

Den Sociale Kapitalfond Invest I K/S

*c/o Accura Advokatpartnerselskab
Tuborg Boulevard 1, 2900 Hellerup*

CVR no. 38 96 88 15

Annual Report 2021

Chairman



ERNESTO MENENDEZ

Approved at the Company's general partner meeting on 26/04/2022

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MANAGEMENT'S STATEMENT

The Management has today discussed and approved the Annual Report of Den Sociale Kapitalfond Invest I K/S for the financial year 1 January 2021 - 31 December 2021.

The Annual Report has been prepared in accordance with the International Financial Reporting Standards, which is approved by EU and further Danish disclosure requirements according to the Danish Financial Statements Act.

It is my opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations and cash flow for the financial year 1 January 2021 - 31 December 2021.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

I recommend that the Annual Report be approved at the General Partner meeting.

Copenhagen, 31 March 2022

On behalf of the General Partner:
Komplementarselskabet for Den Sociale Kapitalfond Invest I ApS

Simon Krogh
chairman

Gudmund Tyge Korsgaard

Sven Krogstrup

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT

To the Limited Partners of Den Sociale Kapitalfond Invest I K/S.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Den Sociale Kapitalfond Invest I K/S for the financial year 1 January - 31 December 2021, which comprise statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies.

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 International Financial Reporting Standards as adopted by the EU and further requirements in 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 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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT

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 judgment and maintain professional skepticism 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 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.

Copenhagen, 31 March 2022
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Martin Birch
State Authorised Public Accountant
mne42825

COMPANY INFORMATION

Company name	Den Sociale Kapitalfond Invest I K/S
CVR NO.	38 96 88 15
Address	c/o Accura Advokatpartnerselskab Tuborg Boulevard 1 DK-2900 Hellerup
Management	Komplementarselskabet for Den Sociale Kapitalfond Invest I ApS
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
General Partner (Authorised to sign for the Company)	Komplementarselskabet for Den Sociale Kapitalfond Invest I ApS c/o Accura Advokatpartnerselskab Tuborg Boulevard 1 DK-2900 Hellerup

MANAGEMENT'S REVIEW

Business activities

Den Sociale Kapitalfond Invest I K/S is Denmark's first social impact investment fund focusing on Small and Medium Sized Enterprises ("SMEs") creating financial return on investment as well as new opportunities for marginalized persons.

Den Sociale Kapitalfond Invest I K/S was established as a Limited Partnership in 2017, with the purpose to generate social impact and financial returns by investing in small and medium sized companies with economic growth potential and positive social impact on people and society, that are established and have headquarter in Denmark or Southern Sweden. The Limited Partnership had final closing on 12 October 2018 with a total commitment of DKK 289.3 million. The Fund is owned by Danish and international professional investors. The investors have entered into a limited partnership agreement.

Den Sociale Kapitalfond Invest I K/S is part of Den Sociale Kapitalfond group – a specialized, value-driven and professional investment group focused on developing and scaling impact investment products with the potential to combine financial returns and social impact for the benefit of marginalized groups in society.

Please see the group homepage for a further introduction to the background and investment philosophy of Den Sociale Kapitalfond: www.densocialekapitalfond.dk

Please see the homepage of Den Sociale Kapitalfond Invest for a further introduction to the Fund: www.skfinvest.dk.

Investment Strategy

Small and medium-sized enterprises account for the most significant share of value added and employment in the private sector in Denmark. Their growth potentials are often high, but they often lack equity investments, competences, and employee attractiveness to fully realize them.

In addition, SMEs are key contributors to the positive realization of the UN Sustainable Development Goals through their products and services, and many are socially run companies with positive local social impact: For example, more than a third of all Danish SMEs employ marginalized persons – and in 2015 approx. 10% of all SMEs had at least 10% or minimum 5 persons as marginalized employees.

Having products and services contributing to solving social and societal problems, and being socially inclusive and value driven, all strengthen the culture, identity, and brand of a company – and can be competitive advantages in markets where employer attractiveness, branding, and stakeholder support matter. Furthermore, following the growth in recent years of the ESG- and impact investment markets, well-positioned and well-performing impact companies are increasingly attractive for the growing number of ESG- and impact-seeking investors.

Den Sociale Kapitalfond Invest I K/S assists the social SMEs in realizing their full potential for growth, impact, and high value by contributing with equity capital as a minority or majority investor, for typically 4-7 years, with the possibility of involving professional co-investors, and supplement with subordinated loans. The investments are based on a focused growth plan with clear incentives and solid follow-up on financial and social results.

The Fund's management company provide continuous, qualified support to the portfolio companies' management teams in implementing the growth plans via board participation and among others providing sparring on strategy, financial and operational management, organizational development, and branding & marketing, as well as the attraction of the next generation of investors. Special focus is given to the development of the companies' social impact models, ensuring that they are optimally aligned and mutually reinforcing with their business models, and the ESG-performance in general. The Fund's management company also make active use of its strong network of competencies and contacts for the benefit of the portfolio companies.

Social Impact

A significant potential for creating positive social impact – and becoming a role model in

MANAGEMENT'S REVIEW

this regard for other companies to follow – is a prerequisite for the investments of Den Sociale Kapitalfond Invest I K/S. Specifically, the Fund focuses on empowering marginalized persons and persons in marginalized areas through the creation of jobs, training positions, education and enabling services and products.

