

AXCEL

Annual Review 2019

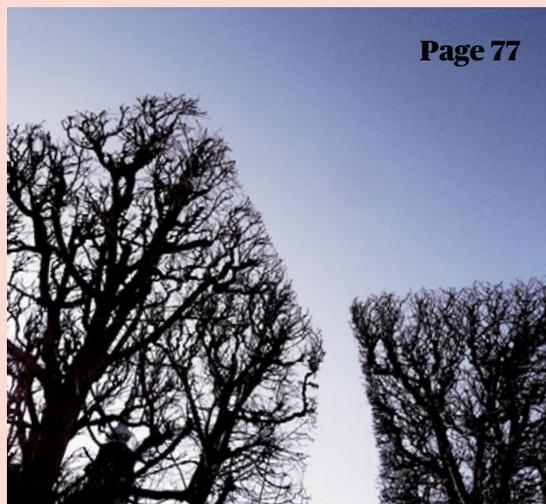


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Axcel Company Day 2019
 celebrated Axcel's 25th anniversary.



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Corporate social responsibility is integrated in our business model more than ever before.

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Axcel's partners, from left: Lars Cordt, Peter Nyegaard (CFO), Björn Larsson, Christian Schmidt-Jacobsen (Managing Partner), Christian Bamberger Bro, Christopher Arthur Müller, Thomas Blomqvist and Asbjørn Mosgaard Hyltdgaard. 

2019 was an eventful year for Axcel

We celebrated 25 years as a private equity firm and sharpened our focus on responsible investment, thereby laying the foundations for further growth. We continued to source good companies and generate returns for our investors by using our proven value creation approach.

NEW INVESTMENTS



Axcel invested in three exciting new companies during the year – European Sperm Bank, Phase One and SteelSeries – and several of our existing companies made solid add-on investments. We also sold three companies, helping us to deliver a healthy investment profit of almost DKK 2 billion. Read more about these investments and exits [here](#).

COVID-19 PANDEMIC



Looking towards 2020, the outbreak of the COVID-19 pandemic shows how quickly things can change, and how we have to be prepared for all eventualities both as investors and as active owners. The pandemic has made it harder to predict the future, and the resulting uncertainty will affect everyone. We continue to work in close collaboration with our companies on how to address the challenges ahead of us.

The foundation to do so is strong. Axcel's approach to facilitating the long-term transformation of companies is closely linked to our long relationship with the founders and owners of Nordic businesses. Axcel's strong track record of value creation has been driven by early involvement and close-knit relationships with companies. Over the years, we have developed a proprietary AXCElErating Value Creation framework, along with a robust governance model and comprehensive operational review process. Our systematic approach allows us to align with management and focus on growth in all our companies. Now more than ever before, the model must help lead us through this tough period. And now is also the time for us to make fundamental changes to adapt to the potential new reality when COVID-19 has passed and come out stronger on the other side. This will be a clear priority for Axcel and our companies.

SUSTAINABILITY

→ Sustainability is more than ever an integrated part of our business model, both in our due diligence and in our value creation plans, and we have now begun working with the UN Sustainable Development Goals to see where we can make the most difference and where we can improve. At the same time, we continue to support both the UN Global Compact at the company level and the UN PRI at the fund level.

FIRST CLOSING IN 2020

→ 2019 was also the year when we finished investing Axcel V and began fundraising for Axcel VI, which had its first closing in February 2020.

The fund currently has committed capital of more than EUR 500 million, and we remain optimistic and aim to raise a substantial fund that can make strong acquisitions throughout the Nordic region.

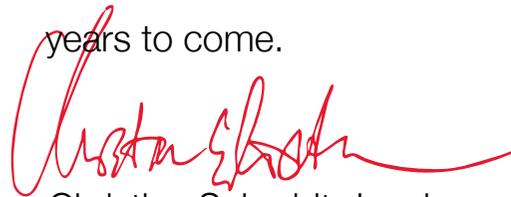
FIRST INVESTMENT

And we are already well on our way, with Axcel VI recently making its first investment. Norwegian CRM supplier SuperOffice has a market-leading position in the Nordics and strong positions in other Northern European countries. SuperOffice has already proven that it can expand across borders, and the ambition now is to grow sales based on its strong market position through organic initiatives as well as selected acquisitions.

We will continue to hunt for strong companies in the time ahead, but we will also be putting extra time and energy into our existing companies in the current climate.

JOB WELL DONE

I would like to finish by thanking everyone at Axcel and our companies for a job well done in 2019, and our investors for making it possible to take Axcel forward. I am convinced that we will emerge stronger in the years to come.



Christian Schmidt-Jacobsen, Managing Partner

Through funds III to V, Axcel more than tripled the value of the invested capital.

***Invested capital
(DKK^m)***

***Value of invested
capital (DKK^m)***

9,646 → 29,652



The corona crisis is challenging, but it also presents opportunities

→ Exclusive interview

Dark clouds may currently fill the sky, but at some point they will begin to lift. Here, **Christian Frigast**, DVCA's Executive Chairman, **Christian Schmidt-Jacobsen**, Axcel's Managing Partner, and **Lars Rebien Sørensen**, Chairman of the Novo Nordisk Foundation and of Axcel's Advisory Board, give their take on where we stand.

EFFECTIVE VACCINE NEEDED

Everyone is asking how long the crisis will last. What are your thoughts?

“Although no one knows the precise answer, we can already see that the repercussions will extend well into 2021,” says Lars Rebien Sørensen. “The length of the crisis will be determined by how we address the risk of infection, and I don’t think we’ll return to normal until we have an effective vaccine. That could take a year – perhaps more.”



***“I’m an optimist by nature,
and I’m pleased that Denmark
and a few other countries will
soon be open for business again”***

“The crucial thing is being able to balance our efforts,” says Christian Frigast. “Up to now, we’ve prioritised health over all other considerations, which has been essential. Now we’ve reached the point where we also need to consider young people’s education, the job situation and companies’ finances. Denmark has a lot to gain if we can bring other facets into the decision-making processes.”

“I’m an optimist by nature, and I’m pleased that Denmark and a few other countries will soon be open for business again,” says Christian Schmidt-Jacobsen. “But undoubtedly there’ll be some fundamental changes in our economy that will require adaptation.”

The big paradox right now is that we’re looking at a future that is more uncertain than ever with the prospect of disastrous financial statements and sky-high unemployment, yet share prices are pretty much normal. But can that last until we’re out of the shadow of corona?

“THE 90% ECONOMY”

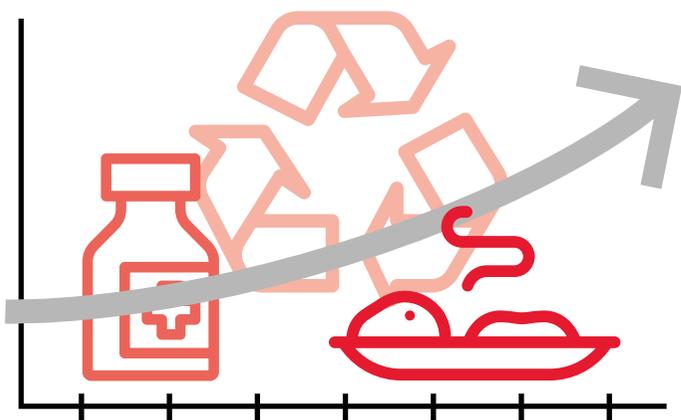


“Many companies that are exposed to generally robust sectors like food are operating on the basis of scenarios of lower activity levels for years to come, which *The Economist* recently dubbed ‘the 90% economy’,” says Christian Frigast. “At some point, this could also affect share prices, especially if fear of another wave of the epidemic starts spreading.”

The fact that share prices are seemingly not aligned with future earnings prospects has caused Lars Rebien Sørensen to reflect on what is actually going on:

“It’s my impression that some tech stocks are priced on the high side,” he says. “Even before the crisis, many of them had very high PE ratios, but it’s hard to see how this can continue now that demand is falling. It may well be that more people are watching Netflix and shopping on Amazon, but advertising revenues at Google and Facebook have to fall when the advertising disappears, and investors will be forced to reckon with that sooner or later.

“In the future, the USA especially will be affected by the fact that someone has to pay the bill for this historic crisis. Other lucrative markets for Danish companies in, for example, the Middle East are also being affected by the plummeting oil price, and all in all this is bound to put earnings under pressure in future. That could make me a bit nervous. But Danish companies aren’t too badly placed in the export markets. Medicine, foods and green solutions, which are Danish strengths, will not be any less sought after in future.”



“I think we need to look at the traditional stock index from a new angle,” says Christian Frigast. “Some tech and pharma shares have broken away from the traditional industrial and service companies and become the new gold where investors are seeking refuge, so I don’t think you can use the S&P, or the Danish C25 for that matter, as a guide to the general health of companies.

COMPANIES GOING UNDER

→ “The corona crisis will result in a lot of companies going under, either due to the lockdown or from the lack of export opportunities. If Denmark is to re-establish the private-sector jobs we’ve lost during the crisis, we need to promote new ideas and new businesses in Denmark.



“It’s no good being reliant on a single supplier in China - we’ve learnt that now.”

We should make it even easier to set up a company, because it’s probably become too costly and complex to get started. However, we also need to recognise that we’re in the middle of a demand crisis and that the economy won’t really get going properly until the demand returns.”

Protectionism and shorter value chains are the new black

“We’re looking at a world where value chains are getting shorter and we need far greater security of supply,” says Christian Schmidt-Jacobsen. “It’s no good being reliant on a single supplier in China – we’ve learnt that now. It might mean slightly higher costs than we’ve been used to, but we need to be sure we’re in control of our supplies. We’re making plans for that now in many of our companies.”

When it comes to more complex production, such as pharmaceuticals, Lars Rebien Sørensen is sceptical about whether you can simply break up the value chains as we know them:

“The USA will probably be able to cope on its own because it’s a huge market, but in Europe it will be hard because, even though the EU as a whole is a big economy, we’re still not sufficiently integrated, which means we’re dependent on the world economy functioning,” he says.

INTERNATIONAL RACE TO COME UP WITH A VACCINE

“But it’s clear that the global order as we know it has come under pressure. That was the case before corona, and now it’s really been amplified.

“At the moment, there’s an international race to see who can come up with the best corona vaccine, and although we can’t rule out Danish researchers producing something that can be used, we must support international solutions, and I think there’ll be more than one type of vaccine. However, we need to follow the rules of clinical testing, because you don’t fool around with a vaccine like that, especially not when the entire world population needs it. Conversely, this crisis has shown us that there’s a need for an independent Danish preparedness so we don’t run out of vital medicine and personal protective equipment, and I think we can do that in a public-private partnership where the government identifies the right partners.”

We turn now to the opportunities for Denmark in international cooperation. Of Denmark’s GDP of around DKK 2,300 billion, DKK 1,300 billion comes from exports, and that makes us vulnerable to a lack of sales opportunities. Even optimists suggest that exports could fall by at least 10-15% in 2020 and that there is a risk that there will be no significant improvement in 2021. How can the EU help resolve this historic crisis?

“I think we need to make sure that the EU remains united. The USA and China will become more inward looking, and Europe needs to drive growth itself.”

“I think we need to make sure that the EU remains united. The USA and China will become more inward looking, and Europe needs to drive growth itself,” says Christian Frigast. “A Europe divided between south and north would be toxic for that. It goes against the grain for us to write blank cheques for those who don’t keep their own house in order, but we’re going to have to look at restoring southern Europe. The alternative is an EU with low growth in which we all become poorer. One instrument that’s been used before might be perpetual bonds with a fixed low interest rate. There’s also the risk that populism will flare up to an uncontrollable level, and we can’t let that happen.”

Lars Rebien Sørensen agrees in principle, but adds:

POLITICAL SUPPORT?



“Obviously we need stronger EU cooperation as a counterbalance to the USA and China. But if the Italians expect us to make loans available without any covenants, that’s just naive and, politically, it simply can’t be done. We should help the Italians so they don’t go bankrupt, but it’s problematic that we know that their private wealth is considerable because it suggests they can’t get their tax system to work. So one of the conditions for cheap loans must be that they get to grips with this sort of thing, otherwise there’ll be no political support for it.”

