

THE DANISH GROWTH FUND

LOAN REQUEST NOTICE – TEMPLATE

GREEN BUSINESS ANGEL MATCHING LOAN

STRANDVEJEN 104A
 DK-2900 HELLERUP
 PHONE +45 35 29 86 00
 VF.DK

(A version of this notice in word-format can be requested via e-mail to BADebt@vf.dk)

PLEASE REQUEST AND USE THE LATEST VERSION

Certified Investor(s) (a maximum of two certified investors per company):

[name]
 CVR no. [•]
 [address]
 [address]

[name]
 CVR no. [•]
 [address]
 [address]

Borrower:

[name]
 CVR no. [•]
 [address]
 [address]

Borrower's bank account (to which the loan is disbursed):

Reg. no.: [insert]
 Account no.: [insert]

Bank account to be registered "Betalingsservice" (from which the repayments will be drawn):

Reg. no.: [insert]
 Account no.: [insert]

Principal Amount (loan amount):
 (Maximum DKK 3,000,000 per company)

DKK [amount]

Equity Investment (total):
 (NB: need to be at least 1:1 with the Principal Amount)

DKK [amount]

Investment amount of the Certified Investor (or each Certified Investor, if more than one)

[Certified Investor]: DKK [amount]

[Certified Investor]: DKK [amount]

Closing (or planned closing) of Equity Investment:

[date]

Name and e-mail of key person(s) of the Borrower who will not sell their shares without prior written consent (cf. section 8.1(g) of the Loan Note) etc.:

[name]: [e-mail]

[name]: [e-mail]

E-mail address(es) of the Borrower's authorized signatories (in Danish: *tegningsberettigede*):

[name]: [e-mail]

[name]: [e-mail]

Primary contact of the Borrower:

[name]: [e-mail]: [phone]

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1 STRUCTURE OF THE INVESTOR'S EQUITY INVESTMENT

The Equity Investment in the borrower is carried out as stipulated below:

Financing form of Equity Investment [convertible loan]/[equity investment]

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If convertible loan¹:

- Is the conversion rate fixed? [Yes]/[No]
- If yes: what is the conversion rate per share (i.e. price per share)? DKK [amount]

If equity investment²:

- Nominal increase of the share capital (in total)
(in Danish: nominal forhøjelse af selskabskapitalen) DKK [amount]
- Par value of shares
(in Danish: stykstørrelse på kapitalandele) DKK [1] each
- Price per share DKK [amount]

Syndication:

Is the Equity Investment syndicated to co-investors (i.e. not carried out by the Certified Investor(s) alone)? [Yes]/[No]

If yes (to the question above):

- identity of all co-investors (full name, address, CVR-no., etc. as applicable)? [Name]
 [CVR-no.]
 [Address]
- [Name]
 [CVR-no.]
 [Address]
- percentage of the Equity Investment carried by the co-investors (maximum 50 pct.)? [%]
- the co-investors are all investing via a Danish limited liability company (e.g. an ApS or A/S) or personally? [Yes]/[No]

Other funding from Vækstfonden:

- The Borrower has obtained (or has been approved for obtaining) other finance from Vækstfonden? [Yes]/[No]

2 BORROWER REQUIREMENTS

2.1 For the purpose of complying with general requirements under the Investor Framework Agreement, such as investment criteria, the Borrower and the Certified Investor(s) confirm that the Borrower as of today's date:

¹ **Remember: such convertible loan must be subordinated to Vækstfonden's loan (separate subordination letter to be signed) and Vækstfonden must give its specific, prior and written approval to the convertible loan in question.**

² **Remember: the Equity Investment shall be carried out as a capital increase in cash, i.e. conversion of existing debt cannot be matched.**

