

Liquidation Report

Castle Alternative Invest AG in Liquidation

For the period from 1 January 2023 to 15 April 2023

Independent auditor's report

to the Liquidators of Castle Alternative Invest AG in Liquidation

Pfäffikon SZ

We have audited the financial statements (closing liquidation balance sheet) of Castle Alternative Invest AG in Liquidation, which comprise the balance sheet as at 15 April 2023, the statement of income for the period from 1 January 2023 to 15 April 2023, and notes to the financial statements, on the basis of liquidation values.

Liquidators' responsibility

The Liquidators are responsible for the preparation of this closing liquidation balance sheet in accordance with the legal and statutory requirements and for such internal controls as the Liquidators determine are necessary to enable the preparation of the closing liquidation balance sheet that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying closing liquidation balance sheet based on our audit. 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 whether the closing liquidation balance sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the closing liquidation balance sheet. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the closing liquidation balance sheet, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the closing liquidation balance sheet 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Liquidators, as well as evaluating the overall presentation of the closing liquidation balance sheet.

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

Opinion

In our opinion, the closing liquidation balance sheet of Castle Alternative Invest AG in Liquidation complies with Swiss law and the company's articles of incorporation.

PricewaterhouseCoopers AG

Jack Armstrong
Licensed audit expert

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Zürich, 2 May 2023

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Balance sheet

(All amounts in thousands unless otherwise stated)

Note	15.04.2023 USD	15.04.2023 CHF ¹⁾	31.12.2022 USD	31.12.2022 CHF ¹⁾
Assets				
Current assets:				
Cash and cash equivalents	11,157	9,973	10,922	10,108
Total current assets	11,157	9,973	10,922	10,108
Total assets	11,157	9,973	10,922	10,108
Liabilities				
Current liabilities:				
Other accrued liabilities	224	200	367	340
Total current liabilities	224	200	367	340
Equity				
Shareholders' equity:	6			
Share capital	260	252	260	252
Legal reserves				
Reserves from capital contributions	9,378	11,947	9,378	11,947
Accumulated surplus	1,295	1,094	917	756
Accumulated translation difference	-	(3,520)	-	(3,187)
Total shareholders' equity	10,933	9,773	10,555	9,768
Total liabilities and equity	11,157	9,973	10,922	10,108

¹⁾ Art. 958d of the SCO requires the Company to disclose the Swiss Franc amounts as supplemental information.

Statement of income

(All amounts in thousands unless otherwise stated)

Note	1.1.-15.4.2023 USD	1.1.-15.4.2023 CHF ¹⁾	1.1.-31.12.2022 USD	1.1.-31.12.2022 CHF ¹⁾
Income				
Value adjustments on participations 2b)	-	-	(1,491)	(1,422)
Dividends from participations	-	-	1,569	1,496
Other income	-	-	3	3
Gain on foreign exchange, net	378	338	414	395
Total income	378	338	495	472
Expenses				
Administrative expenses	-	-	-	-
Total expenses	-	-	-	-
Profit before extraordinary expenses and taxes	378	338	495	472
Extraordinary expenses				
Liquidation expenses 7	-	-	(382)	(364)
Total extraordinary expenses	-	-	(382)	(364)
Profit before taxes	378	338	113	108
Taxes 5	-	-	-	-
Profit for the period/year	378	338	113	108

¹⁾ Art. 958d of the SCO requires the Company to disclose the Swiss Franc amounts as supplemental information.

Notes to the company financial statements

For the period from 1 January 2023 to 15 April 2023
(All amounts in thousands unless otherwise stated)

1. Organisation and business activity

Castle Alternative Invest AG in Liquidation, Pfäffikon ("the Company") was incorporated on 30 July 1996 as a joint stock corporation under Swiss laws. The Company's registered office is Schützenstrasse 6, CH-8808 Pfäffikon. Since 10 April 1997, the shares of the Company have been listed in Swiss Francs on the SIX Swiss Exchange. At the annual meeting on 11 May 2021 the liquidators proposed to the shareholders the dissolution and liquidation of the Company, which was accepted by the shareholders. The liquidators of Castle Alternative Invest AG in Liquidation decided on 28 January 2022 to delist all 5,043,659 registered shares from SIX Swiss Exchange. The delisting on SIX was requested and approved for 1 June 2022. The last trading day on SIX was Tuesday, 31 May 2022.

The main activity of the Company was to invest in a diversified portfolio of non-traditional investments, through its two Subsidiaries, Castle Alternative Invest (Overseas) Ltd., Grand Cayman ("the Cayman Subsidiary") and Castle Alternative Invest (International) plc, Dublin ("the Ireland Subsidiary").

As of 15 April 2023 and 31 December 2022 the Company did not employ any employees.