“Even during this crisis, we deemed the investment opportunity too good to pass up.”

What does one invest in during a historic crisis?

It came as quite a surprise to the market when, around Easter, Axcel decided to invest in the Norwegian IT company SuperOffice. How dare anyone invest in companies when the whole world has come to a standstill?

“It was a process that had been ongoing for some time and before corona really emerged in Europe, and obviously we considered putting it on hold when the crisis hit,” says Christian Schmidt-Jacobsen. “But after considerable deliberation, including further discussions with the seller, we decided to proceed. Even during this crisis, we deemed the investment opportunity too good to pass up.”

A SOLID PLATFORM



“There’s no doubt that at the moment everyone who can is digitalising their business models, and that new players are lying in wait everywhere, which could create considerable upheaval during a crisis like this one,” says Christian Frigast. “So I’m delighted that in the past four to five years Axcel has built up a solid platform in industries such as IT, both in terms of networks and skills. That’s worth building on further.”

FORMING AN OVERVIEW

“It’s interesting, though, that many of the funds raised on the brink of a crisis have delivered really good returns historically.”

→ “In the next six to eight months, we’ll probably be a bit restrained – and we’ll definitely avoid overly cyclical companies or those that face challenges due to social distancing,” says Christian Schmidt-Jacobsen. “On the other hand, we’ll keep an eye on some of the companies that will benefit from this crisis in the longer term, and we’re well underway forming an overview of that.

“It’s interesting, though, that many of the funds raised on the brink of a crisis have delivered really good returns historically. As investors, we’ll have some opportunities to invest in companies whose biggest problem is perhaps just a lack of capital, so there we can perhaps create a return by helping them. Naturally, there will also be pitfalls, because the biggest problem right now is that it’s become hard to predict what the macro prospects are.”

THE FUTURE

→ “The number of transactions in the M&A market has fallen drastically,” says Christian Frigast, “which we also saw during the financial crisis. It will improve when we know the future a bit better, and it’s beneficial for the process that the Danish government – and governments in leading countries – are now revealing how they’re going to open up more.



“For many of the small and medium-sized companies, we must recognise, however, that there’s a need for them to be recapitalised if they are to survive. So it’s vital that things are now opened up so that private money can be brought into play and it becomes attractive to invest directly in companies. The government must help by providing the right framework.”

What are investors saying?

Many investors are unsure about the future, and this could also impact on private equity firms’ opportunities to invest – especially Axcel, which is in the middle of raising a fund. What does this mean for Axcel?

“In the present situation, it’s a strength for Axcel that we’ve invested only 75% of our capital, because the firm now has capacity to support its companies,” says Christian Frigast. “This also meant, in particular, that we were able to put extra impetus into raising Axcel VI, where we’ve now completed a first closing of more than EUR 500 million. There’ll be many opportunities to invest now, because equity in many companies is under pressure. And from time to time it’ll be necessary to have new owners. Here, private equity firms can play a role – with regard to both turn-around and delivering equity solutions. In any case, there won’t be any fewer opportunities for private equity firms as a result of corona.”

Christian Schmidt-Jacobsen is also relieved that Axcel got Axcel VI up and running:

PORTFOLIOS

“We can see that the investors are now sitting and pondering what the crisis means for their portfolios, and the vast majority are finding it difficult making decisions at present. Some of them – but only a few – are hardly investing at all for the time being. Then there’s a broad middle group who need time to condense the changes and primarily want to invest together with those they already know. The final group – again, a small group – is largely unaffected. The bottom line, however, is that while we might have hoped that Axcel VI would be fully raised around the summer, we now have to recognise that we won’t be done until the autumn.”

We must all show restraint – but it is returns that keep investments going

The private equity model is often associated with stories of big personal returns for a small group of investors, and for some years there has been widespread debate about remuneration for senior executives that can seem out of step with ordinary people’s income. In the current situation, the European Commission has put forward proposals that companies in receipt of support packages should not be able to award bonuses to senior executives or pay dividends to their shareholders.

“While we might have hoped that Axcel VI would be fully raised around the summer, we now have to recognise that we won’t be done until the autumn.”

EVERYONE HAS TO TIGHTEN THEIR BELTS

This is a line that the Danish government is also supporting. What do you think about that?

“I listen to the debate and for the most part I understand the thinking on restraint, which I think will happen automatically,” says Christian Schmidt-Jacobsen. “Many CEOs and directors in our companies have already taken a pay cut because everyone has to tighten their belts if we are to get through this crisis. We can’t pay out money that isn’t there.”

Christian Frigast is slightly more sceptical about the philosophy of not paying dividends:

“I fully agree with the need for everyone to show restraint, and that there’s a need right now to build up capital. It’s particularly important to be really careful, whatever the form of ownership, when using support packages. But if you imagined for one moment stopping paying dividends, it would have huge consequences for the whole financial system. After all, it’s through dividends that you release capital so that new money can flow into companies. If you lose that option, it could put the brakes on economic growth in society.”

“It’s particularly important to be really careful, whatever the form of ownership, when using support packages.”

“We were in no way prepared to have to sit in one crisis meeting after another.”

Was Axcel properly prepared for the crisis?

The crisis hit Axcel extremely quickly, but just 14 days before the lock-down no one had seen it coming. How has Axcel responded to the challenge?

“Even in the middle of February we were taking the threat relatively lightly; it was something out in Southeast Asia, and it would doubtless pass, as was the case with SARS and MERS,” says Christian Schmidt-Jacobsen. “We were in no way prepared to have to sit in one crisis meeting after another just a fortnight later, because we’d listened to the experts and they didn’t think the virus would reach Denmark. But we were prepared inasmuch as we were able to recall the last crisis. After all, it’s only 12 years since we faced similar challenges during the financial crisis.

“We immediately established a crisis team and identified which of our companies would be worst affected. We went through their cost bases with a fine-toothed comb and nailed down their cash flows. It’s been a relief to get the support packages from the government, which we’ve obviously drawn on heavily, and this has meant we’ve been able to hold back on redundancies. At the same time, we’ve received good support from the banks, which have shown the necessary flexibility.



“We’ve deliberately not invested in companies that are too cyclical. We have no shop chains or restaurants in the portfolio, even though it might obviously be tempting to invest in that type of thing under more normal circumstances.”

Everyone can see this is an extraordinary situation, and it’s a good thing we have some banks with the muscle to support companies.

“But imagine if we’d started out with the rather thin capitalisation that we have in our companies; we’d have been in a bad way in a very short time – support packages or not. Private equity firms prefer to put their money to work rather than having it sitting around gathering dust. The precondition for that is being able to provide capital and insight on how to get out of a hole when it’s needed. In that regard, it’s also pertinent that over the years we’ve built up solid relationships with financial partners, so we’re able to come up with solutions together that enable us to look 12-24 months ahead. Furthermore, in both Axcel IV and V we’ve deliberately not invested in companies that are too cyclical. We have no shop chains or restaurants in the portfolio, even though it might obviously be tempting to invest in that type of thing under more normal circumstances.

“The way we’ve designed our response means that we can now spend time assessing which of our companies need to make changes and which we think can carry on as before when we get through this. That’s another strength of the private equity model, because we have insight into how different business models respond in stress situations. All the

same, we're looking at 2020 being a lost year in terms of creating returns, and that's a long time if you want to keep your ownership down to around five years. But that's just how it is – it's the same for all private equity firms.

NON-VIABLE BUSINESS MODELS

→ “The first wave of companies to run into difficulties is probably also those with business models that are no longer completely viable, and unfortunately we've already seen the first examples. We won't invest in that type of company. But in six to eight months' time, I dare say there'll be companies appearing on the radar whose only problem is a lack of capital. That might well present opportunities because, even though there's lots of cash out there, the amount of risk capital is extremely limited during a crisis like this one,” Christian Schmidt-Jacobsen concludes.

“But in six to eight months’ time, I dare say there’ll be companies appearing on the radar whose only problem is a lack of capital.”

“We bring 25 years of extensive industry experience, a collaborative mindset and a structured value creation framework to our investments.”

Investment results for 2019

Axcel III, IV and V generated an investment profit of DKK 1,802 million in 2019, a particularly pleasing performance.

The investment profit for 2019 stems mainly from Axcel IV, which delivered a profit of DKK 1,214 million, driven by the sale of Conscia and EG and positive developments at Frontmatec and Danish Ship Finance. Axcel V produced an investment profit of DKK 560 million, thanks to progress at Loopia, Nissens and Mountain Top Group.

Axcel's funds are thus continuing to achieve their aim of delivering a competitive return for investors.

The year's transactions

Axcel V acquired European Sperm Bank, Phase One and SteelSeries in 2019.

APRIL 2019



European Sperm Bank, acquired in April, is a European market leader which has helped couples and singles in more than 100 countries to have children. Its focus on security, safety and quality makes it a preferred business partner worldwide.

JULY 2019

Phase One, a world-leading supplier of imaging workflow software for professionals, prosumers and businesses, followed in July. The company is also a world leader in medium-format digital camera solutions for professional photographers and industrial applications.

SEPTEMBER 2019

In September, Axcel acquired SteelSeries, a leader in computer gaming peripherals with a focus on quality, innovation and functionality. Founded in 2001, the company aims to enhance gamers' performance with innovative products and technologies.

ADD-ON-INVESTMENTS

The year also brought a number of add-on investments. Loopia was the most active in this respect, making five investments in Sweden, Finland, Hungary and Slovakia.

EXITS

There were four exits during the year. In January, Axcel sold Mita-Teknik after six years' ownership. Following the division of EG into EG Service and EG Software, both companies were sold, in February and April respectively. Conscia was sold in March, and Axcel III's last remaining investment, Ball Group, followed in April. This leaves Axcel's funds with holdings in 12 companies as of December 2019 with combined revenue of more than DKK 9.9 billion and more than 5,000 employees.

APRIL 2020

In April 2020, the newly established Axcel VI signed an agreement to invest in SuperOffice, which is a leading Northern European provider of CRM software to SMEs, with market-leading positions in the Nordics and established positions in Germany, the Netherlands, Switzerland and the UK.

Axcel's investment profit

(DKKm)	2015	2016	2017	2018	2019
Axcel III	3	-17	1	51	28
Axcel IV	153	706	649	487	1,214
Axcel V	-	-	0	45	560
Total	156	689	650	583	1,802

Axcel's investments and value of invested capital on 31 December 2019

(DKKm)	Axcel III	Axcel IV	Axcel V	Total
Invested capital	2,711	3,540	3,395	9,646
Proceeds from invested capital	18,604	5,342	0	23,946
Valuation of companies	0	1,695	4,011	5,706
Value of invested capital	18,604	7,037	4,011	29,652
Return multiple (times)	6.9	2.0	1.2	3.1

Overview of Axcel's investments

Since 1994, Axcel has raised six funds with total committed capital of some DKK 18.5 billion. This includes Axcel VI, which had its first closing at the beginning of 2020. The funds have made 55 platform investments in Nordic companies, together with more than 100 add-on investments, and exited 43 of these platform investments.

As at 31 December 2019, a total of DKK 29.4 billion had been paid out to Axcel's investors, and the remaining portfolio companies had a value of DKK 5.7 billion. Thus Axcel has multiplied investors' capital by a factor of 2.8 over its lifetime, including unrealised investments.



First closing of Axcel VI

STRONG BACKING



With its new fund, Axcel will remain a trusted partner for family-owned and other privately-owned businesses and continue to develop strong companies in a responsible way.

Following the successful deployment of Axcel V, Axcel has started raising its sixth fund, and held the first closing in February 2020 at EUR 507 million with strong backing from existing and new investors. Axcel VI is expected to become bigger than its predecessor when fully raised and will comprise a broad group of investors from the Nordic region and

“We’re delighted to announce a good first closing of more than EUR 500 million in a relatively short period, which means that we have money to invest when the dust settles and we can see the opportunities out there.”

– Christian Schmidt-Jacobsen,
Managing Partner

rest of Europe, including several founders who have sold their businesses to Axcel. The fund will maintain the investment focus of the preceding funds and target mid-market buyouts in the Nordics. Axcel prioritises opportunities where a change of ownership fits with the next step in the strategic development of a business. These will often be situations where a family or private owner has built a strong local or regional player which holds a leading market position but needs capital, managerial resources and experience to take it to the next level.

