

GRO Fund II K/S

Grønningen 17, 2.

1270 Copenhagen

CVR no. 39 82 67 71



Annual Report 2024

Approved at the limited partnership's ordinary partnership meeting on 27 March 2025

Chair of the meeting:

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Lars Dybkjær

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Statement by the general partner

The general partner has today discussed and approved the annual report of GRO Fund II K/S for the financial year 1 January – 31 December 2024.

The financial statements have been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and EU Sustainable Finance Disclosure Regulation.

It is our opinion that the financial statements give a true and fair view of the limited partnership's assets, liabilities and financial position at 31 December 2024 and of the results of the limited partnership's operations and cash flows for the financial year 1 January – 31 December 2024.

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

We recommend that the annual report be approved at the ordinary partnership meeting.

Copenhagen, 27 March 2025

General partner:
GRO Fund II GP ApS

Torben Carlsen
GRO Fund II GP ApS

Karsten Holst Bork Kristoffersen
GRO Fund II GP ApS

Independent auditor's report

To the limited partners and the general partner of GRO Fund II K/S

Opinion

We have audited the financial statements of GRO Fund II K/S for the financial year 1 January – 31 December 2024, which comprise statement of comprehensive income, statement of financial position, statement of changes in equity and capital commitment, statement of cash flows 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 limited partnership at 31 December 2024 and of the results of the limited partnership'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 and the Supplementary report in accordance with Sustainable Finance Disclosure Regulation

Management is responsible for the Management's review and the Supplementary report on information in accordance with Sustainable Finance Disclosure Regulation, hereinafter referred to as the "supplementary report".

Our opinion on the financial statements does not cover the Management's review and the Supplementary report, 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 the Supplementary report and, in doing so, consider whether the Management's review and the Supplementary report are 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 the work we have performed, we conclude that the Management's review and the Supplementary report are in accordance with the financial statements and have been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatements of the Management's review or the Supplementary report.

Independent auditor's report - continued

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 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 limited partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the limited partnership or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 limited partnership'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 limited partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the limited partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's report - continued

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, 27 March 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr
State Authorised Public Accountant
mne26693

Rasmus Berntsen
State Authorised Public Accountant
mne35461

Management's review

Company details

Name:	GRO Fund II K/S
Address:	Grønningen 17, 2. 1270 Copenhagen Denmark
Registration no.:	39 82 67 71
Registered office:	Copenhagen
Financial year:	1 January – 31 December
Date of establishment:	31 August 2018
Total commitment:	TEUR 251,470
Investment period:	4 years from the Final Closing with the possibility of a 1 year extension
General partner :	GRO Fund II GP ApS
Investment manager:	GRO Capital A/S
Auditors:	EY Godkendt Revisionspartnerselskab Dirch Passers Alle 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

EUR'000	2024	2023	2022	2021	2020
Key figures					
Value adjustment of investments in portfolio companies	23,716	59,618	-5,189	68,656	33,784
Profit/loss before financial income and expenses	19,477	55,375	-9,278	63,208	28,443
Net financial income	48	0	-275	-129	-128
Profit/loss for the year	19,525	55,375	-9,553	63,079	28,316
Investments in portfolio companies	382,340	356,273	293,566	250,368	140,139
Total assets	384,326	358,062	295,437	253,107	142,832
Equity (net asset value)	384,150	357,982	295,397	252,866	142,641
Cash flows from operating activities	-6,433	-6,942	-52,306	-48,152	-40,283
Cash flows from investing activities	0	0	0	0	0
Cash flows from financing activities	6,643	7,210	52,084	47,145	40,365
Total cash flows	210	268	-222	-1,007	82
Financial ratios					
Equity ratio	100%	100%	100%	100%	100%
Return on equity (average)	7%	17%	-3%	32%	22%

The financial ratios have been calculated as follows:

Equity ratio:
$$\frac{\text{Equity at year end} \times 100}{\text{Equity and liabilities at year end}}$$

Return on equity (average):
$$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$$

Management's review

Operating review

Principal activities

The object of the limited partnership is to generate returns on the limited partnership's capital by making investments in primarily small and medium-sized unlisted Nordic and Northern European companies.

Business model

GRO Fund II K/S is a limited partnership with the intention of being the owner of various portfolio companies. It is a Private Equity fund with the investment mandate to own primarily privately-owned portfolio companies and the ownership stakes may be small or large, minority or majority. GRO Fund II K/S has no employees and no activities other than holding investments made in portfolio companies.

Investments are managed and controlled by the Fund Manager for the fund GRO Capital A/S, and external investment professionals is elected to give investment advice and monitor the investments. GRO Fund II GP ApS act as the General Partner.

The limited partnership's purpose is to generate returns on the limited partnership's capital by making investments in primarily small and medium-sized unlisted Nordic and Northern European companies, with an expected exit after 4-7 years. When all the investments are exited the Company will be liquidated.

The General Partner is aware and concerned about the importance of social corporate responsibility and the sustainability aspects of business. The responsibility for this lies not with the Fund its self, but with the portfolio companies and supported by the focus of the Investment Professionals.

Development in financial matters

The Fund's financial position and the result of the year will be shown in the following income statement of the financial year 1 January - 31 December 2024 and the balance sheet as per 31 December 2024.

The Fund has invested in following portfolio companies:

Omada (2018) is a market leading provider of Software solutions and services for Identity Management and Access Governance. Omada Identity delivers comprehensive identity and access management functionality on-premises or as-a-service.

Adform (2019) is a global leader of ad tech software. Adform is a global, independent and fully integrated advertising platform built for modern marketing, which automate and optimize the effectiveness of digital advertising processes.

Queue-IT (2020) is a global leader of virtual waiting room software. A virtual waiting room is a cloud-based service for websites or mobile commerce solutions to control traffic surges.

iPoint (2020) offers product compliance and sustainability software. iPoint empowers companies to collect, analyze and report all necessary data to assess the environmental, social, and economic impacts of their products and related processes.

