

Condensed interim consolidated income statement

– unaudited

In millions of Swiss francs	Note	Six months ended 30 June	
		2022	2021
Management fees and other revenues, net		781.0	666.8
Performance fees, net		71.7	441.9
Revenues from management services, net	2.	852.7	1'108.7
Other operating income		27.8	20.9
Personnel expenses	3.1.	(247.4)	(382.1)
Other operating expenses	3.3.	(42.9)	(26.6)
EBITDA¹⁾		590.2	720.9
Depreciation and amortization		(20.3)	(19.1)
EBIT¹⁾		569.9	701.8
Finance income	4.1.	2.2	72.9
Finance expense	4.1.	(22.6)	(22.1)
Profit before tax		549.5	752.6
Income tax expense		(85.3)	(123.2)
Profit for the period		464.2	629.4
Profit for the period attributable to owners of the Company		464.2	629.4
Basic earnings per share (in Swiss francs)		17.71	23.88
Diluted earnings per share (in Swiss francs)		17.53	23.50

1) For definitions please refer to pages 18 and 19.

Condensed interim consolidated statement of comprehensive income – unaudited

In millions of Swiss francs	Six months ended 30 June	
	2022	2021
Profit for the period	464.2	629.4
Other comprehensive income:		
Exchange differences on translating foreign operations	4.9	57.3
Total other comprehensive income that may be reclassified to the income statement in subsequent periods	4.9	57.3
Net actuarial gains/(losses) from defined benefit plans	10.7	9.4
Tax impact on net actuarial gains/losses from defined benefit plans	(1.3)	(1.1)
Actuarial gains/(losses) from defined benefit plans, net of tax	9.4	8.3
Total other comprehensive income not being reclassified to the income statement in subsequent periods, net of tax	9.4	8.3
Total other comprehensive income for the period, net of tax	14.3	65.6
Total comprehensive income for the period, net of tax	478.5	695.0
Total comprehensive income attributable to owners of the Company	478.5	695.0

Condensed interim consolidated balance sheet

– unaudited

In millions of Swiss francs	Note	30 June 2022	31 December 2021
Assets			
Cash and cash equivalents		307.3	910.7
Derivative assets held for risk management		16.8	7.7
Trade and other receivables	4.4.	601.4	642.8
Short-term loans		1'505.9	1'489.2
Assets held for sale		100.6	79.5
Total current assets		2'532.0	3'129.9
Property, equipment and right-of-use assets		282.4	256.4
Intangible assets		80.9	65.9
Investments in associates	5.	12.2	18.3
Financial investments	4.2.	740.7	715.2
Other financial assets	4.4.	386.2	532.2
Employee benefit assets	3.2.	20.9	10.5
Deferred tax assets		53.9	104.4
Total non-current assets		1'577.2	1'702.9
Total assets		4'109.2	4'832.8

Condensed interim consolidated balance sheet

– unaudited

In millions of Swiss francs	Note	30 June 2022	31 December 2021
Liabilities and equity			
Liabilities			
Trade and other payables	4.5.	281.7	306.6
Income tax liabilities		52.8	90.9
Provisions		0.6	0.1
Credit facilities drawn		270.0	
Employee benefit liabilities	3.2.	146.3	288.1
Liabilities held for sale		65.2	42.6
Total current liabilities		816.6	728.3
Employee benefit liabilities	3.2.	301.4	296.0
Provisions		5.9	6.5
Deferred tax liabilities		12.8	3.4
Long-term debt	6.	799.2	799.1
Lease liabilities		47.8	49.9
Other long-term liabilities		46.1	51.1
Total non-current liabilities		1'213.2	1'206.0
Total liabilities		2'029.8	1'934.3
Equity			
Share capital	7.	0.3	0.3
Treasury shares		(708.3)	(378.2)
Legal reserves		0.2	0.2
Other components of equity		2'787.2	3'276.2
Equity attributable to owners of the Company		2'079.4	2'898.5
Total liabilities and equity		4'109.2	4'832.8