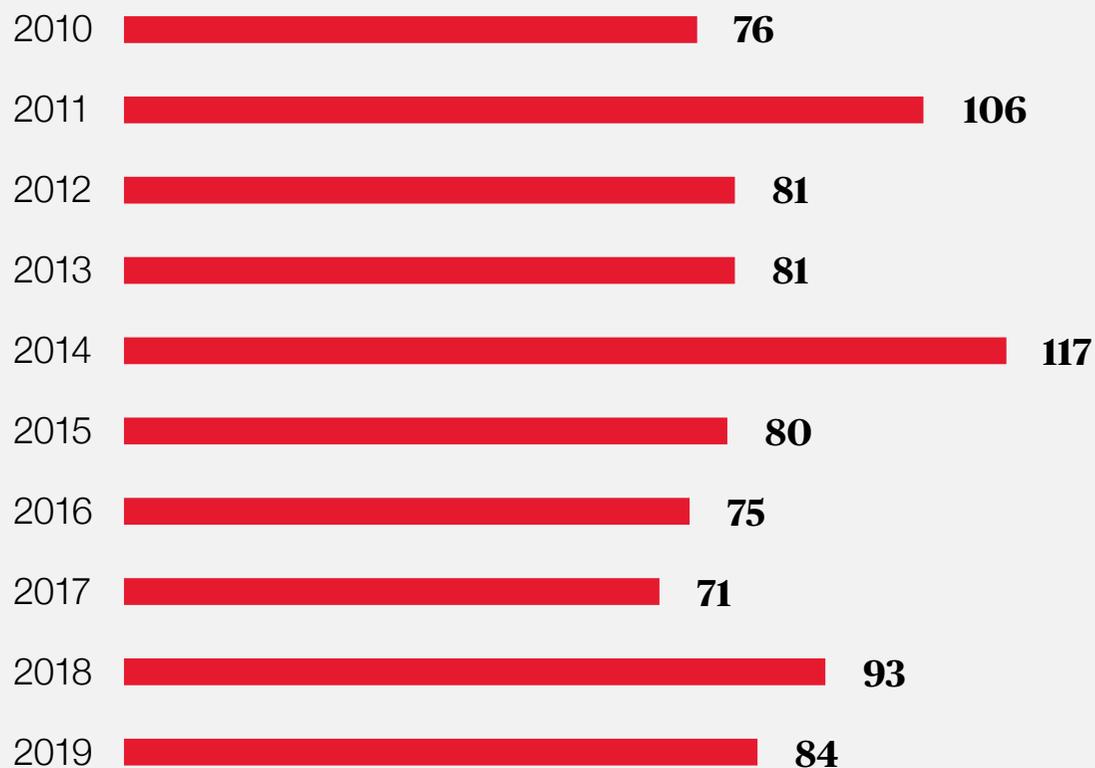
Such situations across the Nordic region give Axcel unique opportunities to take majority stakes and form active partnerships where we can use our expertise to accelerate growth, while retaining close ties with the owner, who typically reinvests with Axcel.



Key figures for Axcel III-V

NORDIC BUYOUTS IN AXCEL'S SEGMENT

Axcel's segment is defined as transactions involving a private equity fund where the company acquired has revenue of more than DKK 100m.



AXCEL'S ACQUISITIONS

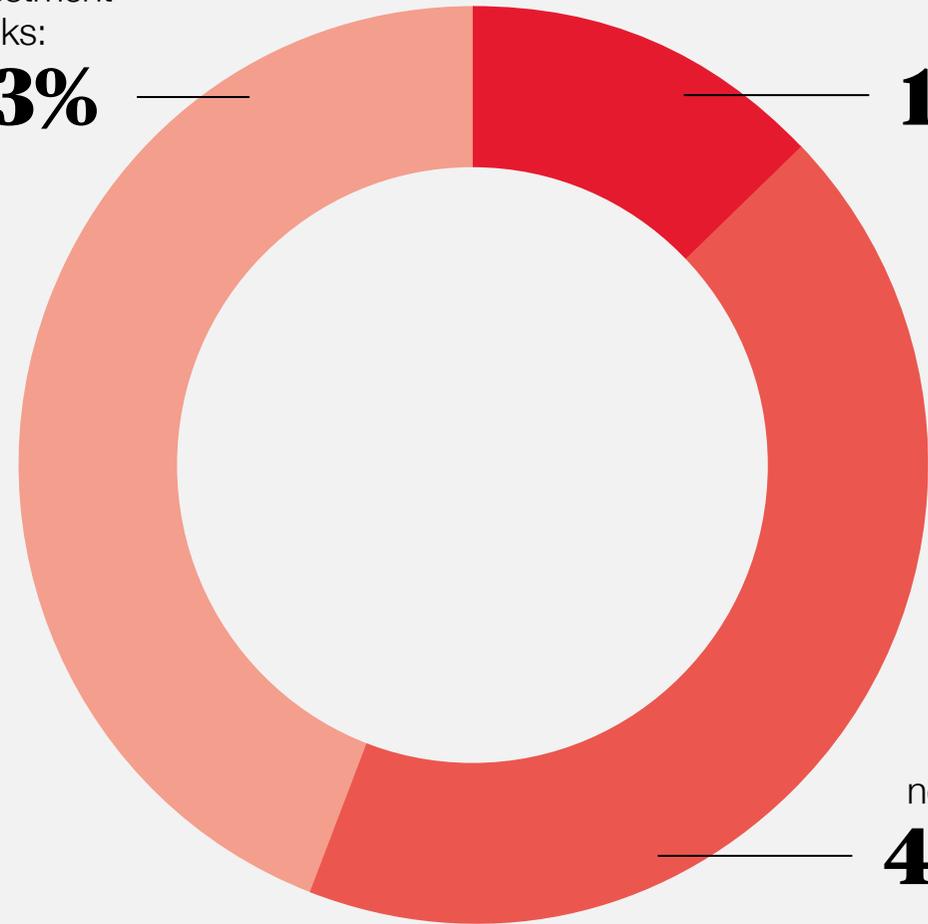
Axcel's acquisitions are generated to a great extent through Axcel's network, but also through cold calls, investment banks and advisers.

Investment banks:

43%

Cold calls:

13%



Axcel's network:

44%

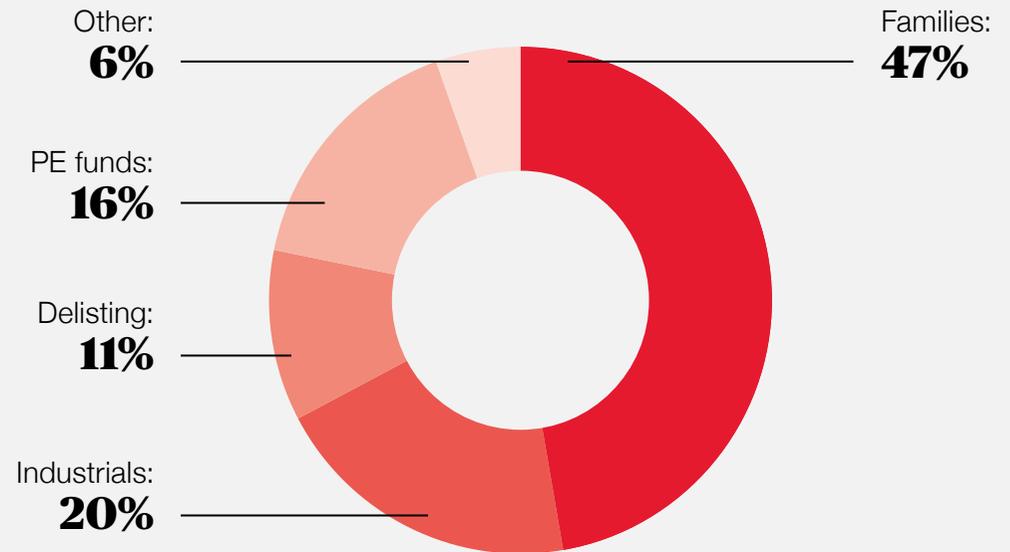
AXCEL'S COMPANIES BY SECTOR

Axcel's current portfolio companies are mainly in the industrials, IT & technology, consumer goods and healthcare sectors.



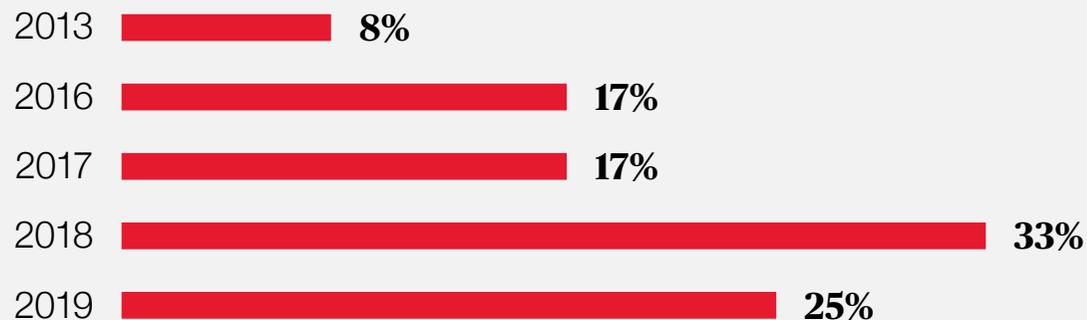
THE SOURCES OF AXCEL'S COMPANIES

Axcel has mainly acquired its companies from families.



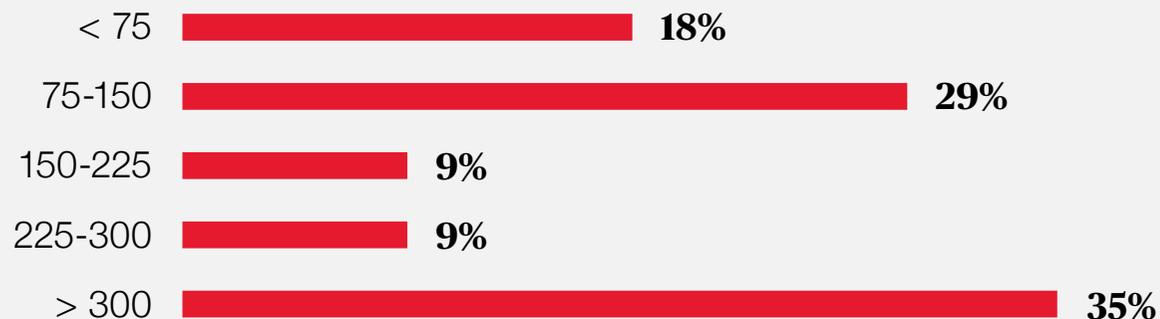
AXCEL'S EXISTING INVESTMENTS BY YEAR OF INVESTMENT

The majority of Axcel's 12 companies have been acquired since the beginning of 2017.



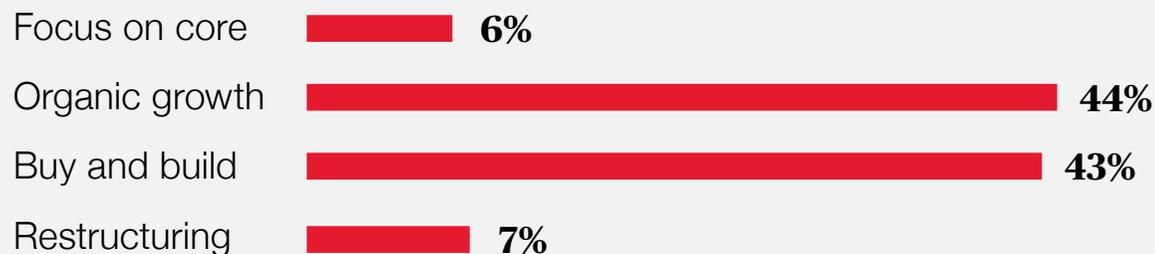
AXCEL'S INVESTMENTS BY SIZE

Axcel invests primarily in medium-sized Danish and Swedish companies. The values in the chart are the size of Axcel's equity investment (DKKkM).



