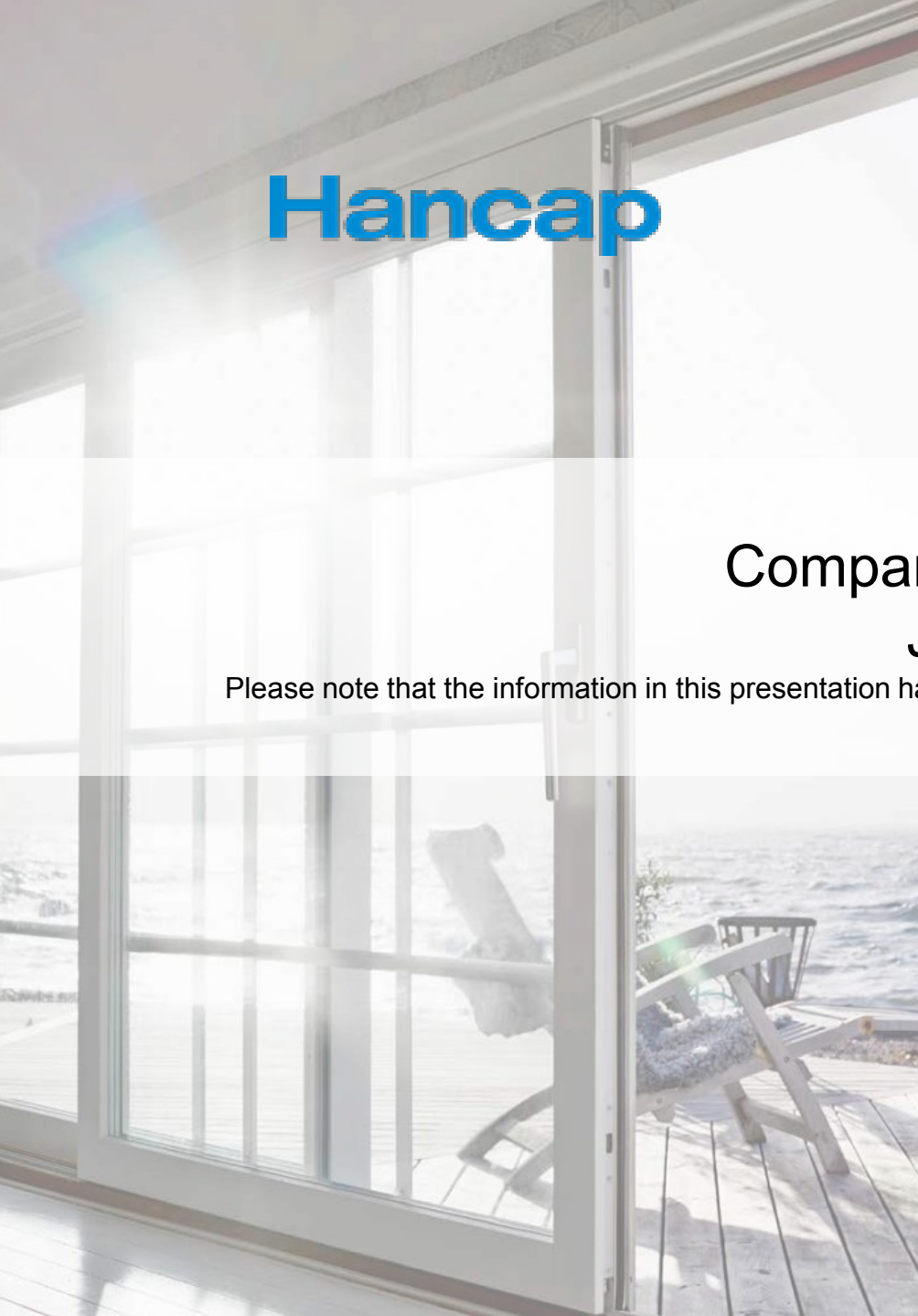
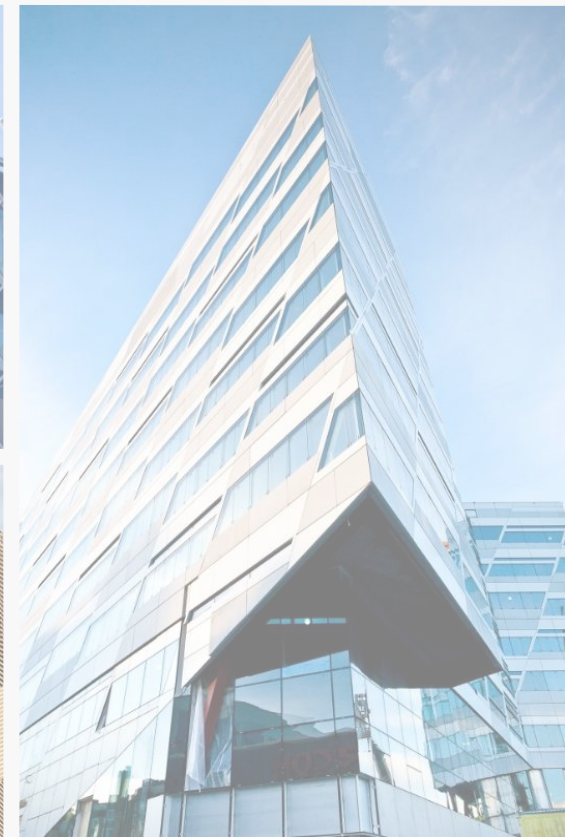