Condensed interim consolidated statement of changes in equity – unaudited

In millions of Swiss francs	Equity attributable to owners of the Company						2022
	Share capital	Treasury shares	Legal reserves	Other components of equity			
Cumulative translation adjustments				Retained earnings	Total other components of equity		
Balance as of 1 January	0.3	(378.2)	0.2	(226.0)	3'502.2	3'276.2	2'898.5
Transactions with owners of the Company, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company:</i>							
Purchase of treasury shares		(349.1)					(349.1)
Disposal of treasury shares		19.0			(8.4)	(8.4)	10.6
Contractual obligation to purchase treasury shares					(46.5)	(46.5)	(46.5)
Share-based payment expenses					28.3	28.3	28.3
Tax effect on share-based payment transactions					(79.9)	(79.9)	(79.9)
Dividends paid to owners of the Company					(861.0)	(861.0)	(861.0)
Total contributions by and (distributions to) owners of the Company	-	(330.1)	-	-	(967.5)	(967.5)	(1'297.6)
Profit for the period					464.2	464.2	464.2
Total other comprehensive income for the period, net of tax				4.9	9.4	14.3	14.3
Total comprehensive income for the period, net of tax	-	-	-	4.9	473.6	478.5	478.5
Balance as of 30 June	0.3	(708.3)	0.2	(221.1)	3'008.3	2'787.2	2'079.4

Condensed interim consolidated statement of changes in equity – unaudited

In millions of Swiss francs	Equity attributable to owners of the Company						2021
	Share capital	Treasury shares	Legal reserves	Other components of equity			
Cumulative translation adjustments				Retained earnings	Total other components of equity		
Balance as of 1 January	0.3	(266.2)	0.2	(223.6)	2'763.9	2'540.3	2'274.6
Transactions with owners of the Company, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company:</i>							
Purchase of treasury shares		(114.2)					(114.2)
Disposal of treasury shares		47.2			(19.9)	(19.9)	27.3
Share-based payment expenses					31.8	31.8	31.8
Tax effect on share-based payment transactions					18.9	18.9	18.9
Dividends paid to owners of the Company					(724.6)	(724.6)	(724.6)
Total contributions by and (distributions to) owners of the Company	-	(67.0)	-	-	(693.8)	(693.8)	(760.8)
Profit for the period					629.4	629.4	629.4
Total other comprehensive income for the period, net of tax				57.3	8.3	65.6	65.6
Total comprehensive income for the period, net of tax	-	-	-	57.3	637.7	695.0	695.0
Balance as of 30 June	0.3	(333.2)	0.2	(166.3)	2'707.8	2'541.5	2'208.8

Condensed interim consolidated statement of cash flows

– unaudited

In millions of Swiss francs	Note	Six months ended 30 June	
		2022	2021
Operating activities			
Profit for the period		464.2	629.4
<i>Adjustments:</i>			
Net finance (income) and expense	4.1.	20.4	(50.8)
Income tax expense		85.3	123.2
Depreciation and amortization		20.3	19.1
Share-based payment expenses		28.3	31.8
Change in provisions		(0.3)	(0.8)
Change in employee benefit assets/liabilities		(152.7)	120.2
Non-cash change in other financial assets		139.6	16.7
Non-cash change in other long-term liabilities		(5.1)	0.0
Operating cash flow before changes in working capital		600.0	888.8
(Increase)/decrease in trade and other receivables and short-term loans		32.4	(744.8)
Increase/(decrease) in trade and other payables		(78.5)	40.8
Finance expenses (other than interest) paid		(2.2)	(2.4)
Cash generated from/(used in) operating activities		551.7	182.4
Income tax paid		(142.8)	(99.1)
Net cash from/(used in) operating activities		408.9	83.3
Investing activities			
Purchase of property and equipment		(25.6)	(9.9)
Purchase of intangible assets		(23.7)	(14.4)
Purchase of financial investments & assets and liabilities held for sale		(75.2)	(73.1)
Proceeds on disposal of financial investments & assets and liabilities held for sale		40.4	48.8
Proceeds on disposal of investments in associates	5.	4.5	5.2
Purchase of other financial assets		(1.1)	
Proceeds on disposal of other financial assets		2.0	0.4
Interest received ¹⁾	4.1.	2.2	1.8
Net cash from/(used in) investing activities		(76.5)	(41.2)

1) Excludes CHF 23.6 million (2021: 15.0 million) compensation from short-term loans (included in other operating income) that forms part of net cash from operating activities.

