

# **Unipension PE K/S**

**(CVR-no. 33 24 78 85)**

Smakkedalen 8  
DK-2820 Gentofte  
Denmark

**Annual report for 2016**  
(6th financial year)

*The annual report has been presented and approved  
at the Company's annual general meeting on  
March 6, 2017.*

Chairman:



## CONTENTS

	<u>Page</u>
<b>Company details</b>	2
<b>Management's review</b>	
Management's review	3
<b>Statement and report</b>	
Management's Statement	4
Independent Auditor's report	5
<b>Financial statements</b>	
Income statement January 1 – December 31	8
Balance sheet at December 31	9
Statement of changes in Equity	10
Cash flow statement January 1 – December 31	11
Notes	12

## COMPANY DETAILS

### **The Limited Partnership**

Unipension PE K/S  
Smakkedalen 8  
DK-2820 Gentofte

CVR-no.: 33 24 78 85  
Financial year: January 1 – December 31  
Registered office: Gentofte

### **Executive Board**

Allan Nielsen

### **Board of Directors**

Niels Erik Petersen  
Jens Otto Munch Holst  
Søren Bang Andersen

### **Auditors**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
DK-2300 Copenhagen S

### **Ownership**

Unipension PE K/S is owned by:

Arkitekternes Pensionskasse (8 %)  
c/o Sampension  
Tuborg Havnevej 14  
2900 Hellerup

Pensionskassen for Jordbrugsakademikere &  
Dyrlæger (12 %)  
c/o Sampension  
Tuborg Havnevej 14  
2900 Hellerup

MP Pension - Pensionskassen for Magistre & Psykologer (80 %)  
Smakkedalen 8  
DK-2820 Gentofte

### **General Partner**

MP GP ApS  
Smakkedalen 8  
DK-2820 Gentofte

### **Manager**

MP Investment Management A/S  
Smakkedalen 8  
DK-2820 Gentofte

## MANAGEMENT'S REVIEW

### **Main activity**

The primary business of the company is to hold private equity investments via funds. During the financial year, no material changes have been made to the investment strategy, the implementation of the strategy or the administrative setup. The company does not use leverage.

The company made its last investment on July 19, 2013 and will not make any additional investments. The existing portfolio is in run off. As such the company is not subject to the AIFM Directive.

### **Performance**

The profit of the year amounts to 599,036 thousand DKK. During 2016, the company has enjoyed a strong performance across the portfolio including benefits from a generally strong exit environment. Overall profit generation has been stronger than expected.

Profit for the year is proposed transferred to Equity as Retained Earnings.

Total Equity amounts to 4,425,367 thousand DKK as of December 31, 2016.

### **Uncertainties associated with recognition and measurement of investments**

Management assesses that measurement of private investments contains an element of uncertainty.

### **Owners**

Unipension PE K/S is owned by Arkitekternes Pensionskasse (8 %), MP Pension – Pensionskassen for Magistre & Psykologer (80 %) and Pensionskassen for Jordbrugsakademikere & Dyrlæger (12 %).

Unipension PE K/S is a Danish limited partnership with a private limited company as general partner. The general partner MP GP ApS is owned by MP Investment Management A/S (100 %).

The limited partnership's board of directors comprises the executive management of the general partner.

### **Events after the balance sheet date**

From the balance sheet date to the date of signing, no events have occurred that change the assessment of the financial report.

### **Expectations for 2017**

Unipension PE K/S has received 5 billion DKK of capital commitments. The company made its last investment on July 19, 2013 and will not make any additional investments. The existing portfolio is in run off, and the company will only honor commitments that are already made.

As of December 31, 2016 the company has aggregated outstanding capital commitments to portfolio investments of 1.9 billion DKK. Such outstanding capital commitments will be honored when and as they become due through a combination of distributions received from portfolio investments and capital called from the owners.

## MANAGEMENT'S STATEMENT

The executive board and the board of directors have today discussed and approved the annual report of Unipension PE K/S for the financial year January 1 - December 31, 2016.