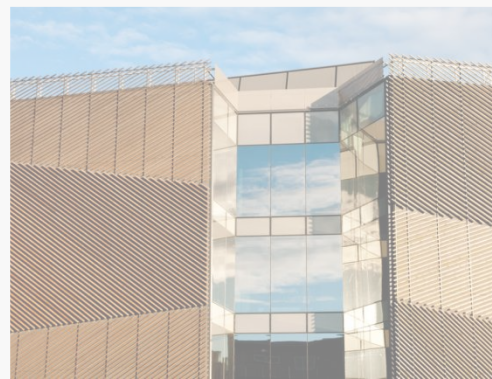
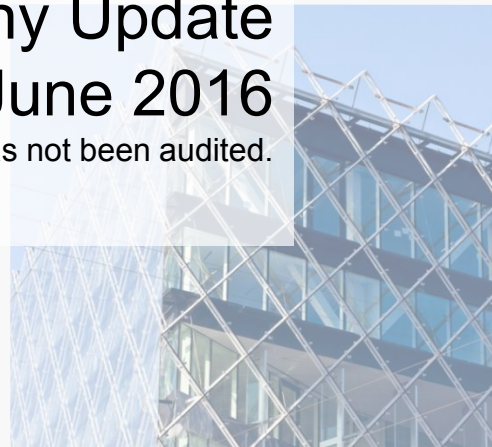