Condensed interim consolidated statement of cash flows – unaudited

In millions of Swiss francs	Note	Six months ended 30 June	
		2022	2021
Financing activities			
Drawdowns from credit facilities		270.0	
Payment of principal portion of lease liabilities		(5.4)	(5.7)
Interest paid		(2.3)	(3.7)
Dividends paid to shareholders of the Company	7.	(861.0)	(724.6)
Purchase of treasury shares		(349.1)	(114.2)
Disposal of treasury shares		10.6	27.3
Net cash from/(used in) financing activities		(937.2)	(820.9)
Net increase/(decrease) in cash and cash equivalents		(604.8)	(778.8)
Cash and cash equivalents as of 1 January		910.7	1'227.6
Exchange differences on cash and cash equivalents		1.4	(16.3)
Cash and cash equivalents as of 30 June		307.3	432.5

Notes to the condensed interim consolidated financial statements – unaudited

1. General information

Partners Group Holding AG ("the Company") is a company domiciled in Switzerland whose shares are publicly traded on the SIX Swiss Exchange. The address of the Company's registered office is Zugerstrasse 57, 6341 Baar-Zug, Switzerland. The condensed interim consolidated financial statements for the six months ended 30 June 2022 and 2021 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interest in associates. The condensed interim consolidated financial statements were authorized for issue by the Board of Directors ("BoD") on 2 September 2022.

2. Segment information

The BoD has been identified as the chief operating decision-maker. The BoD reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the following operating segments based on these reports:

- Private equity
- Private debt
- Private real estate
- Private infrastructure

In these operating segments, the Group provides its clients with investment services in the private markets spectrum. These services comprise structuring and investment advisory in relation to direct investments in operating companies or assets and investments in third party managed investment programs. As part of its management services, the Group offers diversified as well as more focused investment programs in relation to investment styles, industry and geography of the investments in private markets.

Notes to the condensed interim consolidated financial statements – unaudited

In millions of Swiss francs	Six months ended 30 June 2022						
	Operating segments						
	Private equity	Private debt	Private real estate	Private infrastructure	Total reportable segments	Unallocated	Total
Management fees and other revenues	469.7	123.5	109.9	182.1	885.2		885.2
Revenue deductions related to management fees and other revenues	(52.9)	(10.6)	(17.5)	(23.2)	(104.2)		(104.2)
Performance fees	59.2	9.0	4.5	0.4	73.1		73.1
Revenue deductions related to performance fees	(1.0)	(0.1)	(0.3)	(0.0)	(1.4)		(1.4)
Revenues from management services, net	475.0	121.8	96.6	159.3	852.7	-	852.7
Other operating income	9.0	1.4	8.5	7.3	26.2	1.6	27.8
Revenues and other operating income	484.0	123.2	105.1	166.6	878.9	1.6	880.5
Personnel expenses	(38.3)	(15.0)	(16.9)	(14.8)	(85.0)	(162.4)	(247.4)
Other operating expenses	(2.6)	(0.6)	(2.1)	(0.6)	(5.9)	(37.0)	(42.9)
Gross segment result before depreciation and amortization	443.1	107.6	86.1	151.2	788.0	(197.8)	590.2
Depreciation and amortization						(20.3)	(20.3)
Gross segment result	443.1	107.6	86.1	151.2	788.0	(218.1)	569.9
<i>Reconciliation to profit for the period:</i>							
Net finance income							(20.4)
Income tax expense							(85.3)
Profit for the period							464.2

Notes to the condensed interim consolidated financial statements – unaudited

In millions of Swiss francs	Six months ended 30 June 2021						
	Operating segments						
	Private equity	Private debt	Private real estate	Private infrastructure	Total reportable segments	Unallocated	Total
Management fees and other revenues	446.4	112.0	104.8	106.4	769.6		769.6
Revenue deductions related to management fees and other revenues	(65.4)	(10.1)	(17.4)	(9.9)	(102.8)		(102.8)
Performance fees	420.4	24.0	8.7	8.8	461.9		461.9
Revenue deductions related to performance fees	(19.4)	(0.3)	(0.2)	(0.1)	(20.0)		(20.0)
Revenues from management services, net	782.0	125.6	95.9	105.2	1'108.7	-	1'108.7
Other operating income	7.7	0.7	5.3	4.7	18.4	2.5	20.9
Revenues and other operating income	789.7	126.3	101.2	109.9	1'127.1	2.5	1'129.6
Personnel expenses	(93.2)	(34.1)	(20.4)	(25.2)	(172.9)	(209.2)	(382.1)
Other operating expenses	(1.5)	(0.3)	(1.3)	(0.4)	(3.5)	(23.1)	(26.6)
Gross segment result before depreciation and amortization	695.0	91.9	79.5	84.3	950.7	(229.8)	720.9
Depreciation and amortization						(19.1)	(19.1)
Gross segment result	695.0	91.9	79.5	84.3	950.7	(248.9)	701.8
<i>Reconciliation to profit for the period:</i>							
Net finance income							50.8
Income tax expense							(123.2)
Profit for the period							629.4

The Group refined the segment allocation of revenues related to its multisegment investment programs. Comparative amounts have been re-presented.

