Annual Report 2018 / 2019

Private Equity Holding AG

Private Equity Holding offers institutional and private investors the opportunity to invest in a broadly diversified private equity portfolio.

The objective of Private Equity Holding is to generate long-term capital growth for its shareholders.

Private Equity Holding's Investment Portfolio is managed by Alpha Associates.

Alpha Associates is an independent private equity, private debt and infrastructure manager and advisor, building and managing globally diversified private equity fund portfolios for institutional and private clients.

Table of Contents

Key Figures for the Financial Year 2018/2019

Share Value	31.03.19 EUR	31.03.18 EUR	Change in %[1]	31.03.19 CHF	31.03.18 CHF	Change in %[1]
Net asset value per share, based on fair values	**84.80**	77.79	**9.0%**	**94.76**	91.39	**3.7%**
Price per share (PEHN.S)	**56.82**	60.43	**(6.0%)**	**63.50**	71.00	**(10.6%)**

[1] Excl. distributions.

Net Profit for the Period	01.04.18-31.03.19 EUR 1,000	01.04.17-31.03.18 EUR 1,000	Change in %
Profit for the period	**22,560**	2,391	**844%**

Selected Balance Sheet Items (Consolidated)[2]	31.03.19 EUR 1,000	31.03.18 EUR 1,000	Change in %
Current assets	**2,699**	10,372	**(74%)**
Non-current assets	**218,744**	193,611	**13%**
Current liabilities	**495**	571	**(13%)**
Non-current liabilities	**—**	—	**n/a**
Total equity	**220,948**	203,412	**9%**

[2] Information herein is presented in addition to the IFRS Financial Statements.

Asset Allocation	Fair Value 31.03.19 EUR million	Unfunded Commitments 31.03.19 EUR million	Total Exposure[3] 31.03.19 EUR million	Total Exposure[3] 31.03.19 in %
Buyout funds	92.9	41.0	133.9	42%
Venture funds	54.4	16.8	71.2	23%
Special situation funds	32.4	32.4	64.8	21%
Total fund investments	**179.7**	**90.2**	**269.9**	**86%**
Direct investments and loans	39.0	5.6	44.6	14%
Total direct investments and loans	**39.0**	**5.6**	**44.6**	**14%**
Total funds, direct investments and loans	**218.7**	**95.8**	**314.5**	**100%**

[3] Fair value plus unfunded commitments.

Commitments	31.03.19	31.03.18	Change in %
Unfunded commitments (EUR million)	**95.8**	81.4	18%
Overcommitment[4]	**42.8%**	37.0%	16%
Net current assets / unfunded commitments	**2.3%**	12.0%	(81%)

[4] Overcommitment = (unfunded commitments - net current assets) / (non-current assets - non-current liabilities).

Chairman's Letter for the Financial Year 2018/2019

Dear Shareholders,

Private Equity Holding AG (PEH) reports a comprehensive income of EUR 22.6m for the financial year 2018/19. As of March 31, 2019, the net asset value per share stood at EUR 84.80 (CHF 94.76), representing an increase of 9.0% (in EUR, and 3.7% in CHF) over the course of the financial year, including the distribution of CHF 2.00 per share in July 2018. PEH's net asset value increased in 9 out of 12 months.

Portfolio Development

PEH's portfolio showed consistently strong performance throughout the year. The portfolio was cash flow positive by EUR 4.7 million (EUR 40.7 million called for new investments and portfolio level expenses versus EUR 45.4 million received in distributions). The largest distributions were received in connection with the IPO of Aston Martin on the London Stock Exchange in October 2018. Other noteworthy distributions were received from Investindustrial V, Eagletree III, Highland Europe I, ABRY VIII, Bridgepoint Europe IV, and Avista III and Avista IV.

Growth Strategy

PEH completed several new investments during the financial year, including three new direct co-investments. These include (i) Cloudflare, a web performance and security company where PEH invested alongside Pelion Venture Partners, (ii) Renaissance Learning, a provider of educational software solutions (alongside Francisco Partners), and (iii) Dupont Sustainable Solutions, an operations management consulting firm (alongside Gyrus I). New fund investments include MidEuropa V, ABRY Advanced Securities IV and ABRY IX, Highland Europe Technology Growth III and Investindustrial VII.

In addition, PEH established an Emerging Manager Program (EMP) to support and gain access to newly established venture fund managers. The first commitment was a USD 1.5 million commitment to Blossom Capital Fund I, a London-based early-stage venture capital fund focused on European tech startups.

Investor Relations

The discount between NAV and share price amounted to 33% at the end of the financial year and widened moderately since then. The Board of Directors considers this an inappropriate reflection of the quality of the portfolio, its maturity and the proven reliability and conservative nature of the investments' reported NAVs. As a consequence, we have initiated a communication effort including road shows and lunch presentations to interested parties throughout 2019. As always, we are committed to increasing the NAV per share and at this stage in particular narrowing the discount.

Annual General Meeting 2019

The company's Annual General Meeting (AGM) will take place on July 11, 2019. The Board of Directors will propose a tenth consecutive distribution of CHF 2 per share. At the time of writing, this represents a dividend yield of approximately 3%. We remain committed to continuing our successful three-fold strategy ensuring long-term growth, NAV accretion and providing a regular yield. Further details can be found in the invitation to the AGM, which will be distributed to shareholders and published on June 14, 2019.

We are committed to continuing our efforts for the benefit of our shareholders and thank you for your continued trust and support.

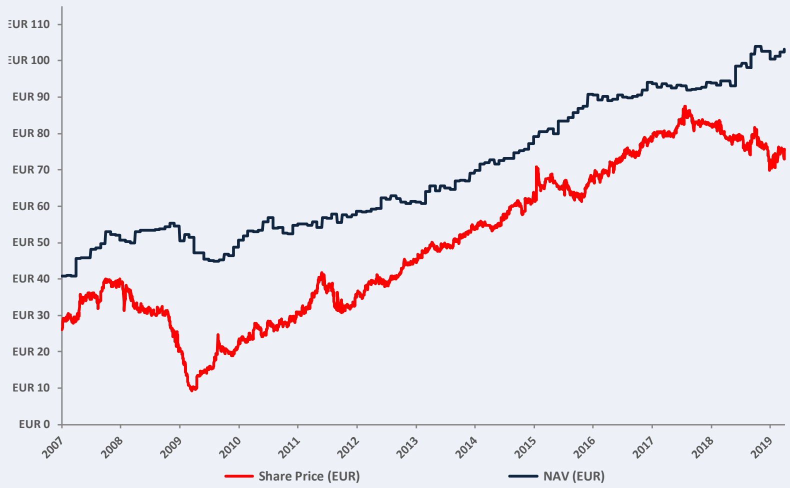
Dr. Hans Baumgartner

Chairman of the Board of Directors

June 14, 2019

Development of Net Asset Value and Share Price

Share Price and NAV per Share
01.01.2007 - 31.03.2019 (in EUR incl. distributions)



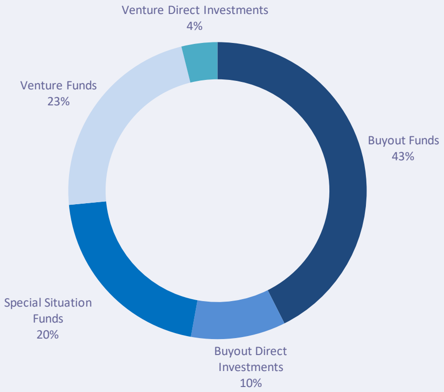
NAV per share in EUR:	**84.80**
NAV per share in CHF:	**94.76**
Share price in EUR:	**56.82**
Share price in CHF:	**63.50**
Discount to NAV as of 31.03.2019:	**-33.0%**

Relative Performance of PEHN
01.01.2007 - 31.03.2019 (in EUR incl. distributions)

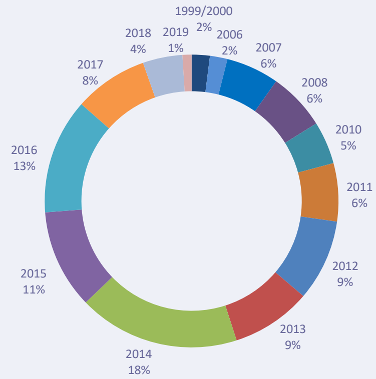
PEHN has outperformed the LPX-50 PE-Index by:	**158.8%**
PEHN has outperformed the MSCI World Index by:	**77.1%**

Private Equity Holding Portfolio Overview

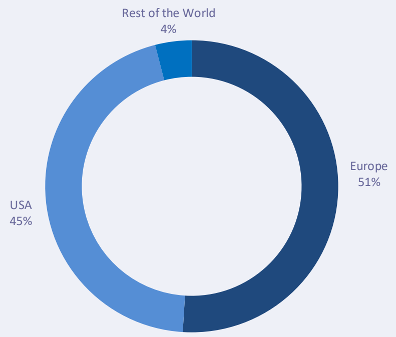
Allocation by Investment Category[1]



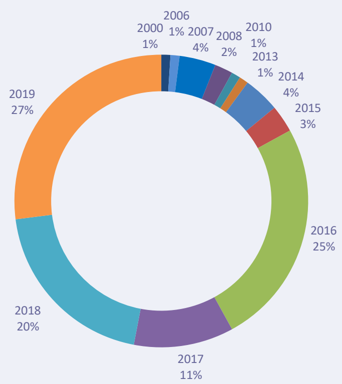
Fair Value of the Portfolio by Vintage Year



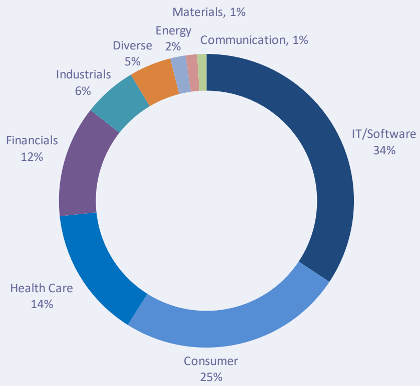
Allocation by Geography[2]



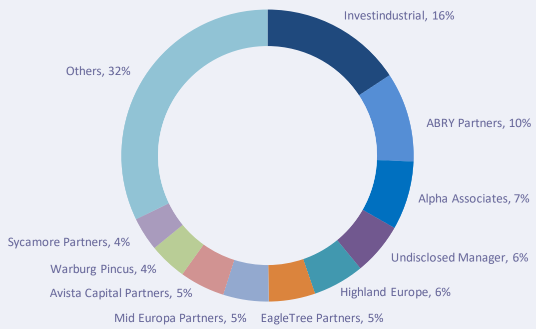
Unfunded Commitments of the Portfolio by Vintage Year



Allocation by Industry[2]



10 Largest Exposures by Managers



[1] Based on fair values plus unfunded commitments of portfolio holdings

[2] Based on fair values of the underlying companies

Five Largest Exposures by Fair Value

representing 21.0% of the total fair value of PEH's investment portfolio

Aston Martin

Type:	Direct Co-Investment
Industries:	Automotive
Region:	Europe
Fair Value:	EUR 11.6 million 5.3% of PEH Portfolio

Mid Europa Fund IV

Fund Size:	EUR 808 million
Type:	Buyout
Industries:	Diverse
Region:	Central & Eastern Europe
Fair Value:	EUR 11.0 million 5.0% of PEH Portfolio

Pollen Street III

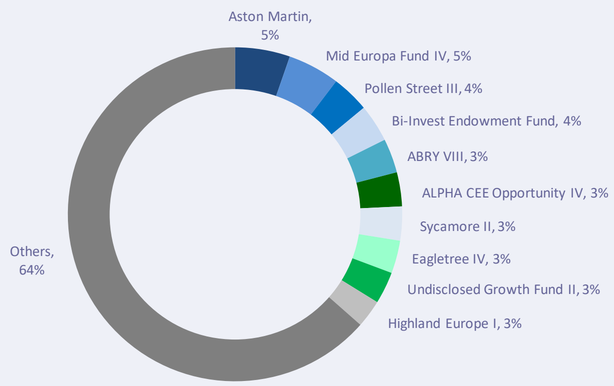
Fund Size:	GBP 332 million
Type:	Buyout
Industries:	Financials
Region:	Europe
Fair Value:	EUR 8.0 million 3.7% of PEH Portfolio

Bi-Invest Endowment Fund

Fund Size:	EUR 263 million
Type:	Buyout
Industries:	Diverse
Region:	Europe
Fair Value:	EUR 8.0 million 3.7% of PEH Portfolio

ABRY VIII

Fund Size:	USD 1,900 million
Type:	Buyout
Industries:	Consumer
Region:	North America
Fair Value:	EUR 7.2 million 3.3% of PEH Portfolio



Five Largest Exposures by Unfunded Commitment

representing 38.6% of the total unfunded commitments of PEH's investment portfolio

ABRY PARTNERS

ABRY ASF IV

Fund Size:	USD 1,500 million
Type:	Special Situation
Industries:	Consumer
Region:	North America
Unfunded Commitment:	EUR 8.6 million 9.0% of PEH Portfolio

PROCURITAS

Procuritas VI

Fund Size:	EUR 312 million
Type:	Buyout
Industries:	Diverse
Region:	Europe
Unfunded Commitment:	EUR 7.8 million 8.2% of PEH Portfolio

SYCAMORE PARTNERS

Sycamore III

Fund Size:	USD 4,300 million
Type:	Special Situation
Industries:	Consumer
Region:	North American
Unfunded Commitment:	EUR 7.7 million 8.1% of PEH Portfolio

ABRY PARTNERS

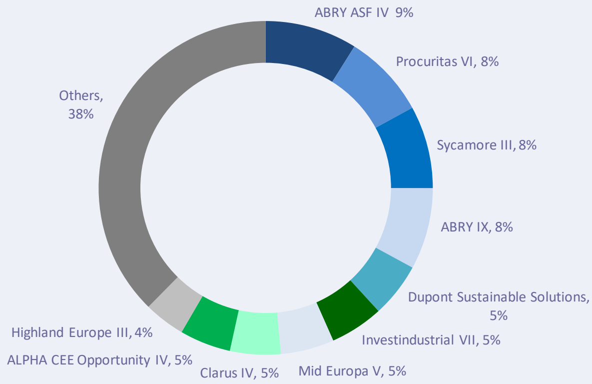
ABRY IX

Fund Size:	USD 2,100 million
Type:	Buyout
Industries:	Consumer
Region:	North America
Unfunded Commitment:	EUR 7.6 million 8.0% of PEH Portfolio

DUPONT

Dupont Sustainable Solutions

Fund Size:	EUR 144 million
Type:	Buyout
Industries:	Consulting Services
Region:	North America
Unfunded Commitment:	EUR 5.1 million 5.3% of PEH Portfolio



Recent Direct Investments

Fair Value:	EUR 5.1 million	*Industry:*	Financials
Investment date:	2017	*Region:*	Europe

Shawbrook Bank

Founded in 2010, Shawbrook is a specialist UK savings and lending bank seeking to address markets where customers are poorly served by large high street banks and where expertise, relationships and a high quality service have the potential to generate attractive margins. The group operates in 3 broad markets of property finance, business finance and consumer, with the vast majority of all lending secured and well collateralised.

Private Equity Holding invested GBP 4.0 million in Shawbrook in Q3 2017 as part of a co-investment with Pollen Street Capital.

Fair Value:	EUR 4.6 million	*Industry:*	Software
Investment date:	2018	*Region:*	North America

Renaissance Learning

Founded in 1986, with the launch of Accelerated Reader, Renaissance offers digital learning solutions, including math and literacy assessments (Star Assessments), reading practice (Accelerated Reader and myON). Its products are used in approximately one-third of U.S. schools and more than 70 countries worldwide.

The addressable market for Renaissance is approximately USD 2.0 billion in size, representing circa 20% of the total USD 9.0 billion spent on instructional materials. This market is addressed by providers of both print and digital solutions. While print solutions are declining, digital solutions are growing rapidly as digitally delivered assessments allow educators to store, and perform analytics on, student data.

Private Equity Holding invested USD 5.0 million in Renaissance in Q3 2018 as part of a co-investment with Francisco Partners.

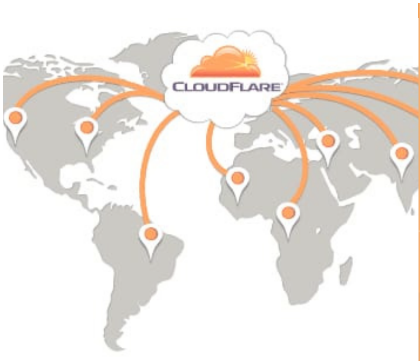

Recent Direct Investments

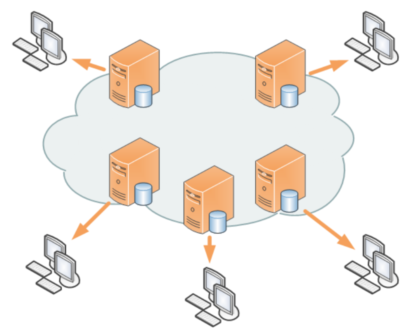
Fair Value:	EUR 1.8 million	*Industry:*	Software
Investment date:	2018	*Region:*	North America

Cloudflare

Founded in 2009, Cloudflare is a fast growing web performance and security company that delivers online services to protect and accelerate websites online. The company provides content delivery network, internet security services and distributed domain name server services, sitting between the visitor and the Cloudflare user's hosting provider, acting as a reverse proxy for websites. Its network protects, speeds up, and improves availability for a website or mobile application with a change in DNS. Cloudflare was created in 2009.

