

Seed Capital Denmark III Growth K/S

Annual Report

1 January 2024 – 31 December 2024

4th financial year

Seed Capital Denmark III Growth K/S
Registration No. 42 28 10 42
Address: c/o Matrikel1, Højbro Plads 10, 1200 Copenhagen K

Approved at the annual general meeting of shareholders on 9 April 2025
Chairman: Anne Cathrine Wilhjelm

Table of contents

Management's statement	1
Independent auditors' report	2
Information about the Company	5
Management's Review	6

Financial statements

Comprehensive income for the year ended 31 December 2024	8
Balance sheet at 31 December 2024	9
Statement of changes in equity	11
Statement of cash flow	12
Notes to the financial statements	13

Management's statement

The Management have today discussed and approved the annual report of Seed Capital Denmark III Growth K/S for the period 1 January 2024 – 31 December 2024.

The annual report has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024, statement of cashflow and of the results of the Company's operations for the period 1 January 2024 – 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 9 April 2025

Management:

Ulla Brockenhuus-Schack

General Partner and
Managing Partner

Lars Andersen

General Partner

Adopted at the Meeting on 9 April 2025

Chairman

Independent auditor's report

To the Limited Partners of Seed Capital Denmark III Growth K/S

Opinion

We have audited the financial statements of Seed Capital Denmark III Growth K/S for the financial year 1 January – 31 December 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information. The financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the 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 of the 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 IFRS Accounting Standards as adopted by the EU and additional requirements of 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 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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.

- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note 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.

Copenhagen, 9 April 2025

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Henrik Pedersen
State Authorized
Public Accountant
mne35456

Information about the Company

Seed Capital Denmark III Growth K/S
c/o Matrikel1
Højbro Plads 10
1200 Copenhagen K
www.seedcapital.dk
Registration no. (cvr.no.): 42 28 10 42

Registered Office

Københavns Kommune

General Partner

Seed Capital Management III I/S

Limited Partners

ATP Private Equity K/S
Dansk Vækstkapital K/S
EIFO
C.L.Davids Fond og Samling
Chr. Augustinus Fabrikker A/S
PreSeed Ventures A/S
Sampension
Niels Peter Louis-Hansen
VV Private Equity
PFA Pension

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg

Bankers

Nykredit Bank A/S

Management's Review

This annual report relates to the fourth financial year of Seed Capital Denmark III Growth K/S for the period 1 January – 31 December 2024.

Objective

Seed Capital Denmark III Growth K/S' objective is to invest in the most promising portfolio companies in the fund Seed Capital Denmark III K/S.

Capital

Seed Capital Denmark III Growth K/S has a total capital base of DKK 468 million. At 31 December 2024, the limited partners and the general partners had paid in DKK 238 million – 51% of total commitment.

The management of the Company

Seed Capital Denmark III Growth K/S has no employees. A management agreement has been entered into between Seed Capital Denmark III Growth K/S and Seed Capital Management III I/S under which Seed Capital Management III I/S (hereinafter referred to as the management company) will be in charge of operations in Seed Capital Denmark III Growth K/S.

Investments

Seed Capital Denmark III Growth K/S invests in follow-up rounds in later stage rounds. Investments in these stages are inherently subject to risk, however a lower risk compared to the underlying main fund Seed Capital Denmark III K/S.

Seed Capital Denmark III Growth K/S' individual companies need a high level of involvement to ensure correct strategic focus, competencies and financial resources as well as follow-up on the strategy and continued active development of the company.

Activities in 2024

During 2024 follow-up investments in two companies were completed with total investment amount of DKK 20 million.

Following the year 2022 with uncertain market conditions, especially within the tech industry and consequential write-downs in the valuations of the portfolio companies in the year, the development in 2023 and 2024 has improved and all of the companies in the portfolio have successfully managed to bring their growth expansion back on track and thereby creating more value. This has led to a write-up in the fair value of the portfolio in the year and the result for the year is a gain of DKK 38 million.

The active portfolio of 4 companies as per end 2024 are:

Investment	Business concept
Templafy	Enterprise template management in the cloud
Lunar	Mobile based neo-bank for the millennial generation
Dixa	Real-time channel-neutral customer service platform
VEO	AI to Record and automatically edit football and other matches

Business development and outlook

The financial result can fluctuate from year to year but is expected to be positive in the longer run with new milestones reached in the portfolio companies and with new funding at higher valuations.

