

Semi-annual Report

June 2024

Publication date

This report was released for publication on 6 September 2024.

The subsequent event note in the financial statements has been updated to 6 September 2024.

Amounts in this report are stated in USD thousands (TUSD) unless otherwise stated.

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Castle Private Equity in 2024

(All amounts in USD, unless when indicated otherwise)

	Six months to 30 June 2024	Six months to 30 June 2023
Net asset value	71 million	84 million
Net asset value per share	7.01	8.34
Payments to shareholders	10 million	23 million
Share price in CHF ¹⁾	4.30	5.30
Private equity assets	69.7 million	82.5 million
Capital calls	—	—
Distributions	4.1 million	4.6 million
Investment degree	98 per cent	98 per cent
Uncalled commitments	40 million	41 million
Uncalled as per cent of NAV	57 per cent	49 per cent
Cash position	1 million	3 million
Shares in circulation	10,104,741	10,104,741

¹⁾ Representing the closing trade price on the last day of the quarter.

Private equity market in review

Dear shareholders

Global private equity transaction volumes remained subdued through the early half of 2024 as a combination of elevated interest rates, stubborn inflation, and macroeconomic uncertainty have produced a more cautious investment climate. Despite these headwinds, private equity markets continued to exhibit resilience and adaptability. Higher borrowing costs have accelerated the industry's decades-long shift toward more sustainable value creation models and disciplined capital allocation. Fundraising, widely considered a leading indicator of private equity activity, is trending positively despite an industry-wide liquidity freeze. Furthermore, a generational opportunity is forming in secondary markets as both general partners (fund managers) and limited partners (investors) seek more diverse avenues for generating distributions and securing liquidity.

Continuing a slowdown that started in the second half of 2022, global private equity deal value totaled USD 621 billion to close the first half of 2024, a decline of 8 per cent from a year earlier. The speed and duration of the current interest rate cycle has altered the calculus for dealmaking, leaving wide gaps between buyers and sellers. With debt more expensive, sponsors have largely responded by using less leverage and more of their own capital in financing acquisitions.

Exit markets also remain subdued, as exit value fell by 11 per cent globally in the first half of 2024, relative to the first half of 2023. Wide valuation gaps between buyers and sellers have caused sponsors to hold promising assets for longer rather than sell at perceived discounted prices. Reflecting these trends, the median holding period for buyout-backed exits has reached seven years, its highest level since 2014. With traditional exit channels continuing to sputter, we expect a wave of opportunities in secondary markets as LPs and sponsors seek alternate routes for securing liquidity and generating exits. While it remains uncertain exactly when deal and exit markets will recover, we see several clues suggesting that a rebound in activity may be on the horizon.

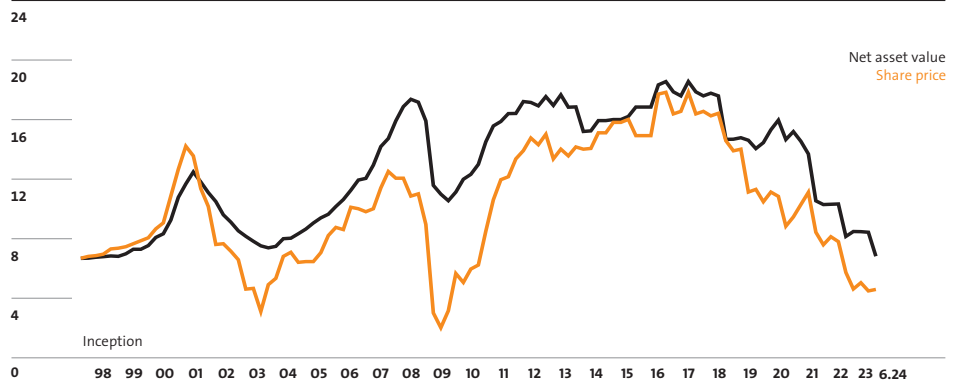
Even with a cyclical slowdown in activity, we believe the long-term investment case for the asset class remains intact and private equity should continue to improve investor outcomes over longer time horizons.

Net asset value per share decreased by 5.5 per cent during the first half of 2024

During the first six months of the year, the company's net asset value (NAV) per share decreased by 5.5 per cent to USD 7.01. The negative investment performance was mainly driven by valuation decreases throughout Castle's portfolio, in particular reflecting the correction in public markets leading to lower market comparables. The increase in the value of the Euro versus the US Dollar had a positive effect during the first half of 2024.

Share price and net asset value since inception

in USD per share



Continuing Castle’s harvesting strategy – reaching over USD 814 million in total shareholder distributions

In May 2024, Castle Private Equity distributed a further CHF 0.90 per share from general legal reserves from capital contributions, which was approved at the company’s annual general meeting on 14 May 2024. Since Castle introduced its harvesting strategy twelve years ago, a total of over USD 814 million has been returned to shareholders either via capital repayments or various share buyback programs.

Lower level of investment distributions reflects increased portfolio maturity

During the period under review, Castle Private Equity received distribution proceeds of over USD 4 million. Cash was typically generated from some trade sale transactions. With no capital calls during the first six months, Castle Private Equity’s net liquidity position amounts to USD 1.1 million, after taking into account the capital distribution during May 2024.

We continue to benchmark expected returns with current pricing and, should pricing on the secondary market prove attractive, may consider accelerating the realisation of the portfolio.

We would like to take this opportunity to thank you for your trust and patience. We remain fully committed to persistently execute the harvesting strategy and look forward to updating you on further progress over the coming months.