Private Equity Holding invested USD 2.5 million in Cloudflare in Q3 2018 as part of a co-investment with Pelion Ventures.





Fair Value:	EUR 0.7 million	*Industry:*	Consulting Services
Investment date:	2019	*Region:*	North America

DuPont Sustainable Solutions

Founded over 50 years ago as a business unit of Dupont Chemicals, DuPont Sustainable Solutions (DSS) is ranked first amongst 20 consulting firms in the Environmental, Health and Safety (EHS) industry, and can rely on blue-chip clients and recurring revenues in a variety of industries.

Most of the DSS business is less cyclical than other consulting practices as it addresses regulatory-driven activity. DSS is a global firm with a strong franchise in Asia, Europe and the Middle East.

Private Equity Holding committed to invest up to USD 7.0 million as part of a co-investment with Gyrus Capital to carve out DSS from Dupont Chemicals. The majority of the commitment will be drawn in the second half of 2019.

IFRS Financial Statements

Notes to the Financial Statements

Statement of Comprehensive Income

EUR 1,000	Notes	01.04.18-31.03.19	01.04.17-31.03.18
Income			
Net gains from investments in non-consolidated subsidiaries at fair value through profit or loss	9	28,390	4,007
Net gains/(losses) from financial assets at fair value through profit or loss	9	(2,645)	(853)
Foreign exchange gains/(losses)		(1,250)	1,026
Interest income calculated using effective interest rate method		49	—
Other income		1	34
Total income		**24,545**	**4,214**
Expenses			
Administration expenses	15	438	439
Corporate expenses		733	781
Total expenses		**1,171**	**1,220**
Profit from operations		**23,374**	**2,994**
Interest expenses		(814)	(603)
Profit for the period attributable to equity holders of the company		**22,560**	**2,391**
Other comprehensive income			
Other comprehensive income for the period, net of income tax		—	—
Total comprehensive income for the period attributable to equity holders of the company		**22,560**	**2,391**

	Notes	01.04.18-31.03.19	01.04.17-31.03.18
Basic earnings per share (EUR)	13	8.65	0.89
Diluted earnings per share (EUR)	13	8.65	0.89

Minor differences in totals are due to rounding.

Balance Sheet

EUR 1,000	Notes	31.03.19	31.03.18
Assets			
Current assets			
Cash and cash equivalents	6	215	1,774
Receivables and prepayments	7	93	149
Total current assets		**308**	**1,923**
Non-current assets			
Investments in non-consolidated subsidiaries at fair value through profit or loss	8	264,022	235,631
Financial assets at fair value through profit or loss	8	2,372	5,017
Interest bearing loans	12.1	1,832	—
Total non-current assets		**268,226**	**240,648**
Total assets		**268,534**	**242,571**

Liabilities and equity			
Current liabilities			
Payables and other accrued expenses		199	218
Total current liabilities		**199**	**218**
Non-current liabilities			
Interest bearing borrowings	12.2	47,387	38,941
Total non-current liabilities		**47,387**	**38,941**
Total liabilities		**47,586**	**39,159**
Equity			
Share capital	13	10,311	10,311
Share premium		30,267	33,529
Treasury shares	13	(8,894)	(8,355)
Retained earnings		189,264	167,927
Total equity		**220,948**	**203,412**
Total liabilities and equity		**268,534**	**242,571**

	31.03.19	31.03.18
Total number of shares as of period end	2,750,000	2,750,000
Number of treasury shares as of period end	(144,423)	(135,046)
Number of shares outstanding as of period end	**2,605,577**	**2,614,954**
Net asset value per share (EUR)	84.80	77.79

Minor differences in totals are due to rounding.

Statement of Changes in Equity

EUR 1,000	Share capital	Share premium	Treasury shares	Retained earnings	Total equity
Opening as of 01.04.17	**10,311**	**38,594**	**(1,838)**	**167,830**	**214,897**
Profit/(loss) for the period	—	—	—	2,391	2,391
Total other comprehensive income for the period, net of income tax	—	—	—	—	—
Total comprehensive income for the period	**—**	**—**	**—**	**2,391**	**2,391**
Purchase of treasury shares	—	—	(6,622)	—	(6,622)
Sale of treasury shares	—	25	105	—	130
Repayment of share premium (paid-in-capital)[1]	—	(5,090)	—	(2,294)	(7,384)
Total contributions by and distributions to owners of the Company	**—**	**(5,065)**	**(6,517)**	**(2,294)**	**(13,876)**
Total as of 31.03.18	**10,311**	**33,529**	**(8,355)**	**167,927**	**203,412**

Opening as of 01.04.18	**10,311**	**33,529**	**(8,355)**	**167,927**	**203,412**
Profit/(loss) for the period	—	—	—	22,560	22,560
Total other comprehensive income for the period, net of income tax	—	—	—	—	—
Total comprehensive income for the period	**—**	**—**	**—**	**22,560**	**22,560**
Purchase of treasury shares	—	—	(652)	—	(652)
Sale of treasury shares	—	(3)	113	—	110
Repayment of share premium (paid-in-capital)[2]	—	(3,259)	—	(1,223)	(4,482)
Total contributions by and distributions to owners of the Company	**—**	**(3,262)**	**(539)**	**(1,223)**	**(5,024)**
Total as of 31.03.19	**10,311**	**30,267**	**(8,894)**	**189,264**	**220,948**

Minor differences in totals are due to rounding.

[1] The Annual General Meeting held on July 10, 2017 decided on a repayment of share premium (paid-in capital) in the amount of CHF 3.00 per outstanding share (no repayment of share premium (paid-in capital) was made on treasury shares). The repayment of share premium (paid-in capital) was made with value date July 18, 2017.

[2] The Annual General Meeting held on July 12, 2018 decided on a repayment of share premium (paid-in capital) in the amount of CHF 2.00 per outstanding share (no repayment of share premium (paid-in capital) was made on treasury shares). The repayment of share premium (paid-in capital) was made with value date July 18, 2018.

Statement of Cash Flows

EUR 1,000	Notes	01.04.18-31.03.19	01.04.17-31.03.18
Cash flow from operating activities			
Capital contributed to investments		—	—
Distributions received from investments		—	—
Other income		1	34
Interest bearing loans		(1,759)	—
Interest received on interest bearing loans		49	—
Administration expenses paid		(438)	(439)
Corporate expenses paid		(587)	(616)
Transaction expenses paid		—	(4)
Net adjustments for other assets and liabilities		(8)	68
Net cash (used)/provided by operating activities		**(2,742)**	**(957)**
Cash flow from financing activities			
Proceeds from interest bearing borrowings		7,125	18,202
Interest paid on interest bearing borrowings		(756)	(603)
Interest paid on short-term bank borrowings		(58)	—
Commitment fee on borrowings		(147)	(162)
Purchase of treasury shares		(673)	(6,625)
Sale of treasury shares		110	130
Repayment of share premium (paid-in-capital)	13	(4,482)	(7,384)
Net cash (used)/provided by financing activities		**1,119**	**3,558**
Net increase/(decrease) in cash and cash equivalents		**(1,623)**	**2,601**
Cash and cash equivalents at the beginning of the period		1,774	96
Effects of exchange rate changes on cash and cash equivalents		64	(923)
Cash and cash equivalents at the end of the period		**215**	**1,774**

Minor differences in totals are due to rounding.

Notes to the Financial Statements

1. Reporting entity

Private Equity Holding AG (the "Company") is a stock company incorporated under Swiss law with registered address at Gotthardstrasse 28, 6302 Zug, Switzerland. The business activity of the Company is mainly conducted through investing the Company's assets directly and indirectly through its Cayman Islands non-consolidated subsidiaries (together referred to as the "Group").

The Company controls 100% of the voting rights and ownership interests in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd. (the "Subsidiaries"). The non-consolidated Subsidiaries are incorporated in the Cayman Islands.

The business activity of the Company is the purchase, holding and disposal of investments held in private equity funds and directly in companies with above-average growth potential. The Board of Directors has appointed one of its members as the Board's Delegate (the "Delegate"), who is responsible for managing the day-to-day business of the Company. ALPHA Associates (Cayman) LP, Cayman Islands, and ALPHA Associates AG, Zurich (together "ALPHA Group" or the "Investment Manager"), act as investment manager and investment adviser, respectively and provide certain support services to the Company. See also Note 15.

As of March 31, 2019, the Company had no employees (March 31, 2018: no employees).

The accompanying notes are an integral part of these financial statements.

2. Basis of preparation

a) Statement of compliance

The financial statements of the Company as at and for the year ended March 31, 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). They comply with Swiss law and Article 14 of the Directive on Financial Reporting issued by the SIX Swiss Exchange.

These financial statements were authorised for issue by the Board of Directors on June 13, 2019.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss ("FVTPL") and investments in non-consolidated subsidiaries, which are measured at fair value.

c) Functional and presentation currency

These financial statements are presented in EUR, which is the Company's functional currency.

The Board of Directors considers the EUR the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The EUR is the currency in which the Company measures its performance and reports its results. This determination also considers the competitive environment in which the Company is compared to other investment products.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Foreign currency

Transactions in foreign currencies are translated into EUR at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into EUR at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into EUR at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss as net foreign exchange gain/(loss), except for those arising on financial assets at FVTPL, which are recognised as a component of net gain/(loss) from financial assets at FVTPL and investments in non-consolidated subsidiaries at FVTPL.

The following currency exchange rates were applied as of March 31, 2019 and March 31, 2018 for the retranslation of monetary assets and liabilities into EUR:

Currency	31.03.19	31.03.18
EUR/USD	1.1223	1.2320
EUR/CHF	1.1175	1.1749
EUR/GBP	0.8619	0.8779

b) Financial assets and financial liabilities

IFRS 9 Financial instruments (“IFRS 9”) addresses the classification, measurement and (de)recognition of financial assets and liabilities. It replaces the multiple classification and measurement models in IAS 39 as well as the ‘incurred loss’ model in IAS 39 with an ‘expected credit loss’ model and is effective for reporting periods beginning on April 1, 2018. As of April 1, 2011, the Company early adopted IFRS 9 Financial Instruments. Therefore, the Company has classified its financial assets and subsequent measurements at either amortised cost, at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVOCI) on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The new impairment model under IFRS 9 has been initially applied from April 1, 2018, with no material expected credit loss identified (for further details, we refer to note 3f).

Recognition and initial measurement

Financial assets and liabilities at FVTPL are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they are originated.

Financial assets and liabilities at FVTPL are recognised initially at fair value, with transaction costs recognised in profit or loss. Financial assets or liabilities not at FVTPL are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification

The Company classifies financial assets and financial liabilities into the following categories:

Fair value through profit or loss:

- Investments in non-consolidated subsidiaries at FVTPL;
- Financial assets at FVTPL.

Financial assets at amortised cost:

- Cash and cash equivalents;
- Receivables and prepayments;
- Interest bearing loans.

Financial liabilities at amortised cost:

- Other liabilities - Payables and other accrued expenses;
- Other liabilities - Interest bearing borrowings.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Impairment

The Company’s impairment policy has been updated to align with the requirements of the IFRS 9 expected credit loss model (“ECL”).

Loss allowances for ECL on cash and cash equivalents and receivables have been measured on a 12-month expected loss basis and reflect the short maturities of the exposures. The Company considers that these exposures have low credit risk when the external credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Company monitors changes in credit risk on these exposures by regularly tracking published external credit ratings of the counterparties.

The Company's interest bearing loans are granted to non-consolidated subsidiaries. Since the subsidiaries fulfil the requirement to have a strong capacity to meet the contractual cash flow obligation, the loans are considered low credit risk and a 12-month ECL is applied.

Credit risk is deemed low in the cases where the counterparty has a strong capacity to meet its contractual cash flow obligation in the near term. The Company assumes that the credit risk has increased significantly if a financial asset is more than 30 days past due. A financial asset is assumed credit-impaired if there is evidence for events with a detrimental impact on the estimated future cash flow, for example:

- Significant financial difficulty of the borrower;
- Financial asset is more than 90 days past due;
- It is probable that the borrower will enter bankruptcy.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Partnership has access at that date.

The fair value of quoted direct investments is determined by reference to their quoted market prices, defined as the "bid" price on the principal securities exchange or market on which such investments are traded as of close of business on the valuation date, or in the absence thereof, the last available price quotation from such exchange or market.

In estimating the fair value of unquoted direct investments, the General Partner considers the most appropriate market valuation techniques, using a maximum of observable inputs. These include but are not limited to the following:

- Cost basis;
- Result of multiple analysis;
- Result of discounted cash flow analysis;
- Reference to transaction prices, including subsequent financing rounds;
- Reference to the valuation of the lead investor or other investors;
- Result of operational and environmental assessment.

In estimating the fair value of unquoted fund investments, the Company considers all appropriate and applicable factors relevant to their value, including but not limited to the following:

- Reference to the fund investment's reporting information;
- Reference to transaction prices;
- Result of operational and environmental assessment.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest on such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

c) Net gains/losses from investments in non-consolidated subsidiaries at fair value through profit or loss and from financial assets at fair value through profit or loss

Net gains/(losses) from investments in non-consolidated subsidiaries at FVTPL and from financial assets at FVTPL includes all realised and unrealised fair value changes, dividends and interest income from investments and foreign exchange differences.

Interest and dividend income from investments is included in "Net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss and from financial assets at fair value through profit or loss" (see Note 9).

Interest income and expenses are recognised in profit or loss, using the effective interest method.

Dividend income is recognised in profit or loss on the date that the right to receive payment is established.

d) Administration expenses, corporate and transaction expenses

Administration expenses, corporate and transaction expenses are recognised in profit or loss as the related services are performed.

e) Income taxes

The Company is taxed as a holding company in the Canton of Zug. Income, including dividend income and capital gains from its investments in non-consolidated Subsidiaries, is exempt from taxation at the cantonal and communal level. For Swiss federal tax purposes, income tax at an effective tax rate of approximately 7.8% is levied. However, dividend income qualifies for the participation exemption if the related investment represents at least 10% of the other company's share capital or has a value of not less than CHF 1 million. The participation exemption is extended to capital gains on the sale of a substantial investment in non-consolidated Subsidiaries (i.e. at least 10%), which was held for a minimum holding period of one year and in case the sales price of the participation exceeds its original acquisition cost. The result of the participation exemption pursuant to the aforementioned requirements is that dividend income and capital gains (except recovered depreciations) are almost fully exempt from taxation.

f) New standards and interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2018, and have been applied in preparing these financial statements.

New standards and interpretations effective from January 1, 2018

Standards, amendments and interpretations that have been adopted by the Company for the year ended March 31, 2019 are:

- IFRS 9 replaces the "incurred loss" model in IAS 39 with a forward-looking ECL model. The new impairment model applies to financial assets measured at amortised cost such as cash and cash equivalents and receivables, but not to investments in financial instruments measured at fair value. Under IFRS 9, credit losses are recognised earlier than under IAS 39. The Company monitors changes in credit risk on these exposures by tracking published external credit ratings of the counterparties and by regularly assessing economic changes and outlooks. Currently, all cash and cash equivalents are placed with Credit Suisse (Schweiz) AG which has a Fitch rating of A. For cash and cash equivalents, receivables and prepayments, and interest bearing loans, no material expected credit loss was identified and no allowance recognised as at April 1, 2018 and March 31, 2019.
- IFRS 15, "Revenue from contracts with customers". The Company does not generate any revenues from contracts with customers.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2018 that have a material effect on the financial statements of the Company.

New standards, amendments and interpretations that are not yet effective and might be relevant for the Company

The following new standards and interpretations are not yet effective and were not early adopted in preparing these financial statements:

- IFRS 16, "Leases". The Company assessed its potential impact, based on the analysis of the factors in IFRS 16.B37, the Company concluded that this new standard has no material impact on the accounting policies and overall results and financial position.

Of those standards and interpretations not yet effective, none is expected to have a significant impact on the Company's financial statement in the period of initial application.

4. Critical accounting estimates and judgments

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

4.1 Critical accounting estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The fair values assigned to financial assets at FVTPL and the investments in non-consolidated subsidiaries at FVTPL are based upon available information and do not necessarily represent amounts which might ultimately be realised. Because of the inherent uncertainty of valuation, these estimated fair values may differ significantly from the values that would have been used had a ready market for the financial assets at FVTPL and the investments in non-consolidated subsidiaries at FVTPL existed, and those differences could be material.

4.2 Critical judgements

As per April 1, 2017, the Company has adopted “Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)” . The amendments clarify that an investment entity only consolidates its subsidiaries if both the following criteria are met:

- The subsidiary is not itself an investment entity;
- The subsidiary’s main purpose is to provide services that relate to the investment entity’s investment activities.

The Company and its Subsidiaries meet the definition of an investment entity.

5. Financial risk management

5.1 Introduction and overview

The Company manages its risk on a Group level by looking through its non-consolidated Subsidiaries. This holistic approach is necessary in order to identify and manage risks appropriately. The Group has exposures to the following risks from financial instruments: market risk (including equity price risk, interest rate risk, currency risk), credit risk and liquidity risk. The Group’s overall risk management process focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects of the Company’s financial performance.