Management fees and other revenues

The Group earns investment management fees from investment programs, typically based on long-term contracts. The fees are often based on the investment exposure of investors in the investment structures and are often payable on a quarterly basis in advance. The performance obligation of the Group in respect of these fees is to manage the investment structures on an ongoing basis. Ongoing investment management fees including all non-performance related fees are recognized over time, based on the specific contracts.

In the process of structuring new products, the Group typically receives an initial fee for its services in connection with establishing investment programs and related legal and structuring work. These organizational fees are always one-off fees, which are typically received when a new investor commits into the structure. The structuring of the relevant investment programs represents a separate performance obligation of the Group, and therefore revenue is recognized at the point in time when the investor commits. In relation to certain private markets transactions, the Group receives transaction fee income. These transaction fees are typically one-time occurring. The performance obligation of the Group is satisfied by the execution of the private markets transaction, and therefore revenue is recognized at the point in time when the execution of the transaction is completed. The Group also charges fees to select underlying lead and joint lead investments for value-added services provided to them during the holding period of the relevant investment. These fees are charged on an ongoing basis.

Notes to the condensed interim consolidated financial statements – unaudited

Performance fees

Typically, performance fees are recognized so that they do not exceed the portion of performance fees from realized underlying investments and so that there is a sufficiently large cushion for any potential negative development on the remaining portfolio. As a result, there is a very low probability that these fees are subject to a reversal in a potential claw-back situation.

Accordingly, the recognition of performance fees from investment programs with a claw-back typically is assessed based on a three-step approach once a pre-defined return hurdle has been exceeded: (1) the total proceeds from realized underlying investments are determined and the corresponding costs of such realized as well as of fully written-off investments are deducted ("Net Proceeds"), (2) the NAV of unrealized underlying investments and, where applicable, other net assets (such as cash or receivables) held by the investment programs is determined. The respective NAV of unrealized investments will be written down (in a so-called "Write-Down Test") to the extent that the probability of a future claw-back risk becomes minimal. Then, the corresponding costs of such unrealized investments and, where applicable, other investment program level cost (such as operating expenses) are deducted, resulting in a "Write-Down NAV". This Write-Down NAV is added to the Net Proceeds. In the final third step (3), performance fees are calculated for (1) and (2) by multiplying (1) and (2) by the applicable performance fee rate subject to exceedance of the hurdle rate. Where the hurdle rate is not exceeded, there is no performance fees. The lower of such calculated performance fees is recognized.

On a quarterly basis, the Write-Down Test is applied to all private markets investment programs with a claw-back. The discount applied in the Write-Down Test may vary from investment program to investment program and considers specific risk characteristics, including macroeconomic, (geo-) political and investment program-specific risk factors. The discount applied in the Write-Down Test is regularly assessed by the Group and reviewed by the Board of Directors. As of 30 June 2022, the applied discount was 50% (30 June 2021: 50%), except for selected programs where the discount is determined on the basis of a systematic approach and may be up to 100%.

The Group updates its performance fee recognition on a quarterly basis to faithfully represent the circumstances present at that point in time. When the probability of no reversal of previously recognized performance fees is no longer considered highly probable, the Group recognizes the necessary reversals.

3. Remuneration and other operating expenses

3.1. Personnel expenses

In millions of Swiss francs	Six months ended 30 June	
	2022	2021
Salaries and cash bonus	(191.6)	(183.9)
Share-based payment expenses	(28.3)	(31.8)
Other long-term benefits (management carry plan)	(5.4)	(99.6)
Retirement schemes - defined contribution plans	(5.7)	(4.7)
Retirement schemes - defined benefit plans	(2.1)	(2.4)
Other social security expenses	(0.0)	(51.1)
Other personnel expenses	(14.3)	(8.6)
Total personnel expenses	(247.4)	(382.1)

The average number of employees during the reporting period was 1'644 (six months ended 30 June 2021: 1'494), which is equivalent to 1'626 full-time employees (six months ended 30 June 2021: 1'487).