KeyShot (2021) specializes in advancing state of the art technology in rendering and computer-based lighting simulations. KeyShot has expert knowledge in areas related to rendering technology, daylighting (atmospheric scattering), light scattering by materials, light transport algorithms such as photon mapping, and spectral simulations.

Secomea (2021) is a leading provider of remote maintenance Industrial Internet of Things solutions used by Machine Builders, Integrators and Manufacturers worldwide.

Promon (2022) specializes in App and Software security. Promon is providing Next-gen application shielding technology.

The Management Company GRO Capital A/S considers the Fund fully deployed. For additional information, please refer to note 6.

Management's review

Operating review (continued)

Profit for the year

The income statement of the Fund for 2024 shows a profit of TEUR 19,525, and at 31 December 2024 the balance sheet of the Fund shows equity of TEUR 384,150.

The profit and equity are impacted primarily from fair value adjustment of investments and management fee cost. Fair value adjustments increased during 2024 as a result of strong growth and performance in the portfolio companies.

Management expected management fee for 2024 to be TEUR 3,000 – 3,900, which is considered achieved.

Corporate Responsibility

The Fund's business model reflects the fact that each of the portfolio companies are independent companies which operates in different industries and countries and therefore face different corporate responsibility risks. As a holding company, the Fund is responsible for setting the overall corporate responsibility priorities and providing the appropriate risk management framework through active ownership. In turn, each portfolio company is responsible for defining their own corporate responsibility strategy with relevant activities and actions, and where necessary, supporting policies.

Within the corporate responsibility efforts, the Fund is focused on the environmental, social and governance areas that build financial and non-financial value in the portfolio companies. Also, by creating value and return to the Fund's investors the Fund build value to universities and pension funds among others and by that affecting the society at large.

Environmental and climate

The Fund's activities usually do not cause detectable harm or damage to the environment. The Fund through its ownership in the portfolio companies strives to contribute to environmental improvements. The Fund believes that strengthening sustainability practices will benefit companies both in the short and long term. The direct positive impact on the environment also translates into economic gains.

The Fund has through their active ownership implemented the recommendations from the Task Force on Climate-Related Financial Disclosures by establishing internal processes and procedures for data collection processes to meet the criteria laid out in Article 4(i)(a) of Regulation (EU) 2019/2088 (also known as the EU Sustainable Finance Disclosure Regulation or the "SFDR") and currently applies Article 4(i)(b) of SFDR. GRO Fund II K/S investments are under the scope of SFDR Article 8, and thus, the Company developed internal reporting frameworks to monitor progress more closely on sustainability in portfolio companies due to the responsibility to report in accordance with the framework.

According to the regulation described (SFDR), GRO Fund II K/S are required to report on Sustainability. Accordingly, below description and reporting on Sustainability are aligned with these requirements

Risk analysis

For an investment fund such as GRO Fund II K/S, the risks are related to making the right investment decisions, being good active owners and managing the investments and transactions properly from a commercial and compliance perspective. Under the above business model, these risk factors are managed by the GRO Fund II GP ApS, and Investment Professionals.

Risks of potential negative effects on environmental, social aspects, work conditions, human rights or anticorruption factors will occur in the portfolio companies and not directly in the Fund. Thus, risk analysis needs to be done at a portfolio company level and relating to the business activities of the portfolio company. This is supported by the focus of the Investment Professionals.

Management's review

Operating review (continued)

Uncertainty about the measurement of investments

Investments in portfolio companies consist of shares in unlisted companies where no exact trading value exists. The Fund is using recognized valuation methods to measure the portfolio companies at fair value.

The valuation is as far as possible based on comparable external market data, but also on estimates and judgements made by Management. As a result, significant uncertainty is associated with this. For additional information, please refer to sensitivity analysis under note 6.

Financial risks

Financial and other risks material to the financial statements is presented in section "Notes to the financial statements". Please refer to note 9. For information about the methods and assumptions used in determining fair value please refer to note 2 and 6.

Consolidated financial statements

The Fund meets the conditions of being an investment entity and is exempt from preparing consolidated financial statements for 2024. For further explanation, please refer to note 1.

Events after the balance sheet date

No events have occurred after the balance sheet date that may have a significant influence on the assessment of the annual report.

Outlook

Management expects fair value adjustments to increase during 2025 as a continued result of strong growth and performance in the portfolio companies. Further management expect to diversify some of the portfolio companies, and utilize some of the recognized unrealised gains. Management expects the level of cost to decrease in 2025 compared to 2024, since Management fee to GRO Capital A/S is expected to be lowered caused by divest of investments. The impact depends on what investments and the timing. The cost level is expected to be TEUR 2,600 - 3,500.

Financial statements for the period 1 January – 31 December

Statement of comprehensive income

Note	EUR'000	2024	2023
6	Value adjustment of investments in portfolio companies	23,716	59,618
4	Other external costs	-4,239	-4,243
	Profit/loss before financials	19,477	55,375
5	Financial income	48	0
	Profit/loss for the year	48	55,375
	Other comprehensive income	0	0
12	Total comprehensive income for the year	19,525	55,375

Financial statements for the period 1 January – 31 December

Statement of financial position

Note	EUR'000	2024	2023
	ASSETS		
	Non-current assets		
	Investments		
6	Investments in portfolio companies	382,340	356,273
	Total non-current assets	382,340	356,273
	Current assets		
	Receivables		
7	Other receivables	44	57
	Total receivables	44	57
	Cash at bank and in hand	1,942	1,732
	Total current assets	1,986	1,789
	TOTAL ASSETS	384,326	358,062
	EQUITY AND LIABILITIES		
8	Equity		
	Contributed capital	251,470	251,470
	Unpaid capital contributed	-22,431	-29,074
	Revaluation reserve	186,744	163,028
	Retained earnings	-31,633	-27,442
	Distributions	0	0
	Total equity	384,150	357,982
	Liabilities		
	Current liabilities		
	Other payables	176	80
	Total current liabilities	176	80
	Total liabilities	176	80
	TOTAL EQUITY AND LIABILITIES	384,326	358,062