The Board of Directors, the Delegate and the Investment Manager attribute great importance to professional risk management, beginning with careful diversification, the sourcing of access to premier private equity investment opportunities, proper understanding and negotiation of appropriate terms and conditions and active monitoring including ongoing interviews with fund managers, thorough analysis of reports and financial statements and ongoing review of investments made. It is also key to structure the proper investment vehicles for the portfolio taking into account issues such as liquidity or tax related issues. The Group has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the economic impact of these risks. The Investment Manager provides the Board of Directors with recommendations as to the Group’s asset allocation and annual investment level that are consistent with the Group’s objectives. The Board of Directors reviews and agrees policies for managing each of these risks as summarised below.

5.2 Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates and interest rates will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

a) Equity price risk on non-current assets

The Group invests in financial assets to take advantage of their long-term growth. All investments present a risk of loss of capital. The Investment Manager moderates the risk through a careful selection of financial assets within specified limits. All of the companies in which the Group and its investee funds invest are subject to the risks inherent in their industries. Moreover, established markets do not exist for these holdings, and, therefore, they are considered illiquid (excluding listed direct investments).

The Group also invests a significant proportion of its assets in high-technology and biotechnology companies and funds, which represents a concentration of risk in two highly volatile industries. The Group attempts to minimise such risks by engaging in extensive investment due diligence and close monitoring.

If the value of the investments based on period-end values had increased or decreased by 13.7% (5-year average performance of the LPX 50 Total Return Index, whereby annual returns are all in absolute values) with all other variables held constant, the impact on the financial statements would have been EUR 30.0 million (2017/2018: 5-year average of 15.6%, EUR 30.2 million).

The LPX 50 Total Return Index is widely used in the private equity industry and serves as a relevant performance benchmark. However, the Company is exposed to a variety of market risk factors, which may change significantly over time. As a result, measurement of such risk exposure at any given point in time may be difficult given the complexity and limited transparency of the underlying investments.

b) Interest rate risk

If interest rates had changed by 100 basis points with all other variables held constant as of March 31, 2019, the increase or decrease to profit or loss would amount to approximately EUR 0.5 million (March 31, 2018: EUR 0.4m). The Company may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Company or its non-consolidated Subsidiaries invest, and the impact on the valuation that uses interest rates as an input in the valuation model, such as the discounted cash flow models used in the valuation of unlisted investments. Therefore, the above sensitivity analysis may not indicate the total effect on the Company from future movements in interest rates.

c) Currency risk

The Group holds assets and liabilities denominated in currencies other than its functional currency, which expose the Group to the risk that the exchange rate of those currencies against the EUR will change in a manner which adversely impacts the Group's net income and equity. Foreign exchange differences on financial assets at FVTPL are included in the line item "Net gains/(losses) from financial assets at fair value through profit or loss" in the statement of comprehensive income. The table below summarises the Company's exposure to currency risks:

Currency risk as of March 31, 2019

	USD 1,000	CHF 1,000	GBP 1,000
Assets			
Cash and cash equivalents	34	166	1
Interest bearing loans	2,056	—	—
Receivables	11	—	—
Total assets	**2,101**	**166**	**1**
Liabilities			
Payables, other accrued expenses	—	223	—
Interest bearing borrowings	5,794	20,760	—
Total liabilities	**5,794**	**20,983**	**—**
Net exposure in accordance with IFRS	**(3,693)**	**(20,817)**	**1**
Financial assets and non-consolidated subsidiaries at fair value through profit or loss	**127,647**	**22,284**	**11,466**
Net exposure in accordance with the reporting to the Board of Directors	**123,954**	**1,467**	**11,467**

Currency risk as of March 31, 2018

	USD 1,000	CHF 1,000	GBP 1,000
Assets			
Cash and cash equivalents	744	109	—
Receivables	—	990	—
Total assets	**744**	**1,099**	**—**
Liabilities			
Payables and other accrued expenses	—	123	—
Interest bearing borrowings	6,805	14,697	—
Total liabilities	**6,805**	**14,820**	**—**
Net exposure in accordance with IFRS	**(6,061)**	**(13,721)**	**—**
Financial assets and non-consolidated subsidiaries at fair value through profit or loss	**117,209**	**19,418**	**9,450**
Net exposure in accordance with the reporting to the Board of Directors	**111,148**	**5,697**	**9,450**

As of March 31, 2019, had the exchange rate between the EUR/USD increased or decreased by 8.9% (change in EUR/USD rate between April 1, 2018 and March 31, 2019) with all other variables held constant, the increase or decrease to profit or loss would have amounted to EUR 0.3 million (2017/2018: 15.2%, EUR 0.7 million (excluding currency risk on the underlying investment portfolio)). Including the currency risk on the underlying investment portfolio, the increase or decrease to profit or loss would amount to EUR 9.8 million (2017/2018: 15.2%, EUR 13.7 million).

The Investment Manager monitors the Group's currency position on a monthly basis and reports the currency exposures on the balance sheet and the impact of the currency movements on the performance of the long term investment portfolio to the Board of Directors monthly. The non-current financial assets at FVTPL and the investments in non-consolidated subsidiaries at FVTPL have therefore been included in the above analysis of March 31, 2019 and March 31, 2018 and will be included going forward.

5.3 Credit risk

The Group takes on exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due resulting in a loss for the Group. The schedule below summarises the Group's exposure to credit risk.

In accordance with the Group's policy, the Investment Manager monitors the Group's credit position on a monthly basis and the Board of Directors reviews it on a regular basis.

Credit risk as of March 31, 2019

EUR 1,000	PEH fully performing	Subsidiaries fully performing	Total	Rating (Fitch)
Cash at Credit Suisse (Schweiz) AG	215	2,251	2,466	A
Receivables[1]	—	125	125	n/a
Interest bearing loans	1,832	—	1,832	n/a
Total exposure to credit risk	**2,047**	**2,376**	**4,423**	

Credit risk as of March 31, 2018

EUR 1,000	PEH fully performing	Subsidiaries fully performing	Total	Rating (Fitch)
Cash at Credit Suisse (Schweiz) AG	1,774	8,123	9,897	A
Receivables[1]	—	326	326	n/a
Total exposure to credit risk	**1,774**	**8,449**	**10,223**	

[1] Excludes tax receivables and prepaid expenses.

No financial assets carried at amortised cost were past due or impaired either at March 31, 2019 or March 31, 2018.

5.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Group. The Group's policy and the Investment Manager's approach to managing liquidity is to have sufficient liquidity to meet its liabilities, including estimated capital calls, without incurring undue losses or risking damage to the Group's reputation.

Unfunded commitments are irrevocable and can exceed cash and cash equivalents available to the Group. Based on current short-term cash flow projections and barring unforeseen events, the Group expects to be able to honor all capital calls.

As of March 31, 2019, cash and cash equivalents of the Company amount to EUR 0.2 million, plus the cash holdings of the non-consolidated Subsidiaries at fair value through profit or loss of EUR 2.3 million (March 31, 2018: EUR 1.8 million plus EUR 8.1 million). In addition, the Company has access to a EUR 20.0 million credit facility (see also Note 12.2), which is undrawn as of March 31, 2019 (March 31, 2018: undrawn), which provides for an additional liquidity buffer.

The Company's non-consolidated Subsidiaries at FVTPL are exposed to a total undrawn amount in respect of commitments made on or before March 31, 2019 in the amount of EUR 95.8 million (March 31, 2018: EUR 81.4 million). Unfunded commitments are irrevocable and may be called at any time. Although not expected in the normal course of business, a significant percentage of the unfunded commitments may be due within less than one month. The Company does not have a direct obligation to meet the commitments, however is indirectly exposed to drawdowns, as if they are not met, then the Company would indirectly suffer the respective financial consequences to which the non-consolidated Subsidiaries at FVTPL would be exposed to.

The majority of the investments which the Group makes are unquoted and subject to specific restrictions on transferability and disposal. Consequently, the risk exists that the Group might not be able to readily dispose of its holdings in such markets or investments when it chooses and also that the price attained on a disposal is below the amount at which such investments are included in the Group's balance sheet.

The schedule below analyses the Group's financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the schedule are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant. In accordance with the Group's policy, the Investment Manager monitors the Group's liquidity position on a daily basis, and the Board of Directors reviews it on a regular basis. The Company's standalone liquidity risk is as follows:

Liquidity risk as of March 31, 2019

EUR 1,000	Less than 1 month	1-3 months	More than 12 months	No stated maturity	Total
Payables and other accrued expenses	—	199	—	—	199
Borrowings	—	—	47,387	—	47,387
Total liabilities (on balance sheet) PEH	**—**	**199**	**47,387**	**—**	**47,586**
Unfunded commitments of the non-consolidated subsidiaries at fair value through profit or loss (off balance sheet)	95,757	—	—	—	95,757
Total liabilities of the Group (incl. off balance sheet)	**95,757**	**495**	**—**	**—**	**96,252**

Liquidity risk as of March 31, 2018

EUR 1,000	Less than 1 month	1-3 months	More than 12 months	No stated maturity	Total
Payables and other accrued expenses	—	218	—	—	218
Borrowings	—	—	38,941	—	38,941
Total liabilities (on balance sheet) PEH	**—**	**218**	**38,941**	**—**	**39,159**
Unfunded commitments of the non-consolidated subsidiaries at fair value through profit or loss (off balance sheet)	81,438	—	—	—	81,438
Total liabilities of the Group (incl. off balance sheet)	**81,438**	**571**	**—**	**—**	**82,009**

The effect of discounting is not material.

Unfunded commitments are irrevocable and may be called at any time. Although not expected in the normal course of business, unfunded commitments are categorised as due within one month.

5.5 Capital management

In terms of capital management, the Company considers the equity of the holding company as described in Note 13. The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern and to achieve positive returns in all market environments. The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders through tax efficient repayments of paid-in capital, share capital reductions or repurchases and cancellation of own shares.

The effects of the repurchases and resales of treasury shares as a result of market making activities in 2018/2019 are listed in Note 13. Helvetische Bank AG, Zurich, acts as the Company's market maker.

Neither the Company nor any of its Subsidiaries are subject to externally imposed capital requirements.

6. Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with original maturities of three months or less that are subject to an insignificant risk of changes in their fair value.

As of March 31, 2019, cash and cash equivalents are freely available.

7. Receivables and prepayments

EUR 1,000	31.03.19	31.03.18
Accrued income and prepaid expenses	56	97
Tax receivables	37	52
Total receivables and prepayments	**93**	**149**

8. Investments in non-consolidated subsidiaries at fair value through profit or loss and financial assets at fair value through profit or loss

8.1 Investments in non-consolidated subsidiaries at fair value through profit or loss

	Percentage of capital held	Original currency	Nominal value 1,000	Book value 31.03.19 EUR 1,000	Book value 31.03.18 EUR 1,000
Investments in non-consolidated subsidiaries at fair value through profit or loss					
Private Equity Fund Finance Ltd., Cayman Islands (Investment company)	100%	CHF	13,885	233,810	208,314
Private Equity Direct Finance Ltd., Cayman Islands (Investment company)	100%	CHF	200,000	30,212	27,317
Total				**264,022**	**235,631**

	Private Equity Fund Finance Ltd.	Private Equity Direct Finance Ltd.	Total
Fund investments	179,545	—	179,545
Direct investments	5,889	30,938	36,827
Other balance sheet items	48,376	(726)	47,650
Book value 31.03.19	**233,810**	**30,212**	**264,022**

	Private Equity Fund Finance Ltd.	Private Equity Direct Finance Ltd.	Total
Fund investments	152,036	—	152,036
Direct investments	4,490	32,069	36,559
Other balance sheet items	51,788	(4,752)	47,036
Book value 31.03.18	**208,314**	**27,317**	**235,631**

The functional currency of the non-consolidated subsidiaries at fair value through profit or loss is EUR.

Investments held by the non-consolidated subsidiaries

The Company, predominantly through its non-consolidated subsidiaries, invests in private equity fund investments and in direct co-investments, respectively. The following tables provide details as to such investments, as required by the SIX exchange listing rules.

		Commitments				Book values					Returns 01.04.18 - 31.03.19	
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 31.03.19 FC 1,000	Unfunded commitment 31.03.19 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 31.03.19 EUR 1,000	Total distributions EUR 1,000	Real. gains/ (losses) EUR 1,000
Buyout Funds												
Abry Heritage Partners [3]	2016	USD	5,600	2,077	3,139	1,184	579	311	305	1,757	296	(20)
ABRY Partners IX	2019	USD	8,571	—	7,637	—	—	—	—	—	—	—
ABRY Partners VI [3]	2008	USD	7,500	7,481	17	161	20	107	48	122	598	491
ABRY Partners VII [3]	2011	USD	7,500	7,945	—	2,359	227	11	(389)	2,186	439	428
ABRY Partners VIII [3]	2014	USD	9,375	9,485	—	6,587	1,545	1,320	427	7,239	2,057	611
ALPHA CEE II [2]	2006	EUR	15,000	14,163	837	5,665	—	812	(890)	3,963	975	163
Avista Capital Partners [3]	2006	USD	10,000	11,753	—	426	5	58	(103)	270	41	(18)
Avista Capital Partners II [3]	2008	USD	10,000	12,878	—	2,789	82	426	(365)	2,080	640	213
Avista Capital Partners III [3]	2011	USD	10,000	11,024	—	6,542	77	867	(2,002)	3,750	1,690	813
Avista Capital Partners IV [3]	2017	USD	5,000	4,111	792	2,589	1,548	609	(594)	2,934	1,730	1,121
Bi-Invest Endowment Fund	2014	EUR	5,000	5,000	—	7,681	—	—	306	7,987	—	—
Bridgepoint Europe I B[1]	1998	GBP	15,000	620	—	146	—	57	(53)	36	95	38
Bridgepoint Europe IV[3]	2008	EUR	10,000	10,251	199	4,837	327	714	(880)	3,570	1,970	1,136
Capvis Equity III[3]	2008	EUR	10,000	10,857	545	3,009	—	—	648	3,657	133	133
Clayton, Dubilier and Rice Fund VI [1]	1998	USD	35,000	9,661	—	10	—	—	(2)	8	—	—
Doughty Hanson & Co. III [1]	1997	USD	65,000	46,121	—	424	—	77	(346)	—	471	394
Duke Street Capital IV [1]	1999	EUR	193	193	—	—	—	—	—	—	43	43
Eagletree Partners III [3]	2012	USD	10,000	9,988	11	4,898	291	812	(53)	4,324	2,854	2,042
Eagletree Partners IV [3]	2015	USD	10,000	6,881	2,779	4,055	1,995	455	1,356	6,950	386	(199)
Francisco Partners [3]	2000	USD	3,222	2,937	262	19	—	—	16	35	—	—
Industri Kapital 2007 Fund [3]	2007	EUR	10,000	10,410	—	186	—	95	49	140	28	(67)
Investindustrial IV [3]	2008	EUR	10,000	10,810	—	5,507	56	343	(1,047)	4,173	1,156	793
Investindustrial V [3]	2012	EUR	5,000	5,491	—	6,544	256	1,884	(424)	4,492	3,169	1,237
Investindustrial VI	2016	EUR	5,000	3,454	1,546	694	2,689	—	(100)	3,283	—	—
Investindustrial VII	2019	EUR	5,000	—	5,000	—	—	—	—	—	—	—
Mid Europa Fund IV [3]	2014	EUR	10,000	9,715	285	8,810	1,759	564	975	10,981	500	(64)
Mid Europa Fund V	2018	EUR	5,000	—	5,000	—	—	—	—	—	—	—
Pollen Street Capital III	2016	GBP	9,000	5,878	3,622	4,172	3,059	—	759	7,989	—	—
Procuritas Capital Investors VI	2016	EUR	10,000	2,147	7,853	1,403	576	—	(108)	1,871	—	—
Warburg Pincus Private Equity X	2007	USD	15,000	15,263	14	5,642	—	748	(14)	4,881	1,525	750
Warburg Pincus Private Equity XII	2015	USD	6,000	4,365	1,457	2,663	1,015	134	724	4,268	182	31
Total Buyout Funds					**40,996**	**89,000**	**16,105**	**10,406**	**(1,753)**	**92,945**	**20,977**	**10,067**

Minor differences in totals are due to rounding.

[1] Fund investments included in the former Earn-out portfolio. These funds are reaching the end of their life and are fully or almost fully paid in. A few earn-out funds could re-call a portion of previous distributions for follow-on investments. Future fund expenses, if any, are likely to be deducted from future distributions. Therefore, no unfunded commitment is shown for the former earn-out funds.

[2] Funds managed by ALPHA Associates (Cayman) LP. These funds are excluded from the NAV for the purpose of calculating the management fee.

[3] Along with the unfunded commitments, distributions in the total amount of EUR 14.2 million (whereof Capvis Equity III accounts for EUR 2.0 million, Eagletree Partners III accounts for EUR 1.3 million and Avista Capital Partners II accounts for EUR 1.2 million) are recallable from these funds as of March 31, 2019. As the investment period of most of these funds has already expired, recallable distributions can in general only be recycled for follow-on investments and are therefore not expected to be drawn in full.

[4] Fund in liquidation, no further draw downs expected. Unfunded commitment reduced to 0.

[5] Remaining commitment was reduced by the fund manager.