Yours sincerely

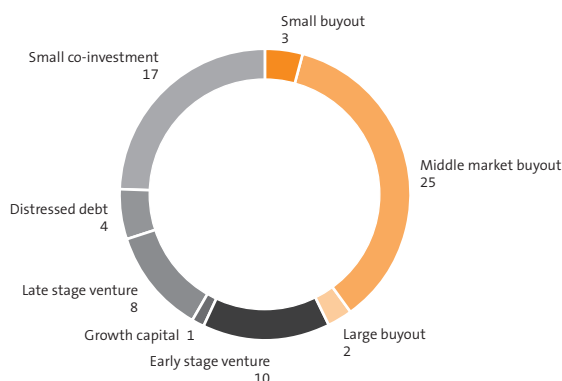
LGT Private Equity Advisers AG

Major exits in the first half of 2024

Partnership	Company	Sector, location	Exit channel
Viola Ventures III, L.P.	Redis Labs	Information Technology, US	Sale of shares
Bain Capital Asia Fund II, L.P.	QuEST Global Services	Industrials, Singapore	Trade sale
Bain Capital Asia Fund II, L.P.	Japan Wind Development	Utilities, Japan	Trade sale

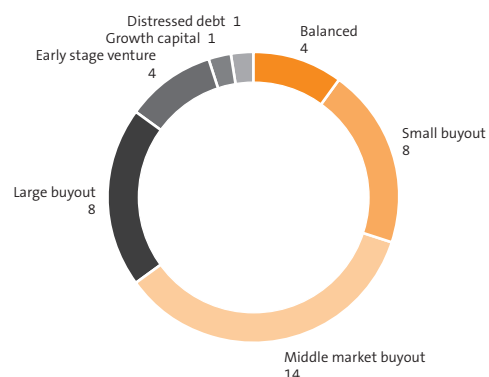
Private equity assets by financing stage

in USD millions



Uncalled commitments by financing stage

in USD millions



Unaudited consolidated statement of comprehensive income

For the period ended 30 June 2024 (all amounts in USD thousands unless otherwise stated)

	Note	1 January – 30 June 2024	1 January – 30 June 2023
Income			
Income from non-current assets:			
Net (loss)/gain on investments at fair value through profit or loss	4	(6,011)	1,800
Total (losses)/gains from non-current assets		(6,011)	1,800
Income from current assets:			
Net loss on marketable securities at fair value through profit or loss	4	—	(90)
Loss on foreign exchange net		(2)	(14)
Interest income		146	186
Total gains from current assets		144	82
Total (loss)/income		(5,867)	1,882
Expenses			
Management and performance fees		(396)	(478)
Expenses from investments		—	(23)
Other operating expenses		(511)	(433)
Total operating expenses		(907)	(934)
Operating (loss)/profit		(6,774)	948
Finance costs		—	(2)
(Loss)/Profit for the period before taxes		(6,774)	946
Tax refund/(expense)	6	31	(171)
(Loss)/Profit for the period after taxes		(6,743)	775
Total comprehensive (loss)/income for the period		(6,743)	775
(Loss)/Profit attributable to:			
Shareholders		(6,743)	775
Non-controlling interest		—	—
		(6,743)	775
Total comprehensive (loss)/income attributable to:			
Shareholders		(6,743)	775
Non-controlling interest		—	—
		(6,743)	775
Earnings per share (USD) attributable to equity holders			
Weighted average number of shares outstanding during the period		10,104,741	10,104,741
Basic and diluted (loss)/profit per share		USD (0.67)	USD 0.08

The accompanying notes on pages 10 to 25 form an integral part of these consolidated financial statements.

Unaudited consolidated balance sheet

As of 30 June 2024 (all amounts in USD thousands unless otherwise stated)

	Note	30 June 2024	31 December 2023
Assets			
Current assets:			
Cash and cash equivalents		1,399	7,974
Accrued income and other receivables		12	12
Total current assets		1,411	7,986
Non-current assets:			
Investments at fair value through profit or loss	4	69,721	79,932
Total non-current assets		69,721	79,932
Total assets		71,132	87,918
Liabilities			
Current liabilities:			
Accrued expenses and other payables		319	390
Total current liabilities		319	390
Equity			
Shareholders' equity:			
Share capital		262	262
Additional paid-in capital		1,888	11,860
Retained earnings		68,662	75,405
Total shareholders' equity before non-controlling interests		70,812	87,527
Non-controlling interests		1	1
Total equity		70,813	87,528
Total liabilities and equity		71,132	87,918
Net asset value per share (USD)			
Number of shares issued as at period end		10,104,741	10,104,741
Number of shares outstanding		10,104,741	10,104,741
Net asset value per share		7.01	8.66

The accompanying notes on pages 10 to 25 form an integral part of these consolidated financial statements.

Unaudited consolidated statement of cash flows

For the period ended 30 June 2024 (all amounts in USD thousands unless otherwise stated)

	1 January – 30 June 2024	1 January – 30 June 2023
Cash flows from/(used in) operating activities:		
Proceeds from return of invested capital in investments	734	2,110
Proceeds from realised gains on investments	3,458	1,284
Proceeds from sales of securities	—	1,354
Interest received	146	184
Investment expenses paid	—	(23)
Withholding taxes paid for investments	(9)	(171)
Other operating expenses paid	(928)	(815)
Net cash flows from operating activities	3,401	3,923
Cash flows from/(used in) financing activities:		
Finance costs	(1)	(3)
Proceeds from bank borrowings	—	2,020
Repayments of bank borrowings	—	(1,446)
Distribution of legal reserves to the investor	(9,972)	(22,558)
Net cash flows used in financing activities	(9,973)	(21,987)
Net decrease in cash and cash equivalents	(6,572)	(18,064)
Cash and cash equivalents at beginning of period	7,974	20,793
Exchange losses on cash and cash equivalents	(3)	(10)
Cash and cash equivalents at end of period	1,399	2,719
Cash and cash equivalents consist of the following as at 30 June:		
Cash at banks	1,399	2,719
Time deposits < 90 days	—	—
Total	1,399	2,719

The accompanying notes on pages 10 to 25 form an integral part of these consolidated financial statements.

Unaudited consolidated statement of changes in equity

For the period ended 30 June 2024 (all amounts in USD thousands unless otherwise stated)

	Share capital	Additional paid-in capital	Less treasury shares	Retained earnings	Non-controlling interests	Total equity
1 January 2023	262	34,419	—	71,411	1	106,093
Total comprehensive income for the period	—	—	—	775	—	775
Distribution of legal reserves to the investors	—	(22,559)	—	—	—	(22,559)
30 June 2023	262	11,860	—	72,186	1	84,309
1 January 2024	262	11,860	—	75,405	1	87,528
Total comprehensive income for the period	—	—	—	(6,743)	—	(6,743)
Distribution of legal reserves to the investors	—	(9,972)	—	—	—	(9,972)
30 June 2024	262	1,888	—	68,662	1	70,813

The accompanying notes on pages 10 to 25 form an integral part of these consolidated financial statements.

