

Catacap I K/S

**C/O Horten, Philip Heymans Aile 7
2900 Hellerup**

CVR no. 34 88 50 79

Annual report 2015

The annual report was presented and
adopted at the annual general meeting of
the Company on 12 May 2016

Peter Ryttergaard
Chairman

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Catacap I K/S for the financial year 1 January - 31 December 2015.

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

It is my opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

In my opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

I recommend that the annual report be approved at the annual general meeting.

Hellerup, 7 March 2016

Executive Board

Thomas Francis Beckett



KPMG
Statsautoriseret Revisionspartnerselskab
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Independent auditor's report

To the limited partners of Catacap I K/S

Independent auditor's report on the financial statements

We have audited the financial statements of Catacap I K/S for the financial year 1 January - 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.



Independent auditor's report

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 7 March 2016

KPMG

Statsautoriseret Revisionspartnerselskab

Henrik O. Larsen
State Authorised Public Accountant

Mark Palmberg
State Authorised Public Accountant

Management's review

Company details

Company

Catacap I K/S
C/O Horten, Philip Heymans Aile 7
2900 Hellerup

CVR no.: 34 88 50 79
Financial Period: 1 January - 31 December
Incorporated: 13 December 2012
Registered office: Gentofte

Executive Board

Thomas Francis Beckett

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 Copenhagen

Management's review

Principal activity

Catacap I K/S is a private equity fund investing in Danish SMEs characterised by a significant development potential and an innovative business model with long-term sustainability.

The Company has an agreement with Catacap Management ApS in respect of investment advisory and administration services.

Unusual circumstances

During 2015 CataCap 1 K/S has received additional capital commitments of DKK 274 million.

No other unusual circumstances have affected the Company's activities during the year.

Uncertainty regarding recognition and measurement

Catacap I K/S' balance sheet consists primarily of equity investments in the fund's portfolio companies recognised at estimated fair value. The valuation of the portfolio companies reflects the current and expected performance of the individual companies as well as multiples of a defined peer group. The value is not realised until exit of the portfolio company.

Development in activities and financial matters

The Company's financial position and the results for the year will be shown in the following income statement for the financial year 1 January 2015 - 31 December 2015 and the balance sheet at 31 December 2015.

The past year

During 2015, Catacap I K/S added two companies to the portfolio and made two add-on acquisitions. Catacap holds the majority of votes in all portfolio companies.

The overall portfolio is valued at an equity value of DKK 503 million against a cost price of DKK 436 million for the part that is owned by Catacap I K/S.

MobyLife Holding A/S (formerly Telecare Service Holding A/S) was acquired in June 2013. In the spring of 2014 the company acquired its two largest Nordic competitors, which has made Telecare the largest Nordic repair service provider for mobile devices. Customers are large Nordic telecom operators and retailers that are serviced via operations in Denmark (HQ), Sweden, Norway and Finland. The company has approximately 417 employees.

The financial performance in 2015 is affected by lower volumes in the first half of the year leading to excess capacity. The second half of the year reflects normal volumes and a balanced capacity. In 2015 the Group re-branded to MobyLife and is in the process of aligning IT systems, etc., across the Group. Overall, financial performance is below expectations with the second half of 2015 being satisfactory.

Management's review

Handicap Befordring A/S is the result of a merger of two companies acquired in February 2014 and is the largest special care transport provider in Denmark. End users are pupils, elderly and disabled that are serviced on contracts with municipalities and regional traffic agencies across Zealand. The company has approximately 342 employees.

The financial performance in 2015 reflects continued integration and other costs associated with the merger, and the result is not satisfactory.

Lyngsoe Systems A/S was acquired in March 2014 and is a developer and systems integrator of advanced logistics solutions used in a number of industries, in particular within postal and library. The company has a diversified global customer base that is serviced via operations in Denmark (HQ), the US, Canada and Germany. The company has approximately 189 employees.

The financial performance in 2015 is in line with expectations, and order intake is at an all time high.

GSV Holding A/S was acquired in April 2015 as a merger of GSV Materieludlejning A/S and Pitzner Materiel A/S. Together, the two companies have formed the largest Danish B2B rental equipment company. The company offers a full range of products from heavy to light equipment, lifts and modular space across a network with full Danish coverage. GSV has approximately 258 employees.

During 2015, the merger of GSV and Pitzner was completed under one management team and one legal entity.

The financial performance for 2015 has exceeded expectations, and after the balance sheet date, the first add-on acquisition, Bramsnæs, has been signed.

Skybrands Holding A/S was acquired in May 2015 and is a B2B supplier of branded home textile products. The customers consist of large retailers in the Nordics, the UK and the Middle East. Skybrand has approximately 25 employees.

The financial performance 2015 has been in line with expectations, and after the balance sheet date, the company has been established with a subsidiary in Germany.

Capital resources

CataCap I K/S is financially backed by investors where the total committed capital amount to DKK 1,016 million.

Profit for the year amounts to DKK 49 million, compared to a loss of DKK 27 million in 2014. The results are in accordance with Management's expectations.

Since inception, Catacap I K/S has accumulated a profit of DKK 10 million.

Employees

There have been no employees in the Company during the period.

Management's review

Subsequent events

No significant events have occurred after the balance sheet date that could have influence on the evaluation of the annual report.

Outlook

As previously stated, the valuation of the portfolio companies depends on a number of factors. Due to the uncertainties related to these factors, Management refrains from giving an outlook for 2016.

Financial statements 1 January - 31 December

Accounting policies

The annual report of Catacap I K/S for 2015 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 B.