Investments held by the non-consolidated subsidiaries (continued)

		Commitments				Book values					Returns 01.04.18 - 31.03.19	
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 31.03.19 FC 1,000	Unfunded commit-ment 31.03.19 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 31.03.19 EUR 1,000	Total distri-butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Venture Funds												
Blossom Capital I	2017	USD	1,500	19	1,320	—	16	—	(54)	(38)	—	—
Boulder Ventures IV	2001	USD	11,250	11,516	—	560	—	—	145	704	38	38
Carmel Software Fund	2000	USD	10,000	10,293	—	12	—	—	(12)	—	—	—
Carmel Software Fund (Secondary)	2000	USD	782	782	—	4	—	—	(4)	—	—	—
CDC Innovation 2000	2000	EUR	10,002	9,676	326	915	—	—	(594)	321	—	—
Clarus Lifesciences III	2013	USD	7,500	6,315	1,056	2,864	1,301	—	1,558	5,723	—	—
Clarus IV	2017	USD	7,500	2,180	4,740	61	1,847	—	(110)	1,798	—	—
Evolution Technology	2016	USD	5,000	3,861	1,015	2,980	530	—	2,049	5,559	—	—
Highland Europe I [3]	2012	EUR	5,000	5,431	—	6,705	169	1,079	83	5,878	2,816	1,737
Highland Europe II	2015	EUR	5,000	4,531	469	3,357	1,240	—	846	5,443	—	—
Highland Europe III	2018	EUR	5,000	1,149	3,851	—	1,149	—	(46)	1,104	—	—
Institutional Venture Partners XII	2007	USD	5,000	5,000	—	1,520	—	161	(215)	1,144	758	596
Institutional Venture Partners XIII	2010	USD	5,000	5,000	—	3,207	218	564	(187)	2,675	1,279	715
Kennet III [3]	2007	EUR	5,000	5,625	—	2,588	—	—	523	3,112	—	—
Partech International Ventures IV [1]	2000	USD	15,000	8,145	—	—	—	—	—	—	69	69
Pelion IV	2007	USD	1,693	1,693	—	1,606	—	44	863	2,424	138	94
Pelion V	2012	USD	1,039	989	45	736	—	107	78	707	322	215
Pelion VI	2015	USD	5,000	3,925	958	1,972	893	—	1,749	4,614	—	—
Renaissance Venture [4]	1998	GBP	5,486	5,162	—	—	—	—	—	—	—	—
Renaissance Venture (Secondary) [4]	1998	GBP	514	271	—	—	—	—	—	—	—	—
TAT Investments I	1997	USD	24,000	24,289	—	909	—	—	(569)	340	—	—
Undisclosed Growth Fund I	2011	EUR	5,000	5,496	—	4,887	376	n/d	n/d	4,747	n/d	n/d
Undisclosed Growth Fund II	2015	EUR	5,000	5,199	178	3,129	1,754	n/d	n/d	6,800	n/d	n/d
Undisclosed Growth Fund III	2018	USD	4,500	1,265	2,882	—	1,112	n/d	n/d	1,114	n/d	n/d
Total Venture Funds					**16,840**	**38,013**	**10,605**	**2,844**	**8,395**	**54,168**	**8,552**	**5,706**

For footnotes see bottom of page 25.
Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

			Commitments			Book values					Returns 01.04.18 - 31.03.19	
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 31.03.19 FC 1,000	Unfunded commit-ment 31.03.19 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 31.03.19 EUR 1,000	Total distri-butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Special Situation Funds												
ABRY Advanced Securities Fund [5]	2008	USD	15,000	7,265	436	180	41	—	(20)	201	—	—
ABRY Advanced Securities Fund III	2014	USD	8,000	5,832	1,932	3,576	1,969	20	(31)	5,494	146	126
ABRY Advanced Securities Fund IV	2018	USD	10,000	328	8,618	—	291	—	2	292	—	—
ABRY Senior Equity IV [3]	2013	USD	5,000	5,101	—	3,440	64	774	435	3,164	1,506	692
ABRY Senior Equity V	2016	USD	5,500	1,771	3,323	458	1,032	241	14	1,264	465	221
ALPHA CEE Opportunity IV [2, 3]	2016	EUR	10,000	5,692	4,308	4,251	752	(853)	1,352	7,208	(979)	(126)
ALPHA Russia & CIS Secondary [2]	2010	USD	15,000	13,890	989	6,048	—	422	(163)	5,463	538	116
DB Secondary Opportunities Fund A [5]	2007	USD	5,376	4,327	468	13	—	110	97	—	—	(110)
DB Secondary Opportunities Fund C	2007	USD	9,288	6,913	2,116	276	—	391	158	44	294	(104)
OCM European POF II	2007	EUR	5,000	4,995	5	730	—	—	(516)	214	—	—
OCM Opportunities Fund VII	2007	USD	5,000	5,000	—	370	—	103	(49)	219	191	88
OCM Opportunities Fund VIIb	2008	USD	5,000	4,500	445	296	—	96	(86)	114	209	113
Sycamore II [3]	2014	USD	10,000	8,684	1,172	4,742	1,803	415	1,072	7,203	707	16
Sycamore III	2018	USD	10,000	1,316	7,737	—	1,148	—	(183)	965	—	—
WL Ross Recovery Fund IV [3]	2007	USD	10,000	9,056	841	643	—	141	85	587	123	(17)
Total Special Situation Funds					**32,390**	**25,023**	**7,100**	**1,859**	**2,167**	**32,431**	**3,200**	**1,015**
Total Fund investments					**90,226**	**152,036**	**33,809**	**15,108**	**8,808**	**179,545**	**32,730**	**16,788**

For footnotes see bottom of page 25.
Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

		Commitments		Book values					Returns 01.04.18 - 31.03.19	
	Original currency	Original amount FC 1,000	Unfunded commit-ment 31.03.19 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 31.03.19 EUR 1,000	Total distri-butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Direct investments										
Acino Holding AG	USD	4,500	344	2,814	265	—	(1,176)	1,903	—	—
Applied Spectral Imaging	USD	4,462	—	2,007	—	—	196	2,203	—	—
Aston Martin	EUR	4,737	76	16,305	—	1,493	(3,188)	11,625	7,083	5,590
Cloudflare	USD	2,000	—	—	1,710	—	70	1,781	—	—
Dupont Sustainable Solutions	USD	6,513	5,110	—	627	—	66	693	—	—
Earnix	USD	201	—	1,403	—	—	1,971	3,374	—	—
Enanta Pharmaceuticals	USD	7,279	—	2,346	—	43	(114)	2,189	930	887
International Design Group (formerly Flos)	EUR	4,172	—	6,221	—	2,547	(840)	2,835	4,635	2,088
Microfabrica	USD	158	—	128	—	—	(100)	28	—	—
Neurotech	USD	2,203	—	443	—	—	43	486	—	—
Prysm	USD	420	—	341	—	—	(341)	—	—	—
Renaissance Learning	USD	5,005	—	—	4,319	—	277	4,596	—	—
Shawbrook Bank	GBP	4,000	—	4,550	—	—	565	5,116	—	—
Total Direct investments			**5,530**	**36,559**	**6,921**	**4,083**	**(2,569)**	**36,827**	**12,648**	**8,565**

Minor differences in totals are due to rounding.

8.2 Financial assets at fair value through profit or loss

	Commitments			Book values					Returns 01.04.18 - 31.03.19	
	Original currency	**Original amount FC 1,000**	**Unfunded commitment 31.03.19 EUR 1,000**	**Fair value 01.04.18 EUR 1,000**	**Capital calls EUR 1,000**	**Return of capital EUR 1,000**	**Change in unrealised gains/ (losses) EUR 1,000**	**Fair value 31.03.19 EUR 1,000**	**Total distri-butions EUR 1,000**	**Real. gains/ (losses) EUR 1,000**
Actano Holding AG (Equity)	CHF	8,450	—	4,815	—	—	(2,644)	2,171	—	—
Minicap Technology Investments	CHF	10,967	—	—	—	—	—	—	—	—
Strategic European Technologies N.V.	EUR	18,151	—	202	—	—	(1)	201	—	—
Total financial assets at fair value through profit or loss			**—**	**5,017**	**—**	**—**	**(2,645)**	**2,372**	**—**	**—**

Minor differences in totals are due to rounding.

9. Net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss and from financial assets at fair value through profit or loss

Non-consolidated subsidiaries **EUR 1,000**	**01.04.18-31.03.19**	**01.04.17-31.03.18**
Change in unrealised gains/(losses) on Private Equity Fund Finance Ltd.	25,495	(4,060)
Change in unrealised gains/(losses) on Private Equity Direct Finance Ltd.	2,895	8,067
Total net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss	**28,390**	**4,007**

Financial assets **EUR 1,000**	**01.04.18-31.03.19**	**01.04.17-31.03.18**
Change in unrealised gains/(losses) from financial assets at fair value through profit or loss	(2,645)	(853)
Realised gains/(losses) from financial assets at fair value through profit or loss	—	—
Total net gains/(losses) from financial assets at fair value through profit or loss	**(2,645)**	**(853)**

10. Segment information

Due to the nature of the business (all private equity investments), the Board of Directors has decided that there are no separate reporting segments.

11. Disclosures about fair value of financial instruments

The table below analyses recurring fair value measurements for the Company's financial instruments. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level I inputs are quoted prices (unadjusted) in active markets for identical instruments that the Group can access at the measurement date;
- Level II inputs are inputs other than quoted prices included within Level I that are observable for the instrument, either directly or indirectly;
- Level III inputs are unobservable inputs for the instrument.

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 III measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the instrument. The determination of what constitutes "observable" requires significant judgment by the Company. The Company 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 the Company's investments measured at fair value as of March 31, 2019 and March 31, 2018 on a look-through basis by the level in the fair value hierarchy into which the fair value measurement is categorised[1]:

As of March 31, 2019

EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Fund investments	—	—	179,545	179,545
Direct investments	13,813	—	23,014	36,827
Total investments in non-consolidated subsidiaries (look-through)	**13,813**	—	**202,559**	**216,372**
Financial assets at fair value through profit or loss				
Fund investments	—	—	201	201
Direct investments	—	—	2,171	2,171
Loans	—	—	—	—
Total financial assets measured at fair value through profit or loss	**—**	**—**	**2,372**	**2,372**

As of March 31, 2018

EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Quoted Securities	310	—	—	310
Fund investments	—	—	152,035	152,035
Direct investments	2,346	—	34,213	36,559
Total investments in non-consolidated subsidiaries (look-through)	**2,656**	**—**	**186,248**	**188,904**
Financial assets at fair value through profit or loss				
Fund investments	—	—	202	202
Direct investments	—	—	4,815	4,815
Loans	—	—	—	—
Total financial assets measured at fair value through profit or loss	**—**	**—**	**5,017**	**5,017**

[1] The Company has not disclosed the fair values for financial instruments measured at amortised cost. For short-term financial instruments such as cash and cash equivalent or receivables/payables, the carrying amount is generally considered a reasonable estimate of fair value. The fair value for long-term financial instruments such as interest bearing loans and borrowings, estimated by discounting contractual cash flows using current market interest rates is equivalent to the carrying amount.

The financial statements as of March 31, 2019 include Level III financial assets in the amount of EUR 2.4 million (March 31, 2018: EUR 5.0 million), respresenting approximately 1.1% (March 31, 2018: 2.5%) of the total equity.

Unquoted direct investments and loans

In estimating the fair value of unquoted direct investments and loans, the Company considers the most appropriate market valuation techniques, using a maximum of observable inputs.

These include but are not limited to the following:

- Transaction price paid for an identical or a similar instrument in an investment, including subsequent financing rounds;
- Comparable company valuation multiples;
- Discounted cash flow method;
- Reference to the valuation of the lead investor or other investors, provided that these were determined in accordance with IFRS 13.

Unquoted fund investments

In estimating the fair value of unquoted fund investments, the Company considers all appropriate and applicable factors relevant to their value, including but not limited to the following:

- Reference to the fund investment's reporting information;
- Reference to transaction prices.

The valuation method used for unquoted fund investments is the "adjusted net asset method". The Company does not utilise valuation models with model inputs to calculate the fair value for its Level III investments. The valuation is generally based on the latest available net asset value ("NAV") of the fund reported by the corresponding fund manager, provided that the NAV has been appropriately determined by using proper fair value principles in accordance with IFRS 13. In terms of IFRS 13, the NAV is considered to be the key unobservable input. No reasonably possible change in the inputs used in determining the fair value would cause the fair value of Level III investments to significantly change. In general, NAV is adjusted by capital calls and distributions falling between the date of the latest NAV of the fund and the reporting date of the Company. In addition, the valuations of listed underlying investee companies which are valued mark-to-market by the fund manager are adjusted to reflect the current share price on their primary stock exchange as of the reporting date of the Company. The adjusted net asset method is the single technique used across all fund investment types (Buyout, Venture, Special Situations). Other reasons for adjustments include but are not limited to the following:

- The Company becoming aware of subsequent changes in the fair values of underlying investee companies;
- Features of the fund agreement that might affect distributions;
- Inappropriate recognition of potential carried interest;
- Market changes or economic conditions changing to impact the value of the fund's portfolio;
- Materially different valuations by fund managers for common companies and identical securities;
- NAV reported by the fund has not been appropriately determined by using proper fair value principles in accordance with IFRS 13.

In addition, the Company has the following control procedures in place to evaluate whether the NAV of the underlying fund investments is calculated in a manner consistent with IFRS 13:

- Thorough initial due diligence process and ongoing monitoring procedures;
- Comparison of historical realisations to last reported fair values;
- Qualifications, if any, in the auditor's report or whether there is a history of significant adjustments to NAV reported by the fund manager as a result of its annual audit or otherwise.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There was a transfer between Level 3 and Level 1 during the twelve months period ended March 31, 2019 for an amount of EUR 11.6 million related to the IPO of Aston Martin Lagonda on October 3, 2018.

As of March 31, 2019 EUR 1,000	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total
Fair value of Level III investments at the beginning of the period	**186,248**	**5,017**	**191,265**
Transfer out of Level III (Aston Martin)	(11,625)	—	**(11,625)**
Total capital calls from Level III investments	40,730	—	**40,730**
Total distributions from Level III investments	(37,364)	—	**(37,364)**
Total gains or losses:			
realised in profit or loss	19,709	—	**19,709**
unrealised in profit or loss	4,861	(2,645)	**2,216**
Fair value of Level III investments at the end of the period	**202,559**	**2,372**	**204,931**

As of March 31, 2018 EUR 1,000	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total
Fair value of Level III investments at the beginning of the period	**198,355**	**5,870**	**204,225**
Total capital calls from Level III investments	34,485	—	**34,485**
Total distributions from Level III investments	(53,356)	—	**(53,356)**
Total gains or losses:			
realised in profit or loss	6,276	—	**6,276**
unrealised in profit or loss	488	(853)	**(365)**
Fair value of Level III investments at the end of the period	**186,248**	**5,017**	**191,265**

12. Financial assets and liabilities at amortised cost

12.1 Interest bearing loans

Effective on August 29, 2018, the Company (the lender) entered into a loan agreement with Private Equity Direct Finance (a Subsidiary, the borrower) to lend the total sum of USD 2.0 million at the existing interest rate of 1 month LIBOR plus 225 basis points. The borrower shall repay the loan, including accumulated interest, at such time and in a manner to be designated by the lender. The total amount of interest bearing loans as of March 31, 2019, stood at EUR 1.8 million (March 31, 2018: EUR nil).

12.2 Borrowing and credit facility/pledged assets

With effect from June 1, 2017, the Company (the borrower) amended the loan agreement with Private Equity Fund Finance (a Subsidiary, the lender) to increase the maximum loan amount to CHF 70.0 million at the existing interest rate of 1 month LIBOR plus 200 basis points. The lender may extend further loans to the borrower if and as required by the borrower to carry on its business by entering into a letter agreement which shall be governed by the same provisions as set forth in the existing loan agreement. The lender may not request the repayment of any amount outstanding without giving at least 12 months notice. There is no contractually agreed expiry date. The total amount of interest bearing borrowings as of March 31, 2019 stood at EUR 47.4 million (March 31, 2018: EUR 38.9 million).

As mentioned above, the company re-negotiated the agreement with Private Equity Fund Finance Ltd. during the previous reporting period. The existing agreement was terminated and a new (amended) agreement was signed. From an accounting perspective, the existing liability was required to be derecognised and a new liability was recognised. The exchange of the liability did not result in any cash flows. As a result, the Statement of Cash Flows only includes a cash inflow of EUR 18.2 million, which was a draw-down on the loan facility during the previous period, within financing cash flows. The other items that had an impact on the carrying amount of the interest bearing borrowings were a foreign exchange gain of EUR 1.9 million and effective interest expense on the liability of EUR 0.6 million, which was offset by the interest payments of EUR 0.6 million.

On December 20, 2013, the Company signed an agreement with Credit Suisse AG (subsequently transferred to Credit Suisse (Schweiz) AG) for a EUR 16.0 million revolving credit facility. This facility allows the Company to bridge timing gaps between outflows and inflows, cover short-term liquidity squeezes and manage and hedge market risks. On February 2, 2016, the credit facility was prolonged until December 31, 2018. On December 21, 2018, the Company signed an amended agreement with Credit Suisse (Schweiz) AG for a EUR 20.0 million revolving credit facility. This agreement will expire on December 31, 2021. The credit facility, if and when drawn, is secured by the Company's ownership interests in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd. The applicable interest rate on any amounts outstanding under the facility is LIBOR for the requested currency term plus 2.125%. The Company is obliged to pay a quarterly commitment fee of 0.225% on the undrawn amount.