Notes to the unaudited consolidated financial statements

For the period ended 30 June 2024

(All amounts in USD thousands unless otherwise stated)

1. Organisation and business activity

Castle Private Equity AG, Pfäffikon (“the Company”), is a stock corporation established for an indefinite period by deed dated 19 February 1997. The Company’s registered office is Schützenstrasse 6, CH-8808 Pfäffikon. The Company’s business is principally conducted through two fully consolidated subsidiaries (“the Subsidiaries”); Castle Private Equity (Overseas) Ltd. (“the Overseas Subsidiary”) and Castle Private Equity (International) plc (“the Ireland Subsidiary”). Since 4 September 1998 the shares of the Company have been listed in Swiss Francs on the SIX Swiss Exchange.

2. Basis of preparation

The accompanying consolidated interim financial statements of Castle Private Equity AG, Pfäffikon and its Subsidiaries (together the “Group”) have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” and comply with Swiss Law and the accounting guidelines laid down in the SIX Swiss Exchange’s Directive on Financial Report (DFR) for investment companies.

The consolidated interim financial statements of the Group have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss. The principles of accounting applied in the interim consolidated financial statements as per 30 June 2024 correspond to those of the annual report 2023, unless otherwise stated. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS) formulated by the International Accounting Standards Board (IASB).

a) Standards and amendments to published standards that are mandatory for the financial year beginning on or after 1 January 2024

- Amendments to IAS 1, “Presentation of Financial Statements”, Non-current Liabilities with Covenants (1 January 2024); and
- Amendments to IAS 1, “Presentation of Financial Statements”, Classification of Liabilities as Current or Non-current (1 January 2024).

The implementation of these new standards did not have an impact on the consolidated interim financial statements of the Group and did not lead to any changes to the total shareholders’ equity of the Group.

There are no IFRS interpretations that are effective for the first time for the financial year beginning on or after 1 January 2024 that have had a material impact on the consolidated interim financial statements.

b) Standards and amendments to published standards effective after 1 January 2024 that have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024 and have not been applied in preparing these consolidated interim financial statements. None of these could have a significant effect on the consolidated interim financial statements.

c) Segment reporting

IFRS 8 requires entities to define operating segments and segment performance in the financial statements based on information used by the chief operating decision-maker. The investment manager is considered to be the chief operating decision-maker. An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments.

The sole operating segment of the Group is investing in private equity. The investment manager works as a team for the entire portfolio, asset allocation is based on a single, integrated investment strategy and the Group's performance is evaluated on an overall basis. Thus the results published in this report correspond to the sole operating segment of investing in private equity.

3. Basis of consolidation

The consolidated interim financial statements per 30 June 2024 are based on the financial statements of the individual Group companies prepared using the same accounting principles applied in the consolidated financial statements for the year ended 31 December 2023.

The consolidated interim financial statements include all assets and liabilities of Castle Private Equity AG and its direct and indirect subsidiaries:

- Castle Private Equity (Overseas) Ltd., Cayman Islands; and
- Castle Private Equity (International) plc, Ireland

4. Investments and marketable securities at fair value through profit or loss

As of 30 June 2024 the Group had subscribed interests in 66 (31 December 2023: 66) private equity investments vehicles (mainly limited partnerships), domiciled in the United States of America, the Cayman Islands, Europe and other jurisdictions. The total committed capital amounted to TUSD 675,888 (31 December 2023: TUSD 682,520) of which TUSD 635,822 (31 December 2023: TUSD 648,334) was paid in. The details of the investments are shown in the investment schedule on pages 14 to 17 and the investment movement schedule on pages 12 and 13.

Movements in investments and marketable securities at fair value through profit or loss¹⁾

For the period ended 30 June 2024 (all amounts in USD thousands unless otherwise stated)

2024	Value per 1 January 2024	Additions (capital calls) ²⁾	Disposals (returns of capital)	Unrealised gains	Unrealised losses	Value per 30.6.2024	Total real- ised gains/ (losses) per 30.6.2024 ³⁾	Net gains/ (losses) per 30.6.2024	Uncalled commit- ment amount
Marketable securities	—	—	—	—	—	—	—	—	—
Balanced stage	13	—	—	—	(11)	2	—	(11)	4,188
Buyout stage									
large buyout stage	1,972	—	(77)	13	(83)	1,825	32	(38)	7,676
middle market buyout stage	31,430	—	(538)	835	(6,916)	24,811	942	(5,138)	13,650
small buyout stage	3,459	—	—	13	(340)	3,132	422	95	8,223
Total buyout stage	36,861	—	(615)	861	(7,339)	29,768	1,396	(5,081)	29,549
Special situations stage									
distressed debt stage	3,799	—	—	68	(94)	3,773	104	78	1,037
Total special situations stage	3,799	—	—	68	(94)	3,773	104	78	1,037
Venture stage									
early stage venture	12,473	—	(89)	229	(2,756)	9,857	1,589	(938)	4,339
growth capital stage	1,021	—	(45)	—	(320)	656	362	42	716
late stage venture	8,172	—	—	311	(256)	8,227	—	55	237
Total venture stage	21,666	—	(134)	540	(3,332)	18,740	1,951	(841)	5,292
Co-Investment									
small buyout stage	17,593	—	—	—	(155)	17,438	—	(156)	—
Total Co-Investment	17,593	—	—	—	(155)	17,438	—	(156)	—
Total investments	79,932	—	(749)	1,469	(10,931)	69,721	3,451	(6,011)	40,066
Total investments and marketable securities	79,932	—	(749)	1,469	(10,931)	69,721	3,451	(6,011)	40,066

¹⁾ Numbers may not fully add up due to rounding.

²⁾ Includes callable returns of capital and adjustments due to sales of investments.

³⁾ Includes callable distributed realised gains.

