



Scale Capital Fund II K/S

Amerika Plads 26, st.
2100 København Ø
CVR No. 40583033

Annual report 2020

The Annual General Meeting adopted the
annual report on 26.05.2021

Chairman

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	8
Balance sheet at 31.12.2020	9
Statement of changes in equity for 2020	11
Notes	12
Accounting policies	13

Entity details

Entity

Scale Capital Fund II K/S

Amerika Plads 26, st.

2100 København Ø

CVR No.: 40583033

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Henning Heiberg Andersen

Claus Nielsen

Jacob Høeg Madsen, formand

Kasper Mule Scott Struve

Executive Board

Kenneth Michael Grunow

Lars Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Scale Capital Fund II K/S for the financial year 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 27.04.2021

Executive Board

Kenneth Michael Grunow

Lars Jensen

Board of Directors

Henning Heiberg Andersen

Claus Nielsen

Jacob Høeg Madsen
formand

Kasper Mule Scott Struve

Independent auditor's report

To the shareholders of Scale Capital Fund II K/S

Opinion

We have audited the financial statements of Scale Capital Fund II K/S for the financial year 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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 of 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.

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, 27.04.2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Michael Thorø Larsen

State Authorised Public Accountant

Identification No (MNE) mne35823

Rikke Frydkjær Petersen

State Authorised Public Accountant

Identification No (MNE) mne46616

Management commentary

Primary 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 or partly owned holding companies.

Development in activities and finances

Profit for the year amounts to DKK 2,1 million.

Uncertainty relating to recognition and measurement

The recognition and measurement of items in the annual report is associated with some uncertainty due to investments in portfolio companies being unlisted investments in venture companies.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

The outbreak and spread of COVID-19 has not had and is not expected to have a significant effect on the company's financial position and development.

Income statement for 2020

	Notes	2020 DKK'000	2019 DKK '000
Other external expenses	1	(165)	(809)
Gross profit/loss		(165)	(809)
Income from financial assets		2,358	1,436
Other financial expenses		(21)	(19)
Profit/loss for the year		2,172	608
Proposed distribution of profit and loss:			
Retained earnings		2,172	608
Proposed distribution of profit and loss		2,172	608

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Other investments		57,796	42,046
Financial assets	2	57,796	42,046
Fixed assets		57,796	42,046
Prepayments		14	15
Receivables		14	15
Cash		1,650	5,457
Current assets		1,664	5,472
Assets		59,460	47,518

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		56,598	46,598
Retained earnings		2,780	608
Equity		59,378	47,206
Other payables		82	312
Current liabilities other than provisions		82	312
Liabilities other than provisions		82	312
Equity and liabilities		59,460	47,518
Contingent liabilities	3		
Assets charged and collateral	4		

Statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	46,598	608	47,206
Increase of capital	10,000	0	10,000
Profit/loss for the year	0	2,172	2,172
Equity end of year	56,598	2,780	59,378

Capital not called as of 31.12.2020 amounts to 67,2 mio.kr.

Notes

1 Other external expenses

The company has no employees and the Executive Board and Board of Directors have not received any remuneration.

2 Financial assets

	Other investments DKK'000
Cost beginning of year	40,611
Additions	13,282
Cost end of year	53,893
Revaluations beginning of year	1,435
Revaluations for the year	2,468
Revaluations end of year	3,903
Carrying amount end of year	57,796

The recognition and measurement of other investments are associated with some uncertainty due to investments in portfolio companies are unlisted investments in venture companies. The investments in portfolio companies are located in both DK and the USA, and therefore fair value is also dependent on exchange rates. Revaluations for the year is both comprised of fair value adjustments and exchange rates.

3 Contingent liabilities

The company has outstanding commitment of TDKK 1,426.

4 Assets charged and collateral

The company has a collateral of TDKK 1,500 DKK for AIRTAME ApS. There are no assets charged.

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 certain provisions for reporting class C.

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

The annual report is presented in TDKK.

Material uncertainty related to recognition and measurement

The recognition and measurement of items in the annual report is associated with some uncertainty due to investments in portfolio companies being unlisted investments in venture companies.

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.

Income statement

Other external expenses

Other external expenses include expenses relating to administration etc.

Management fee comprises of management fee for the period calculated according to the Limited Partnership Agreement.

Income from other financial assets investments

Income from other financial asset investments comprises gains in the form of interest, dividends, and fair value adjustments etc on investments which are not investments in group enterprises or associates.

Other financial expenses

Other financial expenses comprise interest expenses.

Balance sheet

Other investments

Other investments comprise investments in portfolio companies and are measured at fair value on the balance sheet date.

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.

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 in accordance with the Danish Financial Statement Act §37. Revaluations are included in the profit and loss account.

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. Management assesses as part of the valuation process whether there have been changes in the investment companies customer relationships, earnings or similar, since the most recent investment round which may result in adjustments to the value.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other financial liabilities

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