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

Date: November 27, 2019

Re: Badger Fund of Funds I Report for the Quarter Ended September 30, 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 September 30, 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. One of these funds held an initial closing subsequent to quarter end.

In addition to these six funds, one additional fund has received a contingent commitment and is in the process of completing legal agreements. No new fund commitments will be made. 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. Between June 30, 2019 and September 30, 2019, two new startup companies, Reach Works and Backtrack Video, received funding from the Idea Fund of La Crosse. Reach Works is a company focused on developing a specialty beverage concept. Backtrack Video is a software company focused on providing a platform to connect buyers and sellers of videos related to accidents, incidents and crime.

The Bold Coast Capital Fund, Winnow Fund and Forward Capital Fund continue to actively raise private investment capital. Subsequent to quarter end, the Winnow Fund held an initial closing. Additional information regarding the Winnow Fund closing will be included in the next quarterly reporting cycle.

Growth Stage Funds

One growth stage fund, Rock River Capital Partners, has held a final closing and is actively investing into companies. During the quarter Rock River Capital Partners made an investment in AiQ Solutions, a company focused on tracking of cancerous tumors based on technology licensed from the Wisconsin Alumni Research Foundation (WARF). The investment round included investment from other institutional investors in Wisconsin including Capital Midwest and 30Ventures.

One additional growth fund has received a contingent commitment and is currently in the process of finalizing its structure prior to beginning legal document preparation. Once the legal process has been completed, the commitment will be publicly disclosed.

For additional detail regarding funds that have closed on commitments to date, 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 as of September 30, 2019, the amount of the Badger Fund commitment that has been funded as of September 30, 2019, and the amount that each fund has invested into Wisconsin-based startup companies.

Badger Fund of Funds					
Portfolio Summary as of 9/30/19	Total Fund Size	BFF Commitment	Funded To Date	Percent Funded	Invested to Date¹
<i>Seed Stage Funds</i>					
Idea Fund of La Crosse	\$ 13,000,000	\$ 5,200,000	\$ 1,792,946	34%	\$ 4,265,133
Winnebago Seed Fund	\$ 11,000,000	\$ 4,400,000	\$ 1,549,478	35%	\$ 3,445,000
Total Seed Stage	\$ 24,000,000	\$ 9,600,000	\$ 3,342,424	35%	\$ 7,710,133
<i>Growth Stage Funds</i>					
Rock River Capital Partners	\$ 23,475,000	\$ 7,000,000	\$ 1,120,030	16%	\$ 2,935,756
Total Growth Stage	\$ 23,475,000	\$ 7,000,000	\$ 1,120,030	16%	\$ 2,935,756
Badger Fund Total	\$ 47,475,000	\$ 16,600,000	\$ 4,462,454	27%	\$ 10,645,889

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 September 30, 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 9/30/19
Number of Active Portfolio Companies		18
Total Investment in Active Portfolio Companies		
(A)	Badger Fund Investment ¹	\$ 3,965,971
(B)	Other Dollars Invested ²	\$ 13,738,114
Total Investment in Active Portfolio Companies		\$ 17,704,085
Investment Multiplier (B/A)		3.5x

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 \$3.5 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		<i>As Of 9/30/19</i>
Total WI Employees		120
Total Quarterly WI Payroll	\$	1,845,559
Average Employee Salary	\$	61,519
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 September 30, 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 December 31, 2019.

Limited Partner Annual Meeting

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.

Summary

In summary, the quarter ended September 30, 2019 was eventful in terms of company level investment. Portfolio fund managers made investments in three new Wisconsin-based startup companies, with one investment including substantial participation from other institutional investors. We continue to support the fundraising abilities of the managers and remain optimistic about the prospects for these fund managers. The Wisconsin startup ecosystem continues to produce a significant number of promising startup companies that are capable of attracting additional investment in the future. This is evident in the ability of startups that received initial investment from Badger Fund portfolio funds to raise follow on capital from regional, national and global investment groups. 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,

Best Regards,



Brian Birk
President
Sun Mountain Kegonsa, LLC
Investment Manager for the Badger Fund of Funds
Brian@Sunmountaincapital.com



Kenneth U. Johnson
Partner
Sun Mountain Kegonsa, LLC
Investment Manager for the Badger Fund of Funds
Kujohns@Badgerfundoffunds.com

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>

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 9/30/19	Portfolio Fund Investment¹	Badger Fund Amount¹	Total Capital Raised	WI Employees At Investment	WI Employees Current
Company A	\$ 400,000	\$ 160,000	\$ 400,000	2	3
Company B	\$ 500,000	\$ 200,000	\$ 500,000	3	5
Company C	\$ 539,123	\$ 215,649	\$ 662,579	4	4
Company D	\$ 902,576	\$ 269,139	\$ 1,800,000	13	20
Company E	\$ 500,000	\$ 200,000	\$ 450,000	0	1
Company F	\$ 1,000,000	\$ 298,190	\$ 1,000,000	2	7
Company G	\$ 500,000	\$ 200,000	\$ 500,000	2	5
Company H	\$ 600,000	\$ 240,000	\$ 609,000	1	1
Company I	\$ 500,000	\$ 200,000	\$ 500,000	1	1
Company J	\$ 667,010	\$ 266,804	\$ 2,050,000	3	14
Company K	\$ 1,000,000	\$ 298,190	\$ 3,000,000	8	8
Company L	\$ 500,000	\$ 200,000	\$ 600,000	3	5
Company M	\$ 500,000	\$ 200,000	\$ 625,000	2	2
Company N	\$ 500,000	\$ 200,000	\$ 500,000	9	18
Company O	\$ 500,000	\$ 200,000	\$ 500,000	1	3
Company P	\$ 600,000	\$ 240,000	\$ 750,000	2	5
Company Q	\$ 375,000	\$ 150,000	\$ 500,000	4	14
Company R	\$ 570,000	\$ 228,000	\$ 1,313,750	1	4
Total	\$ 10,653,709	\$ 3,965,971	\$ 16,260,329	61	120

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.