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

We consider the accounting policies used and the estimates made to be appropriate. Accordingly, the annual report in our opinion gives a true and fair view of the company's assets, liabilities, cash flow, financial position and result. Furthermore, it is our opinion that the Management's Review contains a true and fair description of the development in the company's activities and financial position and a description of material risks and the uncertainties, which can affect the company.

We recommend the annual report for adoption at the Annual General Meeting.

Gentofte, March 6, 2017

Executive Board:



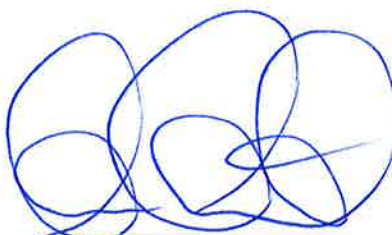
Allan Nielsen

*General partner:*  
MP GP ApS

Board of Directors:



Niels Erik Petersen



Jens Otto Munch Holst



Søren Bang Andersen

## INDEPENDENT AUDITORS REPORT

### To the investors of Unipension PE K/S

#### **Opinion**

We have audited the financial statements of Unipension PE K/S for the financial year 01.01.2016 - 12.31.2016, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 12.31.2016 and of the results of its operations and cash flows for the financial year 01.01.2016 - 12.31.2016 in accordance with the Danish Financial statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

#### **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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

## INDEPENDENT AUDITORS REPORT

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## INDEPENDENT AUDITORS REPORT

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

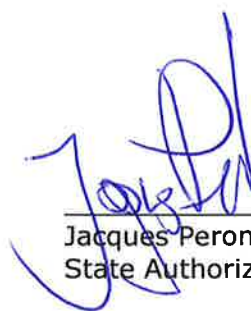
Copenhagen, March 6, 2017

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR-no. 33 96 35 56



Kasper Bruhn Udam  
State Authorized Public Accountant



Jacques Peronard  
State Authorized Public Accountant



## INCOME STATEMENT JANUARY 1 – DECEMBER 31

(DKK'000)

	<b>Note</b>	<b>2016</b>	<b>2015</b>
Gains on investments		597,545	652,138
Administrative expenses	3	<u>-754</u>	<u>-662</u>
<b>Operating profit before financial items</b>		<b><u>596,791</u></b>	<b><u>651,476</u></b>
Financial income	4	2,359	1,417
Financial expenses	5	<u>-114</u>	<u>-160</u>
<b>Profit before tax</b>		<b><u>599,036</u></b>	<b><u>652,733</u></b>
Tax		<u>0</u>	<u>0</u>
<b>Profit for the year</b>		<b><u>599,036</u></b>	<b><u>652,733</u></b>
Proposed profit allocation:			
Retained earnings		<u>599,036</u>	<u>652,733</u>
		<u>599,036</u>	<u>652,733</u>

## BALANCE SHEET AT DECEMBER 31

(DKK'000)

	Note	2016	2015
<b>Assets</b>			
<b>Investments</b>			
Other securities and investments	2	<u>4,362,374</u>	<u>4,034,280</u>
<b>Total investments</b>		<u><b>4,362,374</b></u>	<u><b>4,034,280</b></u>
<b>Total non-current assets</b>		<u><b>4,362,374</b></u>	<u><b>4,034,280</b></u>
<b>Current assets</b>			
Bank deposits		<u>62,993</u>	<u>31,670</u>
<b>Total cash and cash equivalents</b>		<u><b>62,993</b></u>	<u><b>31,670</b></u>
<b>Total current assets</b>		<u><b>62,993</b></u>	<u><b>31,670</b></u>
<b>Total assets</b>		<u><b>4,425,367</b></u>	<u><b>4,065,951</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Limited partner's capital		2,243,156	2,482,776
Retained earnings		<u>2,182,211</u>	<u>1,583,175</u>
<b>Total equity</b>		<u><b>4,425,367</b></u>	<u><b>4,065,951</b></u>
<b>Total liabilities</b>		<u><b>0</b></u>	<u><b>0</b></u>
<b>Total equity and liabilities</b>		<u><b>4,425,367</b></u>	<u><b>4,065,951</b></u>
Contingent liabilities	6		
Related party disclosures	7		