AXCEL'S STRATEGIES FOR VALUE CREATION

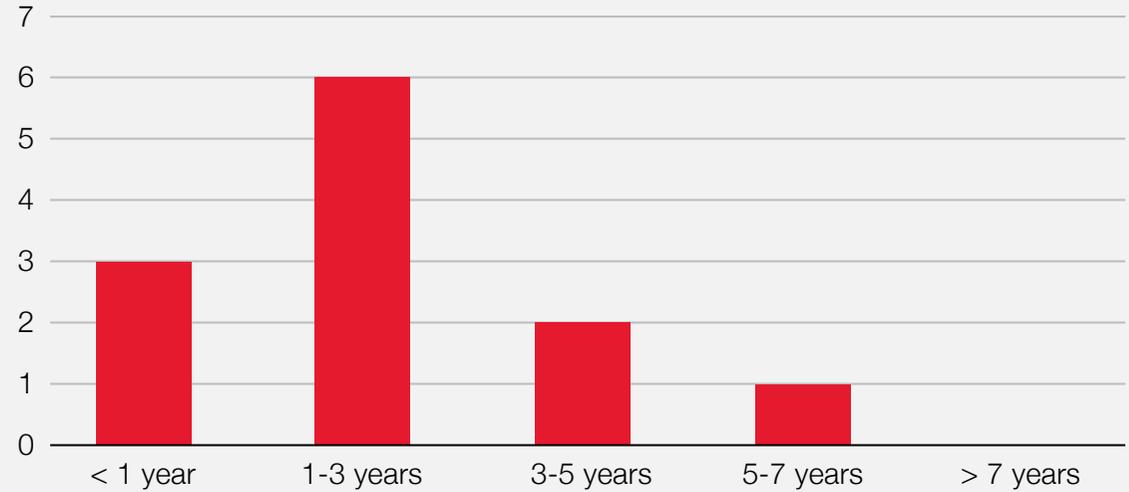
Half of Axcel's investments are buy-and-build cases, where value is created through a combination of organic growth, acquisitions and realisation of synergies.



EXISTING COMPANIES BY LENGTH OF OWNERSHIP

The majority of Axcel's existing companies have been owned for less than three years.

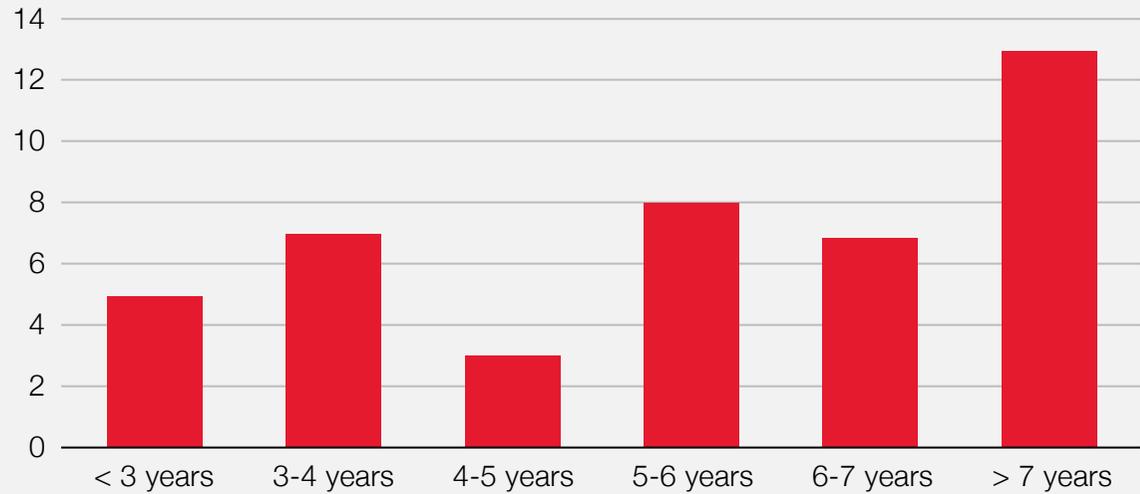
Numbers



EXITS – HOW LONG AXCEL HAS HELD ITS COMPANIES

Axcel has sold a total of 43 companies, the majority of which were owned for at least five years.

Numbers



Axcel's companies
**Strategy and
 key figures**

From world-class image editing software and leading industrial applications to the epitome of Danish design. Meet our family of companies currently accelerating their potential or browse our track record.

AIDIAN

Headquarters: Espoo, Finland
CEO: Juho Himberg
Website: www.aidian.eu
Revenue: EUR 54m
Responsible partner: Thomas Blomqvist
Fund: Axcel V
Investment year: 2018
Axcel's ownership: 58%

→ **Aidian.** Founded in 1974, Aidian (previously Orion Diagnostica) manufactures and markets a range of diagnostics equipment, with a particular focus on point-of-care solutions that enable medical staff to quickly carry out diagnostic tests close to the patient. The company has an in-house sales force spread across the Nordic region, Germany and Central & Eastern Europe, as well as a global distributor network covering some 50 countries. The company currently employs a total of around 300 FTEs, including 50 outside Finland.



DANISH SHIP FINANCE

Headquarters: Copenhagen, Denmark
CEO: Erik I. Lassen
Website: www.shipfinance.dk
Revenue: N/A
Responsible partner: Peter Nyegaard
Fund: Axcel IV
Investment year: 2016
Axcel's ownership: 33%

→ **Danish Ship Finance** – Danmarks Skibskredit A/S – is a Danish financial institution that issues loans to Danish and foreign shipowners secured against their vessels. The company's vision is to be the most recognised and stable provider of financing for reputable shipowners. The loan portfolio has broad exposure to numerous shipping segments and focuses on shipowners in Denmark and abroad with high credit ratings.

Delete[×]

Headquarters: Helsinki, Finland
CEO: Tommi Kajasoja
Website: www.delete.fi
Revenue: EUR 193m
Responsible partner: Christian Schmidt-Jacobsen
Fund: Axcel IV
Investment year: 2013
Axcel's ownership: 82%

→ **Delete Group** supplies environmental services to the industrial, construction, real estate and public sectors in Finland and Sweden. It has three divisions: cleaning services, demolition, and industrial and construction waste management and recycling.



**E U R O P E A N
S P E R M • B A N K**

Headquarters: Copenhagen, Denmark
CEO: Annemette Arndal-Lauritzen
Website: www.europeanspermbank.com
Revenue: N/A
Responsible partner: Thomas Blomqvist
Fund: Axcel V
Investment year: 2019
Axcel's ownership: 64%

→ **European Sperm Bank** is a leading sperm bank with a life-affirming vision. The company has been helping women and couples make their dreams of having children come true since 2004, with more than 34,000 births across more than 25,000 families, and the company had customers from more than 70 countries in 2018 alone. European Sperm Bank was founded in Denmark, but also has clinics with local donor recruitment in Germany and the UK.

FRONTMATEC

Headquarters: Kolding, Denmark
CEO: N/A
Website: www.frontmatec.com
Revenue: DKK 1,425m
Responsible partner: Christoffer Arthur Müller
Fund: Axcel IV
Investment year: 2016
Axcel's ownership: 48%

→ **Frontmatec** is a leading supplier of high-tech solutions to the global food industry, known for its advanced solutions and equipment for slaughterhouses spanning the entire value chain from classification of carcasses through slaughter lines, cutting and deboning lines, hygiene solutions and control systems, to logistics and packing.

GUBI

Headquarters: Copenhagen, Denmark
CEO: Kenni Riise
Website: www.gubi.com
Revenue: DKK 373m
Responsible partner: Asbjørn Mosgaard Hyldgaard
Fund: Axcel V
Investment year: 2018
Axcel's ownership: 59%

→ **GUBI.** Founded in 1967, GUBI is a leading Danish design brand focusing on furniture, lighting and interior products. GUBI designs, develops and markets products for both consumers and professionals, and the range includes a number of prize-winning designs such as the Beetle chair, the GUBI chair and the Bestlite lamp. Products are sold by leading online and offline retailers and to professional customers worldwide.

ISADORA

Headquarters: Malmö, Sweden
CEO: Rasmus Helt Poulsen
Website: www.isadora.com
Revenue: SEK 384m
Responsible partner: Christian Schmidt-Jacobsen
Fund: Axcel V
Investment year: 2018
Axcel's ownership: 70%

→ **IsaDora** is a Swedish producer and distributor of cosmetics with production and headquarters in Sweden and additional production facilities in Switzerland. Its products for the eyes, complexion, lips and nails are sold by around 5,000 stores in 40 countries. The main markets are Sweden, the other Nordic countries, DACH, Spain and the Middle East. Products are sold directly to department stores, beauty retailers, fashion outlets and online retailers in Sweden and another six European countries, and through distributors elsewhere.



Headquarters: Västerås, Sweden
CEO: Sara Laurell
Website: www.loopia.se
Revenue: SEK 244m
Responsible partner: Christian Bamberger Bro
Fund: Axcel V
Investment year: 2018
Axcel's ownership: 87%*

→ **Loopia.** Founded in 1998, Loopia Group is a market-leading mass hosting provider offering domains, web hosting and value-added services. The company sells its products directly online on a prepaid subscription basis to a growing customer base consisting of more than 500,000 SMEs and prosumers. The products are sold under the Loopia brand in Sweden, the Planeetta brand in Finland, the Active 24 brand in the Czech Republic and the WebSupport brand in Slovakia, with some additional sales in other European markets.



Headquarters: Frederikssund, Denmark
CEO: Henrik Støwer Petersen
Website: www.mountaintop.dk
Revenue: N/A
Responsible partner: Christoffer Arthur Müller
Fund: Axcel V
Investment year: 2017
Axcel's ownership: 67%*

→ **Mountain Top Group** has been producing accessories for pick-up trucks since 1978 and has around 170 employees working on design, development and production in Frederikssund, Denmark. In 2014, the company also opened a sales office in Australia. Mountain Top supplies accessories to carmakers such as Ford, Nissan, Renault, VW, Mercedes-Benz and Toyota for factory fitting, but also to the aftermarket. The company has won Danish business paper *Børsen's* Gazelle Award for fast-growing companies eight times, most recently in 2017, as well as PwC Denmark's Owner-Manager of the Year Award.

* Incl. co-investors.

Nissens®

Headquarters: Horsens, Denmark
CEO: Mikkel Kroglund Andersen
Website: www.nissens.com
Revenue: DKK 1,982m
Responsible partner: Lars Cordt
Fund: Axcel V
Investment year: 2017
Axcel's ownership: 73%*

→ **Nissens.** The company has two business units: Nissens Automotive, which develops, manufactures and sells cooling and climate products for the global automotive aftermarket, and Nissens Cooling Solutions, which designs, manufactures and sells custom cooling components, systems and modules for the wind turbine industry and the industrial sector, including the mining and civil engineering industries. The group has more than 1,300 employees worldwide, with sales and production facilities across three continents.

PHASEONE

Headquarters: Copenhagen, Denmark
CEO: Henrik Ole Håkonsson & Peter Colsted
Website: www.phaseone.com
Revenue: DKK 469m
Responsible partner: Christian Bamberger Bro
Fund: Axcel V
Investment year: 2019
Axcel's ownership: 56%*

→ **Phase One** is the world-leading provider of imaging workflow software solutions to professionals, prosumers and enterprises. In addition, Phase One is the global leader in medium-format digital camera solutions for professional photographers and industrial applications. Based in Copenhagen, and embracing the high standards of Scandinavian design, Phase One is dedicated to delivering the best user experience and to serving and supporting customers worldwide online or in person.

* Incl. co-investors.



Headquarters: Chicago, USA
CEO: Ehtisham Rabbani
Website: www.steelseries.com
Revenue: DKK 983m
Responsible partner: Lars Cordt
Fund: Axcel V
Investment year: 2019
Axcel's ownership: N/A

→ **SteelSeries** is a leader in computer gaming peripherals focused on quality, innovation and functionality. Founded in 2001, SteelSeries improves performance through first-to-market innovations and technologies and is a pioneer supporter of competitive gaming tournaments and eSports, fostering a sense of community and purpose. This legacy has solidified SteelSeries as a top eSports brand and continues to drive all aspects of the company's hardware and software development.