Hancap

Company Update June 2016

Please note that the information in this presentation has not been audited.



Dedicated fenestration- and facade group with a broad product range and diversified customer base

The group in brief

- Hancap is active in the North European market for construction-related niche products such as windows, glass doors, roofing, conservatories and façade solutions.
- Hancap's largest markets are the Nordic countries Sweden, Norway and Denmark. In addition, Hancap also operates in the UK, Germany and Switzerland.
- Net sales in 2015 amounted to SEK 909,7m¹.
- Operating EBITDA-margin in 2015 of 4% on group level.
- Total assets of SEK 736m full year 2015¹.
- Approximately 300 employees.
- Headquartered in Halmstad, Sweden.

Products and brands

Windows, doors and accessories



Conservatories



Roofing



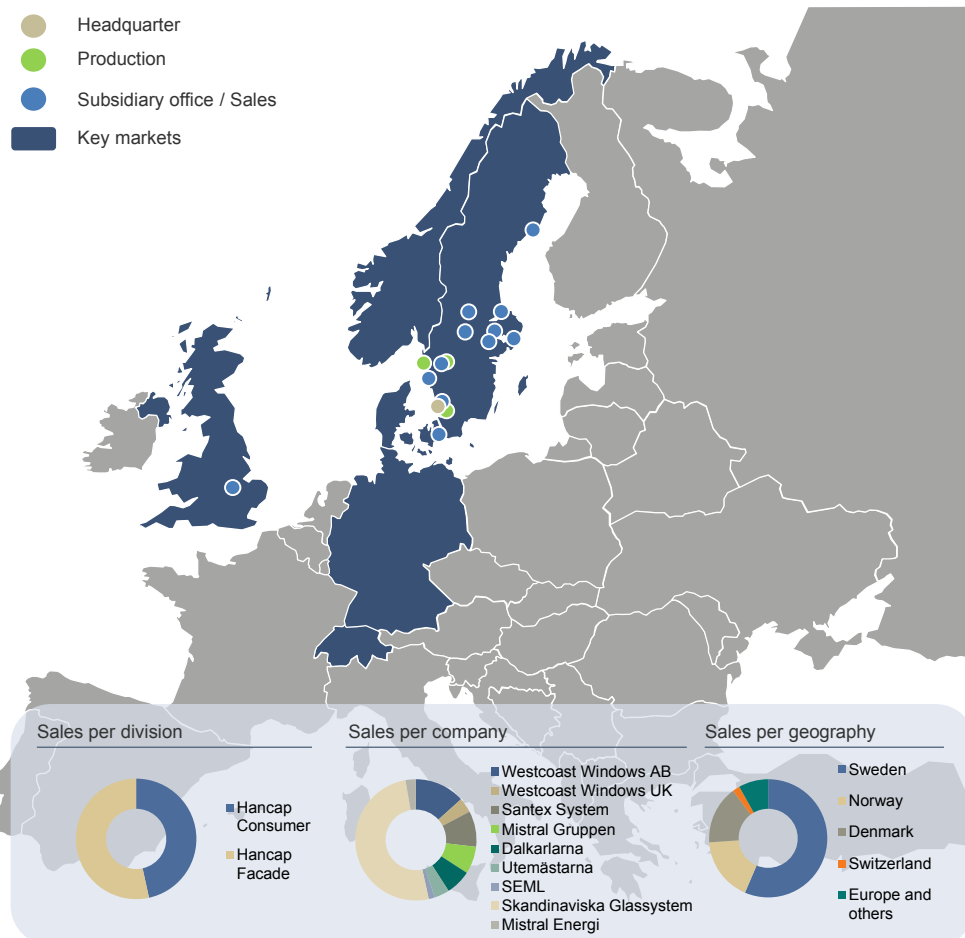
Facade



Brands



Geographical footprint and sales split



Note: ¹ Pro forma including Skandinaviska Glassystem AB

Hancap is split into two divisions

For consumers...

Conservatories



Glass partitions Facade pieces and roofing Customized accessories



Smart and practical solutions with respect to clients needs and preferences

Roofing



A combination of wood, aluminium and unique design for customized products

Pre-fabricated roofing solutions to shorten on-site installation time

In-house sales, distribution, installation and renovation for seamless offering

Windows and sliding doors



Windows and sliding doors


Distribution and sales



Distribution and sales


...and commercial customers

Facade and exteriors



Innovation and technical excellence to realize the visions of contemporary architecture, design and sustainability

Energy



Energy-saving solutions for housing cooperatives and large buildings

Hancap Consumer

- The Consumer division currently consists of 6 companies that produce, sell, distribute and install windows, sliding doors and conservatories to the North European market.
- The group has a strong brand portfolio and market position:
 - Santex:** high-end quality brand in the conservatory and window solutions market.
 - Westcoast Windows AB & UK:** well-established producer of "made-to-measure" windows and sliding doors.
 - SEML:** Manufacturer and installer of PLUSTAK®, a prefabricated roofing system that shortens on-site installation time and is also moisture proof.
 - Dalkarlarna i Ornäs, Uterumsmästarna, Mistral Gruppen:** Specialist window replacers and conservatory installers providing additional sales- and distribution to the consumer market.

