

Semi-annual Report

June 2020

Publication date

This report was released for publication on 24 August 2020.

The subsequent event note in the financial statements has been updated to 21 August 2020.

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

This document is for information only and is not an offer to sell or an invitation to invest. In particular, it does not constitute an offer or solicitation in any jurisdiction where it is unlawful or where the person making the offer or solicitation is not qualified to do so or the recipient may not lawfully receive any such offer or solicitation. It is the responsibility of any person in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of relevant jurisdictions. All statements contained herein that are not historical facts including, but not limited to, statements regarding anticipated activity are forward looking in nature and involve a number of risks and uncertainties. Actual results may differ materially. Readers are cautioned, not to place undue reliance on any such forward-looking statements, which statements, as such, speak only as of the date made.

Castle Private Equity in 2020

(All amounts in USD, unless when indicated otherwise)

	Six months to 30 June 2020	Six months to 30 June 2019
Net asset value	148 million	158 million
Net asset value per share	14.24	14.86
Share price in CHF ¹⁾	10.90	14.40
Private equity assets	124 million	149 million
Capital calls	0.3 million	1 million
Distributions	14.8 million	18 million
Investment degree	84 per cent	94 per cent
Uncalled commitments	46 million	46 million
Uncalled as per cent of NAV	31 per cent	29 per cent
Cash position	24 million	3 million
Treasury shares (bought for cancellation)	903,390	7,367,056
Shares in circulation	10,359,132	10,655,439

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

Still too early to fully evaluate the impact of COVID-19 on the overall portfolio

Dear shareholders

The global outbreak of coronavirus (COVID-19) continues to weigh on economies around the world. While it is still too early to fully evaluate the impact on the economy, markets and our portfolio, we continue actively engaging with our managers and CEO's of portfolio companies in monitoring and assessing developments across the portfolio. While we likely will not see the full impact on the global economy for a while, it is nonetheless becoming apparent that certain sectors – such as energy, travel, leisure – are particularly impacted, and contagion to other economic sectors has already been reflected in capital markets valuations. Irrespective of sector, companies are focusing on cash management and scenario planning, with even healthy assets selectively drawing on revolving credit facilities to increase liquidity. Private equity sponsors often benefit from both dry powder and reserves to ensure they can secure the health of their assets and sustain a potentially longer term downturn, including preparing, where necessary, to inject equity or negotiate credit agreements.

While no two crises are alike, there are certain patterns one can recognize from previous market corrections. During the burst of the Dotcom bubble in the early 2000s and the global financial crisis ("GFC") in 2008, equity markets were affected first, followed by liquid and illiquid credit, and only after several quarters were the full effects visible in illiquid assets like private equity. Corrections in the private markets were not only delayed, but were also more muted.

The crisis will be with us for months to come. In that time, we will continue to engage with our private equity managers to understand how the COVID-19 pandemic is affecting existing private equity portfolios and companies.

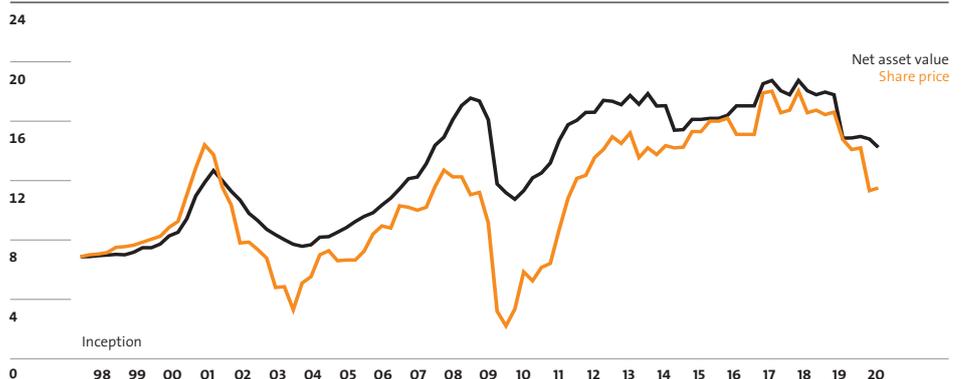
Net asset value per share down 4.8 per cent for the first half of 2020

During the course of the first six months of the year, the company's net asset value (NAV) per share decreased by 4.8 per cent to USD 14.24. Castle's share price conceded by 20.7 per cent, closing the first half of 2020 at CHF 10.90 per share, representing a discount to NAV of 19.2 per cent.

During the period under review, Castle Private Equity received distribution proceeds of USD 14.8 million. Cash was typically generated from a number of transactions, including initial public offerings

Share price and net asset value since inception

in USD per share



(IPO's) and trade sales. The slight increase of the Euro against the US Dollar led to a small gain of USD 0.3 million during the first half of 2020.

With capital calls of only USD 0.3 million during the first six months, Castle Private Equity's net liquidity position amounts to USD 24 million, after taking account of investment activity within the portfolio, capital distributions and share buybacks.

Eighth anniversary of Castle's harvesting strategy

Given Castle's advanced maturity profile of the portfolio, coupled with its strong balance sheet and cash position, we expected further significant progress with the harvesting strategy.

Yours sincerely,

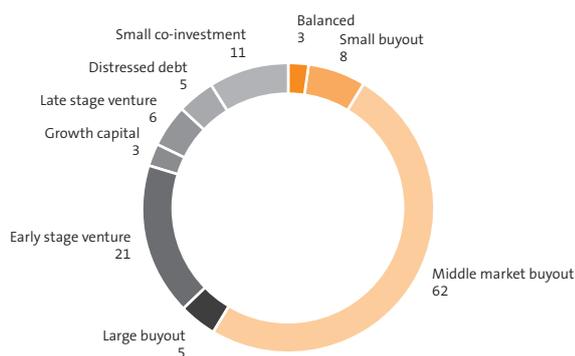
LGT Private Equity Advisers AG

Major exits in the first half of 2020

Partnership	Company	Sector, location	Exit channel
Summit Partners Europe Private Equity Fund, L.P.	Sipartech	fiber network operator, France	secondary sale to Blackstone
Genstar Capital Partners V, L.P.	IAS	automotive warranties, US	sale to iA Financial Group
Polish Enterprise Fund VI, L.P.	XTB	financial, Poland	public markets
Bain Capital Asia Fund II, L.P.	Lionbridge	leasing, China	partial sale to China Construction Bank Trust
Hahn & Company I, L.P.	H-Line Shipping	maritime transportation, South Korea	proceeds from a partial refinancing

