



Capidea Kapital IV K/S

Store Kongensgade 118, 1. th
1264 København K
CVR No. 43583514

Annual report 29.09.2022 - 31.12.2023

The Annual General Meeting adopted the annual
report on 25.04.2024

Gert Eg
Chairman of the General Meeting

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Fund details

Fund

Capidea Kapital IV K/S

Store Kongensgade 118, 1. th

1264 København K

Business Registration No.: 43583514

Registered office: København

Financial period: 29.09.2022 - 31.12.2023

General Partner

Capidea Komplementar IV ApS

Fund Manager

Capidea Management ApS

Registered Manager of Alternative Investment Funds (Danish FTID number: 23135)

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Denmark

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Capidea Kapital IV K/S for the financial period 29.09.2022 31.12.2023

The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements of the Danish Financial Statements Act

In our opinion, the financial statements give a true and fair view of the Fund's financial position at 31.12.2023 and of the results of its operations and the cash flows for the financial period 29.09.2022 31.12.2023

In our opinion, the management commentary contains a fair review of the development of the Fund's business and financial matters, the results for the year and of the Fund's financial position as a whole, together with a description of the principal risks and uncertainties that the Fund faces.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 06.02.2024

On behalf of Capidea Komplementar IV ApS

Erik Balleby Jensen

Ulrik Nicolai Jungersen

Martin Jørgensen

Carsten Yde Hemme

Henrik Normann

Management commentary

Financial highlights

	2022/23
	DKK'000
Key figures	
Operating profit/(loss) (EBIT)	(19,898)
Financial results, net	7
Increase / (decrease) in net assets attributable to Limited Partners	(19,891)
Net Assets attributable to Limited Partners	(197)
Total Assets	885
Ratios	
Solvency ratio (%)	(22.26)
Distributed to Paid in	0.00

Primary activity

The objective of Capidea Kapital IV K/S (the Fund) is to perform long-term investments in small and mid-sized Danish enterprises, either directly or through wholly or partially owned holding companies, with focus on trade, service and industry and related areas.

The Fund is in the investment period and it is expected that the fund will make between 10-15 platform investments before 1 April 2028.

Decisions made to invest in a portfolio enterprise is made by the Investment Committee based on recommendations prepared by Management, Capidea Management ApS.

Development in activities and finances

Profit/loss for the year showed a loss of DKK 19.891 thousand, primarily due to management fee and other operating expenses.

Uncertainty relating to recognition and measurement

As of 31.12.2023, no investments in portfolios have been made in Capidea Kapital IV K/S. Therefore, there is no uncertainty associated with measurement and recognition.

Unusual circumstances affecting recognition and measurement

Except for the fair value changes on investments, the annual report is not influenced by unusual circumstances.

Information according to the Alternative Investment Fund Managers Directive

According to Article 22 of the Alternative Investment Fund Managers Directive, Alternative Investment Funds (AIF) must make certain disclosures to investors in connection with the presentation of financial statements.

During the financial period covered by the financial statements, there have been no significant changes in the matters below:

- The Fund's Investment strategy;
- Valuation principles of the Fund's investments;
- The percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature;
- New arrangements for managing the Fund's liquidity;
- The Fund's risk profile and the risk management systems implemented by the Fund Manager used to manage the Fund's risks;
- There have been no amendments to the maximum level of leverage which the Fund Manager can use on behalf of the Fund. Nor has there been any changes in the right to use collateral or any guarantee accordance with the agreement allowing for the leverage.

Events after the balance sheet date

After the balance date, the Fund has made investments in three companies: HVACON Marine Systems A/S, Glud Gludsen Group ApS (Right People Group) and Digital Group A/S. All investments fall within the primary investment strategy of the Fund.

Outlook

The Fund expects to make between 1 and 4 more investments in 2024.

Periodic disclosure for Article 6 financial product

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

Independent auditor's report

To the Limited Partners of Capidea Kapital IV K/S

Opinion

We have audited the financial statements of Capidea Kapital IV K/S ("Fund") for the financial period 29.09.2022 - 31.12.2023, which comprise the statement of comprehensive income, balance sheet, statement of changes in net assets, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the 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 Fund's financial position at 31.12.2023 and of the results of its operations and cash flows for the financial period 29.09.2022 - 31.12.2023 in accordance with the 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 this auditor's 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.

