

# Highlight

## 2014 was a busy year of buying, building, refinancing, selling and recruiting

- Over €100 million was invested in two new portfolio companies
- The sale of Aesica returned €165 million: generating a 3.3x multiple of cost and a 50% IRR
- Recapitalisations of three portfolio companies returned a total of €145 million
- Five new team members joined the firm in London, Munich and Paris



For Silverfleet Capital 2014 was a very active period. Below are more details of the two new investments we made during the year in Phase One and AGR as is a summary of our highly successful realisation of contract pharmaceutical manufacturer, Aesica. We were also able to recapitalise three portfolio companies including OFFICE and creatrade returning €145 million to our investors. Our other portfolio companies

were also very active: Kalle sold \$9 million of its newly launched product NaloProSpice; creatrade launched its new furniture retail brand, miaVILLA.de; OFFICE continued its store roll-out programme in the UK and Germany while its e-commerce platform enjoyed exceptionally strong growth; La Fée Maraboutée added further franchise stores abroad, as well as new retail outlets across France; Cimbria finished its financial year in

September with a record order book; Ipes was very successful in winning new private equity customers for its depositary services while CCC opened new sites in Germany, Poland and Romania. Meanwhile we welcomed five new members into our team across Europe. We all hope that you find this newsletter a useful summary of our very busy year.

## Phase One, the world's leading medium format camera company, becomes Silverfleet's second Danish transaction within 15 months



Gareth Whiley  
Partner

"Phase One has unrivalled products and an excellent management team. We are excited to have partnered with Henrik Håkonsson and his team to further build this highly successful business and brand."

In March 2014 we completed our investment in Phase One, the world's leading medium format digital camera system and image processing software supplier to the world's most demanding professional photographers and advanced amateurs. Phase One also has an industrial division supplying camera systems, predominantly for aerial photography.

The business is renowned for its technical expertise and innovation, having been the first to manufacture commercially a fully portable medium format digital camera back in 2004. It has continued to launch new, innovative products ever since, and recently launched the IQ250, the first available medium format digital back using a CMOS sensor.



© Salvatore Cincotta | Camera: Phase One IQ250 digital back

The investment by Silverfleet will enable the business to grow through continued innovation and new product launches, additional

marketing and potentially the acquisition of complementary businesses or technology.

## Silverfleet acquires AGR, the leading outsourced drilling service provider to the oil and gas sector



In July 2014 we entered into an agreement to acquire AGR Holdings, the petroleum services division of Oslo-listed AGR Group ASA. AGR delivers well, reservoir, HSEQ, and facilities management services to the upstream oil and gas industry. The company also offers rig access management, consultancy manpower, expert software solutions and tailored industry training. AGR's client base comprises some of the largest international and national oil companies as well as a wide range of small and medium sized operators.

Working with more than 650 people, the company operates in all regional main oil hubs around the world

including the UK, Norway, US, Australia, CIS and the United Arab Emirates. Since 2000, AGR has completed over 500 well projects in 25 countries on six continents. Additionally, in the last five years alone its teams have delivered over 1,000 reservoir studies in most of the world's major oil and gas basins.

Since we completed the investment in AGR the unexpected and sharp fall in the price of oil has created some uncertainty in the oil and gas market, however activity levels are expected to return to normal in the medium term. As the largest independent well management group operating globally, AGR is well positioned to benefit from any increase in exploration activity.

**Adrian Yurkwich**  
Partner



"AGR provides the highest quality integrated solutions for the entire field life cycle of upstream oil and gas. We look forward to working with AGR's management team to further expand its operations internationally."

## Building the team in London, Munich and Paris

During 2014, we were delighted to announce the recruitment of five new members to our investment team, adding further depth to each of our offices.

Jean Châtillon joined our Paris office as a Principal from Cobalt Capital, where he had been investing in the French mid-market for seven years. In April, we announced that Sumit Dheir and Jakob Wagner had joined the London team as Investment Executives; Sumit was previously an Associate in the M&A team at Greenhill & Co., and Jakob was an Associate in the M&A team at Moelis & Company. Finally, Benjamin Hubner and Jennifer Regehr joined our Munich team as Associates from McKinsey & Company and UniCredit Bank respectively.

In addition to their analytical skills some of our new recruits quickly made a sporting impact enabling Silverfleet to emerge top of the fifteen teams that entered the Eversheds Private Equity 5-A-Side Football Tournament in 2014.

## Silverfleet returns 3.3x on sale of Aesica Pharmaceuticals

**Dr Robert Hardy**  
CEO  
Aesica



"In Silverfleet we found a private equity investor who were every bit as ambitious for our business as we were. They fully supported our expansion plans and, as an international business ourselves, we benefitted greatly from their international experience and perspective"

Aesica is a global contract development and manufacturing organisation ("CDMO"), supplying products to many of the world's top pharmaceutical companies.

Silverfleet invested in Aesica in 2011 and then worked with the management team to establish the company as one of Europe's leading CDMOs. With Silverfleet's backing, Aesica made a £30 million investment in its Queenborough facility, doubling its solid dose manufacturing capacity. This investment enabled Aesica to secure a contract to produce a very significant volume of a tableted medication used to treat Type 2 diabetes in adults, a "blockbuster" product of one of the world's largest companies.



With the company's valuable strategic position in the CDMO sector secured, and continued strong financial performance, Aesica attracted several strategic trade purchasers. Ultimately the international healthcare company Consort Medical plc tabled a very attractive bid of £230 million to acquire the business which generated a 50% IRR and 3.3x multiple of Silverfleet's original investment.

## €145 million returned to investors from three recapitalisations

Strong trading performances at OFFICE, creatrade and Aesica and support from our core banking relationships enabled us to

recapitalise these three portfolio companies in the first half of 2014, returning €145 million to our investors.



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