Notes to the condensed interim consolidated financial statements – unaudited

3.2. Employee benefits

In millions of Swiss francs	30 June 2022	31 December 2021
Net defined benefit asset	20.9	10.5
Total employee benefit asset	20.9	10.5
Accrued variable compensation (cash bonus)	(238.3)	(292.0)
Management Carry Plan	(189.8)	(276.2)
Other employee benefit liabilities	(19.6)	(15.9)
Total employee benefit liabilities	(447.7)	(584.1)
Current liabilities	(146.3)	(288.1)
Non-current liabilities	(301.4)	(296.0)
Balance as of end of period	(447.7)	(584.1)

Performance fee-related compensation

Each year, the Nomination & Compensation Committee ("NCC") allocates up to 40% of recognized performance fees to the Performance Fee Compensation Pool which is then distributed to an eligible group of employees.

The promise represents a constructive obligation towards the eligible group of employees. The pool is allocated to the individual employees via the Management Carry Plan ("MCP") and the Management Performance Plan ("MPP") with the remainder, i.e. the difference between the Performance Fee Compensation Pool and the MCP/MPP allocations, being allocated via the Performance Fee Bonus Pool.

For the six months ended 30 June 2022, performance fees recognized in the condensed interim consolidated income statement amounted to CHF 71.7 million (six months ended 30 June 2021: CHF 441.9 million), of which CHF 5.8 million (six months ended 30 June 2021: CHF 105.8 million) had been pre-allocated via the MCP (including social security expenses) and CHF 1.5 million (six months ended 30 June 2021: CHF 10.5 million) via the MPP. In addition, CHF 2.2 million were released (six months ended 30 June 2021: CHF 4.1 million were accrued) for social security costs in relation to the MPP and CHF 23.6 million (six months ended 30 June 2021: CHF 60.5 million) were allocated via the Performance Fee Bonus Pool. For the six months ended 30 June 2022, the payout amounted to CHF 191.1 million for these schemes (six months ended 30 June 2021: CHF 82.3 million). Based on performance fees invoiced as of 30 June 2022, the Group expects a cash payout of CHF 45.0 million for these schemes in the second half of 2022 (second half of 2021: CHF 65.5 million).

3.3. Other operating expenses

In millions of Swiss francs	30 June 2022	30 June 2021
Third party services	(10.2)	(8.4)
Property-related costs	(2.9)	(2.4)
Administrative expenses	(19.0)	(12.9)
Travel and representation expenses	(10.8)	(2.9)
Total other operating expenses	(42.9)	(26.6)

Notes to the condensed interim consolidated financial statements – unaudited

4. Finance result, financial investments, working capital, other financial assets and fair value measurement

4.1. Finance income and expense

In millions of Swiss francs	Note	Six months ended 30 June	
		2022	2021
Interest income calculated using the effective interest rate method		2.2	1.8
Net gains on fair value through profit or loss instruments			68.4
Share of results of associates (Pearl)	5.		2.7
Total finance income		2.2	72.9
Interest expense calculated using the effective interest rate method		(3.0)	(4.1)
Net losses on fair value through profit or loss instruments		(8.3)	
Share of results of associates (Pearl)	5.	(1.2)	
Other finance expense		(2.2)	(2.4)
Net foreign exchange losses		(7.9)	(15.6)
Total finance expense		(22.6)	(22.1)
Total net finance income and (expense)		(20.4)	50.8

4.2. Financial investments

The Group holds financial investments in various investment programs that it manages. These financial investments typically account for a stake of one percent in an investment program. Within the investment programs, the Group typically performs investment management activities for the benefit of external investors under a predetermined investment policy and receives a predetermined management fee and, where applicable, a performance fee for its services which are presented as revenues from management services in the consolidated income statement.

In millions of Swiss francs	30 June 2022	31 December 2021
Balance as of 1 January	715.2	615.6
Additions	75.2	113.4
Distributions/disposals	(40.0)	(153.5)
Transfers from assets and liabilities held for sale		38.4
Change in fair value of investments held at period end	(5.3)	110.1
Exchange differences	(4.4)	(8.8)
Balance as of end of period	740.7	715.2

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As of the relevant balance sheet date, the Group held financial investments in investment programs, split into the following operating segments:

In millions of Swiss francs	30 June 2022	31 December 2021
Private equity	338.3	335.7
Private debt	224.1	218.4
Private real estate	84.4	76.4
Private infrastructure	93.9	84.7
Total financial investments	740.7	715.2

The Group refined the segment allocation of financial investments related to its multisegment investment programs. Comparative amounts have been re-presented.

