
To: Limited Partners of Badger Fund of Funds I, L.P.

Date: February 28, 2020

Re: Badger Fund of Funds I Report for the Quarter Ended December 31, 2019

Dear Limited Partners,

We are pleased to report on the progress achieved by the Badger Fund of Funds (the “Badger Fund”) during the quarter ended December 31, 2019. In accordance with Section 7(c)(i) of the Limited Partnership Agreement of the Badger Fund, Sun Mountain Kegonsa will provide a report after the end of each fiscal quarter. Below please find an update on the Badger Fund’s operations and investment activity.

Investment Activity

The Badger Fund has made commitments to seven funds to date, including both seed stage funds as well as growth stage funds. Three funds have held final closings as of the date of this report and are actively investing. Another three funds are currently in the process of raising private investment capital. During the quarter, one seed fund held a first closing and subsequent to quarter end, one additional seed fund held its initial closing.

In addition to these six funds, one additional fund has received a contingent commitment and is in the process of completing legal agreements. Additional detail on the seed and growth funds is provided below.

Seed Stage Funds

Two seed stage funds have held final closings and are actively investing into companies: The Idea Fund of La Crosse and the Winnebago Seed Fund. During the quarter, two Winnebago Seed Fund portfolio companies successfully raised follow on financing. No investments in new portfolio companies were made by seed stage funds during the quarter.

During the quarter, the Winnow Fund held a first closing of \$3.5 million. Since that closing, the Winnow Fund has publicly announced investment commitments from The Capital Times, Johnsonville Ventures, MGE Energy Inc, and Madison- based private equity firm Inventure Capital. This support by the Wisconsin business community of the Winnow Fund is highly encouraging to the Badger Fund team. The Winnow Fund, Bold Coast Capital Fund and Forward Capital Fund continue to actively raise private investment capital. The fundraising environment is growing increasingly challenging and competitive; however, the Winnow Fund’s success demonstrates the ability for fund managers to still raise capital in this climate.

Growth Stage Funds

One growth stage fund, Rock River Capital Partners, has held a final closing and is actively investing into companies. There were no investments in new portfolio companies made by Rock River Capital Partners during the quarter. One additional growth fund has received a contingent commitment and is

currently in the process of finalizing its legal documents. Once the legal process has been completed, the commitment will be publicly disclosed.

For additional detail regarding funds that have closed on commitments as of December 31, 2019, see Appendix A.

Portfolio Reporting

Please find below reporting information related to investments in Badger Fund portfolio funds as well as investments made by portfolio funds into Wisconsin-based startup companies.

Portfolio Funds

The table below summarizes the commitments made to portfolio funds which have held closings and are actively investing, the amount of the Badger Fund commitment that has been funded, and the amount that each fund has invested into Wisconsin-based startup companies.

Badger Fund of Funds					
Portfolio Summary	Total	BFF	Funded	Percent	Invested
as of 12/31/19	Fund Size	Commitment	To Date	Funded	to Date¹
<i>Seed Stage Funds</i>					
Idea Fund of La Crosse	\$ 13,000,000	\$ 5,200,000	\$ 1,792,946	34%	\$ 4,306,132
Winnebago Seed Fund	\$ 11,000,000	\$ 4,400,000	\$ 1,857,478	42%	\$ 3,840,000
Total Seed Stage	\$ 24,000,000	\$ 9,600,000	\$ 3,650,424	38%	\$ 8,146,132
<i>Growth Stage Funds</i>					
Rock River Capital Partners	\$ 23,475,000	\$ 7,000,000	\$ 1,120,030	16%	\$ 3,033,756
Total Growth Stage	\$ 23,475,000	\$ 7,000,000	\$ 1,120,030	16%	\$ 3,033,756
Badger Fund Total	\$ 47,475,000	\$ 16,600,000	\$ 4,770,454	29%	\$ 11,179,888

¹Invested to Date reflects the total amount invested by a portfolio fund in Wisconsin-based businesses including the Badger Fund commitment as well as private investors in the portfolio fund.

Portfolio Companies

The following table summarizes the company-level investment activity as of December 31, 2019, the amount attributable to the Badger Fund and the total capital raised by the companies to date:

Badger Fund Investment Multiple Summary		As Of 12/31/19
Number of Active Portfolio Companies		18
Total Investment in Active Portfolio Companies		
(A)	Badger Fund Investment ¹	\$ 4,163,088
(B)	Other Dollars Invested ²	\$ 15,749,918
Total Investment in Active Portfolio Companies		\$ 19,913,006
Investment Multiplier (B/A)		3.8x

¹Total amount of Badger Fund commitment invested by Portfolio Funds excluding private investment at the fund level

²Total amount of capital raised by companies excluding Portfolio Fund investment

In aggregate, for every \$1 invested by the Badger Fund, an additional \$3.8 from other investors has been invested in these Wisconsin-based companies. The Badger Fund anticipates the pace of company-level investment to increase as more funds complete fundraising and the existing closed funds continue making investments.