Hancap Facade

- The Facade division currently consists of the recently acquired facade specialist Skandinaviska Glassystem and Mistral Energi:
 - Skandinaviska Glassystem:** provides specialized facade solutions in glass and other materials to both small and large building projects, often characterized by a unique design which requires unique solutions. The company plays an active role in the development and realization of new projects from design to increasingly demanding energy solutions. Recent projects include the Opera House and Gardermoen airport in Oslo, Circus in Stockholm and Swedbanks headquarter in Sundbyberg as well as H&M's flagship store in New York
 - Mistral Energi:** offers complete installation of geothermal heat pumps for larger buildings as well as energy-saving exhaust air heat pumps.

Hancap Facade

Commercial solutions for contemporary architecture

Skandinaviska Glassystem 1(2)



Facts

- Offices in Gothenburg, Copenhagen, Stockholm, Umeå
- Assembly factory in Lysekil
- Founded in 1994
- 107 employees

Operations

Skandinaviska Glassystem (SGS) provides facade solutions in glass and other material to small and large construction projects. The company develops and designs products- and concepts with a high degree of pre-fabrication to improve quality, minimize on-site work time and costs. Development is carried out in collaboration with architects and technical advisers. SGS has an in-house R&D and design center developing all concepts and systems. Installation and service processes are also designed centrally.

Market

SGS delivers unique, environmentally friendly, energy-efficient, customized products and concepts to commercial customers. The company is recognized as one of the leading innovators of advanced building envelopes in Scandinavia and play an active role in the development and realization of new projects from design to increasingly demanding energy solutions in Northern Europe.

Recent development

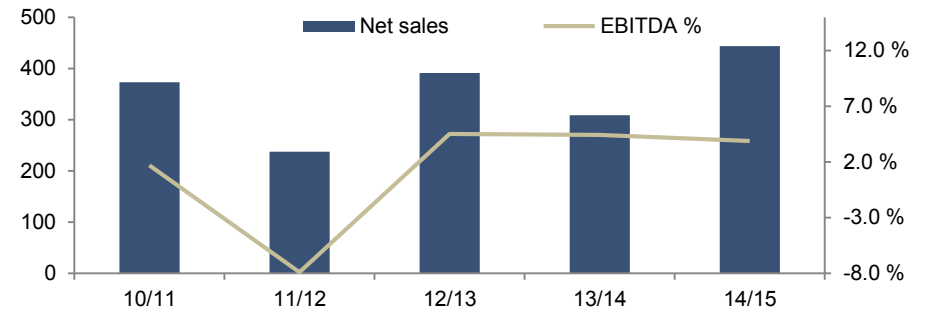
Operational business is in place and integration work into Hancap is proceeding according to plan.

Development potential

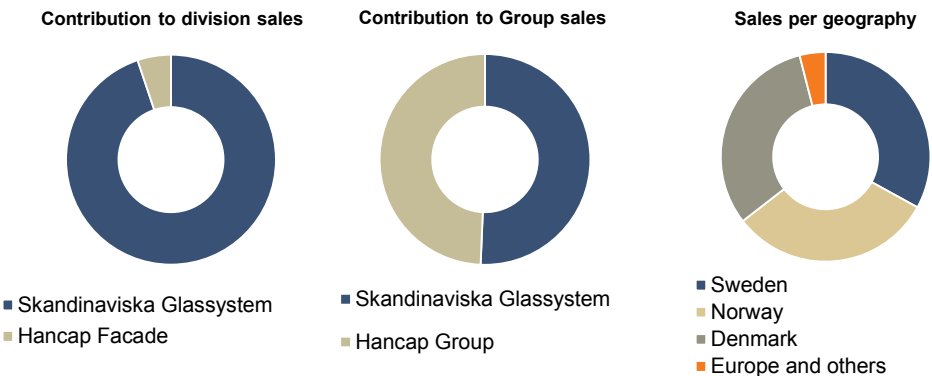
The company is evaluating a lean production to optimize production and increase cost efficiency. Cooperation with qualified outsourcing partners is also being analyzed to ensure a flexible business set-up going forward. Moreover SGS is looking to expand geographically into Norway and Denmark to enable project management with local expertise.