It is important to add that investing in early-stage venture companies is riskier compared to other asset classes.

Comprehensive income for the year ended 31 December 2024

		2024	2023
	Note	(000 DKK)	(000 DKK)
Income from investments in portfolio companies	2	37,656	32,813
Administration costs	3	-64	-67
Operating Profit		37,592	32,746
Other financial income	4	9	9
Other financial expenses	5	0	0
Net profit for the year		37,601	32,755
The Management recommends that the profit for the year should be appropriated as follows:			
Retained earnings at 1 January		-29,956	-62,711
Net profit for the year		37,601	32,755
Available for appropriation		7,645	-29,956
Recommended appropriation:			
Retained earnings at 31 December		7,645	-29,956

Balance sheet at 31 December 2024

	Note	2024 (000 DKK)	2023 (000 DKK)
ASSETS			
Non-current assets			
Investments			
Investments in portfolio companies	6	<u>264,118</u>	<u>206,302</u>
Total Investments		<u>264,118</u>	<u>206,302</u>
Total non-current assets		<u>264,118</u>	<u>206,302</u>
Current assets			
Other receivables		<u>0</u>	<u>64</u>
Cash in bank and at hand		<u>1,184</u>	<u>1,233</u>
Total current assets		<u>1,184</u>	<u>1,297</u>
TOTAL ASSETS		<u>265,301</u>	<u>207,599</u>

Balance sheet at 31 December 2024

	Note	2024 (000 DKK)	2023 (000 DKK)
EQUITY AND LIABILITIES			
Equity			
Investment capital paid		257,600	237,500
Distributions		0	0
Retained earnings		7,645	-29,956
Total equity		265,245	207,544
Liabilities other than provisions			
Current liabilities			
Other payables		56	55
Current liabilities		56	55
Total liabilities		56	55
TOTAL EQUITY AND LIABILITIES		265,301	207,599

Statement of changes in equity

(000 DKK)	Total committed capital	Subscribed not paid capital	Subscribed and paid capital	Retained earnings	Distributions	Total
Balance 1 January 2024	468,350	-230,850	237,500	-29,956	0	207,544
Increase in investment capital for the year	0	0	0	0	0	0
Draw Downs during the year	0	20,100	20,100	0	0	20,100
Distributions during the year	0	0	0	0	0	0
Distribution of gain/loss	0	0	0	37,601	0	37,601
Balance 31 December 2024	468,350	-210,750	257,600	7,645	0	265,245

(000 DKK)	Total committed capital	Subscribed not paid capital	Subscribed and paid capital	Retained earnings	Distributions	Total
Balance 1 January 2023	468,350	-286,850	181,500	-62,711	0	118,789
Increase in investment capital for the year	0	0	0	0	0	0
Draw Downs during the year	0	56,000	56,000	0	0	56,000
Distributions during the year	0	0	0	0	0	0
Distribution of gain/loss	0	0	0	32,755	0	32,755
Balance 31 December 2023	468,350	-230,850	237,500	-29,956	0	207,544

Statement of cash flow

	2024 (000 DKK)	2023 (000 DKK)
Operating profit/loss (EBIT)	37,592	32,746
Change in fair value of investments	-37,656	-32,813
Working capital changes	65	-59
Cash flows from primary activities	1	-126
Financial income	9	9
Financial costs	0	0
Cash flows from operating activities	9	9
Investments in portfolio companies	-20,160	-55,905
Net proceeds from sale of portfolio companies	0	0
Cash flows from investment activities	-20,160	-55,905
Contribution from limited partners	20,100	56,000
Distribution of share of proceeds from sales of portfolio companies	0	0
Cash flows from financing activities	20,100	56,000
Increase/decrease in cash and cash equivalents	-49	-22
Cash and cash equivalents at 1 January	1,233	1,255
Cash and cash equivalents at 31 December	1,184	1,233

Notes to the financial statement

1. Accounting policies
2. Income from investments in portfolio companies
3. Administration costs
4. Other financial income
5. Other financial expenses
6. Investments in portfolio companies
7. Limited partners' contribution
8. Method and assumptions for determining fair value
9. Financial risks
10. Liquidity risks
11. Credit risks
12. Interest risks
13. Currency risks
14. Contingent liabilities
15. Related parties
16. Accounting standards not yet adopted

Notes to the financial statement

1 Accounting policies

The Annual Report of Seed Capital Denmark III Growth K/S has been presented in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act regarding reporting class B enterprises as further outlined in the Danish Executive Order on Adoption of IFRS issued in accordance with the Danish Financial Statement act.

