

Early stage financing by Vækstfonden

Søren Steen Rasmussen,
Partner, Vækstkapital
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Vækstfonden – an overview

- Vækstfonden is a government backed investment fund.
- Since 1992 we have financed 3,500 Danish companies and invested DKK 6.5 billions.
- We focus on investments in early stage companies both directly and indirectly through venture funds.
- Vækstfonden has a total balance of around EUR 350 m, of which approximately 75 % is invested in early stage companies and venture funds
- Today Vækstfonden is the largest Danish investor within ICT and life science



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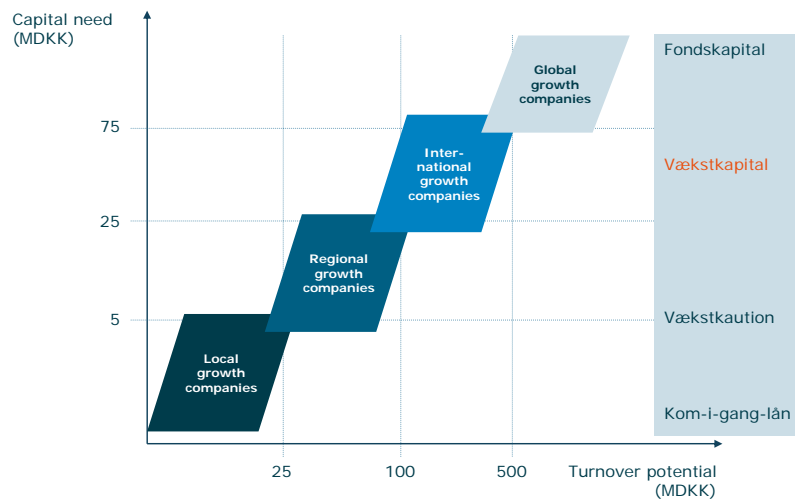
Smart Money

- **Vækstkapital.** Equity in young companies with significant international growth potential. DKK 5-25m
- **Vækstkaution.** Loan Guarantee to cover 75 % of bank loan. Up to DKK 10m
- **Kom-i-gang-lån.** Loan Guarantee to cover 75 % of bank loan. New companies
- **Fondskapital.** Equity. Currently 20 funds



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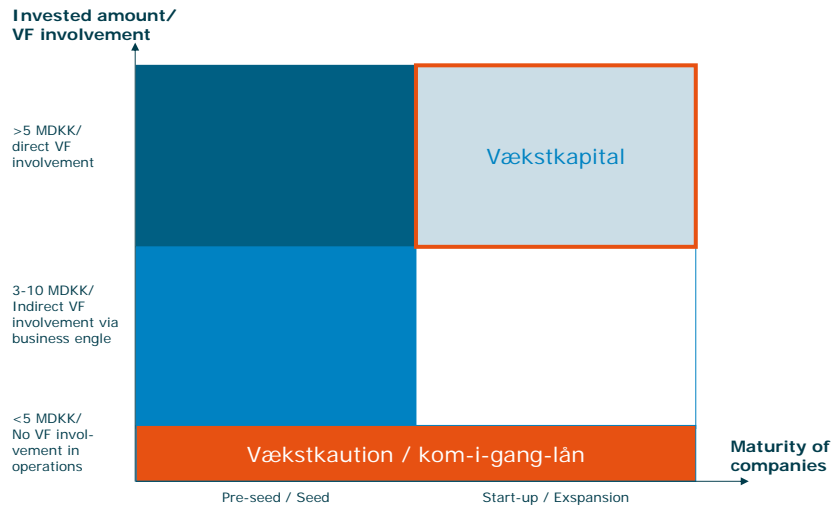
Our team, Vækstkapital, is part of Vækstfonden



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We focus on value adding in the start-up and expansion phase...