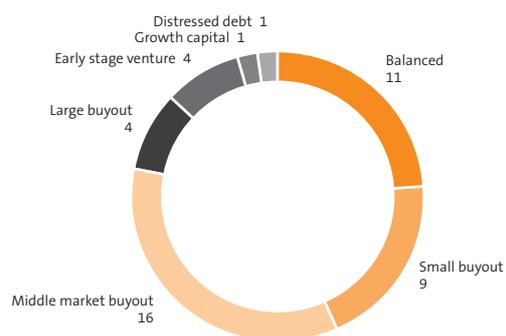
Private equity assets by financing stage

in USD millions



Uncalled commitments by financing stage

in USD millions



Unaudited consolidated statement of comprehensive income

For the period ended 30 June 2020 (all amounts in USD thousands unless otherwise stated)

	Note	1 January – 30 June 2020	1 January – 30 June 2019
Income			
Income from non-current assets:			
Net (loss)/gain on investments at fair value through profit or loss	4	(5,663)	3,855
Total (losses)/gains from non-current assets		(5,663)	3,855
Income from current assets:			
Net (loss)/gain on marketable securities at fair value through profit or loss	4	(2)	35
(Loss)/Gain on foreign exchange net		(4)	1,209
Interest income		34	217
Total gains from current assets		28	1,461
Total (loss)/income		(5,635)	5,316
Expenses			
Management and performance fees	8	(756)	(1,955)
Expenses from investments		(129)	(304)
Other operating expenses		(592)	(749)
Total operating expenses		(1,477)	(3,008)
Operating (loss)/profit		(7,112)	2,308
Finance costs		—	(24)
(Loss)/Profit for the period before taxes		(7,112)	2,284
Tax expense	6	(764)	(188)
(Loss)/Profit for the period after taxes		(7,876)	2,096
Total comprehensive (loss)/income for the period		(7,876)	2,096
(Loss)/Profit attributable to:			
Shareholders		(7,876)	2,096
Non-controlling interests		—	—
		(7,876)	2,096
Total comprehensive (loss)/income attributable to:			
Shareholders		(7,876)	2,096
Non-controlling interests		—	—
		(7,876)	2,096
Earnings per share (USD) attributable to equity holders			
Weighted average number of shares outstanding during the period		10,426,790	18,442,213
Basic and diluted (loss)/profit per share		USD (0.76)	USD 0.11

The accompanying notes on pages 10 to 28 form an integral part of these consolidated financial statements.

Unaudited consolidated balance sheet

As of 30 June 2020 (all amounts in USD thousands unless otherwise stated)

	Note	30 June 2020	31 December 2019
Assets			
Current assets:			
Cash and cash equivalents		23,775	13,023
Accrued income and other receivables		319	7,372
Total current assets		24,094	20,395
Non-current assets:			
Investments at fair value through profit or loss	4	124,064	137,833
Total non-current assets		124,064	137,833
Total assets		148,158	158,228
Liabilities			
Current liabilities:			
Accrued expenses and other payables		632	1,106
Total current liabilities		632	1,106
Equity			
Shareholders' equity:			
Share capital		292	292
Additional paid-in capital		85,217	85,217
Less treasury shares at cost	7	(1,720)	—
Less treasury shares 2 nd line at cost (bought for cancellation)	7	(14,339)	(14,339)
Retained earnings		78,075	85,951
Total shareholders' equity before non-controlling interests		147,525	157,121
Non-controlling interests		1	1
Total equity		147,526	157,122
Total liabilities and equity		148,158	158,228
Net asset value per share (USD)			
Number of shares issued as at period end		11,262,522	11,262,522
Number of treasury shares as at period end	7	(139,054)	—
Number of treasury shares 2 nd line (bought for cancellation) as at period end	7	(764,336)	(764,336)
Number of shares outstanding net of treasury shares as at period end		10,359,132	10,498,186
Net asset value per share		14.24	14.97

The accompanying notes on pages 10 to 28 form an integral part of these consolidated financial statements.

Unaudited consolidated statement of cash flows

For the period ended 30 June 2020 (all amounts in USD thousands unless otherwise stated)

	1 January – 30 June 2020	1 January – 30 June 2019
Cash flows from/(used in) operating activities:		
Purchase of investments	(187)	(727)
Proceeds from callable return of invested capital in investments	96	267
Proceeds from return of invested capital in investments	3,298	8,016
Proceeds from realised gains on investments	4,884	8,579
Proceeds from sales of investments	7,230	–
Proceeds from sales of securities	13	852
Interest received	35	217
Investment expenses paid	(128)	(304)
Withholding taxes paid for investments	(817)	(191)
Withholding taxes refunded from investments	53	3
Other operating expenses paid	(1,957)	(1,733)
Net cash flows from operating activities	12,520	14,979
Cash flows from/(used in) financing activities:		
Finance costs	(16)	(23)
Purchase of treasury shares	(1,764)	–
Purchase of treasury shares 2 nd line (bought for cancellation)	–	(21,365)
Distribution of legal reserves to the investors	–	(33,458)
Net cash flows used in financing activities	(1,780)	(54,846)
Net increase/(decrease) in cash and cash equivalents	10,740	(39,867)
Cash and cash equivalents at beginning of period	13,023	43,315
Exchange gain on cash and cash equivalents	12	25
Cash and cash equivalents at end of period	23,775	3,473
Cash and cash equivalents consist of the following as at 30 June:		
Cash at banks	23,775	3,473
Time deposits < 90 days	–	–
Total	23,775	3,473

The accompanying notes on pages 10 to 28 form an integral part of these consolidated financial statements.

Unaudited consolidated statement of changes in equity

For the period ended 30 June 2020 (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 2019	467	128,079	(112,392)	195,582	1	211,737
Total comprehensive income for the period	—	—	—	2,096	—	2,096
Purchase of treasury shares 2 nd line (bought for cancellation)	—	—	(20,830)	—	—	(20,830)
Distribution of legal reserves to the investors	—	(33,458)	—	—	—	(33,458)
Impact of CHF/USD historical rates on the distribution of legal reserves to the investors	—	(1,161)	—	—	—	(1,161)
Transfer of general legal reserves into accumulated surplus	—	(9,403)	—	9,403	—	—
30 June 2019	467	84,057	(133,222)	207,081	1	158,384
1 January 2020	292	85,217	(14,339)	85,951	1	157,122
Total comprehensive loss for the period	—	—	—	(7,876)	—	(7,876)
Purchase of treasury shares	—	—	(1,720)	—	—	(1,720)
30 June 2020	292	85,217	(16,059)	78,075	1	147,526

The accompanying notes on pages 10 to 28 form an integral part of these consolidated financial statements.

