

BALTCAP



Company presentation

ESTONIA Tartu mnt. 2, 10145 Tallinn, Tel +372 6650 280, Fax +372 6650 281

LATVIA Ulmana gatve 86F, LV-1046 Riga, Tel +371 6721 4225, Fax +371 6735 6395

LITHUANIA J.Jasinskio 16B, LT-01112 Vilnius, Tel +370 5254 6713, Fax +370 5254 6978



Peeter Saks
Managing Partner
Tallinn, Estonia
Since 1997



Martin Kõdar
Partner, CFO
Tallinn, Estonia
Since 2000



Dagnis Dreimanis
Partner
Riga, Latvia
Since 2000



Simonas Gustainis
Partner
Vilnius, Lithuania
Since 2005



Matts Andersson
Partner, Senior
Adviser
Helsinki, Finland
Since 1995



Kristjan Kalda
Investment
Director
Tallinn, Estonia
Since 1999



Sandijs Abolins-Abols
Investment Director
Riga, Latvia
Since 2002



Astra Neimane
Investment Director
Riga, Latvia
Since 2003



Oliver Kullman
Investment Director
Tallinn, Estonia
Since 2007



Martins Jaunrajs
Investment Director
Riga, Latvia
Since 2010



Peteris Treimanis
Investment Director
Riga, Latvia
Since 2010



Šarūnas Alekna
Associate Director
Vilnius, Lithuania
Since 2010



Kornelijus Čelutka
Investment Director
Vilnius, Lithuania
Since 2010



Martin Laur
Analyst
Tallinn, Estonia
Since 2010



Šarūnas Stepukonis
Senior Associate
Vilnius, Lithuania
Since 2011



Vineta Patejenoka
Financial Manager
Riga, Latvia
Since 2008



Triinu Oll
Office Manager
Tallinn, Estonia
Since 2008



Indra Stepuriene
Office Manager
Vilnius, Lithuania
Since 2010



Janis Pranevics
Associate Director
Riga, Latvia
Since 2011

- **BaltCap Private Equity Fund**, EUR 63m fund, established in December 2007
 - Pan-Baltic buyout and later-stage expansion
 - Seven investments to date
 - International and local institutional investors: EBRD, EIF, SEB Asset Management, Swedbank Asset Management, Erste Bank and other banks, pension funds and insurance companies

- **JEREMIE initiative** venture capital funds in Latvia and Lithuania
 - Early-stage and expansion capital to local SMEs
 - BaltCap Latvia Venture Capital Fund, EUR 30m, established in January 2010
 - BaltCap Lithuania SME Fund, EUR 20m, established in April 2010
 - Six investment to date
 - Investors include: EIF (under JEREMIE initiative), SEB Venture Capital, LHV Asset Management, Swedbank Asset Management, Parex Asset Management and other pension funds and private investors



Business proposition

Business plan including description of the business, industry, market and plans for future growth presented to BaltCap, first screening

First meeting

Talks with the management and/or shareholders of the company; review of the business plan/investment memorandum; evaluating the project against the Funds' investment criteria and competing projects

Letter of Intent

Signing of letter of intent including the outline and main conditions of the deal and shareholders' agreement

Due Diligence

Legal, financial and environmental review of the company

Closing

Deciding upon final terms; signing of agreements

Monitoring

Active involvement in the company's welfare, involvement in strategic decisions, intensive communication with the company; Project monitoring/management support/assistance

Exit

BaltCap will sell its stake in the company. Among possible exit routes are sale to strategic buyer, financial investor or IPO

Experience

- Focused operational strategy
 - Expertise and knowledge of various industries
 - Mergers and acquisitions (*M&A*), restructuring
-

Contact Network

- International team and partners network
 - Industry and business development experts
 - Banks, lawyers, auditors, recruitment professionals
-

Management motivation

- Clearly set targets
 - Opportunities to carry out new (international) developments
 - Share options
-

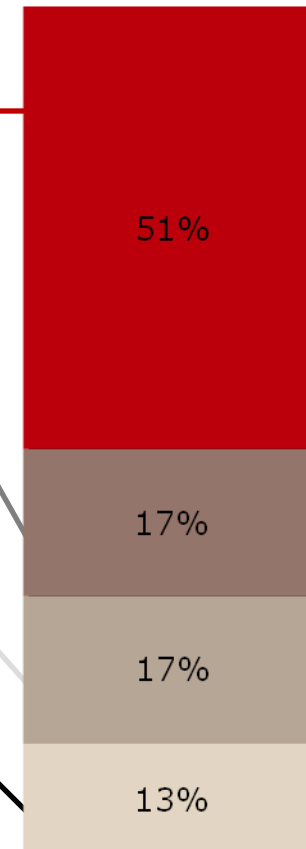
Relationships, communication

- Dedication of time and other resources
 - Alignment of interests of shareholders and stakeholders
 - Business ethics and transparency – honesty and openness
-