Financial statements for the period 1 January – 31 December

Statement of changes in equity and capital commitment

EUR'000	Contributed capital		Committed and paid-in capital	Revaluation reserve	Retained earnings	Distributions	Total equity
	Commitment	Uncalled					
Equity at 1 January 2023	251,470	-36,284	215,186	103,410	-23,199	0	295,397
Paid through cash calls during the year	0	7,210	7,210	0	0	0	7,210
Distributed during the year	0	0	0	0	0	0	0
Profit for the year	0	0	0	59,618	-4,243	0	55,375
Equity at 31 December 2023	251,470	-29,074	222,396	163,028	-27,442	0	357,982
Paid through cash calls during the year	0	6,643	6,643	0	0	0	6,643
Distributed during the year	0	0	0	0	0	0	0
Profit for the year	0	0	0	23,716	-4,191	0	19,525
Other comprehensive income	0	0	0	0	0	0	0
Equity at 31 December 2024	251,470	-22,431	229,039	186,744	-31,633	0	384,150

The limited partners are liable for their share of the uncalled capital commitment.

Financial statements for the period 1 January – 31 December

Cash flow statement

EUR'000	2024	2023
Profit/loss before financial income and expenses	19,477	55,375
Purchase of financial investments (portfolio Companies)	-2,351	-3,089
Value adjustment of investments (portfolio Companies)	-23,716	-59,618
Changes in other receivables	13	350
Changes in other payables	96	40
Cash flows from operating activities before financial income and expenses	-6,481	-6,942
Interest income received	48	0
Cash flows from operating activities	-6,433	-6,942
Paid-up contributed capital	6,643	7,210
Cash flows from financing activities	6,643	7,210
Cash flows for the period	210	268
Cash and cash equivalents at the beginning of the period	1,732	1,464
Cash and cash equivalents at year end	1,942	1,732
Cash and cash equivalents at year end can be specified as:		
Cash at bank and in hand	1,942	1,732

Financial statements for the period 1 January – 31 December

Note summary

- 1 Summary of material accounting policies
- 2 Significant accounting judgements, estimates and assumptions
- 3 Standards issued not yet effective
- 4 Other external costs
- 5 Financial income
- 6 Investments
- 7 Other receivables
- 8 Capital management and contributed capital
- 9 Financial risk
- 10 Contingencies, etc.
- 11 Related party disclosures
- 12 Total comprehensive income

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies

Corporate information

The financial statement of GRO Fund II K/S (the limited partnership) for the year ended 31 December 2024 were approved and authorised for issue by the general partner on 27 March 2025.

GRO Fund II K/S is a limited partnership incorporated and domiciled in Denmark.

Basis of preparation

The financial statement of GRO Fund II K/S (the limited partnership) have been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted by the EU and the provisions applying to reporting class C-medium enterprises under the Danish Financial Statements Act. These audited financial statements have been prepared as the only financial statements of the limited partnership.

The financial statements are prepared based on the standards and interpretations that are effective as of 31 December 2024. The accounting policies are unchanged from prior year.

The separate financial statements have been prepared on a historical-cost basis, except for financial assets held at fair value through profit or loss. The financial statement are presented in TEUR and all values are rounded to the nearest thousand TEUR, except where otherwise indicated.

Group structure and activity

GRO Fund II K/S has multiple unrelated investors and holds multiple investments in portfolio companies. The Fund has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- 1) The Limited Partnership has more than one portfolio investment (portfolio companies).
- 2) The Limited Partnership has more than one investor, and its investors are not related parties
- 3) The Limited Partnership's investments in portfolio companies take the form of equity instruments or similar investments (portfolio companies).
- 4) The investments are measured and evaluated on a fair value basis.

As the Fund meets the conditions above, it is exempt from consolidating portfolio companies. Instead, it records its controlled investments as financial assets at fair value through profit or loss.

Functional and presentation currency

Assets, liabilities and transactions of GRO Fund II K/S are measured in the currency of the primary economic environment in which the company operates (functional currency). Transactions in currencies other than the functional currency are transactions in foreign currencies. The functional currency of the Fund is Euro (EUR).

Foreign currency translation

The Fund's transactions in foreign currencies are initially recorded by the Fund's at the exchange rates at the date the transaction first qualifies for recognition.

Receivables, liabilities and other items in foreign currencies are translated at the exchange rate at the reporting date.

Realised and unrealised exchange rate adjustments are included in comprehensive income as financial income/expense.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Implementation of new standards, amendments, and interpretations

The Fund has assessed the effect of the new standards, amendments, and interpretations. The Fund has concluded that all standards, amendments, and interpretations effective for financial years beginning on or after 1 January 2024 are either not relevant to the Fund or have no significant effect on the Financial Statements of the Fund.

The Fund further believes that other amended Standards and Interpretations, which have not entered into force, will not have significant impact on the financial statements as well as they have not been implemented before time.

Statement of comprehensive income

Value adjustment of investments in portfolio companies

Income from investments in portfolio companies 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 companies are stated as the difference between the selling price or disposal consideration and the carrying amount of the portfolio companies at the time of sale or disposal, respectively. Carried interest reduce gain or loss from investments in portfolio companies if the conditions for carried interest are fulfilled.

Fees and other external costs

Management fee comprises of management fee for the period calculated according to the Limited Partnership Agreement. Administrative expenses comprise expenses for establishing the Company and managing the operations of the Fund, including audit costs, legal advisors and other general expenses.

Financial income and expenses

Financial income and expense are recognised in the income statement with the amounts relating to the reporting period. Net financials include interest income and expense and realised and unrealized exchange rate gains and losses on foreign currency transactions.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Statement of financial position

Investments

Investments in portfolio companies

Portfolio companies are the companies in which the limited partnership invests in order to create added value for the investors of the limited partnership.

In accordance with the exception under IFRS 10 Consolidated Financial Statements, the limited partnership does not consolidate subsidiaries in the separate financial statements.