As of March 31, 2019, the credit facility was not drawn (March 31, 2018: undrawn). During the financial year 2018/2019, interest expenses of EUR 58k were incurred (2017/2018: EUR nil). Commitment fees amounted to EUR 147k for the business year 2018/2019 (2017/2018: EUR 162k) and are included in corporate expenses in the statement of comprehensive income.

13. Shareholders' equity and movements in treasury shares

The Company's share capital is represented by ordinary shares with CHF 6.00 par value and carrying one vote each. They are entitled to dividends when declared. The Company has no additional restrictions or specific capital requirements on the issuance and re-purchase of ordinary shares. The movements of share capital are shown in the statement of changes in equity.

Shareholders' equity amounts to EUR 220.9 million as of March 31, 2019 (March 31, 2018: EUR 203.4 million).

Share capital and earnings/(loss) per share	31.03.19	31.03.18
Number of shares authorised and issued	2,750,000	2,750,000
Par value per share (CHF)	6.00	6.00
Par value per share (EUR)[1]	3.75	3.75

[1] Converted at historical foreign exchange rate.

The Annual General Meeting held on July 12, 2018 decided on a repayment of share premium (paid-in capital) in the amount of CHF 2.00 per outstanding share (no repayment of share premium (paid-in capital) was made on treasury shares). The repayment of share premium (paid-in capital) was made with value date July 18, 2018.

All shares have equal rights to vote and to receive dividends, as well as to share in the distribution of the net assets of the Company upon liquidation.

The Board of Directors proposes that a dividend of CHF 2.00 is paid per registered share, which will be paid out of reserves from capital contributions. As a consequence, the dividend payment will be effected free of Swiss withholding tax for Swiss residents.

Earnings per share

The Company presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The numerator and denominator for calculating diluted earnings per share are the same as for the basic earnings per share due to no dilutive effects.

Net asset value per share

Net asset value per share is calculated by dividing total shareholders' equity with the number of ordinary shares in issue, net of treasury shares.

Reconciliation of number of shares outstanding	31.03.19	31.03.18
Number of shares outstanding net of treasury shares at the beginning of the year	2,614,954	2,715,008
Purchase of treasury shares	(11,199)	(102,053)
Sale of treasury shares	1,822	1,999
Number of shares outstanding net of treasury shares at the end of the year	**2,605,577**	**2,614,954**

Per share data	31.03.19	31.03.18
Weighted average of total number of shares	2,607,422	2,699,371
Profit (EUR 1,000)	22,560	2,391
Basic earnings per share (EUR)	8.65	0.89
Comprehensive income per share (EUR)	8.65	0.89
Net asset value per share (EUR)	84.80	77.79
Book value per share (EUR)	84.80	77.79

13.1 Shareholders with shares and voting rights of 3% and more

As of March 31, 2019 and 2018, the following major shareholders were known to the Company:

Holding in % of share capital	31.03.19	31.03.18
Between 3% and 5%		Private Equity Holding AG (Zug, registered without voting rights)
Between 5% and 10%	Private Equity Holding AG (Zug, registered without voting rights) Dr. Hans Baumgartner (Adliswil)	Dr. Hans Baumgartner (Adliswil)
Between 33.33% and 50%	ALPHA Associates Group (Zurich)[1]	ALPHA Associates Group (Zurich)[1]

[1] As of March 31, 2019, the ALPHA Associates Group comprises ALPHA Associates AG, C+E Holding AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber. On April 20, 2019, Christoph Huber ceded to be a member of the shareholder group. The shareholding of the group remains above 33.33%.

13.2 Net changes in treasury shares

Net changes in treasury shares	Number of shares	Total cost base EUR 1,000	Average cost base EUR
April 1, 2018	**135,046**	**8,355**	**61.87**
April	500	30	61.86
May	5,596	329	61.74
June	339	20	61.74
July	4,000	231	61.63
August	—	—	61.63
September	(1,822)	(113)	61.62
October	—	—	61.62
November	—	—	61.62
December	270	15	61.61
January	—	—	61.61
February	—	—	61.61
March	494	27	61.59
March 31, 2019	**144,423**	**8,894**	**61.59**

14. Contingent liabilities and commitments

Contingent liabilities

On December 9, 2010, the Group amended and restated the management agreement with ALPHA Associates (Cayman), LP. The restated agreement came into force on April 1, 2012 (refer to Note 15). It can be terminated as of March 31, 2021 or any subsequent termination date by giving timely notice. If the agreement was to be terminated prior to March 31, 2021 or any subsequent termination date for a reason other than a default of the Investment Manager or a distribution exceeding 5% of the Group's total net asset value is made in any one financial year, the Group shall pay the Investment Manager the respective amount of fees which the Investment Manager would otherwise have earned in the period from the date of termination or excess distribution to the next termination date. In case of termination of the agreement for a reason other than a default, the Investment Manager shall have the right, for a period of 10 years from the date of termination, to receive payment of any performance fee that would have been payable to the Investment Manager following the date of termination on the portfolio held as of the date of termination, had the agreement not been terminated.

Commitments

Along with the commitments to invest as disclosed in Note 8, distributions in the total amount of EUR 14.2 million are recallable from several funds as of March 31, 2019 (March 31, 2018: EUR 13.3 million). As the investment period of most of these funds has already expired, recallable distributions can in general only be recycled for follow-on investments and are therefore not expected to be drawn in full. In certain circumstances capital calls can exceed total commitment mainly due to payment of management fees to investee fund managers, short-term borrowings or reinvestment by investee funds.

Pledges

In connection with a standard banking relationship with Credit Suisse (Schweiz) AG, the Company signed a general pledge agreement in favour of the bank.

The credit facility with Credit Suisse (Schweiz) AG, if and when drawn, is secured by the Company's ownership interest in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd. (refer to Note 12.2).

15. Related party transactions

The following parties are considered related to the Company as of March 31, 2019 and March 31, 2018:

- ALPHA Associates AG, Zurich;
- ALPHA Associates (Cayman), LP;
- Members of the Board of Directors of the Company and the Delegate of the Board;
- C+E Holding AG, Zurich (affiliate of the ALPHA Group and significant shareholder (see also Note 13.1));
- Private Equity Fund Finance Ltd., Cayman Islands and Private Equity Direct Finance Ltd., Cayman Islands.

Pursuant to a management agreement dated April 1, 2004, as amended as of January 1, 2007 and on December 9, 2010 with effect from April 1, 2012, respectively, ALPHA Associates (Cayman), LP renders investment management and certain support services to the Group. The management fee is partially linked to the market capitalisation of the Company (1.5% * 75% * adjusted net assets plus 2% * 25% * market capitalisation plus 1% of the fair value of the direct portfolio).

Funds managed by ALPHA Associates (Cayman), LP (i.e. ALPHA CEE II, ALPHA Russia & CIS Secondary and ALPHA CEE Opportunity IV) are excluded from the net asset value for the purpose of calculating the management fee.

The performance fee is 10% of the increase in shareholders' equity (adjusted for distributions and treasury share transactions) since April 1, 2004, subject to a 6% hurdle equity test (compounded annually) and a high watermark test.

Performance fees were paid in the 1st and 2nd quarter of the financial year 2018/2019. No performance fees were paid in the 3rd and 4th quarter.

The management agreement may be terminated by either party as of March 31, 2021 and runs for subsequent periods of three years unless notice of termination is given in a timely way. If a de facto termination event was to occur prior to any regular termination date for a reason other than a default of the Investment Manager or a distribution exceeding 5% of the Group's total net asset value is made in any one financial year ending on or before the next termination date, the Investment Manager could claim liquidated damages equal to the amount of fees which the Investment Manager would otherwise have earned in the period from the date of de facto termination or excess distribution to the next regular termination date. In case of termination of the agreement for a reason other than a default, the Investment Manager shall have the right, for a period of 10 years from the date of termination, to receive trailing performance fees equal to the amount of performance fees that would have been payable to the Investment Manager following the date of termination on the portfolio held as of the date of termination as if the agreement had not been terminated, i.e., subject to the hurdle equity and high watermark test.

ALPHA Associates AG provides certain support services to the Company for an administration fee of CHF 125'000 per quarter (administration agreement dated April 1, 2004, as amended effective April 1, 2006).

Management and Administration fees as well as Performance fees paid by the Company and its non-consolidated subsidiaries are as follows:

	PEH		Non-consolidated subsidiaries		Total	
EUR 1,000	**01.04.18-31.03.19**	**01.04.17-31.03.18**	**01.04.18-31.03.19**	**01.04.17-31.03.18**	**01.04.18-31.03.19**	**01.04.17-31.03.18**
Management and administration fees	438	439	3,609	3,467	4,047	3,906
Performance fees	—	—	2,727	109	2,727	109
Total	**438**	**439**	**6,336**	**3,576**	**6,774**	**4,015**

Total management and administration fees and performance fees payable by the Company and non-consolidated Subsidiaries as of March 31, 2019 amounted to EUR 0.3 million (March 31, 2018: EUR 0.05 million).

Total compensation of the Board of Directors amounted to EUR 178k for the financial year 2018/2019 (2017/2018: EUR 201k). This amount does not include the fee for the Delegate.

Total compensation of the Delegate amounted to EUR 71k for the financial year 2018/2019 (2017/2018: EUR 68k).

There were no transactions between the Company and C+E Holding AG, Zurich in the financial year 2018/2019 (2017/2018: None).

The Board of Directors, the Delegate and the Investment Manager are the key management functions of the Group.

The Company provided a loan to a subsidiary, which amounted to EUR 1.8 million (2017/2018: EUR nil). For the terms and conditions refer to Note 12.1. The transaction has been conducted at arm's length.

A Subsidiary provided a loan to the Company, which amounted to EUR 47.4 million (2017/2018: EUR 38.9 million). For the terms and conditions refer to Note 12.2. The transaction has been conducted at arm's length.

16. Tax expenses

Reconciliation of income tax calculated with the applicable tax rate:

EUR 1,000	01.04.18-31.03.19	01.04.17-31.03.18
Profit/(loss) for the year	22,560	2,391
Applicable tax rate	7.8%	7.8%
Expected income tax expense	1,760	186
Effect from non-taxable income	(1,760)	(186)
Total income tax for the year	—	—

As at March 31, 2019, the Company had EUR 9,935k remaining tax loss carry forwards (March 31, 2018: EUR 3,759k). Unused tax loss carry forwards expire within 7 years, i.e. EUR 2,413k on March 31, 2024, EUR 1,346k on March 31, 2025, and EUR 6,176k on March 31, 2026.

17. Subsequent events

There were no subsequent events.

Report of the Statutory Auditor on the IFRS Financial Statements

KPMG

Statutory Auditor's Report

To the General Meeting of Private Equity Holding AG, Zug

Report on the Audit of the Financial Statements (IFRS)

Opinion

We have audited the financial statements of Private Equity Holding AG (the Company), which comprise the balance sheet as at 31 March 2019 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 12 to 35) give a true and fair view of the financial position of the Company as at 31 March 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with article 14 of the Directive on Financial Reporting issued by the SIX Swiss Exchange and with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Valuation and ownership of investments in non-consolidated subsidiaries and financial assets at fair value through profit or loss

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

Valuation and ownership of investments in non-consolidated subsidiaries and financial assets at fair value through profit or loss

Key Audit Matter

The Company invests, predominantly through its non-consolidated subsidiaries, in private equity funds and direct co-investments respectively. Total investments in non-consolidated subsidiaries at fair value through profit or loss (31 March 2019: EUR: 264.0m) and financial assets at fair value through profit or loss (31 March 2019: EUR: 2.4m) amount to EUR 266.4m as of 31 March 2019 (31 March 2018: EUR 240.6m) and mainly consist of fund and direct investments. For the majority of these investments, no market prices are available.

Unquoted fund investments amounting to EUR 179.7m as of 31 March 2019 (31 March 2018: EUR 152.2m) are generally valued on the basis of the latest available net asset values ("NAVs") of the fund reported by the relevant fund manager. NAVs of unquoted fund investments are based on the respective valuation of underlying direct investments that are mainly unquoted and therefore valued based on different valuation techniques. Such NAVs are adjusted for capital calls and distributions falling between the latest NAV date of the fund and the reporting date of the Company. Also, valuation changes in underlying investee companies are considered and adjusted for if known of.

Unquoted direct investments amounting to EUR 25.2m as of 31 March 2019 (31 March 2018: EUR 39.0m) are valued based on different valuation techniques according to international standards. The valuation models used have little or no observable input factors and therefore require significant judgement.

Unquoted direct and fund investments are not safeguarded by an independent custodian bank. There is a risk that the legal ownership to these investments is not sufficient.

Our response

Our procedures included amongst others obtaining an understanding of management's processes and controls around the valuation of and accounting for unquoted direct and fund investments by performing walkthrough procedures, testing relevant controls and reviewing the valuation governance structure.

For unquoted fund investments we obtained counterparty confirmations on NAV and commitments from the respective fund administrator. We recalculated and vouched adjustments to the NAV to transaction records and substantively tested any adjustments subsequent to the date of confirmation. For fund investments that did not provide a counterparty confirmation, we performed alternative procedures including inspection and recalculation of valuation adjustments between latest NAV reporting date and balance sheet date. We also conducted back-testing on the accuracy of reported NAV by comparing those to the final NAV disclosed in the audited financial statements of the investment funds.

We tested the legal ownership for unquoted direct and fund investments by confirming investment holdings with the administrator or the fund manager as appropriate.

With the assistance of our valuation specialists, we performed substantive procedures regarding unquoted direct investments by challenging the appropriateness of the valuation techniques and key input factors which includes but not limited to the following:

- Assessment of valuation techniques used in regards of international standards;
- assessment of multiples used compared to valuation of similar companies;
- testing of input parameter and required fair value adjustments based on recent transaction data and other observable information;
- recalculation of valuation with input data provided by investment administrator; and
- for a sample of transactions, reconciliation of recorded amount to contracts, draw down notices and bank statements.

For further information on the valuation and ownership of investments in non-consolidated subsidiaries and financial assets at fair value through profit and loss refer to notes 8 and 11 to the financial statements on pages 24 to 31.

KPMG

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the financial statements, the stand-alone financial statements of the company, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law, ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

KPMG AG

Thomas Dorst Licensed Audit Expert Auditor in Charge	Christoph Hochuli Licensed Audit Expert

Zurich, 13 June 2019

Financial Statements March 31, 2019

Notes to the Financial Statements

Income Statement of Private Equity Holding AG

CHF 1,000	Notes	01.04.18-31.03.19	01.04.17-31.03.18
Income			
Financial income			
Capital gains on subsidiaries		—	—
Foreign exchange gains	11	826	1,754
Interest income		56	
Other operating income		—	11
Total income		**882**	**1,765**

Expenses			
Financial expense			
Impairment losses on participations	6	3,031	940
Interest expense		934	685
Foreign exchange losses	11	—	—
Other operating expense			
Administration expense		502	500
Corporate expense		841	887
Direct taxes		—	—
Total expenses		**5,308**	**3,012**
Profit/(loss) for the period		**(4,426)**	**(1,247)**

Minor differences in totals are due to rounding.

Balance Sheet of Private Equity Holding AG

CHF 1,000	Notes	31.03.19	31.03.18
Assets			
Current assets			
Cash and cash equivalents		240	2,084
Other current receivables			
Receivables from third parties		37	56
Prepaid expenses and accrued income		67	119
Total current assets		**344**	**2,259**
Non-current assets			
Loans due from subsidiaries		2,047	—
Participations	3	229,605	232,848
Total non-current assets		**231,652**	**232,848**
Total assets		**231,996**	**235,107**

Liabilities and shareholders' equity			
Current liabilities			
Other current liabilities			
Payables to group companies		—	**45,750**
Payables to third parties		38	15
Accrued expenses		184	241
Total current liabilities		**222**	**46,006**
Non-current liabilities			
Loans due to subsidiaries		**52,954**	—
Total non-current liabilities		**52,954**	—
Total liabilities		**53,176**	**46,006**
Shareholders' equity			
Share capital	4	16,500	16,500
Legal reserves from capital contributions:			
General reserves		69,147	74,362
Voluntary retained earnings	14	103,353	107,782
Treasury shares (covered by reserves from capital contributions)	5	(10,179)	(9,543)
Total shareholders' equity		**178,820**	**189,101**
Total liabilities and shareholders' equity		**231,996**	**235,107**

Minor differences in totals are due to rounding.

Notes to the Financial Statements

1. Company Information

Private Equity Holding AG (the "Company") was incorporated in Switzerland and has its principle office at Gotthardstrasse 28 in Zug. The Company is listed on the SIX Swiss Exchange.

The purpose of the Company is to buy, hold, and sell investments, directly, and indirectly, in order to generate long term capital growth for its shareholders. The Company did not have any employees during the reporting period 2018/2019 (2017/2018: no employees).

2. Accounting Policy

General principles

The financial statements of Private Equity Holding AG have been prepared in accordance with the provisions and accounting principles as set out in the Swiss Code of Obligations.

The valuation principles applied remain unchanged for both the current as well as the previous year. The financial statements have been prepared according to the valuation principle of historical cost. However, impairments are recognised when the useful values of reporting items permanently fall below their cost values.

Treasury shares

Treasury shares are recognised at acquisition cost and deducted from shareholder's equity at the time of acquisition. In case of a resale, the gain or loss is recognised directly in equity (voluntary retained earnings).