4.3. Capital commitments

As of 30 June 2022, the Group had capital commitment contracts of CHF 1'040.2 million (31 December 2021: CHF 1'036.6 million), of which CHF 340.0 million (31 December 2021: CHF 455.1 million) were not yet called by the relevant investment manager. Capital commitments are called over time, typically between one to five years following the subscription of the commitment. Capital commitments are not considered to be a financial liability as the commitments do not constitute an obligation to pay cash until the capital is called.

4.4. Trade and other receivables and other financial assets

Trade and other receivables

In millions of Swiss francs	30 June 2022	31 December 2021
Fee receivables	192.1	353.2
Other receivables	42.2	24.9
Accrued income	367.1	264.7
Total trade and other receivables	601.4	642.8

Other financial assets

In millions of Swiss francs	30 June 2022	31 December 2021
Long-term accrued revenues	309.7	450.5
Long-term loans	68.8	75.2
Other	7.7	6.5
Total other financial assets	386.2	532.2

Notes to the condensed interim consolidated financial statements – unaudited

4.5. Trade and other payables

In millions of Swiss francs	30 June 2022	31 December 2021
Trade payables	76.8	99.2
Goods and services received not yet invoiced	32.6	39.4
Derivative liabilities held for risk management	1.4	1.0
Accrued revenue deductions	77.3	98.6
Cash collateral for forward contracts	18.0	7.7
Contractual obligation to purchase treasury shares	46.5	
Lease liabilities	14.1	10.9
Other payables	15.0	49.8
Total trade and other payables	281.7	306.6

4.6. Fair value measurement

Fair value is the price that would be received by selling an asset or paid to transfer a liability in an orderly transaction between knowledgeable market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access to at that date. The fair value of a liability reflects its non-performance risk. The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs - other than quoted prices included within level 1 - that are observable for assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for assets or liabilities that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table shows the fair value hierarchy of the Group's financial assets and liabilities that are measured at fair value:

In millions of Swiss francs	30 June 2022			
	Level 1	Level 2	Level 3	Total
Derivative assets held for risk management		16.8		16.8
Assets held for sale			100.6	100.6
Financial investments	0.0		740.7	740.7
Financial assets	0.0	16.8	841.3	858.1
Derivative liabilities held for risk management ¹⁾		1.4		1.4
Liabilities held for sale			65.2	65.2
Other long-term liabilities			0.2	0.2
Financial liabilities	-	1.4	65.4	66.8

1) Presented in the line item trade and other payables in the condensed interim consolidated balance sheet.

Notes to the condensed interim consolidated financial statements – unaudited

In millions of Swiss francs	31 December 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets held for risk management		7.7		7.7
Assets held for sale			79.5	79.5
Financial investments	0.0		715.2	715.2
Financial assets	0.0	7.7	794.7	802.4
Derivative liabilities held for risk management ¹⁾		1.0		1.0
Liabilities held for sale			42.6	42.6
Other long-term liabilities			0.3	0.3
Financial liabilities	-	1.0	42.9	43.9

1) Presented in the line item trade and other payables in the condensed interim consolidated balance sheet.

The carrying amounts for cash and cash equivalents, trade and other receivables, short-term loans, and trade and other payables are expected to approximate their fair values given the short-term nature of these financial instruments. The carrying amounts for other financial assets and the remaining other long-term liabilities are expected to approximate their fair values since time values do not materially differ (level 3 input).

The following tables show the reconciliation of all level 3 financial instruments:

In millions of Swiss francs	30 June 2022	
	Financial assets	Financial liabilities
Balance as of 1 January	794.7	42.9
Additions	95.4	20.2
Disposals	(40.4)	
Change in fair value ¹⁾	(8.3)	(0.0)
Exchange differences	(0.1)	2.3
Balance as of 30 June	841.3	65.4

In millions of Swiss francs	31 December 2021	
	Financial assets	Financial liabilities
Balance as of 1 January	921.3	254.9
Additions	178.9	42.7
Disposals	(423.9)	(263.3)
Change in fair value ¹⁾	117.0	(0.0)
Exchange differences	1.4	8.6
Balance as of 31 December 2021	794.7	42.9

1) Presented in the line items finance income and finance expense in the condensed interim consolidated income statement.

Change in fair value includes unrealized losses of CHF 31.9 million (31 December 2021: unrealized gains of CHF 43.5 million) for recurring fair value measurements categorized within level 3 of the fair value hierarchy recognized in profit or loss attributable to balances held at the end of the reporting period.

There were no transfers between levels.