...and we invest in growth companies with international/global niche potential

We invest broadly with special expertise within cleantech, ICT, industry technology, and medtech – our investments hold these common factors:

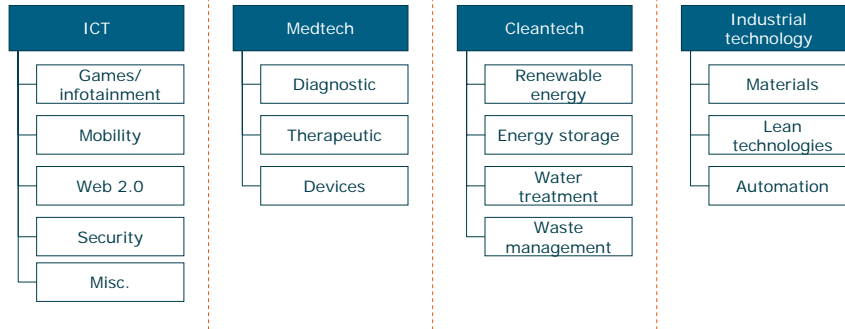
Financial

- Total need for capital is between 20 and 75 mill. DKK.
- We invest typically between 5 and 20 mill. DKK during the investment period.
- Exit possibility of 350 mill. DKK or more.
- We take on an active role in the Board of Directors and typically holds an equity interest of minimum 20 % of the company.

Operational

- Skilled management team with relevant experience.
- Good business plan including go-to-market plan.
- Long term substantial differentiation (IPR or trade secret etc.).
- Typically, a finished product or prototype.
- Strong and documented value proposition.
- Addressable world market is >1 bill. DKK.

We invest across industries...



Investment team with focused industrial competencies



Ulrik Jørring, Vice President
Overall responsible for Vækstkapital. Responsible for business development of portfolio primarily within CIT. Former CEO of Steria A/S, many years of management experience within R&D, marketing, sales, and services in respectively Catalog International, Cray Communications and Maconomy (co-founder). Educated MSc and PhD from Technical University of Denmark and holds an MBA from IMD in Switzerland.



Bjarne Henning Jensen, Partner
Responsible for business development of our cleantech portfolio. Former CTO and co-owner of Anhydro Group, Executive Director in Elsam Group, CEO for Elsam Engineering, Director of COWI's energy- and industry division, General Manager (CTO) for FLSmiljø. Educated MSc and PhD from Technical University of Denmark and B.Comm. from Copenhagen Business School.



Søren Steen Rasmussen, Partner
Responsible for business development of portfolio within ICT. Former CEO of Excitor A/S, VP of Macromedia, responsible for Microsofts Enterprise and Partner sales in Asia and Nordics, Sales Executive in Microsoft Denmark, Sales Manager responsible for production facilities in Denmark for Digital Equipment Corporation. Many years experience in International business development. Educated engineer and B.Comm. from Copenhagen Business School.



Tonni Bülow-Nielsen, Partner
Responsible for business development of our MedTech portfolio. Former CEO of Nordic Medical Group a/s, Vice President for ELA Medical (USA), Global Marketing Director for St. Jude Medical (Los Angeles and Japan), BU director for St. Jude Medical (Brussels), Country Manager for Guidant Nordic Area, Sales Manager for Danica Biomedical. Educated medical engineer and holds an executive MBA from SIMI.



Jarne Elleholm, Partner
Responsible for business development of portfolio within the life science area. Former Managing Partner of Venture Capital A/S, CEO for Aresa A/S, European Vice President at Whatman International and CEO for Lundbeck Ltd. UK. Several years experience in International management within the life science industry. Holds an M.Com from CBS and an MBA from INSEAD.



Stig Poulsen, Partner and Area Director
Responsible for business development of portfolio primarily within the cleantech area. Former Vice President for Danfoss, CEO for Danfoss Ventures. More than 20 years management experience within R&D, product development, sales, after sales service and product management from a broad variety of industrial branches. Educated MSc supplemented with commercial and entrepreneurial educations from e.g., Stanford and MIT.



Peter Brünings-Hansen, Investment Analyst
Responsible for screening and analysis of new investments and ad hoc analysis for portfolio companies. Experience with innovative private-public partnerships, innovation projects in Maersk and Ventures. Holds an MSc. International Business from CBS, and an B.Sc. Economics & Business Administration, from Aalborg University.



