsidiary, Pargesa Netherlands B.V., from Parjointco Switzerland SA (the offeror) amounting to CHF 2'685 million pertaining to the public exchange offer.

Including Pargesa's share of GBL's net debt, Pargesa's net debt reaches CHF 537 million at the end of September 2020 (Pargesa share of 30%) compared to CHF 532 million at the end of December 2019 (Pargesa share of 50%) – see net asset value table in Point 4. *Net Asset Value*.

** The Loan To Value ratio is calculated on the basis of (i) Pargesa's direct net debt relative to (ii) Pargesa's portfolio value as defined in the glossary at the end of this press release.

Commentary on the key financial data

Pargesa's consolidated net result (Group share) was CHF 186 million for the first nine months of 2020 compared to CHF 316 million for the same period in 2019. The results since the beginning of 2020 were especially affected by the decrease in dividend income as some portfolio companies revised their dividend policy in the context of an economic and financial environment marked by the uncertainty caused by the consequences of the Covid-19 pandemic.

On 4 February 2020, GBL purchased EUR 374 million SGS shares by participating in a private placement by the von Finck family at a price of CHF 2'425 per share. Following this investment, GBL increased its stake in the capital of SGS from 16.7% at the end of 2019 to 18.9% at 30 September 2020.

Since the beginning of the year 2020, Pargesa's net asset value decreased by 23.5% to reach CHF 8.4 billion at the end of September 2020. This decrease is due to (i) the impact of the crisis caused by the Covid-19 pandemic in the amount of CHF 1.3 billion and (ii) for CHF 1.3 billion from the consequences of the sale of GBL shares in the context of the public exchange offer of Parjointco Switzerland SA ("Parjointco"), a wholly owned subsidiary of Parjointco N.V., for all publicly held Pargesa bearer shares.

¹ The alternative performance indicators are defined in the glossary found at the end of this press release.

Pargesa's net financial debt diminished by CHF 57 million during the year to date and stood at CHF 59 million as at 30 September 2020.

In summary, the economic operating income was CHF 199.3 million at 30 September 2020 compared with CHF 353.0 million at 30 September 2019. The 2020 result included a CHF 196.6 million contribution from the investment portfolio compared with CHF 371.4 million at 30 September 2019, reflecting:

- The decrease in the operating contribution from Imerys for CHF 30.3 million compared with CHF 71.5 million in the previous year especially caused by the decrease in sales volumes in the context of difficult market conditions that deteriorated during the course of the period with the Covid-19 pandemic;
- The operating contribution from Piolin II/Parques Reunidos was CHF -18.8 million at 30 September 2020 compared to CHF -6.4 million in the previous year;
- The positive operating contribution from Webhelp was CHF 18.7 million for the first nine months of 2020 (Webhelp didn't contribute yet during the same period of 2019);
- The marked reduction in the amount of dividends received from non-consolidated shareholdings (-47%) totalling CHF 142.4 million at 30 September 2020 compared to CHF 267.1 million at 30 September 2019. The decrease is mainly due to:
 - the decrease/absence in the dividends per share paid by some of the portfolio companies (CHF -49 million),
 - the lower amount of dividend withholding tax reimbursements by the French tax authorities (CHF -50 million),
 - the decrease in dividends due to the sale of stakes in portfolio companies by GBL in 2019 (CHF -33 million),
 - additional investment made by GBL in SGS (CHF +7 million),
 - the decline in the EUR/CHF exchange rate;
- The contribution from private equity and other funds activities in 2020 finishing September 2020 at CHF +24.0 million, compared with CHF +39.2 million in 2019;
- Net financial income amounting to CHF 32.7 million for the nine months ended 30 September 2020 compared with CHF +5.0 million in 2019. The positive change is explained by unrealised gains from the marking to market of two financial instruments, specifically (i) debt to the minority shareholders of Webhelp (CHF 10.3 million) and (ii) the derivative instruments implicitly embedded in the exchangeable bonds in LafargeHolcim shares (CHF 22.7 million);
- General expenses and taxes of CHF 30.0 million for the first nine months of 2020 are higher (CHF 6.6 million) than in the same period of the previous year (30 September 2019: CHF 23.4 million). This is mainly due to the revaluation effect and vesting of liabilities recognised in the context of Webhelp's employee incentive plan.

The non-operating income (loss) which represents Pargesa's share of Imerys', Piolin II/Parques Reunidos' and Webhelp's non-operating result was CHF -13.3 million at 30 September 2020, compared with CHF -36.7 million at 30 September 2019.

As a result of the above, Pargesa's net income (Group share) amounts to CHF 186.0 million for the nine months ended 30 September 2020, compared with CHF 316.3 million for the same period of the prior year.