Initial measurement

Investments in portfolio companies, comprising subsidiaries and their investments in subsidiaries as well as associates, are upon initial recognition measured at fair value. Unlisted portfolio companies are valued either by way of capital increase and/or value of comparable companies as well as by applying generally acceptable measurement methods.

Subsequent measurement

Subsequently, investments in portfolio companies are measured at fair value through profit or loss. Value adjustments are recorded in the income statement.

Dividends from investments in portfolio companies are recognised in the income statement at the time of declaration (usually at the time of adoption at the ordinary partnership meeting).

Fair value measurement

The limited partnership measures its investments in portfolio companies at fair value at each reporting date.

For fair value of investments in portfolio companies, including receivables from portfolio companies and loans, reference is made to note 7.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Other receivables

Other receivables are recognised at the trade date, initially measured at fair value.

The limited partnership holds other receivables other than those classified at fair value through profit and loss with the objective of collecting the contractual cash flows, and therefore, measures them subsequently at amortised cost using the effective interest method.

The limited partnership applies the simplified approach to measure the expected credit loss and a lifetime expected loss allowance for all other receivables.

Financial liabilities

Non-current liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the term of the loan.

Other financial liabilities are measured at amortised cost.

Equity

Investments by limited partners are recognised when cash calls are made. Investment commitments where cash calls have not been made at the balance sheet date are disclosed in the notes. An amount corresponding to net positive unrealised value adjustments of investments in subsidiaries and associated companies is presented as "revaluation reserve" under the equity.

Tax

The limited partnership is not an independent tax entity, and therefore tax is not recognised in the financial statements.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Summary of material accounting policies (continued)

Statement of cash flows

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

Cash flows from operating activities

Cash flows from operating activities are calculated as profit/loss for the year adjusted for non-cash operating items and changes in working capital, excluding payments in connection with acquisition and disposal of portfolio companies.

Cash flows from financing activities

Cash flows from financing activities comprise payment of contributed capital as well as rising of loans, repayment of interest-bearing debt, and payments to limited partners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank overdraft facilities used as part of the short-term liquidity management.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

2 Significant accounting judgements, estimates and assumptions

GRO Fund II K/S makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

Fair value of investments

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.

Fair value for unlisted equity securities is determined by the General Partner using valuation techniques. Such valuation techniques may include earnings multiples. The Partnership adjust the valuation model as deemed necessary for factors such considerations as illiquidity and other differences, advantages and disadvantages between the Partnership's portfolio company and the comparable public companies based in company specific facts and circumstances.

In determining fair value, the General Partner relies on the financial data of investee portfolio companies and on estimates by the management of the investee portfolio companies as to the effect of future developments. Although the General Partner uses its best judgement, and cross-references results of primary valuation models against secondary models in estimating the fair value of investments, there are inherent limitations in any estimation techniques.

The fair value estimates presented herein are not necessarily indicative of an amount the Partnership could realise in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

The fair value of securities that are not quoted in an active market are determined by using valuation techniques described below. The Fund's general partner seeks to adhere both to Invest Europe reporting standards and to the IPEV Valuation Guidelines.

Valuation is based on a market-based method if possible. Unlisted portfolio companies are valued on the basis of the latest share-based or external capital injection made between independent parties through the use of earnings multiples and/or by comparison to relevant benchmark companies. Please refer to note 6 for further details on the valuation models and processes.

Estimates and assumptions

The fair value for each unlisted portfolio companies is determined based on methods which best reflect the individual investment's potential and risk.

In general, the fair value is determined following the guidelines which prescribe the use of accepted valuation methods, such as multiple analysis/benchmarking, most recent transaction multiple and other relevant methods. Upon initial investment, cost of the investment is generally determined to represent the fair value. In connection with the use of this method, the Fund assesses which multiples are applicable as well as assesses the determination of the applicable earnings to be used in the calculation of the deemed fair value.

The fair value is determined in the functional currency of the portfolio companies, which is then translated to Euro at the exchange rate at the balance sheet date, and any exchange rate adjustment is included in the fair value adjustment of the investment in profit or loss.

The equity interest represents the Fund's ownership after dilution of incentive programmes provided to management in the respective portfolio companies and before any effect of different share classes which may be present in the holding structures, such as preference shares.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

3 Standards issued but not yet effective

In the opinion of Management, no standards or interpretations that are issued, but not yet effective, up to the date of issuance of the limited partnership's financial statements, will significantly impact the limited partnership.

EUR'000	2024	2023
4 Other external costs		
Management fee calculated and paid in accordance with the Limited Partnership Agreement and the Investment Management Agreement.	3,932	3,996
Advisory board and other advisors	307	247
Total other external costs	4,239	4,243

According to the Alternative Investment Fund Managers etc. Act, alternative investment funds are required to disclose information about the total remuneration of all employees of the Management Company, the number of beneficiaries and the remuneration to material risk-takers. The information is disclosed in the Annual Report for 2024 for the Management Company GRO Capital A/S, Business Reg. No. 29 42 55 58.

GRO II CIV I 2018 K/S is entitled to carried interest subject to and in accordance with the Limited Partnership Agreement. No transactions have occurred with GRO II CIV I 2018 K/S during 2024 or 2023.

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

5 Financial income		
Other	48	0
Total financial income	48	0

6 Investments

EUR'000	Equity investments in portfolio companies
Cost at 1 January 2024	193,245
Additions during the year	2,351
Cost at 31 December 2024	195,596
Value adjustment at 1 January 2024	163,028
Unrealised value adjustments	23,716
Value adjustment at 31 December 2024	186,744
Carrying amount at 31 December 2024	382,340

Financial statements for the period 1 January – 31 December

Notes to the financial statements

6 Investments (continued)

EUR'000	Equity investments in portfolio companies
Cost at 1 January 2023	190,156
Additions during the year	3,089
Cost at 31 December 2023	193,245
Value adjustment at 1 January 2023	103,410
Unrealised value adjustments	59,618
Value adjustment at 31 December 2023	163,028
Carrying amount at 31 December 2023	356,273

The limited partnership measures its investments at fair value at each reporting date.