SGS will continue to focus on product development and leverage its in-house R&D to test new solutions and secure alignment with the environmental targets incorporated in European "Horizon 2020".

Financial facts, SEKm



Sales split, 2015



Hancap Facade

Commercial solutions

Skandinaviska Glassystem 2(2)



Hancap is looking to leverage SGS's experienced organization and management including central design, R&D capabilities, installation- and service concepts across group divisions, companies and markets to reap the benefits inherent in the group structure.

In the last few years, Skandinaviska Glassystem have successfully developed and delivered several large projects. A few examples are:

- Cirkus in Stockholm
- OSL Lufthavn in Gardermoen
- Norreport Stasjon in Copenhagen
- Sjöfartsbyggningen in Oslo
- Spektrum in Gothenburg
- H&M in New York
- House of Sweden in Washington
- Waterfront in Stockholm
- Swedbank in Stockholm
- Bestseller HQ in Aarhus
- Bella Sky in Copenhagen
- Victoria Tower in Kista, Stockholm
- Opera house in Oslo
- Icon Towe in Oslo



Mistral Energi



Facts

- Offices in Stockholm
- Founded in 2007
- 3 employees

Contribution to division sales 2015



Sales per geography



Operations

Mistral Energi is specialized in public works contracts for energy efficiency solutions, such as heat pump-solutions and recovery of energy from exhaust heat. Their customers are offered customized overall service that creates profitability and long term effectiveness.

Mistral Energi is exclusive retail dealers of Energy Well and IVT's heat pumps and is as well certified member of "Svenska Kyl- och Värmepumpföreningen".

Market

Mistral Energi's operates in Sweden and has exclusivity on the market for the products patent. Their customers are co-operative residents, real estate companies, schools, offices and the public benefit of Stockholm.

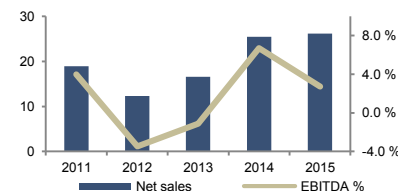
Recent development

The technique developed enables heating costs to be reduced up to 60 %, by recovering energy from exhaust heat. By using heat-pumps, heating costs can be reduced up to 70 %. Specifically for district heating buildings, with limited ability to geothermal heating, Mistral Energi can reduce up to 80 % of the energy consumption.

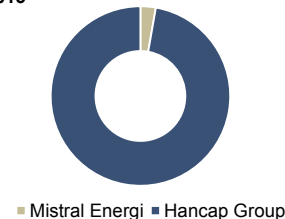
Development potential

Mistral's specialized competent constitutes a key role for the development of the Hancap Group, as energy saving products are to be prioritized in future investments. With their solid experience, Mistral Energi can fulfill further development and assimilate research that can be applied to their products and transferred to their customers. Mistral Energi is also exploiting the possibility to target private residential owners.

Financial facts, SEKm



Contribution to Group sales 2015



Hancap Consumer

Well-known quality products and brands dedicated to "made-to-measure"

Santex



Facts

- Offices in Halmstad
- Founded in 1982
- 53 employees

Operations

Producer and installer of conservatories and manufacturer of custom-made systems for conservatories with quality wood frames. Production takes place in the companies own manufacturing facilities in Halmstad. The product range consists of systems for complete rooms as well as folding- and sliding doors for facade installation. The composition is done in a seamless assembly line which provides an efficient production. Santex does not install for end consumers.