Cash flow statement

As the Company has prepared its financial statements in accordance with the recognised accounting standard IFRS, it has decided to opt out of preparing a cash flow statement on a statutory basis.

3. Participations

	Percentage of voting rights held	Percentage of capital held	Original currency	Nominal value FC 1,000	Book value 31.03.19 CHF 1,000	Book value 31.03.18 CHF 1,000
Subsidiaries						
Private Equity Fund Finance Ltd., Cayman Islands (Investment company)	100%	100%	CHF	13,885	204,426	204,426
Private Equity Direct Finance Ltd., Cayman Islands (Investment company)	100%	100%	CHF	200,000	22,528	22,528
Financial investments						
Actano Holding AG, Zurich, Switzerland (Software company)	21%[1]	21%[1]	CHF	322	2,427	5,657
Strategic European Technologies N.V., 's-Hertogenbosch, The Netherlands (Investment company)	10%	10%	EUR	63	224	237
Total					**229,605**	**232,848**

[1] Fully diluted

4. Share capital

	31.03.19	31.03.18
Number of shares authorised and issued	2,750,000	2,750,000
Par value per share (CHF)	6.00	6.00

All shares have equal rights to vote and to receive dividends, as well as to share in the distribution of the net assets of the Company upon liquidation.

Contingent share capital

The share capital of the Company may be increased by a maximum amount of CHF 9,000,000 through the issue of a maximum of 1,500,000 nominal shares to be fully paid-in with a nominal value of CHF 6.00 each, thereof a maximum amount of CHF 3,000,000 through the exercise of option rights granted to shareholders and a maximum amount of CHF 6,000,000 through the exercise of conversion or option rights in connection with bonds or similar instruments that may be issued by the Company or its subsidiaries.

5. Treasury shares

Net changes in treasury shares	Number of shares	Total cost base CHF 1,000	Average cost base CHF
April 1, 2018	**135,046**	**9,544**	**72.69**
April	500	35	73.03
May	5,596	389	70.90
June	339	24	71.56
July	4,000	269	71.38
August	—	—	71.38
September	(1,822)	(128)	69.89
October	—	—	69.89
November	—	—	69.89
December	270	16	69.42
January	—	—	69.42
February	—	—	69.42
March	494	30	68.82
March 31, 2019	**144,423**	**10,179**	**68.82**

6. Impairment

CHF 1,000	31.03.19	31.03.18
Impairment losses on subsidiaries	—	—
Impairment losses on financial investments	3,031	940
Total	**3,031**	**940**

7. Shareholders with shares and voting rights of 3% and more

As of March 31, 2019 and 2018, the following major shareholders were known to the Company:

Holding in % of share capital	31.03.19	31.03.18
Between 3% and 5%		Private Equity Holding AG (Zug, registered without voting rights)
Between 5% and 10%	Private Equity Holding AG (Zug, registered without voting rights) Dr. Hans Baumgartner (Adliswil)	Dr. Hans Baumgartner (Adliswil)
Between 33.33% and 50%	ALPHA Associates Group (Zurich)[1]	ALPHA Associates Group (Zurich)[1]

[1] As of March 31, 2019, the ALPHA Associates Group comprises ALPHA Associates AG, C+E Holding AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber. On April 20, 2019, Christoph Huber ceded to be a member of the shareholder group. The shareholding of the group remains above 33.33%.

8. Pledged assets and guarantees

Pledged assets

On December 20, 2013, the Company signed an agreement with Credit Suisse AG (subsequently transferred to Credit Suisse (Schweiz) AG) for a EUR 16.0 million revolving credit facility. This facility allows the Company to bridge timing gaps between outflows and inflows, cover short-term liquidity squeezes and manage and hedge market risks. On February 2, 2016, the credit facility was prolonged until December 31, 2018. On December 21, 2018, the Company signed an amended agreement with Credit Suisse (Schweiz) AG for a EUR 20.0 million revolving credit facility. This agreement will expire on December 31, 2021. The credit facility, if and when drawn, is secured by the Company's ownership interests in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd. (see Note 12.2 to the IFRS financial statements). As of March 31, 2019, the credit facility was undrawn (March 31, 2018: undrawn).

Guarantees

There were no guarantees as per March 31, 2019 and March 31, 2018.

9. Management compensation in accordance with Art. 663b^{bis} Swiss Code of Obligations

2018/2019 CHF	Base Compensation (Shares) Number of Shares	Base Compensation (Cash) CHF
Board of Directors		
Dr. Hans Baumgartner (Chairman & Delegate)	1,070	75,000
Martin Eberhard	356	25,000
Dr. Petra Salesny (elected at the AGM 2018)	—	—
Fidelis Götz (elected at the AGM 2018)	273	18,750
Dr. Hans Christoph Tanner (until the AGM 2018)	83	6,250
Bernhard Schürmann (until the AGM 2018)	83	6,250
Total	**1,865**	**131,250**

2017/2018 CHF	Base Compensation (Shares) Number of Shares	Base Compensation (Cash) CHF
Board of Directors		
Dr. Hans Baumgartner (Chairman & Delegate)	1,000	75,000
Dr. Hans Christoph Tanner	333	25,000
Martin Eberhard	333	25,000
Bernhard Schürmann	333	25,000
Total	**1,999**	**150,000**

Private Equity Holding AG does not have an Advisory Board.

The Company's share of social security contributions is shown under other compensation.

During the period under review, Private Equity Holding AG did not pay any direct or indirect compensation or allocate any shares or options to former members of governing bodies (prior reporting period: none).

During the period under review, no compensation that are not customary in the market were paid directly or indirectly to persons, who are close to members of governing bodies or close to former members of governing bodies (prior reporting period: none).

10. Management share ownership in accordance with Art. 663c Swiss Code of Obligations

March 31, 2019	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman and Delegate)	221,668	—	221,668
Dr. Petra Salesny[1]	60,737	—	60,737
Fidelis Götz	964	—	964
Martin Eberhard	76,911	—	76,911
Total	**360,280**	**—**	**360,280**
Manager (ALPHA Associates AG)			
Dr. Peter Derendinger	173,500	—	173,500
Petr Rojicek	62,852	—	62,852
C+E Holding AG and Christoph Huber[2]	674,270	—	674,270
Total	**910,622**	**—**	**910,622**

[1] Dr. Petra Salesny is listed in her capacity as member of the Board of Directors. She remains COO of the portfolio manager and member of the shareholder group Alpha Associates.

[2] On April 20, 2019, Christoph Huber ceded to be a member of the shareholder group.

March 31, 2018	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman and Delegate)	218,274	—	218,274
Dr. Hans Christoph Tanner	—	—	—
Martin Eberhard	73,574	—	73,574
Bernhard Schürmann	—	—	—
Total	**291,848**	**—**	**291,848**
Manager (ALPHA Associates AG)			
Dr. Peter Derendinger	173,500	—	173,500
Dr. Petra Salesny	60,737	—	60,737
Petr Rojicek	62,852	—	62,852
C+E Holding AG and Christoph Huber[1]	674,270	—	674,270
Total	**971,359**	**—**	**971,359**

[1] On April 20, 2019, Christoph Huber ceded to be a member of the shareholder group.

11. Foreign exchange gains/losses due to conversion into presentation currency

The foreign exchange gains recorded in the income statement mainly result from the translation of the financial statements from EUR (which is the functional currency of the Company) into the presentation currency CHF. Assets and liabilities are converted into CHF with the period-end EUR/CHF exchange rate, which was 1.1175 as of March 31, 2019 (March 31, 2018: 1.1749) whereas equity positions (excl. profit/(loss) for the period) are converted at historical exchange rates. The income statement is converted at the average exchange rate for the reporting period which was 1.1468 for 2018/2019 (2017/2018: 1.1359).

12. Significant events after the balance sheet date

There were no significant events after the balance sheet date which could impact the book value of the assets or liabilities or which require disclosure.

13. Risk assessment

Private Equity Holding AG runs a centralised risk management system which separates strategic risks from operative ones. This risk schedule is the objective of an annual detailed discussion process in the meetings of the Board of Directors. The permanent observation and control of the risks is a management objective.

For identified risks, which arise from the accounting and financial reporting, a risk assessment is performed. Within the Internal Control System framework on financial reporting relevant control measures are defined, which reduce the financial risk. Remaining risks are categorised depending on their possible impact (low, average, high) and appropriately monitored.

14. Appropriation of available earnings

CHF 1,000	
Profit/(loss) for the period	(4,426)
Voluntary retained earnings	107,779
Total voluntary retained earnings	**103,353**
Reallocation from legal reserves from capital contributions to voluntary retained earnings[1]	5,500
At the disposal of the Annual General Meeting	**108,853**

[1] The Board of Directors' proposal to the Annual General Meeting to be held on July 11, 2019, is subject to the actual number of shares entitled to dividends at the time of dividend payment. Own shares held by Private Equity Holding AG are not entitled to dividends.

The Board of Directors proposes that a dividend of CHF 2.00 is paid per registered share, which will be paid out of reserves from capital contributions. As a consequence, the dividend payment will be effected free of Swiss withholding tax for Swiss residents.

CHF 1,000	
At the disposal of the Annual General Meeting	**108,853**
Dividend payment[1]	(5,500)
To be carried forward	**103,353**

[1] The Board of Directors' proposal to the Annual General Meeting to be held on July 11, 2019, is subject to the actual number of shares entitled to dividends at the time of dividend payment. Own shares held by Private Equity Holding AG are not entitled to dividends.

Report of the Statutory Auditor on the Financial Statements

KPMG

Statutory Auditor's Report

To the General Meeting of Private Equity Holding AG, Zug

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Private Equity Holding AG, Zug, which comprise the balance sheet as at 31 March 2019, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 42 to 48) for the year ended 31 March 2019 comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

We have determined that there are no key audit matters to communicate in our report.

Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Thomas Dorst
Licensed Audit Expert
Auditor in Charge

Christoph Hochuli
Licensed Audit Expert

Zurich, 13 June 2019

Corporate Governance

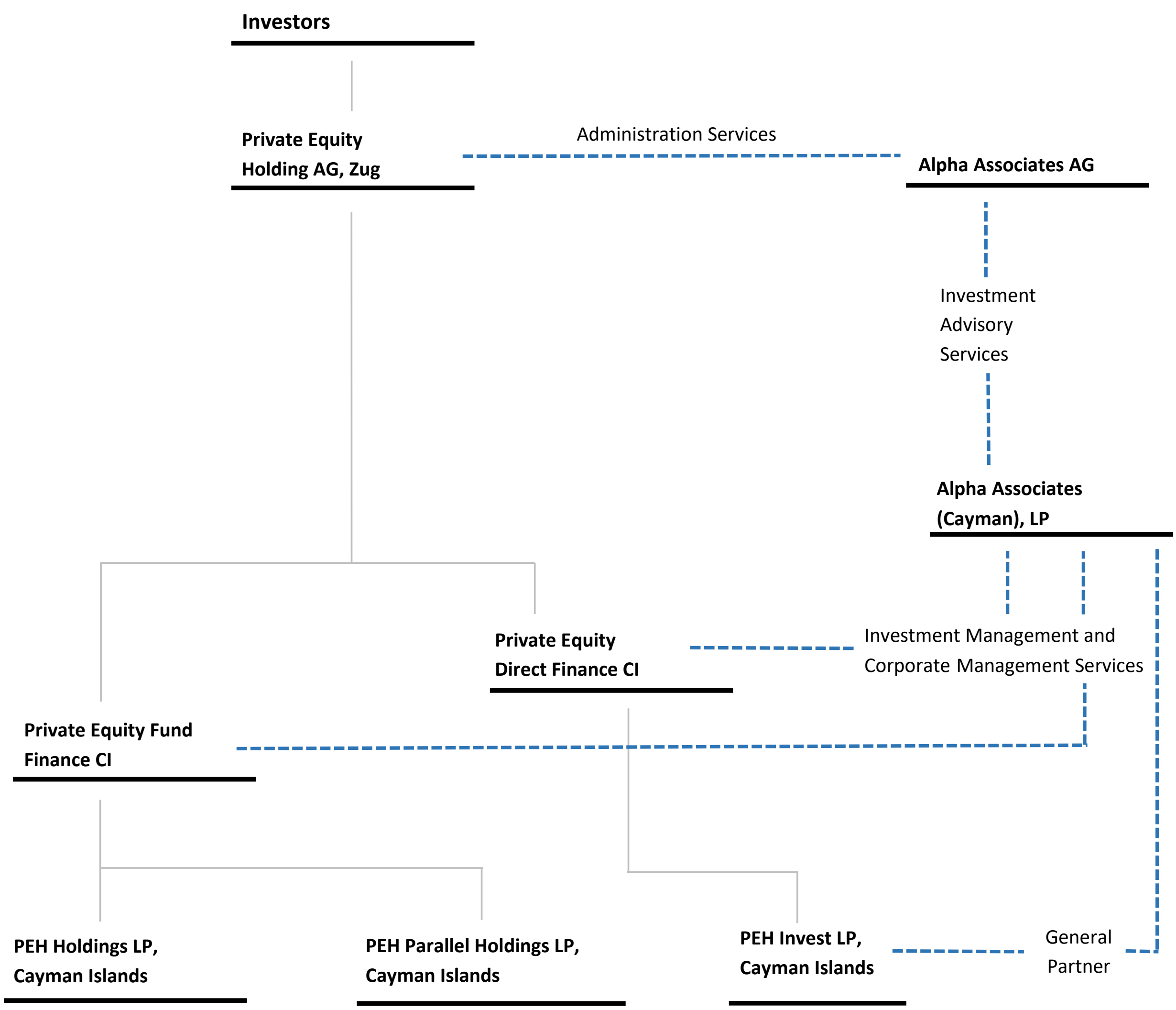
Private Equity Holding AG is committed to good corporate governance and transparency and accountability to its shareholders. The following disclosure follows the structure and is in accordance with the latest Directive on Information relating to Corporate Governance of the SIX Swiss Exchange.

1. Group structure and shareholders

1.1 Group structure

1.1.1 Operational group structure

The structure of Private Equity Holding AG ("PEH" or the "Company"), its subsidiaries (together the "Group") and service providers as of March 31, 2019 is depicted in the following diagram:



1.1.2 Listed company

The only listed company in the Group is Private Equity Holding AG. PEH is a stock company incorporated under Swiss law with its registered office at Gotthardstrasse 28, 6302 Zug. The Company is listed on the SIX Swiss Exchange under Swiss security number 608 992 as well as the ISIN code CH 000 608 9921 (short code PEHN).

The market capitalisation of the Company (based on total number of shares: 2,750,000) as of March 31, 2019 is EUR 156.3 million (CHF 174.6 million).

As of March 31, 2019, PEH held 144,423 of its shares in treasury (5.25% of the total issued share capital). The subsidiaries do not hold any shares in the parent company.

1.1.3 Non-listed companies in the Group

With one exception, all subsidiaries of the Company are non-listed holding companies owned 100%, either directly or indirectly, by the Company; PEH Invest LP is indirectly owned 93.04% through Private Equity Direct Finance. The remainder is held by senior employees of Alpha Associates, who participate in direct co-investments through this vehicle, which ensures further alignment of interest.

For the names of the subsidiaries, their domiciles and their share capital, please see Note 3 of the Statutory Financial Statements.

1.2 Significant shareholders

As of March 31, 2019, the following major shareholders were known to the Company:

Holding in % of share capital	31.03.19	31.03.18
Between 3% and 5%		Private Equity Holding AG (Zug, registered without voting rights)
Between 5% and 10%	Private Equity Holding AG (Zug, registered without voting rights) Dr. Hans Baumgartner (Adliswil)	Dr. Hans Baumgartner (Adliswil)
Between 33.33% and 50%	ALPHA Associates Group (Zurich)[1]	ALPHA Associates Group (Zurich)[1]

[1] As of March 31, 2019, the ALPHA Associates Group comprises ALPHA Associates AG, C+E Holding AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber. On April 20, 2019, Christoph Huber ceded to be a member of the shareholder group. The shareholding of the group remains above 33.33%.

All changes in the Company's shareholder base that were reported and disclosed in accordance with Art. 120 FINFRAG during the financial year 2018/2019 as well as any updates on shareholdings reported thereafter can be obtained from the SIX website at: https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html.

1.3 Cross-shareholdings

There are no cross-shareholdings.

2. Capital structure

2.1 Capital

Private Equity Holding AG has an issued ordinary share capital of CHF 16.5 million, divided into 2,750,000 registered shares with a nominal value of CHF 6 per share. All shares are fully paid-in.

2.2 Authorised and contingent capital

The 2014 Annual General Meeting approved the creation of new authorised and also contingent capital. The authorised capital expired on July 3, 2016, while the contingent capital remains in place:

The share capital of the Company may be increased by a maximum of CHF 9.0 million by issuing a maximum of 1,500,000 registered shares to be fully paid-in and having a nominal value of CHF 6 each, of which (a) up to CHF 3.0 million as a result of the exercise of option rights granted to existing shareholders and (b) up to CHF 6.0 million as a result of the exercise of option or conversion rights granted in connection with bond issues or other financial market instruments by the Company or any of its subsidiaries. For further details, specifically the exclusion of subscription rights, please refer to Art. 3b of the Articles of Association.