- a) is within the scope of the approved investment strategy of the Investor; Confirmed:
- b) has since its incorporation generated an accumulated consolidated revenue (i.e. including revenue from any potential subsidiaries) of less than mDKK 2, cf. its approved annual report(s); Confirmed:
- c) the Certified Investor(s) has not and will not obtain, directly or indirectly, decisive influence (in Danish: bestemmende indflydelse) over the Borrower, cf. the principles in section 7 of the Danish Companies Act; Confirmed:
- d) the Certified Investor(s) has not entered into a shareholders' agreement (or similar) relating to the Borrower or relating to any entity holding shares or decisive influence, directly or indirectly, in the Borrower; and Confirmed:
- e) the Certified Investor(s) does not hold interests, whether contractual or by way of shareholding, which in the discretion of the Vækstfonden constitutes a structure similar to any of the above under c) or d). Confirmed:
- f) the Borrower does not i) have a beneficial owner (in Danish: reel ejer) who is a politically exposed person (PEP)³, or a family member or close associate to a politically exposed person; or ii) have a business relation with a politically exposed person. Confirmed:
- g) the Borrower has not previously received grants, loans or equity from public (State) sources for more than a total of DKK 0. Confirmed:

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If not confirmed, please elaborate on the total amount received and the source of the received amount (e.g. Inno-boost, Smart Innovation etc.):

[insert, if applicable]

For the purpose of 2.1 a) above (compliance with investment strategy), please insert descriptions below of:

- The background for the investment and how it is aligned with the investment strategy?

[Insert description]

- How will the Certified Investor be actively involved in the Borrower?

[Insert description]

- How does the Certified Investor match and add value to the Borrower?

[Insert description]

2.2 For the purpose of complying with the applicable state-aid regulation, the Borrower and the Certified Investor(s) confirm that the Borrower:

- a) employs fewer than 50 persons; Confirmed:

³ <https://www.finanstilsynet.dk/Tal-og-Fakta/PEP-liste>

- b) has an annual revenue and/or annual balance sheet total of not more than mEUR 10; Confirmed:
- c) the Borrower is an unlisted (not publicly traded) enterprise; Confirmed:
- d) was registered with the Danish Business Authority no more than five years prior to the disbursement of the Loan; Confirmed:
- e) the Borrower has not been assigned another company's activity, which at the time of the assignment either i) formed the basis of revenue of the transferring party or (ii) realistically had the prospect to form the basis for revenue within a period of maximum of 36 months; Confirmed:
- f) the Borrower has not yet distributed profits; Confirmed:
- g) the Borrower has not been formed through a merger, unless such was a merger between companies that fulfill the conditions set out in section (a)-(f) above and no more than five years have elapsed since the date of registration of the oldest merger party; Confirmed:
- h) the Borrower has not been the subject of an order to repay state aid granted by the Danish state and declared unlawful and incompatible with the Internal Market by the Commission that the Borrower has not yet complied with; and Confirmed:
- i) the Borrower has, including the requested loan, not borrowed more than 7.5 mDKK from Vækstfonden's early stage initiatives (i.e. the "Early Engagement Loan" (Green, COVID-19 or regular), "Start Loan" (Green, COVID-19 or regular) and/or the "Business Angel Matching Loan" (Green, COVID-19 or regular)) Confirmed:

Based on sections 2.1 and 2.2 above, the Borrower and the Certified Investor(s) acknowledges that Vækstfonden, for internal credit rating purposes, initially will (i.e. prior to the disbursement of the loan) rate the Borrower in its B5 rating-category.

3 GREEN INVESTMENT CRITERIA

- 3.1 The Investor confirms compliance with the Green Investment Criteria (Appendix 3.1(i) to the Investor Framework Agreement) as follows:

Assessment criterion 1 – Categories:

The main purpose of the economic activity of the Qualified Company must fall within at least one of the six categories:

- 1) Solutions with the potential to reduce greenhouse gas emissions nationally and/or internationally. The point in time when the effect will be realised shall be included in the assessment.
- 2) Solutions able to increase energy and resource efficiency in respect of the value chain, either in whole or a part thereof, for example through circular economy.