Jette Roepstorff, Management Assistant
Responsible for internal controlling, processes, coordination and reporting, and responsible for small loan portfolio. PA for Ulrik Jørring. Former nine years experience as project assistant and PA for The Boston Consulting Group, and Sales Secretary for Ellab A/S. Practical vocational education.

We offer our portfolio companies

- Knowledge of business and industry to the company (as active member of the Board, we add value by bringing industry insights, network, experience with active board work etc.).
- Strong capital– we stand by our investments and go through with follow-up investments.
- Compliance in terms of agreements and deadlines.
- Legal assistance and preparation of contracts.
- Lucrative Board Liability Insurance for the entire Board and Health Insurance for all employees.
- Press coverage when investing – coverage in national leading media.
- A range of seminars in regards to e.g., board services and sales techniques.

Our portfolio consists of:

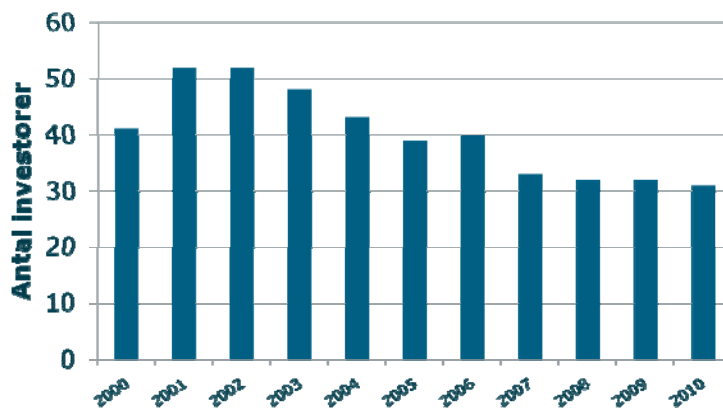


Stirling Danmark – CO2 neutral power planted heat

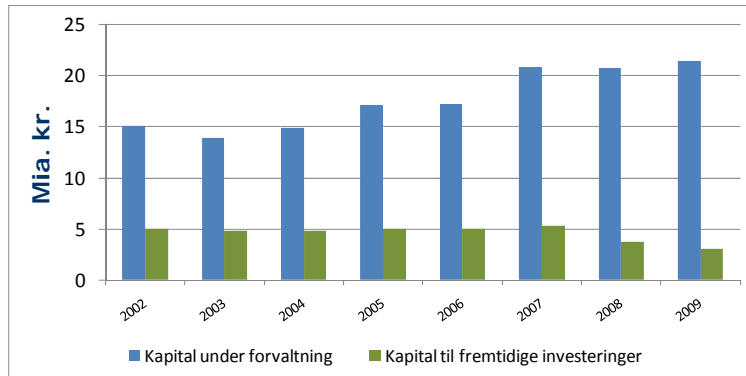
- Develops, produces and sells CO2 neutral power planted heat based on Stirling engines fuelled with bio mass.
- Provides the customer the possibility to become independent of fossil fuels and self-sufficient in regards to electricity and heat from local available fuels.
- The company holds a unique position in the market, where no other technology is able to deliver mini combined heat and power plants based on bio fuels.
- Expects to create 300-500 new job positions during the next 5-6 years, as well as an equal amount of jobs positions with sub suppliers.



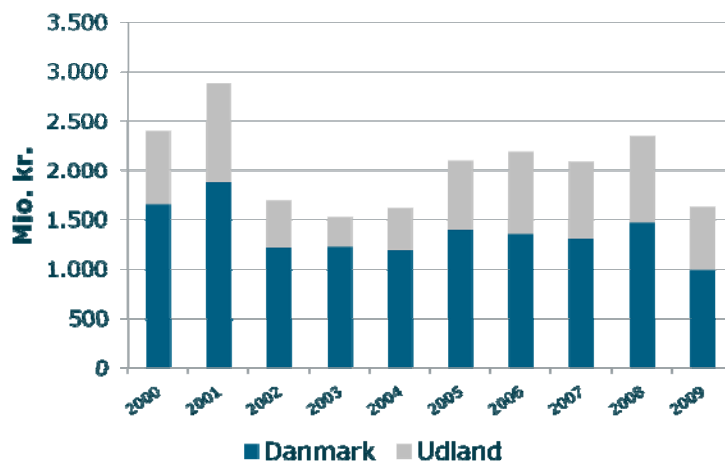
Fewer investors....