These portfolio companies create high-skill, high-wage jobs for Wisconsin residents across the state. The table below summarizes the impact of Badger Fund portfolio companies in terms of employment and payroll:

Badger Fund Economic Development Summary	As Of 12/31/19
Total WI Employees	116
Total Quarterly WI Payroll	\$ 1,923,580
Average Employee Salary	\$ 66,330
Median WI Household Income²	\$ 56,759

¹Data collected from Badger Fund portfolio funds

²United States Census Bureau, 2017

All but one of the companies receiving investment are considered Qualified New Business Ventures (QNBV) per Wisconsin Statutes and therefore are eligible for 2003 Act 255 tax credits

For additional information regarding the companies which have received investment from Badger Fund portfolio funds to date, please see Appendix B.

For additional detail regarding company investments, please see Appendix C.

Capital Calls

As of December 31, 2019, the Badger Fund had issued eight capital calls to Limited Partners. The Badger Fund does not anticipate making an additional capital call prior to March 31, 2020.

Limited Partner Annual Meeting

During the quarter, the Badger Fund hosted its Annual Limited Partner Meeting on October 24, 2019 at StartingBlock in Madison, Wisconsin. Annual Limited Partner Meetings are expected to be hosted in different geographies each year based on the headquarter location of portfolio funds.

Tax Update

For 2019 tax reporting, the Badger Fund will be filing an extension with the IRS effective March 15th. Similar to last year, our plan is to issue final partner K-1's by April 15th.

Summary

In summary, the quarter ended December 31, 2019 was productive in terms of key events related to fund closings. The fundraising progress made by the Winnow Fund and the support of the fund by Wisconsin-based entities is a key milestone. The continued success of portfolio companies in raising larger amounts of follow on financing is also highly encouraging as it continues to validate the caliber of Wisconsin start-up companies and investment opportunities in the State. If you have any questions or wish to discuss any aspect of this report, please do not hesitate to contact me or Ken Johnson.

Best Regards,



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Appendix A – Portfolio Fund Summaries

Seed Stage Funds

<u>Fund Name</u>	<u>Summary</u>
<p>Idea Fund of La Crosse 102 Jay Street, Suite 400 La Crosse, Wisconsin ideafundvc.com</p>	<p>Idea Fund of La Crosse focuses on seed stage startup companies in Western Wisconsin. The fund is based in La Crosse, Wisconsin. The fund is managed by Jonathon Horne, a La Crosse native with professional experience in the financial services industry.</p>
<p>Winnebago Seed Fund 124 W. Wisconsin Ave, Suite 240F Neenah, Wisconsin winnebagoseedfund.com</p>	<p>Winnebago Seed Fund focuses on seed stage startup companies in the Fox Valley region. The fund is based in Neenah, Wisconsin. The fund is managed by David Trotter, a native of the Fox Valley with investment management experience.</p>
<p>Winnow Fund 2858 University Ave, Suite 256 Madison, Wisconsin winnowfund.com</p>	<p>Winnow Fund focuses on creating startup companies based on ideas develop at universities across the State of Wisconsin. The fund is based in Madison, Wisconsin. The fund is managed by Richelle Martin, a Wisconsin native with intellectual property and licensing experience with Wisconsin universities.</p>

Growth Stage Funds

<u>Fund Name</u>	<u>Summary</u>
<p>Rock River Capital Partners 821 East Washington Ave Madison, Wisconsin rockrivercapital.com</p>	<p>Rock River Capital Partners focuses on growth stage startup companies across Wisconsin. The fund is based in Madison, Wisconsin. The fund is managed by Andrew Walker and Christopher Eckstrom, Wisconsin natives. Andrew Walker has experience successfully managing startup companies. Christopher Eckstrom has experience in institutional investment management.</p>