The Fund's management company diligently assesses the past achievements as well as future potentials and targets of the social impact of all investments as part of its due diligence process. It measures the social impact of all portfolio companies, building on the approaches developed by Den Sociale Kapitalfond since 2011 and the social impact performance measurement methodology of the Social Impact Accelerator of the European Investment Fund. In brief, key steps in the methodology include:

- The Fund's management company initially assesses and performs a social impact due diligence based on an impact map for the company's social impact model, stakeholder interviews, and data assessments.
- The Fund's management company on this basis identifies 1-5 KPIs and 1 unique quantifiable target per KPI for social impact for each portfolio company and weigh these according to their relative importance, together with the company's owners and management.
- Initial targets are defined for the first three years of holding to anticipate early exit scenarios.
- In case of significant new information, change in the business environment beyond the control of the company's management, or a necessary change of strategy or business model, unique targets may be changed.
- The Fund's Investor Advisory Board validates the KPIs and targets – and potential changes.
- The Fund's management company continuously monitor and report on the impact of the portfolio companies – including the ratio of actual social impact / unique social target per KPI.
- These are weighted by importance if there are more than one KPI per portfolio company and summarized to in a Social Impact Multiple ("SIM") per company.
- For the total portfolio, each portfolio company SIM is weighted by invested capital per company and summarized in a "Portfolio SIM", representing the overall ratio of fulfilment of social impact goals on a portfolio level.

Each portfolio company makes an annual, auditor reviewed report on its social impact according to these guidelines. Together, these annual impact reports form the basis of a consolidated, audited portfolio impact report which is made available to the Fund's Limited Partners.

The impact measurement and management model are integrated into the Fund's carry model, which has a dual hurdle rate with both financial and social impact thresholds, ensuring that the management team has real "skin in the game" regarding the pursuit of both financial and social goals. Please see below.

The Fund has prepared a report on the status and progress of the Fund's social impact targets which is available on the Fund's website (www.skfinvest.dk).

Other social, environmental and governance responsibility policies

In addition to seeking to create attractive financial returns with a positive social effect, Den Sociale Kapitalfond Invest I K/S also seeks to strengthen positive effects as well as reduce any negative impacts on sustainability in general that the Fund's investments may have.

Accordingly, the investment policy seeks to optimize the potential for positive social impact through the portfolio companies for the Fund and to integrate environmental, social, and economic sustainability (ESG) risks and potentials in general in its work and comply with international goals and guidelines.

The Fund's management company screens for Environment, Social and Governance ("ESG") issues and where relevant works for improvement of ESG policies in portfolio companies, alongside the ongoing development of their social impact models. Among others, the companies' compliance with the UN Global Compact Initiative are assessed, and portfolio companies are required to comply with the 10 principles of the UN Global Compact.

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In addition, the UN Sustainable Development Goals – SDGs – are important landmarks for the Fund, and the management company accordingly works actively with the SDGs in the investment process and portfolio management. The positive and negative contributions of an investment opportunity to the fulfilment of the SDGs are included as a parameter in the management company's initial investment screening and is a separate point of focus in the due diligence processes for the Fund. In addition, once an investment is completed, the Fund as an active owner seeks to ensure that there is a positive development in the portfolio companies' contributions to the SDGs and continuously assesses the development in environmental and governance factors as well as potential sustainability risks.

Den Sociale Kapitalfond as a group is a signatory to UN PRI (Principles for Responsible Investment) and to UN Global Compact and thus follows and complies with the principles set out by these institutions, as well as the norms and conventions of the UN Declaration of Human Rights and UN Global Goals for Sustainable Development.

Furthermore, the Fund has in 2021 begun a new initiative for all the portfolio companies to ensure state-of-the-art approaches to measure, manage and reduce CO2 emissions, which will be implemented in 2022. This has been part of a larger ESG-impact project, in which the Fund in 2022, has begun developing an extended and more holistic impact management and measurement regime and ESG reporting for the portfolio companies and fund manager. The management expects to have the first iteration ready and implemented in 2022 and made available at www.skfinvest.dk.

A negative list is used to ensure that the Fund avoids financing activities that are assessed to be unsustainable in the long term.

In addition, the Fund follows policies and guidelines to act responsibly and with respect for relevant guidelines and good practice, which include policies on, e.g., risk management and prevention of money laundering, insider trading and ensuring proper handling of confidential material and data, policies for conflicts of interest management and for related party cooperation.

Den Sociale Kapitalfond Invest I K/S also follows the guidelines for responsible ownership and good corporate governance for private equity funds from Brancheforeningen for Aktive Ejere i Danmark. Please go to www.skfinvest.dk for a compliance overview.

The Fund is currently implementing the EU regulation on Sustainable Finance Disclosure to comply with the reporting requirements coming into effect in 2022 and 2023.

Organization and Governance of Den Sociale Kapitalfond Invest

Den Sociale Kapitalfond Invest Management ApS is the management company for Den Sociale Kapitalfond Invest I K/S.

Den Sociale Kapitalfond Invest Management ApS is led by the three partners Lars Jannick Johansen (Managing Partner), Torben Agerup (Partner) and Mads Aaen (Partner), who also form the management company's Board of Directors (together with Birgitte Frost Mathiesen from Den Sociale Kapitalfond Accelerator ApS), as well as the Investment Committee, which recommends investments to the General Partner of The Fund. The remuneration of the three partners is displayed in the annual report of the management company.

For a presentation of the management team, please go to www.skfinvest.dk.

Den Sociale Kapitalfond Invest Management ApS (CVR number 38428047) is registered with the Danish Financial Supervisory Authority as manager of alternative investment funds pursuant to § 9 section 1, cf. § 4 section 1, in the Act on managers of alternative investment funds (the AIFM Act), etc. The company is only to a limited extent subject to the AIFM Act and has thus not been affiliated with a depositary.