## STATEMENT OF CHANGES IN EQUITY

(DKK'000)

	<b>2016</b>	<b>2015</b>
Limited partner's capital January 1	2,482,776	2,188,524
Capital contributions during the financial year	224,062	645,536
Withdrawals during the financial year	<u>-463,681</u>	<u>-351,285</u>
<b>Limited partner's capital December 31</b>	<b><u>2,243,156</u></b>	<b><u>2,482,776</u></b>
Retained earnings January 1	1,583,175	930,442
Retained earnings for the year	<u>599,036</u>	<u>652,733</u>
<b>Retained earnings December 31</b>	<b><u>2,182,211</u></b>	<b><u>1,583,175</u></b>
<b>Total equity at December 31</b>	<b><u>4,425,367</u></b>	<b><u>4,065,951</u></b>

## CASH FLOW STATEMENT JANUARY 1 – DECEMBER 31

(DKK'000)

	Note	2016	2015
Operating profit		596,791	651,476
Value adjustments other securities and investments	2	<u>319,893</u>	<u>155,170</u>
<b>Cash flow from primary operations</b>		<b>916,684</b>	<b>806,646</b>
Financial income	4	2,359	1,417
Financial expenses	5	<u>-114</u>	<u>-160</u>
<b>Cash flow from operations</b>		<b>918,929</b>	<b>807,903</b>
Other securities and investments, additions	2	-779,845	-1,241,327
Other securities and investments, disposals	2	<u>131,859</u>	<u>86,615</u>
<b>Cash flow from investments</b>		<b>-647,986</b>	<b>-1,154,712</b>
Capital contributions during the financial year		224,062	645,536
Withdrawals during the financial year		<u>-463,681</u>	<u>-351,285</u>
<b>Cash flow from financing</b>		<b>-239,619</b>	<b>294,251</b>
<b>Change in cash and cash equivalents</b>		<b>31,323</b>	<b>-52,558</b>
Cash and cash equivalents, January 1		<u>31,670</u>	<u>84,228</u>
<b>Cash and cash equivalents, December 31</b>		<b>62,993</b>	<b>31,670</b>

## NOTES

### **Note 1** **Accounting policies**

#### **In general**

The annual report for 2016 for Unipension PE K/S has been prepared in accordance with the provisions applying to reporting class large C enterprises under the Danish Financial Statements Act with adjustments as a consequence of the company being a limited partnership with private equity activities.

Recognition of other securities and investments are made in accordance with the guidelines from European Private Equity & Venture Capital Association (EVCA), including the International Private Equity and Venture Capital Valuation Guidelines made by International Private Equity and Venture Capital Valuation (IPEV) Board and as joined by the EVCA.

As the main activities of Unipension PE K/S are investments, the provisions in the Danish Financial Statements Act clause 37 regarding measurement of the company's investment assets at fair value apply.

In order to achieve a true and fair view of the activity of the limited partnership, the presentation in the income statement and the balance sheet are changed compared to the Danish Financial Statements Act. In the income statement, dividends and value adjustments of other securities and investments are presented as a part of the operating profit and in the balance sheet other securities and investments are presented in a single accounting line.

Amounts in the income statement, balance sheet and notes are presented in thousand DKK. Every number is individually rounded, why minor differences between the totals and the sum of the underlying numbers may occur.

The accounting policies are consistent with those of the previous year, however insignificant changes in the previous year's presentation may occur.

#### **Recognition and measurement**

Income earned and expenses incurred during the financial year, are recognized irrespective of time of payment. Furthermore, value adjustments of investments measured at fair value are recognized.