Notes to the unaudited consolidated financial statements

For the period ended 30 June 2020

(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 2020 correspond to those of the annual report 2019, 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 2019, 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 2020

- Amendments to IFRS 3, “Business Combinations”, definition of a business (1 January 2020);
- Amendments to IAS 1 and IAS 8, “Presentation of Financial Statements” and “Accounting Policies, Changes in Accounting Estimates and Errors”, definition of material (1 January 2020);
- Amendments to IFRS 7 and IFRS 9, “Financial Instruments: Disclosures” and “Financial Instruments”, pre-replacement issues in the context of the IBOR reform (1 January 2020); and
- Amendments to References to the Conceptual Framework in IFRS Standards (1 January 2020).

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.

b) Standards and amendments to published standards effective after 1 January 2020 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 2020, 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 2020 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 2019.

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 2020 the Group had subscribed interests in 77 (31 December 2019: 78) 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 998,613 (31 December 2019: TUSD 1,007,517) of which TUSD 952,889 (31 December 2019: TUSD 961,719) was paid in. The details of the investments are shown in the investment schedule on pages 15 to 18 and the investment movement schedule on pages 13 and 14.

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

For the period ended 30 June 2020 (all amounts in USD thousands unless otherwise stated)

2020	Value per 1 January 2020	Additions (capital calls) ²⁾	Disposals (returns of capital)	Unrealised gains	Unrealised losses	Value per 30.6.2020	Total real- ised gains/ (losses) per 30.6.2020 ³⁾	Net gains/ (losses) per 30.6.2020	Uncalled commit- ment amount
Marketable securities	—	15	(15)	—	—	—	(2)	(2)	—
Balanced stage	2,254	—	—	—	(22)	2,232	—	(22)	10,858
Buyout stage									
large buyout stage	7,480	17	(80)	21	(2,132)	5,306	265	(1,846)	3,982
middle market buyout stage	65,602	74	(3,774)	4,896	(5,123)	61,675	724	497	15,929
small buyout stage	9,857	—	—	—	(1,604)	8,253	971	(633)	8,494
Total buyout stage	82,939	91	(3,854)	4,917	(8,859)	75,234	1,960	(1,982)	28,405
Special situations stage									
distressed debt stage	6,989	—	(367)	23	(1,687)	4,958	664	(1,000)	1,038
Total special situations stage	6,989	—	(367)	23	(1,687)	4,958	664	(1,000)	1,038
Venture stage									
early stage venture	21,462	—	(223)	352	(319)	21,272	115	148	4,349
growth capital stage	4,109	—	(226)	—	(425)	3,458	338	(87)	764
late stage venture	7,525	—	(349)	283	(1,478)	5,981	101	(1,094)	310
Total venture stage	33,096	—	(798)	635	(2,222)	30,711	554	(1,033)	5,423
Co-Investment									
small buyout stage	12,555	—	—	—	(1,626)	10,929	—	(1,626)	—
Total Co-Investment	12,555	—	—	—	(1,626)	10,929	—	(1,626)	—
Total investments	137,833	91	(5,019)	5,575	(14,416)	124,064	3,178	(5,663)	45,724
Total investments and marketable securities at fair value through profit or loss	137,833	106	(5,034)	5,575	(14,416)	124,064	3,176	(5,665)	45,724

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.

2019	Value per 1 January 2019	Additions (capital calls) ¹⁾	Disposals (returns of capital)	Unrealised gains	Unrealised losses	Value per 30.6.2019	Total real- ised gains/ (losses) per 30.6.2019 ²⁾	Net gains/ (losses) per 30.6.2019	Uncalled commit- ment amount
Marketable securities	—	817	(817)	—	—	—	(35)	(35)	—
Balanced stage	2,833	—	—	—	(21)	2,812	—	(21)	10,858
Buyout stage									
large buyout stage	13,213	—	(2,459)	1,825	(1,968)	10,611	624	481	4,036
middle market buyout stage	71,835	487	(3,096)	1,511	(2,461)	68,276	1,730	780	15,973
small buyout stage	11,923	—	(6,182)	6,134	(1,707)	10,168	(3,569)	858	8,599
Total buyout stage	96,971	487	(11,737)	9,470	(6,136)	89,055	(1,215)	2,118	28,608
Special situations stage									
distressed debt stage	8,173	—	—	17	(1,027)	7,163	406	(604)	1,037
Total special situations stage	8,173	—	—	17	(1,027)	7,163	406	(604)	1,037
Venture stage									
early stage venture	24,604	82	(2,087)	1,675	(942)	23,332	547	1,280	4,459
growth capital stage	6,424	—	(622)	—	(1,514)	4,288	2,253	739	688
late stage venture	9,843	—	(649)	1,384	(753)	9,825	504	1,135	478
Total venture stage	40,871	82	(3,358)	3,059	(3,209)	37,445	3,304	3,154	5,625
Co-Investment									
small buyout stage	13,717	—	—	—	(722)	12,995	—	(722)	—
Total Co-Investment	13,717	—	—	—	(722)	12,995	—	(722)	—
Total investments	162,565	569	(15,095)	12,546	(11,115)	149,470	2,495	3,925	46,128
Total investments and marketable securities at fair value through profit or loss	162,565	1,386	(15,912)	12,546	(11,115)	149,470	2,460	3,890	46,128

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 19 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 2020 (all amounts in USD thousands unless otherwise stated)