MANAGEMENT'S REVIEW

Den Sociale Kapitalfond Invest I K/S (CVR number 38968815) has as General Partner the Complementary company for Den Sociale Kapitalfond Invest I ApS (CVR number 38941585), which is led by a board with Simon Krogh (chairman), Tyge Korsgaard (director) and Sven Krogstrup.

The General Partner and its Board of Directors are responsible for the decisions on any investment in the Fund, based on the recommendations from the Investment Committee.

An Investor Advisory Board with representatives from the 7 largest investors, among other things, validate the social impact targets of the Fund's portfolio investments.

Den Sociale Kapitalfond Invest I K/S is owned by several Danish and international professional investors holding a total stake of c 98,9 %. The remaining stake is owned by the Partners of the management company, Den Sociale Kapitalfond Management ApS, and the Fund's Senior Advisors Jeppe Christiansen, Mads Øvlisen, Per Agger Nielsen and Peter Nørgaard.

Carried Interest

Den Sociale Kapitalfond Invest I K/S has been established with a management fee structure that resembles the normal standards in the private equity industry, with a fixed management fee and a carried interest dependent on the performance of the Fund.

However, the Fund's carried interest is based on both financial and social performance with a "double hurdle" or threshold, including both a financial hurdle and a social hurdle for fulfilment of social impact goals as approved by the Fund's Investor Advisory Board. If social impact at the time of exit does not meet the hurdle for realization of pre-approved social goals, carry is transferred to a charitable cause approved by the investors. Carried interest is paid on a fund-as-a-whole basis. Accordingly, no carried interest had been allocated or paid as of 31 December 2021.

Reporting

The reporting on fund activities is governed by the Limited Partnership Agreement. The Fund ensures quarterly and annual reporting on financial and social impact performance to its investors as the main reporting. The quarterly reports to investors are prepared in compliance with international best practice according to Invest Europe Investor Reporting Guidelines and the Limited Partnership Agreement. In addition, annual Limited Partner meetings are held as well as quarterly Investor Advisory Board meetings. For social impact reporting, please see above.

Development in activities and financial position

In 2021 focus has been on continued strengthening of the deal flow network and company contacts and on completing attractive social impact investments in line with the Fund's strategy.

In 2021, the Fund closed new investments in ProfilService A/S, Auto Mobil ApS and made a follow-on investment in HITSA A/S.

The COVID-19 pandemic has presented some challenges to the Fund's portfolio companies; however, they have all shown good results or developments in 2021 despite the continued COVID-19 situation.

Profit/loss for the year

The Fund's income statement for the year ended 31 December 2021 shows a profit of TDKK 59,680, and the balance sheet on 31 December 2021 shows an equity of TDKK 155,553. The result for the year reflects the number of investments made at this stage of the Fund.

Valuation principles

The Fund's valuation principles are in accordance with the Europe Investor Valuation Guidelines.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements are not subject to any uncertainty.

MANAGEMENT'S REVIEW

Unusual matters

The Fund's financial position on 31 December 2021 and the results of its operations for the financial year ended 31 December 2021 are not affected by any unusual matters.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the Fund's financial position.

Financial risks

Financial and other risks material to the financial statements is presented in section "Notes to the financial statements". Please refer to note 3. For information about the methods and assumptions used in determining fair value please refer to note 2 and 4.

Consolidated financial statements

The Company meets the conditions of being an investment entity and is exempt from preparing consolidated financial statements for 2021. For further explanation, please refer to the disclosures.

MANAGEMENT'S REVIEW

Portfolio company status:

HITSA A/S

Sector:	Industry. Urban furniture that promotes (urban) quality of life.
Social impact model:	Socially run company with focus on hiring and training people from the margins of the labor market
SDG impact:	HITSA's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	112 FTE in 2021
Location:	HQ in Kolding, Denmark, sales office in Malmö, Sweden, production sites in Kolding and Latvia
Fund's ownership:	Approx. 49% of HITSA, which owns 100% of HITSA International A/S (formerly VEKSØ A/S) and 100% of Lampas A/S
Investment year:	2018
Website:	www.hitsa.dk
Responsible partner(s):	Torben Agerup (board representative), Lars Jannick Johansen

About the company

HITSA A/S and its subsidiary HITSA International A/S (formerly VEKSØ A/S) and Lampas A/S are among the Nordic region's leading manufacturers of urban space solutions, with particularly focus on urban space furniture, bicycle products and solutions for public transport. Customers include municipalities, landscape gardeners, housing associations and contractors. The company has its main location in Denmark, Kolding, and subsidiaries in Latvia (production company) and Sweden (sales office). HITSA is a very socially responsible company, where management and employees take special care of each other. Among others, the company educates vulnerable young people and employs people from the margins of the labor market.

Developments in 2021

Commercially and financially, HITSA performed significantly better than budgeted in 2021. This was due to effects following the "one brand strategy" where the Veksø brand was closed and only the HITSA brand was marketed in the year. This resulted in stronger focus, better than budgeted sales, and significantly stronger project management, and supply chain efficiencies.

The social impact efforts and results have been at a very good level in the year – considering that the organization decreased during the year because of the "one brand strategy". HITSA's SIM goals were changed per Q4 2021 – as the SIM goals did not fit well with the strategy and operational reality of the company. HITSA had at the end of 2021 in total 13 employees in Denmark from the margins of the labor market out of a total of 75 employees in Denmark.