Appendix B – Company Summaries

<u>Company Name</u>	<u>Summary</u>
<p>The 3rd Element 124 W. Wisconsin Ave, Suite 240F Neenah, WI</p>	<p>The 3rd Element provides a training system to young athletes combining personality assessment and video-based training content to teach soft skills and develop leadership abilities.</p>
<p>Agrograph 3830 Council Crest Madison, WI</p>	<p>Agrograph provides a platform that delivers accurate and timely information on crop yields, land sustainability, risk assessment and other agricultural information and field scale.</p>
<p>AiQ Solutions 8025 Excelsior Dr Madison, WI</p>	<p>AiQ Solutions is a software company focused on tracking cancerous tumors. The company's software is based on technology from the Wisconsin Alumni Research Foundation (WARF).</p>
<p>American Provenance 9873 Blue Valley Rd Mt. Horeb, WI</p>	<p>American Provenance is a consumer products company which provides hand-crafted natural personal care and wellness products.</p>
<p>Arbre Technology PO Box 622 Stevens Point, WI</p>	<p>Arbre Technology provides asset management solutions for tree nurseries and other green asset companies via software and hardware applications.</p>
<p>Backtrack Video 1935 Stonebridge Rd West Bend, WI</p>	<p>Backtrack Video provides a platform to connect buyers and sellers of videos related to accidents, incidents and crime.</p>
<p>Curate Solutions 326 W. Gorham Street Madison, WI</p>	<p>Curate Solutions provides a SaaS platform which combines web-scraping and artificial intelligence to scan public municipality meeting minutes and agendas to find upcoming projects for general contractors and vendors.</p>
<p>Gentueri 7126 New Washburn Way Madison, WI</p>	<p>Gentueri provides innovate solutions for the collection, packaging, preservation and processing of biological samples.</p>
<p>Gravy Live 202 State St Madison, WI</p>	<p>Gravy Live is an e-commerce company focused on creating a unique online retail experience for consumers and marketers.</p>
<p>Part Analytics N19 W24400 Riverwood Dr Waukesha, WI</p>	<p>Part Analytics is focused on saving electronic OEMs money by providing actionable insights related to cost reduction and supply chain risk.</p>

<p>Pure Oxygen Labs (URL Genius) 8383 Greenway Blvd Madison, WI</p>	<p>Pure Oxygen Labs (URL Genius) is a software company focused on marketing and advertising automation technology.</p>
<p>Reach Works 1201 N. Main St Viroqua, WI</p>	<p>Reach Works is a specialty beverage concept company.</p>
<p>Rebate Bus 821 E. Washington Ave Madison, WI</p>	<p>Rebate Bus provides a platform for expediting the delivery of utility rebates and incentives.</p>
<p>SciArt Software 505 S, Rosa Rd, Suite 225 Madison, WI</p>	<p>SciArt Software provides optimization tools for Design Engineers which create designs based on engineering constraints.</p>
<p>Sift Medical Data 3268 N. Hacket Ave Milwaukee, WI</p>	<p>Sift Medical Data is a healthcare analytics platform that leverages data sources to reduce claims denials, increase patient collection rates and capture clinical insights for clients.</p>
<p>Smart Care 312 S Barstow St Eau Claire, WI</p>	<p>Smart Care provides home healthcare providers a software solution for patient care management.</p>
<p>Socialeads 925 E. Wells Street, Suite 1123 Milwaukee, WI</p>	<p>Socialeads is an artificial intelligence (AI) platform that helps financial services companies and their advisors to automatically know the size, depth and value of their professional and social networks.</p>
<p>Swallow Therapeutics 232 3rd St S. Suite 202 La Crosse, WI</p>	<p>Swallow Therapeutics is focused on commercializing the SwallowSTRONG medical device, which treats the swallowing disorder dysphagia.</p>

Appendix C – Company Investment Detail

Badger Fund of Funds - Portfolio Funds						
Company Investments as of 12/31/19	Portfolio Fund Investment¹	Badger Fund Amount¹	Total Capital Raised	WI Employees At Investment	WI Employees Current	
Company A	\$ 500,000	\$ 200,000	\$ 500,000	1	2	
Company B	\$ 1,000,000	\$ 298,190	\$ 1,000,000	2	8	
Company C	\$ 500,000	\$ 200,000	\$ 450,000	0	1	
Company D	\$ 500,000	\$ 200,000	\$ 500,000	9	18	
Company E	\$ 625,000	\$ 250,000	\$ 750,000	1	2	
Company F	\$ 500,000	\$ 200,000	\$ 500,000	3	5	
Company G	\$ 375,000	\$ 150,000	\$ 500,000	4	12	
Company H	\$ 400,000	\$ 160,000	\$ 400,000	2	1	
Company I	\$ 667,010	\$ 266,804	\$ 2,050,000	3	14	
Company J	\$ 600,000	\$ 240,000	\$ 609,000	1	1	
Company K	\$ 740,000	\$ 296,000	\$ 2,313,750	1	5	
Company L	\$ 700,000	\$ 280,000	\$ 1,175,000	2	4	
Company M	\$ 1,033,756	\$ 308,255	\$ 1,800,000	13	17	
Company N	\$ 539,123	\$ 215,649	\$ 691,500	4	4	
Company O	\$ 500,000	\$ 200,000	\$ 625,000	2	2	
Company P	\$ 500,000	\$ 200,000	\$ 600,000	3	5	
Company Q	\$ 500,000	\$ 200,000	\$ 500,000	2	6	
Company R	\$ 1,000,000	\$ 298,190	\$ 3,000,000	8	9	
Total	\$ 11,179,889	\$ 4,163,088	\$ 17,964,250	61	116	

Note: Companies anonymized quarterly in reporting of investment and employment data to protect confidential company information.

¹The Portfolio Fund Investment Amount is inclusive of the Badger Fund Amount. The Badger Fund Amount represents the portion of a portfolio fund's investment that is attributable to the Badger Fund's commitment to that fund.