- 3) Solutions that decouple the use of fossil raw materials and fossil-based materials in respect the value chain, either in whole or a part thereof.
- 4) Solutions that promote, protect and/or support climatic, environmental and natural conditions, including the use of water resources, biodiversity and other ecosystem services.
- 5) Solutions that address food shortages and/or water scarcity and/or other climatic, environmental, and natural challenges in the food and water sectors.
- 6) Enabling solutions, including symbioses and sector cooperations, that facilitate and accelerate other green solutions.

Assessment criterion 2 – Contribution to at least one environmental objective

The economic activity of the Qualified Company must present a substantive contribution to achieving at least one of the following environmental objectives:

- 1) Climate change mitigation;
- 2) Climate change adaptation;
- 3) The sustainable use and protection of water and marine resources;
- 4) The transition to a circular economy;
- 5) Pollution prevention and control; or
- 6) Protection and restoration of biodiversity and ecosystems.

Assessment criterion 3 - The better environmental option than the displaced alternative

The economic activity of the Qualified Company must be an enabling or supporting activity that allows the scaling of other green solutions, or it must have unique green aspects that result in a significantly reduced environmental footprint in at least one tier in the value chain as compared to the displaced alternative solutions.

Confirmed:

Assessment criterion 4 - No significant harm to other environmental objectives

The economic activity of the Qualified Company must not cause any significant adverse impact on any of the environmental objectives set out under assessment criterion 2.

Confirmed:

Assessment criterion 5 - Compliance with minimum safeguards

The Qualified Company must have, or must be capable and willing to establish, procedures that ensure compliance with relevant minimum safeguards (referred to as "ESG Undertakings" in the ESG Side Letter) as set out in the UN Guiding Principles on Business and Human Rights, the OECD Guidance for Multinational Enterprises, and the ILO declarations on Fundamental Principles and Rights at Work.

Confirmed:

4 INNOVATION CRITERIA

4.1 The Certified Investor(s) must select, which of the following criteria's the Borrower fulfills (minimum one category needs to be selected).

#	Description	Selection
1*	<u>Innovation products/processes</u> : The Borrower intends to use the matching loan to invest in producing or developing or implementing new or substantially improved (i) products, processes or services, or (ii) production or delivery methods, or (iii) organizational process innovation including business models that are innovative and where there is a risk of technological or industrial or	<input type="checkbox"/>

business failure as evidenced by an evaluation carried out by an external expert.

- 2 Fast-growing enterprise: The Borrower is a "fast-growing enterprise", which is an SME or a Small Mid-cap operating in a market for less than 12 years following its first commercial sale and with an average annualised endogenous growth in employees or in turnover greater than 20% a year, over a three-year period, and with ten or more employees at the beginning of the observation period.
- 3 R&I Costs 5%: The Borrower has been operating in a market for less than 7 years following its first commercial sale and its R&I Cost represent at least 5% of its total operating costs in at least one of the three years preceding the Final Recipient's application for the matching loan, or in the case of an enterprise (and particularly a start-up) without any financial history, according to its current financial statements.
- 4 Innovation expenses: The Final Recipient's R&I annual expenses are equal or exceed 20% of the matching loan amount as per Final Recipient's latest statutory financial statements, under the condition that the Final Recipient's business plan indicates an increase of its R&I expenses at least equal to the matching loan amount.
- 5* 80% R&D and/or innovation: The Borrower undertakes to spend an amount at least equal to 80% of the matching loan amount on R&I activities as indicated in its business plan and the remainder on costs necessary to enable such activities.
- 6 Innovation support: The Borrower has been formally awarded grants, loans or guarantees from European R&I support schemes (e.g. Horizon 2020 or FP7) or through their funding instruments (e.g. Joint Technology Initiatives or "Eurostars") or regional, national research or innovation support schemes over the last 36 months, under the condition that the matching loan is not covering the same expense.
- 7 Innovation prize: The Borrower has been awarded over the last 24 months an R&D prize or Innovation prize provided by an EU institution or an EU body.
- 8 Patent: The Borrower has registered at least one technology right in the last 24 months, and the matching loan purpose is to enable, directly or indirectly, the use of this technology right.
- 9* Venture-capital: The Borrower is an early stage SME and has received an investment over the last 24 months from a venture-capital investor or from a business angel being a member of a business angels network; or such venture capital investor or business angel is a shareholder of the Borrower at the time of the Borrower's application for the matching loan.
- 10 Risk finance investment: The Borrower requires a risk finance investment which, based on a business plan prepared in view of entering a new product or geographical market, is higher than 50% of its average annual turnover in the preceding 5 years.
- 11 R&I Costs 10%: The Final Recipient's R&I Costs represent at least 10% of its total operating costs in at least one of the three years preceding the Final Recipient's application for the matching loan, or in the case of an enterprise without any financial history, as per its current financial statements.