Assets are recognized 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 recognized in the balance sheet when an outflow of economic benefits is probable and when the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognizing and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

## NOTES

### **Note 1**

#### **Accounting policies (continued)**

##### **Foreign currency translation**

Transactions denominated in foreign currencies are translated into DKK at the exchange rates of the transaction date. Assets and liabilities denominated in foreign currencies are translated into DKK at the exchange rates at the balance sheet date.

##### **Gains on investments**

Value adjustments on investment assets, realized as well as unrealized, are recognized in the income statement under gains on investments. Gains are measured relative to the opening balance or the cost price in connection with purchase during the year. Exchange rate adjustments are also recognized in this accounting line.

##### **Administrative expenses**

Administrative expenses comprise management fees and auditor fees.

##### **Financial income and expenses**

Financial income and expenses comprise interests from bank deposits and bank fees etc.

##### **Tax**

Unipension PE K/S is for tax purposes a transparent entity and therefore no taxes are recognized in the financial statements. The company's profit for the year is included in the tax base of the owners. However, a part of the dividend tax withheld in connection with dividend received from portfolio investments is recognized in the income statement.

Dividend taxes withheld by a foreign country are to the extent possible being reclaimed.

##### **Other securities and investments**

Other securities and investments are initially recognized at cost price including acquisition costs. Subsequently other securities and investments are measured at fair value. Fair value of private investments is fixed on the basis of financial statements and additional information about financial ratios, cash flow etc. Value adjustments are recognized in the income statement.

If the fair value cannot be calculated reliably, the cost price including acquisition costs are used.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise bank deposits.

##### **Cash flow statement**

The cash flow statement is prepared according to the indirect method. The statement is based on operating profit and shows cash flows from operating, investing and financing activities and the change in cash and cash equivalents during the year. Cash and cash equivalents comprise bank deposits.

## NOTES

### **Note 2 Other securities and investments**

(DKK'000)

	<b>2016</b>	<b>2015</b>
Carrying amount January 1	4,034,280	3,034,739
Additions during the year	779,845	1,241,327
Disposals during the year	-131,859	-86,615
Value adjustments during the year	-319,893	-155,170
<b>Total other securities and investments</b>	<b><u>4,362,374</u></b>	<b><u>4,034,280</u></b>

### **Note 3 Administrative expenses**

During the financial year, there have been no employees in the company, except for the executive board.

No remuneration has been paid to the executive board or the board of directors.

### **Note 4 Financial income**

(DKK'000)

	<b>2016</b>	<b>2015</b>
Exchange rate adjustments cash	<u>2,359</u>	<u>1,417</u>
<b>Total financial income</b>	<b><u>2,359</u></b>	<b><u>1,417</u></b>

### **Note 5 Financial expenses**

(DKK'000)

	<b>2016</b>	<b>2015</b>
Custodian fee	-23	-122
Interest on bank accounts	<u>-91</u>	<u>-38</u>
<b>Total financial expenses</b>	<b><u>-114</u></b>	<b><u>-160</u></b>

### **Note 6 Contingent liabilities**

As of the balance sheet date Unipension PE K/S has aggregate outstanding capital commitments to private portfolio investments of 1.9 billion DKK.

## NOTES

### **Note 7**

#### **Related party disclosures**

Unipension PE K/S has entered into transactions with investors, who have significant influence on the company's activities. Such transactions are made on a cost-covering basis. Unipension PE K/S has the following material transactions with related parties:

- MP Investment Management A/S, purchase of administrative services and portfolio management, 605 thousand DKK
- Arkitekternes Pensionskasse, purchase of administrative services and portfolio management, 2 thousand DKK
- Pensionskassen for Jordbrugsakademikere & Dyrlæger, purchase of administrative services and portfolio management, 3 thousand DKK
- MP Pension - Pensionskassen for Magistre & Psykologer, purchase of administrative services and portfolio management, 20 thousand DKK
- MP GP ApS, purchase of general partner services, 10 thousand DKK

The company is included in the consolidated financial statements of its owners with an ownership as stated in the company details. The consolidated financial statements can be obtained from the owners.