Value Creation, exit

- Improved credibility and reputation
- Additional financing (banks, co-investors)
- Focusing on exit throughout the holding period

- **Sales growth** – pan-Baltic or local expansion
- **Financial engineering** – net debt reduction, dividends and other payments in addition to exit proceeds
- **Strategic repositioning** – creating base for multiple increase by making companies more transparent, consolidating the market, improving companies' shareholder relations and structure, selling off non-core assets etc
- **Efficiency improvement** – increase of operating margins



- BaltCap has followed principles of responsible investment since its first funds
- We are committed to the following:
 - Participating actively in the strategic management of portfolio companies through Council and Board memberships
 - Not to invest in companies which are engaged in arms manufacturing, manufacture of tobacco, hard spirits, gambling, human cloning and genetically modified organisms
 - Not to be involved in hostile bids
 - Identification, credit analysis and supervision of portfolio investments will be carried out with due regard to ecological and environmental factors
 - Carry out environmental due diligence in all the investment cases with potential environmental risks and issue annual environmental report on the portfolio companies
 - Ensure that appropriate standards of corporate governance are in place or will be implemented within a reasonable time period in all Portfolio Companies, including regular board meetings, an audit committee, a code of ethical business behaviour and compliance with the OECD Corporate Governance Principles
- BaltCap is a signatory of UNPRI since August 2008
- Our responsible investment policy is available at: <http://www.baltcap.com/en/focus/responsible-investment>

Selected Investments

 <p>Impuls</p> <p>Fitness club chain</p> <p>Entry: 2011</p>	 <p>AGroup</p> <p>Human capital management solutions</p> <p>Entry: 2011</p>	 <p>EUROLCDs</p> <p>Liquid cristal display producer</p> <p>Entry: 2011</p>	 <p>Ygle</p> <p>Building systems solutions provider</p> <p>Entry: 2011</p>	 <p>SIA Runway</p> <p>Outsourced contact centre services</p> <p>Entry: 2011</p>	 <p>UAB Kelprojektas</p> <p>Transport infrastructure engineering</p> <p>Entry: 2011</p>
 <p>Obelisk</p> <p>Media production</p> <p>Entry: 2010</p>	 <p>TREV-2 Grupp AS</p> <p>Road and infrastructure construction</p> <p>Entry: 2010</p>	 <p>Primekss</p> <p>Industrial flooring company</p> <p>Entry: 2010</p>	 <p>Air Maintenance Estonia AS</p> <p>Aircraft Maintenance</p> <p>Entry: 2010</p>	 <p>Quattromed HTI Laborid</p> <p>Laboratory services</p> <p>Entry: 2008</p>	 <p>Energate</p> <p>Gas distribution, wind parks</p> <p>Entry: 2008</p>
 <p>Interinfo</p> <p>Directory (yellow pages)</p> <p>Entry: 2008</p>	 <p>EGeen International</p> <p>Clinical research organisation</p> <p>Entry: 2005</p>	 <p>AS NeoQi</p> <p>Body care equipment</p> <p>Entry: 2005</p>	 <p>SIA DEPO DIY</p> <p>DIY retail chain</p> <p>Entry: 2005</p>	 <p>OÜ Tallinna Pesumaja</p> <p>Laundry house</p> <p>Entry: 2006 Exit: 2011</p>	 <p>SIA Adam Auto</p> <p>Car dealership</p> <p>Entry: 2004 Exit: 2011</p>
 <p>SIA V.L.T.</p> <p>Moulded fiber packaging</p> <p>Entry: 2004</p>	 <p>SIA Hanzas Elektronika</p> <p>Electronic components</p> <p>Entry: 2002</p>	 <p>INTRAC Group AB</p> <p>Machinery trade</p> <p>Entry: 2002</p>	 <p>Koolitööde AS</p> <p>Software solution for schools</p> <p>Entry: 2005 Exit: 2011</p>	 <p>UAB Zetcom</p> <p>Virtual mobile network</p> <p>Entry: 2005 Exit: 2007</p>	 <p>UAB Voira</p> <p>Retail of children's goods</p> <p>Entry: 2005 Exit: 2009</p>