	Deal currency	Vintage year	Geography	Commitment 31.12.2019	Cost 1.1.2019	Cost 31.12.2019	Fair value 31.12.2019	Commitment 30.6.2020	Cost 30.6.2020	Fair value 30.6.2020	FMV in %
Balanced stage											
Chancellor Offshore Partnership Fund, L.P.	USD	1997	North America	235,000	—	—	2,130	235,000	—	2,116	1.71%
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	337	337	124	30,000	337	116	0.09%
Total balanced stage				279,518	337	337	2,254	279,518	337	2,232	1.80%
Buyout stage											
Large buyout											
Clayton, Dubilier & Rice Fund VI, L.P.	USD	1998	North America	10,000	2,581	2,581	2	10,000	2,581	2	0.00%
BC European Capital VII ²⁾	EUR	2000	Europe	11,225	2,132	2,132	59	11,229	2,132	63	0.05%
Permira Europe II, L.P. II ²⁾	EUR	2000	Europe	11,225	2,280	2,262	64	11,229	2,262	58	0.05%
TPG Parallel III, L.P.	USD	2000	North America	5,000	1,178	1,178	17	5,000	1,178	13	0.01%
T3 Parallel II, L.P.	USD	2001	North America	5,000	1,030	1,030	61	5,000	1,030	59	0.05%
Warburg Pincus Private Equity VIII, L.P.	USD	2001	North America	15,000	—	—	55	15,000	—	56	0.05%
Permira Europe III, L.P. II ²⁾	EUR	2003	Europe	11,225	2,765	2,749	36	11,229	2,749	39	0.03%
Silver Lake Partners II, L.P.	USD	2004	North America	10,000	1,260	1,260	66	10,000	1,260	9	0.01%
Greenhill Capital Partners II, L.P.	USD	2005	North America	10,000	3,631	1,477	224	10,000	1,477	224	0.18%
KKR European Fund II, L.P. ²⁾	EUR	2005	Europe	11,225	2,712	2,659	48	11,229	2,659	50	0.04%
First Reserve XI, L.P.	USD	2006	North America	15,000	9,436	9,038	664	15,000	9,004	(86)	-0.07%
Permira IV, L.P. 2 ²⁾	EUR	2006	Europe	11,786	2,095	2,095	5	11,790	2,095	15	0.01%
Bain Capital Fund X, L.P.	USD	2008	North America	12,000	3,621	2,958	2,010	12,000	2,953	1,447	1.17%
Bain Capital X Coinvestment Fund, L.P.	USD	2008	North America	420	214	151	—	420	151	—	0.00%
TPG Partners VI, L.P.	USD	2008	North America	18,000	7,367	6,172	4,169	18,000	6,147	3,357	2.71%
Total large buyout				157,106	42,302	37,742	7,480	157,126	37,678	5,306	4.28%

	Deal currency	Vintage year	Geography	Commitment 31.12.2019	Cost 1.1.2019	Cost 31.12.2019	Fair value 31.12.2019	Commitment 30.6.2020	Cost 30.6.2020	Fair value 30.6.2020	FMV in %
Middle market buyout											
The Triton Fund (No. 9) L.P. ²⁾	EUR	1999	Europe	9,756	720	720	149	9,760	720	148	0.12%
Warburg Pincus International Partners, L.P.	USD	2000	Europe	10,000	—	—	116	10,000	—	119	0.10%
Bain Capital Fund VII-E, L.P.	USD	2002	Europe	8,000	1,177	1,177	16	8,000	1,177	16	0.01%
J.W. Childs Equity Partners III, L.P.	USD	2002	North America	12,000	952	952	—	12,000	952	7	0.01%
Bain Capital Fund VIII-E, L.P. ²⁾	EUR	2004	Europe	11,225	3,488	3,174	28	11,229	3,174	37	0.03%
Odyssey Investment Partners III, L.P.	USD	2004	North America	10,000	281	281	9	10,000	281	6	0.00%
Newbridge Asia IV, L.P.	USD	2005	Asia	10,000	3,104	3,104	168	10,000	3,104	139	0.11%
SB Asia Investment Fund II, L.P.	USD	2005	Asia	7,000	842	802	2,425	7,000	681	2,275	1.83%
Chequers XV, FCPR ²⁾	EUR	2006	Europe	8,980	1,940	1,541	1	—	—	—	0.00%
Court Square Capital Partners II, L.P.	USD	2006	North America	15,000	5,106	5,082	1,405	15,000	5,082	1,063	0.86%
Polish Enterprise Fund VI, L.P. ²⁾	EUR	2006	Europe	11,225	3,574	3,512	967	11,229	3,222	903	0.73%
The Triton Fund II, L.P. ²⁾	EUR	2006	Europe	13,470	4,082	4,042	1,508	13,474	4,042	789	0.64%
Wellspring Capital Partners IV, L.P.	USD	2006	North America	—	428	—	—	—	—	—	0.00%
Advent Latin American Private Equity											
Fund IV, L.P.	USD	2007	Other	10,000	2,348	2,179	1,678	10,000	2,179	1,531	1.23%
CDH China Fund III, L.P.	USD	2007	Asia	9,000	—	—	478	9,000	—	497	0.40%
CDH Supplementary Fund III, L.P.	USD	2007	Asia	3,000	—	—	15	3,000	—	14	0.01%
Crown Asia-Pacific Private Equity plc	USD	2007	Asia	40,000	8,735	7,015	13,413	40,000	7,015	14,042	11.32%
EOS Capital Partners IV, L.P.	USD	2007	North America	15,000	5,650	5,658	7,084	15,000	5,658	6,674	5.38%
Genstar Capital Partners V, L.P.	USD	2007	North America	10,000	1,874	1,760	2,484	10,000	1,597	880	0.71%
SAIF Partners III, L.P.	USD	2007	Asia	10,000	4,997	4,487	16,639	10,000	4,324	18,936	15.26%
Bain Capital Europe Fund III, L.P. ²⁾	EUR	2008	Europe	11,225	1,886	1,886	1,037	11,229	1,886	1,040	0.84%
Hahn & Company I, L.P.	USD	2011	Asia	10,000	3,634	2,857	8,546	10,000	1,810	6,797	5.48%
Bain Capital Asia Fund II, L.P.	USD	2012	Asia	10,000	4,630	3,960	7,436	10,000	3,586	5,762	4.64%
Total middle market buyout				254,881	59,448	54,189	65,602	245,921	50,490	61,675	49.71%
Small buyout											
MBO Capital FCPR ²⁾	EUR	2002	Europe	5,613	—	—	2	5,614	—	—	0.00%
Nması Private Equity Fund No.2 L.P. ²⁾	EUR	2002	Europe	5,613	918	918	255	5,614	918	251	0.20%
J.P. Morgan Italian Fund III (Secondary – Atlantic) ^{2),3)}	EUR	2006	Europe	—	6,085	—	—	—	—	—	0.00%
Wynnchurch Capital Partners II, L.P.	USD	2006	North America	7,500	2,258	2,161	252	7,500	2,161	235	0.19%
Crown European Buyout											
Opportunities II plc ²⁾	EUR	2007	Europe	33,675	—	—	7,678	33,686	—	6,495	5.24%
PortPEP Limited (Secondary – Port) ^{2),3)}	EUR	2011	Europe	12,122	—	—	1,670	12,127	—	1,272	1.03%
Total small buyout				64,523	9,261	3,079	9,857	64,541	3,079	8,253	6.65%
Total buyout stage				476,510	111,011	95,010	82,939	467,588	91,247	75,234	60.64%

