
GRO Fund III CIV II K/S

Grønningen 17, 2., DK-1270 Copenhagen

Annual Report for 2023

CVR No. 42 73 16 25

The Annual Report was
presented and adopted
at the Annual General
Meeting of the limited
partnership
on 14/3 2024

Lars Dybkjær
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of GRO Fund III CIV II K/S for the financial year 1 January - 31 December 2023.

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 2023 of the Limited Partnership and of the results of the Limited Partnership operations for 2023.

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

Copenhagen, 14 March 2024

Executive Board

Lars Dybkjær
GRO FUND III CIV GP ApS

Lars Christian Lunde
GRO FUND III CIV GP ApS

Independent Auditor's report

To the limited partners of GRO Fund III CIV II K/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Limited Partnership at 31 December 2023 and of the results of the Limited Partnership's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of GRO Fund III CIV II K/S for the financial year 1 January - 31 December 2023, 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 Limited Partnership 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 Limited Partnership'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 Limited Partnership 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 Limited Partnership's internal control.

Independent Auditor's report

- 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 Limited Partnership'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 Limited Partnership 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.

Hellerup, 14 March 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Søren Ørjan Jensen

State Authorised Public Accountant

mne33226

Henrik Aslund Pedersen

State Authorised Public Accountant

mne17120

Company information

The Company GRO Fund III CIV II K/S
Grønningen 17, 2.
DK-1270 Copenhagen
CVR No: 42 73 16 25
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Executive Board Lars Dybkjær
Lars Christian Lunde

Auditors PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income statement 1 January - 31 December

	Note	2023	2021/22
		EUR 12 months	EUR 15 months
Gross loss		-15,205	-4,756
Financial expenses		-29	-9
Net profit/loss for the year		-15,234	-4,765

Distribution of profit

	2023	2021/22
	EUR	EUR
Proposed distribution of profit		
Retained earnings	-15,234	-4,765
	-15,234	-4,765

Balance sheet 31 December

Assets

	Note	2023	2021/22
		EUR	EUR
Other investments	3	5,321,723	1,386,450
Fixed asset investments		5,321,723	1,386,450
Fixed assets		5,321,723	1,386,450
Other receivables		0	1,351,997
Prepayments		2,219	0
Receivables		2,219	1,351,997
Cash at bank and in hand		179,301	0
Current assets		181,520	1,351,997
Assets		5,503,243	2,738,447

Balance sheet 31 December

Liabilities and equity

	Note	2023	2021/22
		EUR	EUR
Share capital		17,270,000	16,233,000
Unpaid share capital		-11,948,277	-14,846,550
Retained earnings		-19,999	-4,765
Equity		5,301,724	1,381,685
Credit institutions		0	9
Trade payables		3,742	3,665
Payables to group enterprises		0	947
Other payables		197,777	1,352,141
Short-term debt		201,519	1,356,762
Debt		201,519	1,356,762
Liabilities and equity		5,503,243	2,738,447
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Statement of changes in equity

	Share capital	Unpaid share capital	Retained earnings	Total
	EUR	EUR	EUR	EUR
Equity at 1 January	16,233,000	-14,846,550	-4,765	1,381,685
Capital increase	1,037,000	-1,037,000	0	0
Payment of unpaid share capital	0	3,935,273	0	3,935,273
Net profit/loss for the year	0	0	-15,234	-15,234
Equity at 31 December	17,270,000	-11,948,277	-19,999	5,301,724

Notes to the Financial Statements

1. Key activities

The object of the limited partnership is to generate returns on the limited partnership's capital by making co-investments with GRO FUND III K/S in primarily small and medium-sized unlisted Danish, Nordic and Northern European companies.

2. Other external expenses

According to §61 section 3 (5 and 6) of the Alternative Investment Fund Managers etc. Act, alternative investment funds are required to disclose information about the total remuneration of all employees of the Management Company, the number of beneficiaries and the remuneration to material risk-takers. The information is disclosed in the Annual Report for 2023 for the Management Company GRO Capital A/S, Business Reg. No. 29 42 55 58.

The Management Company is also required to disclose the information necessary to provide an understanding of the risk profile of the Fund and the measures that the Management Company takes to avoid or manage conflicts of interest between the Management Company and the Limited Partners. The Board of Directors, of the Management Company, has adopted a remuneration policy in order to ensure that the employees are remunerated according to the Danish Executive Order and disclosure requirements on remuneration for managers of alternative investment funds, etc.

3. Other fixed asset investments

	Other investments
	EUR
Cost at 1. January	1,386,450
Additions for the year	3,935,273
Cost at 31. December	<u>5,321,723</u>
Carrying amount at 31. December	<u>5,321,723</u>

4. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The company has committed to invest TEUR 17,270 in GRO Fund III K/S, per 31 December 2023 the remaining commitment is TEUR 11,948.

Notes to the Financial Statements

5. Accounting policies

The Annual Report of GRO Fund III CIV II K/S for 2023 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 accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in EUR.

Recognition and measurement

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 Limited partnership, 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 Limited partnership, 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.

Translation policies

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Other external expenses

Other external expenses comprise expenses for Complementary Fee and administration.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises 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.

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.

Notes to the Financial Statements

Balance sheet

Fixed asset investments

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Financial liabilities

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