MANAGEMENT'S REVIEW

Koatek A/S

Sector:	Industry. Specialized mechanical workshop for instrument and tech manufacturers
Social impact model:	Socially run company with focus on hiring and training people from the margins of the labor market
SDG impact:	Koatek's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	85 FTE in 2021
Location:	Jægerspris, Denmark
Funds' ownership:	Approx. 45% of Metallum Holding, which owns 100% of Koatek A/S and 100% of Koatek Ejendomme ApS.
Investment year:	2019
Website:	www.koatek.dk
Responsible partner(s):	Mads Aaen (board representative)

About the company

Koatek A/S is a specialized mechanical manufacturer of high quality turned and milled components. The company is an order-producing manufacturer of components focusing on small series of high value – order sizes range from 150 to 15,000 units each year per order. Products are made in materials such as titanium, wolfram, aluminum, plastic and stainless steel. The company delivers to customers in various industries such as MedTech, energy, manufacturers of sensor technology, flow technology and instruments. Koatek is a socially responsible run company, among others educating vulnerable young people and employs people from the margins of the labor market.

Developments in 2021

The year has been characterized by a positive market development and customer demand has been solid. Commercial targets for the year have been exceeded. COVID 19 has continued to impact the business, and the company has had to take unusual measures to protect employees and efficient operations. In light of these challenges, commercial and financial performance has been very satisfactory. During the year, Koatek has maintained focus on the long-term positive development of the business and has completed several important investments and system upgrades during the year. Commercially, focus has been on retaining satisfied customers and to comply with delivery agreements and extending sales to existing customers.

In terms of social impact, Koatek overall performed better than the main social KPI targets for 2021 comprising targets for inclusiveness, job opportunities and education for marginalized persons. As per December 2021, Koatek had 15 employees from the margins of the labor market.

MANAGEMENT'S REVIEW

Refurb A/S

Sector:	IT asset disposal, refurbishment and sales
Social Impact model:	Socially run company with a focus on hiring and training people from the margins of the labor market
SDG impact:	Refurb's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	45 FTE in 2021
Location:	Hornslet, Denmark
Fund's ownership:	48% through the fund's wholly owned holding company SKFI Clean Holding ApS.
Investment year:	2020
Website:	www.refurb.eu
Responsible partner(s):	Lars Jannick Johansen (board representative) and Torben Agerup

About the company

Refurb buys, refurbishes and sells recycled computers, tablets and smartphones. The company collaborates with many large public and private organizations and companies to purchase used IT. With highly automated processes, Refurb then refurbishes the used IT and sells to brokers on the growing global market and to end-users in Denmark and the Nordics. About 80% of the CO₂ emissions related to IT products such as computers, tablets and smartphones come from the actual production of the equipment. By buying, refurbishing and selling used IT equipment, Refurb helps to save large amounts of CO₂. Also, Refurb is run with great social responsibility and employs, among others, several specialists with autism, and provides training opportunities for young persons with Autism Spectrum Disorders in cooperation with special education institution ASPIT.

Developments in 2021

Despite continued supply chain disruptions due to the covid pandemic, Refurb in 2021 has been able to significantly improve operating results. The company has been well on track over the year in implementing its strategy, including the fact that operational capacity has increased by more than 50%, driven by a strong and competent effort from employees and management. The company expects that the positive economic development will continue in 2021.

Following these developments in 2021, Refurb has also performed very well in terms of social impact, where the company focuses on providing training and employment opportunities for marginalized persons. Accordingly, Refurb had 13 employees from the margins of the labor market in December 2021.

MANAGEMENT'S REVIEW

Dan-Pal A/S

Sector:	Pallet production and recycling
Social Impact model:	Focus on hiring and training people from the margins of the labor market
SDG impact:	Dan-Pal's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	34 FTE in 2021
Location:	HQ in Karlslunde, and sites in Vamdrup and Faxe, Denmark
Fund's ownership:	40% of SKFI Pal Holding ApS which owns 100% of Danpal A/S.
Investment year:	2020
Website:	www.dan-pal.dk
Responsible partner(s):	Torben Agerup and Lars Jannick Johansen (board representatives)

About the company

Danpal manufactures new customized wood pallets and repair and recycle used pallets. Danpal sells approx. 2 million pallets per year. The company employs 34 people on three sites; a headquarter in Karlslunde (including with a sorting and repair facility), a production site in Faxe (of specialized wood pallets) and a sorting and repair facility site in Vamdrup. All sites are highly automated. Danpal has a strong focus environmental impact, which is why repair and recycling of wooden pallets is one of Danpal's core services. The company also has a strong tradition of taking responsibility for people from the margins of the labor market.

Development in 2021

Commercially and financially, Danpal performed significantly better than budgeted in 2021. This was due to a combination of winning new customers, good market conditions in general with high demands from customers, increasing wood prices and higher sales prices, and strong internal efficiency in the organization.

The social impact efforts and results have been at a very good level in the year. Danpal's SIM figures were realized ahead of the scheduled goals. At the end of 2021, Danpal lost 2 marginalized employees, and hence by the year end 5 employees were from the margins of the labor market.

MANAGEMENT'S REVIEW

ProfilService A/S

Sector:	Cleaning services
Social Impact model:	Traditional business run in a social way
SDG impact:	ProfilService's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	182 FTE in 2021
Location:	HQ in Karlslunde
Fund's ownership:	55% of SKFI Profil Holding ApS which owns 100% of ProfilService A/S.
Investment year:	2021
Website:	www.profilservice.dk
Responsible partner(s):	Mads Aaen and Lars Jannick Johansen (board representatives)

About the company

ProfilService was established in 1992 and is considered one of the leading independent collective-covered cleaning providers on Zealand, employing approx. 182 FTEs (2021) of unionized service employees who serve the company's growing base of customers consisting of public institutions, large corporations and SMEs.