In order to give a fair view of the activities in the Company as a venture company, unrealized and realised gains and losses of portfolio companies have been included in the Operating Profit/Loss.

Changes in accounting policies

Seed Capital Denmark III Growth K/S has adopted all new or amended standards (IFRS) as adopted by EU effective for the period 1 January 2024 - 31 December 2024. The implementation has not had any material impact on the financial statement for 2024.

Significant accounting policies and estimates

When preparing the financial statement, the General Partners makes several accounting estimates forming the basis for the presentation, recognition, and measurement of the Entity's assets and liabilities. The most significant accounting estimates and assessments are presented in note 8.

Recognition and measurement

Income is recognised in the profit and loss account as earned, including value adjustments of financial assets and liabilities. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment, and provisions.

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost or for financial assets and financial liabilities at fair value. Subsequently, assets and liabilities are measured as described below for each individual item.

Foreign currency translation

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the rate at the transaction date and the rate at the date of payment are recognised in profit or loss as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates at the date of the statement of financial position.

The difference between the exchange rates at the end of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as financial income or financial expenses.

Exchange rate adjustments relating to investments in portfolio companies are presented in the statement of comprehensive income together with other fair value adjustments concerning the investments.

Profit and loss account

Unrealized and realized results of investments in portfolio companies

Unrealized and realized gains or losses from exits, distributions in investments in portfolio companies are included in the Profit and Loss account under Income from investments in portfolio companies.

Other financial income and other financial costs

Interest income and expense and similar items comprise interest income and expense, gains, and losses on securities (excluding income or expenses from portfolio companies) as well as payables and transactions denominated in foreign currencies.

Tax

The Company is not a tax-paying entity thus no tax has been expensed.

Balance sheet

Investments

Investments in portfolio companies are recognized at fair value according to "International Private Equity and Venture Capital" (IPEV) "Valuation Guidelines", in which investments are recognized at market value at the balance sheet date.

Exchange rate adjustments of investments in portfolio companies are recognized in the profit and loss account under "Income from investments in portfolio companies".

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants ("exit price").

The fair value is a market-based and not an entity-specific measurement. The entity uses the assumptions that the market participants would use for the pricing of the asset based on the current market conditions, including risk assumptions. The entity's purpose of holding the asset is thus not taken into account when the fair value is determined.

The fair value measurement is based on the principal market. If a principal market does not exist, the measurement is based on the most advantageous market, i.e., the market that maximizes the price of the asset less transaction and transport costs.

All assets measured at fair value, or in respect of which the fair value is disclosed, are classified based on the fair value hierarchy, see below:

- ▶ Level I: Value in an active market for similar assets/liabilities
- ▶ Level II: Value based on recognized valuation methods on the basis of observable market information
- ▶ Level III: Value based on recognized valuation methods and reasonable estimates (non-observable market information).

Receivables

Earn-out receivables are measured at fair value.

Other receivables are measured at amortized cost. The simplified expected credit loss is applied to measure the lifetime expected loss for receivables measured at amortized cost.

Liabilities

Liabilities are measured at amortized cost.

Contingent liabilities

Contingencies are not recognized in the balance sheet but disclosed in the notes only. Liabilities which exist at the balance sheet date, but which cannot be measured reliable, are considered contingent liabilities.

Statement of cash flows

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquired businesses are recognized in the cash flow statement from the date of acquisition. Cash flows from disposals of businesses are recognized up until the date of disposal.

Cash flows from operating activities are calculated according to the indirect method as the profit/loss adjusted for non-cash operating items, changes in working capital, interest income and expenses and dividends received.