Fair value of investments

Valuations are performed in corporation by the Investment team and the finance team based on the valuation principles and valuation method described in the Valuation and Reporting Policy. Initial valuations are performed by the Responsible Partner in close cooperation with the investment team. The investment team participates by providing relevant input to the variables in the valuation model such as company revenue and the net debt in the portfolio company.

GRO Capital A/S, the Management Company, carries out valuations of Investments with the objective to provide Investors with a fair market value ("FMV") estimate of their commitment to the relevant AIF. In estimating the FMV of an Investment, GRO Capital A/S applies current market data and company specific inputs.

In accordance with the Fund's policy the valuation is based on comparable trading multiples, and the Investment Team determines appropriate public companies based on industry, size, development stage, revenue generation and strategy. The Investment Team then calculate a trading multiple for each comparable company identified. The multiple is calculated by dividing the enterprise value (EV) with the Company relevant multiple (EBITDA, recurring revenue etc.)

The trading multiple or the enterprise value is then adjusted for discounts/premium with regards to such considerations as illiquidity and other differences, advantages and disadvantages between the Partnership's portfolio company and the comparable public companies based in company specific facts and circumstances.

In determining the continued appropriateness of the chosen valuation techniques, the Investment team may perform back testing to consider the various models' actual results and how they have historically aligned with the market transactions.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

6 Investments (continued)

International Financial Reporting Standards require GRO Fund II K/S to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements.

Investments are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

The measurement of investments in portfolio companies classified according to level 3 is based on measurement methods, in which material non-observable inputs are included such as assessment of which method best reflects fair value, assessment of the performance of each group enterprise, determination of multiples and future earnings, and assessment of whether a pervasive negative development should result in the recognition of impairment write-downs. The fair value of the Fund's portfolio companies is impacted by the development in applied multiples as well as expected future earnings and development in each group enterprise. A decrease or increase in the abovementioned material non-observable inputs may have a direct effect on the measurement of the portfolio companies, just as the fair value of the Fund's portfolio companies is impacted by the development in macroeconomic conditions

The following table shows the classification of financial instruments recognised at fair value:

2024				
EUR'000	Level 1	Level 2	Level 3	Total
<i>Investments</i>				
Investments in portfolio companies	0	0	382,340	382,340
Total financial assets	0	0	382,340	382,340
2023				
EUR'000	Level 1	Level 2	Level 3	Total
<i>Investments</i>				
Investments in portfolio companies	0	0	356,273	356,273
Total financial assets	0	0	356,273	356,273

Significant unobservable inputs at level 3

Investments classified within level 3, has been valued based on significant unobservable inputs, as they trade infrequently. As quoted market prices are not available for these investments, the general partner has used valuation techniques to determine fair value. In order to assess the valuation made for investments within level 3, the Investment Professionals reviews the performance of the portfolio companies. Furthermore, the Investment Professionals is regularly in contact with the management of the portfolio companies in order to make assessments of business and operational matter which are considered in the valuation process. Where appropriate the Investment Professionals also track peer group company multiples, such as multiples on the expected sales level, recent transaction results and credit ratings for similar companies.

	Multiple Range used
Level of applied multiples, 2024	2.1 – 10.5
Level of applied multiples, 2023	3.6 – 14.0

Sensitivity analysis

The fair value of the Company's portfolio companies is affected by the development in applied multiples. A change in significant unobservable input will have an effect on the valuation of the portfolio companies, as well as the fair value will be affected of development in general macro - economic conditions.

A change of applied multiples of 10% will have the following effect on the fair value:

Change in applied multiples of 10%, 2024 - TEUR 40,900

Change in applied multiples of 10%, 2023 - TEUR 36,000

The following table shows a reconciliation of the opening balance to the closing balance for fair value measurements in Level 3 of the fair value hierarchy.

2024

EUR'000	Investments in portfolio companies
Balance at 1 January	356,273
Additions	2,351
Total gains or losses ¹	23,716
Total financial assets	382,340

2023

EUR'000	Investments in portfolio companies
Balance at 1 January	293,566
Additions	3,089
Total gains or losses ¹	59,618
Total financial assets	356,273

¹ All gains and losses are recognized as value adjustment of investments in portfolio companies or financial income in the profit and loss. 0 (nil) is recognized in other comprehensive income.

There are no transfers between level 1, 2 and 3 during 2024 and 2023.

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6 Investments (continued)

The limited partnership meets the definition of an investment entity. Therefore, it does not consolidate its subsidiaries but, recognises them as investments at fair value through profit or loss. At 31 December 2024, the limited partnership had invested in the following subsidiaries and portfolio companies:

Subsidiaries	Place of registered office	Currency	Votes and ownership	Equity at last reporting date (Local currency)	Net profit/loss for the last reported year (Local currency)
GRO Holding VII ApS	Copenhagen	TDKK	100%	274,234	-32
GRO Holding VIII ApS	Copenhagen	TDKK	100%	242,566	-32
Queue-it Holding ApS	Copenhagen	TDKK	70.92%	171,781	-88
GRO Holding X ApS	Copenhagen	TEUR	76.19%	30,424	-144
KeyShot Group ApS	Aarhus	TDKK	33.61%	771,734	-66,543
GRO Holding XII ApS	Copenhagen	TDKK	100%	6,800	-516
Portalen TopCo AS	Oslo	TNOK	37.37%	911,960	-1,439

All financial statement figures are according to the latest approved financial statement for the financial year 1 January 2023 – 31 December 2023.

GRO Fund II K/S conducts all investments through subsidiary entities. The primary assets within the subsidiaries consists of equity investments in portfolio companies.

