
PreSeed Ventures Tech Fund I K/S

Diplomvej 381, DK-2800 Kongens Lyngby

Annual Report for 1 January - 31 December 2021

CVR No 41 44 50 41

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/3 2022

Christel Arpalice Piron
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Management's Statement

The Executive Board has today considered and adopted the Annual Report of PreSeed Ventures Tech Fund I K/S for the financial year 1 January - 31 December 2021.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

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

Kongens Lyngby, 28 March 2022

Executive Board

Christel Arpalice Piron
PSV GP Tech Fund I ApS

Helle Lund Uth
PSV GP Tech Fund I ApS

Richard Breiter
PSV GP Tech Fund I ApS

Alexander Korre Viterbo-Horten
PSV GP Tech Fund I ApS

Independent Auditor's Report

To the shareholders of PreSeed Ventures Tech Fund I K/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of PreSeed Ventures Tech Fund I K/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

Independent Auditor's Report

ment, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

Independent Auditor's Report

- 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.

Hellerup, 28 March 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen

statsautoriseret revisor

mne16675

Company Information

The Company

PreSeed Ventures Tech Fund I K/S
Diplomvej 381
DK-2800 Kongens Lyngby

CVR No: 41 44 50 41

Financial period: 1 January - 31 December

Municipality of reg. office: Kongens Lyngby

Executive Board

Christel Arpalice Piron

Helle Lund Uth

Richard Breiter

Alexander Korre Viterbo-Horten

Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK-2900 Hellerup

Management's Review

Key activities

The limited partnership's purpose is to generate a return on the limited partnership's capital by making investments in technology companies mainly located in Denmark.

Development in the year

After a successful final closing of the Fund on October 8, 2021 the committed capital in this annual report amounts to DKK 411.5M. The result for the year showed a profit of DKK 6.8 million.

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit/loss before value adjustments		-11.392.929	-4.741.573
Value adjustments of investment assets and the financial liabilities involved		18.222.034	0
Gross profit/loss		6.829.105	-4.741.573
Financial income		234.667	0
Financial expenses		-269.630	0
Profit/loss before tax		6.794.142	-4.741.573
Tax on profit/loss for the year		0	0
Net profit/loss for the year		6.794.142	-4.741.573

Distribution of profit

Proposed distribution of profit

Distributions		1.656.193	0
Retained earnings		5.137.949	-4.741.573
		6.794.142	-4.741.573

Balance Sheet 31 December

	Note	2021 DKK	2020 DKK
Assets			
Other investments		88.649.723	8.917.189
Convertible loans		11.853.875	3.500.000
Fixed asset investments	2	100.503.598	12.417.189
Fixed assets		100.503.598	12.417.189
Other receivables		967.896	0
Receivables		967.896	0
Cash at bank and in hand		6.884.884	0
Currents assets		7.852.780	0
Assets		108.356.378	12.417.189
Liabilities and equity			
Commitments		411.500.000	265.000.000
Unpaid commitments		-322.810.299	-265.000.000
Retained earnings		396.377	-4.741.572
Equity		89.086.078	-4.741.572
Credit institutions		7.764.527	0
Trade payables		11.305.773	4.741.572
Other payables		200.000	12.417.189
Short-term debt		19.270.300	17.158.761
Debt		19.270.300	17.158.761
Liabilities and equity		108.356.378	12.417.189
Uncertainty in the recognition and measurement	1		
Contingent assets, liabilities and other financial obligations	3		
Accounting Policies	4		

Statement of Changes in Equity

	<u>Commitments</u> DKK	<u>Unpaid commitments</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	265.000.000	-265.000.000	-4.741.572	-4.741.572
Increase of commitment	146.500.000	-146.500.000	0	0
Distributions	0	0	-1.656.193	-1.656.193
Payment of unpaid commitments	0	88.689.701	0	88.689.701
Net profit/loss for the year	0	0	6.794.142	6.794.142
Equity at 31 December	<u>411.500.000</u>	<u>-322.810.299</u>	<u>396.377</u>	<u>89.086.078</u>

Notes to the Financial Statements

1 Uncertainty in the recognition and measurement

Fixed asset investments

Methods and assumptions in determining fair value

The valuations process:

The valuations are prepared by the relevant team of the Investment Advisor and are reviewed on a quarterly basis as well as per year end by the Investment Advisor's valuation committee who report and make recommendations to the general partner. The recommendations are reported to the General Partner on a quarterly basis, in line with the quarterly valuations that are provided to investors. The valuation committee considers the appropriateness of the valuation model itself, the significant and key inputs as well as the valuation results using various valuation methods and techniques generally recognized as standard within the industry. The fair value estimates are measured according to the guidelines of the "International Private Equity and Venture Capital"(IPEV) "Valuation Guidelines" which is why investments are recognized at fair value at the balance sheet date. Thus, given the early stage of a significant of portfolio companies invested in cost value in some case is assessed by Investment Advisor as the best estimate of fair value.

Significant unobservable inputs:

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

Sensitivity analysis:

The fair value of the Company's portfolio Companies is affected by the financial performance in the individual Company's alongside recent transaction results. A change in significant unobservable input will have an effect on the valuation of the portfolio Companies, as well as the fair value will be affected of development in general macro - economic conditions. Out of the total fixed asset valuation of TDKK 100,504 we find that the highest degree of management estimation is to be found on one investment which amounts to TDKK 17.068. The unrealized gain on this investment is currently TDKK 7.762.

Notes to the Financial Statements

2 Fixed asset investments

	Other investments DKK	Convertible loans DKK
Cost at 1 January	8.917.189	3.500.000
Additions for the year	60.166.493	11.353.875
Disposals for the year	0	-500.000
Transfers for the year	2.500.000	-2.500.000
Cost at 31 December	<u>71.583.682</u>	<u>11.853.875</u>
Revaluations for the year	17.066.041	1.155.993
Reversal of revaluations on sold assets	0	-1.155.993
Revaluations at 31 December	<u>17.066.041</u>	<u>0</u>
Carrying amount at 31 December	<u>88.649.723</u>	<u>11.853.875</u>

3 Contingent assets, liabilities and other financial obligations

Contingent liabilities

There are no security and contingent liabilities at 31 December 2021.

Notes to the Financial Statements

4 Accounting Policies

The Annual Report of PreSeed Ventures Tech Fund I K/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

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

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

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

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

Income Statement

Other external expenses

Other external expenses comprise fundadministration cost and Management fee.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

Financial income and expenses

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

Notes to the Financial Statements

4 Accounting Policies (continued)

Tax on profit/loss for the year

The Annual Report does not contain any tax as the Company is not independently liable to tax. Each limited partner includes the taxable result of the Company in their respective income statement in relation to ownership share.

Balance Sheet

Fixed asset investments

On initial recognition, investments in portfolio companies are measured at cost with the addition of transaction costs. On subsequent recognition, investments are measured at fair value. Value adjustments are recognized in the income statement.

The fair value of investments in portfolio companies are measured at the most recent market price, for instance in the form of an expansion of capital or a partial sale based on the values of comparable companies or through the use of traditional valuation methods, such as EV/EBITDA, P/E, EV/EBIT, P/B.

If the fair value assessment is not reliable, investments will be measured at cost price with the addition of transaction costs.

Other fixed asset investments

Other fixed asset investments consist of convertible loans. Convertible loans are measured in the balance sheet at the lower of amortised cost and net realisable value, which correspond to nominal value and incurred and not paid interests. Interest income are recognized in the income statement as financial income.

Receivables

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

Financial debts

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