2023	Value per 1 January 2023	Additions (capital calls) ¹⁾	Disposals (returns of capital)	Unrealised gains	Unrealised losses	Value per 30.6.2023	Total real- ised gains/ (losses) per 30.6.2023 ²⁾	Net gains/ (losses) per 30.6.2023	Uncalled commit- ment amount
Marketable securities	—	1,444	(1,444)	—	—	—	(90)	(90)	—
Balanced stage	1,169	—	—	—	(371)	798	371	—	10,855
Buyout stage									
large buyout stage	2,764	—	(635)	74	(172)	2,031	27	(71)	1,452
middle market buyout stage	35,183	—	(24,938)	25,325	(995)	34,575	(23,153)	1,177	13,618
small buyout stage	4,085	—	—	5	(534)	3,556	351	(178)	8,352
Total buyout stage	42,032	—	(25,573)	25,404	(1,701)	40,162	(22,775)	928	23,422
Special situations stage									
distressed debt stage	4,063	—	—	35	(264)	3,834	—	(229)	1,037
Total special situations stage	4,063	—	—	35	(264)	3,834	—	(229)	1,037
Venture stage									
early stage venture	16,442	—	(708)	680	(2,851)	13,563	960	(1,211)	4,342
growth capital stage	1,085	—	—	230	—	1,315	—	230	729
late stage venture	8,299	—	(2)	134	(364)	8,067	(2)	(232)	237
Total venture stage	25,826	—	(710)	1,044	(3,215)	22,945	958	(1,213)	5,308
Co-Investment									
small buyout stage	12,451	—	—	2,314	—	14,765	—	2,314	—
Total Co-Investment	12,451	—	—	2,314	—	14,765	—	2,314	—
Total investments	85,541	—	(26,283)	28,797	(5,551)	82,504	(21,446)	1,800	40,622
Total investments and marketable securities	85,541	1,444	(27,727)	28,797	(5,551)	82,504	(21,536)	1,710	40,622

¹⁾ Numbers may not fully add up due to rounding.

²⁾ Includes callable returns of capital and adjustments due to sales of investments.

³⁾ Includes callable distributed realised gains.

In general, movements in investments and securities at fair value through profit or loss, except for unrealised gains and losses, directly result in cash flows for the Group. In certain cases, such transactions may not be settled in cash. The consolidated statement of cash flows on page 8 shows the cash transactions in the portfolio and the cash flow reconciliation on page 18 shows the portfolio's non cash transactions and provides a reconciliation to the movement schedules.

Investments and marketable securities at fair value through profit or loss¹⁾

As of 30 June 2024 (all amounts in USD thousands unless otherwise stated)

	Deal currency	Vintage year	Geography	Commitment 31.12.2023	Cost 1.1.2023	Cost 31.12.2023	Fair value 31.12.2023	Commitment 30.6.2024	Cost 30.6.2024	Fair value 30.6.2024	FMV in %
Balanced stage											
Chancellor Partnership Fund, L.P.	USD	1997	North America	14,518	—	—	—	14,518	—	—	0.00%
Crown Global Secondaries plc	USD	2004	North America	30,000	256	256	11	30,000	256	—	0.00%
Total balanced stage				44,518	256	256	11	44,518	256	—	0.00%
Buyout stage											
Large buyout											
Apollo Overseas Partners IV, L.P.	USD	1998	North America	6,200	—	—	(1)	6,200	—	(1)	0.00%
Clayton, Dubilier & Rice Fund VI, L.P.	USD	1998	North America	10,000	2,581	2,581	1	10,000	2,581	—	0.00%
BC European Capital VII ²⁾	EUR	2000	Europe	11,049	2,132	2,132	61	10,718	2,132	64	0.09%
Permira Europe II, L.P. II ²⁾	EUR	2000	Europe	11,049	2,262	2,262	61	10,718	2,252	15	0.02%
TPG Parallel III, L.P.	USD	2000	North America	5,000	1,178	1,178	—	5,000	1,178	—	0.00%
T3 Parallel II, L.P.	USD	2001	North America	5,000	—	—	44	5,000	—	38	0.05%
Warburg Pincus Private Equity VIII, L.P.	USD	2001	North America	15,000	—	—	—	15,000	—	—	0.00%
Permira Europe III, L.P. II ²⁾	EUR	2003	Europe	11,049	2,749	2,727	9	10,718	2,727	8	0.01%
KKR European Fund II, L.P. ²⁾	EUR	2005	Europe	11,049	60	60	50	10,718	4	—	0.00%
First Reserve XI, L.P.	USD	2006	North America	15,000	8,931	8,931	6	15,000	8,931	5	0.01%
Permira IV, L.P. 2 ²⁾	EUR	2006	Europe	11,601	2,095	2,095	14	11,254	2,095	13	0.02%
Bain Capital Fund X, L.P.	USD	2008	North America	12,000	3,027	3,027	1,495	12,000	3,027	1,458	2.09%
Bain Capital X Coinvestment Fund, L.P.	USD	2008	North America	420	151	151	—	420	151	—	0.00%
TPG Partners VI, L.P.	USD	2008	North America	18,000	5,175	4,552	235	18,000	4,540	226	0.32%
Total large buyout				142,417	30,341	29,696	1,975	140,746	29,618	1,826	2.62%