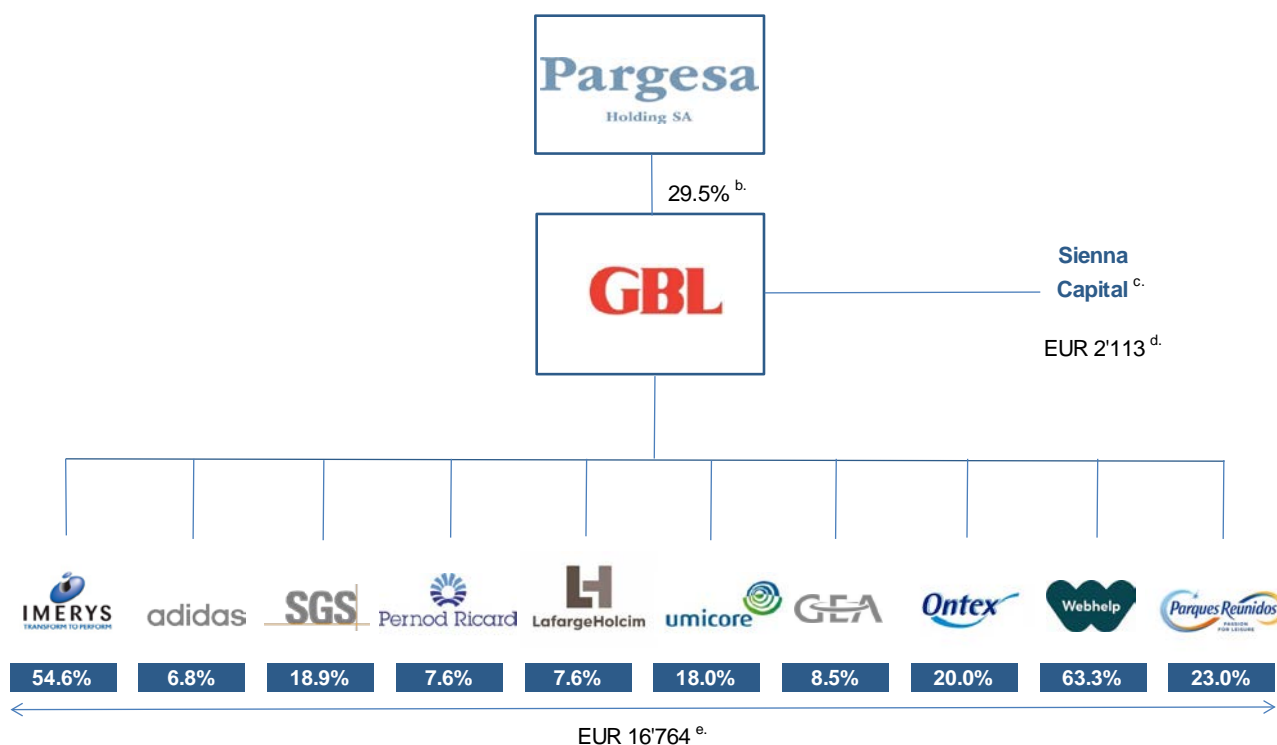
The year 2020 will go down in history as a year of particularly acute global crisis. After a brief summer lull, European countries are now witnessing a resurgence of Covid-19 cases, with increased geographical disparities and local restriction measures, the result is an economic recovery that is slower than expected. At the same time, uncertainties are fuelled in particular by the outcome of both the US presidential elections and the ongoing Brexit negotiations.

In this highly complex environment, the portfolio companies have shown resilience and adaptability in the face of uncertainty and crisis, capitalising on their position as leaders in their sector, their critical size and the strength of their balance sheet and liquidity profile. Their rigorous monitoring of the crisis and their associated action and remediation plans will enable them to strengthen their competitive positioning once the crisis is over.

GBL announced that it plans to pay, in 2021, a dividend of EUR 2.50 per share in 2021 for the financial year 2020, which remains subject to the approval of its general meeting. This forecast is based on the strength of its balance sheet and its liquidity profile, and in view of the dividends already received from its portfolio companies.

1. Group structure

The organisation chart of the Group ^a at 30 September 2020 was as follows:



- The chart shows the operating companies of the portfolio and Sienna Capital. The percentages represent the total interest percentage as defined in the glossary found at the end of this press release.
- 44.8% of voting rights, taking into account the double voting rights introduced by GBL's general assembly in April 2020.
- Comprising shareholdings in alternative investment funds, valued at fair value.
- Estimated value² in EUR million at 30 September 2020.
- Operating companies (Listed investments and Private assets) at 30 September 2020 at fair value², expressed in millions of Euros.

2. 2020 highlights

The first nine months of financial year 2020 were marked by the public exchange offer accomplished by Parjointco to acquire shares of Pargesa Holding SA in exchange for GBL shares - see also Point 5. of this press release.