Development in 2021

In 2021 COVID 19 represented additional challenges and required flexibility both at ProfilService and among customers. Despite this, the financial targets for the year have been met, and the results are satisfactory. ProfilService has during the year had a good development in keeping existing and attracting new customers, both for jobs with contract start during the year and the following year. Several key employees were invited and decided to become co-shareholders in SKFI Profil Holding during the year.

In terms of social impact, ProfilService overall performed better than the main social KPI targets for 2021 comprising targets for inclusiveness and job opportunities for persons from the margins of the labor market. As per December 2021, ProfilService had 65 employees from the margins of the labor market.

MANAGEMENT'S REVIEW

Auto Mobil ApS

Sector:	Disability cars – construction, sale, buy and rental
Social Impact model:	Socially run business and a social business in itself
SDG impact:	Auto Mobil's SDG impact will be described and elaborated on in the company's new ESG report to be published during 2022.
Number of employees:	18 FTE in 2021
Location:	HQ in Greve, branch in Vorbasse (central Jutland)
Fund's ownership:	38.8%
Investment year:	2021
Website:	www.auto-mobil.dk
Responsible partner(s):	Torben Agerup (board representative)

About the company

Auto Mobil makes specialized vans and cars available for people with mobility-related disabilities – through a multi-platform offering combining sales and disability adaptations/interior design of both new and used cars supplemented with rentals of disability cars through different channels, including an online-platform.

Development in 2021

SKFI invested late March 2021. Commercially and financially, Auto Mobil performed below budgeted in 2021. This was primarily due to shortages of microchips for the car industry – which resulted in less new supplies of vans to the European market. Customer requests were strong and as expected in the year. In the summer of 2021 Auto Mobil acquired AutoMax in Vorbasse.

The social impact efforts and results have been at a very good level in the year – where the intermediate social impact goal for the full year was met after only 9 months. Even though marginalized employees in the organization are not the main social impact goal, Auto Mobil employs 5 people from the margins of the labor market out of 18 employees at the end of 2021.

FINANCIAL HIGHLIGHTS**Financial Highlights**

The financial highlights for the Fund per December 31, 2021, were as follows (2019, 2018 and 2017 are presented according to the Danish Financial Statement Act):

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
	TDKK	TDKK	TDKK	TDKK	TDKK
Financial highlights					
Value adjustments of investments	69,642	2,584	4,912	0	0
Financial income/expense	-18	322	-2	-24	0
Net profit/loss for the year	59,680	-9,165	-3,719	-10,748	-3,013
Total non-current assets	155,911	50,070	27,150	12,050	0
Total assets	156,385	59,431	27,150	12,143	1
Equity	155,553	58,993	26,687	11,695	-32

STATEMENT OF COMPREHENSIVE INCOME

	Note	2021 TDKK	2020 TDKK
Value adjustment of investments		69,642	2,584
Other external costs		-9,944	-9,487
Operating profit/(loss) (EBIT)		59,698	-6,903
Financial income		0	366
Financial expenses		-18	-44
Profit/(loss) before tax		59,680	-6,581
Tax on net profit/(loss) for the year		0	0
Net profit/(loss) for the year		59,680	-6,581
Other comprehensive income		0	0
Comprehensive income		59,680	-6,581

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK	<u>1 January 2020</u> TDKK
ASSETS				
Investments in subsidiaries	4+5	18,085	50	0
Investments in associates	4+5	137,826	59,020	27,150
Total non-current assets		155,911	59,070	27,150
Other receivables		2	0	0
Prepayments		0	63	0
Total receivables		2	63	0
Cash and cash equivalents		472	298	0
Total cash and cash equivalents		472	298	0
Total assets		156,385	59,431	27,150
EQUITY AND LIABILITIES				
Contributed capital		121,684	84,80	45,917
Revaluation reserve		77,138	7,496	0
Retained earnings/(losses)		-43,269	-33,307	-19,230
Total equity		155,553	58,993	26,687
Trade payables		832	438	363
Other payables		0	0	100
Total short-term liabilities		832	438	463
Total liabilities		832	438	463
Total liabilities and equity		156,385	59,431	27,150

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS 2020 AND 2021

	Contributed capital TDKK	Revaluation reserve TDKK	Retained earnings TDKK	Equity TDKK
Balance 1 January 2020	45,917	4,912	-24,142	26,687
Capital increase	38,887	0	0	38,887
Capital reduction	0	0	0	0
Result of the year	0	2,584	-9,165	-6,581
Limited partners equity total 31 December 2020	84,804	7,496	-33,307	58,993

	Contributed capital TDKK	Revaluation reserve TDKK	Retained earnings TDKK	Equity TDKK
Balance 1 January 2021	84,804	7,496	-33,307	58,993
Capital increase	36,880	0	0	36,880
Capital reduction	0	0	0	0
Result of the year	0	69,642	-9,962	59,680
Limited partners equity total 31 December 2021	121,684	77,138	-43,269	155,553