	Deal currency	Vintage year	Geography	Commitment 31.12.2023	Cost 1.1.2023	Cost 31.12.2023	Fair value 31.12.2023	Commitment 30.6.2024	Cost 30.6.2024	Fair value 30.6.2024	FMV in %
Middle market buyout											
The Triton Fund (No. 9) L.P. ²⁾	EUR	1999	Europe	9,603	720	720	77	9,316	720	51	0.07%
Bain Capital Fund VII-E, L.P.	USD	2002	Europe	8,000	1,177	1,177	16	8,000	1,177	16	0.02%
Newbridge Asia IV, L.P.	USD	2005	Asia	—	2,880	—	—	—	—	—	0.00%
SB Asia Investment Fund II, L.P.	USD	2005	Asia	7,000	43	—	468	7,000	—	417	0.60%
Court Square Capital Partners II, L.P.	USD	2006	North America	15,000	5,064	5,064	268	15,000	5,064	12	0.02%
Polish Enterprise Fund VI, L.P. ²⁾	EUR	2006	Europe	11,049	2,386	2,386	—	10,718	2,386	—	0.00%
The Triton Fund II, L.P. ²⁾	EUR	2006	Europe	13,258	2,919	2,919	148	12,862	2,919	81	0.12%
Advent Latin American Private Equity											
Fund IV, L.P.	USD	2007	Other	10,000	1,249	1,249	876	10,000	1,249	757	1.09%
CDH China Fund III, L.P.	USD	2007	Asia	9,000	—	—	246	9,000	—	256	0.37%
CDH Supplementary Fund III, L.P.	USD	2007	Asia	3,000	—	—	—	3,000	—	—	0.00%
Crown Asia-Pacific Private Equity plc	USD	2007	Asia	40,000	2,815	2,055	7,516	40,000	2,055	6,164	8.84%
EOS Capital Partners IV, L.P.	USD	2007	North America	15,000	3,156	2,734	6,438	15,000	2,734	7,263	10.42%
Genstar Capital Partners V, L.P.	USD	2007	North America	10,000	265	265	8	10,000	265	7	0.01%
SAIF Partners III, L.P.	USD	2007	Asia	10,000	2,121	1,790	7,231	10,000	1,646	4,652	6.67%
Bain Capital Europe Fund III, L.P. ²⁾	EUR	2008	Europe	11,049	1,954	1,954	395	10,718	1,954	395	0.57%
Hahn & Company I, L.P.	USD	2011	Asia	10,000	897	897	3,337	10,000	897	1,479	2.12%
Bain Capital Asia Fund II, L.P.	USD	2012	Asia	10,000	3,335	2,976	4,401	10,000	2,583	3,259	4.67%
Total middle market buyout				191,959	30,981	26,186	31,425	190,614	25,649	24,809	35.58%
Small buyout											
MBO Capital FCPR ²⁾	EUR	2002	Europe	5,524	—	—	—	5,359	—	—	0.00%
Nmas1 Private Equity Fund No.2 L.P. ²⁾	EUR	2002	Europe	5,524	918	918	245	5,359	918	238	0.34%
Wynnchurch Capital Partners II, L.P.	USD	2006	North America	7,500	1,776	1,776	4	7,500	1,776	—	0.00%
Crown European Buyout											
Opportunities II plc ²⁾	EUR	2007	Europe	33,144	—	—	2,665	32,153	—	2,338	3.35%
PortPEP Limited (Secondary – Port) ²⁾ ³⁾	EUR	2011	Europe	11,932	—	—	546	11,575	—	559	0.80%
Total small buyout				63,624	2,694	2,694	3,460	61,946	2,694	3,135	4.50%
Total buyout stage				398,000	64,016	58,576	36,860	393,306	57,961	29,770	42.70%

	Deal currency	Vintage year	Geography	Commitment 31.12.2023	Cost 1.1.2023	Cost 31.12.2023	Fair value 31.12.2023	Commitment 30.6.2024	Cost 30.6.2024	Fair value 30.6.2024	FMV in %
Special situations stage											
Distressed debt											
Sun Capital Securities Offshore Fund, Ltd.	USD	2004	North America	10,000	4,058	4,058	84	10,000	4,058	91	0.13%
OCM Principal Opportunities Fund IV, L.P.	USD	2006	North America	10,000	—	—	—	10,000	—	—	0.00%
Sun Capital Securities Offshore Fund, Ltd. (Second Tranche)	USD	2006	North America	10,000	1,576	1,576	120	10,000	1,576	131	0.19%
Fortress Investment Fund V (Fund D), L.P.	USD	2007	North America	7,500	574	449	3,211	7,500	449	3,254	4.67%
OCM Opportunities Fund VII, L.P.	USD	2007	North America	10,000	—	—	89	10,000	—	—	0.00%
Castlelake I, L.P.	USD	2007	North America	15,000	—	—	293	15,000	—	300	0.43%
Oaktree European Credit Opportunities Fund, L.P. ²⁾	EUR	2008	Europe	11,049	4,592	4,592	—	10,718	4,592	—	0.00%
OCM European Principal Opportunities Fund II, L.P. ²⁾	EUR	2008	Europe	8,286	—	—	—	8,039	—	—	0.00%
OCM Opportunities Fund VIIb, L.P.	USD	2008	North America	13,500	—	—	5	13,500	—	—	0.00%
Total distressed debt				95,335	10,800	10,675	3,802	94,757	10,675	3,776	5.42%
Total special situations stage				95,335	10,800	10,675	3,802	94,757	10,675	3,776	5.42%
Venture stage											
Early stage venture											
Strategic European Technologies N.V. ²⁾	EUR	1997	Europe	7,571	—	—	—	7,344	—	—	0.00%
Accel VI, L.P.	USD	1998	North America	7,400	—	—	169	7,400	—	172	0.25%
Essex Woodlands Health Ventures Fund IV, L.P.	USD	1998	North America	6,200	—	—	433	6,200	—	433	0.62%
Invesco Venture Partnership Fund II, L.P.	USD	1999	North America	15,000	1,309	1,309	48	15,000	1,309	48	0.07%
Chancellor V, L.P.	USD	2000	North America	20,000	1,804	1,728	62	20,000	1,660	—	0.00%
Galileo III FCPR ²⁾	EUR	2000	Europe	6,981	—	—	379	6,772	—	368	0.53%
Global Life Science Venture Fund II, L.P. ²⁾	EUR	2002	Europe	5,524	3,174	3,174	28	5,359	3,174	27	0.04%
Balderton Capital II, L.P.	USD	2005	Europe	—	160	—	—	—	—	—	0.00%
Battery Ventures VII, L.P.	USD	2005	North America	—	370	—	—	—	—	—	0.00%
Benchmark Israel II, L.P.	USD	2005	Other	4,602	875	875	1,753	4,602	875	1,961	2.81%
H.I.G. Venture Partners II, L.P.	USD	2005	North America	5,000	3,491	3,491	758	5,000	3,491	769	1.10%
Battery Ventures VIII, L.P.	USD	2007	North America	4,000	1,697	1,542	808	4,000	1,521	779	1.12%
Battery Ventures VIII Side Fund, L.P.	USD	2008	North America	978	167	167	120	978	167	120	0.17%
Viola Ventures III, L.P.	USD	2008	Other	6,000	—	—	5,631	6,000	—	3,240	4.65%
Mangrove III S.C.A. SICAR ²⁾	EUR	2008	Europe	5,524	5,558	5,558	2,286	5,359	5,558	1,940	2.78%
Total early stage venture				94,780	18,605	17,844	12,475	94,014	17,755	9,857	14.14%