General Partner's responsibilities for the financial statements

The General Partner is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as the General Partner 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, the General Partner is responsible for assessing the Fund'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 the General Partner either intends to liquidate the Fund 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

The General Partner 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, 06.02.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant

Identification No (MNE) mne32127

Rikke Frydkjær Hansen

State Authorised Public Accountant

Identification No (MNE) mne46616

Statement of comprehensive income

	Notes	2022/23 DKK'000
Administrative expenses	2	(19,898)
Operating expenses		(19,898)
Operating profit/(loss) (EBIT)		(19,898)
Financial income		7
Increase / (decrease) in net assets attributable to Limited Partners		(19,891)
Comprehensive income		(19,891)

Statement of financial position as at 31.12.2023

Assets

	Notes	2022/23 DKK'000
Equity investments	3	231
Investments		231
Non-current assets		231
Cash and cash equivalents		654
Current assets		654
Total assets		885

Net assets and liabilities

	Notes	2022/23 DKK'000
Limited partnership capital	4	19,694
Retained earnings		(19,891)
Net assets attributable to Limited Partners		(197)
Trade payables		204
Other payables	5	878
Current liabilities		1,082
Total liabilities		1,082
Total liabilities and net assets attributable to Limited Partners		885

Statement of changes in net assets attributable to the Limited Partners

	Limited partnership capital DKK'000	Retained earnings DKK'000	Total DKK'000
Contributions from Limited Partners and General partner	19,694	0	19,694
Profit/(loss) for the period	0	(19,891)	(19,891)
Net assets 31.12.2023	19,694	(19,891)	(197)

The Partners have committed themselves to contributing up to DKK 1.250.500 thousand into the Fund, as and when new capital is required for making investments, paying fund costs etc. Of the total committed capital, the Partners have paid-in net DKK 19.694 thousand at 31.12.2023, the remaining contribution balance is DKK 1.230.806 thousand.

Statement of cash flows

	Notes	2022/23 DKK'000
Operating profit/(loss) (EBIT)		(19,898)
Change in payables		1,082
		(18,816)
Received financial income		7
Cash flows from operating activities		(18,809)
Acquisition of equity investments	3	(231)
Cash flows from investing activities		(231)
Cash flows from operating and investing activities		(19,040)
Contributions from Limited Partners		19,694
Cash flows from financing activities		19,694
Increase/decrease in cash and cash equivalents		654
Cash end of year		654

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Notes to the financial statements

1 Accounting policies

Reporting class

The financial statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

This is the Fund's first financial statements which comprise the periode from 29 September 2022 to 31 December 2023, and hence no comparative figures have been presented.

The financial statements are presented in ~~DKK~~, ~~DKK~~ is the functional currency of the Fund.

The Fund is determined to be an investment entity in accordance with IFRS 10, Consolidated Financial Statements, and has therefore accounted for subsidiaries as well as investments in associates and joint ventures as investments designated at fair value through profit or loss where the relevant criteria under IFRS 10 are met.

The financial statements are presented on the basis of going concern.

The Fund's investments are portfolio companies which are not subject to IFRS 9, Financial Instruments. The Fund has no material assets or liabilities subject to IFRS 9, Financial Instruments.

The Fund's has not entered into any leasing agreements subject to IFRS 16, Leases.

The financial statements are presented on the basis of historical cost, except for the investments and receivables from investments, which are measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for assets.

All amounts in the financial statements are presented in whole ~~thousDKK~~ Every figure is rounded off separately and, for that reason, minor differences between the stated totals and the sum of underlying figures may occur.

Judgements made by Management in the application of the IFRS Accounting Standards that have had significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements

Defining materiality

If a line item is not individually material, it is aggregated with other items and notes of a similar nature in the financial statements or in the notes. There are substantial disclosure requirements throughout the IFRS Accounting Standards. Disclosures required by the IFRS Accounting Standards are provided unless the information is considered immaterial to the economic decision-making of the users of these financial statements or not applicable.

The most significant accounting policies are set out below.