CASH FLOW STATEMENT

	<u>2021</u> TDKK	<u>2020</u> TDKK
Operating profit/(loss) (EBIT)	59,698	-6,903
Purchase of financial investments (portfolio Companies)	-27,199	-29,336
Proceeds from financial investments	0	0
Value adjustment of investments (unrealized)	-69,642	-2,584
Realized gain/loss from financial investments	0	0
Change in working capital	455	-88
Financial income received	0	366
Financial expense paid	-18	-44
Cash flow from operating activities	<u>-36,706</u>	<u>-38,589</u>
Paid in contributed capital	36,880	38,887
Distributions paid to limited partners	0	0
Proceeds from borrowings	0	0
Cash flow from financing activities	<u>36,880</u>	<u>38,887</u>
Net increase in cash and cash equivalents	<u>174</u>	<u>298</u>
Cash and cash equivalents at the beginning of the year	298	0
Cash and cash equivalents at the end of the year	<u>472</u>	<u>298</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

General information

The Annual Report of the Company has been prepared in accordance with the provisions of the International Financial Reporting Standard which is approved by the EU and further disclosure requirements according to the Danish Financial Statements Act for Class B as well as selected rules applying to reporting class C.

The Annual Report is prepared in TDKK which is the functional currency of the Company.

The most significant elements of the accounting principles applied are described below.

First time adoption

These financial statements are the first consolidated financial statements that is presented in accordance with IFRS. The comparative figures for 2020 in the income statement, and the balance sheet items at 1 January 2020 and 31 December 2020 were restated in accordance with IFRS. The accounting policies applied are based on the standards and interpretations effective at 1 January 2022. No standards or interpretations, which are not yet effective have been adopted.

The disclosures required by IFRS 1, First-time adoption of International Financial Reporting Standards, concerning the transition from the Danish Financial Statement Act to IFRS are provided in note 11.

Implementation of new standards, amendments and interpretations

The Company has assessed the effect of the new standards, amendments and interpretations. The Company has concluded that all standards, amendments and interpretations effective for financial years beginning on or after 1 January 2022 are either not relevant to the Company or have no significant effect on the Financial Statements of the Company.

Explanation on omitting consolidated financial statements

Den Sociale Kapitalfond Invest I K/S has multiple unrelated investors and holds multiple investments in both subsidiaries and in associates. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- 1) The Company has obtained funds for the purpose of providing investors with professional investment management services,
- 2) the Company's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income and
- 3) the investments are measured and evaluated on a fair value basis.

As the Company meets the conditions above, it is exempt from consolidating its subsidiaries. Instead, it records its controlled investments as financial assets at fair value through profit or loss.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.

NOTES TO THE FINANCIAL STATEMENTS

Balance sheet

Investments in portfolio companies etc.

Investments in subsidiaries, associates, other securities and investments comprise investments in portfolio companies and are measured at fair value on the balance sheet date. Value adjustments are recognised in the income statement.

Investments in portfolio companies are measured according to the guidelines of the "International Private Equity and Venture Capital" (IPEV) "Valuation Guidelines" which is why investments are recognised at fair value at the balance sheet date.

Unlisted portfolio companies are valued either by way of a capital increase round or part sale based on the value of comparable companies as well as by applying traditional measurement methods.

Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value for unlisted equity securities are determined by the General Partner using valuation techniques. Such valuation techniques may include earnings multiples and discounted cash flows. The Partnership adjust the valuation model as deemed necessary for factors such as non-maintainable earnings, tax risk, growth stage and cash traps.

In determining fair value, the General Partner in many instances relies on the financial data of investee portfolio companies and on estimates by the management of the investee portfolio companies as to the effect of future developments. Although the General Partner uses its best judgement, and cross-references results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques.

The fair value estimates presented herein are not necessarily indicative of an amount the Partnership could realise in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

Receivables

Receivables are measured at amortised cost. Write-downs for bad debt are based on individual assessment of receivables.

Equity

An amount corresponding to net positive unrealised value adjustments of investments in subsidiaries and associated companies is presented as "revaluation reserve" under the equity.

Liabilities

Liabilities are measured at amortised cost equal to nominal value.

NOTES TO THE FINANCIAL STATEMENTS

Comprehensive income statement

Value adjustments of investments

The value adjustment of investments in portfolio companies comprises value adjustment realized from sale and value adjustments unrealized from any revaluation or impairment of investments in portfolio companies at fair value. Dividend received from investments are included in value adjustments.

Other external costs

Management fee comprises of management fee for the period calculated according to the Limited Partnership Agreement. Administrative expenses comprise expenses for establishing the Company and managing the operations of the company, including audit costs, legal advisors and other general expenses.

Financial items

Financial income and expense and similar items are recognised in the income statement with the amounts relating to the reporting period. Net financials include interest income and expense and realised and unrealised exchange rate gains and losses on foreign currency transactions.

Tax on profit/loss for the year

The Company is not independently liable to tax and consequently tax has not been recognized.

Cash Flow Statement

The cash flow statement shows the Company's cash flows for the year broken down by operating and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items. Working capital comprises movements related to investments, current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from financing activities comprise cash flows from payments/distributions and contributions to and from shareholders/limited partners.

Cash and cash equivalents comprise "Cash at bank and in hand" as well as balances in "Credit institutions". The cash flow statement cannot be immediately derived from the published financial records.

NOTES TO THE FINANCIAL STATEMENTS

2. Critical accounting estimates and judgments

Den Sociale Kapitalfond Invest I K/S makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below. Please refer to note 4 for further details on critical accounts estimates and judgments.

Fair value of investments

The fair value of securities that are not quoted in an active market are determined by using valuation techniques described below. The Company's general partner seeks to adhere to Invest Europe's IPEV Valuation Guidelines.