2.3 Changes in capital since March 31, 2016

Since March 31, 2016, the Company's and the Group's equity capital have developed as follows:

	31.03.16	31.03.17	31.03.18	31.03.19
Share capital (CHF 1,000)	18,000	16,500	16,500	16,500
Total equity PEH (Statutory capital, CHF 1,000)	221,745	206,006	189,101	178,820
Total equity Group (IFRS capital, EUR 1,000)	212,289	214,897	203,412	220,948

Please refer also to the Statements of Changes in Equity (IFRS financial statements).

The 2016 Annual General Meeting approved a capital decrease by cancelling 250,000 shares, which had been purchased by the Company on the SIX stock exchange in prior years and, accordingly, the nominal share capital was reduced from CHF 18,000,000 to CHF 16,500,000. In addition, the 2016 Annual General Meeting decided on a repayment of share premium (paid-in capital) in the amount of CHF 2.75 per outstanding share (no repayment of share premium was made on treasury shares).

The 2017 Annual General Meeting decided on a repayment of share premium (paid-in capital) in the amount of CHF 3.00 per outstanding share (no repayment of share premium was made on treasury shares).

The 2018 Annual General Meeting decided on a repayment of share premium (paid-in capital) in the amount of CHF 2.00 per outstanding share (no repayment of share premium was made on treasury shares).

Private Equity Holding AG has an issued share capital of CHF 16,500,000 (EUR 10,311,000, converted at historical exchange rate), divided into 2,750,000 fully paid-up registered shares with a par value of CHF 6 each. Each share, if and when registered in the Company's register of shareholders, carries one vote and all shares enjoy the same dividend rights in accordance with Swiss law. There are no preferential rights of any nature attached to any of the shares.

2.4 Shares and participation certificates

The Company has not issued any participation certificates.

2.5 Dividend-right certificates

The Company has not issued any profit sharing certificates (Genussscheine).

2.6 Limitations on transferability and nominee registrations

There are no transfer restrictions whatsoever. There are no restrictions on nominee registrations.

2.7 Convertible bonds and warrants/options

No convertible bonds, warrants or options to purchase shares have been issued by the Company or any of its subsidiaries. The Group has no employees, and no employee stock option plan is in place.

3. Board of Directors

3.1 Members

Pursuant to the Company's Articles of Association (available at www.peh.ch), the Board of Directors consists of at least three members. At the end of the financial year 2018/2019, the Board of Directors was composed as follows:

Dr. Hans Baumgartner, Chairman and Delegate, 1954, Swiss citizen

Dr. Hans Baumgartner is an attorney-at-law in Zurich. He graduated from the University of Zurich in 1978 with a degree in law and obtained a PhD in 1990. He also holds an LL.M. from the European Institute of the University of Zurich in banking and insurance law. From 1981 until 1992, Dr. Hans Baumgartner was district attorney in Zurich, from 1986 he specialised in economic crime. In 1992 he became judge at the District Court of Zurich. Since 1994, Dr. Hans Baumgartner works as an independent attorney-at-law in Zurich. He is Senior Partner at the law office Baumgartner Mächler. In addition, he has been a judge at the Military Court of Appeals from 1988 to 2004. He also serves as Chairman of miniswys AG, a technology company in Biel, and of Elster Verlagsbuchhandlung AG, Zürich, and is a member of the Board of Directors of Coozzy AG, Neuhausen am Rheinfall, and Technische Betriebe Glarus Süd in Schwanden.

Martin Eberhard, Member, 1958, Swiss citizen

Martin Eberhard works as an entrepreneur specialising in project financing. From 2000 until 2009 Martin Eberhard served as founder and CEO of Neue Zürcher Bank. Prior, Mr. Eberhard held various senior positions at Bank Julius Baer, Zurich; in 1996 he became a Member of the Management Board and in 1998 a member of the Executive Board Brokerage Europe. Before joining Julius Baer he worked for Swiss Bank Corporation in Zurich, Geneva and New York. Mr. Eberhard completed the Swiss Banking School and an Advanced Executive Program at Kellogg Graduate School of Management, USA.

Fidelis Götz, Member, 1966, Liechtenstein citizen

Fidelis Götz is a Partner at Daniel Gresch & Partner, an independent financial services consultancy, acting as a counsel for boards and management of foundations and family offices. Mr. Götz was Co-Head Private Banking at Bank Sarasin & Cie and Head Private Banking North Asia at Credit Suisse and brings 25 years of experience in investment banking, private banking and asset management as well as non-profit management in emerging markets. Mr. Götz is involved in several non-profit organisations and member of the Board of Directors of VP Bank AG Schweiz.

Dr. Petra Salesny, Member, 1971, Austrian citizen

Petra Salesny is a founding partner of Alpha Associates and prior to the team's spin-out from Swiss Life Private Equity Partners (SLPEP) was Chief Operations Officer of SLPEP. Previously, Dr. Petra Salesny was the legal advisor to the private equity team at Bank Vontobel and a consultant for M&A at Helbling CFT International Ltd. in Düsseldorf and Zurich, where she structured and coordinated cross-border transactions of mid-sized companies. Dr. Petra Salesny is admitted to the New York Bar and holds a Master of Laws from New York University. She graduated from the Law School of the University of Vienna and received a Ph.D. in law from the University of Basle.

Apart from Dr. Hans Baumgartner in his capacity as Delegate of the Board of Directors and Dr. Petra Salesny in her capacity as COO of Alpha Associates, none of the Directors has had an operational role within the Company in the three financial years prior to the reporting period.

None of the Directors have significant business relationships with Private Equity Holding AG or any of its subsidiaries. Dr. Petra Salesny is a managing partner of Alpha Associates AG and represents the shareholder group Alpha Associates on the Board of Directors.

3.2 Other activities and vested interests

Please refer to the CVs in section 3.1 above.

3.3 Statutory limits on other activities

The Directors are not allowed to carry out more than 10 other mandates, of which not more than five in companies publicly listed on a stock exchange. Please refer to article 17 of the Articles of Association (available at www.peh.ch).

3.4 Elections and terms of office

According to Art. 17 of the Company's Articles of Association, the members of the Board of Directors, the Chairman of the Board of Directors, the members of the Compensation Committee as well as the independent proxy (Art. 13a) are elected by the shareholders of the Company for a term of one year, ending with the end of the subsequent Annual General Meeting. Directors may be re-elected for one or more subsequent periods. Directors may be dismissed by shareholders' vote or resign before the end of their term.

The terms of office of the Board of Directors are as follows:

Name	Function	Date of first election to Board	Expiration of Term
Dr. Hans Baumgartner	Chairman & Delegate	December 7, 2006	Annual General Meeting 2019
Martin Eberhard	Member	June 24, 2010	Annual General Meeting 2019
Fidelis Götz	Member	July 12, 2018	Annual General Meeting 2019
Dr. Petra Salesny	Member	July 12, 2018	Annual General Meeting 2019

This Board of Directors has been elected at the Annual General Meeting of Private Equity Holding AG on July 12, 2018.

3.5 Internal organisational structure

3.5.1 Allocation of tasks within the Board of Directors

The tasks within the Board of Directors are allocated as follows:

Name	Function	Tasks and Main Focus
Dr. Hans Baumgartner	Chairman & Delegate	Day to day management
Martin Eberhard	Member	Investor relations, banking specialist
Fidelis Götz	Member	Investor relations, banking specialist
Dr. Petra Salesny	Member	Alternative asset specialist

The Board of Directors is responsible for the ultimate direction, supervision and control of the Company and the Group's investment manager and administrator. The core tasks of the Board of Directors according to the Swiss Code of Obligations and the regulations of Private Equity Holding AG are:

- Organisational regulations;
- Investment strategy and asset allocation;
- Strategic & financial planning;
- Overall supervision;
- Relationships with shareholders.

3.5.2 Composition and tasks of the Compensation Committee

At the Annual General Meeting 2018, the shareholders elected Martin Eberhard, Fidelis Götz and Dr. Petra Salesny to the Compensation Committee. The members of the Committee elected Martin Eberhard as Chairperson of the Committee.

The Compensation Committee supports the Board of Directors in the determination and implementation of the guidelines and rules for the Compensation of the members of the Board of Directors and the Delegate of the Board and prepares all board matters referring to Compensation. In particular, the Committee approves, within the total compensation limits as approved by the shareholders, the compensation of the individual members of the Board (including the Chairman) and the Delegate of the Board (please also refer to the Compensation Report).

3.5.3 Mode of operation of the Board of Directors and the Compensation Committee

The Board of Directors convenes whenever business requires, but at least four times a year, and resolves all matters by majority vote in the presence of a majority of its members. In the financial year 2018/2019, the Board of Directors held seven meetings.

Meetings are convened by the Chairman or upon the request of a member of the Board. Board members may participate in person or by telephone. Unless a member of the Board requests otherwise, decisions may be taken by circular resolution. Matters resolved by circular resolution require unanimity.

The Compensation Committee also convenes whenever business requires and resolves all matters by majority vote. Decisions may be taken by circular resolution.

The Board of Directors delegated the management of PEH's portfolio to ALPHA Associates AG ("ALPHA") and ALPHA Associates Cayman, LP ("ALPHAC"), which in turn is advised by ALPHA's private equity specialists in Zurich ("ALPHA", together "ALPHA Group").

The Delegate of the Board, with the support of ALPHA, prepares all matters to be handled by the Board and implements the Board's resolutions. The Board of Directors retains its primary, inalienable and non-transferable responsibilities according to Art. 716a Swiss Code of Obligations and monitors all financial and operational matters of the Company, thereby maintaining a close working relationship with ALPHA.

The competencies of the Board of Directors, the Delegate of the Board, ALPHA and ALPHAC are set forth in the Organisational Regulations issued by the Board of Directors.

3.6 Definition of areas of responsibility

The Board of Directors is responsible for all tasks allocated to it by Swiss Law but has delegated certain matters to its Delegate and ALPHA and ALPHAC, respectively (as described in section 3.5.3. above).

3.7 Information and control instruments vis-à-vis the investment manager

The management of ALPHA works closely with the Chairman and Delegate of the Board of Directors, who meets with ALPHA's senior staff as business requires discussing portfolio matters. Dr. Petra Salesny is a member of the Board of Directors and the management team of ALPHA is in attendance at all meetings of the Board of Directors. ALPHA further issues monthly reports to the Board of Directors of the Company including balance sheet, income statement, cash-flow planning and fair value development per investment. Detailed investment, financial and performance data is recorded and maintained by ALPHA Group, as investment manager, in a customised IT database and monitoring tool. Extracts are made available to the Board of Directors on a regular basis.

4. Management

4.1 Management Board

The Company has no employees and no Management Board. The Delegate of the Board of Directors is responsible for the day-to-day management of the Company. Please see section 3.1. above for the detailed CV of Dr. Hans Baumgartner.

4.2 Other activities and vested interests

Not applicable, as the Company has no employees and no Management Board.

4.3 Statutory limits on other activities

The Directors are not allowed to carry out more than 10 other mandates, of which not more than five in companies publicly listed on a stock exchange. Please refer to article 17 of the Articles of Association (available at www.peh.ch).

4.4 Investment Management Contracts

Since April 1, 2004, ALPHA Group provides investment management services and supports the Delegate of the Board with day-to-day administration services. For the terms of the agreements between PEH and its subsidiaries and ALPHA Group, please refer to Note 15 (Related party transactions) to the IFRS Statements of this Annual Report.

ALPHA supports the Delegate of the Board in providing administration support services to PEH for an annual fee of CHF 500,000 (excl. VAT). Administration services include accounting, corporate, legal and regulatory services and investor relations.

4.4.1 Investment Management Services

Investment management services are performed by ALPHAC in the Cayman Islands and include asset allocation, investment advice, the selection, execution and divestment of private equity fund and direct investments in accordance with the Company's investment strategy, cash management, arrangement of banking services, and all administrative and financial tasks of the Cayman Islands companies of the Group. ALPHA provides investment advisory services to ALPHAC. Such services include research, the identification and evaluation of investment opportunities, the monitoring of portfolio investments and the evaluation and presentation to the investment manager of potential exit strategies from investments.

4.4.2 Description of ALPHA Group

ALPHAC is a Cayman Islands limited partnership controlled by ALPHA and employs local professionals with knowledge and experience in accounting, financial management and investment management. ALPHA is a company incorporated under Swiss law with its registered office in Zurich. ALPHA is a fully independent private equity manager owned by the senior members of its team and a FINMA authorised asset manager of collective investment schemes. The ALPHA Group manages and advises various private equity, infrastructure and private debt investment programs and separate managed accounts.

ALPHA's Management Team is composed as follows:

Dr. Peter Derendinger, Partner, CEO; Dr. iur., LL.M., attorney-at-law; 13-year career at Credit Suisse as General Counsel, Head Corporate Center and CFO Private Banking; led the restructuring of Private Equity Holding AG in 2003; Chairman of Credit Suisse (Schweiz) AG and member of the board of several investment and portfolio companies.

Petr Rojicek, Partner, CIO; Dipl.Ing., MBA; career in engineering and corporate finance, at UBS and Bank Vontobel; worked on corporate finance transactions since 1995; led, negotiated and executed many private equity investments in Western Europe, the US and Eastern Europe; serves on many advisory boards of private equity funds and as director of portfolio companies; strong relationship network in the industry.

Dr. Petra Salesny, Partner, COO; Dr. iur, LL.M., admitted to the NY bar; career in law and M&A; active in private equity investing since 2001; due diligence, negotiation, structuring and execution of fund and direct investments and secondary acquisitions; structuring, launch and marketing of new products and programs.

Jürg Kägi, Principal, CFO; lic. oec. publ, Swiss CPA; joined Alpha Associates in February 2018. Previous work experience includes Head Finance of Itaú Private Bank Switzerland, Senior Manager Ernst & Young AG and Audit Manager at PwC.

Peter Wolfers, Principal, CRO; MA Econ., LL.M.; joined Alpha Associates in 2005 and again in 2010, having spent two years at Horizon21, a Swiss investment manager. Member of the managing board of the Swiss Association of Investment Companies.

For further information on ALPHA and its key staff please consult their website at www.alpha-associates.ch

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and share-ownership programs

The compensation awarded to the members of the Board of Directors is determined in accordance with the scope of activities and the responsibility and functions of the individual members and based on sector and market comparisons.

Compensation of the Board of Directors of the Company is effected in accordance with the provisions of the Articles of Association, in particular Art. 26. Compensation is fixed and does not contain any variable components dependent on the financial performance of the Company; further, the Company does not grant credits or loans to the Directors. While the Board of Directors is compensated in cash for all its duties, it may elect collectively to be fully or partially paid in shares of the Company. In this case, shares are allotted at market price replacing the respective cash compensation. The Board of Directors decides on the timing of allotment and may set lock-up periods for such shares.

The Compensation Committee determined that the members of the Board of Directors shall be compensated as follows (pro-rata when a mandate is not executed for a full year):

Compensation	**CHF**
Chairman	75,000 p.a.
Member	50,000 p.a.
Delegate (in addition to Chairman's/Member's Compensation)	75,000 p.a.

The compensation is paid annually. The employer's share of the AHV/ALV contribution is borne by the Company.

Travel and other reasonable out-of-pocket expenses related to the attendance of Board meetings are covered by the Company. Directors may furthermore be paid all other expenses properly incurred by them in connection with the business of the Company.

The Company does not grant any loans to or guarantee any liabilities of the members of the Board of Directors. None of the Directors is entitled to any special compensation upon departure.

For further information regarding the disclosure of compensation paid to the members of the Board of Directors for the financial years 2018/2019 and 2017/2018, please refer to Note 9 to the Financial Statements of PEH AG (Management compensation) and the separate Compensation Report.

The management, administration and performance fee arrangements between the Company and its subsidiaries and ALPHA Group are set forth in an administrative services agreement and an investment management agreement, respectively; the calculation of the fees follows industry standards and is audited by the Group's auditors.

For further information regarding the disclosure of administration, management and performance fees under the administration and management agreements between PEH and its subsidiaries with ALPHA and ALPHAC, please refer to Note 15 to the IFRS Financial Statements (Related party transactions).

5.2 Statutory provisions on compensation and performance-based incentives in specific

5.2.1 Statutory provisions on performance-based incentives, the allotment of shares and additional amounts available for newly elected members of Management

The compensation paid to the Members and Chairman/Delegate of the Board of Directors is fixed and does not contain any variable components dependent on the financial performance of the Company.

The Board of Directors is compensated in cash for all its duties, however, it may elect collectively to be fully or partially paid in shares of the Company. In this case, shares are allotted at market price replacing the respective cash compensation. The Board of Directors decides on the timing of allotment and may set lock-up periods for such shares.

If the total amount of compensation approved by the Annual General Meeting does not suffice to cover for the compensation of a newly elected Delegate of the Board or Member of the Management, the Company may pay any such person an additional amount which in total is limited to 50% of the average total compensation paid to the Delegate of the Board and Management over the last three years. The Annual General Meeting does not vote retroactively on this additional compensation. If the capped amount does not suffice to compensate the newly elected individuals, any additional compensation can only be paid with the decision of the next ordinary Annual General Meeting.

5.2.2 Statutory provisions on loans and credits to Board Members and Management

The Company does not grant credits or loans to the Directors or Management, i.e. the Delegate of the Board of Directors.

5.2.3 Statutory provisions on voting on compensation

The Annual General Meeting approves a maximal total compensation for the members of the Board of Directors as well as a maximal amount paid in addition to the Delegate of the Board of Directors for the current financial year. If the Annual General Meeting declines a compensation proposal by the Board of Directors, the Board of Directors is entitled to make a modified proposal with a lower total compensation. If this revised proposal is also declined by the Annual General Meeting, the Board of Directors has to call an extraordinary Annual General Meeting to discuss and vote on this item again.