Headquarters: Oslo, Norway
CEO: Gisle Jentoft
Website: www.superoffice.com
Revenue: NOK 450m
Responsible partner: Christian Bamberger Bro
Fund: Axcel VI
Investment year: 2020
Axcel's ownership: N/A

→ **SuperOffice.** Founded in 1989, SuperOffice has grown to become one of the leading CRM providers in Northern Europe and has repeatedly proven its ability to expand internationally into new markets. SuperOffice provides modular end-to-end CRM solutions helping SMEs manage their customer interactions by organising, automating and synchronising data from sales, marketing and customer service. SuperOffice is about to launch the ninth generation of its software, which will include a new, improved user interface, AI services and a number of general improvements that will benefit its more than 5,500 existing customers as well as new ones.

Axcel's management and partners

MANAGING PARTNER



Christian Schmidt-Jacobsen is Managing Partner and Chairman of the Investment Committee. Christian started his career in Danske Bank's investment banking department before joining Axcel in 1999, where he worked on several successful investments in earlier Axcel funds. In 2005, Christian left Axcel to work for Chr. Hansen in various financial positions and later Icopal as Group CFO. Christian rejoined Axcel in 2015 as Managing Partner and sits on the boards of Frontmatec, Delete Group and IsaDora. Christian holds an MSc in Economics and an MBA in Accounting and Finance from Copenhagen Business School.

PARTNER

Asbjørn Mosgaard Hyldgaard joined Axcel in 2007 and is a Partner working from the Copenhagen office and a member of the Investment Committee. Asbjørn is Deputy Chairman of the board of GUBI and sits on the boards of Phase One and European Sperm Bank. Asbjørn has extensive investment experience across the Nordic region from several former Axcel companies, notably HusCompagniet, Nordic Waterproofing, Cimbria and Ball Group. Before joining Axcel, Asbjørn was an analyst at Nasdaq OMX Copenhagen. Asbjørn holds an MSc in Finance and Strategic Management from Copenhagen Business School and an MBA from the University of Cape Town, South Africa. He also studied at Lehigh University in the USA.

PARTNER

Björn Larsson joined Axcel in 2019 as a Partner working from the Stockholm office and a member of the Investment Committee. Björn Larsson has a broad background within investments and management in the private equity industry, most recently as CFO of AniCura, a veterinary business, which was named Nordic private equity “deal of the year” when it was sold in 2018. Björn previously worked with the international private equity firm The Riverside Company and KPMG Transaction Services. Björn holds an MSc in Economics from the Stockholm School of Economics in Sweden, including studies at the National University of Singapore. Björn is also a CFA charterholder.

PARTNER

Christian Bamberger Bro joined Axcel in 2014 as a Partner working from the Copenhagen office and a member of the Investment Committee. During his employment with Axcel, Christian has led the investments in EG, Conscia, LESSOR Group, Loopia Group, Phase One and Super-Office. He is Deputy Chairman of the boards of Loopia Group and Phase One, and sits on the board of SteelSeries. Prior to joining Axcel, Christian was an Investment Executive at Permira in London and Stockholm, and before that he spent several years with McKinsey & Company and Nordea Corporate Finance in Copenhagen. Christian holds an MSc in Economics and Management from Aarhus University.

PARTNER

Christoffer Arthur Müller joined Axcel in 2009 as a Partner working from the Copenhagen office and a member of the Investment Committee. Currently, Christoffer serves as Deputy Chairman of the boards of Frontmatec and Mountain Top Group. He has broad investment experience from his tenure at Axcel and has worked extensively on the transformation of several former Axcel companies, most recently EG, Conscia, LESSOR Group, Cimbria and TCM. Prior to joining Axcel, Christoffer was employed as a Management Consultant at A.T. Kearney, focusing on strategy, operations and due diligence. Christoffer holds an MSc in Economics from the University of Copenhagen and the London School of Economics, UK.

PARTNER

Lars Cordt joined Axcel in 2006 as a Partner working from the Copenhagen office and a member of the Investment Committee. Lars is Chairman of Axcel's Operating Committee, Deputy Chairman of the boards of Nissens and SteelSeries, and sits on the boards of GUBI and Mountain Top Group. Lars has extensive experience in the consumer space, most notably from Noa Noa, PANDORA, GUBI and SteelSeries. Before joining Axcel, Lars was employed at PricewaterhouseCoopers. Lars holds an MSc in Finance and Accounting from Copenhagen Business School. He also studied at Newcastle University, UK.

CFO & PARTNER

Peter Nyegaard joined Axcel in 2015 as CFO and Partner working from the Copenhagen office and a member of the Investment Committee. Peter has overall responsibility for Axcel's finance functions, fund management and investor relations. He led the investment in Danish Ship Finance and is Deputy Chair of Danish Ship Finance, a member of the board of Aidian and attends board meetings at Delete Group. Prior to joining Axcel, Peter spent more than 25 years at Nordea, most recently as EVP and COO of Wholesale Banking. Peter holds an MSc in Economics from the University of Copenhagen and has also completed management programmes at the Wharton School of the University of Pennsylvania, USA.

PARTNER



Thomas Blomqvist joined Axcel in 2016 and is a Partner working from the Stockholm office. He is also a member of Axcel's Investment Committee and Operating Committee. Thomas is Deputy Chairman of the boards of Aidian and European Sperm Bank, and sits on the board of Loopia Group. Thomas has extensive experience in private equity. Prior to joining Axcel, he was a Partner responsible for the Nordic region at global private equity firm The Riverside Company. Before that, Thomas worked in investment banking at ABG Sundal Collier, Morgan Stanley and J.P. Morgan. Thomas holds an MSc in Finance and International Business from the Stockholm School of Economics, Sweden, and the University of Cologne, Germany, as well as an MBA from INSEAD, France.

Advisory Board for Axcel's funds



Axcel's Advisory Board, from left: Lars Westerberg, Jens W. Moberg, Mads Nipper, Christian Schmidt-Jacobsen (not a member), Peter Damgaard Jensen, Lars Rebién Sørensen, Mette Vestergaard, Peter Schütze, Lars Munch, Christian Frigast and Jørgen Høholt. Advisory Board member Endre Rangnes was not present. ↑

1. CHAIRMAN

→ **Lars Rebien Sørensen** joined Axcel's Advisory Board in 2018 as Chairman. Lars is also Chairman of the boards of the Novo Nordisk Foundation and Novo Holdings AVS, and sits on the boards of Jungbunzlauer, Essity and Thermo Fisher Scientific. Previously, Lars was CEO of Novo Nordisk. Additionally, Lars is an Adjunct Professor at Copenhagen Business School and at the University of Copenhagen's School of Life Sciences. Lars holds an MSc in Forestry from the Royal Veterinary and Agricultural University and a BSc in International Economics from Copenhagen Business School.

2. VICE CHAIRMAN

→ **Christian Frigast** took part in the founding of Axcel and was Managing Partner from 1994 to 2016. Currently, Christian is Vice Chairman of Axcel's Advisory Board and Chairman of Axcel Management, Danish Ship Finance Holding, Denmark's Export Credit Agency, DVCA and the Board Leadership Society in Denmark. Additionally, he is Vice Chairman of the boards of PANDORA and PostNord and sits on the boards of Danish Ship Finance and Nissens. Christian founded and chairs Axcel's own think-tank, Axcelfuture, and is an Adjunct Professor at Copenhagen Business School. Before joining Axcel, he worked at Incentive and Nordea. Christian holds an MSc in Political Science and Economics from the University of Copenhagen and is a graduate of Stanford University's Executive Management Program, USA.

3.  **Jens W. Moberg** joined Axcel's Advisory Board in 2009. Jens is the founder and owner of Leadership Institute. He chairs the boards of Grundfos and LE34. Jens also serves on the board of the Poul Due Jensen Foundation and is a Strategic Advisor to Kirk Kapital. Previously, he was CVP of Microsoft and CEO of Better Place Denmark and Alectia. Jens holds a Graduate Diploma in Business Administration and Marketing from Copenhagen Business School and was a financial trainee at A.P. Moller - Maersk.
4.  **Lars Munch** joined Axcel's Advisory Board in 2011. Lars is also Chairman of JP/Politikens Hus, the Louisiana Museum of Modern Art, Louisiana-Fonden, BRFfonden, BRFholding, SOS Children's Villages Denmark and GUBI. He also sits on the boards of the Novo Nordisk Foundation and the European Press Prize in Amsterdam, and is a member of the Supervisory Board of the World Association of Newspapers and News Publishers. He was CEO of JP/Politikens Hus from 1999 to 2014. Lars holds an MSc in Economics and Business Administration from Copenhagen Business School.

5.  **Lars Westerberg** joined Axcel's Advisory Board in 2006. He also sits on the boards of Sandvik and Stena. Previously, Lars was President and CEO of Autoliv, Gränges and ESAB, after being employed at ESAB and ASEA for many years. Lars holds an MSc in Electrical Engineering from KTH Royal Institute of Technology in Stockholm and a BSc in Business Administration from Stockholm University, and he is also a graduate of the Swedish Air Force Academy.
6.  **Mads Nipper** joined Axcel's Advisory Board in 2018. Additionally, Mads is CEO of Grundfos, Deputy Chairman of the board of Danish Crown and a member of the board of Bang & Olufsen. Mads is also Vice Chairman of the Confederation of Danish Industry. Before joining Grundfos, Mads was employed with LEGO, holding positions as Chief Marketing Officer and Executive Vice President. In the past, he has sat on the boards of numerous other firms. Mads holds an MSc in International Business from Aarhus University.

7.  **Mette Vestergaard** joined Axcel's Advisory Board in 2013. Mette is Executive Vice President responsible for Global People & Business Transformation at LEO Pharma, Deputy Chairman of the board of DHI and a member of the boards of DESMI, LEO Innovation Lab and Copenhagen Business School. Previously, she was part of the executive management teams at Novozymes and Mannaz. Mette holds an MSc in Business, Strategy and Organisation from Aarhus University and a Master's degree in Communication and Media Studies from the Danish School of Media and Journalism.
8.  **Peter Damgaard Jensen** joined Axcel's Advisory Board in 2002. Additionally, Peter is Chairman of the board of IIGCC and Deputy Chairman of Forca and Maj Invest. He is also a Commissioner at the Global Commission on Adaptation. Until recently, he was CEO of PKA and Chairman of Forsikring & Pension. Peter holds an MSc in Economics from Aarhus University.

9. → **Peter Schütze** joined Axcel's Advisory Board in 2011. He chairs the boards of SimCorp, DSB SOV, Falck, Nordea-fonden and the Danish SDG Investment Fund. He also sits on the board of Lundbeckfonden and is a member of the Systemic Risk Council. He was previously part of Nordea AB's Group Executive Management and CEO of Nordea Bank Denmark. Peter holds an MSc in Economics from the University of Copenhagen.
10. → **Jørgen Høholt** joined Axcel's Advisory Board in 2018. Additionally, Jørgen sits on the boards of EKF – Danmarks Eksportkredit, ATP Real Estate, Nykredit and Nykredit Realkredit. He is a Special Advisor to ATP, a Senior Advisor to IFU and a member of Kirk Kapital's Advisory Board. Previously, he was Head of Corporate Investment Banking at Nordea in Denmark. Jørgen holds a BCom from Copenhagen Business School and has also completed the Inter-Alpha Banking School at INSEAD.
- **Endre Rangnes** joined Axcel's Advisory Board in 2020. He also sits on the board of TietoEVERY. Endre is the founder of Axactor. Prior to his time with Axactor, he held various executive positions at IBM, EDB and Lindorff. Endre holds a BSc in Business Administration and Management from Oslo Business School and IBM Management & Executive Education.

