# CT Private Equity Trust PLC

**As at 31 March 2025**

**Fund manager**
**Hamish Mair**

## Fund manager commentary

As at 31 March 2025, the net assets of the Company were £495.8m, giving a Net Asset Value ('NAV') per share of 693.40p, which taking into account the dividend of 7.01p paid on 31 January 2025, gives a total NAV return for the quarter of -0.8%. The share price total return for the quarter was -4.6%.  At 31 March 2025 the Company had outstanding undrawn commitments of £182.4m, including £28.7m to funds where the investment period has expired.

One new investment was made in the quarter. €2.1m was invested in the Finnish IT services company Frendy. This is a co-investment alongside Procuritas, the long-established Nordic mid-market specialist. Frendy was formed by Procuritas in 2021 through the amalgamation of 10 companies with the aim of consolidating the fragmented IT services market in Finland. The original investment thesis has taken longer than expected and an opportunity arose for us to invest below the original entry price. Growth is now coming through driven by the transition to the cloud and strong demand for cyber-security. More companies have been added to the group and a growing proportion of revenues are on a recurring subscription basis. This is expected to be a shorter hold. CT Private Equity Trust holds 6.7% of the business.

The funds in the portfolio have added a number of interesting investments during the quarter.

Software experts Axiom called £1.8m for Project Enola, a UK based investigation management and intelligence platform. SEP VI called £1.4m for two companies; Springtime, an Austrian accounts payable software company and Restrata a UK based critical event and business resilience software provider. Volpi III called £1.2m for two companies; Bluestar, a Danish product life cycle software company and Telematrix, an Austrian provider of software for public transport. Verdane Edda invested £0.8m across two platforms: Eversports a DACH focused software and sports facilities bookings platform; and Corlytics a regulatory intelligence and policy management software for financial services institutions and other regulated industries. Piper Private Equity called £0.6m for Yard Sale Pizza, a chain of 14 shops in London which also delivers by e-bike and partners with 160 pubs and bars across London.

In North America, Level 5 Fund II and Purpose Brands called £0.8m for medical spa company Heyday. TorQuest VI called £1.0m for its first two investments; Mevotech is involved in the engineering, design and distribution of driveline, steering and suspension parts for the auto aftermarket; Athos is a funerary services company based in Quebec.

The total invested in new companies by way of co-investment and funds in the quarter was £15.7m, which was up 16% on Q4 2024 but down by 33% compared with the first quarter of 2024.

Although the private equity market slowed somewhat as we entered 2025, there were a number of diverse exits or partial exits across the portfolio.

### Key risks

Stock market movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. Smaller companies carry a higher degree of risk and their value can be more sensitive to market movement; their shares may be less liquid and performance may be more volatile. The fund may invest in private equity funds which are not normally available to individual investors, exposing the fund to the performance, liquidity and valuation issues of these funds. Such funds typically have high minimum investment levels and may restrict or suspend redemptions or repayment to investors. The asset value of these shares and its prospects may be more difficult to assess. If markets fall, financial leverage can magnify the negative impact on performance.

## Key facts as at 31.03.2025

**Trust aims:** The objective is to achieve long-term capital growth through investment in private equity assets.

**Trust highlights:** Anticipated superior returns relative to the quoted markets. Access to a well diversified portfolio. Manager's understanding and access to 'up and coming' funds.

| | |
|---|---|
| **Fund type:** | Investment Trust |
| **Launch date[1]:** | 1999 |
| **Total assets:** | £601.0 million |
| **Share price:** | 459.00p |
| **NAV – per IFRS:** | 693.40p |
| **Discount/premium(-/+)[2]:** | -33.8% |
| **Dividend payment dates[#]:** | Jan, Apr, Jul and Oct |
| **Net dividend yield[†]:** | 6.1% |
| **Net gearing*:** | 15.4% |
| **Management fee rate**:** | 0.9% |
| **Ongoing charges***:** | 1.2% |
| **Year end:** | 31 December |
| **Sector:** | Private Equity |
| **Currency:** | Sterling |
| **Website:** | ctprivateequitytrust.com |

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The largest inflow was of £3.1m from our co-investment in electrical components company Sigma which has been recapitalised with a partial return to investors. The company had been in a sale process, but this will likely be paused as the impact of potential tariffs is assessed. So far, the additional costs have successfully been passed through to customers via price rises, however the longer term impact on demand in the company's end markets may take time to become clear.