Listed investments:

- On 24 January 2020, forward sales of 15.9 million **Total** shares, entered into by GBL in March and April 2019, matured at an average spot price of EUR 50.52 and an average forward price of EUR 48.37 per share for a total amount of EUR 771 million. The capital gain generated by these sales amounts to EUR 411 million, not impacting GBL's consolidated net result in 2020, in accordance with IFRS 9. Upon the maturity of this transaction, GBL's ownership of Total was reduced to 0.01%. GBL continued to receive dividends on the disposed shares until the maturity date.
- On 4 February 2020, GBL purchased, for an amount of EUR 374 million, **SGS** shares by participating in a private placement by the von Finck family at a price of CHF 2'425 per share. Following this investment, GBL increased its

² In accordance with the valuation principles described in the definition of the net asset value in the glossary found at the end of this press release.

stake in the capital of SGS from 16.7% at the end of 2019 to 18.9% on 30 September 2020. GBL's total investment in SGS was valued at EUR 3'272 million on 30 September 2020.

- **GBL's** board of directors of 17 September 2020 approved a third envelope of EUR 250 million allocated to the repurchase of own shares. This authorization is valid until April 2025. As a result of purchases of treasury shares during the year to date, GBL held 5.1% of its issued capital on 30 September 2020.
- On 1 October 2020, **GBL** announced the completion of an offering by its subsidiary Oliver Capital of EUR 450 million of bonds exchangeable into existing no-par value ordinary bearer shares of GEA Group AG. The bonds are guaranteed by GBL. The bonds will initially relate to approximately 11.3 million GEA shares (6.2% of the share capital of the company) being 73.3% of the GEA shares held directly or indirectly by GBL. The Bonds do not bear interest and have a maturity of approximately 3 years and 3 months, except in the case of an early redemption. The Bonds were issued at an issue price of 102.0% of their principal amount and shall be redeemed at their principal amount at maturity, corresponding to an annual yield to maturity of -0.61%. The proceeds of the offering will be used for GBL's general corporate purposes. At 30 September 2020, the participation in GEA, being 8.5% of the issued capital, is valued at EUR 461 million.
- In October 2020, the rating agencies S&P and Moody's assigned credit ratings of A+ and A1 respectively to the institutional bonds issued by **GBL** in 2017 and 2018 and maturing in 2024 and 2025.

Repercussions of the public exchange offer on the capital structure of the Group:

- At its extraordinary general meeting on 28 April 2020, the shareholders of **GBL** approved the introduction of double voting rights.
- In June and July 2020, in the context of this public exchange offer, Pargesa Netherlands B.V. ("Pargesa BV") sold 33.1 million **GBL** shares to Parjointco at fair market value. These sales, in application of IFRS accounting standards, are not recorded in the income statement. Due to the occurrence of these transactions at the end of H1 and the beginning of Q3, these sales impact on the scope of consolidation of GBL's earnings only from Q3 2020.
- After these sales of GBL shares by Pargesa BV, the Group's percentage of economic interest in GBL stands at 31.1% at 30 September 2020 against 35.2% at 30 June 2020 and 51.7% at 31 December 2019, taking into account the treasury shares owned by GBL. Pargesa's percentage of voting rights in GBL is 44.8% at 30 September 2020 against 49.4% at 30 June 2020 and 51.7% at 31 December 2019. Pargesa maintains de facto control of GBL.

At the level of **Sienna Capital**:

At the end of September 2020, the net asset value of **Sienna Capital** was EUR 2'113 million compared to EUR 1'785 million at 31 December 2019. For the year-to-date 30 September 2020, GBL invested EUR 329 million into Sienna Capital's alternative assets and ended the semester with uncalled commitments of EUR 768 million (EUR 466 million at 31 December 2019).

Sienna Capital's activity for the period developed as follows:

Sagard

In March 2020, Sienna Capital committed EUR 150 million to Sagard 4, the new fund managed by Sagard SAS.

Equally in March 2020, the Sagard 2 fund finalized the disposal of Ceva Santé Animale ("Ceva"), of which it was a shareholder since 2010. With EUR 1.2 billion of sales in 2019, Ceva has become in a few years one of the worldwide leaders in animal health, benefiting from a sustained organic growth and an ambitious build-up strategy. Sienna Capital has reinvested in the group through the Sagard 3 and Sagard 4 funds, which keep a minority stake in the new ownership structure of Ceva.

Avanti Acquisition Corp

On 2 October 2020, Sienna Capital, together with NNS Group, completed the initial public offering on the New York Stock Exchange of the Special Purpose Acquisition Company ("SPAC") Avanti Acquisition Corp. Following strong investor demand, particularly due to the European focus of this investment vehicle, the size of the offering was increased from USD 500 million to USD 600 million.

Sienna Capital Opportunity Fund SCSp

As part of its strategic objective of managing external capital, Sienna Capital created Sienna Capital Opportunity Fund SCSp in the second quarter of 2020 and committed EUR 250 million to the fund.

C2 Capital

In August 2020, Sienna Capital made a USD 110 million commitment to the global export-to-China fund of C2 Capital, with Alibaba Group as reference investor, that invests mainly in companies focused on the production of consumer goods with a strong potential for export demand to China.

3. Consolidated financial results at 30 September 2020 (unaudited)

The board of Pargesa Holding SA met today and reviewed the unaudited consolidated financial results for the nine-month period ended 30 September 2020.

