
GRO Fund I K/S

c/o Gro Capital A/S, Grønningen 17, 2., DK-1270
København K

Annual Report for 1 October 2022 - 30 September 2023

CVR No 36 43 35 23

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
17/11 2023

Lars Dybkjær
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of GRO Fund I K/S for the financial year 1 October 2022 - 30 September 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position at 30 September 2023 of the Company and of the results of the Company operations for 2022/23.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 17 November 2023

Executive Board

GRO Fund I GP ApS

Independent Auditor's Report

To the of GRO Fund I K/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of GRO Fund I K/S for the financial year 1 October 2022 - 30 September 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 17 November 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Søren Ørjan Jensen

statsautoriseret revisor

mne33226

Company Information

The Company

GRO Fund I K/S
c/o Gro Capital A/S
Grønningen 17, 2.
DK-1270 København K

CVR No: 36 43 35 23
Financial period: 1 October - 30 September
Municipality of reg. office: Copenhagen

Executive Board

GRO Fund I GP ApS

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The purpose of the Limited Partnership is to generate profits by conducting, monitoring, developing and realizing investments in companies, either directly or through wholly owned holding companies.

Development in the year

The income statement of the Company for 2022/23 shows a profit of DKK 53,443,843, and at 30 September 2023 the balance sheet of the Company shows equity of DKK 296,610,406.

The company was established in November 2014. The company is 100% owned by Danica Pension, which has given commitments on capital contribution of DKK 996,000,000. The Company is a tax-transparent K/S, and the company's General Partner is GRO Fund I GP ApS.

The company's investment activities are handled by the management company GRO Capital A/S, which receives a Management fee for this in accordance with the Management agreement.

The company's investments:

Auditdata is an independent provider of software embedded audiology equipment and clinic management.

Target is a software company specializing in Business Intelligence solutions.

Tacton was sold in the financial year. The year's profit is recognized in the Income Statement.

In the financial year, a value adjustment of the company's remaining investments amounts to DKK 38 million. The year's value adjustments are, in accordance with the Danish Financial Statements Act, recognized directly on Equity as a reserve.

Uncertainty relating to recognition and measurement

The recognition and measurement of items in the annual report is not associated with any uncertainty beyond what is typical for companies investing in unlisted assets. See Note 1 regarding uncertainty in the recognition and measurement of the company's assets.

Unusual events

The financial position at 30 September 2023 of the Company and the results of the activities of the Company for the financial year for 2022/23 have not been affected by any unusual events.

Management's Review

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 October - 30 September

	Note	2022/23 DKK	2021/22 DKK
Other external expenses		-5.739.879	-5.608.177
Gross profit/loss		-5.739.879	-5.608.177
Income from investments in subsidiaries		59.183.738	0
Financial expenses		-16	-3.473
Profit/loss before tax		53.443.843	-5.611.650
Tax on profit/loss for the year		0	0
Net profit/loss for the year		53.443.843	-5.611.650

Distribution of profit

Proposed distribution of profit

Retained earnings	53.443.843	-5.611.650
	53.443.843	-5.611.650

Balance Sheet 30 September

	Note	2022/23 DKK	2021/22 DKK
Assets			
Investments in subsidiaries	2	297.233.973	646.883.309
Fixed asset investments		297.233.973	646.883.309
Fixed assets		297.233.973	646.883.309
Cash at bank and in hand		511.946	928.860
Currents assets		511.946	928.860
Assets		297.745.919	647.812.169
Liabilities and equity			
Share capital		996.000.000	996.000.000
Unpaid share capital		-996.000.000	-978.718.045
Revaluation reserve		60.840.210	227.983.635
Retained earnings		235.770.196	401.829.590
Equity		296.610.406	647.095.180
Credit institutes		0	187
Trade payables		1.135.513	716.802
Short-term debt		1.135.513	716.989
Debt		1.135.513	716.989
Liabilities and equity		297.745.919	647.812.169
Uncertainty in the recognition and measurement	1		
Contingent assets, liabilities and other financial obligations	3		
Accounting Policies	4		