Blue Point III returned £1.2m (6.9x cost, 32% IRR) with the sale of industrial services contractor Sylvan, which provides design, installation and maintenance of industrial projects for clients in a range of sectors across North America.

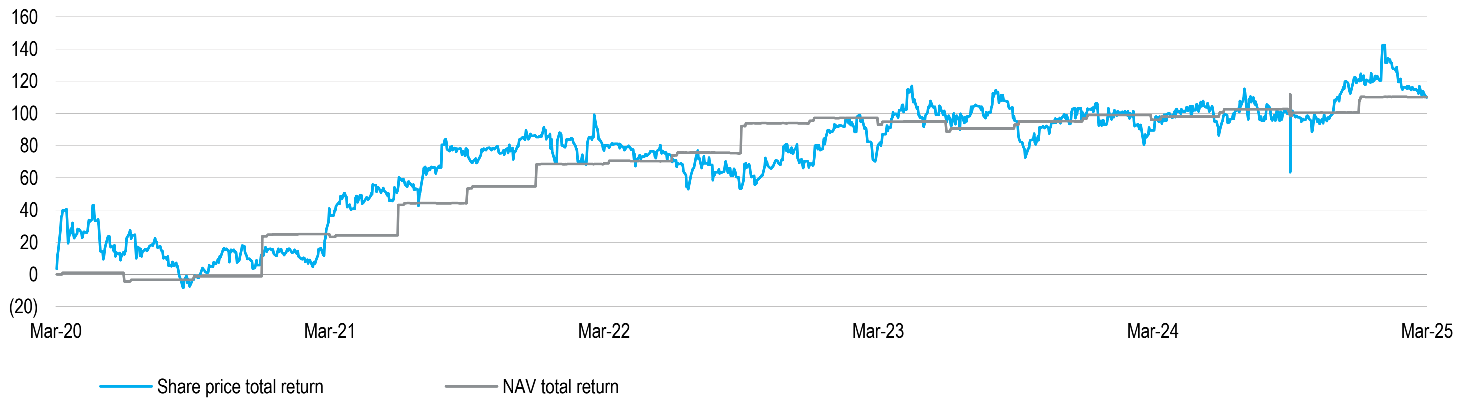
Primary IV returned £1.1m (3.6x cost, 21% IRR) with the sale of speciality signage company Metamark. MVM VI returned £1.1m (4.0x cost, 216% IRR) from Gynesonics the developer of a minimally invasive medical device, Sonata, which is used for the treatment of uterine fibroids. Vaaka III returned £0.9m through a recapitalisation of Framery, the Finland based provider of sound proof office pods and workspaces.

There were a number of other exits bringing the total for the quarter to £10.3m. This compares with £14.1 million in Q4 2024 and £16.1 million in Q1 2024.There were very few significant movements in valuation in the first quarter. Only 3.5% of the valuations were based on March 2025 marks with the remainder based on December 2024 valuations. This is not unusual as the valuation is compiled only a few weeks after the full year reports from our investments have been finalised.There were two helpful positives from US funds Graycliff IV and Blue Point III which were up by £0.6m and £0.4m respectively, as a result of recent exits. On the negative side Italian focused fund Wise Equity VI was down by £0.7m due to some pressures in the portfolio from the weaker economic background - it is still early in the fund's life.

At 31 March 2025 the Company had net debt of £90.4m. This is up from £76.5m at 31 December 2024 but on a twelve-month basis is down by around £9m. In the quarter total realisations were below the total of new investments by £5.4m. The level of gearing at 31 March 2025 was 15.4%. The Company retains around £55m of headroom in its borrowing facility and the current debt level is eminently manageable. The small dip in the first quarter's NAV is normal and in line with previous years.The private equity sector, in common with all other investment asset classes, has monitored the economic announcements from the US in recent weeks. Specifically, attention has been paid to the proposed tariffs which have broken the long-standing paradigm that largely free trade is a desirable economic objective likely to bring increased prosperity to the greatest number of people. Apart from the adverse economic consequences, which are widely expected to follow, subsequent changes in the proposed tariffs have engendered an unusual degree of uncertainty. Even though many private equity backed companies are not directly affected by US trade tariffs, this kind of economic intervention and high level of uncertainty is not good for deal-making. Unsurprisingly we have seen some planned exits being postponed as buyers pause to consider whether the target company will be affected or not. Uncertainty also influences fund investors who are considering committing long term capital to the asset class with the current situation providing the perfect justification for holding off on new commitments. Most private equity investors are attracted to companies and sectors with clear long-term growth drivers provided that investment can be made at a price which adequately reflects the risks of the planned growth being achieved. There are likely to be changes in the value of private companies with some winners as well as losers and other factors such as flight to quality coming into play over the coming months.