	Deal currency	Vintage year	Geography	Commitment 31.12.2019	Cost 1.1.2019	Cost 31.12.2019	Fair value 31.12.2019	Commitment 30.6.2020	Cost 30.6.2020	Fair value 30.6.2020	FMV in %
Special situations stage											
Distressed debt											
Sun Capital Securities Offshore Fund, Ltd.	USD	2004	North America	10,000	4,124	4,124	328	10,000	4,058	74	0.06%
OCM Principal Opportunities Fund IV, L.P.	USD	2006	North America	10,000	—	—	136	10,000	—	106	0.09%
Sun Capital Securities Offshore Fund, Ltd. (Second Tranche)	USD	2006	North America	10,000	1,665	1,665	518	10,000	1,576	120	0.10%
Fortress Investment Fund V (Fund D), L.P.	USD	2007	North America	7,500	878	878	3,543	7,500	759	3,271	2.64%
OCM Opportunities Fund VII, L.P.	USD	2007	North America	10,000	—	—	428	10,000	—	72	0.06%
Castlelake I, L.P.	USD	2007	North America	15,000	—	—	1,599	15,000	—	1,195	0.96%
Oaktree European Credit Opportunities Fund, L.P. ²⁾	EUR	2008	Europe	11,225	4,688	4,688	75	11,229	4,598	7	0.01%
OCM European Principal Opportunities Fund II, L.P. ²⁾	EUR	2008	Europe	8,419	—	—	99	8,421	—	80	0.06%
OCM Opportunities Fund VIIb, L.P.	USD	2008	North America	13,500	—	—	263	13,500	—	33	0.03%
Total distressed debt				95,644	11,355	11,355	6,989	95,650	10,991	4,958	4.00%
Total special situations stage				95,644	11,355	11,355	6,989	95,650	10,991	4,958	4.00%
Venture stage											
Early stage venture											
Strategic European Technologies N.V. ²⁾	EUR	1997	Europe	7,691	—	—	85	7,694	—	85	0.07%
Invesco Venture Partnership Fund II, L.P.	USD	1999	North America	15,000	810	1,309	48	15,000	1,309	51	0.04%
Balderton Capital I, L.P.	USD	2000	Europe	5,333	1,876	1,876	33	5,333	1,876	24	0.02%
Chancellor V, L.P.	USD	2000	North America	20,000	2,430	2,430	732	20,000	2,430	716	0.58%
Galileo III FCPR ²⁾	EUR	2000	Europe	7,092	—	—	385	7,094	—	385	0.31%
Global Life Science Venture Fund II, L.P. ²⁾	EUR	2002	Europe	5,613	3,174	3,174	16	5,614	3,174	16	0.01%
Balderton Capital II, L.P.	USD	2005	Europe	4,000	3,134	3,134	618	4,000	3,134	604	0.49%
Battery Ventures VII, L.P.	USD	2005	North America	3,000	512	512	87	3,000	512	64	0.05%
BCPI I, L.P. (Secondary – Vermont) ³⁾	USD	2005	Other	—	637	—	—	—	—	—	0.00%
Benchmark Israel II, L.P.	USD	2005	Other	4,602	1,025	875	1,207	4,602	875	1,240	1.00%
H.I.G. Venture Partners II, L.P.	USD	2005	North America	5,000	3,491	3,492	1,622	5,000	3,491	1,580	1.27%
Battery Ventures VIII, L.P.	USD	2007	North America	4,000	2,254	2,180	1,611	4,000	2,180	1,452	1.17%
Battery Ventures VIII Side Fund, L.P.	USD	2008	North America	978	397	397	273	978	397	240	0.19%
Carmel Ventures III, L.P.	USD	2008	Other	6,000	2,700	781	9,663	6,000	558	9,417	7.59%
Mangrove III S.C.A. SICAR ²⁾	EUR	2008	Europe	5,613	5,558	5,558	5,082	5,613	5,558	5,398	4.35%
Total early stage venture				93,922	27,998	25,718	21,462	93,928	25,494	21,272	17.15%

	Deal currency	Vintage year	Geography	Commitment 31.12.2019	Cost 1.1.2019	Cost 31.12.2019	Fair value 31.12.2019	Commitment 30.6.2020	Cost 30.6.2020	Fair value 30.6.2020	FMV in %
Growth capital											
Summit Partners Europe Private Equity											
Fund, L.P. ²⁾	EUR	2009	Europe	7,857	5,146	3,926	4,109	7,860	3,699	3,458	2.79%
Total growth capital				7,857	5,146	3,926	4,109	7,860	3,699	3,458	2.79%
Late stage venture											
TCV III (Q), L.P.	USD	1999	North America	—	484	—	—	—	—	—	0.00%
TCV IV, L.P.	USD	1999	North America	—	2,579	—	—	—	—	—	0.00%
Columbia Capital Equity Partners III (Cayman), L.P.											
	USD	2000	North America	5,000	1,310	1,310	96	5,000	1,310	95	0.08%
New Enterprise Associates 10, L.P.											
	USD	2000	North America	10,000	7,114	6,882	1,729	10,000	6,882	1,280	1.03%
Columbia Capital Equity Partners IV (Non-US), L.P.											
	USD	2005	North America	10,000	—	—	1,441	10,000	—	1,220	0.98%
Index Ventures III (Jersey), L.P. ²⁾											
	EUR	2005	Europe	7,858	1,915	1,394	3,442	7,859	1,394	2,635	2.12%
New Enterprise Associates 12, L.P.											
	USD	2006	North America	5,000	3,710	3,401	505	5,000	3,324	455	0.37%
Index Ventures IV (Jersey), L.P. ²⁾											
	EUR	2007	Europe	5,613	2,707	2,257	312	5,614	1,983	296	0.24%
Total late stage venture				43,471	19,819	15,244	7,525	43,473	14,893	5,981	4.82%
Total venture stage				145,250	52,963	44,888	33,096	145,261	44,086	30,711	24.75%
Co-Investment and other											
Large buyout											
Co-Investment 2	USD	2011	Asia	4,000	—	—	—	4,000	—	—	0.00%
Total large buyout				4,000	—	—	—	4,000	—	—	0.00%
Small buyout											
Co-Investment 4 ²⁾	EUR	2011	Europe	2,105	2,527	2,526	612	2,105	2,526	606	0.49%
Co-Investment 5 ²⁾	EUR	2011	Europe	4,490	5,440	5,440	11,943	4,491	5,440	10,323	8.32%
Total small buyout				6,595	7,967	7,966	12,555	6,596	7,966	10,929	8.81%
Total Co-Investment and other				10,595	7,967	7,966	12,555	10,596	7,966	10,929	8.81%
Total investments at fair value through profit or loss				1,007,517	183,633	159,556	137,833	998,613	154,627	124,064	100.00%
Total				1,007,517	183,633	159,556	137,833	998,613³⁾	154,627	124,064	100.00%

