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

Date: May 29, 2020

Re: Badger Fund of Funds I Report for the Quarter Ended March 31, 2020

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 March 31, 2020. 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, investment activity, and the impact of COVID-19.

COVID-19 Impact

The end of the first quarter was marked by the onset of the COVID-19 pandemic and subsequent national stay at home orders. This has had a significant impact on small companies as well as the venture capital industry in general and will continue to have an impact for the foreseeable future. The underlying companies in the Badger Fund’s portfolio have also been impacted and have been making preparations for an extended period of disruption. Overall, we believe that the companies are well positioned to ride out the COVID storm given their cash position and the proactive steps they have taken. Portfolio Funds have been working with companies to effectively budget cash, plan for operational and headcount reductions and seek relief funding such as the Paycheck Protection Program.

For the portfolio funds out in the market fundraising, the economic uncertainty resulting from the COVID situation makes it even more challenging to raise capital from private investors. We would expect that COVID will result in lengthening the fundraising period for Portfolio Funds that are fundraising. The Badger Fund is closely monitoring this situation as it continues to develop.

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. During the quarter, one seed fund ceased fundraising and wound down operations. Two other funds are currently in the process of raising private investment capital.

The Fund that ceased fund raising was Bold Coast Capital. Bold Coast spent approximately 18 months fundraising with a \$500,000 investment commitment by the fund manager. The target geography of Bold Coast was Milwaukee county. The fund manager reported a lack of support by the target geography community to invest or financially support a venture capital fund. As with all failures, the Bold Coast failure is combination of numerous considerations. The fundraising challenges were exacerbated by the impact of COVID-19.

The Badger Fund will be closely monitoring and mentoring the other Badger Portfolio Funds with a geographical focus which includes Milwaukee county. The Badger Fund of Funds is a mix of public and private investment dollars, and so the local community in the target geography must financially support

the Badger portfolio funds. For the three closed and investing funds the target geography community provided the majority of the private investment dollars.

In addition to the remaining five 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, the Winnebago Seed Fund made new investments in two companies, Ready Set Technologies and Spin Live. Ready Set Technologies has established a platform to provide strategic and technical expertise for retailers. Spin Live (formerly known as Gravy Live) is also a portfolio company of Rock River Capital Partners, the first example of a co-investment between two Portfolio Funds. The Idea Fund of La Crosse did not make any new investments during the quarter.

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 a new investment in startup company Tixora, which provides a mobile application for the collection of municipal public transit fares and transit tracking. One additional growth fund has received a contingent commitment and is currently in the process of finalizing its legal documents. This process was slightly delayed by COVID-19, and 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 March 31, 2020, 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 following table 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 3/31/20	Fund Size	Commitment	To Date	Funded	to Date ¹
Seed Stage Funds					
Idea Fund of La Crosse	\$ 13,000,000	\$ 5,200,000	\$ 2,110,254	41%	\$ 4,321,132
Winnebago Seed Fund	\$ 11,000,000	\$ 4,400,000	\$ 1,857,478	42%	\$ 5,154,998
Total Seed Stage	\$ 24,000,000	\$ 9,600,000	\$ 3,967,732	41%	\$ 9,476,130
Growth Stage Funds					
Rock River Capital Partners	\$ 23,475,000	\$ 7,000,000	\$ 1,518,039	22%	\$ 3,533,576
Total Growth Stage	\$ 23,475,000	\$ 7,000,000	\$ 1,518,039	22%	\$ 3,533,576
Badger Fund Total	\$ 47,475,000	\$ 16,600,000	\$ 5,485,771	33%	\$ 13,009,706

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 March 31, 2020, the amount attributable to the Badger Fund and the total capital raised by the companies to date:

Badger Fund Investment Multiple Summary		As Of 3/31/20
Number of Active Portfolio Companies		20
Total Investment in Active Portfolio Companies		
(A)	Badger Fund Investment ¹	\$ 4,783,041
(B)	Other Dollars Invested ²	\$ 18,657,241
Total Investment in Active Portfolio Companies		\$ 23,440,282
Investment Multiplier (B/A)		3.9x

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 \$3.9 from other investors has been invested in these Wisconsin-based companies. The Badger Fund is encouraged that investment activity at the company level has persisted despite the market contraction related to COVID-19.