*: Presumed to be relevant for a Borrower, in general.

4.2 Please describe the purpose of which the Borrower intends to use loan amount (maximum 20 words):

[description].

5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

The Borrower, including its products/services and operations, and (to the best of the Borrowers knowledge) its suppliers:

- a) is not, whether by nature or activity, within the scope of Vækstfonden's negative list Confirmed:

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b) acknowledge and continuously aspire to comply with UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and ILO's conventions on fundamental principles and rights at work meaning that it does not (and will not) Confirmed:

- a. infringe the internationally proclaimed human rights
- b. participate in activities that are illegal in the countries where the activities are carried out
- c. cause or in any other way contribute to a violation of any law on anti-money laundering
- d. in any way contribute to or participate in any tax evasion
- e. impose significant risks related to the climate or environment
- f. impose any risk related to animal welfare

c) does (and will) Confirmed:

- a. follow a policy commitment to meet their responsibility to respect human rights
- b. carry out human rights due diligence processes to identify, prevent, mitigate and account for how they address their impacts on human rights
- c. enable the remediation of any adverse human rights impacts they cause or to which they contribute
- d. promote diversity, equity, and inclusion in the company and among its suppliers
- e. take all relevant precautions in relation to health and safety on its workplace
- f. support a precautionary approach to environmental and climate related challenges and (to the greatest extent possible) undertake initiatives to promote greater environmental and climate responsibility
- g. work against corruption in all its forms, including extortion and bribery
- h. refrain from engaging in activities that may be legal, but whose main purpose is
 - i. tax evasion
 - ii. manufacturing or dissemination of pornography
 - iii. manufacturing or dissemination of weapons
- i. engage with suppliers to ensure further implementation of human and labour rights, environmental and climate actions, and work against corruption in their activities
- j. ensure to have processes in place to receive complaints about company activities

d) has not received any complaints about the Company's ESG behavior. Confirmed:

If the above cannot be confirmed, please elaborate:

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[insert, if applicable]

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6 COMPLIANCE WITH INVESTOR FRAMEWORK AGREEMENT

6.1 The Certified Investor(s) confirms that:

- a) the Certified Investor(s) complies with the terms of the Investor Framework Agreement (entered into between the Certified Investor(s) and Vækstfonden) and its obligations at the date of this Loan Request and will continue to do so. Confirmed:

7 DISBURSEMENT OF THE LOAN

- 7.1 Based on the information provided in this notice, Vækstfonden will assess whether the conditions for the loan are fulfilled etc. In the affirmative, Vækstfonden will forward the completed Loan Note for signature.
- 7.2 As described in section 5 of the Loan Note, the disbursement of the loan is *inter alia* subject to the delivery of the following documentation to Vækstfonden:
- documentation that the Equity Investment has been registered with the Danish Business Authority;
 - the signed minutes of the general meeting, including subscription list (or the signed convertible note, if the Equity Investment is carried out as a convertible loan);
 - copy of passport and social security certificate of each of the Borrower's beneficial owners (in Danish: reelle ejere⁴) and the Borrower's signatories on the Loan Note;
 - updated articles of association, shareholders' register and group chart (i.e. illustration of ownership structure including ownership stakes in percentages) of the Borrower; and
 - any other documentation which Vækstfonden considers to be necessary in order to comply with KYC requirements, and applicable anti-money laundering and anti-terror regulations, which may include a legal tax opinion at the reasonable and pre-approved cost of the Certified Investor(s).