Market

Santex is one of the leading players within conservatories with quality wood frames in the Nordic market. The market is fragmented with a few niche operators. Main competition from local glaziers with their own aluminum systems, or systems supplied by foreign profile vendors. Largest markets are the Nordics, Switzerland and the UK.

Recent development

Work has been done to adapt a modular product portfolio in order to increase productivity and flexibility in both customer services, order systems and production. Santex is aiming to launch one or more systems entirely of aluminum to provide customers more choices.

Development potential

The company is forecasting an increase in sales of complete rooms in the coming years, as conservatories are considered to increase the over all property value. At the same time facade- and roofing partitions have a great potential going forward.

Contribution to division sales 2015



Sales per geography 2015



Westcoast Windows



Facts

- Offices in Trollhättan, UK
- Founded in 1982
- 85¹ employees

Operations

Manufacturer of high-quality "made to measure" windows and sliding doors. Production is effective and flexible in an automated process. Inventory levels are low through a modular product concept and a order-driven planning. Product concept is based on a "sealed system" – a unique design which achieves maximum density and dimensional stability by integrating the aluminum profile with a wooden profile.

Market

WCS is one of the leading window producers in Sweden, a consolidated market dominated by larger competitors such as Inwido, Svenska Fönster and Dovista. WCV offers premium priced products underpinned by characterized design, energy performance and maintenance benefits. Largest markets are Sweden, Norway and UK.

Recent development

Leveraging a successful launch of its passive series with one of the best energy values on the market. Vertical integration with Hancap's sales and distribution companies to leverage group synergies. Implementing new IT interface to simplify sales.

Development potential

Demand for "high-spec" products and systems with energy-saving and environmentally friendly features is increasing. Leverage in-house R&D and expertise to increase market penetration. Company is currently implementing a second shift at its productions plant to meet increased demand.

Contribution to division sales 2015



Sales per geography



SEML



Facts

- Offices Laholm
- Founded in 2010
- 7 employees

Operations

SEML develop and manufacture building products with sandwich manufacturing as core business. The company was founded with the invention of PLUSTAK®, a prefabricated roofing system that shortens the on-site installation time, is completely insensitive to moisture and without thermal bridges.

Market

PLUSTAK® is suited for new construction and renovation of roofs for apartment buildings and architect designed buildings where customized solutions are a necessity but without sacrificing design, installation and maintenance.

Recent development

Since 2010 several more products have been developed with the same characteristics as PLUSTAK®, allowing SEML to produce and assemble entire building shell with the same construction.

Development potential

The objective is to continue the sale of sandwich structures to contractors and single-family builders, and to produce roofing for conservatories, walls and other products sold and marketed within the Hancap group of companies such as Santex.

