



byFounders VC Fund I K/S

Kanonbaadsvej 2
1437 Copenhagen K
CVR No. 38828495

Annual report 2021

The Annual General Meeting adopted the
annual report on 31.03.2022

Frederik Hasling

Chairman of the General Meeting

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Entity details

Entity

byFounders VC Fund I K/S

Kanonbaadsvej 2

1437 Copenhagen K

Business Registration No.: 38828495

Date of foundation: 01.08.2017

Registered office: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

Executive Board

Eric Lagier, Director

Tommy Andersen, Director

byFounders VC General Partner I ApS

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of byFounders VC Fund I K/S for the financial year 01.01.2021 - 31.12.2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 31.03.2022

Executive Board

Eric Lagier
Director

Tommy Andersen
Director

byFounders VC General Partner I ApS

Independent auditor's report

To the shareholders of byFounders VC Fund I K/S

Opinion

We have audited the financial statements of byFounders VC Fund I K/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

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 misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 31.03.2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant

Identification No (MNE) mne30131

Management commentary

Primary activities

The object of byFounders VC Fund I K/S ("the Fund") is to generate returns by making, monitoring, developing and realising investments in small and medium-sized, innovative technology startups, either directly or through wholly-owned or partially owned holding companies. It is the Fund's fourth financial year.

Development in activities and finances

The company's income statement for 2021 shows a profit of DKK 299,1m and at December 31, 2021, the balance sheet of the company shows equity of DKK 943,5m. The executive board considers the result satisfactory.

From the establishment and until 31 December 2021 the Fund has made 35 investments in portfolio companies, of which 34 remain active investments. Increases in the values of the Fund's portfolio companies partly depend on their financial results and partly on the share market utilized to determine the price for unlisted shares. Forthcoming results of the Fund thus depends on the development in the value of the Fund's investments in current portfolio companies.

Events after the balance sheet date

There have been no events after the balance sheet date, which have an impact on the annual report.

Income statement for 2021

| | Notes | 2021 DKK'000 | 2020 DKK '000 |
|--|-------|-----------------|------------------|
| Other external expenses | | (14,961) | (18,028) |
| Gross profit/loss | | (14,961) | (18,028) |
| Income from financial assets | | 284,777 | 49,422 |
| Other financial income | 1 | 29,902 | (18,752) |
| Other financial expenses | | (608) | (546) |
| Profit/loss for the year | | 299,110 | 12,096 |
| Proposed distribution of profit and loss: | | | |
| Retained earnings | | 299,110 | 12,096 |
| Proposed distribution of profit and loss | | 299,110 | 12,096 |

Balance sheet at 31.12.2021

Assets

| | Notes | 2021 DKK'000 | 2020 DKK'000 |
|------------------------------------|-------|-----------------|-----------------|
| Receivables from group enterprises | | 25 | 0 |
| Other investments | | 959,067 | 432,752 |
| Financial assets | 2 | 959,092 | 432,752 |
| Fixed assets | | 959,092 | 432,752 |
| Cash | | 3,034 | 328 |
| Current assets | | 3,034 | 328 |
| Assets | | 962,126 | 433,080 |

Equity and liabilities

| | Notes | 2021 DKK'000 | 2020 DKK'000 |
|--|--------------|-------------------------|-------------------------|
| Contributed capital | | 603,586 | 350,670 |
| Retained earnings | | 339,934 | 40,824 |
| Equity | | 943,520 | 391,494 |
| Payables to group enterprises | | 65 | 65 |
| Non-current liabilities other than provisions | | 65 | 65 |
| Bank loans | | 2,512 | 40,678 |
| Other payables | | 16,029 | 843 |
| Current liabilities other than provisions | | 18,541 | 41,521 |
| Liabilities other than provisions | | 18,606 | 41,586 |
| Equity and liabilities | | 962,126 | 433,080 |
| Employees | 3 | | |
| Contingent liabilities | 4 | | |

Statement of changes in equity for 2021

| | Contributed capital DKK'000 | Retained earnings DKK'000 | Total DKK'000 |
|---------------------------|-----------------------------------|---------------------------------|------------------|
| Equity beginning of year | 350,670 | 40,824 | 391,494 |
| Increase of capital | 252,916 | 0 | 252,916 |
| Profit/loss for the year | 0 | 299,110 | 299,110 |
| Equity end of year | 603,586 | 339,934 | 943,520 |

The total committed capital of the company is 767,865,000 DKK and consists of 767,865,000 limited partnership shares, of which 752,865,000 are Class A shares and 15,000 are Class B shares.

Total outstanding commitment is 164,279,597 DKK.

Notes

1 Other financial income

| | 2021 DKK'000 | 2020 DKK'000 |
|---------------------------|-----------------|-----------------|
| Exchange rate adjustments | 29,556 | (19,646) |
| Other financial income | 346 | 894 |
| | 29,902 | (18,752) |

2 Financial assets

| | Other investments DKK'000 |
|------------------------------------|---------------------------------|
| Cost beginning of year | 332,926 |
| Additions | 209,205 |
| Cost end of year | 542,131 |
| Revaluations beginning of year | 99,826 |
| Exchange rate adjustments | 12,572 |
| Fair value adjustments | 304,538 |
| Revaluations end of year | 416,936 |
| Carrying amount end of year | 959,067 |

Pr. 31.12.2021 the fund had 34 active investments.

Other investments consists of shares in byFounders VC Fund I K/S, where other investments are measured at fair value.

Other investments in byFounders VC I K/S comprise the following:

- 1) Equity investments in non-listed companies
- 2) SAFE notes (Simple Agreement for Future Equity)
- 3) Convertible debt instruments

The fund invests in unlisted equity investments within the venture environment. The investments are made through the above mentioned instruments, and as a result, the valuation is associated with uncertainty, just as the valuation is dependent on the future execution of the strategy by the individual companies. In periods of high economic uncertainty, the uncertainty surrounding the valuation will also be greater.

The Company has assets in both DKK, EUR and USD. As the fund is nominated in DKK, changes in currency rates can have significant effect on the value of the companies in DKK and hence the P/L effect.

The shares in byFounders VC Fund I K/S are measured in accordance with the relative part of the equity value, as the best expression of fair value.

3 Employees

The entity has no employees.

4 Contingent liabilities

The entity has no guarantees or contingent liabilities.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Reporting currency is Danish kroner (DKK).

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including start up expenses.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of fair value adjustments, interest, dividends, etc on fixed asset investments.

Other financial income

Other financial income comprises interest income

Other financial expenses

Other financial expenses comprise interest expenses and net capital or exchange losses on transactions in foreign currencies.

Balance sheet**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Other investments

Other investments comprise investments in portfolio companies, which are measured at fair value at the balance sheet date in accordance with the Danish Financial Statement Act § 37. Value adjustments are recognized in the income statement. The valuation is based on the price of recent investment, including currency adjustments consistent, with the IPEV Valuation Guidelines.

The valuation of simple agreements for future equity (SAFE-notes), depends on the valuation of the underlying companies. The SAFE-notes will only be exercised, if the underlying companies issue stocks, engage in an initial public offering or a change of the companies control occurs.

Cash

Cash comprises cash in bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.