Report on the exemption of preparation of consolidated financial statements

Capidea Kapital IV K/S has omitted to prepare consolidated financial statements under the provisions of IFRS 10, Consolidated Financial Statements, as the Limited Partnership qualifies as an investment entity. The definition of an investment entity is an entity that:

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- Measures and evaluates the performance of substantially all its investments on a fair value basis.

In view of the circumstances described below, the General Partner believes that the Fund satisfies the typical criteria of an investment entity that:

- The Fund has more than one investment.
- The Fund has more than one investor and its investors are not related parties. Please refer to the description in Note 8 to the financial statements.
- The Fund's investments take the form of equity instrument or similar investments (portfolio companies).

As a result, the General Partner has decided to apply the exemption rule in IFRS 10 not to prepare consolidated financial statements where the controlled subsidiaries are consolidated, and instead the controlled subsidiaries are accounted for at fair value through profit or loss.

Standards and Interpretations not yet in force

All of the new and amended Standards and Interpretations which are relevant to the Fund, and which came into force with effect for financial years beginning 29.09.2022 have been applied when preparing the financial statements.

These Standards have not had an impact on the Fund's Annual Accounts.

There are no other Standards, Interpretations or amendments to existing Standards that are not yet effective that would be expected to have an impact on the Fund.

Significant accounting judgment and estimates

As part of the preparation of the financial statements, the Fund Manager and the General Partner made judgements and estimates which affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. None of these are considered significant.

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 Fund, and the value of the asset can be measured reliably. Assets are derecognised in the balance sheet when it is no longer probable that future economic benefits will flow to the Fund.

Liabilities are recognised in the balance sheet when the Fund has a legal or constructive obligation as a result of an event prior to or on the balance sheet date, and it is probable that future economic benefits will flow out of the Fund, and the value of the liability can be measured reliably. Liabilities are derecognised in the balance sheet when it is no longer probable that economic benefits will have to be given up to settle the liability.

Financial assets and liabilities are recognised at fair value through profit or loss when the Fund becomes party to the contractual provisions of the instrument. Recognition takes place on the trade date when the Fund purchases or sells an investment under a contract whose terms require delivery of the investment within the time frame established by the market.

Financial assets and liabilities are derecognised when the contractual rights to the cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

On initial recognition, assets and liabilities are measured at cost, however, investment assets are measured at fair value on initial recognition, typically equalling cost exclusive of directly incurred expenses (direct transaction costs). Subsequent to initial recognition, all financial assets, and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within net increase/(decrease) in unrealised gains/(losses) from financial assets and liabilities at fair value at fair value in the period in which they arise.

Income is recognised in the statement of comprehensive income when earned, whereas costs are recognised by the amounts attributable to this financial period.

Foreign currency translation

The functional currency reflects the currency in which the Limited Partners have committed themselves to the Fund as well as the currency in which the Fund pays the Fund Manager for carrying out investment related services. Investments and loans are carried out in different currencies and hence considered less relevant in terms of influencing the choice of functional currency. The financial statements of the Fund are presented in the currency unit ~~DKK~~ which is the Fund's functional and presentation currency.

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date or the rate at the balance sheet date are recognised in the statement of comprehensive income as financial income or financial expenses.

Statement of comprehensive income

Revenue recognition

Income from investments in portfolio enterprises comprises gains/losses from divestments, fair value changes and received dividends and other similar types of returns from the investments.

Gains/losses from divestment of investments in portfolio enterprises are stated as the difference between the selling price or disposal consideration and the carrying amount of the portfolio enterprises at the time of sale or disposal, respectively.

Dividends from investments in portfolio enterprises are recognised as income when final entitlement to the dividends is obtained, which is usually at the time of the approval of the declaring dividends by the portfolio enterprise.

Administrative expenses and other operating expenses

All expenses are recognised in the statement of comprehensive income on an accrual basis.

Administrative expenses and other operating expenses comprise expenses incurred during the reporting period not directly related to the Fund's investment activities. The Fund pays the Fund Manager an annual fee for carrying out investment related activities and administration. The fee is calculated in accordance with the criteria set out in the Limited Partnership Agreement.

Administrative expenses and other operating expenses which can be directly allocated to specific investments are recognised in the underlying project companies when the investment structure is formally in place.