3.1. Presentation of Pargesa Group's results in accordance with IFRS accounting standards

The simplified consolidated income statement in accordance with IFRS accounting standards is as follows:

	30 September 2020 CHF million	30 September 2019 CHF million
Operating income	4'673.5	4'429.9
Operating expenses	(4'434.0)	(4'131.3)
Other income and expenses	(7.5)	6.9
Operating profit	232.0	305.5
Dividends and interest from equity investments	278.4	515.0
Other financial income and expenses	(19.1)	16.4
Taxes	(64.7)	(98.7)
Income from associates and joint ventures	(18.0)	(21.7)
Consolidated net profit (before non-controlling interests)	408.6	716.5
Attributable to non-controlling interests	(222.6)	(400.2)
Attributable to Pargesa shareholders (Group share)	186.0	316.3
<i>Basic earnings per share attributable to Pargesa shareholders (CHF)</i>	2.20	3.73
<i>Average number of shares (thousands)</i>	84'734	84'700
<i>Average EUR/CHF exchange rate</i>	1.068	1.118

The IFRS **operating profit** declined by 24% and amounted to CHF 232.0 million for the first nine months of 2020 compared with CHF 305.5 million in the corresponding period of the prior year. This change mainly results from the decrease in Imerys' operating profit (CHF 100 million) and the private equity activity's operating profit (CHF 61 million). The reduction was partially offset by the inclusion of Webhelp's operating profit for the period (CHF 94 million), following the acquisition of this group by GBL at the end of 2019.

The **dividends and interest from equity investments** fell by 46% and reached CHF 278.4 million at 30 September 2020 versus CHF 515.0 million at 30 September 2019. The decline is due to (i) the lower or absence of dividend payments by certain portfolio companies held by GBL as a result of the crisis caused by the Covid-19 pandemic (ii) the sale of LafargeHolcim and Total shares by GBL in 2019 and (iii) less reimbursements by the French tax authorities of withholding taxes which had been applied to Total and ENGIE dividends received between 2013 and 2018.

The decline of **other financial income and expenses** primarily results, in 2020, from the negative impact of the marking to market of debt to the minority shareholders of Webhelp (CHF -49 million) and higher net interest expenses (CHF -47 million). Those figures were partially offset by the impact of marking to market of the derivative instruments implicitly embedded in the exchangeable bonds in LafargeHolcim shares issued by GBL in September 2019 (CHF +43 million). The total of other financial income and expenses at 30 September 2020 was CHF -19.1 million.

The presentation of the economic result that follows makes it possible to analyse differently the composition of the Group results.

3.2. Economic presentation of Pargesa's financial results

The economic result at 30 September 2020 can be analysed as follows:

	30 September 2020 CHF million	30 September 2019 CHF million
1) Contribution from the portfolio to operating income		
Consolidated shareholdings		
- Full consolidation or equity accounting		
Imerys*	30.3	71.5
Piolin II/Parques Reunidos*	(18.8)	(6.4)
Webhelp*	<u>18.7</u>	<u>-</u>
	30.2	65.1
Non-consolidated shareholdings		
- Net dividends		
SGS	59.6	50.4
LafargeHolcim	49.3	64.4
Pernod Ricard	13.1	13.7
Umicore	3.7	19.9
GEA	3.6	7.6
Total	0.3	16.6
adidas	-	24.9
Ontex	-	3.9
Other dividends	0.6	3.5
- Other**	<u>12.2</u>	<u>62.2</u>
	142.4	267.1
Contribution from private equity and other investment funds	24.0	39.2
Contribution from the portfolio to operating income	196.6	371.4
<i>per share (CHF)</i>	2.32	4.38
2) Contribution from holding companies to operating income		
Net financial income and expenses	32.7	5.0
General expenses and taxes	<u>(30.0)</u>	<u>(23.4)</u>
	2.7	(18.4)
Operating income	199.3	353.0
<i>per share (CHF)</i>	2.35	4.17
Non-operating income (loss)		
Non-operating income (loss) from consolidated shareholdings***	(13.3)	(36.7)
Net income (Group share)	186.0	316.3
<i>per share (CHF)</i>	2.20	3.73
<i>Average number of shares (thousands)</i>	84'734	84'700
<i>Average EUR/CHF exchange rate</i>	1.068	1.118

* Pargesa's share of consolidated shareholdings net operating income.

** See comment on page 8.

*** Pargesa's share of consolidated shareholdings net non-operating income.

The net income comes primarily from the GBL group, whose results are denominated in Euros.

These results are subject to the impact of exchange rate fluctuations between the Euro and Swiss franc. Thus, the average EUR/CHF exchange rate was 1.068 for the year-to-date 30 September 2020, compared with 1.118 for the same period in 2019, a decrease of -4.5%.

These results are also impacted by the sale of GBL shares as part of the public exchange offer (please refer especially to Point 2. *2020 highlights* of this press release). Pargesa's share of GBL's earnings (excluding the portion attributable

to non-controlling shareholders) is now 31.1% at end of September 2020, compared with 52.4% at 30 June 2020 and 51.7% at 30 September 2019.