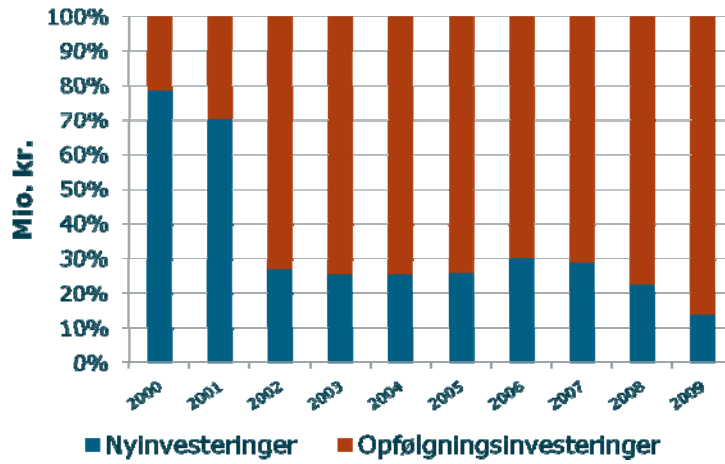
Less capital for future investments



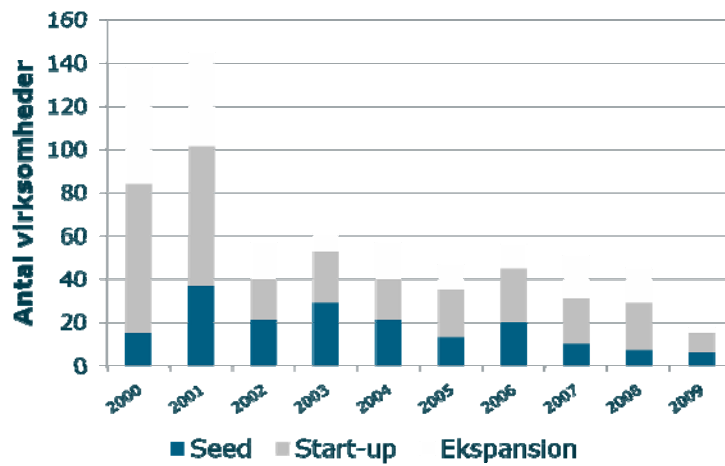
Lower investment activity



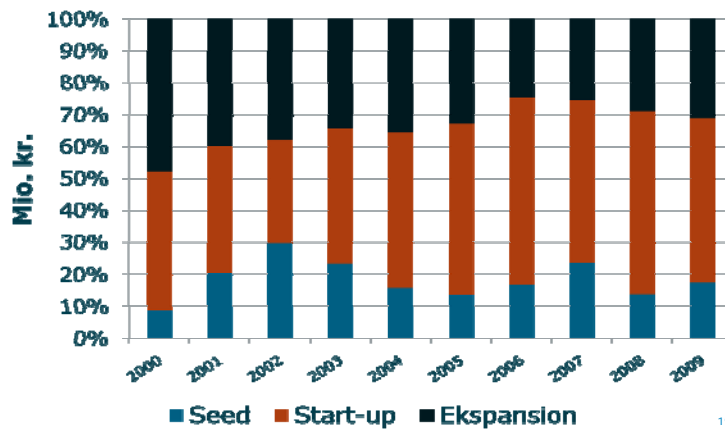
Downward trend for new investments



Record low number of new investments



...but most capital for early-stage startups



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Contact

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Investments and exits



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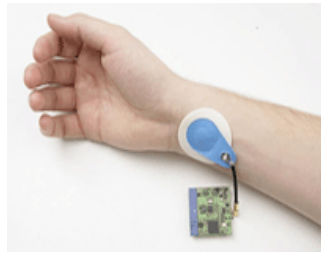
Tantaline – corrosion resistant components