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

²⁾ Total commitment translated from EUR value at 1.122851 as of 30 June 2020 and 1.122500 as of 31 December 2019.

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 is maintained as the commitment.

⁵⁾ Total paid in amounted to TUSD 952,889 (31 December 2019: TUSD 961,719).

5. Cash flow reconciliation

The following is a reconciliation between the cash flow statement on page 8 and the investments movement schedules on pages 13 and 14.

1 January 2020 – 30 June 2020	Investments			Marketable securities	
	Additions (capital calls)	Disposals (return of capital)	Realised gains and losses	Additions (capital calls)	Disposals (return of capital) and realised losses
Movement schedule (page 13)	91	(5,019)	(3,178)	15	(15)
Cash flows from investment activities	–	3,298	4,884	–	–
Purchase of investments	(187)	–	–	–	–
Proceeds from callable return of invested capital in investments	96	–	–	–	–
Purchase of marketable securities	–	–	–	–	–
Sales of marketable securities	–	–	–	–	15
Non-cash transactions					
Deemed distributions and account reclassification ¹⁾	–	1,322	(1,322)	–	–
In kind distributions ²⁾	–	–	15	(15)	–
Revaluation of foreign currency positions ³⁾	–	399	(399)	–	–
Accounts receivable	–	–	–	–	–
Total cash and non-cash transactions	(91)	5,019	3,178	(15)	15
Reconciliation	–	–	–	–	–
1 January 2019 – 30 June 2019	Investments			Marketable securities	
	Additions (capital calls)	Disposals (return of capital)	Realised gains and losses	Additions (capital calls)	Disposals (return of capital) and realised losses
Movement schedule (page 14)	(569)	(15,095)	(2,495)	817	(817)
Cash flows from investment activities	–	8,016	8,579	–	–
Purchase of investments	(727)	–	–	–	–
Proceeds from callable return of invested capital in investments	–	–	–	–	–
Purchase of marketable securities	–	–	–	–	–
Sales of marketable securities	–	–	–	–	817
Non-cash transactions					
Deemed distributions and account reclassification ¹⁾	1,296	6,050	(5,872)	–	–
In kind distributions ²⁾	–	–	817	(817)	–
Revaluation of foreign currency positions ³⁾	–	1,029	(1,029)	–	–
Accounts receivable	–	–	–	–	–
Total cash and non-cash transactions	569	15,095	2,495	(817)	817
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.

6. Taxes

General: 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 Schwyz cantonal and communal tax purposes, the Company is taxed as a holding company and is as such only liable for capital taxes. All relevant income of the Company, including the dividend income and capital gains from its investments, is exempt from taxation at the cantonal and communal level. 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	30.6.2020 TUSD	30.6.2019 TUSD
(Loss)/Profit for the period before taxes	(7,112)	2,284
Applicable tax rate	7.8%	7.8%
Income tax	(555)	178
Effect from: non-taxable income	555	(178)
Total	—	—

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

Taxes	30.6.2020 TUSD	30.6.2019 TUSD
Withholding tax expenses for investments	764	188
Total	764	188

7. Shareholders' equity

The share capital of the Company at 30 June 2020 amounts to TUSD 292 (31 December 2019: TUSD 292) consisting of 11,262,522 (31 December 2019: 11,262,522) issued and fully paid registered shares with a par value of CHF 0.05 each. In the general meeting on 14 May 2019 the board of directors resolved to transfer USD 9,4 million (CHF 9,17 million) of general reserves from capital contributions to accumulated surplus, in order to align the general legal reserves with the standard practice of the Swiss tax authorities.

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 147,526 as of 30 June 2020 (31 December 2019: TUSD 157,122).

The following distribution of legal reserves was paid out to the investors in 2019, no distribution took place in 2020:

Date of payment	USD/share	CHF/share
20.05.2019	2.97	3.00

Treasury shares

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 2020 the Company has purchased 139,054 treasury shares to the amount of TUSD 1,720 and no treasury shares were sold (31 December 2019: nil). As at 30 June 2020 the Company held in total 139,054 treasury shares (31 December 2019: nil). These treasury shares are treated as a deduction from the consolidated shareholders' equity using cost values of TUSD 1,720 (31 December 2019: TUSD nil). The gains and losses on sales of treasury shares are credited/debited to the retained earnings account.

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.

During the period from 1 January 2020 to 30 June 2020 the Company has purchased no treasury shares on its second trading line. As at 30 June 2020 the Company held in total 764,336 treasury shares on its second trading line (31 December 2019: 764,336). These treasury shares are treated as a deduction from the consolidated shareholders' equity using cost values of TUSD 14,339 (31 December 2019: TUSD 14,339).

Altogether the Company holds 903,390 treasury shares as at 30 June 2020 (31 December 2019: 764,336).

In the annual general meeting in May 2020 the cancellation of all registered shares was approved.

