

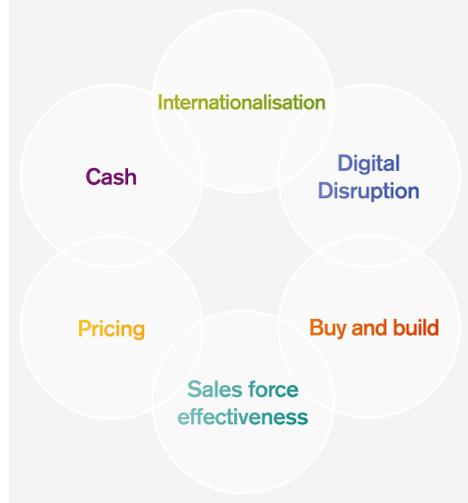
## Our Portfolio team

**By collaborating with management teams, of Cinven's portfolio companies, we are helping them build stronger, better quality businesses.**

Our approach to engaging with our portfolio companies has consistently evolved over recent funds from a supporting and monitoring role towards active facilitation, connection and collaboration with management.

Today, we see our role increasingly as 'strategic architects'. In 2014, we formalised this approach with the introduction of 'Value Creation Plans' – a structured and enhanced management business plan for each company going far beyond the traditional 100 day plan. In addition, we organised our own team into areas of functional expertise, which apply broadly across the portfolio. Each of these areas has a 'Capability Champion' – individuals from our Portfolio team with a portfolio-wide competency relating to one of our six capabilities (see below).

### Our six functional capabilities



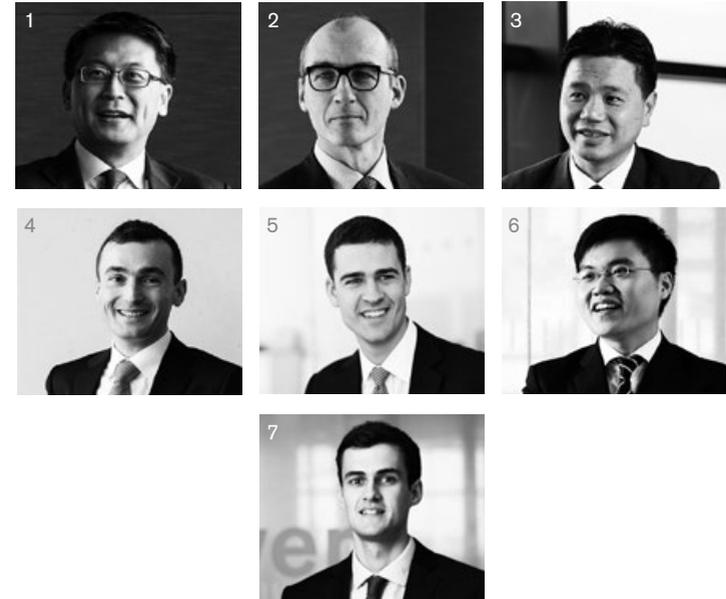
This model has so far proved exceptionally effective. To-date, in our most recent fund, our Capability Champions have been directly involved in more than €1.4 billion of value creation.

For instance, when developing a buy and build programme we collaborate with management teams to systematically identify and qualify targets, and execute integration plans. During 2015, the Fifth Cinven Fund made 19 major add-ons, taking the total to more than 34 add-ons, from a total 13 investments in the fund.

These capabilities not only help our portfolio companies, but also inform our understanding of new opportunities, such as assessing the scope for internationalisation strategies, or the feasibility of mergers, such as in the case of Labco and Synlab.

By constantly looking to improve our own processes as well as our portfolio, during 2015 we updated our portfolio company monitoring to incorporate more operational and forward-looking KPIs that flow into a sophisticated and regularly updated reporting system. This gives us further confidence and visibility into likely performance or challenges ahead within the portfolio.

### The Portfolio team



**Joseph Wan** <sup>1</sup>  
Partner  
**Immo Rupp** <sup>2</sup>  
Partner  
**Ivan Kwok** <sup>3</sup>  
Managing Director

**Antoine Guillen** <sup>4</sup>  
Director  
**Brett Lewis** <sup>5</sup>  
Executive  
**Tony Ling** <sup>6</sup>  
Executive  
**Pete Blakeney** <sup>7</sup>  
Executive

## Our Portfolio team

continued

### Our functional expertise



### VCP in action



Premium Credit, a UK-based insurance premium finance company, was acquired in February 2015, and provides a good illustration of a value creation plan in action. Our strategy is to build a diversified UK specialty finance business through organic growth, new product launches and selective acquisitions. Within a month, we had achieved internal management commitment to develop an ambitious but practical value creation plan.

This included taking a fresh look at the business' cost and revenue potential and undertaking customer interviews to reveal perspectives, opportunities and sources of revenue leakage.

Over the summer we reviewed the findings and worked with the business to develop tangible and measurable operational initiatives – from strengthening the CRM through to expanding into new markets. Each initiative was assigned detailed processes, KPIs and a business 'owner'. By late 2015, the company was in the process of executing the value creation plan, with early indications of its targets being achieved looking positive.



Cinven invested in Spanish cable operator Ufinet in June 2014 to exploit the significant growth opportunities, particularly across Latin America. We have since made rapid progress in constructing and implementing a value creation plan alongside management.

This has included commercial work-streams, such as reviewing commercial effectiveness, the sales teams' capacity, incentive systems, pricing, payback and return policies. It also included operational work-streams, including developing new services for metropolitan areas, expanding network deployment, improving and automating Ufinet's own systems, operational KPIs and reporting, and evaluating acquisition targets.

Ufinet made its first acquisition in 2015 with the purchase of Reico in Costa Rica, and the company has gone on to acquire Horarada, a Spanish cable operator.