Operating income

The 2020 operating income at 30 September 2020 was CHF 199.3 million compared to CHF 353.0 million for the first nine months of 2019. The decrease of CHF -153.7 million was driven by (i) the decline in dividend revenue (CHF -124.7 million) and (ii) the lower contribution from the consolidated shareholdings (CHF -34.9 million) and the private equity activity (CHF -15.2 million). These decreases are partially offset by the increase of net financial income by CHF +27.7 million.

1) Contribution from the portfolio of operating companies to operating income

Consolidated shareholdings (full consolidation or equity accounting)

The **net income from current operations** (group share) published by **Imerys** (fully consolidated) decreased from EUR 228 million at 30 September 2019 to EUR 117 million in 2020. Including the effect of the decline of the average EUR/CHF exchange rate, Pargesa's share of Imerys' net income from current operations, in Swiss francs, was CHF 30.3 million at 30 September 2020, compared with CHF 71.5 million at 30 September 2019. This lower performance is due to decreased group sales volume as the Covid-19 pandemic affected industrial markets globally. The impact of this decline was partially offset by the positive effect of pricing and by cost-saving measures.

Piolin II/Parques Reunidos ("Parques") contribution to the **operating income** at 30 September 2020 is CHF -18.8 million in Pargesa's share against CHF -6.4 million at 30 September 2019 (the 2019 contribution only included the Group's share of Parques' profit for the period from 1 January to 30 June 2019, as the company published its 30 September results only after those of the Group).

In the nine-month period ended 30 September 2020, **Webhelp** contributed CHF 18.7 million in Pargesa's share to the **operating income** (Webhelp didn't contribute yet during the same period in 2019).

Non-consolidated shareholdings (net dividends)

The contributions from **SGS**, **LafargeHolcim**, **Pernod Ricard**, **Umicore**, **GEA**, **Total**, **adidas**, and **Ontex**, represent Pargesa's share of net dividends recorded by GBL. The contribution from non-consolidated shareholdings was CHF 142.4 million at 30 September 2020, compared with CHF 267.1 million at 30 September 2019.

The contribution from **SGS** was CHF 59.6 million in 2020, compared with CHF 50.4 million for the corresponding period in 2019. The change of the contribution year-over-year results from more shares receiving dividends following the acquisition of SGS shares in February 2020 and also from the increased dividend per share paid by SGS to GBL (CHF 80 compared with CHF 78 in 2019, up 2.6%).

The contribution from **LafargeHolcim** was CHF 49.3 million in 2020, compared with CHF 64.4 million in 2019. In 2020 the company declared a dividend of CHF 2.00 per share, the same amount as in 2019. The variance in the contribution reflects the sale of 1.7% of the share capital of LafargeHolcim in Q4 2019.

Pernod Ricard's contribution in 2020 amounted to CHF 13.1 million versus CHF 13.7 million in 2019. The year-on-year decrease is explained by the decrease of the EUR/CHF exchange rate. The board of directors of Pernod Ricard will propose at the next annual general meeting to be held on 27 November 2020, the distribution of a dividend of EUR 2.66 per share for the full 2019-2020 financial year, compared with EUR 3.12 per share for the 2018-2019 financial year, a decrease of 15%, in the context of the Covid-19 pandemic. The balance would thereafter, if accepted, amount to EUR 1.48 per share (to be recorded during Q4 2020) compared with a balance of EUR 1.94 per share for the previous year.

Umicore, in the context of the Covid-19 pandemic, didn't make, in 2020, a 2019 final dividend payment (EUR 0.40 per share in 2019) but paid, in Q3 2020, a 2020 interim dividend of EUR 0.25 per share (EUR 0.375 per share in 2019). Umicore's contribution amounts to CHF 3.7 million at 30 September 2020 compared to CHF 19.9 million at 30 September 2019.

The contribution from **GEA** was CHF 3.6 million at 30 September 2020, compared with CHF 7.6 million in 2019. The dividend of EUR 0.42 per share paid by the company in 2020 is lower than the EUR 0.85 dividend per share paid for the equivalent period in 2019. The board of directors of GEA will propose at the next annual general meeting to be held on 26 November 2020, the distribution of an additional dividend of EUR 0.43 per share for the 2019 financial year, to be recorded, if accepted, during Q4 2020.

Total's 30 September 2020 contribution of CHF 0.3 million reflects the impact of the forward sale of the shares of this company carried out by GBL in 2019, that matured in January 2020.

adidas didn't contribute to the results for the nine months ended 30 September 2020 against CHF 24.9 million in 2019. This absence of contribution reflects the decision, in H1 2020, not to distribute a dividend, in the context of the Covid-19.

Due to the economic environment, **Ontex** also did not contribute to the result, compared to CHF 3.9 million at 30 September 2019.

The item "**Other**" at 30 September 2020 represents reimbursements of CHF 12.2 million (Pargesa's share) by the French tax authorities of withholding taxes which had been applied to ENGIE and Total dividends received between 2016 and 2018. At 30 September 2019, the reimbursements by the French tax authorities of withholding taxes were CHF 62.2 million (Pargesa's share), which had been applied to Total and ENGIE dividends received between 2013 and 2016.