Administrative expenses and other operating expenses that do not relate to the Fund's investment activities or is investment specific are recognised as expense by the Fund. Such costs comprise among others financial, legal and tax advisory, audit, bookkeeping and management fee.

Financial income and expenses

Financial income and expenses comprise interest income and various expenses, and net exchange rate adjustments on transactions in foreign currencies.

Interest income and interest expenses are recognised on an accrual basis.

Taxation

Under current Danish law governing the Fund, it is not independently taxable because the Fund's profit/loss for the year is included in the Limited Partners' taxable income.

The annual report does not include current or deferred tax due to the corporate form of the Fund.

Balance sheet

Investments

Financial assets and liabilities are recognised at fair value through profit or loss when the Fund becomes party to the contractual provisions of the instrument. Recognition takes place on the trade date when the Fund purchases or sells an investment under a contract whose terms require delivery of the investment within the time frame established by the market.

On initial recognition, investments and receivables from investments are measured at fair value and subsequently measured at fair value with recognition of fair value adjustments through profit or loss.

Financial assets and liabilities are derecognised when the contractual rights to the cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Investments consist of equity investments and receivables from investments consist of loans. Furthermore, investments consist of capitalised development costs, which increase the fair value of the investments.

On initial recognition the investments are measured at fair value, and subsequently measured at fair value with recognition of fair value adjustments through profit or loss. Receivables from investments are measured at fair value through profit or loss under IFRS 9, Financial Instruments.

The fair value is calculated equivalent to an estimated fair value that is determined based on market information, IPEV Valuation Guidelines and generally accepted valuation techniques, including benchmarking, multiple, DCF or other relevant methods, which are considered to provide the best estimate of the fair value.

For further information about the measurement of fair values, please refer to note 3.

Cash and cash equivalents

Cash comprises cash in bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement of the Fund is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Fund's cash at the beginning and the end of the financial period.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items and working capital changes attributable to the operating activities.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of investment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and payment of distributions to the Limited Partners as well as the raising of loans and instalments on interest-bearing debt, if any.

Cash comprises cash in bank deposits.

Financial highlights

Financial highlights are defined and calculated as below.

Ratios	Calculation formula	Ratios reflect
Solvency ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The Fund's financial strength
Distributed To Paid In (DPI)	$\frac{\text{The value of distributions to investors}}{\text{Contributed capital from investors}}$	The Fund's realisation

2 Administrative expenses

The Fund has no employees.

Administrative expenses include management fee for the period to Capidea Management ApS in accordance with the Limited Partnership Agreement and management agreement. For further information about management fee, please refer to note . Also administrative expenses include fee to administration, audit, advisors, organisation expenses and other professional fees.

	2022/23
	DKK'000
Management fee	16,426
Other administrative expenses	3,472
Administrative expenses	19,898

According to Article 107 of the AIFMD Level 2 Regulation and paragraph 61 section 3 (5 and 6) of the Alternative Investment Fund Managers etc. Act, alternative investment funds must disclose information about the total remuneration of the entire staff of the Fund Manager and the number of beneficiaries. Furthermore, remuneration to material risk-takers must be disclosed.

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

The remuneration policy ensures, among other matters, that the following is applied in relation to remuneration at the Fund Manager:

- Promoting of sound and effective risk management, which does not encourage excessive risk-taking.
- Consistency with the principles regarding the protection of the Limited Partners and measures in order to avoid conflicts of interest.

In accordance with paragraph 61 section 3 (5 and 6) of the Alternative Investment Fund Managers etc. Act, information regarding salaries paid to employees of the fund manager is disclosed in the Annual Report for 2022/23 Capidea Management ApS and 39144735.

No carried interest was paid out by the Fund during the financial period.

3 Investments

	Equity Investments DKK'000
Contributions	231
Fair value at 31.12.2023	231

Investments	Corporate form	Registered in	Equity interest %	Initial date of Investment
TopCap Inv 1:	Denmark	Denmark	96.47	21.09.2023
TopCap Inv 2:	Denmark	Denmark	96.47	20.11.2023
TopCap Inv 3:	Denmark	Denmark	96.47	30.11.2023

Consistently with the accounting policies, the Fund regularly adjusts the value of the investments to the best estimate of fair value. This means that the proportionate share of operating profit or loss for the Companies is not recognised in profit or loss of the Fund, but rather a fair value adjustment of the investment.