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Notes to the financial statements

6 Investments (continued)

Portfolio Companies Investment (Industry)	Place of registered office	Stage of initial investment	Currency	Share capital (Local currency)	Votes and ownership	Equity at last reporting date (Local currency)	Net profit/loss for the last reported year (Local currency)
Omada A/S (Cyber Security and IAM solutions)	Copenhagen	Mature	TDKK	1,881	28.00%	49,825	-30,879
Adform A/S (Adtech)	Copenhagen	Mature	TEUR	94	25.40%	41,709	3,248
QUEUE-IT (Virtual waiting room SaaS solution)	Copenhagen	Growth	TDKK	214	64.80%	8,158	-15,967
iPoint Systems GmbH (Sustainable Software)	Hamburg	Mature	TEUR	58	71.00%	1,086	-3,653
KeyShot Group ApS (3D rendering and engineering software)	Aarhus	Mature	TDKK	125	32.00%	11,932	-3,770
Secomea A/S (Remote access provider)	Copenhagen	Growth	TEUR	85	57.60%	6,834	-168
Promon AS (Cyber Security)	Oslo	Growth	TNOK	769	33.10%	33,217	-9,928

All financial statement figures are according to the latest approved financial statement for the financial year 1 January 2023 – 31 December 2023.

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Notes to the financial statements

7 Other receivables (current assets) EUR'000

	2024	2023
Other receivables	44	57
Total other receivables	44	57

8 Capital management and contributed capital

For the purpose of the limited partnership's capital management, capital includes contributed capital and all other equity reserves attributable to the limited partners of the partnership. The committed capital from the limited partners amounted to TEUR 251,470 at 31 December 2024, of which TEUR 22,431 was uncalled.

The limited partnership will call capital from the limited partners as needed in connection with the execution of activities in accordance with the limited partnership agreement.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

9 Financial risk

The objective of the Fund is to achieve medium to long-term capital growth through investing in a selection of unlisted private companies operating mainly in the Nordic market.

The Fund's activities expose it to a variety of financial risks: market risk, foreign exchange risk, liquidity risk and credit risk.

There are none key financial risk factors and exposures in financial statements besides investments in portfolio companies.

Market risks

The Partnership's Investment Professionals provides the General Partner and Partnership with investment recommendations. The Investment Professionals recommendations are reviewed and approved by the General Partner before the investment decisions are implemented. To manage the market price risk, the Investment Professionals, as engaged by the General Partner, reviews the performance of the portfolio companies on a quarterly basis and is often in contact with the management of the portfolio companies for business and operational matters. Any relevant results of these reviews are communicated to the General Partner.

The portfolio of investments is well diversified among various industries within the IT sector. However, the majority of the investments are still in the Nordics and a negative event in the Nordic capital markets would most likely affect the financing and/or exit possibilities in general.

Foreign exchange risks

Some of the Company's investments are exposed to changes in foreign currencies like EUR, DKK and NOK. The Company considers the currency risk as part of the whole investment risk and hence, the Fund does not separately hedge the currency risk relating to its investments in portfolio companies.

In addition, the Fund is indirectly exposed to currency risks through investments in portfolio companies which trade in other currencies than their functional currencies and hence, development in exchange rates may influence income and thereby their determination of fair value of the portfolio companies.

Foreign exchange sensitivity

The Company's portfolio companies are affected by the development in foreign exchange rates. The fair value of the Company's investments will be affected by changes in local currency compared to the Company's chosen currency (EUR). The impact of the changes in local currency is symmetric for the statement of profit and loss and equity.

The calculation below shows the Company's sensitivity for changes in chosen currency, all other variables kept unchanged. The calculation is based on equal changes in all relevant currencies. The effect on the fair value is as follows, with a change in foreign exchange rates of 5% as per Q4 2024 and Q4 2023, respectively:

EUR'000	2024	2023
DKK/EUR	15,500	15,900
EUR/NOK	3,300	2,500

Financial statements for the period 1 January – 31 December

Notes to the financial statements

9 Financial risk (continued)

Liquidity risk

Maturity of financial liabilities is specified below divided into timing intervals. The specified amounts represent the amounts due for payment.:

EUR'000	Falling due within 1 year	Falling due between 1-5 years	Falling due after 5 years	No fixed maturity	Total	Carrying amount
2024						
<i>Obligations</i>						
Other payables	176	0	0	0	176	176
Total financial liabilities	176	0	0	0	176	176
EUR'000	Falling due within 1 year	Falling due between 1-5 years	Falling due after 5 years	No fixed maturity	Total	Carrying amount
2023						
<i>Obligations</i>						
Other payables	80	0	0	0	80	80
Total financial liabilities	80	0	0	0	80	80

The cash position in the Fund, TEUR 1,942, exceeds the payables, in addition the Fund can draw commitment from the Limited Partners when relevant.

The investors in the Company have made unconditional commitments of TEUR 251,470 to the Company, of which undrawn commitment amounts to TEUR 22,431.

The liquidity risk is considered insignificant. No indication of the limited partners ability to contribute the remaining Fund commitment occurs.

Credit risks

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.

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Interest risks

The Fund itself does not have access to a credit facility.

Capital risk management

In order to maintain or adjust the capital structure, the General Partner may call unfunded commitment from the investors or distribute funds.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

10 Contingencies, etc.

As a collateral for credit at Nordea in Omada A/S the company is committed to inject a cash or capital contributions in the underlying subsidiary in relation to the company's indirect ownership of Omada A/S on request from Nordea Denmark. At 31 December 2024 this amounts to TEUR 1,914.

As a collateral for credit at Nordea in iPoint Systems GmbH the company is committed to inject a cash or capital contributions in the underlying subsidiary in relation to the company's indirect ownership of iPoint Systems GmbH on request from Nordea Denmark. At 31 December 2024 this amounts to TEUR 3,000.

As a collateral for credit at Nordea in GRO Holding XII the company is committed to inject a cash or capital contributions in the underlying subsidiary in relation to the company's indirect ownership of Secomea A/S on request from Danske Bank. At 31 December 2024 this amounts to TEUR 1,988.

There are no other security and contingent liabilities at 31 December 2024.

11 Related party disclosures

No individual companies or persons exercise control over GRO Fund II K/S.

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

GRO Fund II GP ApS (the general partner), which has direct and unlimited liability for the limited partnership's debts and liabilities, and its management are considered as related parties.