Contribution from private equity and other investment funds

The **contribution from private equity and other investment funds** comes primarily from the funds held by GBL through its subsidiary, Sienna Capital, and is reported net of general expenses and management fees. At 30 September 2020, the net contribution from these activities was CHF +24.0 million compared with CHF +39.2 million at 30 September 2019, a decrease of CHF 15.2 million.

The contribution for the nine-month period ended 30 September 2020 includes in particular the CHF -13.6 million contribution from consolidated funds by GBL (CHF -1.0 million at 30 September 2019) as well as the change in fair value during the period of funds that are not consolidated for CHF +38.8 million (CHF +40.4 million at 30 September 2019).

2) Contribution from the holding segment companies to operating income

Net financial income and expenses, which include interest income and expenses, as well as other financial income and expenses, amounted to CHF +32.7 million at 30 September 2020 compared with CHF +5.0 million at 30 September 2019. The main components of this line item were:

- Interest income and expenses recorded by Pargesa as well as its share in those recorded by GBL that represented CHF -9.2 million at 30 September 2020, compared with CHF +5.8 million at 30 September 2019;
- Pargesa's share of realized and unrealized results from GBL's trading activities (including dividends) and from derivatives used in managing its portfolio for CHF +8.6 million at 30 September 2020, compared with CHF 4.7 million at 30 September 2019;
- The impact of the marking to market of the derivative instruments implicitly embedded in the exchangeable bonds in LafargeHolcim shares issued by GBL in September 2019, that at 30 September 2020 amounted to CHF +22.7 million, Pargesa's share, compared to -4.2 million in September 2019.
- The impact of the marking to market of debt to the minority shareholders of Webhelp that, at 30 September 2020, amounted to CHF +10.3 million, Pargesa's share.

General expenses and taxes, which is comprised of the operating expenses and income taxes of the holdings segment includes, in 2020, the revaluation effect and vesting of the liabilities recognised as part of Webhelp's employee incentive plan (CHF 8 million).

Non-operating income (loss)

Non-operating income (loss) from consolidated shareholdings in operating companies amounted to CHF -13.3 million at 30 September 2020 (2019: CHF -36.7 million). It includes Pargesa's share of **Imerys**, **Piolin II/ Parques Reunidos** and, in 2020, **Webhelp**'s non-operating income.

Net income

After taking these various items into account, the net economic income (Group share) at 30 September 2020 was CHF 186.0 million compared to CHF 316.3 million at 30 September 2019.

Imerys' net income included in this result (Group share) amounted to CHF 24.4 million at 30 September 2020 (compared with CHF 50.2 million at 30 September 2019).

Details of Imerys' results can be found on their website www.imerys.com.

It should be noted that, pursuant to IFRS 9, the capital gain realized by GBL in 2020 on the forward sale of 0.6% of Total's share capital, amounting to CHF 307 million in Pargesa's share (including a foreign exchange gain on disposal at Pargesa's level) has not been recorded in the income statement, but directly in shareholders' equity.

In June and July 2020, in the context of the public exchange offer by Parjointco for all bearer shares of Pargesa held by the public, Pargesa BV sold 33.1 million GBL shares to Parjointco at market price. These sales, in application of IFRS accounting standards, have no impact on the income statement, but are directly recorded in shareholders' equity.

4. Net asset value ³

The table hereafter provides a detailed view of Pargesa's net asset value (on a flow-through basis) as at 30 September 2020. The net asset value is calculated by taking the assets and liabilities of Pargesa and replacing the investment in GBL by Pargesa's flow-through interest in the value of the underlying portfolio, the net cash or net debt position and the other assets and liabilities of GBL. The net asset value is calculated based on the closing market values and exchange rates for the listed shareholdings, and on the fair value and closing exchange rates for the funds (private equity and other investment funds) of Sienna Capital and for the unlisted investments in Webhelp and Piolin II/Parques Reunidos.

Pargesa's net asset value per share was CHF 98.8 at 30 September 2020, a decrease of 23.6% compared with the net asset value per share at the end of 2019 (CHF 129.2). The figure was CHF 94.0 per share on 30 October 2020. Excluding the impact of the sale of GBL shares by Pargesa as part of the public exchange offer, the net asset value would have been CHF 114.1 per share as of 30 September 2020.

Pargesa's share price stood at CHF 76.4 on 30 September 2020, compared with CHF 80.5 at the end of 2019, a decrease of 5.0%. As at 30 October 2020, the share price closed at CHF 67.6, down 16.0% since the beginning of 2020.