The methods applied by the Fund to measure investments are evident from note to the financial statements.

4 Limited partnership capital

	2022/23
	DKK'000
Contributions from Limited partners and General partner	19,694
Limited Partners' contribution at end of year	19,694

The limited partners' contributions are not divided into classes. Special rights (carried interest rights) are attached to the distribution of dividends from the enterprise when the total realised gains of the enterprise exceed an agreed minimum interest rate of 8% p.a. of the cash injections of the Limited Partners. The calculation is made according to the so-called "European Waterfall" method.

5 Other payables

	2022/23
	DKK'000
Limited Partner creditor accounts	544
Payable to Fund Manager	334
Other payables	878

The carrying amount of payables relates to payables to Capidea Management. The amount recognised is equal to the fair value of the liabilities.

Other payables fall due for payment within 12 months.

6 Financial instruments

Categories of financial instruments:

	2022/23
	DKK'000
Equity investments	231
Financial assets measured at fair value through profit or loss	231
Other payables	878
Financial liabilities measured at amortised cost	878

All financial liabilities are due for payment within 12 months.

7 Financial risk management

The General Partner is ultimately responsible for the overall risk management within the Fund but has delegated the responsibility to the Fund Manager.

The Fund pursues an investment strategy approved by the Limited Partners and invests in areas of manufacturing, trade, distribution, service, software and industry.

The Fund's risk management processes include identification, measurement, monitoring, reporting and mitigation of the identified risks to minimise the potential negative effects at fund level.

The Fund continuously manages and reduces risks by:

- in-depth business, technical, financial and legal due diligence before an investment is made;
- the conclusion of shareholder agreements in order to ensure the best possible protection and freedom of action of the Fund;
- continuous close monitoring of portfolio companies and active ownership.

Key financial risk factors and exposure regarding the financial statements for 2022/23 are categorised as follows:

Financial risk factors

Liquidity risks

	Less than 1 year DKK'000	Between 1 year and 5 years DKK'000	After 5 years DKK'000	Total DKK'000
Other payables	878	0	0	878
31.12.2023	878	0	0	878

The Fund manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. In addition, the Fund is able to draw on uncalled commitments from its investors to meet its obligations if needed. In addition, no indication of the Limited Partners' inability to contribute the remaining fund commitment exists as well as future income from investments is expected to settle the outstanding amount.

Credit risks

In some cases, the Fund can provide loans to its portfolio enterprises, but has not. These loans are considered part of the investments and are, therefore, not considered to represent a separate credit risk, but are rather considered being part of the total investment risk and risk relating to determining a fair value of the investments.

In some cases, the Fund has receivables from the sale of investments. Typically, the payment is secured by the buyer depositing the receivable on escrow accounts in accepted credit institutions, and, therefore, the credit risk is considered limited. At 31 December 2023, the Fund has not been exposed to any credit risks.

Interest rate risk

The risk related to the interest rate implies that the portfolio enterprises work with loan capital and are thus affected by the interest rate level. An increase in interest rate level constitutes a potential risk for the fair value of the investments.

8 Related parties

Related parties with a controlling interest

The Limited Partnership has no investors or related parties with a controlling interest.

Related party transactions

	2022/23
	DKK
	'000
Management fee for administration and management	16,425

9 Assets charged

The Fund has no assets charged.

10 Contingent liabilities

There are no other guarantees or contingent liabilities of the Fund.

No provisions for expected credit loss have been recognised. Please refer to note 7 for further.

11 Investors

The Limited Partnership has registered the following Limited Partner as holding more than 5% of the voting rights or nominal value of the contributed capital:

Limited Partner	Residence	Ownership percentage
European Investment Fund	Luxembourg	17.98
Dansk Vækstkapital III K/S	Hellerup	11.99
Velliv, Pension & Livsforsikring A/S	Ballerup	9.99
Nordea-fonden	Copenhagen	7.99
Nykredit Realkredit A/S	Copenhagen	5.99

12 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.

13 Authorisation of the annual report for issue

At the meeting held on 06 February 2024 the General Partner authorised this annual report for issue on 06 February 2024.

The annual report will be presented to the limited partners of the Fund for approval at the Annual General Meeting on 25 April 2024.