- Developed the Tantaline process, with which metal subjects are coated with a micrometer thin layer of Tantal, which is known to be the most corrosion resistant metal.
- Holds same unsurpassed corrosion qualities as products of pure Tantal, but much more inexpensive.
- Focuses on chemical industry – primarily in USA – and offers both own and standard products as well as customer specific solutions.
- The present standard product program contains valves and fittings.
- Has a subsidiary company in Boston, Tantaline Inc.



Sense – new technology for measuring blood pressure

- Advanced sensor technology for easy and precise blood pressure measurement.
- Continuously, non-interfering measurement: 24-hours measurement of blood pressure, which enables patients to be monitored in natural situations with negligible discomfort.
- Measurement of vascular compliance as well as arteriosclerosis.
- The sensor patch is disposable and made from environmentally friendly materials.



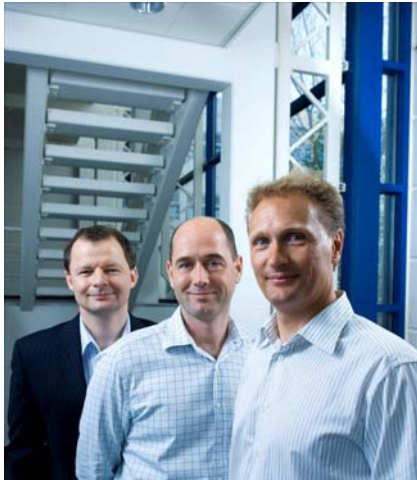
Muuto – design for your home

- Designs, produces, and market Scandinavian domestic design products.
- Has achieved impressive international publicity in a short time.
- Their affiliate designers are leading in the Nordics.
- Marketed globally as "Affordable Luxury".



Ipvision – IP telephony

- Network service provider with competencies within IP telephony, hosted PBX and establishment of WAN network.
- Specialised in delivery of IP telephony solutions to Nordic companies.
- Simple, inexpensive, and reliable solution for small and medium sized companies.



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Shark Solutions – recycling of car glass

- Machines for separation of front windscreens – sales to car breakers and glass recycle companies as well as setup and operation of plant for cleaning PVB.
- Shark is able to reuse over a million tonnes of laminated glass from Europe and North America.
- The glass separation machine is able to handle 20 tonnes of glass per hour.
- Produces 300 kilo PVB per hour.



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watAgame – GoSuperModel

- Develops and markets the online game GoSuperModel.
- A community game primarily for girls.
- Launched in Denmark, Norway, Holland, Germany and USA.
- Has developed an advanced cross media community tool, proWAG™.



Companies exited from portfolio

- TPACK – August 2010
- Kaleido Technology – July 2010
- Proxeon – April, 2010
- NeoZone – August, 2007
- ECO-DAN – December, 2006

Proxeon – research in proteins

- Develops and market technology to the proteomics industry – research in proteins.
- Global supplier of instruments, software for analysis, and equipment to leading university laboratories and the pharmaceutical industry.
- OEM contracts with two large international players.
- Exit: Sold to US-based Thermo Fischer Scientific in April, 2010.



Neozone – geographic maps and data

- X-point from Neozone is a user-friendly analysis software solution, which combines geographic maps with data.
- The market for location based software is a global growth sector driven primarily by Google's and Microsoft's huge investments in map services.
- X-Point is sold in Denmark, United Kingdom, Norway and Sweden.
- Exit: Neozone's activities sold to Experian in August, 2007.



ECO-DAN – agricultural operating system

- ECO-DAN manufactures high-tech operating systems for agricultural tools and machines.
- Uses advanced digital photo technique and laser technology.
- Received several International awards e.g., the prestigious European IT Award: the IST-award of 1,5 mill. DKK in 2002, and the Electronic Industry Award from Ingeniøren in 2006.
- Exit: Sold to Claas in December, 2006 for an amount in the double-digit million range.