The general partner has chosen to adopt different valuation techniques depending on the portfolio company. For holdings owned for 12 months or more with substantial and sustainable cash flow or earnings, the general partner has adopted a valuation technique using EBITDA. For holdings without significant profits or positive cash flow or owned for less than 12 months, the general partner has maintained cost or the price of a recent investment or the use of multiples based on revenues. Please refer to note 4 for further details on the valuations models and processes.

3. Financial risks and financial instruments

The objective of the Partnership is to achieve medium to long-term positive impact and capital growth through investing in a selection of unlisted private companies operating mainly in the Danish market.

The Partnership's activities expose it to a variety of financial risks: operating risk, market risk, foreign exchange risk, interest rate risk and credit risk.

Special operating risks, market risks and foreign exchange risks

Operating risks

The object of the Company is to contribute venture capital to competitive enterprises. The most important risk factor is therefore changes in the value of the investments made in portfolio companies.

Market risks

The Partnership's Investment Advisor, Den Sociale Kapitalfond Invest Management ApS, provides the General Partner and Partnership with investment recommendations. The Investment Advisor's recommendations are reviewed and approved by the General Partner before the investment decisions are implemented. To manage the market price risk, the Investment Advisor, as engaged by the General Partner to do so, reviews the performance of the portfolio companies on a quarterly basis and is often in contact with the management of the portfolio companies for business and operational matters. Any relevant results of these reviews are communicated to the Partnership.

The portfolio of investments is well diversified among various industries. However, the majority of the investments are in Denmark and a negative event in the Danish capital market would most likely affect the financing and/or exit possibilities in general.

Foreign exchange risks

The Company has no significant risk to changes in the exchange rate since all portfolio investments are made in DKK corresponding to the Company's chosen currency.

NOTES TO THE FINANCIAL STATEMENTS

Foreign exchange sensitivity

The Company is less sensitive to changes in the exchange rate since all portfolio investments are made in DKK corresponding to the Company's chosen currency.

Interest rate risks

The Company is less sensitive to changes in the interest level. Cash carries current interest at fixed-term deposits.

Credit risks

The Company has no significant receivables, why the credit risk is minimal.

Capital risk management

The capital of the Partnership is represented by the net assets attributable to the partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitment from the limited partners or distribute funds to the limited partners.

4. Fair value estimation

Methods and assumptions in determining fair value

The valuations process

The valuations are prepared by the relevant team of the Investment Advisor and are reviewed on a quarterly basis as well as per year end by the Investment Advisor who report and make recommendations to the general partner. The recommendations are reported on a quarterly basis, in line with the quarterly valuations that are provided to investors. The Investment Advisor 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 General Partner for Partnership's investments, the Investment Advisor utilizes comparable trading multiples in arriving at the valuation. In accordance with the Partnership's policy the Investment Advisor determines appropriate public companies based on industry, size, development stage, revenue generation and strategy. The Investment Advisor then calculate a trading multiple for each comparable company identified and the mean multiple of the peer group. The multiple is calculated by dividing the enterprise value (EV) with EBITDA or Sales. The valuation multiple for an investment is calculated by indexing the entry multiple to the development of the mean multiple of the peer group since entry.

In determining the continued appropriateness of the chosen valuation techniques, the valuation committee may perform back testing to consider the various models' actual results and how they have historically aligned with the market transactions.

Fair value hierarchy for financial instruments

International Financial Reporting Standards require Den Sociale Kapitalfond Invest I K/S to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

NOTES TO THE FINANCIAL STATEMENTS

Level 1: inputs are quoted (unadjusted) in active markets for identical assets or liabilities that Den Sociale Kapitalfond Invest I K/S can access at the measurement date;

Level 2: inputs are inputs other than quoted prices included within level 1 that are observable for the assets or the liability, either direct or indirect;

Level 3: inputs are unobservable inputs that have been applied in valuing the respective asset or liability.

The determination of what constitutes "observable" requires significant judgement by Den Sociale Kapitalfond Invest I K/S. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are involved in the relevant market.

The following table shows the classification of the financial instruments, measured at fair value. The values is classified in respect of the fair value hierarchy.

	Level 1 MDKK	Level 2 MDKK	Level 3 MDKK	Total MDKK
2021				
Quoted investments (portfolio Companies)	0	0	0	0
Unquoted investments (portfolio Companies)	0	0	156	156
Financial instruments, measured at fair value	0	0	156	156
2020				
Quoted investments (portfolio Companies)	0	0	0	0
Unquoted investments (portfolio Companies)	0	0	59.1	59.1
Financial instruments, measured at fair value	0	0	59.1	59.1

NOTES TO THE FINANCIAL STATEMENTS

Significant unobservable inputs at level 3

Investments classified within level 3, has 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 investments within level 3, 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 matter which are considered in the valuation process. Where appropriate the Investment Advisor also track peer group company multiples, recent transaction results and credit ratings for similar companies.

	<u>EV/EBITDA</u> Range used	<u>EV/EBITDA</u> Weighted average
Level of applied EBITDA multiples, 2021	6.0 – 10.8	7.87
Level of applied EBITDA multiples, 2020	5.7 - 6.9	6.20

For 2021 the change in valuations are mainly driven by the performance in investments.

Sensitivity analyse

The fair value of the Company's portfolio companies is affected by the development in applied multiples. 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 of development in general macro – economic conditions.

A change of applied multiples of 10 % will have the following effect on the fair value.