The annual report for 2015 is presented in DKK.

The most significant elements of the accounting principles applied are described below. The accounting principles were applied consistently with the principles of prior year's financial reporting.

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.

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.

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.

Financial statements 1 January - 31 December

Accounting policies

Income statement

Revenue

Revenue from sales is recognised in the income statement when delivery and transfer of risk has been made before year end. Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Administrative expenses

Administrative expenses comprise expenses for establishing the Company and managing the operations of the Company, including audit costs, legal advisors and other general expenses.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, premises, bad debts, payments under operating leases, etc.

Gross profit

The Company uses the provisions in section 32 of the Danish Financial Statements Act. Under which the Company's revenue is not stated.

Gross profit comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Financial income and expenses

Financial income and expenses and similar items are recognised in the income statement at the amounts relating to the reporting period. Financial income and expenses include interest income and expense and realised and unrealised exchange rate gains and losses on foreign currency transactions.

Tax on profit/loss for the year

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

Balance sheet

Investments in portfolio companies

Investments in subsidiaries, associates, other securities and investments comprise investments in portfolio companies and are measured at fair value at the balance sheet date. Value adjustments are recognised in the income statement.

Financial statements 1 January - 31 December

Accounting policies

Investments in portfolio companies are measured according to the guidelines of the International Private Equity and Venture Capital's (IPEV) Valuation Guidelines, and consequently, the investments are recognised at fair value at the balance sheet date in accordance with section 38 of the Danish Financial Statements Act.

Receivables

Receivables are measured at amortised cost. Write-down for bad debt is based on an individual assessment of receivables.

Liabilities

Liabilities are measured at amortised cost equal to nominal value.

Financial statements 1 January - 31 December

Income statement

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
Gross loss		-17,406	-26,533
Value adjustment of subsidiaries	1	66,629	0
Financial income		0	63
Financial expenses		-62	-151
Profit/loss before tax		49,161	-26,621
Tax on profit/loss for the year		0	0
Profit/loss for the year		49,161	-26,621
Retained earnings		49,161	-26,621
		49,161	-26,621

Financial statements 1 January - 31 December

Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
Assets			
Investments in subsidiaries	2	502,948	178,074
Investments		502,948	178,074
Total non-current assets		502,948	178,074
Other receivables		1,368	0
Receivables		1,368	0
Cash at bank and in hand		0	241
Total current assets		1,368	241
Total assets		504,316	178,315

Financial statements 1 January - 31 December

Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
Equity and liabilities			
Share capital		490,224	216,679
Retained earnings		<u>9,893</u>	<u>-39,268</u>
Total equity	3	<u>500,117</u>	<u>177,411</u>
Banks		3,966	0
Trade payables		73	904
Payables to subsidiaries		70	0
Other payables		<u>90</u>	<u>0</u>
Current liabilities		<u>4,199</u>	<u>904</u>
Total liabilities		<u>4,199</u>	<u>904</u>
Total equity and liabilities		<u>504,316</u>	<u>178,315</u>
Related parties and ownership	4		

Financial statements 1 January - 31 December

Notes

1 Value adjustment of subsidiaries

Revaluation of investments	66,629	0
	<u>66,629</u>	<u>0</u>

2 Investments in subsidiaries

	2015 DKK'000	2014 DKK'000
Cost at 1 January 2015	178,073	28,837
Additions for the year	<u>258,247</u>	<u>149,237</u>
Cost at 31 December 2015	<u>436,320</u>	<u>178,074</u>
Revaluations at 1 January 2015	0	0
Revaluations for the year, net	<u>66,628</u>	<u>0</u>
Revaluations at 31 December 2015	<u>66,628</u>	<u>0</u>
Carrying amount at 31 December 2015	<u>502,948</u>	<u>178,074</u>

Financial statements 1 January - 31 December

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Investments in subsidiaries are specified as follows:

Name	Registered office	Share capital	Votes and ownership	Equity	Profit/loss for the year
CC Orange Invest ApS	Søborg, Denmark	15,140	96,33%	80,343	11,221
CC Explorer Invest ApS	Copenhagen, Denmark	9,940	96,33%	59,682	-7,456
CC Track Invest ApS	Copenhagen Denmark	11,800	96,33%	58,261	412
CC Tool Invest ApS	Copenhagen, Denmark	1,000	96,33%	-	-
CC Sky Invest ApS		1,000	96,33%	-	-
CC X ApS		50	100%	-	-

Equity and profit/loss for CC Orange Invest, CC Explorer Invest and CC Track Invest are obtained from approved financial statements for 2014.

There are no approved financial statements for CC Tool Invest, CC Sky Invest and CC X, and thus, the disclosed equity represents the share capital.

Financial statements 1 January - 31 December

Notes

3 Equity

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 January 2015	216,679	-39,268	177,411
Prior year adjustments	-395	0	-395
Contributed capital	273,940	0	273,940
Net profit/loss for the year	0	49,161	49,161
Equity at 31 December 2015	490,224	9,893	500,117

The stated contributed capital represents the limited partner's total equity contribution. The capital is divided into limited partnership shares of DKK 1. Catacap I K/S has a total committed capital of DKK 1,016 billion, of which DKK 273,940 million was paid in at 31 December 2015.

4 Related parties and ownership

Other related parties

Catacap General Partner I ApS is the general partner.

The general partner has entered into investment advisory and administration agreements with Catacap Management A/S.

Transactions

Transactions with related parties are carried out at arm's length basis.