Cash flows from operations activities comprise payments in connection with investments, including follow-up investments and disposals of portfolio companies.

Cash flows from financing activities comprise changes in the limited partners' contribution and distribution.

Cash flows in currencies other than the functional currency are translated using exchange rates per transaction date.

	2024	2023
	(000 DKK)	(000 DKK)
2 Income from investments in portfolio companies		
Realised losses	0	0
Adjustments regarding realised losses	0	0
Write-ups of portfolio companies	37,656	32,813
Write-downs of portfolio companies	<u>0</u>	<u>0</u>
	<u>37,656</u>	<u>32,813</u>
3 Administration costs		
Administration costs etc.	<u>64</u>	<u>67</u>
	<u>64</u>	<u>67</u>
The company has no employees. (2023: no employees)		
4 Other financial income		
Interest Income, bank	<u>9</u>	<u>9</u>
	<u>9</u>	<u>9</u>
5 Other financial expenses		
Interest expense, bank	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

6 Investments in portfolio companies

	Investments in portfolio companies
	(000 DKK)
Cost	
Balance at 1 January 2024	235,281
Additions in the year	20,160
Disposals in the year	0
Cost at 31 December 2024	255,441
Write-ups/write-downs	
Balance at 1 January 2024	-28,979
Write-downs in the period	0
Reversed write-ups/write-downs	0
Write-ups in the period	37,656
Write-ups/write-downs at 31 December 2024	8,677
Fair value at 31 December 2024	264,118
	Investments in portfolio companies
	(000 DKK)
Cost	
Balance at 1 January 2023	179,376
Additions in the year	55,905
Disposals in the year	0
Cost at 31 December 2023	235,281
Write-ups/write-downs	
Balance at 1 January 2023	-61,792
Write-downs in the period	0
Reversed write-ups/write-downs	0
Write-ups in the period	32,813
Write-ups/write-downs at 31 December 2023	-28,979
Fair value at 31 December 2023	206,302

2024

Company name	Type of investment	Valuation technique	Registration	Ownership	Equity (000 DKK)	Profit/loss (000 DKK)	Annual report (year)
Templafy ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	-185,908	-146,037	2023
Lunar Group A/S	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	940,527	-414,170	2023
Dixa ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	50,443	-232,430	2023
VEO ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	249,496	-158,278	2023

2023

Company name	Type of investment	Valuation technique	Registration	Ownership	Equity (000 DKK)	Profit/loss (000 DKK)	Annual report (year)
Templafy ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	-26,395	-283,565	2022
Lunar Group A/S	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	950,534	-1,488,674	2022
Dixa ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	284,689	-347,236	2022
VEO ApS	Fund investment	Market approach / Price of recent investment	Denmark	0.00-4.99%	461,787	-153,985	2022

Net changes in fair value of financial assets and financial liabilities through profit or loss is specified as:

(000 DKK)	2024	2023
Realised value adjustments for the year	0	0
Unrealised value adjustments for the year	<u>61,059</u>	<u>32,813</u>
Value adjustment of investments	<u>61,059</u>	<u>32,813</u>

7 Limited partners' contribution

The entity's shares are paid successively and pro rate. One of the share classes has a dividend preference attached when the realized return in the Entity exceeds a fixed minimum rate of return p.a. (hurdle rate) of the investors' contributed capital.

8 Method and assumptions for determining fair value

Fair value for each unlisted portfolio company is determined based on the method which best reflect the individual investment.

Fair value is determined following the IPEV Valuation Guidelines. Because the Entity invests venture capital in early stages companies with limited revenue the fair value measurement is subject to high uncertainty.

The fair value is determined in functional currency of the portfolio company and then translated to DKK at the exchange rate at the balance sheet date.

Upon initial investment, cost of the investments is normally determined to represent fair value. If new investors join and obtain more than just an insignificant share of the company, then the price of recent investment is used as basis for determining the fair value.

The entity's General Partners reviews the investment for potential value adjustments several times during a financial year. If the General Partners reviews lead to value adjustments, the fair value of the portfolio company is determined by the General Partners best estimate.

The Entity uses the following methods to determine fair value:

Cost:

Cost is assessed to reflect fair value when no new investors have provided equity to the portfolio company. Furthermore, investments are measured at cost when the uncertainty is too high to determine a fair value.