Axcel's funds and investors

Axcel IV

Launch:	2010
Status:	Realisation period
Geographical focus:	Nordics
Investments:	12
Exits:	8 (9)*
Committed capital:	DKK 3.6bn
Legal structure:	Limited partnership
Average ownership period:	4 years

* *Silkeborg Data merged with EG and is not included in exits.*

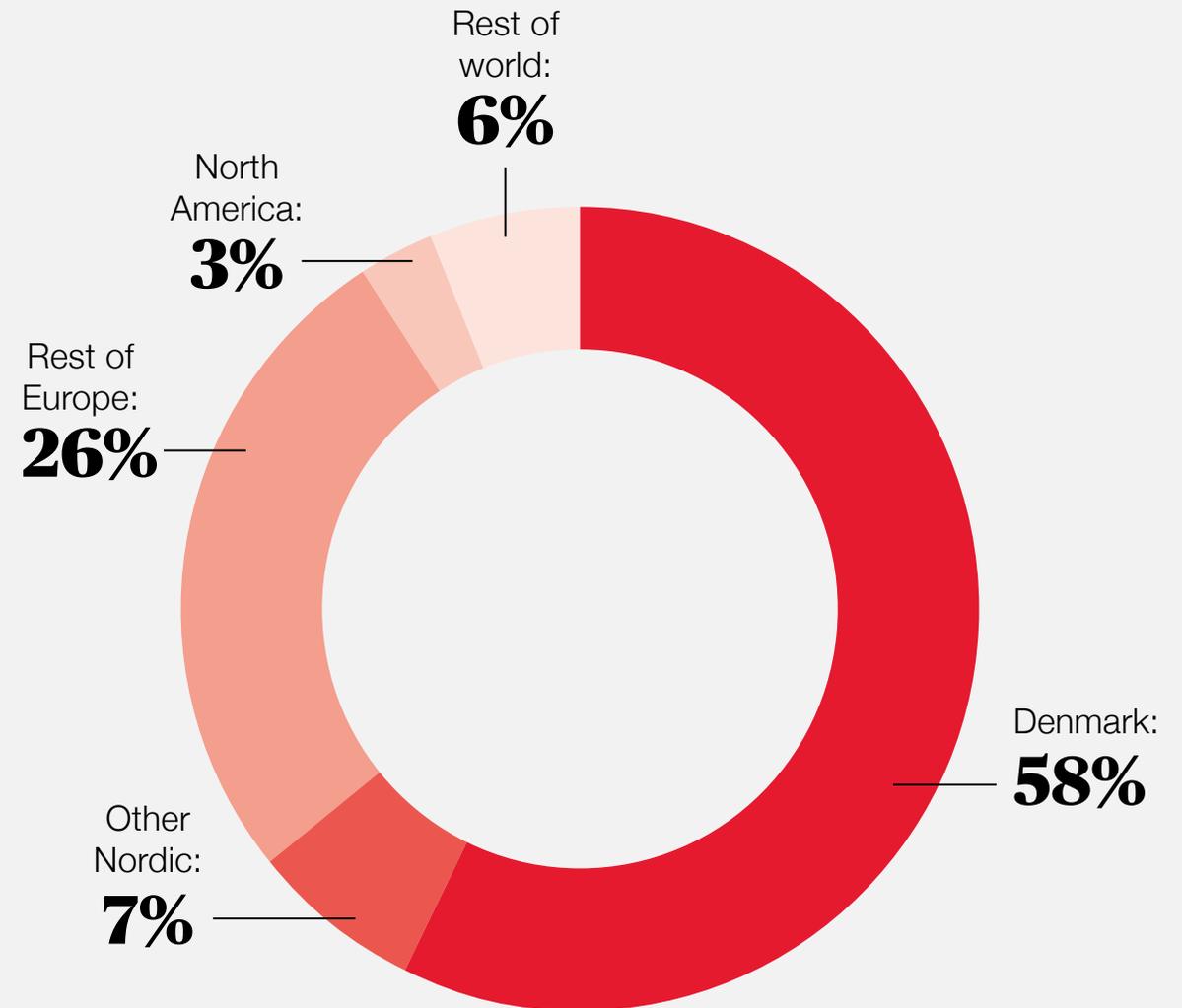
** *As at 31 December 2019.*

Investments	Invested	Exited
Cimbria	2011	2013
Silkeborg Data	2014	Merged with EG (2015)
Nordic Waterproofing	2011	Listed
Mita-Teknik	2012	2017
EXHAUSTO	2013	2016
Netel	2013	2016
Delete Group	2013	
EG	2013	2019
Conscia	2015	2019
LESSOR Group	2016	2018
Frontmatec	2016	
Danish Ship Finance	2016	
		(DKKm)
Invested capital		3,189
Proceeds from invested capital		5,801
Valuation of companies still in portfolio		2,143
Value of invested capital**		7,944

Axcel's funds and investors

Axcel IV

Axcel IV was raised in 2010 as a standard private equity limited partnership focusing on the Nordic mid-market. The fund has committed capital of DKK 3.6bn and has invested in 12 companies.



Axcel's funds and investors

Axcel V

Launch:	2017
Status:	Realisation period
Geographical focus:	Nordics
Investments:	9
Exits:	-
Committed capital:	DKK 4.6bn
Legal structure:	Limited partnership
Average ownership period:	1.4 years

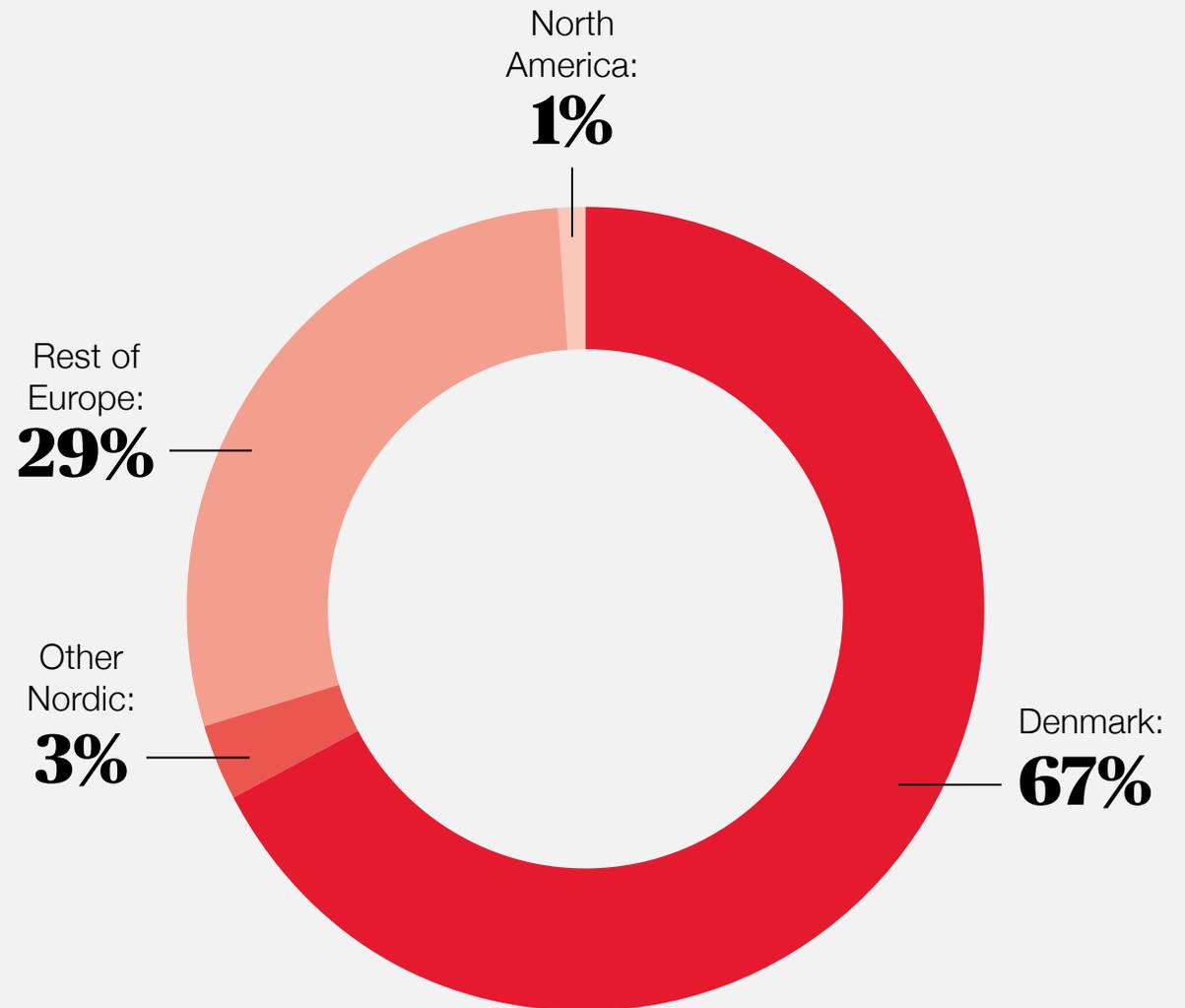
Investments	Invested	Exited
Nissens	2017	
Mountain Top	2017	
IsaDora	2018	
Orion Diagnostica	2018	
Loopia	2018	
GUBI	2018	
European Sperm Bank	2019	
Phase One	2019	
SteelSeries	2019	
		(DKKm)
		3,431
		0
		4,045
Value of invested capital*		4,045

* As at 31 December 2019.

Axcel's funds and investors

Axcel V

Axcel V was raised in 2017 as a standard private equity limited partnership focusing on the Nordic mid-market. The fund was closed at the beginning of 2018 with DKK 4.6bn in committed capital. The fund has invested in nine companies.



Axcel's funds and investors

Axcel VI

Launch:	2020
Status:	Investment period
Geographical focus:	Nordics
Investments:	1
Exits:	-
Committed capital:	DKK 3.8bn*
Legal structure:	Limited partnership
Average ownership period:	N/A

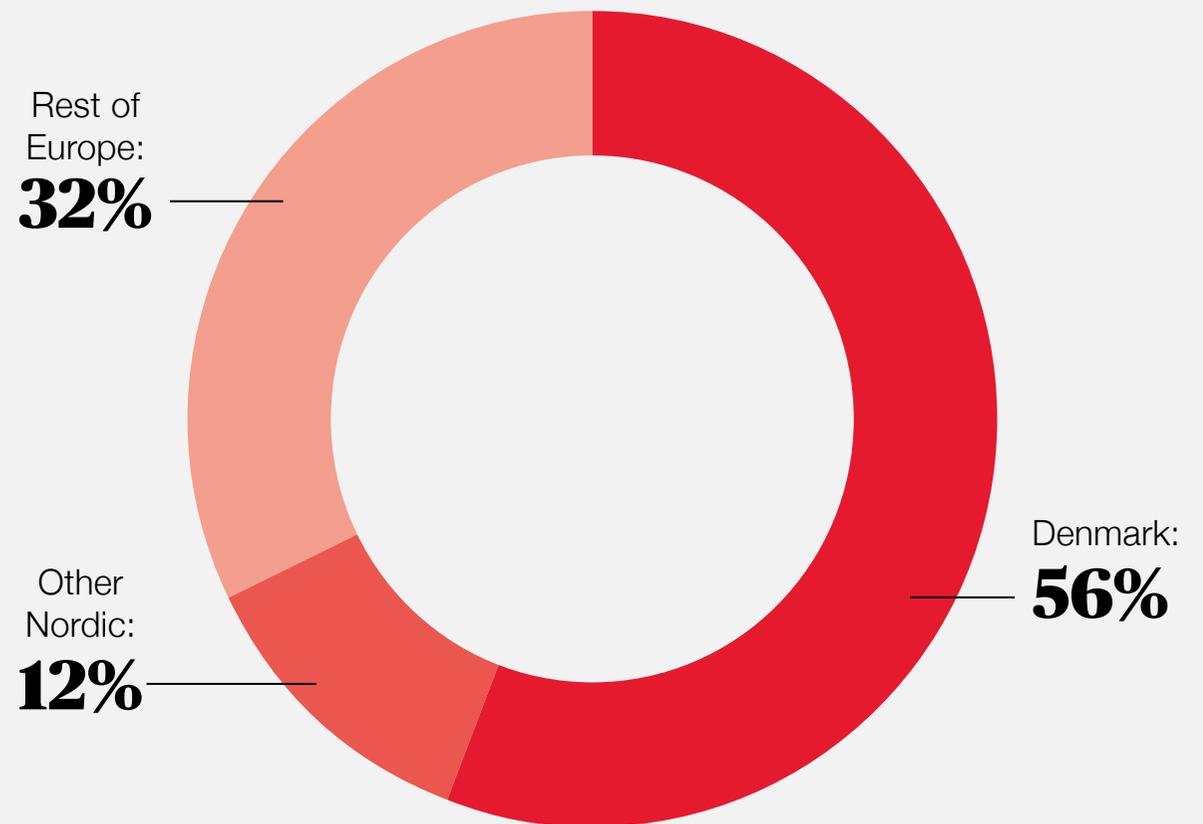
Investments	Invested	Exited
SuperOffice	2020	
		(DKKm)
Invested capital		-
Proceeds from invested capital		-
Valuation of companies still in portfolio		-
Value of invested capital*		-