Notes to the condensed interim consolidated financial statements – unaudited

Sensitivity of fair values

From a Group perspective, the fair value of financial investments and assets and liabilities held for sale is typically dependent on the adjusted net asset value of the investment programs. A reasonably possible change in the adjusted net asset value would have the following effects on the fair value of these investments held by the Group with changes to be recognized in profit or loss:

In millions of Swiss francs	30 June 2022	31 December 2021
Adjusted net asset value (1% increase)	7.8	7.5

Although the Group believes that its estimates of fair values are appropriate, the use of different methodologies and different unobservable inputs, especially in the underlying investments of investment programs, could lead to different measurements of fair value of its financial investments, and assets and liabilities held for sale. Due to the broad range of unobservable input factors used in the valuation of the investment programs' direct investments, particularly concerning the EBITDA multiple, a sensitivity analysis on these underlying unobservable input factors does not result in meaningful outcomes.

5. Investments in associates

The Group accounted for investments in associates as of 30 June 2022 as summarized below:

In millions of Swiss francs	Principal activity	Fair value	Carrying value	Ownership
Pearl Holding Limited, Guernsey ("Pearl")	Private equity investments	11.7	11.7	28%
LGT Private Equity Advisers, Liechtenstein ("LGT")	Asset management	0.5	0.5	40%
Total investments in associates			12.2	

In millions of Swiss francs	30 June 2022	31 December 2021
Balance as of 1 January	18.3	25.0
Redemption of shares (Pearl)	(4.5)	(8.5)
Share of results (Pearl)	(1.2)	2.7
Share of results (LGT)	0.0	0.0
Exchange differences	(0.4)	(0.9)
Balance as of end of period	12.2	18.3

Notes to the condensed interim consolidated financial statements – unaudited

Summary of financial information of the investments in associates - 100%:

In millions of Swiss francs	Pearl		LGT	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Total assets	41.7	63.4	1.4	1.4
Total liabilities	0.1	0.1	0.2	0.2
Equity	41.6	63.3	1.2	1.2
Revenues and other operating income	3.7	11.2	0.6	1.4
Profit/(loss) for the period	(4.2)	9.4	0.0	0.0

The financial information is based on unaudited financial information as of the balance sheet date as received from Pearl and LGT.

6. Long-term debt

In millions of Swiss francs	30 June 2022	31 December 2021
Balance as of 1 January	799.1	798.9
Accreted interest	0.1	0.2
Balance as of end of period	799.2	799.1

The Group issued the following corporate bonds denominated in Swiss francs and listed on the SIX Swiss Exchange:

ISIN	Date of issue	Face value in millions of CHF	Coupon in %	Year of maturity	Issue price in %	Redemption price in %
CH0361532895	7 June 2017	300.0	0.150%	2024	100.052%	100.000%
CH0419041287	21 June 2019	500.0	0.400%	2027	100.098%	100.000%

The fair values of the corporate bonds as of 30 June 2022 were CHF 294.8 million and CHF 468.8 million, respectively (31 December 2021: CHF 302.3 million and CHF 508.3 million, respectively) and were determined by the quoted market price (level 1 input).

7. Share capital and reserves

In effective number of shares	30 June 2022	30 June 2021
Issued as of 1 January	26'700'000	26'700'000
Issued during the period		
Issued as of 30 June - fully paid in	26'700'000	26'700'000

The issued share capital of the Company comprises 26'700'000 registered shares (30 June 2021: 26'700'000) at CHF 0.01 nominal value each. The shareholders are entitled to receive dividends, as declared from time to time, and are entitled to one vote per share at shareholder meetings of the Company.

Notes to the condensed interim consolidated financial statements – unaudited

Outstanding shares

The computation of the weighted average number of ordinary shares outstanding during the period is based on the following figures:

In effective number of shares			2022
	Shares issued	Treasury shares	Shares outstanding
Balance as of 1 January	26'700'000	330'966	26'369'034
Purchase of treasury shares		304'689	(304'689)
Disposal of treasury shares		(15'066)	15'066
Balance as of 30 June	26'700'000	620'589	26'079'411
Weighted average number of shares outstanding during the period (180 days)			26'212'883

In effective number of shares			2021
	Shares issued	Treasury shares	Shares outstanding
Balance as of 1 January	26'700'000	347'655	26'352'345
Purchase of treasury shares		92'586	(92'586)
Disposal of treasury shares		(59'944)	59'944
Balance as of 30 June	26'700'000	380'297	26'319'703
Weighted average number of shares outstanding during the period (180 days)			26'351'646

As of 30 June 2022, the Group had 1'134'577 options and non-vested shares outstanding (30 June 2021: 1'408'089). The treasury shares necessary to cover the obligation for non-vested shares have already been placed in separate escrow accounts in the name of the employees. Thus, the number of treasury shares is already net of non-vested shares outstanding.