Market approach / Price of recent Investment:

If new investors provide equity to the portfolio company and receive more than just an insignificant ownership share, the price of the recent investment is normally deemed to be the best represent of the fair value representing the fair market price. This correspond to a specific and relevant valuation multiple, that combined with observable market multiple at any time can be applied to calibrate the fair value, when the last equity funding round was completed more than 12-18 months before the time of estimating the fair value.

Listing price:

A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available.

Below is the spilt between the different methods used by the Entity:

Method	2024	2023
Cost	0%	0%
Market approach / Price of recent investment	100%	100%
Listing price	0%	0%
	100%	100%

Fair value hierarchy for financial instruments measured at fair value in the balance sheet.

Below is shown the classification of financial instruments, organized in accordance with the fair value hierarchy as required by IFRS:

(000 DKK)	Level I	Level II	Level III	Total
Financial instruments measured at fair value	0.0%	0.0%	100.0%	100.0%
31 December 2024	0.0%	0.0%	100.0%	100.0%

(000 DKK)	Level I	Level II	Level III	Total
Financial instruments measured at fair value	0.0%	0.0%	100.0%	100.0%
31 December 2023	0.0%	0.0%	100.0%	100.0%

Movements in financial instruments measured at fair value based on level III

All investments are measured at fair value based on level III. For further information about movements in financial instruments see note 5.

Material non-observable input for level III

The measurement of investment in portfolio companies are based on measurement methods, in which material non-observable inputs are included such as assessment of the performance, determination of future earnings and whether a negative development should lead to the recognition of impairment write-downs.

A decrease or increase in the above-mentioned material non-observable inputs may have a direct effect on the measurement of the portfolio companies.

The fair value of the total portfolio is measured at index 1.03 compared to the initial cost. A decrease or increase in the index at 0.05 will change the value of the portfolio with approximately DKK 12.8 million.

Uncertainty relating to recognition and measurement

In accordance with legislative provisions, the General Partner makes accounting judgements and estimates when preparing the annual report. These judgements and estimates include determination of the fair value of portfolio companies. The Entity invests venture capital in early stages companies with limited revenue. The fair value measurement is therefore subject to high uncertainty.

9 Financial risks

The limited partnership's objective in managing risk is the creation and protection of the limited partners' investment and return. The limited partnership calls capital based on the limited partners' commitments for the use of making investments in portfolio companies. The limited partnership is exposed to interest rate risk, liquidity risk and credit risk.

10 Liquidity risks

Liquidity risk is the risk that the limited partnership will not be able to meet its financial obligations as they fall due. The general partner monitors risk of a shortage of funds on an ongoing basis and reviews the liquidity position on a quarterly basis.

The limited partnership will call capital from the limited partners based on an as-needed basis to enable the limited partnership to make investments, pay expenses incurred by the limited partnership and comply with any obligations undertaken.

A per end of the year the financial liabilities of the Entity is DKK 0 (nil).

11 Credit risks

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the limited partnership by failing to discharge an obligation. The limited partnership is exposed to the risk of credit-related losses that can occur as a result of a counterparty or limited partner being unable or unwilling to honor its contractual obligations. These credit exposures exist for receivables and cash and cash equivalents.

In 2024 and 2023, the limited partnership accounted for an impairment loss of receivables of DKK 0 (nil).

As a part of the investment strategy the limited partnership provides loans to the portfolio companies. These loans are therefore not considered as a separate credit risk.

In some cases, the limited partnership has receivables from sales of portfolio companies. Typically, the payment is secured by the buyer depositing the receivable on escrow account in accepted credit institutions. The credit risk is therefore considered limited.

The carrying value of the limited partnership's financial instruments, as disclosed in the statement of financial position, represents the maximum credit exposure, hence, no separate disclosure is provided. Reference is made to the statement of financial position.

12 Interest risks

The Entity is not exposed to any interest risk.

13 Currency risks

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Some of the limited partnership's investments are made in foreign currencies such as USD, GBP, and EUR. This risk is considered a part of the investment risk thus the limited partnership does not separately hedge the currency risk.