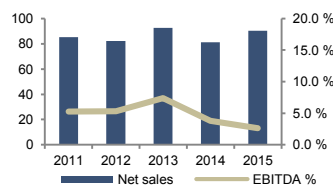
Contribution to division sales 2015



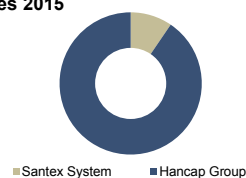
Sales per geography



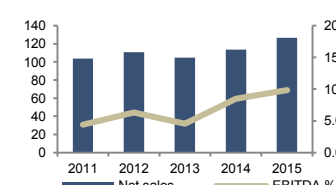
Financial facts, SEKm



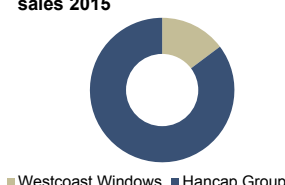
Contribution to Group sales 2015



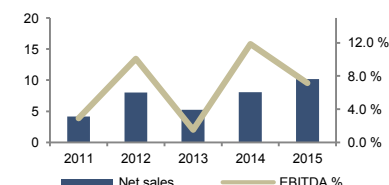
Financial facts, SEKm



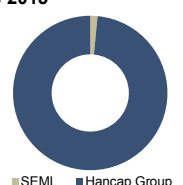
Contribution to Group sales 2015



Financial facts, SEKm



Contribution to Group sales 2015



Note: ¹ 7 employees in Westcoast Windows UK

Hancap Consumer

Direct sales and distribution to end-customers

Uterumsmästarna

Facts

- Offices in Borlänge, Ludvika, Gävle, Göteborg, Västerås, Eskilstuna and Halmstad
- Founded in 2010
- 13 employees

Operations

Uterumsmästarna sell and assemble high-end conservatories. Their product range includes conservatories, winter gardens, roofs, foundations, sun shades, folding doors and glass verandas. Their competitive advantage is the offering of a holistic solution from consultation-visits and planning to final assembly of customized solutions. The company primarily sells and markets products and solutions manufactured by Santex.

Market

The company is present in mid and souther Sweden

Recent development

Following organizational challenges and quick expansion the company has rebooted its business model. Among other revisions, the company has streamlined its sales process and revised its incentive-scheme.

Development potential

Uterumsmästarna's goal is to continue its expansion and establish new retailers, eventually moving into a nation-wide coverage. A deciding factor is the availability of technicians and assembly teams. Given Hancap's new business model with assembly expertise in multiple group companies there are potential assembling synergies to realize within the group in order to unblock potential bottlenecks at subsidiary level.



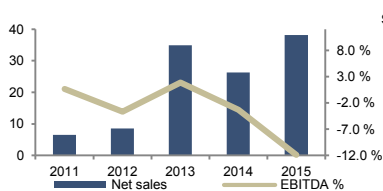
Contribution to division sales 2015



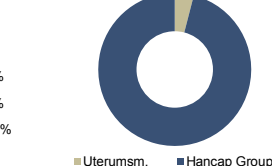
Sales per geography



Financial facts, SEKm



Contribution to Group sales 2015



Dalkarlarna i Ornäs



Facts

- Offices in Borlänge
- Founded in 2001
- 5 employees

Operations

Specialized in window replacements for apartment buildings. The company operates through an in-house developed process for project management enabling a seamless execution offer from planning and time-management to price and quality

Market

The company operates in central Sweden and has a approximate volume of 6000 replacements per year, making them one of Sweden's largest window-replacers.

Recent development

The company has continued a market penetration strategy targeting a larger geographical scope. Core market now stretching from Sundsvall to Småland.

Development potential

The company is in a good position to continue its market penetration strategy. Recent rollout of services in additional cities in Sweden based on an existing well-functioning process has been well received. Under the ownership of Hancap, Dalkarlarna can also increase sales per taken order through an expanded product range and tighter collaboration with manufacturers such as Westcoast windows. There are also possible assembling synergies to realize together with other assembly expertise and workforce within the group.

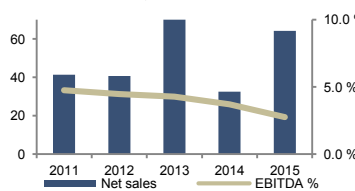
Contribution to division sales 2015



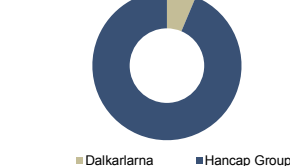
Sales per geography



Financial facts, SEKm



Contribution to Group sales 2015



Mistral Gruppen



Facts

- Offices in Stockholm
- Founded in 1995
- 19 employees

Operations

Specializing in window replacement and window renovation. Through its expertise and collaboration with different window providers, Mistral offers customized and energy efficient window solutions for larger properties and apartment buildings. Mistral specializes in traditional window replacements and exchanges of window frames to eliminate damages on facades.