GRO Capital A/S (the Investment Manager), which provides administrative services and investment advisory services to the limited partnership and its management are considered a related party.

The Investment Manager is entitled to receive a management fee for its services.

The following transactions has occurred with other related parties:

EUR'000	2024	2023
Management fee	3,932	3,996
Total expenses	3,932	3,996

Portfolio companies

Balances with subsidiaries are disclosed in note 6. There are no other transactions during the financial year.

EUR'000	2024	2023
12 Total comprehensive income attributable to		
Revaluation reserve	23,716	59,618
Retained earnings	-4,191	-4,243
Total comprehensive income	19,525	55,375

Supplementary report in accordance with Sustainable Finance Disclosure Regulation

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GRO Fund II

Legal entity identifier: N/A

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☒ ☐ Yes

☐ It made **sustainable investments with an environmental objective:** ____%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective:** ____%

☒ ☐ No

☐ It **promoted Environmental/ Social (E/ S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/ or social characteristics promoted by this financial product met?

GRO Capital, The Manager, have committed to promoting social and environmental characteristics for the fund in the manner described in the Manager's "Responsible Investment Policy" and below. The environmental and social characteristics that the product sought to promote are related to climate, gender equality and good governance.

- Climate: GRO sought to influence and work with portfolio companies to address their GHG emissions and set reduction targets.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- Gender equality: GRO sought to influence and work with portfolio companies to establish policies and action plans for gender diversity.
- Good governance: GRO sought to influence and work with portfolio companies to ensure that companies have in place adequate policies and procedures to support good governance, e.g. on anti-corruption and bribery, gender diversity and climate.

The environmental or social characteristics promoted by the product were attained during the period through GRO's active involvement with the portfolio companies. During the period, GRO has committed to work with the portfolio companies to support the implementation of ESG initiatives in line with GRO and the fund's strategic ESG focus areas. This has, among other things, included support with the implementation of policies on key ESG areas, related to climate, gender diversity and good governance, as well as supporting the companies with initiating ESG data collection and reporting to GRO Capital. Going forward, GRO will continue to actively work with the portfolio to continuously support the promotion of the social and environmental characteristics.

No new companies were acquired during the period, hence the due diligence and screening criteria relevant to the pre-investment process were not applied. The companies in the fund were acquired previous to the development of GRO's criteria hereto.

● ***How did the sustainability indicators perform?***

In the period, GRO has supported the portfolio in developing appropriate disclosures on climate change, social inequality, management or employee misconduct and good governance practices.

The indicators used to measure the attainment of the environmental and social characteristics include:

Whether investments have been conducted in line with the investment strategy and responsible investment policy of the fund and the Manager.

- No new investments were made by the fund during the period.

Whether portfolio companies have formulated and implemented policies on gender diversity, climate and anti-corruption.

- During the period, it was assessed whether the portfolio companies had in place adequate policies and procedures on gender diversity, climate and anti-corruption and bribery. Where policies or procedures were found to be lacking, GRO has supported and influence the companies in developing and implementing the required policies and procedures to ensure their timely implementation. All companies have worked to implement the required policies during the period.

Whether portfolio companies have formulated action plans for gender diversity and reducing climate impacts.

- During the period, it was also examined whether the companies had in place targets and procedures on gender diversity and climate, in line with GRO's targets for the portfolio. GRO engaged with the individual companies to support the development of action plans to ensure that the companies are on track. All companies have worked to implement the required policies during the period.

Whether the portfolio companies in scope have measured and reported on the ESG-data requested by GRO Capital.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- As part of the annual reporting ESG process, all portfolio companies are requested to report on select ESG indicators to enable tracking and disclosure of the performance of the fund. The companies in the fund have delivered all data for 2024 as requested by GRO, which assisted in establishing a second year reporting on climate scope 3 metrics. In the following years, as the companies continue to report, this will further enable the tracking of the portfolio's performance on ESG-indicators from year-to-year.

● **...and compared to previous periods?**

- Based on the assessment detailed under the section "How Did the Sustainability Indicators Perform" in this document, and in comparison to the SFDR periodic reporting for GRO Fund II for the year 2023, it has been determined that no significant changes have been identified, and GRO has consistently met the sustainability indicators.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

GRO Capital is committed to consider potential adverse impacts on sustainability in the management of the fund. Given the nature of the investment strategy of the product and the sector-specific focus on B2B software, the impacts considered in particular include: Greenhouse gas emissions, gender equality and good governance. During the period, potential adverse impacts on these factors were considered through the focus on supporting and entering into dialogue with the companies in regard to developing policies and procedures to address their impact on these areas. Further, GRO annually gathers data from the portfolio companies to follow the level of impact and development within the fund.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: Financial year 2024

Largest investments	Sector	% Assets	Country
<i>Omada</i>	<i>Technology</i>	<i>19.32%</i>	<i>Denmark</i>
<i>Adform</i>	<i>Technology</i>	<i>18.22%</i>	<i>Denmark</i>
<i>KeyShot</i>	<i>Technology</i>	<i>17.65%</i>	<i>Denmark</i>
<i>Queue-it</i>	<i>Technology</i>	<i>14.64%</i>	<i>Denmark</i>
<i>Promon</i>	<i>Technology</i>	<i>13.99%</i>	<i>Norway</i>
<i>iPoint</i>	<i>Technology</i>	<i>12.1%</i>	<i>Germany</i>
<i>Secomea</i>	<i>Technology</i>	<i>4.12%</i>	<i>Denmark</i>