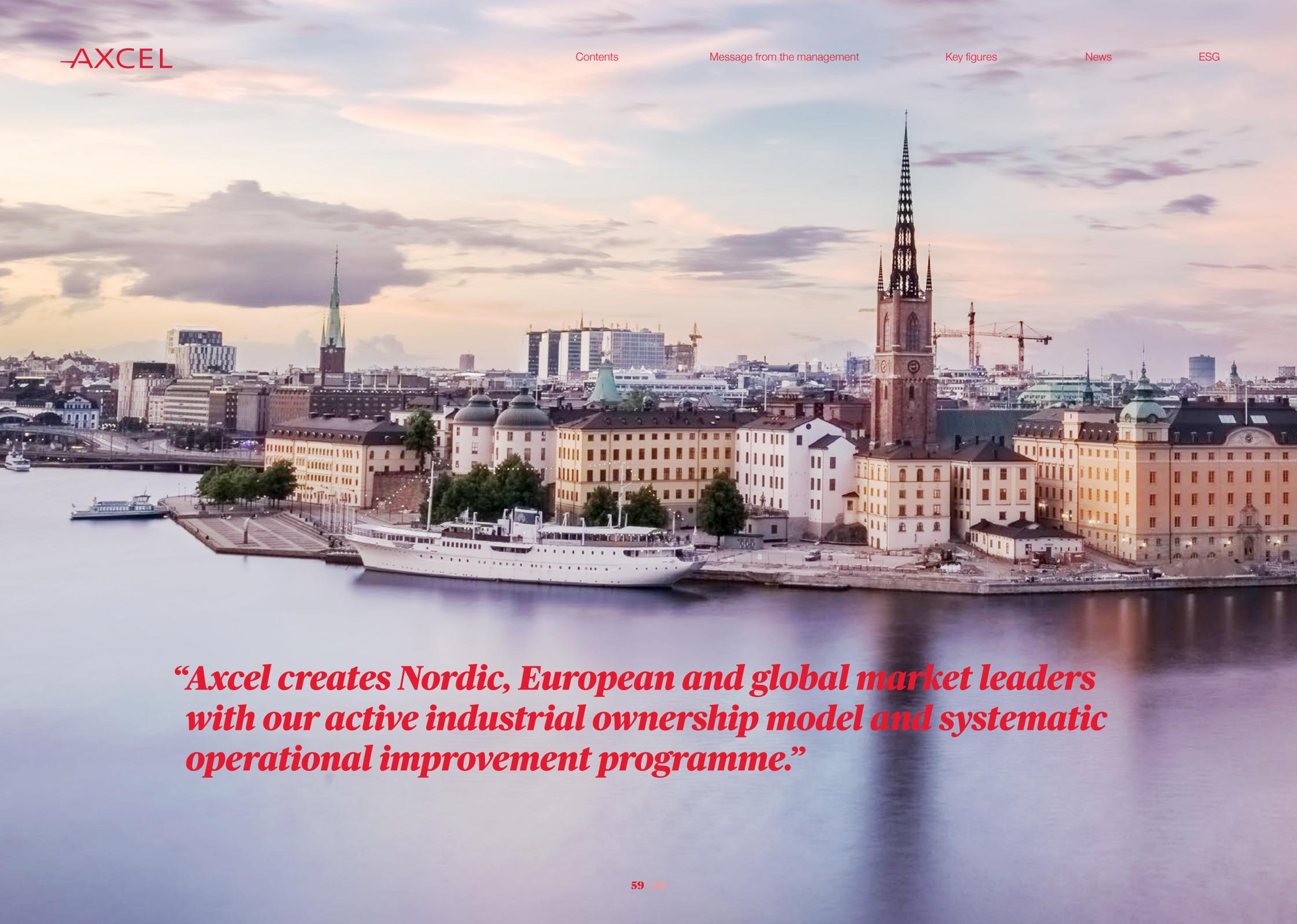
* As of first closing.

Axcel's funds and investors

Axcel VI

Axcel VI was raised in 2020 as a standard private equity limited partnership focusing on the Nordic mid-market. The first closing was held in February 2020 with DKK 3.8bn in committed capital. The fund has made one investment.





“Axcel creates Nordic, European and global market leaders with our active industrial ownership model and systematic operational improvement programme.”

News 2019/2020

Acquisitions

APRIL 2019



→ **European Sperm Bank** is a leader in its field, with a life-affirming vision and ambitious mission to give even more women and couples in Denmark and abroad the opportunity to have children. In partnership with Axcel, the plan is to expand further by developing the existing business, expanding into new markets and broadening the company's offering.

JUNE 2019



→ **Phase One** is the world-leading provider of imaging workflow software solutions to professionals, prosumers and enterprises. In addition, Phase One is the global leader in medium-format digital camera solutions for professional photographers and industrial applications. Axcel will draw on a strong track record within the technology, industrial and consumer sectors to further develop Phase One in close collaboration with the existing management team, which is reinvesting alongside Axcel.

SEPTEMBER 2019



→ **SteelSeries** is a leader in computer gaming peripherals focused on quality, innovation and functionality. Founded in 2001, SteelSeries improves performance through first-to-market innovations and technologies, and is a pioneer supporter of competitive gaming tournaments and eSports, fostering a sense of community and purpose. Axcel is excited to further develop SteelSeries in the growing gaming peripherals market and continue the next phase of the company's innovative journey.

APRIL 2020



→ **SuperOffice** is a leading provider of cloud-based CRM software to SMEs in Northern Europe. SuperOffice delivers a strong CRM offering, support for automation of marketing, sales and customer service processes, and flexible tools for digital customer engagement. Founded in Norway, SuperOffice has repeatedly proven its ability to expand internationally into new markets, which, along with a robust business model, presents an attractive investment opportunity for Axcel. SuperOffice is the first investment in Axcel VI.

News 2019/2020

Exits

- JANUARY 2019** → **Mita-Teknik.** After six years' ownership, Axcel sold Mita-Teknik back to the Andersen family, which had remained a non-controlling shareholder in this leading supplier of control solutions for the wind power industry.
- MARCH 2019** → **Conscia.** Conscia, one of Northern Europe's leading providers of secure IT infrastructure solutions, was sold to private equity firm Nordic Capital after almost four years of successful ownership, which saw the company blossom from being a Danish to being a European market leader.
- APRIL 2019** → **EG.** After successfully dividing the business into a software side and a service side, subsequently selling the latter to DXC Technology, Axcel sold market-leading Scandinavian software company EG to US private equity firm Francisco Partners.
- Ball Group.** Following a successful transformation, fashion company Ball Group was sold to German private equity firm Findos Investor. Its Zizzi brand is one of the fastest-growing brands in the international plus-size segment in Europe.

News 2019/2020

Add-ons

EIGHT SIGNIFICANT ADD-ON INVESTMENTS

→ Axcel's companies have made eight significant add-on investments since the beginning of 2019, primarily driven by extensive investment activity at Loopia. Frontmatec acquired leading Spanish equipment distributor Intecal in January 2019. In the following months, Loopia acquired Sweden's SE Direkt and Slovakia's WebSupport. Subsequent acquisitions included Nordic web-hosting providers Planeetta Internet and Binerio Web Hosting, and Hungary's EZIT. In April 2020, Loopia expanded further by acquiring Finland's HostingPalvelu. Also in April 2020, SteelSeries announced the acquisition of France's A-Volute, a developer of 3D sound software for gaming.

News 2019/2020

New faces at Axcel

BJÖRN LARSSON



Partner, 2019. Björn Larsson joined Axcel in 2019 as a Partner working from the Stockholm office and a member of the Investment Committee. Before joining Axcel, Björn was CFO of AniCura and worked with the international private equity firm The Riverside Company and KPMG Transaction Services. Björn holds an MSc in Economics from the Stockholm School of Economics and also studied at the National University of Singapore.

MERLE VICTORIA PRICE



Investment Manager, 2019. Merle Victoria Price joined Axcel in 2019 as an Investment Manager at the Copenhagen office. Before joining Axcel, Merle worked as an Investment Banking Associate in the TMT team at Goldman Sachs and was Assistant Manager in Financial Advisory at Deloitte. Merle holds a BSc in International Business from Copenhagen Business School.

SEBASTIAN AAROSIN



Investment Manager, 2019. Sebastian Aarosin joined Axcel in 2019 as an Investment Manager at the Copenhagen office. Sebastian is a board observer at Phase One. Before joining Axcel, Sebastian was a Senior Associate at FIH Partners, advising on several Axcel exits. Sebastian holds an MSc in Finance and Accounting from Copenhagen Business School and also studied at the University of Victoria, Canada.

News 2019/2020

Promotions

DANIEL BECH



Associate Director, 2019. Daniel Bech joined Axcel in 2016 and is now an Associate Director at the Copenhagen office. Daniel is a board observer at IsaDora. Before joining Axcel, Daniel was employed with Vertical Strategy and Ørsted. Daniel holds a BSc in Business Administration and Project Management from Copenhagen Business School.

FRANDS BROCKENHUUS- SCHACK



Investment Manager, 2019. Frands Brockenhuus-Schack joined Axcel in 2016 and is now an Investment Manager at the Copenhagen office. Frands is a board observer at Mountain Top Group. Before joining Axcel, Frands worked as a Student Assistant at Axcel and Axcelfuture. Frands holds a BSc in Economics and Business Administration from Copenhagen Business School and also studied at the University of North Carolina, USA.





Axcel Company Day 2019

Axcel's network assembled at Docken in Copenhagen on 14 May 2019 for the annual Company Day event, celebrating Axcel's 25th anniversary. The theme was "AI - Live or Die" and looked at how we can develop clear digital leadership, and the role of politics in keeping AI under control.

THE IMPACT OF AI



How will AI impact on business and the economy? What role will AI play in wider society? How will AI transform Nordic businesses?

Professor Nick Bostrom of Oxford University and Michael Chui from the McKinsey Global Institute gave their answers to these questions while emphasising the critical importance of AI as future capital for business and society.

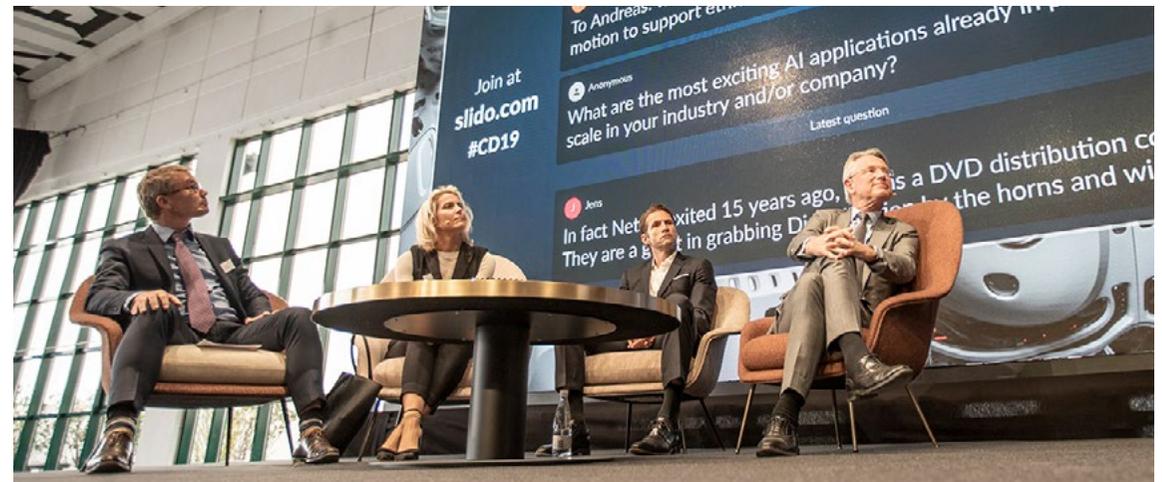


DIGITAL LEADERSHIP IN THE NORDICS



To tackle future challenges, Nordic business must transform towards AI. But how do Nordic businesses secure clear digital leadership? How do we take advantage of AI in a sustainable and ethical manner?