	Deal currency	Vintage year	Geography	Commitment 31.12.2023	Cost 1.1.2023	Cost 31.12.2023	Fair value 31.12.2023	Commitment 30.6.2024	Cost 30.6.2024	Fair value 30.6.2024	FMV in %
Growth capital											
Summit Partners Europe Private Equity Fund, L.P. ²⁾											
	EUR	2009	Europe	7,734	2,696	2,659	1,022	7,503	2,614	657	0.94%
Total growth capital				7,734	2,696	2,659	1,022	7,503	2,614	657	0.94%
Late stage venture											
New Enterprise Associates VIII, L.P.											
	USD	1998	North America	5,000	—	—	110	5,000	—	115	0.16%
Columbia Capital Equity Partners III (Cayman), L.P.											
	USD	2000	North America	—	2	—	—	—	—	—	0.00%
New Enterprise Associates 10, L.P.											
	USD	2000	North America	10,000	378	378	395	10,000	378	341	0.49%
Columbia Capital Equity Partners IV (Non-US), L.P.											
	USD	2005	North America	10,000	—	—	1,316	10,000	—	1,621	2.32%
Index Ventures III (Jersey), L.P. ³⁾											
	EUR	2005	Europe	7,734	—	—	6,104	7,503	—	5,919	8.49%
New Enterprise Associates 12, L.P.											
	USD	2006	North America	5,000	564	426	248	5,000	426	231	0.33%
Index Ventures IV (Jersey), L.P. ³⁾											
	EUR	2007	Europe	—	1,901	—	—	—	—	—	0.00%
Total late stage venture				37,734	2,845	804	8,173	37,503	804	8,227	11.80%
Total venture stage				140,248	24,146	21,307	21,670	139,020	21,173	18,741	26.88%
Co-Investment and other											
Small buyout											
Co-Investment 5 ²⁾											
	EUR	2011	Europe	4,419	5,440	5,440	17,589	4,287	5,440	17,434	25.01%
Total small buyout				4,419	5,440	5,440	17,589	4,287	5,440	17,434	25.01%
Total Co-Investment and other				4,419	5,440	5,440	17,589	4,287	5,440	17,434	25.01%
Total investments at fair value through profit or loss				682,520	104,658	96,254	79,932	675,888	95,505	69,721	100.00%
Total				682,520	104,658	96,254	79,932	675,888⁴⁾	95,505	69,721	100.00%

¹⁾ Numbers may not fully add up due to rounding.

²⁾ Total commitment translated from EUR value at 1.071800 as of 30 June 2024 and 1.104850 as of 31 December 2023.

³⁾ For the secondary investments no realised profit is recognised for capital distributions received until the cumulative returns on invested capital exceed the cost of a particular investment.

⁴⁾ Total paid in amounted to TUSD 635,822 (31 December 2023: TUSD 648,334).

5. Cash flow reconciliation

The following is a reconciliation between the cash flow statement on page 8 and the investments movement schedules on pages 12 and 13.

1 January 2024 – 30 June 2024	Investments			Marketable securities	
	Additions (capital calls)	Disposals (returns of capital)	Realised gains and losses net withholding taxes	Additions (capital calls)	Disposals (returns of capital) and realised losses ⁴⁾
Movement schedule (page 12)	—	(749)	(3,451)	—	—
Cash flows for operating activities	—	734	3,458	—	—
Purchase of investments	—	—	—	—	—
Sale of marketable securities	—	—	—	—	—
Non-cash transactions					
Deemed distributions and account reclassification ¹⁾	—	—	8	—	—
In kind distributions ²⁾	—	—	—	—	—
Revaluation of foreign currency positions ³⁾	—	15	(15)	—	—
Total cash and non-cash transactions	—	749	3,451	—	—
Reconciliation	—	—	—	—	—

1 January 2023 – 30 June 2023	Investments			Marketable securities	
	Additions (capital calls)	Disposals (returns of capital)	Realised gains and losses net withholding taxes	Additions (capital calls)	Disposals (returns of capital) and realised losses ⁴⁾
Movement schedule (page 13)	—	(26,283)	21,446	1,444	(1,444)
Cash flows for operating activities	—	2,110	1,284	—	—
Purchase of investments	—	—	—	—	—
Sale of marketable securities	—	—	—	—	1,444
Non-cash transactions					
Deemed distributions and account reclassification ¹⁾	—	24,171	(22,728)	—	—
In kind distributions ²⁾	—	—	—	(1,444)	—
Revaluation of foreign currency positions ³⁾	—	2	(2)	—	—
Total cash and non-cash transactions	—	26,283	(21,446)	(1,444)	1,444
Reconciliation	—	—	—	—	—

¹⁾ Deemed distributions and account reclassification – when a general partner determines to retain and use distributable cash for a future contribution, the amount of such cash will be treated as a non-cash contribution and distribution. Account reclassification is required when such a deemed distribution is reported by the general partner.

²⁾ In kind distributions – a distribution of marketable securities instead of a cash distribution.

³⁾ Revaluation of foreign currency positions – as at every month-end the Group revalues the cumulative return of capital amount for foreign currency investments based on the average paid-in capital exchange rate. The resulting adjustment is booked as realised forex gain/(loss) on investments.

⁴⁾ Further information under note 4.

6. Taxes

Taxes are provided based on reported income. Capital taxes paid are recorded in other operating expenses.

The Group currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Taxes are shown as a separate item in the consolidated statement of comprehensive income.

Castle Private Equity AG, Pfäffikon: For Swiss federal, cantonal and communal tax purposes, an income tax is levied. However, there is a participation exemption on dividend income and capital gains on qualifying participations. The result of the participation exemption relief is that dividend income and capital gains are almost fully excluded from taxation.

Castle Private Equity (Overseas) Ltd., Grand Cayman: the activity of the Overseas Subsidiary is not subject to any income, withholding or capital gains taxes in the Cayman Islands. Generally, the Overseas Subsidiary intends to conduct its affairs so as not to be liable to taxation in any other jurisdiction.

