



## Scale Capital Fund II K/S

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

## Annual report 2023

The Annual General Meeting adopted the annual report on 19.03.2024

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**Jacob Høeg Madsen**  
Chairman of the General Meeting

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# Entity details

## Entity

Scale Capital Fund II K/S  
Amerika Plads 26 A, st.  
2100 København Ø

Business Registration No.: 40583033  
Registered office: København  
Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Jacob Høeg Madsen  
Claus Nielsen  
Henning Heiberg Andersen  
Kasper Mule Scott Struve

## Executive Board

Kenneth Grunow

## 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 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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, 28.02.2024

**Executive Board on behalf of Scale GP ApS**

**Kenneth Grunow**

**Board of Directors**

**Jacob Høeg Madsen**

**Claus Nielsen**

**Henning Heiberg Andersen**

**Kasper Mule Scott Struve**

# Independent auditor's report

## To the limited partners 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 01.01.2023 - 31.12.2023, 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 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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, 28.02.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Michael Thorø Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne35823

**Rikke Frydkjær Hansen**

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.

## 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.

## Statutory report on corporate social responsibility

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## 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.



# Income statement for 2023

	Notes	2023 DKK	2022 DKK
Fair value adjustments of other investment assets		11,980,051	(76,857)
Other external expenses		(343,111)	(523,694)
<b>Gross profit/loss</b>		<b>11,636,940</b>	<b>(600,551)</b>
Income from financial assets		572,422	23,895,115
Other financial income		1,239,837	17,817,301
Other financial expenses		(42,914)	(75,611)
<b>Profit/loss for the year</b>		<b>13,406,285</b>	<b>41,036,254</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		13,406,285	41,036,254
<b>Proposed distribution of profit and loss</b>		<b>13,406,285</b>	<b>41,036,254</b>

# Balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Other investments		136,737,376	112,250,765
<b>Financial assets</b>	1	<b>136,737,376</b>	<b>112,250,765</b>
<b>Fixed assets</b>		<b>136,737,376</b>	<b>112,250,765</b>
Other receivables		25,719	16,426,436
Prepayments		0	16,645
<b>Receivables</b>		<b>25,719</b>	<b>16,443,081</b>
<b>Cash</b>		<b>1,460,975</b>	<b>63,093</b>
<b>Current assets</b>		<b>1,486,694</b>	<b>16,506,174</b>
<b>Assets</b>		<b>138,224,070</b>	<b>128,756,939</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Contributed capital		119,098,460	103,598,460
Retained earnings		19,079,700	23,073,413
<b>Equity</b>		<b>138,178,160</b>	<b>126,671,873</b>
Other payables		45,910	2,085,066
<b>Current liabilities other than provisions</b>		<b>45,910</b>	<b>2,085,066</b>
<b>Liabilities other than provisions</b>		<b>45,910</b>	<b>2,085,066</b>
<b>Equity and liabilities</b>		<b>138,224,070</b>	<b>128,756,939</b>
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# Statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	103,598,460	23,073,413	126,671,873
Increase of capital	15,500,000	0	15,500,000
Extraordinary dividend paid	0	(17,399,998)	(17,399,998)
Profit/loss for the year	0	13,406,285	13,406,285
<b>Equity end of year</b>	<b>119,098,460</b>	<b>19,079,700</b>	<b>138,178,160</b>

The Partners have committed themselves to contributing up to DKK 140,148 thousand into the Fund, when new capital is required for making investments, paying fund costs etc. Of the total committed capital, the Partners have paid-in net DKK 119,098 thousand at 31.12.2023, and the remaining contribution balance is DKK 21,050 thousand.

# Notes

## 1 Financial assets

	<b>Other investments DKK</b>
Cost beginning of year	85,273,340
Additions	11,433,260
<b>Cost end of year</b>	<b>96,706,600</b>
Revaluations beginning of year	26,977,425
Revaluations for the year	13,053,351
<b>Revaluations end of year</b>	<b>40,030,776</b>
<b>Carrying amount end of year</b>	<b>136,737,376</b>

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.

The Fund makes investments in non-listed companies, where the ability to divest and the companies' earnings are influenced by various factors, and the fair market valuation includes judgements and estimates. The fair market valuation of the investments in portfolio companies is therefore subject to uncertainties and the investments will not at all times be liquid as different market conditions may influence liquidity.

This uncertainty may be greater in periods of high volatility in the financial markets, and the business cycle also affects earnings in the underlying companies.

The fair values of the individual portfolio companies are calculated on the basis of methods that best reflect individual investment risks, life cycle, and industry conditions. Generally applicable, the fair value is calculated in accordance with IPEV valuation guidelines and accepted valuation methods.

The fair value of the investments are measured on a quarterly basis, or more frequently if significant changes occur.

The Fund Manager has implemented procedures and methodology to ensure that the valuation is carried out consistently over time and across investments.

Investments in portfolio companies made in the financial year are recorded at fair value based on the cost price. Taking into account the timing of the investment, as well as the fact that these are unlisted smaller companies, the cost price is considered to be the best estimate of the fair value.

This can be particularly justified by the fact that the investments in these portfolio companies were made between independent parties within the last 12 months at the end of the accounting period. Since the time of investment, no significant internal or external events have occurred which are considered to have changed the

fair value.

Investments in portfolio companies made more than 12 months ago are recorded at fair value based upon latest capital increase round or part sale based on the value of comparable companies as well as by applying traditional measurement methods.

## 2 Employees

The Entity has no employees other than the Executive Board. The Executive Board has not received any remuneration.

## 3 Fair value information

	Unlisted Investments <b>DKK</b>
Fair value end of year	136,738,253
Unrealised fair value adjustments recognised in the income statement	11,980,928

The unrealised fair value adjustments is based upon latest capital increase round in the investments in portfolio companies.

## 4 Contingent liabilities

The company has no 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.

## 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

### Fair value adjustments of other investment assets

Fair value adjustments of other investment assets comprise adjustments for the financial year of the Entity's investment assets measured at fair value at the balance sheet date.

### 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 fixed asset 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 income

Other financial income comprises dividends etc. received on other investments.

### 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.

### Receivables

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

### 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.