Change in applied multiples of 10%, 2021 – MDKK 16.4

Change in applied multiples of 10%, 2020 – MDKK 5.8

5. Financial assets at fair value through profit or loss

Company Classification	Geography	2021		2020	
		<u>Cost of investment</u> MDKK	<u>Fair value</u> MDKK	<u>Cost of investment</u> MDKK	<u>Fair value</u> MDKK
SME	Denmark	78.7	155.8	56.2	59.1
Small and medium-sized enterprises		<u>78.7</u>	<u>155.8</u>	<u>56.2</u>	<u>59.1</u>

NOTES TO THE FINANCIAL STATEMENTS

Category of investment

The holdings are small and medium-sized enterprises with revenue of less than EURm 50 at time of entry. All holdings contributes with social impact on one or more of the agendas being a) employing marginalized persons, b) empowering marginalized persons through products & services and/or c) creating local opportunities in socially deprived areas.

Investments in subsidiaries

Investment (2021)	<u>Place of registered office</u>	<u>Currency</u>	<u>Share capital</u> Local Currency	<u>Votes and ownership</u>	<u>Equity at last reporting date</u>	<u>Net profit/loss for the last reported year</u>
SKFI Profil Holding ApS	Copenhagen, Denmark	TDKK	150	55%	35,645	2,845
Investment (2020)	<u>Place of registered office</u>	<u>Currency</u>	<u>Share capital</u> Local Currency	<u>Votes and ownership</u>	<u>Equity at last reporting date</u>	<u>Net profit/loss for the last reported year</u>
SKFI Profil Holding ApS	Copenhagen, Denmark	TDKK	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Investments in associates

Investment (2020)	Place of registered office	Currency	Share capital Local Currency	Votes and ownership	Equity at last reporting date	Net profit/loss for the last reported year
Auto Mobil ApS	Greve, Denmark	TDKK	86	39%	10,042	234
SKFI Pal Holding ApS	Greve, Denmark	TDKK	500	40%	38,375	9,375
Metallum Holding ApS	Copenhagen, Denmark	TDKK	150	45%	43,365	9,162
SKFI Urban Holding ApS	Kolding, Denmark	TDKK	839	49%	21,852	1,146
SKFI Clean Holding ApS	Syddjurs, Denmark	TDKK	400	48%	7,397	-27

Investment (2020)	Place of registered office	Currency	Share capital Local Currency	Votes and ownership	Equity at last reporting date	Net profit/loss for the last reported year
Auto Mobil ApS	Greve, Denmark	TDKK	-	-	-	-
SKFI Pal Holding ApS	Greve, Denmark	TDKK	-	-	-	-
Metallum Holding ApS	Copenhagen, Denmark	TDKK	150	45%	34,089	4,120
SKFI Urban Holding ApS	Kolding, Denmark	TDKK	-	-	-	-
SKFI Clean Holding ApS	Syddjurs, Denmark	TDKK	400	48%	7,397	1,583

NOTES TO THE FINANCIAL STATEMENTS

6. Limited partners equity

Limited Partners' and General Partner's total committed capital is MDKK 289 of which MDKK 169 is not yet called.

Capital reduction comprise of return of capital and distributions from investment companies.

7. Personnel expenses

The Company has no expenses to personnel,

Average number of employees 2021, 0.

Average number of employees 2020, 0.

8. Related party transactions

The following transactions has occurred with other related parties:

	2021 TDKK	2020 TDKK
Management fee	8,258	8,121
Total expenses	8,258	8,258

9. Subsequent events

No significant events have occurred after the balance sheet date, which could have influence on the evaluation of the Annual Report.

10. First time adoption of IFRS

These financial statements for the year ended 31 December 2021 are the first the Company has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2020 the Company prepared its financial statements in accordance with The Danish Financial Statements Act ("Danish GAAP").

The Company has prepared financial statements that comply with IFRS applicable as at 31 December 2021, together with the comparative period data for the year ended 31 December 2020.

In preparing the financial statements, the Company's opening statements of financial position was prepared as at 1 January 2020.

Because the Company has measured financial instruments according to fair value principles, the Company has not applied any mandatory or elective exemptions in the financial statements included in this report. The change has improved the net profit for the year with TDKK 6,750 but has no effect on the equity. Other changes has primarily comprised additional disclosures in the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation of total comprehensive income for the year ended 31 December 2020

	<u>2020</u> TDKK
Total comprehensive income Danish Financial Statements Act <i>Adjustments</i>	-13,331
Value adjustment of investments	<u>6,750</u>
Total comprehensive income - IFRS	<u>-6,581</u>

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Gudmund Tyge Korsgaard

Partner

På vegne af: Den Sociale Kapitalfond Invest I K/S

Serienummer: PID:9208-2002-2-513343591516

IP: 87.49.xxx.xxx

2022-03-31 08:08:09 UTC

NEM ID 

Sven Krogstrup

Partner

På vegne af: Den Sociale Kapitalfond Invest I K/S

Serienummer: PID:9208-2002-2-843946367573

IP: 80.197.xxx.xxx

2022-03-31 08:26:45 UTC

NEM ID 

Simon Krogh

Partner

Serienummer: PID:9208-2002-2-394930322321

IP: 83.95.xxx.xxx

2022-03-31 22:05:39 UTC

NEM ID 

Niels Henrik B. Mikkelsen

Statsautoriseret revisor

Serienummer: CVR:33771231-RID:54907958

IP: 83.136.xxx.xxx

2022-04-01 04:49:22 UTC

NEM ID 

Martin Birch

Statsautoriseret revisor

Serienummer: CVR:33771231-RID:55355084

IP: 83.136.xxx.xxx

2022-04-01 06:26:54 UTC

NEM ID 

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