Dividends

The Company pays an annual dividend following the approval of the appropriation of available earnings by the owners of the Company at the annual general meeting, typically held in May. The Company paid a dividend of CHF 33.00 per share on 1 June 2022 (19 May 2021: CHF 27.50). As the Company's treasury shares are not eligible for a dividend payment, the dividend distribution of CHF 881.1 million approved in May 2022 (May 2021: CHF 734.3 million) was not fully distributed, i.e. a total of CHF 861.0 million was paid out (May 2021: 724.6 million).

Notes to the condensed interim consolidated financial statements – unaudited

8. Subsequent events

No events took place between 30 June 2022 and 2 September 2022 that would require material adjustments to the amounts recognized in these condensed interim consolidated financial statements.

9. Summary of significant accounting policies

9.1. Basis of preparation

The unaudited condensed interim consolidated financial statements present a true and fair view of the Group's financial position, results of operations and cash flows in accordance with IAS 34, "Interim Financial Reporting" and comply with Swiss law. They do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2021.

Some note disclosures have been improved. Comparative amounts have been re-presented accordingly.

9.2. Standards, amendments and interpretations effective for the first time

The accounting policies applied for the period of the first six months of 2022 are consistent with those of the previous financial year. A number of new standards, amendments and interpretations became effective for the Group for the first time for the financial year starting on 1 January 2022, but they do not have a significant effect on the Group's condensed interim consolidated financial statements:

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendments to IFRS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Notes to the condensed interim consolidated financial statements – unaudited

9.3. Standards, amendments and interpretations to existing standards that are not yet effective and might be relevant to the Group, but have not been early adopted

The following new and revised standards, amendments and interpretations have been issued by the date the condensed interim consolidated financial statements were authorized for issue, but are not yet effective and are not adopted early in these condensed interim consolidated financial statements. Their impacts on the condensed interim consolidated financial statements of the Group have not yet been systematically analyzed. The expected impacts as disclosed in the table below reflect a first assessment by the Group's management.

Standard / Interpretation		Effective date	Planned adoption by the Group
New standards or interpretations			
IFRS 17 Insurance Contracts	*	1 January 2023	Reporting year 2023
Revisions and amendments of standards and interpretations			
Classification of liabilities as current or non-current (Amendments to IAS 1)	*	1 January 2023	Reporting year 2023
Amendments to IFRS 17	*	1 January 2023	Reporting year 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	*	1 January 2023	Reporting year 2023
Definition of Accounting Estimate (Amendments to IAS 8)	*	1 January 2023	Reporting year 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction - Amendments to IAS 12 Income Taxes	*	1 January 2023	Reporting year 2023
Initial Application of IFRS 17 and IFRS 9 - Comparative Information (Amendments to IFRS 17)	*	1 January 2023	Reporting year 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	*		Available for optional adoption / effective date deferred indefinitely

* Standards and interpretation in the above table have no or an insignificant impact on the Group's financial position or performance.

9.4. Incorporation of new Group entities

Name	Incorporation date	Principal activity
Partners Group Cayman Management REO II Limited	27 May 2022	Serve as investment manager
Partners Group Management Direct Equity V S.à r.l.	16 May 2022	Serve as investment manager
Partners Group Cayman Management Direct Equity V Limited	11 April 2022	Serve as investment manager
Partners Group Investment Services AG	27 July 2021	Provide administrative services for group entities
Partners Group Investment Management S.à.r.l., Luxembourg	12 May 2021	Serve as manager to investment programs

Notes to the condensed interim consolidated financial statements – unaudited

9.5. Applied foreign currency exchange rates

The Group applied the following currency exchange rates against the Swiss franc:

Year	Currency	Balance sheet rate 30 June 2022	Average rate Six months ended 30 June 2022
2022	EUR	1.0007	1.0317
	USD	0.9573	0.9442
	GBP	1.1628	1.2252
	SGD	0.6878	0.6916

Year	Currency	Balance sheet rate 31 December 2021	Average rate Six months ended 30 June 2021
2021	EUR	1.0362	1.0943
	USD	0.9111	0.9083
	GBP	1.2342	1.2610
	SGD	0.6758	0.6816