Pargesa's net asset value as at 30 September 2020 is broken down as follows:

	30 September 2020					31 December 2019	
	Total interest % ³	Flow-through % of interest ³	Share price and currency	Flow-through value ³	Weighting as a % of total	Flow-through value	
				CHF million		CHF million	
Listed companies:							
adidas	6.8%	2.0%	EUR 276.1	1'208	14%	2'144	
SGS	18.9%	5.6%	CHF 2'469	1'044	12%	1'679	
Pernod Ricard	7.6%	2.2%	EUR 136.2	864	10%	1'721	
LafargeHolcim	7.6%	2.2%	CHF 42.0	578	7%	1'253	
Umicore	18.0%	5.3%	EUR 35.6	503	6%	1'043	
Imerys	54.6%	16.1%	EUR 31.8	470	6%	878	
GEA	8.5%	2.5%	EUR 30.0	147	2%	246	
Ontex	20.0%	5.9%	EUR 11.2	59	1%	167	
Total	0.0%	0.0%	EUR 29.2	3	0%	433	
Other				161	2%	63	
Other investments:							
Sienna Capital				674	8%	969	
Webhelp	63.3%	18.7%		275	3%	470	
Parques Reunidos	23.0%	6.8%		34	1%	128	
Other Pargesa				6	0%	18	
Total portfolio				6'026	72%	11'212	
GBL treasury shares				201	2%	266	
Net cash (debt) ^a				2'148	26%	(532)	
Net asset value				8'375	100%	10'946	
Net asset value per share			CHF	98.8		129.2	
Share price Pargesa			CHF	76.4		80.5	
EUR/CHF exchange rate				1.080		1.085	

a. This item includes also Pargesa's share in the market value of GBL's trading portfolio and the deferred payment price receivable for the sale of GBL shares by Pargesa amounting to CHF 2'685 million and related to the public exchange offer.

³ As defined in the glossary.

5. Merger of Pargesa and Parjointco Switzerland following the successful public exchange offer of Parjointco

Parjointco's public exchange offer for all publicly held bearer shares of Pargesa was successful. The offer closed on 6 July 2020. Parjointco now holds 97% of the capital and 99% of the voting rights of Pargesa.

Following the successful public exchange offer of Parjointco, the Board of Directors of Pargesa decided on 30 July 2020 to enter into a merger agreement regarding the merger between Pargesa and Parjointco. As part of the merger, it is intended that shareholders will be provided with compensation of a value substantially equivalent to the exchange ratio offered by Parjointco during the public exchange offer, on terms and conditions described in the merger agreement signed between the parties.

The merger that was submitted to a vote of Pargesa's shareholders at an Extraordinary General Meeting on 4 September 2020 was approved without opposition.

The execution of the merger and the delisting of Pargesa bearer shares from SIX Swiss Exchange, which will be the subject of a specific press release, are expected to take place by the end of November 2020.

About Pargesa

Pargesa Holding SA ("Pargesa") is the parent company of the Pargesa Group. Benefiting from the support and stability of the partnership created in 1990 between its two controlling shareholders (the Power Corporation group in Canada and the Frère group in Belgium), the Pargesa Group aims to create value over long-term for the benefit of all its shareholders, by building a portfolio of shareholdings in companies that are market leaders in various industry and service sectors, and acting as a professional shareholder. Today, Pargesa Group's portfolio is held through Pargesa's subsidiary Groupe Bruxelles Lambert ("GBL"). Pargesa is listed at the SIX Swiss Exchange (Ticker: PARG; ISIN: CH0021783391). Pargesa's website can be consulted at the address <https://www.pargesa.ch/en/>.

Glossary

In order to supplement the mandatory financial measures of the IFRS accounting standards, Pargesa uses financial indicators called Alternative Performance Measures (APMs), which are defined in the glossary below. The definition of APMs should allow readers of financial statements to understand their composition and to link them to IFRS financial statements.

Alternative Performance Measures	Definition
Economic results	<p>In addition to the financial statements prepared in accordance with the IFRS accounting standards, Pargesa publishes an economic presentation of its results to provide consistent disclosure over the long-term of the contribution of each of its investments and, separately, the holding companies contribution to the consolidated results (Group share).</p> <p>The purpose of the economic presentation is to provide an analytical breakdown of the consolidated results (Group share) of Pargesa by their origin. This presentation discloses on one hand the contribution of the various components of the investments (Pargesa share) and on the other hand the contribution from the activities of the holding companies (Pargesa and its share of GBL's holding activities).</p> <p>This analysis distinguishes between the operating and non-operating elements of the results. The sum of the operating income and the non-operating income corresponds to the consolidated net profit attributable to Pargesa shareholders (Group share) as presented in the consolidated financial statements.</p> <ul style="list-style-type: none"> • the operating income includes the following items: <ul style="list-style-type: none"> - the contribution from the investment portfolio, comprised of the Pargesa's share in the operating income (as described above) of the investments consolidated in the Group financial statements (Imerys and Webhelp) or presented using equity accounting (Piolin II/Parques Reunidos) and the net dividends received from the non-consolidated shareholdings; - the net contribution from private equity and other investment funds (as grouped together by GBL under the title of Sienna Capital); - the net impact of gross financial income and gross financial expenses and the general expenses and taxes of the holding companies; - the trading results of GBL, the gains and losses from investment disposals or impairment provisions made within the private equity and other investment funds that are included within the operating income considering the nature of the business model of this category of investments. • the non-operating income includes: <ul style="list-style-type: none"> - the Group Share in the non-operating income of the investments consolidated in the Group financial statements (Imerys and Webhelp) or presented using equity accounting (Piolin II/Parques Reunidos); - and the non-operating income generated by the holding companies (Pargesa and its share in the non-operating income of GBL).
Holding segment	Comprises the parent company Pargesa and its subsidiaries (including GBL) whose main activity is to manage investments as well as the consolidated and non-consolidated operating companies.
Loan to value	This ratio is calculated based on (i) net debt (gross cash less gross debt) held directly by Pargesa relative to (ii) the portfolio value of Pargesa. The ratio excludes the deferred payment price receivable for the sale of GBL shares acquired during the public exchange offer for the bearer shares of Pargesa Holding SA presented by Parjointco Switzerland SA. The valuation methods applied to the portfolio are identical to those used for the net asset value.