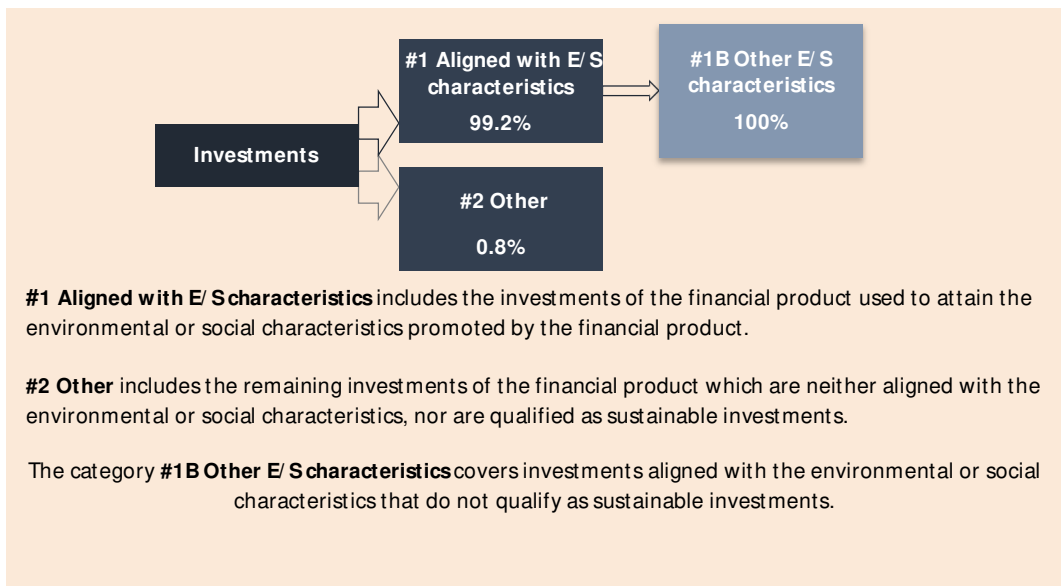


Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The financial product invested in mature equity and equity-related majority and minority stakes in Nordic and North European, mid-market technology companies with a focus on business-to-business software. The investments of the fund are 99.2% aligned with the E/S characteristics of the fund with the remaining proportion being cash. Refer to section one for an overview of how this was achieved in 2024.

What was the asset allocation?



In which economic sectors were the investments made?

The fund made no new investments during the period. Investments made in previous periods, including an overview of sectors, are described in the section “What were the top investments of this financial product?”

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

GRO Fund II intends to promote environmental and social characteristics, but does not intend to make sustainable investments as defined by EU regulation 2019/2088 (Sustainable finance disclosure regulation) and 2020/852 (Taxonomy). There is no reliable data available due to given investment space, hence, the fund was 0% aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

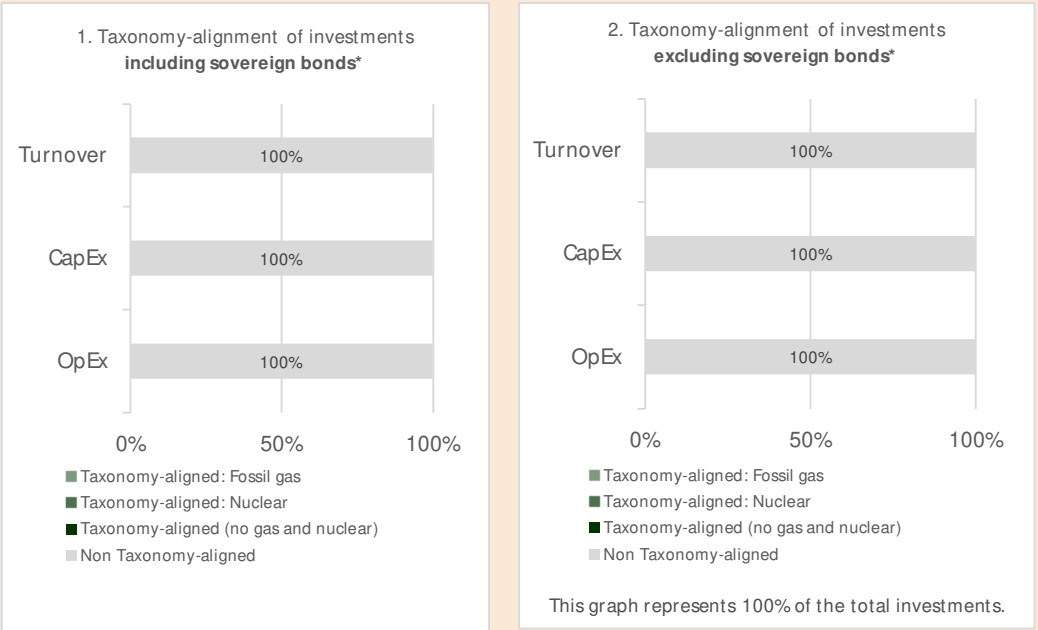
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

GRO Fund III has no established commitment to invest Taxonomy aligned, in fossil gas nor nuclear. As there is no reliable data available due to given investment space Turnover, CapEx and OpEx is set at 0%.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

As there is no reliable data available due to given investment space Turnover, CapEx and OpEx is set at 0%. The percentage of investments that were aligned with the EU Taxonomy was 0% in FY23 and is 0% in FY24.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The category includes cash which was held for liquidity purposes. There were no minimum environmental or social safeguards for this part of the portfolio.



What actions have been taken to meet the environmental and/ or social characteristics during the reference period?

During the ownership phase in 2024, GRO has engaged with the portfolio company in the fund and its management to ensure that the environmental and social characteristics and objectives of the fund have been addressed. This was done through direct involvement with management, as well as through GRO's ESG forum, where management was invited to discuss ESG, including GRO's minimum requirements, policies, action plans and the ESG targets of the fund.

In 2024, GRO also shared a decarbonization handbook to support their portfolio companies in reaching the decarbonization targets.

Besides from the periodic reporting, GRO annually also share insights on ESG matters through the year with shareholders in GRO's annual ESG report.

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Karsten Holst Bork Kristoffersen

CEO

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27/03/2025
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2025-03-27 07:50:51 UTC



Lars Dybkjær

Chair at general meeting

Serienummer: 48e0ff88-fc2c-45ad-8f8a-edee666ec802

IP: 87.60.xxx.xxx

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Mikkel Sthyr

Statsaut. revisor

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Rasmus Berntsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

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