

**CapHold X ApS
Central Business Registration No
35647678**

Annual report 2015

The Annual General Meeting adopted the annual report on 31.05.2016

Chairman of the General Meeting

Name: Ulrik Nicolai Jungersen

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Entity details

Entity

CapHold X ApS
Indiakaj 12,1
2100 Copenhagen

Central Business Registration No: 35647678

Founded: 23.01.2014

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Executive Board

Jens Thøger Hansen
Ulrik Nicolai Jungersen
Erik Balleby Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of CapHold X ApS for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented 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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Copenhagen, 31.05.2016

Executive Board

Jens Thøger Hansen

Ulrik Nicolai Jungersen

Erik Balleby Jensen

Independent auditor's reports

To the owners of CapHold X ApS

Report on the financial statements

We have audited the financial statements of CapHold X ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity 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 as 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 about 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 judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity'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 Entity'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 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 audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. 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 commentary is consistent with the financial statements.

Copenhagen, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Bjørn Winkler Jakobsen
State Authorised Public Accountant

Henrik Hartmann Olesen
State Authorised Public Accountant

Management commentary

Primary activities

The Company's primary activities are to invest in and own shares in other companies.

Development in activities and finances

The income statement shows a loss of DKK 16,726k. The balance sheet shows equity of DKK 85,257k.

The subsidiary Xstream A/S generated unsatisfactory results in 2015. In 2015, CapHold X ApS supported the subsidiary with an increase of capital of DKK 8,400k.

During the year, Xstream A/S continued to strengthen its international presence with increased focus on the markets in North America and Asia.

Management in Xstream A/S has initiated organisational changes and cost savings measures and expects the results for 2016 to be improved compared to 2015.

Corporate Governance

The Company is part of a group in which the Danish private equity fund Capidea is a majority shareholder.

Companies owned by private equity funds and present the annual report after the provisions applying to reporting class C large entities are to incorporate DVCA's (Danish Venture Capital Association) guidelines for corporate governance.

The Company presents the annual report in accordance with the provisions applying to class B entities and is therefore not fully covered by the DVCA's guidelines but has voluntarily chosen to present additional relevant information.

Capidea is represented by the partner Mr. Ulrik Nicolai Jungersen on the Board.

Uncertainty relating to recognition and measurement

Based on the development of the activities in the subsidiary, the Company has tested the investment for impairment. Management found no need for impairment based on the future business plan and budgets for the subsidiary.

In relation to the Company's investments in unlisted companies, measurement will depend on both entity specific matters, including growth potential, performance, risks, etc as well as market-related matters including demand for the industry in question, etc.

Management commentary

Consequently, the measurement of investments and related goodwill is subject to estimates and uncertainties. The evaluation of the measurement of the investment is based on a multiple method comprising an assessment of the sensitivity of the value at adjustments to the variables of the multiple.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses.

Accounting policies

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group entities. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life which in certain cases may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the benefit from the relevant resources.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Other external expenses		(44,375)	(45,625)
Operating profit/loss		(44,375)	(45,625)
Income from investments in group enterprises		(15,316,669)	(2,751,662)
Other financial expenses	2	(1,507,258)	(1,276,054)
Profit/loss from ordinary activities before tax		(16,868,302)	(4,073,341)
Tax on profit/loss from ordinary activities	3	142,779	323,811
Profit/loss for the year		<u>(16,725,523)</u>	<u>(3,749,530)</u>
 Proposed distribution of profit/loss			
Retained earnings		(16,725,523)	(3,749,530)
		<u>(16,725,523)</u>	<u>(3,749,530)</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Investments in group enterprises		111,144,200	118,380,243
Fixed asset investments	4	<u>111,144,200</u>	<u>118,380,243</u>
Fixed assets		<u>111,144,200</u>	<u>118,380,243</u>
Income tax receivable	5	136,170	323,811
Receivables		<u>136,170</u>	<u>323,811</u>
Cash		<u>483,612</u>	<u>195,367</u>
Current assets		<u>619,782</u>	<u>519,178</u>
Assets		<u>111,763,982</u>	<u>118,899,421</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital	6	10,862,481	10,000,000
Retained earnings		<u>74,394,123</u>	<u>83,536,131</u>
Equity		<u>85,256,604</u>	<u>93,536,131</u>
Other credit institutions		<u>25,000,000</u>	<u>25,000,000</u>
Non-current liabilities other than provisions	7	<u>25,000,000</u>	<u>25,000,000</u>
Other payables	8	<u>1,507,378</u>	<u>363,290</u>
Current liabilities other than provisions		<u>1,507,378</u>	<u>363,290</u>
Liabilities other than provisions		<u>26,507,378</u>	<u>25,363,290</u>
Equity and liabilities		<u><u>111,763,982</u></u>	<u><u>118,899,421</u></u>
Uncertainty relating to recognition and measurement	1		
Contingent liabilities	9		
Related parties with control	10		
Consolidation	11		