Private equity is one of the most deliberative of investment management disciplines with investors not committing capital until they are in full possession of the facts and have made a full assessment of the future of a company. This research usually takes several months or even years before an investment is made. Once an investment has been made it cannot be easily reversed if the market or the economic environment changes dramatically. Private equity does however possess the ability to work with the management of investee companies to tackle any challenges and in adverse or uncertain periods the first priority of private equity managers is to support and assist their existing portfolio. Your portfolio is unusually diverse covering hundreds of companies internationally with exposure to multiple sectors and their associated economic trends and drivers. This diversification has proven to be a strength historically and it will doubtless prove to be of benefit now in protecting and building shareholder value. From here we expect that after a period of assessment the improvement in private equity activity levels which we saw during 2024 will resume.

## 5 year fund performance



## Cumulative performance as at 31.03.25 (%)

| | 3 Months | YTD | 1 Year | 3 Years | 5 Years |
|---|---|---|---|---|---|
| NAV | -0.8 | -0.8 | 5.3 | 22.0 | 105.2 |
| Share price | -4.6 | -4.6 | 10.8 | 18.6 | 110.0 |

## Standardised annual performance year to 31 March (%)

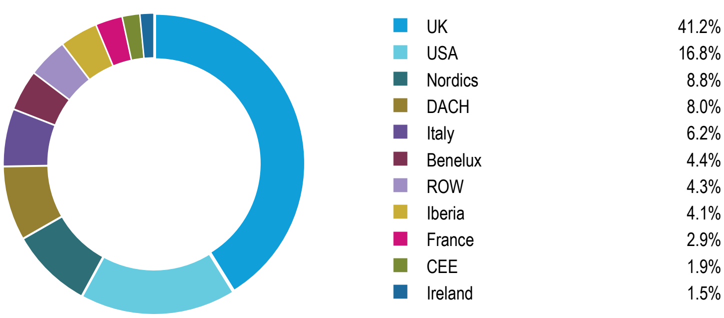
| | 2025/24 | 2024/23 | 2023/22 | 2022/21 | 2021/20 |
|---|---|---|---|---|---|
| NAV | 5.3 | 1.6 | 14.1 | 36.8 | 22.9 |
| Share price | 10.8 | 5.0 | 1.9 | 29.6 | 36.6 |

**Past performance is not a guide to future performance.** Source: Datastream and Columbia Threadneedle Investments. Basis: Percentage growth, total return, bid to bid price with net income reinvested in Sterling as at 31 March 2025.

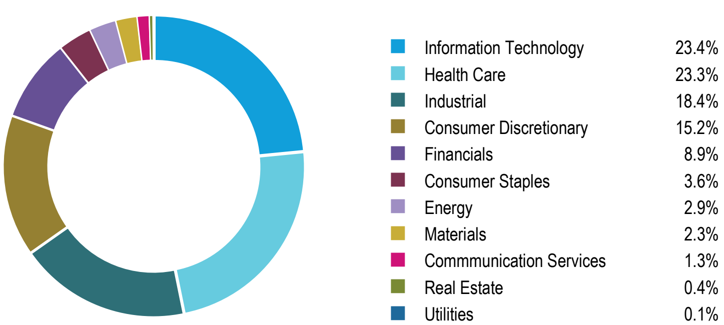
## Trust codes

| | |
|---|---|
| **Stock exchange code:** | CTPE |
| **Sedol:** | 3073827 |

## Geographical breakdown as at 31.12.2024 (%)




## Underlying portfolio split by sector as at 31.12.2024 (%)




## Top 10 holdings (%)∞

| | |
|---|---|
| Inflexion Strategic Partners | 3.9 |
| Weird Fish | 3.0 |
| Sigma | 2.5 |
| August Equity Partners V | 2.5 |
| TWMA | 2.4 |
| Utimaco | 2.2 |
| San Siro | 2.1 |
| Aurora Payment Solutions | 2.0 |
| Inflexion Supplemental V | 2.0 |
| Sterling Square Capital II | 1.9 |
| **Total** | **24.5** |