2. Accounting principles

These Company financial statements (closing liquidation balance sheet) have been prepared in accordance with the provisions on accounting and financial reporting of the Swiss Code of Obligations (Art. 957 to 963b CO). Due to the decision to liquidate the Company the financial statements of the Company have therefore been prepared on a basis other than going concern. The following changes were applied:

- all assets are displayed under the current assets in the balance sheet;
- the accrual of the best estimate of all future wind up costs are displayed under the accrued expenses and other payables in the balance sheet; and
- the liquidation values are the basis of preparation for the financial statements as of 15 April 2023.

a) Participations

Up to 12 May 2021 the participation in the Cayman Subsidiary were stated at acquisition cost or at the lower net realisable value, using the net asset value of the Cayman Subsidiary. Should the net asset value of the Cayman Subsidiary have been higher in the current period as compared to the previous year(s) level, no upwards valuation adjustments would have been made. Since 12 May 2021, the participation have been valued on a liquidation basis at liquidation value or realisable value. There is no participation as of 15 April 2023 as it was liquidated.

b) Functional and presentation currency

The books of the Company are kept in US Dollar (functional currency). Up until 31 December 2017 the Company's financial statements were presented in Swiss Francs (presentation currency). Effective as of 1 January 2018 the liquidators of the Company resolved to use the US Dollar as its presentation currency for statutory reporting. This change of the presentation currency improves the transparency of the statutory reporting and the comparability to the consolidated financial statements of the Group which are also presented in US Dollars.

From 2018, in accordance with the Swiss Code of Obligations, the Company also presents the Swiss Franc amounts next to the US Dollar presentation currency (identified as Swiss Francs supplementary information). The conversion from the US Dollar to the Swiss Franc supplementary information is conducted as follows:

- all assets and liabilities by applying the period-end exchange rate;
- income and expenses at the average exchange rate for the period; and
- the shareholders' equity at the historical exchange rate.

The currency translation difference from the conversion of the US Dollar values into the Swiss Franc values are cumulatively presented in the shareholders' equity as accumulated translation difference.

The 2023 and 2022 Swiss Franc amounts presented are for supplementary information only (SCO 958d Para.3).

3. Participations

The Company's only direct investment was 100 per cent of the voting participating redeemable ordinary shares of the Cayman Subsidiary. The Cayman Subsidiary was invested in the Ireland Subsidiary, an open ended investment company with variable capital under the laws of Ireland.

Where a dividend distribution has been approved by a subsidiary, the participation income from the subsidiary is recognised based on an economic standpoint, i.e. at the same time as the corresponding liability is recorded in the subsidiary.

Balance sheet reconciliation of participation carrying value	15.04.2023	15.04.2023	31.12.2022	31.12.2022
	TUSD	TCHF	TUSD	TCHF
1 January	-	-	1,491	1,359
Realized loss on participation	-	-	(1,491)	(1,422)
Foreign exchange translation differences on participation through shareholders' equity	-	-	-	63
15 April / 31 December	-	-	-	-

4. Foreign exchange rates

The following exchange rates have been applied to translate the foreign currencies of significance for the Company:

Foreign exchange rates		Unit	15.04.2023	31.12.2022
			USD	USD
Swiss Francs	Year-end rates	1CHF	1.1188	1.0806
Swiss Francs	Average annual rates	1CHF	1.0918	1.0485

5. Taxes

For Swiss federal, cantonal and communal tax purposes, an income tax is levied. However, there is a participation exemption on dividend income and capital gains on qualifying participations. The result of the participation exemption relief is that dividend income and capital gains are almost fully excluded from taxation. The actual tax expenses cover all taxes through 15 April 2023.

6. Shareholders' equity

Shareholders' equity

The share capital of the Company at 15 April 2023 amounts to TUSD 260 (TCHF 252) (31 December 2022: TUSD 260, TCHF 252) consisting of 5,043,659 (2022: 5,043,659) issued and fully paid registered shares with a par value of CHF 0.05 (31 December 2022: CHF 0.05).

Each share entitles the holder to participate in any distribution of income and capital. The Company regards shareholders' equity as the capital that it manages. Shareholders' equity amounts to TUSD 10,555 (TCHF 9,768) as of 15 April 2023 (31 December 2022: TUSD 10,555, TCHF 9,768).

Treasury shares

The Company can buy and sell treasury shares in accordance with the Company's articles of association, Swiss company law.

Allocation of legal reserves from capital contributions

As at 15 April 2023 the reserves from capital contributions that are available for distribution to shareholders amount to TUSD 9,378 (TCHF 11'947) (31 December 2022: TUSD 9,378, TCHF 11,947).

Shareholders' equity

In 2023 (all amounts in US Dollar thousands unless otherwise stated)

	Share capital	Legal reserves Reserves from capital contributions	Accumulated surplus/(deficit)	Total
1 January 2023	260	9,378	917	10,555
Gain for the period	-	-	378	378
15 April 2023	260	9,378	1,295	10,933

Shareholders' equity (supplementary information)

In 2023 (all amounts in Swiss Francs thousands unless otherwise stated)

	Share capital	Legal reserves Reserves from capital contributions	Accumulated surplus/(deficit)	Translation difference	Total
1 January 2023	252	11,947	756	(3,187)	9,768
Gain for the period	-	-	338	-	338
Translation difference	-	-	-	(333)	(333)
15 April 2023	252	11,947	1,094	(3,520)	9,773

7. Liquidation expenses

With the decision of the shareholders on May 11, 2021 to dissolve and liquidate the Company, future liquidation costs of the company were calculated and accrued. These accrued expenses will be used for further liquidation proceedings and to settle future costs.

8. Subsequent events

Since the balance sheet date of 15 April 2023, there have been no material events that could impair the integrity of the information presented in the financial statements.