Statement of changes in equity for 2015

	Contributed capital DKK	Share pre- mium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	10,000,000	0	83,536,131	93,536,131
Increase of capital	862,481	7,537,519	0	8,400,000
Exchange rate adjustments	0	0	45,996	45,996
Transfer to reserves	0	(7,537,519)	7,537,519	0
Profit/loss for the year	0	0	(16,725,523)	(16,725,523)
Equity end of year	10,862,481	0	74,394,123	85,256,604

Notes

1. Uncertainty relating to recognition and measurement

Based on the development of the activities in the subsidiary, the Company has tested the investment for impairment. Management found no need for impairment based on the future business plan and budgets for the subsidiary.

In relation to the Company's investments in unlisted companies, measurement will depend on both entity specific matters, including growth potential, performance, risks, etc as well as market-related matters including demand for the industry in question, etc.

Consequently, the measurement of investments and related goodwill is subject to estimates and uncertainties. The evaluation of the measurement of the investment is based on a multiple method comprising an assessment of the sensitivity of the value at adjustments to the variables of the multiple.

	2015	2014
	DKK	DKK
2. Other financial expenses		
Interest expenses	1,507,258	1,276,054
	1,507,258	1,276,054
	2015	2014
	DKK	DKK
3. Tax on ordinary profit/loss for the year		
Current tax	(136,170)	(323,811)
Adjustment relating to previous years	(6,609)	0
	(142,779)	(323,811)

Notes

	Investments in group en- terprises DKK
4. Fixed asset investments	
Cost beginning of year	122,151,203
Additions	8,400,000
Cost end of year	130,551,203
Impairment losses beginning of year	(3,770,960)
Exchange rate adjustments	45,996
Amortisation of goodwill	(5,589,442)
Share of profit/loss after tax	(9,727,227)
Dividend	(365,370)
Impairment losses end of year	(19,407,003)
Carrying amount end of year	111,144,200

The carrying amount of goodwill is DKK 101,360k.

	Registered in	Corpo- rate form	Equity interest %
Subsidiaries:			
Xstream A/S	Copenhagen	A/S	52.50

5. Short-term income tax receivable

Tax receivable and current tax represent the expected tax credit to be received based on the tax value of the development activities in the joint taxation in proportion to the total tax loss in the joint taxation for the income year 2015, according to the tax credit system.

	2015 DKK	2014 DKK
6. Contributed capital		
Changes in contributed capital		
Contributed capital beginning of year	10,000,000	50,000
Increase of capital	862,481	9,950,000
Contributed capital end of year	10,862,481	10,000,000

Notes

	Instalments within 12 months 2014 DKK	Instalments within 12 months 2015 DKK	Instalments beyond 12 months 2015 DKK	Outstanding after 5 years 2015 DKK
7. Long-term liabilities other than provisions				
Other credit institutions	0	0	25,000,000	25,000,000
	0	0	25,000,000	25,000,000

	2015 DKK	2014 DKK
8. Other short-term payables		
Accrued interests	1,496,128	355,165
Other costs payable	11,250	8,125
	1,507,378	363,290

9. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which TopCap X ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2014 for income taxes etc for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

10. Related parties with control

TopCap X ApS, Copenhagen, owns more than 50% of the voting share capital and controls the Company.

11. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

TopCap X ApS, Copenhagen