Statement of Changes in Equity

	Share capital	Unpaid share capital	Revaluation reserve	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 October	996.000.000	-978.718.045	227.983.635	401.829.590	647.095.180
Extraordinary dividend paid	0	-22.186.412	0	-424.822.472	-447.008.884
Payment of unpaid capital contribution	0	4.904.457	0	0	4.904.457
Revaluation for the year	0	0	38.175.810	0	38.175.810
Dissolution of previous years' revaluation	0	0	-205.319.235	205.319.235	0
Net profit/loss for the year	0	0	0	53.443.843	53.443.843
Equity at 30 September	996.000.000	-996.000.000	60.840.210	235.770.196	296.610.406

Notes to the Financial Statements

1 Uncertainty in the recognition and measurement

Fixed asset investments

Methods and assumptions in determining fair value

The valuations process:

The valuations are prepared by the relevant team of the General Partner and are reviewed on a half-yearly basis as well as per year end by the General Partner's valuation committee.. The recommendations are reported to the General Partner on a quarterly basis, in line with the quarterly valuations that are provided to investors. The valuation committee considers the appropriateness of the valuation model itself, the significant and key inputs as well as the valuation results using various valuation methods and techniques generally recognized as standard within the industry. The fair value estimates are measured according to the guidelines of the "International Private Equity and Venture Capital"(IPEV) "Valuation Guidelines" which is why investments are recognized at fair value at the balance sheet date.

In determining the valuation recommended to the Partnership's investments, the General Partner utilizes comparable market multiples in arriving at the valuation. In accordance with the Partnership's policy the General Partner determines appropriate companies based on industry size, development stage, revenue generation and strategy. The General Partner then calculate a market multiple for each comparable company identified. The multiple is calculated by using either P/E or multiples based on EBITDA or revenues.

Significant unobservable inputs:

All investments have been valued based on significant unobservable inputs, as they trade infrequently. As quoted market prices are not available for these investments, the General Partner has used valuation techniques to determine fair value. In order to assess the valuation made for the investments, the Investment Advisor reviews the performance of the portfolio companies. Furthermore the Investment Advisor is regularly in contact with the management of the portfolio companies in order to make assessments of business and operational matters which are considered in the valuation process. Where appropriate the Investment Advisor also tracks peer group company multiples, recent transaction results and credit ratings for similar companies.

Sensitivity analysis:

The fair value of the Company's portfolio Companies is affected by the financial performance in the individual companies alongside recent transaction results. A change in significant unobservable input will have an effect on the valuation of the portfolio companies, as well as the fair value will be affected by development in general macro-economic conditions. Out of the total fixed asset valuation of TDKK 297,234 we find that both of the remaining investments have a degree of management estimation. The unrealized gain on the investments currently amounts to TDKK 60,840, and the total value is deemed to be able to fluctuate by 25% in both directions amounting to approximately TDKK 15,210.

Notes to the Financial Statements

1 Uncertainty in the recognition and measurement (continued)

Events during the year:

During the financial year the investment in Tacton Systems AB has been sold. The realized gain in the financial year amounts to DKK 59,184. The remaining revaluation of the year, which amount to DKK 38,176, has been recognized on the Equity and is related to the remaining investments.

	2022/23 DKK	2021/22 DKK
2 Investments in subsidiaries		
Cost at 1 October	418.899.674	407.499.970
Additions for the year	0	11.399.704
Disposals for the year	-182.505.911	0
Cost at 30 September	236.393.763	418.899.674
Value adjustments at 1 October	227.983.635	194.130.030
Revaluations for the year, net	38.175.810	33.853.605
Reversals for the year of revaluations in previous years	-205.319.235	0
Value adjustments at 30 September	60.840.210	227.983.635
Carrying amount at 30 September	297.233.973	646.883.309

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
GRO Holding III ApS	København	DKK 101.350	98%
GRO Holding V ApS	København	DKK 557.425	98%

3 Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 30 September 2023.

Notes to the Financial Statements

4 Accounting Policies

The Annual Report of GRO Fund I K/S for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022/23 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

4 Accounting Policies (continued)

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Investments in subsidiaries

Investments in portfolio companies are measured according to the guidelines of the "International Private Equity and Venture Capital" (IPEV) "Valuation Guideline" which is why investments are recognised at fair value at the balance sheet date in accordance with the Danish Financial Statement Act §37 and §41.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

4 Accounting Policies (continued)

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.