## Co-investment Case Study – Amethyst Radiotherapy

### Background

Founded in 2010, Amethyst Radiotherapy is a leading pan-European operator of radiotherapy clinics, offering comprehensive oncology treatments. At the time of our investment, it served more than 11,000 patients annually at nine radiotherapy clinics in France, Poland, Romania and Italy. The business had pursued a joint greenfield and M&A strategy, building out organically in Eastern Europe and acquiring and updating sites in Western Europe.

CTPET backed The Rohatyn Group ("TRG"), a Central and Eastern European focused buyout investor with whom it has invested on several occasions, including the successful Pet Network investment (4.2x cost, 54% IRR).

The deal completed at an enterprise value of €115m, equivalent to 9.6x 2018 adjusted EBITDA of £12.0m. CT PE was the lead investor in the LP syndicate, investing a total of £20m (CTPET: £4.5m).

### Investment Rationale & Performance

- **Clear value proposition, but market undersupply** – radiotherapy is suited to the treatment of many types of cancer and it is 3-5x more cost effective than chemotherapy. However, despite radiotherapy being clinically recommended in c.50% of cancer cases, treatment rates in Europe are 10-30% below this level due to insufficient availability of the latest radiotherapy treatment technologies. This supply-demand imbalance is particularly acute in Eastern Europe.
- **#2 Pan-European player with few companies of scale** – at the time of investment, Amethyst was the second largest pan-European player, with well invested centres (including state-of-the-art linac technology) and a strong track record of M&A. It was an excellent platform to consolidate the market through M&A to acquire and update existing centres and by building greenfield centres in areas of undersupply.
- **Higher barriers to entry** – excellent reputation in highly regulated industry with requirement for medical and nuclear licences.
- **Attractive financial profile and performance** – since being founded the company had grown revenues to €45m (2018A) in seven years, with strong EBITDA growth in 2017 and 2018 at 30%+ CAGR. It had high EBITDA margins over 25%, reflecting the high value service it provides in the healthcare sector.

During CTPET's ownership period, the company expanded the number of centres from 8 to 19 across France, Poland, Romania, the UK, Italy and Austria. Amethyst has increased the number of patients served by nearly five times, from 11,000 patients per annum to over 50,000, significantly enhancing access to life saving treatment.

Revenues grew from €53.9m in 2019, to €139.9m and EBITDA grew from €15.9 to €31.5m (pre IFRS 16) in the same period. Recent performance has been strong, with revenue growth of 39% in 2024 whilst maintaining EBITDA margin at 23%. Transition from the co-founders to an experienced and professional management team was also completed, with a new CEO and CFO joining in April 2023, augmenting the experienced country management teams in each market.

### Exit

In April 2025, TRG agreed to sell the business to Fremman Capital, a pan-European private equity fund. Details of the transaction have not been made public, but the Company will report on these in future quarters. The return to CT Private Equity Trust is expected to be c.2.0x cost.

To find out more visit **columbiathreadneedle.com**

All information is sourced from Columbia Threadneedle Investments, unless otherwise stated. All percentages are based on gross assets unless otherwise stated.

[#]The Company pays quarterly dividends in January, April, July and October. [†]The yield is calculated by annualising dividends declared for the Company's current financial year. [1]The Company was launched in March 1999 and the current ordinary shares were created as a share class (continuation shares) in 2001. [2]Calculated using share price and net asset value at the period ended 31 March 2025. *Borrowings less cash/total assets less current liabilities (excluding borrowings and cash). **Please refer to the latest annual report as to how the fee is structured. ***Ongoing charges as at 31 December 2024. Please refer to the latest Annual Report as to how the figure is calculated. ∞As a percentage of net assets at the period ended 31 March 2025. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product.

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