Treasury shares

Movement of treasury shares held by the Company	From	To	Cancelled	Number of shares	Average price USD	Cost TUSD
Number of treasury shares held by the Company as of 1 January 2020				—	—	—
Additions 2020	01.01.2020	30.06.2020	—	139,054	12.37	1,720
Number of treasury shares held by the Company as of 30 June 2020				139,054		1,720

Treasury shares 2 nd line (bought for cancellation) held by the Company	From	To	Cancelled	Number of shares	Average price USD	Cost TUSD
Buyback programs						
Program initiated on 26 June 2017, announced on 21 June 2017						
Additions 2017	26.06.2017	31.12.2017	07.08.2018	640,987	17.54	11,244
Additions 2017 via tradable put options ¹⁾	01.06.2017	19.06.2017	07.08.2018	1,084,131	18.75	20,322
Additions 2018	01.01.2018	08.05.2018	07.08.2018	259,266	17.74	4,599
Additions 2018 at a fixed price	26.02.2018	09.03.2018	07.08.2018	6,165,955	18.28	112,708
Additions 2018	09.05.2018	31.12.2018	22.08.2019	1,034,652	16.75	17,329
Additions 2018 via tradable put options ¹⁾	28.08.2018	21.09.2018	22.08.2019	853,084	22.12	18,867
Additions 2018 at a fixed price	13.11.2018	27.11.2018	22.08.2019	4,343,621	17.54	76,196
Additions 2019	03.01.2019	10.05.2019	22.08.2019	528,616	16.58	8,766
Additions 2019	13.05.2019	21.05.2019	—	31,529	15.71	495
Additions 2019 via tradable put options ¹⁾	24.05.2019	07.06.2019	—	547,654	20.35	11,145
Total				15,489,495	18.18	281,671
Program initiated on 14 June 2019, announced on 12 June 2019						
Additions 2019	14.06.2019	31.12.2019	—	185,153	14.58	2,699
Total				185,153	14.58	2,699

Movement of treasury shares 2 nd line and tradable put options (bought for cancellation)	Number of shares	Cost TUSD
Shares held as of 1 January 2019	6,231,357	112,392
Additions 2019 via 2 nd line	745,298	11,960
Additions 2019 via tradable put options	547,654	11,145
Cancellation on 22 August 2019	(6,759,973)	(121,158)
Shares held as of 31 December 2019	764,336	14,339

Summary of treasury shares held by the Company as of 30 June 2020	Number of shares	Average price USD	Cost TUSD
Treasury shares held by the Company as of 30 June 2020	139,054	12.37	1,720
Treasury shares 2 nd line (bought for cancellation) as of 30 June 2020 ¹⁾	764,336	16.88	14,339
Total of treasury shares held as of 30 June 2020	903,390		16,059

¹⁾ Cost includes the transaction expense of Zürcher Kantonalbank, Zurich, for the tradeable put option which causes a dilution of the average price.

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	30.6.2020 TUSD	31.12.2019 TUSD	30.6.2019 TUSD	
Castle Private Equity (International) PLC	LGT Private Equity Advisers AG/ Investment Management Agreement/indirect	Management fees	756	1,697	907	
		Management fees payable	370	395	400	
		Performance fees	—	448	1,048	
		Performance fees payable	—	448	1,048	
	LGT Fund Managers (Ireland) Ltd./ Management Agreement/direct	Administration fees	30	68	36	
		Administration fees payable	14	15	17	
	LGT Bank (Ireland) Ltd./ Loan Agreement/direct	Interest income on time deposits	—	—	—	
	LGT Fund Managers (Ireland) Ltd./ Investment Management Agreement/indirect	Investment management fees	—	—	—	
	LGT Capital Partners Ltd./ LGT Private Equity Advisers AG/ Advisory Agreement/indirect	Advisory fees	—	—	—	
	Directors/indirect	Directors' fees	2	—	—	
	Castle Private Equity (Overseas) Limited	LGT Fund Managers (Ireland) Ltd./ Administration Services Agreement/direct	Administration fees	—	4	3
		Administration fees payable	1	1	1	
LGT Bank Ltd./ Loan Agreement/direct		Cash at banks	242	9	12	
LGT Private Equity Advisers AG/ Investment Management Agreement/direct		Management fees	—	—	—	
LGT Capital Partners Ltd./LGT Private Equity Advisers AG/ Consulting Agreement/indirect		Consulting fees	—	—	—	
LGT Bank (Cayman) Ltd./LGT Private Equity Advisers AG/ Advisory Agreement/indirect		Advisory fees	—	—	—	
Directors/indirect		Directors' fees	—	5	5	
Castle Private Equity AG		LGT Bank Ltd./ LGT Group/indirect	Cash at banks	339	100	158
		LGT Group Holding Ltd./ Administrative Services Agreement/direct	Administration fees	30	60	30
		Administration fees payable	—	—	15	
	LGT Capital Partners Ltd./ Domicile Agreement/direct	Domicile fees	5	10	5	
	LGT Capital Partners Ltd./ Management Agreement/direct	General managers expenses	53	98	50	
		General managers expenses payable	—	—	50	
	Directors/direct	Directors' fees	110	203	101	

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 (loss)/income is geographically allocated as follows:

	North America TUSD	Europe TUSD	Asia TUSD	Other TUSD	Total TUSD
As of 30 June 2020					
Income					
Net loss on investments at fair value through profit or loss	(3,111)	(3,320)	1,150	(382)	(5,663)
Net loss on marketable securities investments at fair value through profit or loss	(2)	—	—	—	(2)
Total loss	(3,113)	(3,320)	1,150	(382)	(5,665)
As of 30 June 2019					
Income					
Net gain on investments at fair value through profit or loss	254	1,219	768	1,614	3,855
Net gain on marketable securities investments at fair value through profit or loss	35	—	—	—	35
Total income	289	1,219	768	1,614	3,890

The non-current assets are geographically allocated as follows:

	30.6.2020 TUSD	In %	31.12.2019 TUSD	In %
Non-current assets				
North America	24,563	19.8%	30,619	22.4%
Europe	37,056	29.9%	43,313	31.4%
Asia	48,462	39.1%	49,121	35.6%
Other	13,983	11.2%	14,780	10.6%
Total non-current assets	124,064	100.0%	137,833	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 judgment, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgment 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 2020 and 31 December 2019.

