

Cumasa VC K/S

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

CVR no 32 88 16 61

Annual report for 2016

Adopted at the annual general meeting

on *27/4-2017*



Chairman *Rasmus Eske Bruun*

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Statement by Management on the annual report

The Management has today discussed and approved the annual report of Cumasa VC K/S for the financial year 1 January - 31 December 2016.

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

In my opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

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

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

Copenhagen, 28 February 2017

**On behalf of the General Partner:
Cumasa VC GP ApS**


Birger Nergaard

Independent auditor's report

To the Limited Partners of Cumasa VC K/S

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Cumasa VC K/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

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, we conclude that 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 of 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.

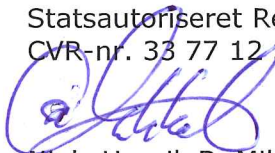
Independent auditor's report

- 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, 28 February 2017

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 33 77 12 31



Niels Henrik B. Mikkelsen
State Authorised Public Accountant



Christian Noe Oest
State Authorised Public Accountant

Company details

The Company

Cumasa VC K/S
Sundkrogsgade 21
c/o Harbour House
DK-2100 Copenhagen

CVR no.: 32 88 16 61
Reporting period: 1 January - 31 December
Domicile: Copenhagen

On behalf of the General Partner: Cumasa VC GP ApS

Birger Nergaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's review

Business activities

The Company contributes venture capital to competitive enterprises.

Unusual matters

The Company's financial position at 31 December 2016 and the results of its operations for the financial year ended 31 December 2016 are not affected by any unusual matters.

Due to a change in the Danish Financial Statements Act, there has been a change to the Accounting policies.

Business review

The Company's income statement for the year ended 31 December 2016 shows a loss of EUR 23.421, and the balance sheet at 31 December 2016 shows equity of EUR 3.125.275.

Special risks apart from generally occurring risks in industry

Operating risks

The object of the Company is to contribute venture capital to competitive enterprises. The most important risk factor is therefore changes in the value of the investments made in portfolio companies.

Financial risks

The portfolio of investments is rather concentrated within certain industries. All investments are in Finland a negative event in the Finnish capital markets would most likely affect the financing and/or exit possibilities in general.

Foreign exchange risks

The Company's investments are made in Finnish companies with EUR as the operational currency. The exchange risk related to the investments is therefore regarded as being fairly small and only connected to the companies' revenues in non-operational currency.

Interest rate risks

The Company is less sensitive to changes in the interest level. Cash carries current interest at fixed-term deposits.

Credit risks

The main focus at Cumasa VC K/S in the future will be to continue to develop and support the existing investment portfolio and to drive successful exits.

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	<u>2016</u> EUR	<u>2015</u> EUR
Value adjustments of investments		-46.496	-208.191
Other external expenses		<u>-18.333</u>	<u>-24.569</u>
Gross profit		-64.829	-232.760
Financial income		41.658	85.059
Financial expenses		<u>-250</u>	<u>-515</u>
Profit/loss before tax		-23.421	-148.216
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Net profit/loss for the year		<u>-23.421</u>	<u>-148.216</u>
 Distribution of profit			
Retained earnings		<u>-23.421</u>	<u>-148.216</u>
		<u>-23.421</u>	<u>-148.216</u>

Balance sheet 31 December

	Note	<u>2016</u> EUR	<u>2015</u> EUR
Assets			
Investments in associates		1.585.706	557.302
Other investments	2	<u>1.215.986</u>	<u>1.020.015</u>
Fixed asset investments		<u>2.801.692</u>	<u>1.577.317</u>
Fixed assets total		<u>2.801.692</u>	<u>1.577.317</u>
Receivables from subsidiaries		<u>0</u>	<u>301.736</u>
Receivables		<u>0</u>	<u>301.736</u>
Cash at bank and in hand		<u>332.454</u>	<u>250.290</u>
Current assets total		<u>332.454</u>	<u>552.026</u>
Assets total		<u>3.134.146</u>	<u>2.129.343</u>

Balance sheet 31 December

	Note	<u>2016</u> EUR	<u>2015</u> EUR
Liabilities and equity			
Contributed capital		3.599.152	3.599.152
Revaluation reserve		1.028.404	0
Retained earnings		<u>-1.502.281</u>	<u>-1.478.860</u>
Equity	3	<u>3.125.275</u>	<u>2.120.292</u>
Trade payables		<u>8.871</u>	<u>9.051</u>
Short-term debt		<u>8.871</u>	<u>9.051</u>
Debt total		<u>8.871</u>	<u>9.051</u>
Liabilities and equity total		<u>3.134.146</u>	<u>2.129.343</u>

Equity

	<u>Contributed capital</u>	<u>Revaluation reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	3.599.152	0	-1.478.860	2.120.292
Revaluation for the year	0	1.028.404	0	1.028.404
Net profit/loss for the year	0	0	-23.421	-23.421
Equity at 31 December 2016	<u>3.599.152</u>	<u>1.028.404</u>	<u>-1.502.281</u>	<u>3.125.275</u>

Notes

	<u>2016</u>	<u>2015</u>
	EUR	EUR
1 Staff costs	<u><u>0</u></u>	<u><u>0</u></u>
Average number of employees	<u>0</u>	<u>0</u>

2 Fixed asset investments

Unquoted investments have been valued based on significant unobservable inputs, as they trade infrequently. As quoted market prices are not available 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, 2016	N/A	N/A	N/A	N/A
Level of applied multiples, 2015	N/A	N/A	N/A	N/A

No multiples has been applied in 2016 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.

3 Equity

Limited Partners' and General Partner's total committed capital is MEUR 13 of which MEUR 10 is not yet called.

Accounting policies

The annual report of Cumasa VC K/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The company has implemented §738 of 1 June 2015, of the Danish Financial Statements Act, which has effect as of 1 January 2016. Changes to the Financial Statements Act, have not affected the company's assets, liabilities and financial position 31 December 2016, except as described below, but only resulted in additional disclosures in the Annual Report

Income statement for the year has been reduced with EUR 1.028.404, due to fair value adjustment of investment in subsidiaries and associates is now recognized directly on equity instead of through the income statement.

The annual report for 2016 is presented in EUR.

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.

Accounting policies

Income statement

Value adjustments of investments

The value adjustment of investments in to portfolio companies comprises value adjustments realized from sale and value adjustments unrealized from any revaluation or impairment of investments in portfolio companies at fair value, except unrealized value adjustments of investment in subsidiaries and associates that are recognized directly on equity. Dividends received from investments are included in value adjustments.

Other external expenses

Other external expenses include expenses related to administration, etc.

Management fee comprises of management fee for the period calculated according to the Limited Partnership Agreement.

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, realised and unrealised capital/exchange gains and losses, etc.

Tax on profit/loss for the year

The Company is not independently liable to tax and consequently tax has not been recognized.

Balance sheet

Investments in portfolio companies etc.

Investments in associates and other investments comprise investments in portfolio companies and are measured at fair value on the balance sheet date.

Investments in portfolio companies are measured according to the guidelines of the "International Private Equity and Venture Capital" (IPEV) "Valuation Guidelines" which is why investments are recognised at fair value at the balance sheet date in accordance with the Danish Financial Statement Act §37 and §41.

Investments in portfolio companies of which listed market prices exist are measured on the basis of the last market price. Unlisted portfolio companies are valued either by way of a capital increase round or part sale based on the value of comparable companies as well as by applying traditional measurement methods.

Accounting policies

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 2 for further details on the valuations models and applied multiples.

Receivables

Receivables are measured at amortised cost.

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.