Castle Private Equity (International) plc, Dublin: the Ireland Subsidiary is not liable to Irish tax on its income or gain.

Reconciliation of income tax calculated with the applicable tax rate:

Income tax reconciliation	30.6.2024 TUSD	30.6.2023 TUSD
(Loss)/Profit for the period before taxes	(6,774)	946
Applicable tax rate	7.8%	7.8%
Income tax	(528)	74
Effect from: non-taxable income	528	(74)
Total	—	—

The applicable tax rate is the same as the effective tax rate.

Taxes	30.6.2024 TUSD	30.6.2023 TUSD
Withholding tax expense (received)/paid for investments	(31)	171
Total	(31)	171

7. Shareholders' equity

The share capital of the Company at 30 June 2024 amounts to TUSD 262 (31 December 2023: TUSD 262) consisting of 10,104,741 (31 December 2023: 10,104,741) issued and fully paid registered shares with a par value of USD 0.05 (31 December 2023: USD 0.05) each. In the general meeting on 14 May 2024 the board of directors approved a distribution of reserves in the amount of CHF 0.90 per registered share, which took place on 23 May 2024.

The translation into US Dollar has been done at the corresponding historical foreign exchange rate. Each share entitles the holder to participate in any distribution of income and capital. The Group regards shareholders' equity as the capital that it manages. Shareholders' equity amounts to TUSD 70,813 as of 30 June 2024 (31 December 2023: TUSD 87,528).

The following distribution of legal reserves/retained earnings were paid out to the investors between 2022 and 2024:

Date of payment	USD/share	CHF/share
16.05.2022	2.51	2.50
26.05.2023	2.23	2.00
23.05.2024	0.99	0.90

Treasury shares 1st line

The Company can buy and sell treasury shares in accordance with the Company's articles of association and Swiss company law and in compliance with the listing rules of the SIX Swiss Exchange.

During the period from 1 January to 30 June 2024 the Company purchased no treasury shares. As at 30 June 2024 the Company held no treasury shares (31 December 2023: Nil).

Share buyback 2nd line (bought for cancellation)

Since 2011, the Company has announced openings of second trading lines on a yearly basis for the Company's shares on the SIX Swiss Exchange. The Company is always the exclusive buyer on these trading lines and repurchases shares for the purpose of subsequently reducing its share capital. According to the program periods the 2nd line treasury shares were cancelled in subsequent yearly tranches.

Altogether the Company holds no treasury shares as of 30 June 2024 (31 December 2023: Nil).

8. Significant transactions with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. In the opinion of the board of directors, the parties referred to in the schedule accompanying this note are related parties under IAS 24 "Related Party Disclosures". All related party transactions have been carried out within the normal course of business.

Related party transactions

Entity	Related party Relationship/Agreement(s) Direct/Indirect	Transaction type	30.6.2024 TUSD	31.12.2023 TUSD	30.6.2023 TUSD	
Castle Private Equity (International) PLC	LGT Private Equity Advisers AG/ Investment Management Agreement/indirect	Management fees	396	917	478	
		Management fees payable	177	219	211	
		Performance fees	—	—	—	
		Performance fees payable	—	—	—	
	LGT Fund Managers (Ireland) Ltd./ Management Agreement/direct	Administration fees	9	15	13	
		Administration fees payable	7	9	19	
	LGT Fund Managers (Ireland) Ltd./ Investment Management Agreement/indirect	Investment management fees	—	—	—	
		LGT Capital Partners Ltd./ LGT Private Equity Advisers AG/ Advisory Agreement/indirect Directors/indirect	Advisory fees	—	—	—
			Directors' fees	—	2	—
			Directors' fees	—	—	—
Castle Private Equity (Overseas) Limited	LGT Fund Managers (Ireland) Ltd./ Administration Services Agreement/direct	Administration fees	—	1	—	
		Administration fees payable	—	—	—	
	LGT Bank Ltd./ Loan Agreement/direct	Cash at banks	171	187	199	
		LGT Capital Partners Ltd./LGT Private Equity Advisers AG/Consulting Agreement/indirect LGT Bank (Cayman) Ltd./LGT Private Equity Advisers AG/Advisory Agreement/indirect Directors/indirect	Consulting fees	—	—	—
	Advisory fees		—	—	—	
	Directors' fees		5	—	—	
	Castle Private Equity AG	LGT Bank Ltd./ LGT Group/indirect	Cash at banks	309	321	59
Due to banks			—	—	578	
LGT Fund Managers (FL) Ltd./ Administrative Services Agreement/direct		Administration fees	32	65	32	
		Administration fees payable	—	—	16	
LGT Capital Partners Ltd./ Domicile Agreement/direct		Domicile fees	11	11	5	
		LGT Capital Partners Ltd./ Management Agreement/direct Directors/direct	General managers expenses	57	109	53
Directors' fees			110	217	92	

9. Segment reporting

The sole operating segment of the Group reflects the internal management structure and is evaluated on an overall basis. Revenue is derived by investing in a portfolio of private equity investments with a view to achieving significant value growth and to help shareholders maximise long-term returns. The following results correspond to the sole operating segment of investing in private equity. Items which can not be directly contributed to the operating segment are listed as "other".