SIGNATURE PAGE FOLLOWS

⁴ <https://erhvervsstyrelsen.dk/generelt-om-reelle-ejere>

SIGNATURE PAGE

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This document may be executed electronically via Penneo, or other similar services, whereby the electronically generated copy is to be perceived as the original document. Alternatively, this document shall be executed in counterparts (including pdf-copies), each of which shall be an original, but all such counterparts shall together constitute one and the same document.

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On [date].

On behalf of the Certified Investor(s):

[Name]

[Name]

On behalf of the Borrower:

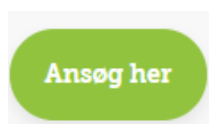
[Name]

[Name]

NB: The signed notice (and the items listed in appendix 1, if possible) shall be uploaded online via the 'customer portal' (kundeportal) to be found via this link:

<https://vf.dk/finansiering/business-angel-matching-laan/>

Look for this button:



Appendix 1

Vejledning til indsendelse af låneanmodning til BA Matchinglån

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For at sikre en effektiv og smidig håndtering af de indkomne låneanmodninger, bedes denne vejledning benyttet.

HUSK. Anmod altid om den seneste word-version af låneanmodningen via badebt@vf.dk.

Vær omhyggelig med udfyldelsen, alle punkter skal gennemgås og bekræftes. Er der tvivlsspørgsmål, eller noget som ikke kan bekræftes, skal du kontakte os. Gerne via mail på badebt@vf.dk

Den udfyldte og underskrevne låneanmodning indsendes via hjemmesiden under punktet. "Ansøg her". (Portalen bruges også til andre låneanmodninger, hvorfor du vil blive bedt om at uploade materiale, som ikke er relevant for et BA Lån). Det relevante materiale fremgår nedenfor.

Udover låneanmodningen skal du altid medsende:

- Personlegitimation for tegningsberettigede i selskabet (låntager), i form af kopi af kørekort/pas og kopi af sundhedskort
- Personlegitimation for reelle ejere, hvis der ikke er personsammenfald med ovenstående, i form af kopi af kørekort/pas og kopi af sundhedskort
- Kopi af opdateret ejerbog for låntager
- Koncernejer-diagram (Legale ejere op til reelle ejere (personer) med anførsel af ejerandele. Mindre ejerandele kan sammenlægges med en generel beskrivelse). Udenlandske ejere skal altid specificeres og legitimeres.
- Opdaterede vedtægter
- Ejeraftale for låntager
- Seneste godkendte interne årsrapport for låntager
- Dokumentation for kapitalforhøjelsen i form af et generalforsamlingsprotokollat, CVR-registrering (sagsresume) og kontoudskrift fra banken.
- Hvis der er tale om et konvertibelt lån, skal der tilsendes dokumentation for låneudbetaling samt kopi af låneaftalen. Bemærk at optagelse af det konvertible lån skal besluttes på generalforsamling og indskrives i selskabets vedtægter.
- Forretningsplan og budget

Yderligere dokumentation og spørgsmål kan opstå i forbindelse med behandling af låneanmodningen.

Kontroller meget gerne, at der er opdateret registrering hos Erhvervsstyrelsen i forhold til revisor, selskabskapital, indberettede vedtægter, reelle ejere og tegningsregler.

På forhånd tak.

Vækstfondens BA team

Kontaktes på mail badebt@vf.dk