



## Upfin Fund I K/S

August Bournonvilles Passage 1  
1055 København K  
CVR No. 42981680

## Annual report 2023

The Annual General Meeting adopted the annual report on 18.06.2024

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**Johan Lorenzen**  
Chairman of the General Meeting

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# Entity details

## Entity

Upfin Fund I K/S

August Bournonvilles Passage 1

1055 København K

Business Registration No.: 42981680

Date of foundation: 10.01.2022

Registered office: København

Financial year: 01.01.2023 - 31.12.2023

## Executive Board on behalf of Upfin General Partner I ApS

Johan Lorenzen

Thomas Krogh Jensen

Max Oliver Sjøstedt

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Executive Board has today considered and approved the annual report of Upfin Fund I 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, 18.06.2024

**Executive Board on behalf of Upfin General Partner I ApS**

**Johan Lorenzen**

**Thomas Krogh Jensen**

**Max Oliver Sjøstedt**

# Independent auditor's report

## To the shareholders of Upfin Fund I K/S

### Opinion

We have audited the financial statements of Upfin Fund I 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 18.06.2024

**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.

When preparing the Fund's annual report, the General Partner, in accordance with legislative provisions, makes accounting judgements and estimates which form the basis of the annual report.

The accounting judgement and estimates made by the General Partner are described in the note 1 "Financial assets" to which we refer. Such estimates are primarily relating to the measurement of investments in portfolio enterprises made on the basis of assumptions which the General Partner considers reasonable and realistic, but which are uncertain by nature.

As the Fund invests in unlisted equity investments within the venture environment, the valuation is characterized by uncertainty as a result of the industry in general and current macroeconomic conditions. As a result, the valuation is associated with uncertainty, just as the valuation is dependent on the future execution of the strategy by the individual companies. In periods of high economic uncertainty, the uncertainty surrounding the valuation will also be greater.

## 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		6,940,308	336,623
Other external expenses		(6,724,216)	(6,470,644)
<b>Gross profit/loss</b>		<b>216,092</b>	<b>(6,134,021)</b>
Other financial expenses		(733,177)	(201,520)
<b>Profit/loss for the year</b>		<b>(517,085)</b>	<b>(6,335,541)</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		(517,085)	(6,335,541)
<b>Proposed distribution of profit and loss</b>		<b>(517,085)</b>	<b>(6,335,541)</b>

# Balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Other investments		52,426,030	15,249,037
<b>Financial assets</b>	1	<b>52,426,030</b>	<b>15,249,037</b>
<b>Fixed assets</b>		<b>52,426,030</b>	<b>15,249,037</b>
Prepayments		99,360	193,457
<b>Receivables</b>		<b>99,360</b>	<b>193,457</b>
<b>Cash</b>		<b>108,009</b>	<b>8,890,428</b>
<b>Current assets</b>		<b>207,369</b>	<b>9,083,885</b>
<b>Assets</b>		<b>52,633,399</b>	<b>24,332,922</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK</b>	<b>2022</b> <b>DKK</b>
Contributed capital		55,755,180	28,255,180
Retained earnings		(6,852,626)	(6,335,541)
<b>Equity</b>		<b>48,902,554</b>	<b>21,919,639</b>
Bank loans		3,311,776	123,954
Other payables		419,069	2,289,329
<b>Current liabilities other than provisions</b>		<b>3,730,845</b>	<b>2,413,283</b>
<b>Liabilities other than provisions</b>		<b>3,730,845</b>	<b>2,413,283</b>
<b>Equity and liabilities</b>		<b>52,633,399</b>	<b>24,332,922</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	28,255,180	(6,335,541)	21,919,639
Increase of capital	27,500,000	0	27,500,000
Profit/loss for the year	0	(517,085)	(517,085)
<b>Equity end of year</b>	<b>55,755,180</b>	<b>(6,852,626)</b>	<b>48,902,554</b>

The limited partners have committed themselves to contributing up to DKK 229,592 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 55,755 thousand at 31.12.2023.

To certain limited partnerships shares are attached special rights (carried interest rights) regarding the distribution of distributions from the Fund to the limited partners when the total realized return in the Fund exceeds an agreed minimum return between the investors.

The preference return (carried interest) is based on realised investment and is distributed between the two different capital classes as part of distributions to Limited Partners, where the carried interest holders get 20% of the distributions above hurdle rate.

# Notes

## 1 Financial assets

	<b>Other investments DKK</b>
Cost beginning of year	14,913,241
Additions	30,537,196
<b>Cost end of year</b>	<b>45,450,437</b>
Revaluations beginning of year	335,796
Exchange rate adjustments	(300,510)
Revaluations for the year	6,940,307
<b>Revaluations end of year</b>	<b>6,975,593</b>
<b>Carrying amount end of year</b>	<b>52,426,030</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 other countries, and therefore fair value is also dependent on exchange rates. Revaluations for the year is exclusively comprised of exchange rates due to the short period from investing into its portfolio companies to the end of the financial period no fair value adjustments are booked.

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 a few months before the balance sheet date, as well as the fact that these are unlisted smaller companies with no changes to their business cases since the investment, the cost price is considered to be the best estimate of 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.

No multiples have been disclosed as all investments are valued at cost or price of recent. All fair value adjustments recognised in the income statement is related to investments rounds.

## 2 Employees

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

## 3 Fair value information

	<b>Other investments DKK</b>
Fair value end of year	52,426,030
Unrealised fair value adjustments recognised in the income statement	6,940,308

No multiples have been disclosed as all investments are valued at cost or price of recent. All fair value adjustments recognised in the income statement is related to investments rounds.

## 4 Contingent liabilities

There are no contingent liabilities of the Fund.

# 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.

## Changes in accounting policies

The Entity has changed its accounting policies with regard to fair value adjustments of other investments assets. The fair value adjustments has been reclassified from other financial income. The change in accounting policies has led not led to any change in the year's pre-tax profit. The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistently with 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.

### Other financial expenses

Other financial expenses comprise interest expenses, including exchange losses on transactions in foreign

currencies and bank fees.

## **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.