The income/(loss) is geographically allocated as follows:

	North America TUSD	Europe TUSD	Asia TUSD	Other TUSD	Total TUSD
As of 30 June 2024					
Income/(Loss)					
Net gain/(loss) on investments at fair value through profit or loss	1,108	(575)	(5,754)	(790)	(6,011)
Total income/(loss)	1,108	(575)	(5,754)	(790)	(6,011)
As of 30 June 2023					
Income/(Loss)					
Net gain/(loss) on investments at fair value through profit or loss	1,068	297	1,329	(894)	1,800
Net loss on marketable securities investments at fair value through profit or loss	(90)	—	—	—	(90)
Total income/(loss)	978	297	1,329	(894)	1,710

The non-current assets are geographically allocated as follows:

	30.6.2024 TUSD	In %	31.12.2023 TUSD	In %
Non-current assets:				
North America	16,238	23.3%	15,558	19.5%
Europe	30,270	43.4%	31,858	39.9%
Asia	16,227	23.3%	23,200	29.0%
Other	6,986	10.0%	9,316	11.6%
Total non-current assets	69,721	100.0%	79,932	100.0%

10. Fair value estimation

IFRS 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Group’s financial assets (by class) measured at fair value at 30 June 2024 and 31 December 2023:

As of 30 June 2024	Level 1 TUSD	Level 2 TUSD	Level 3 TUSD	Total TUSD
Assets				
Assets at fair value through profit or loss:				
Investments	–	–	69,721	69,721
Total	–	–	69,721	69,721
As of 31 December 2023	Level 1 TUSD	Level 2 TUSD	Level 3 TUSD	Total TUSD
Assets				
Assets at fair value through profit or loss:				
Investments	–	–	79,932	79,932
Total	–	–	79,932	79,932

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Group does not adjust the quoted price for these investments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations, or alternative pricing sources, supported by observable inputs are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include private equity investments for which observable prices are not available.

Private equity investments for which market quotations are not readily available are valued at their fair values as described in the process below. The sole responsibility for determining the fair values lies with the board of directors. In estimating the fair value of fund investments, the investment manager in its valuation recommendation to the board of directors considers all appropriate and applicable factors (including a sensitivity to non-quantifiable market factors) relevant to their value, including but not limited to the following:

- reference to the fund investment's reporting information including consideration of any time lags between the date of the latest available reporting and the balance sheet date of the Group in those situations where no December valuation of the underlying fund is available. This includes a detailed analysis of exits (trade sales, initial public offerings, etc.) which the fund investments have gone through in the period between the latest available reporting and the balance sheet date of the Group, as well as other relevant valuation information. This information is a result of continuous contact with the investment managers and, specifically, by monitoring calls made to the investment managers, distribution notices received from the investment managers in the period between the latest available report and the balance sheet date of the Group, as well as the monitoring of other financial information sources and the assessment thereof;
- reference to recent transaction prices;
- result of operational and environmental assessments: periodic valuation reviews are made of the valuations of the underlying investments as reported by the investment managers to determine if the values are reasonable, accurate and reliable. These reviews include a fair value estimation using widely recognised valuation methods such as multiples analysis and discounted cash flow analysis;
- review of management information provided by the managers/administrators of the fund investments on a regular basis; and
- mark-to-market valuations for quoted investments held by the managers/administrators of the fund investments which make up a significant portion of the Group's net asset value.

If the board of directors comes to the conclusion upon recommendation of the investment manager after applying the above-mentioned valuation methods, that the most recent valuation reported by the manager/administrator of a fund investment is materially misstated, it will make the necessary adjustments using the results of its own review and analysis.

The following table shows the allocation of the level 3 investments according to financing stage, in percentage of the total fair value of these investments.

Diversification by financing stage (FV)	30.6.2024 in %	31.12.2023 in %
Balanced stage	0%	0%
Buyout stage		
Large buyout stage	3%	3%
Middle market buyout stage	36%	39%
Small buyout stage	4%	4%
Special situations stage		
Distressed debt stage	5%	5%
Venture stage		
Early stage venture	14%	16%
Growth capital stage	1%	1%
Late stage venture	12%	10%
Co-Investment		
Small buyout stage	25%	22%
Total	100%	100%

11. Subsequent events

Since the balance sheet date of 30 June 2024 Castle Private Equity AG purchased no treasury shares.

Since the balance sheet date of 30 June 2024, there have been no material events that could impair the integrity of the information presented in the consolidated interim financial statements

Share information

Exchange rate CHF/USD: 0.8987

	2017	2018	2019	2020	2021	2022	2023	June 2024	Since inception
Share information									
Number of outstanding shares at year end (ooo) ¹⁾	26,324 ²⁾	18,022 ³⁾	10,498 ⁴⁾	10,209 ⁵⁾	10,105	10,105 ⁶⁾	10,105	10,105	
USD net asset value ¹⁾	18.52	17.96	14.97	15.50	14.73	10.50	8.66	7.01	
CHF closing price ¹⁾	17.90	16.20	13.75	10.00	9.55	7.70	4.40	4.30	
Share performance									
USD net asset value	8.7%	5.3% ⁷⁾	0.9% ⁸⁾	3.5%	15.3% ⁹⁾	(28.7%) ¹⁰⁾	3.8% ¹¹⁾	(5.5%) ¹²⁾	2.04% ¹³⁾
USD closing price	—	—	—	—	—	—	—	—	—
CHF closing price	16.6%	(9.5%)	(15.1%)	(27.3%)	(4.5%)	(19.4%)	(42.9%)	(2.3%)	(58.7%)

¹⁾ Adjusted for the ten for one share split.

²⁾ Of which 1,876,234 owned by the Group. On 26 September 2017, 2,904,511 shares purchased via share buyback program were cancelled.

³⁾ Of which 6,231,357 owned by the Group. On 7 August 2018, 8,301,455 shares purchased via share buyback program were cancelled.

⁴⁾ Of which 764,336 owned by the Group. On 22 August 2019, 6,759,973 shares purchased via share buyback program were cancelled.

⁵⁾ Of which 204,387 owned by the Group. On 10 August 2020, 849,410 shares purchased via share buyback program were cancelled.

⁶⁾ On 22 August 2022, 308,371 shares purchased via share buyback were cancelled.

⁷⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 1.00/USD 1.01 on 22 May 2018.

⁸⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 3.00/USD 2.97 on 20 May 2019.

⁹⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 3.00/USD 3.33 on 21 May 2021.

¹⁰⁾ Adjusted for distributions of general legal reserves from capital contributions/retained earnings of CHF 2.50/USD 2.51 on 16 May 2022.

¹¹⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 2.00/USD 2.23 on 26 May 2023.

¹²⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 0.90/USD 0.99 on 23 May 2024.

¹³⁾ Adjusted for distributions of general legal reserves from capital contributions/retained earnings for all since inception.

Listing

SIX Swiss Exchange 4885474 (Swiss security number)

Price information

Reuters: CPE.S

Bloomberg: CPEN SW <Equity>

Publication of net asset value

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