Market

Mistral operates in the greater Stockholm area and targets apartment buildings. The market is relationship driven and based on reference work, factors on which Mistral successfully has been able to benefit from since inception.

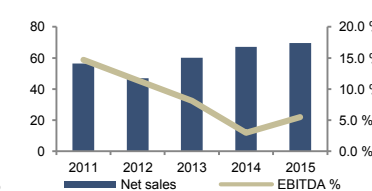
Recent development

Mistral's expertise and cooperation with group manufacturers of windows and aluminum profiles as well as glass enables the company to produce even more customized solutions for a larger variety of window project.

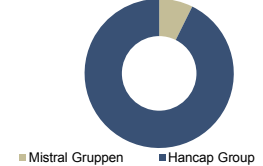
Development potential

The company sees good potential to increase scope given its expertise in window replacements and the manufacturing companies within Hancap. Vertical integration and cooperation with group manufacturers of windows, glass and solutions will enable the company to produce even more customized solutions for a larger variety of window project. There are also possible assembling synergies to realize together with other assembly expertise and workforce within the group.

Financial facts, SEKm



Contribution to Group sales 2015



Note: ¹ 15 employees in Mistral Gruppen. 4 employees in Mistral Energi

Financial targets and market outlook

Financial targets

Current status

Hancap has utilized short-term financing solutions in relation to acquisition and will during the second half of 2016 refinance these loans through a long-term financing solution. In relation to the refinancing Hancap is currently in contact with potential lenders and investors and wish to update the market with the latest information regarding the group and the subsidiaries.

The total group had a pro forma revenue of approximately SEK 910m during 2015 with an EBITDA-margin of approximately 4 percent.

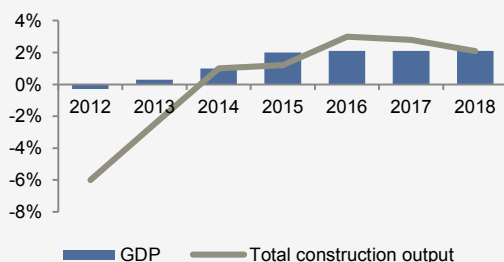
Forward looking

As Hancap has published earlier the group is estimated to reach a pro forma revenue of approximately SEK 1bn during 2016 with an EBITDA-margin of approximately 8-10 percent.

Hancap's target is to increase its EBITDA-margin to over 10 percent during the coming years with a organic revenue growth of 5-8 percent annually. In addition to organic growth Hancap is continuously looking for strategically good acquisitions.

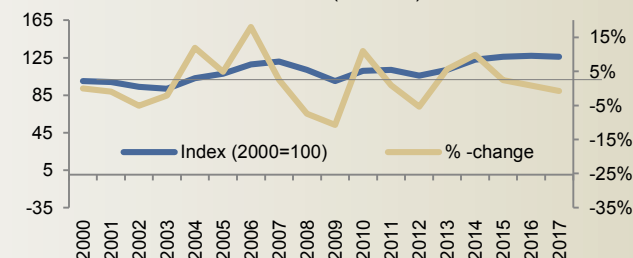
Market Outlook

% change in property investments (Europe)³



- 2015 was characterized by a high level of investment, due to low interest rates and falling unemployment rates. The renovation sector reached its peak during 2015 and is now forecasting a slightly lower growth. The new-construction sector should grow in the coming years and should increase its market share by 1,4%¹
- In total, Sweden may experience the current significant investments in properties to moderate slightly during 2016-2017²
- However, the European market is solid and the pan-Nordic underlying demand is strong

Index of construction-volume and prognosis, 2000-2017 (Sweden)⁴



Note:

¹ InterconsultingConnection

² Konjunkturrapport från Sveriges Byggindustrier, 2016-02-24

³ Prognoscentret, pressmeddelande "Den Europeiska byggbranschen ser ljuset i tunneln"

⁴ Prognoscentret, pressmeddelande "Bygghandeln ökar även i år"