The 2018 Annual General Meeting approved a maximum total compensation in the amount of CHF 200,000 p.a. for the members of the Board of Directors and a maximum total compensation in the amount of CHF 100,000 p.a. for the Delegate of the Board of Directors (in addition to Chairman's/Member's compensation). Dr. Petra Salesny foregoes the compensation for her work as a member of the Board of Directors.

6. Shareholders' participation rights

6.1 Voting-rights and representation restrictions

There are no voting rights or representation restrictions in the Company's Articles of Association (available at www.peh.ch). Each shareholder whose shares are registered in the Company's register of shareholders is entitled to participate in the Company's General Meetings and vote his or her shares at his or her discretion.

Instead of attending a meeting in person, a registered shareholder may appoint a proxy, who does not need to be a shareholder. Shareholders may be represented by a specially designated independent shareholders' representative ("unabhängiger Stimmrechtsvertreter"). Proxies must be confirmed in writing.

6.1.1 Restrictions on voting rights

Each share, if and when registered in the Company's register of shareholders, carries one vote and all shares enjoy the same dividend rights in accordance with Swiss law. There are no preferential rights of any nature attached to any of the shares, neither any restrictions on voting.

6.1.2 Voting through shareholders' representative

Shareholders may be represented by a specially designated independent shareholders' representative ("unabhängiger Stimmrechtsvertreter"). Proxies must be given in writing or submitted through an electronic system. The invitation to the Annual General Meeting contains further information on this; please also refer to article 13a of the Company's Articles of Association.

6.2 Statutory quorums

There are no statutory quorums in the Company's Articles of Association. Except as provided for a limited number of important decisions as set forth in Art. 704 Swiss Code of Obligations, which require a qualified majority, the General Meeting adopts all resolutions with a majority of the votes cast at the meeting; abstentions are not counted as votes cast. Voting is secret if so requested by one or more shareholders representing at least 5% of the represented shares or upon direction of the Chairman of the meeting.

6.3 Convocation of the General Meeting of shareholders

In accordance with Swiss company law and the Articles of Association (available at www.peh.ch), General Meetings of shareholders are convened by the Board of Directors or, if necessary, by the auditors of the Company. Ordinary General Meetings are convened annually within 6 months after financial year-end. Extraordinary General Meetings are convened upon resolution of the shareholders or the Board of Directors, upon request of the auditors, or upon written request to the Board of Directors by one or more shareholders holding an aggregate of at least 10% of the Company's share capital.

Notice of General Meetings is given to the registered shareholders by letter at least 20 days prior to such meeting by the Board of Directors. The notice states the place and time of the meeting, the items on the agenda and the proposals of the Board of Directors with respect to each item and any items and proposals placed on the agenda by shareholders, the type of proof of ownership of shares and notice that the business report and auditors' report are available for inspection by the shareholders at the registered office of the Company.

6.4 Inclusion of item on the agenda

Shareholders holding shares with an aggregate nominal value of at least CHF 1 million have the right to request in writing that a specific item be put on the agenda. Such requests have to be received by the Board of Directors 30 days prior to the General Meeting in writing. Proposals regarding items not included in the agenda may be admitted for discussion by shareholder resolution, but may be voted on only at the following General Meeting, except a motion for the calling of an Extraordinary General Meeting or a motion for a special audit. Proposals regarding items on the agenda may be made without prior request.

6.5 Inscriptions into the share register

Following the purchase of PEH shares on- or off-exchange, the purchaser (normally through its bank) may request that his or her shares shall be registered in the Company's register of shareholders. The Company recognises only one holder per share. The register contains, i.a., the name and address of the registered shareholders.

Only shareholders registered in the company's register of shareholder as of the cut-off date are entitled to attend and vote at General Meetings. The cut-off date for each meeting is the date on which the invitation for the General Meeting is mailed to the shareholders (Art. 6.2 of the Company's Articles of Association, please refer to www.peh.ch). The dates of the Company's General Meetings and the meeting invitations are published on its website for ease of reference.

7. Change of control and defence measures

7.1 Duty to make an offer

According to Art. 135 Financial Markets Infrastructure Act ("FMIA"), any person, whether acting directly, indirectly or in concert with third parties, acquiring shares in a company established and listed in Switzerland, which shares when added to any shares already owned by such person exceed the threshold of 33.33% of the voting rights of the company, must offer to acquire all listed shares of the company. This obligation does not apply if the shares have been acquired as a result of donation, succession or partition of an estate, by operation of matrimonial property law or through execution of a judgment.

Since the Annual General Meeting 2014, the Articles of Association of Private Equity Holding AG provide for a statutory "opting out" from Art. 135 FMIA in accordance with Art. 125 par. 4 FMIA. Accordingly, the obligation described above does not apply. For further details please see article 6bis of the Company's Articles of Association, which are available at www.peh.ch.

7.2 Clauses on changes of control

There are no specific clauses on change of control in the Company's Articles of Association. In particular, neither the members of the Board of Directors nor ALPHA Group are entitled to any additional compensation specifically as a result of any person acquiring control over the Company.

8. Auditors

8.1 Duration of the mandate and term of office of the Auditors

The auditors of the Company and the Group are KPMG AG, Zurich ("KPMG"). KPMG have been acting as statutory auditors and auditors of the IFRS accounts of the Company since June 25, 2009. The lead auditor (since July 8, 2016) on the mandate is Mr. Thomas Dorst, Swiss Certified Accountant. The rotation interval that applies to the lead auditor is the statutory maximum of seven years, according to Art. 730a par. 2 of the Swiss Code of Obligations.

The auditors are elected by the Annual General Meeting for the term of one year, which ends with the date of the next Annual General Meeting. Re-election is possible (Art. 27 of the Company's Articles of Association; please refer to www.peh.ch).

8.2 Audit fees

The audit fees to KPMG in the financial year ending March 31, 2019 amounted to CHF 129,240 (incl. VAT) for the audit of the statutory and IFRS financial statements of the Company.

8.3 Additional fees

The Company paid additional fees to KPMG for tax-related advisory services CHF 18,875 (incl. VAT).

8.4 Supervisory and control instruments pertaining to the audit

The Board of Directors and ALPHA provide the auditors with all the necessary information in connection with the audit and the financial statements, which are prepared by ALPHA and ALPHAC, respectively.

The auditors are updated on the decisions that have been taken in the meetings of the Board of Directors and review the relevant documents on a regular basis. The auditors also keep the Board of Directors regularly informed about the audit process. Information is exchanged, as the case may be, by way of written communication, telephone conferences or in private sessions.

The Board of Directors and the auditors meet at least once a year to discuss the audit services provided by the auditors during the year as well as the annual financial statements. The Board of Directors also assesses the adequacy of the auditors' fees by examining the fees of the previous year and the expected fees for the current business year. Moreover, it assesses the independence of the auditors as well as the audit plan for the next audit period.

The auditors inform the Board of Directors once a year about their findings regarding the Company's and ALPHA's Internal Control System.

9. Information policy

The Group reports on its financial performance on a semi-annual basis. The Company's financial year ends on March 31. The annual result is stated according to IFRS and for the stand-alone entity. The year-end figures are audited.

The Group prepares semi-annual reports and publishes them in full on the Company's website www.peh.ch.

The net asset value per PEH share and additional key information are published on a monthly basis, normally within six working days of the end of each month.

In between the semi-annual report publications, all relevant information (including information subject to ad-hoc publicity according to article 53 of the listing rules) is published in the form of news releases, which are available on the Company's website.

Information about the current and historical prices of the Company's shares, which are listed under short code PEHN on the SIX Swiss Exchange, can be obtained free of charge under the following links:

http://www.six-swiss-exchange.com or http://www.peh.ch.

Shareholders and other interested parties may subscribe to press releases at www.peh.ch to receive information automatically upon publication by e-mail. For further information, please contact:

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The section Information for Investors includes information on upcoming events and publications.

Compensation report

The compensation report for the financial year 2018/2019 contains information about the compensation system, procedures for determining compensation, and the compensation paid to members of the Board of Directors and the Delegate of the Board of Directors of Private Equity Holding AG ("PEH" or the "Company").

The content and scope of the information provided is based on the Articles of Incorporation of PEH, the transparency requirements set out in Articles 13-16 of the Swiss Ordinance against Excessive Compensation in Listed Companies (VegüV) and Article 663b^{bis} of the Swiss Code of Obligations, the SIX Swiss Exchange Directive on Information relating to Corporate Governance and the principles of the Swiss Code of Best Practice for Corporate Governance drawn up by Economiesuisse.

1. Governance

On February 7, 2014, the Board of Directors of PEH established a Compensation Committee. The members of the Compensation Committee were individually elected at the 2018 Annual General Meeting and the committee consists of Martin Eberhard, Fidelis Götz and Dr. Petra Salesny. The members of the Committee elected Martin Eberhard as Chairperson of the Committee.

The Compensation Committee supports the Board of Directors in the determination and implementation of the guidelines and rules for the compensation of the members of the Board of Directors and the Delegate of the Board and prepares all board matters referring to Compensation. In particular, the Committee approves the compensation of the individual members of the Board (including the Chairman) and the Delegate of the Board.

The Committee meets upon invitation of the Chairperson of the Compensation Committee or at the request of another member of the Compensation Committee, as frequently as necessary.

Dr. Hans Baumgartner is Chairman of the Board of Directors and also Delegate of the Board of Directors with overall responsibility for the day-to-day management of the Company. See also section 3.5.1 of the Corporate Governance report.

2. Procedures for determining compensation

The 2018 Annual General Meeting approved a maximum total compensation in the amount of CHF 200,000 p.a. for the members of the Board of Directors and a maximum total compensation in the amount of CHF 100,000 p.a. for the Delegate of the Board of Directors (in addition to Chairman's/Member's compensation). The compensation awarded to the members of the Board of Directors and to the Delegate of the Board of Directors is determined within this range in accordance with the scope of activities and the responsibility and functions of the individual members and based on sector and market comparisons.

3. Compensation policy

The compensation of the Board of Directors of the Company is effected in accordance with the provisions of the Articles of Association, in particular Art. 26. Compensation is fixed and does not contain any variable components dependent on the financial performance of the Company; further, the Company does not grant credits or loans to the Directors. While the Board of Directors is compensated in cash for all its duties, it may elect to be fully or partially paid in shares of the Company. In this case, shares are allotted at market price replacing the respective cash compensation. The Board of Directors decides on the timing of allotment, and may set lock-up periods for such shares.

In accordance with the maximum amounts approved by the 2018 Annual General Meeting, the Compensation Committee determined that the members of the Board of Directors and the Delegate be compensated annually as follows (pro-rata when a mandate is not executed for a full year):

Compensation	CHF
Chairman	75,000
Member	50,000
Delegate (in addition to Chairman's/Member's compensation)	75,000

The compensation is paid annually. The employer's share of the AHV/ALV contribution is borne by the Company.

Travel and other reasonable out-of-pocket expenses related to the attendance of Board meetings are covered by the Company. Directors may furthermore be paid all other expenses properly incurred by them in connection with the business of the Company.

3.1 Compensation for the financial years 2018/2019 and 2017/2018 (Article 14 VegüV)

The following tables show the remuneration for the members of the Board of Directors in the financial years 2018/2019 and 2017/2018. In addition, the Company paid a Directors & Officers liability insurance fee of CHF 31,500 (2017/2018: CHF 31,414). Travel and other out-of-pocket expenses amounted to CHF 1,830 (2017/2018: CHF 3,100).

The Board of Directors compensation is defined and paid out in CHF:

Compensation for the financial year 2018/2019

As of 31 March 2019	Base Compensation (Cash) CHF	Base Compensation (Shares) CHF	Social security payments CHF	Total compensation CHF
Dr. Hans Baumgartner, Chairman & Delegate of the Board of Directors	75,000	75,000	9,326	159,326
Martin Eberhard, Chairman of the Compensation Committee (elected at the AGM 2018)	25,000	25,000	3,112	53,112
Dr. Petra Salesny[1], Member of the Compensation Committee (elected at the AGM 2018)	—	—	—	—
Fidelis Götz, Member of the Compensation Committee (elected at the AGM 2018)	18,750	18,750	2,334	39,834
Dr. Hans Christoph Tanner, Chairman of the Compensation Committee (until the AGM 2018)	6,250	6,250	425	12,925
Bernhard Schürmann, Member of the Compensation Committee (until the AGM 2018)	6,250	6,250	425	12,925
Total	**131,250**	**131,250**	**15,622**	**278,122**

[1] Dr. Petra Salesny forgoes the compensation for her work as a member of the Board of Directors.

Compensation for the financial year 2017/2018

As of 31 March 2019	Base Compensation (Cash) CHF	Base Compensation (Shares) CHF	Social security payments CHF	Total compensation CHF
Dr. Hans Baumgartner, Chairman & Delegate of the Board of Directors	75,000	75,000	9,326	159,326
Dr. Hans Christoph Tanner, Chairman of the Compensation Committee	25,000	25,000	1,701	51,701
Martin Eberhard, Member of the Compensation Committee	25,000	25,000	3,112	53,112
Bernhard Schürmann, Member of the Compensation Committee	25,000	25,000	1,701	51,701
Total	**150,000**	**150,000**	**15,840**	**315,840**

3.2 Loans and credits to Board Members and Management (Article 15 VegüV)

For the financial year 2018/2019, no loans or credits by the Company or its subsidiaries have been granted to members of the Board of Directors (2017/2018: None).

3.3 Compensation, loans and credits to related parties (Article 16 VegüV)

For the financial year 2018/2019, no further compensation, loans or credits by the Company or its subsidiaries have been granted to related parties (2017/2018: None).

3.4 Compensation to former Members of the Board of Directors or Management

For the financial year 2018/2019, no compensation was paid to former members of governing bodies (2017/2018: None).

Report of the Statutory Auditor on the Compensation Report

Report of the Statutory Auditor

To the General Meeting of Private Equity Holding AG, Zug

We have audited the accompanying compensation report of Private Equity Holding AG for the year ended 31 March 2019 which are presented on pages 62 to 63.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the compensation report for the year ended 31 March 2019 of Private Equity Holding AG complies with Swiss law and articles 14 – 16 of the Ordinance.

KPMG AG

Thomas Dorst
Licensed Audit Expert
Auditor in Charge

Christoph Hochuli
Licensed Audit Expert

Zurich, 13 June 2019

Information for Investors

The registered shares of Private Equity Holding AG are traded on SIX Swiss Exchange since January 18, 1999.

Stock exchange listing

Telekurs ticker symbol	PEHN
Swiss security no.	608 992
ISIN code	CH 000 608 9921
German security no.	906 781

Share data	31.03.19	31.03.18
Number of registered shares	2,750,000	2,750,000
Number of shares outstanding	2,605,577	2,614,954
Nominal value per share (CHF)	6.00	6.00
Comprehensive earnings per share (EUR)	8.65	0.89

Share price (per share)	2018/2019 CHF	2017/2018 CHF
High (23.-27.04.18/03.10.18)	72.00	80.00
Low (27.12.18)	58.00	69.75
Year-end (31.3.)	63.50	71.00

Market capitalisation (Basis: Number of shares outstanding at year-end)	2018/2019 CHFm	2017/2018 CHFm
High (23.-27.04.18/03.10.18)	188	209
Low (27.12.18)	151	182
Year-end (31.3.)	165	186

Corporate calendar

July 11, 2019	Annual General Meeting
November 6, 2019	Half Year Report as of September 30, 2019
April 2020	Preliminary NAV as of March 31, 2020
June 2020	Annual Report 2019/2020

NAV Publication as of the end of every month on **www.peh.ch**

Glossary of Terms

Capital calls	Amount of capital called from the Group by a private equity fund. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Capital contributed (invested)	Amount of capital contributed (invested) by the Group to direct or indirect investments since inception. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Capital gain/(loss)	Difference between total distribution and the cost component of distribution of a specific investment.
Change in unrealised gain/(loss)	Temporary increase or decrease in value of a fund or direct investment. Equal to the difference between the fair value of an investment and the net acquisition cost.
Commitment	Amount that the Group has committed to make available to a private equity fund or direct investment. In accordance with IFRS, this amount is not recorded in the balance sheet. The translation into EUR is made by using the foreign exchange rate as of the relevant reporting date.
Cost component of distribution (return of capital)	Portion of distribution which reflects the contributed capital.
Distribution	Amount of net proceeds (including cost component, capital gains and interest/dividends) received by the Group. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Fair value (FV)	The price at which an investment would change hands between a willing buyer and a willing seller, neither being under a compulsion to buy or sell and both having a reasonable knowledge of relevant facts. Fair value of a private equity fund, i.e. fair value of assets minus liabilities. The translation into EUR is made by using the foreign exchange rate as of the relevant reporting date.
NAV	Net asset value
Net acquisition cost (NAC)	Capital contributed minus cost component of distributions.
Realised gain/(loss)	Difference between total distribution and the cost component of distribution of a specific investment.
Unfunded commitment	Amount that the Group has not yet contributed to a private equity fund. Difference between original commitment and contributed capital.
Vintage year	Year in which a private equity fund has made its first capital call for investment purposes. In general, this coincides with the first year of a private equity fund's term.

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