When exiting a portfolio company, the sale can be made in foreign currencies such as USD, GBP and EUR. Receivables in connection to the sale in foreign currency is not separately hedge. As per 31 December 2024 the limited partnership is not exposed to changes in foreign currencies.

14 Contingent liabilities

The limited partnership has made a management agreement with Seed Capital Management III I/S until the liquidation of the limited partnership. The limited partnership is obliged every quarter to pay a management fee as a percentage of the limited partnership's investments at the end of the preceding quarter.

The limited partnership has undertaken to pay additional capital contributions and convertible debt instruments to the portfolio companies concurrently with the realization of specific milestones. As of 31 December 2024, this liability amounts to a total of zero.

15 Related parties

No individual companies or persons exercise control over Seed Capital Denmark III Growth K/S.

The following parties are considered related parties of the limited partnership:

- Seed Capital Denmark III Growth K/S has a management agreement with Seed Capital Management III I/S.
- The limited partners handle investment of committed capital and receive payments according to agreement.
- Seed Capital Management III I/S (the general partner) which has direct and unlimited liability for the limited partnership's debts and liabilities, and its management are considered related parties.

The general partner has sole power and responsibility for all decisions pertaining to the acquisition and realisation of investments, including all final decisions to commit the limited partnership to an investment and any realisations of an investment.

According to the Limited Partnership Agreement, remuneration of the general partner comprises a share of Seed Capital Capital Denmark III Growth K/S' return on investments, provided that the total return exceeds the limited partners' investment and a predefined minimum rate of return.

Remuneration (carried interest) to the general partner cannot be calculated definitively until upon the final liquidation of Seed Capital Denmark III Growth K/S and – hence – according to the Limited Partnership Agreement, the general partner's carried interest is not considered earned by the general partner until upon the liquidation of Seed Capital Denmark III Growth K/S subject to and in accordance with the final liquidation accounts of Seed Capital Denmark III Growth K/S.

The limited partnership has not had any transactions with the general partner in 2024.

16 Accounting standards not yet adopted

A number of new standards, amendments to standards and interpretations effective for annual periods beginning after January 1, 2025 have been issued. None of these new issues are expected to have a material impact on the financial statements.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Lars Andersen

General partner

På vegne af: Seed Capital Denmark III Growth K/S

Serienummer: 41fcd2d4-838e-454e-b63a-ff76bc9bcd46

IP: 82.192.xxx.xxx

2025-04-11 14:43:58 UTC



Ulla Brockenhuus-Schack

General partner & managing partner

På vegne af: Seed Capital Denmark III Growth K/S

Serienummer: 737013a5-6553-4365-8dd0-dd15e4a4b2c1

IP: 77.33.xxx.xxx

2025-04-11 15:39:22 UTC



Henrik West Rohden Pedersen

EY Godkendt Revisionspartnerselskab CVR: 30700228

Statsaut. revisor

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 4451be11-0282-44db-8cef-9b5a555b77ef

IP: 165.225.xxx.xxx

2025-04-13 20:19:08 UTC



Anne Cathrine Wilhjelm

Dirigent

På vegne af: Seed Capital Denmark III Growth K/S

Serienummer: 6c595553-9877-4f45-95ed-771cb40a356f

IP: 80.208.xxx.xxx

2025-04-14 08:41:10 UTC



Dette dokument er underskrevet digitalt via [Penneo.com](https://penneo.com). De underskrevne data er valideret vha. den matematiske hashværdi af det originale dokument. Alle kryptografiske beviser er indlejret i denne PDF for validering i fremtiden.

Dette dokument er forseglet med et kvalificeret elektronisk segl med brug af certifikat og tidsstempel fra en kvalificeret tillidstjenesteudbyder.

Sådan kan du verificere, at dokumentet er originalt

Når du åbner dokumentet i Adobe Reader, kan du se, at det er certificeret af **Penneo A/S**. Dette beviser, at indholdet af dokumentet er uændret siden underskriftstidspunktet. Bevis for de individuelle underskriveres digitale underskrifter er vedhæftet dokumentet.

Du kan verificere de kryptografiske beviser vha. Penneos validator, <https://penneo.com/validator>, eller andre valideringstjenester for digitale underskrifter.