Alternative Performance Measures	Definition
Net asset value	<p>The evolution in Pargesa's net asset value is, along with the change in its stock price and result, an important criterion for assessing the performance of the Group.</p> <p>The net asset value is a conventional reference obtained by adding gross cash to the fair value of the investment portfolio and deducting gross debt.</p> <p>The net asset value is calculated by taking the assets and liabilities of Pargesa and replacing the investment in GBL by Pargesa's flow-through interest in the value of the underlying portfolio, the net cash or net debt position and the other assets and liabilities of GBL. The net asset value is calculated based on the market closing prices and foreign exchange rates for listed investments and using the fair value and closing foreign exchange rates for unlisted investments, and private equity funds and other investment funds (Sienna Capital).</p> <p>The valuation principles applied to the portfolio, summarised above, are explained more fully as follows:</p> <ul style="list-style-type: none"> • investments in listed companies and treasury shares are valued at the closing price. However, the value of shares underlying any commitments made by the Group is capped at the conversion/exercise price; • investments in unlisted companies (Webhelp & Piolin II/Parques Reunidos) are valued at fair value; • regarding the portfolio of Sienna Capital, held by GBL, the valuation corresponds to the sum of its investments, marked to market, as determined by fund managers, to which is added Sienna Capital's net cash or, where applicable, from which is deducted Sienna Capital's external net debt. <p>In addition, the net asset value on a flow-through basis or flow-through value represents the value of the investments, treasury shares and net cash/net debt that Pargesa holds while taking into account Pargesa's direct interest percentage in GBL. This value is calculated by multiplying the interest of each component of the net asset value, described above, by the direct interest percentage that Pargesa held in GBL (30% at 30 September 2020).</p> <p>Furthermore, the net asset value per share is expressed per bearer share with a nominal value of CHF 20, the registered shares with a nominal value of CHF 2 are included at a factor of one-tenth of their number.</p>
Net cash or net debt / net indebtedness	<p>The net cash, or where applicable, net debt is composed of the gross cash and the gross debt.</p> <p>Gross debt includes all the financial liabilities of the Holding segment (convertible and exchangeable bonds, bonds and bank debt), valued at their nominal repayment value.</p> <p>Gross cash includes the cash and cash equivalents (trading assets, etc.) of the Holding segment. It is valued at the book or market value (for certain cash equivalents).</p> <p>The cash and debt indicators are presented for the Holding segment to reflect Pargesa Group's own financial structure and the financial resources available to implement its strategy.</p>
Operating companies	<p>The operating companies are the companies controlled by the Group or presented using the equity accounting method, which have a commercial activity. Excluded from this measure are the holding companies of the Group used for direct or indirect investment into the investment portfolio companies.</p>

Alternative Performance Measures	Definition
<p>Direct interest percentage</p> <p>Total interest percentage</p> <p>Economic interest percentage</p> <p>Percentage of voting rights</p> <p>Percentage of flow-through interest</p>	<p>Pargesa's external communication contains different percentages describing the holding of share capital and the related voting rights:</p> <ul style="list-style-type: none"> • direct interest percentage: has the meaning of the percentage of capital of the investment held directly by Pargesa calculated based on the total number of shares issued at the end of the period under review; • total interest percentage: has the meaning of the percentage of capital of the investment held directly by Pargesa or, indirectly through GBL, in other investments whether consolidated or not; • economic interest percentage: this is the fraction of the profit entitlement (or loss quota) that generally materialises with the dividend distribution and, if applicable, of the liquidation surplus/(deficit) distribution of a company. It reflects the Group's "financial" or "monetary" rights in its subsidiaries and shareholdings; • percentage of voting rights: has the meaning of the percentage held directly and indirectly through intermediate, consolidated entities and is calculated based on the total voting rights that existed at the end of the period under review; • percentage of flow-through interest: represents the percentage Pargesa holds in the investments considering Pargesa direct interest percentage in GBL. This ratio is calculated by multiplying the interest held by GBL in each investment by the direct interest percentage that Pargesa holds in GBL (30% at 30 September 2020).