

Verdane Capital VI B GP ApS

**Sundkrogsgade 21, c/o Harbour House,
DK-2100 Copenhagen**

CVR no 30 71 58 10

Annual report for 2017

Adopted at the annual general meeting
on *21/3-2018*



Rasmus Madsen
Chairman

Contents

	Page
Statements	
Statement by Management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Statement of Changes in Equity	10
Notes to the annual report	11
Accounting policies	14

Statement by Management on the annual report

The Management has today discussed and approved the annual report of Verdane Capital VI B GP ApS for the financial year 1 January - 31 December 2017.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

In our opinion, Management's review includes a fair review of the matters dealt with in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 27 February 2018

Management




Gunnar Rydning



Ole Andersen



Peter Juel-Berg



Birger Nergaard

Independent auditor's report

To the shareholders of Verdane Capital VI B GP ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Verdane Capital VI B GP ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Independent auditor's report

Management's Responsibilities for the financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management 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, Management 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 in preparing the Financial Statements unless Management 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 ISAs and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, 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 by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements 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.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance 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.

Copenhagen, 27 February 2018

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31



Niels Henrik B. Mikkelsen
State Authorised Public Accountant
MNE no. 16675

Company details

The Company

Verdane Capital VI B GP ApS
Sundkrogsgade 21
c/o Harbour House
DK-2100 Copenhagen

CVR no.: 30 71 58 10
Reporting period: 1 January - 31 December
Domicile: Copenhagen

Management

Gunnar Rydning
Ole Andersen
Peter Juel-Berg
Birger Nergaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's review

Business activities

The principal activity of the Company is to act as a general partner in the investment company Verdane Capital VI B K/S.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The Company's financial position at 31 December 2017 and the results of its operations for the financial year ended 31 December 2017 are not affected by any unusual matters.

Business review

The Company's income statement for the year ended 31 December shows a loss of SEK 2.680.509, and the balance sheet at 31 December 2017 shows equity of SEK 7.028.480.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the Company's financial position.

Income statement 1 January - 31 December

	Note	2017 SEK	2016 SEK
Revenue		0	75.000
Other external expenses		<u>-203.512</u>	<u>-115.123</u>
Gross profit		-203.512	-40.123
Income from investments in subsidiaries		-2.352.541	533.199
Financial income	2	14.039	693.532
Financial expenses	3	<u>-138.495</u>	<u>-48.529</u>
Profit/loss before tax		-2.680.509	1.138.079
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Net profit/loss for the year		<u>-2.680.509</u>	<u>1.138.079</u>
 Distribution of profit			
Proposed dividend for the year		4.000.000	4.000.000
Retained earnings		<u>-6.680.509</u>	<u>-2.861.921</u>
		<u>-2.680.509</u>	<u>1.138.079</u>

Balance sheet 31 December

	Note	2017	2016
		SEK	SEK
Assets			
Other fixed asset investments	4	2.939.369	6.468.063
Fixed asset investments		<u>2.939.369</u>	<u>6.468.063</u>
Fixed assets total		<u>2.939.369</u>	<u>6.468.063</u>
Other receivables		0	75.000
Receivables		<u>0</u>	<u>75.000</u>
Cash at bank and in hand		<u>4.604.308</u>	<u>4.453.196</u>
Total current assets		<u>4.604.308</u>	<u>4.528.196</u>
Assets total		<u><u>7.543.677</u></u>	<u><u>10.996.259</u></u>

Balance sheet 31 December

	Note	2017 SEK	2016 SEK
Liabilities and equity			
Share capital		54.980	333.657
Retained earnings		2.973.500	6.130.049
Proposed dividend for the year		<u>4.000.000</u>	<u>4.000.000</u>
Equity	5	<u>7.028.480</u>	<u>10.463.706</u>
Trade payables		31.963	63.201
Payables to subsidiaries		<u>483.234</u>	<u>469.352</u>
Short-term debt		<u>515.197</u>	<u>532.553</u>
Debt total		<u>515.197</u>	<u>532.553</u>
Liabilities and equity total		<u>7.543.677</u>	<u>10.996.259</u>
Contingent assets, liabilities and other financial obligations	6		

Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
Equity at 1 January 2017	333.657	6.130.049	4.000.000	10.463.706
Cash capital reduction	-278.677	278.677	0	0
Ordinary dividend paid	0	0	-4.000.000	-4.000.000
Ordinary dividend on treasury shares	0	3.245.283	0	3.245.283
Net profit/loss for the year	<u>0</u>	<u>-6.680.509</u>	<u>4.000.000</u>	<u>-2.680.509</u>
Equity at 31 December 2017	<u>54.980</u>	<u>2.973.500</u>	<u>4.000.000</u>	<u>7.028.480</u>

Notes

	<u>2017</u> SEK	<u>2016</u> SEK
1 Staff costs		
	<u>0</u>	<u>0</u>
Average number of employees	<u>0</u>	<u>0</u>
2 Financial income		
Other financial income	11.063	58.751
Exchange adjustments	<u>2.976</u>	<u>634.781</u>
	<u>14.039</u>	<u>693.532</u>
3 Financial expenses		
Financial expenses, group entities	13.882	10.744
Other financial expenses	16.367	2.011
Exchange adjustments expenses	<u>108.246</u>	<u>35.774</u>
	<u>138.495</u>	<u>48.529</u>

Notes

4 Fixed asset investments

Unquoted investments have been valued based on significant unobservable inputs, as they trade infrequently. As quoted market prices are not available for these investments, the general partner has used valuation techniques to determine fair value. In order to assess the valuation made for investments the Investment Advisor reviews the performance of the portfolio companies. Furthermore, the Investment Advisor is regularly in contact with the management of the portfolio companies in order to make assessments of business and operational matter which are considered in the valuation process. Where appropriate the Investment Advisor also track peer group company multiples, recent transaction results and credit ratings for similar companies.

	<u>EV/EBITDA</u>	<u>EV/EBITDA</u>	<u>EV/S</u>	<u>EV/S</u>
	Range used	Weighted average	Range used	Weighted average
Level of applied multiples, 2017	N/A	N/A	N/A	N/A
Level of applied multiples, 2016	N/A	N/A	N/A	N/A

No multiples has been applied in 2017 as investments are measured at recently received sales quote and equity method value, where underlying investment is an investment vehicle measuring their investment at fair value.

5 Equity

There have been changes to the share capital the last five years.

The share capital consists of 50.000 shares of a nominal value of DKK 1. No shares carry any special rights.

6 Contingent assets, liabilities and other financial obligations

The company acts as a general partner in the investment company Verdane Capital VI B K/S, which have assets of MSEK 19 and debt of MSEK 0 at 31 December 2017.

Accounting policies

The annual report of Verdane Capital VI B GP ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented in SEK.

Currency exchange rate (SEK/DKK):

31/12/16: 77,83

31/12/17: 75,63

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Revenue from quarterly management fee is recognized in the income statement in the financial period.

Other external expenses

Other external expenses include expenses related to administration, etc.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Other investments

Investments are measured at fair value.

Fair value estimation

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. The fair value of financial assets traded in active markets (such as publicly traded derivatives and equity securities publicly traded on a stock exchange) are based on quoted market prices at the close of trading on the reporting date.

Fair value for unlisted equity securities are determined by the General Partner using valuation techniques. Such valuation techniques may include earnings multiples and discounted cash flows. The Partnership adjust the valuation model as deemed necessary for factors such as non-maintainable earnings, tax risk, growth stage and cash traps.

The general partner has chosen to adopt different valuation techniques depending on the portfolio company. For holdings with substantial and sustainable cash flow or earnings, the general partner has adopted a valuation technique using averages of P/E and EBITDA. For holdings without significant profits or positive cash flow, the general partner has maintained cost or the price of a recent investment or the use of multiples based on revenues. Please refer to note 4 for further details on the valuations models and applied multiples.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Liabilities

Liabilities, which include trade payables and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.