A panel consisting of Marianne Dahl Steensen, CEO of Microsoft Denmark, Jimmy Maymann, Chairman of TV 2, Björn Rosengren, CEO of Sandvik, and Andreas Berggren, Director of the IT and Development Agency of the Danish Ministry of Taxation, discussed what strategic position should be taken regarding AI, as well as how AI leadership could be developed while facing fierce competition from overseas markets.





WOMEN IN BUSINESS



We had the honour of a visit from HRH Crown Princess Mary to deliver the opening speech, addressing the lack of gender diversity among top positions in business. Prior to the event, Axcel had invited a group of selected women to a workshop to discuss how to create more space for women in business. The event was received with enthusiasm and recognition among our stakeholders.

Vibeke Windeløv, film producer, and Mai-Britt Poulsen, Managing Director of BCG, gave presentations.

Only 17%
of top management positions at the C25
companies are occupied by women.

Axcelfuture 2019

THEME 1: CLIMATE CHANGE

Over the past 20 years, Danish companies have increasingly focused on developing business models that can help tackle climate change, with the likes of Ørsted, Vestas and Topsøe leading the way. Financing solutions have also been created to make it easier to roll out climate-friendly solutions in Denmark and the rest of the world.

At the same time, the government is targeting a 70% reduction in carbon emissions, which is much more than in many other countries. On the one hand, this could bring extra costs for companies. On the other, it spells opportunities to create new technologies and business models that can help Danish companies to cement their strong position in climate-friendly solutions. Companies themselves have contributed to the debate by creating special climate partnerships, and Axcelfuture has been closely monitoring their progress. In 2019, Axcelfuture was given the go-ahead for a project to shed light on the business development

potential across these partnerships, and the preliminary results were unveiled at a workshop in February 2020. Axcelfuture is continuing the project, partly in collaboration with BCG, and will now focus on how the political ambition to cut carbon emissions can strengthen Danish industry.

Project partners: PFA, PKA, ATP, Ørsted, Topsøe and the Danish Business Climate Alliance.

THEME 2: GLOBALISATION

→ In 2019, Axcelfuture established a partnership for sustainable globalisation alongside the Lundbeck Foundation, DSV, the Danish Agriculture & Food Council, Danish Shipping and the Carlsberg Foundation. The goal is to contribute to understanding how important globalisation is for prosperity in Denmark, and how globalisation can play an active role in sustainable development.

This is to be done by:

- Making the gains from globalisation visible and comparing them to the downsides, so that politicians and executives can make the right decisions

- Informing the public about globalisation through analysis, debate and targeted engagement with key stakeholders
- Coming up with proposals for how Denmark can conduct a trade and employment policy that supports growth and employment in a sustainable manner

So far, the partnership has highlighted how the economic gains from globalisation are decreasing and a large part of Denmark's climate footprint is in fact overseas, and looked at the effects of the coronavirus crisis on Danish exports and employment.

WOMEN IN LEADERSHIP – CONFERENCE AT THE DANISH CHAMBER OF COMMERCE

Research tells us that companies with workforces and leadership teams that are balanced between men and women are more creative, innovative and resilient. This is why there is a need for more gender equality in Denmark, especially in top management positions. A report from Axcelfuture shows that only 17% of top management positions at the C25 companies are occupied by women.

In February, Axcelfuture co-hosted a conference on Women in Leadership with the Danish Chamber of Commerce and the Board Leadership Society.

New faces at Axcelfuture:

PALLE SØRENSEN



Senior Economist, 2019. Palle Sørensen started at Axcelfuture in 2019. Palle was previously a senior economist at Copenhagen Economics, where he worked mainly on finance, tax policy and entrepreneurship. He holds a degree in economics and a PhD from Aarhus University, where his research focused on the real economic consequences of financial and macroprudential regulation.

At Axcelfuture, he focuses on business taxation and climate investment.

***“We build strong companies
in a responsible way.”***

Corporate social responsibility

Axcel believes sustainability at both fund and company level to be crucial for successful investments. Sustainability issues are therefore important for all Axcel's portfolio companies, with the UN's Sustainable Development Goals playing an increasingly prominent role.

UN GLOBAL COMPACT

→ Axcel joined the UN Global Compact back in 2010 and has worked strategically with corporate social responsibility (CSR) at both fund and company level since. All portfolio companies are also required to join the Global Compact. We are keen for individual boards to be involved in reporting to the Global Compact, and it is a requirement that each annual Communication on Progress (COP) is considered at board level.

We submitted our first report under the UN's Principles of Responsible Investment (PRI) initiative in 2016, and the most recent was filed in March 2020.



RESPONSIBLE BEHAVIOUR



Axcel aims to invest in companies that behave responsibly, as this will ensure the best possible risk profile. However, we also wish to promote socioeconomic development in general and therefore encourage portfolio companies to contribute to their local communities and their development where this makes commercial sense, in line with the UN's 17 Sustainable Development Goals (SDGs).

AXCEL AIMS TO ENSURE THAT ITS COMPANIES:



- Comply with relevant laws, rules and internationally recognised principles
- Consider risks relating to CSR issues and address them proactively
- Are in a position to meet the requirements and expectations of customers and business partners concerning supply chain management and codes of conduct
- Consider future business opportunities and positioning in relation to CSR
- Comply with the DVCA's guidelines on openness and transparency

Axcel continues to monitor portfolio companies through five specifically chosen key performance indicators in order to enhance the portfolio's move towards greater sustainability and create more transparency:

FIVE KEY PERFORMANCE INDICATORS:



- **Human rights:** Employees must know and have signed an adequate data policy
- **Labour rights:** Overall sickness absence

- **Labour rights:** Absence rate due to work-related injuries
- **Environment:** CO₂ intensity
- **Anti-corruption:** Zero confirmed incidents in whistleblowing scheme

Similarly, ESG due diligence has been conducted for all new investments, giving our portfolio companies an overview of where to begin on the CSR and sustainability process.

MAPPING

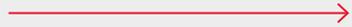


THE GLOBAL GOALS

In addition, Axcel acknowledges the growing importance of the SDGs in the business and investment world. In 2019, Axcel started work on a project to map the aggregate SDG impact of Axcel’s company portfolio. Initially, a pilot project involving three portfolio companies has been conducted, mapping how each individual company impacts the SDGs positively and negatively.

For both Aidian and European Sperm Bank, we see that their primary, positive SDG impact is on Goal 3 (good health and well-being). Loopia’s primary, positive contribution to the SDGs is through its use of renewable energy, contributing to Goals 7 (affordable and clean energy) and 9 (industry, innovation and infrastructure).

SDGs at Aidian

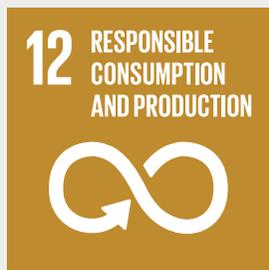


Aidian’s primary and secondary business activities have been mapped in relation to the SDGs.

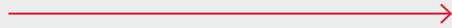
The company’s primary activities mainly impact Goal 3 (good health and well-being) through the development and sale of products for medical diagnostics, making a positive contribution to targets 3.3 (combating communicable diseases) and 3.4 (mortality from non-communicable diseases).

The company’s secondary activities mainly impact Goals 7 (affordable and clean energy) and 9 (industry, innovation and infrastructure). In 2019, 100% of Aidian’s electricity consumption came from renewable sources, contributing to target 7.2 (renewable energy). Reducing the company’s carbon footprint by sourcing renewable energy has also contributed to target 9.4 (adopting environmentally sound technologies).

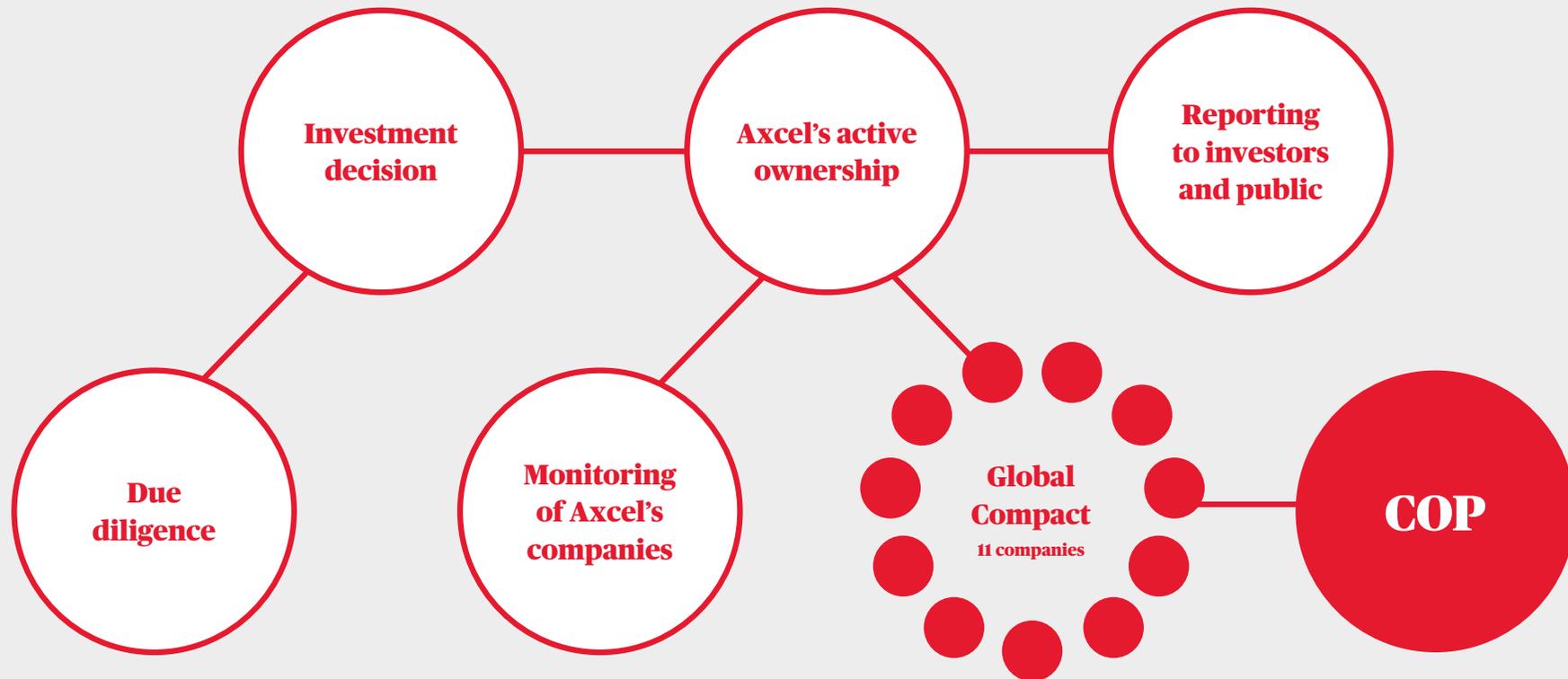
Goals 6 (clean water and sanitation) and 12 (responsible consumption and production) are impacted as well. Water use and waste generation have increased in Aidian’s production, contributing negatively to target 6.4 (waste reduction). However, the company has increased waste recycling substantially, contributing positively to target 12.5 (reducing waste generation through prevention, reduction, recycling and reuse).



GLOBAL COMPACT



All portfolio companies are required to join the Global Compact within one year and work on continuous improvement against its ten principles.



ADDITIONAL INFORMATION



Additional information about Axcel and its companies and the latest financial statements can be found on Axcel's website: www.axcel.dk. For any further information, please contact:

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