As of 30 June 2020	Level 1 TUSD	Level 2 TUSD	Level 3 TUSD	Total TUSD
Assets				
Assets at fair value through profit or loss:				
Investments	–	–	124,064	124,064
Total	–	–	124,064	124,064
As of 31 December 2019	Level 1 TUSD	Level 2 TUSD	Level 3 TUSD	Total TUSD
Assets				
Assets at fair value through profit or loss:				
Investments	–	–	137,833	137,833
Total	–	–	137,833	137,833

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)	30.6.2020 in %	31.12.2019 in %
Balanced stage	2%	2%
Buyout stage		
Large buyout stage	4%	5%
Middle market buyout stage	49%	48%
Small buyout stage	7%	7%
Special situations stage		
Distressed debt stage	4%	5%
Venture stage		
Early stage venture	17%	16%
Growth capital stage	3%	3%
Late stage venture	5%	5%
Co-Investment		
Large buyout stage	0%	0%
Small buyout stage	9%	9%
Total	100%	100%

11. Subsequent events

Since the balance sheet date of 30 June 2020 Castle Private Equity AG purchased 12,994 treasury shares at a cost amount of TUSD 144. As at 24 August 2020 the Company held in total 916,384 treasury shares on its second trading line at a cost amount of TUSD 16,203.

At the 12 May 2020 general meeting of shareholders the cancellation of 849,410 shares was approved and has been registered by the commercial register. With regards to the listing of the company's shares at the SIX Swiss Exchange, the cancellation becomes effective in August 2020 (date of exchange adjustment). From then on, the issued share capital of the company amounts to 10,413,112 registered shares with a par value of CHF 0.05 each.

Since the balance sheet date of 30 June 2020, 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: 0.9476

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	June 2020	Since inception
Share information													
Number of issued shares													
at year end (ooo) ¹⁾	43,200	43,200 ²⁾	43,200 ³⁾	41,700 ⁴⁾	37,530 ⁵⁾	35,630 ⁶⁾	33,464 ⁷⁾	29,228 ⁸⁾	26,324 ⁹⁾	18,022 ¹⁰⁾	11,263 ¹¹⁾	11,263 ¹²⁾	
USD net asset value ¹⁾	12.18	14.70	15.76	17.40	17.13	15.39	16.19	17.03	18.52	17.96	14.97	14.24	
CHF closing price ¹⁾	5.40	8.11	10.10	13.00	11.95	14.35	16.40	15.35	17.90	16.20	13.75	10.90	
Share performance¹³⁾													
USD net asset value	3.5%	20.7%	7.2%	10.4%	10.6% ¹⁴⁾	6.3% ¹⁵⁾	5.2%	5.2%	8.7%	5.3% ¹⁶⁾	0.9% ¹⁷⁾	(4.8%)	107.4% ^{14),15),16),17)}
USD closing price	64.1%	65.7%	24.1%	30.6%	11.5%	6.6%	12.7%	—	—	—	—	—	—
CHF closing price	57.4%	50.2%	24.5%	28.7%	7.3%	20.1%	14.3%	(6.4%)	16.6%	(9.5%)	(15.1%)	(20.7%)	4.8%

¹⁾ Adjusted for the ten for one share split.

²⁾ Of which 191,853 owned by the Group.

³⁾ Of which 1,726,060 owned by the Group.

⁴⁾ Of which 3,771,129 owned by the Group (575,885 in treasury and 3,195,244 for cancellation). On 12 July 2012, 1,500,000 shares purchased in the 2011 share buyback program were cancelled.

⁵⁾ Of which 1,782,385 owned by the Group (575,885 in treasury and 1,206,500 for cancellation). On 22 August 2013, 4,170,000 shares purchased on the 2012/2013 share buyback program were cancelled.

⁶⁾ Of which 2,057,885 owned by the Group (575,885 in treasury and 1,482,000 for cancellation). On 12 August 2014, 1,900,000 shares purchased on the 2013/2014 share buyback program were cancelled.

⁷⁾ Of which 3,659,175 owned by the Group (3,659,175 for cancellation). On 6 August 2015, 2,166,000 shares purchased on the 2013/2014 share buyback program were cancelled.

⁸⁾ Of which 2,320,072 owned by the Group. On 5 August 2016, 4,235,539 shares purchased via share buyback programs were cancelled.

⁹⁾ Of which 1,876,234 owned by the Group. On 26 September 2017, 2,904,511 shares purchased via share buyback programs were cancelled.

¹⁰⁾ Of which 6,231,357 owned by the Group. On 7 August 2018, 8,301,455 shares purchased via share buyback programs were cancelled.

¹¹⁾ Of which 764,336 owned by the Group. On 22 August 2019, 6,759,973 shares purchased via share buyback were cancelled.

¹²⁾ Of which 903,390 owned by the Group.

¹³⁾ Trading on Castle's USD trading line (ticker: CPED SW) was terminated on 31 October 2016.

¹⁴⁾ Adjusted for capital repayments of CHF 0.75 cents/USD 0.77 cents on 23 May 2013 and CHF 1.25 cents/USD 1.40 cents on 6 December 2013.

¹⁵⁾ Adjusted for capital repayments of CHF 1.25 cents/USD 1.40 cents on 22 May 2014, and CHF 1.40 cents/USD 1.43 cents on 5 December 2014.

¹⁶⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 1.00/USD 1.01 on 22 May 2018.

¹⁷⁾ Adjusted for distributions of general legal reserves from capital contributions of CHF 3.00/USD 2.97 on 20 May 2019.

Listing

SIX Swiss Exchange 4885474 (Swiss security number)

Price information

Reuters: CPE.S

Bloomberg: CPEN SW <Equity>

Publication of net asset value

www.castlepe.com

Registered office

Castle Private Equity AG, Schützenstrasse 6, CH-8808 Pfäffikon, Switzerland

Telephone +41 55 415 94 94, Fax +41 55 415 94 97

Investment manager

LGT Private Equity Advisers AG, Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein

Telephone +423 2352929, Fax +423 2352955, lgt.pea@lgt.com

Benedikt Meyer, general manager,

Telephone +423 235 2324, benedikt.meyer@lgt.com

Dr Roberto Paganoni, chairman of the board of directors,

Telephone +423 235 2332

www.castlepe.com

Registered office

Castle Private Equity AG
Schützenstrasse 6, CH-8808 Pfäffikon
Switzerland
Telephone +41 55 415 9494
Fax +41 55 415 9497

Investment manager

LGT Private Equity Advisers AG
Herrengasse 12, FL-9490 Vaduz
Principality of Liechtenstein
Telephone +423 235 2929
Fax +423 235 2955
E-mail lgt.pea@lgt.com

www.castlepe.com