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 3/31/20
Total WI Employees		112
Total Quarterly WI Payroll		\$ 2,383,596
Average Employee Salary		\$ 85,128
Median WI Household Income²		\$ 56,759

¹Data collected from Badger Fund portfolio funds

²United States Census Bureau, 2017



All but two 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 March 31, 2020, the Badger Fund had issued eight capital calls to Limited Partners. The Badger Fund was able to increase the Line of Credit access through Capitol Bank to help fund Portfolio Fund capital calls without drawing down capital in the short term from Badger Fund Limited Partners. The Badger Fund does not anticipate making its next capital call until September 2020.

Summary

In summary, the quarter ended March 31, 2020 was challenging for the Badger Fund given the onset of the COVID-19 pandemic. Fundraising challenges are expected to persist for the short-term, as illustrated by the decision of the Bold Coast Capital fund to cease fundraising. Despite this, we are encouraged by the continued investment activity and the quality of companies receiving investment. 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,

A handwritten signature in black ink that reads "Brian Birk".

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

A handwritten signature in black ink that reads "Kenneth U. Johnson".

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>
<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>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>Ready Set Technologies 860 O Keefe Rd De Pere, WI</p>	<p>Ready Set Technologies provides a retail platform to provide strategic technological and aesthetic expertise to retailers.</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>Spin Live (fka Gravy Live) 202 State St, Suite 200 Madison, WI</p>	<p>Spin Live is an e-commerce company focused on creating a unique online retail experience for consumers and marketers.</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>
<p>Tixora 1001 University Ave, Suite 805 Madison, WI</p>	<p>Tixora provides a mobile application for the collection of municipal public transit fares and transit tracking.</p>

Appendix C – Company Investment Detail

Badger Fund of Funds - Portfolio Funds						
Company Investments as of 3/31/20	Portfolio Fund Investment¹	Badger Fund Amount¹	Total Capital Raised	WI Employees At Investment	WI Employees Current	
Company A	\$ 667,009	\$ 266,804	\$ 2,050,000	3	18	
Company B	\$ 740,000	\$ 296,000	\$ 2,313,750	1	6	
Company C	\$ 400,000	\$ 160,000	\$ 400,000	2	1	
Company D	\$ 390,001	\$ 156,000	\$ 600,000	4	10	
Company E	\$ 500,000	\$ 200,000	\$ 500,000	3	3	
Company F	\$ 799,998	\$ 319,999	\$ 1,750,000	2	4	
Company G	\$ 554,123	\$ 221,649	\$ 691,500	4	4	
Company H	\$ 624,999	\$ 250,000	\$ 750,000	1	3	
Company I	\$ 1,733,576	\$ 516,934	\$ 1,800,000	13	9	
Company J	\$ 600,000	\$ 240,000	\$ 600,000	9	9	
Company K	\$ 500,000	\$ 200,000	\$ 502,276	0	1	
Company L	\$ 500,000	\$ 200,000	\$ 625,000	2	2	
Company M	\$ 1,000,000	\$ 298,190	\$ 1,000,000	2	9	
Company N	\$ 500,000	\$ 200,000	\$ 600,000	3	5	
Company O	\$ 500,000	\$ 200,000	\$ 500,000	2	5	
Company P	\$ 1,000,000	\$ 298,190	\$ 3,000,000	8	10	
Company Q	\$ 600,000	\$ 240,000	\$ 609,000	1	1	
Company R	\$ 500,000	\$ 200,000	\$ 500,000	1	2	
Company S	\$ 500,000	\$ 200,000	\$ 1,500,000	9	9	
Company T	\$ 400,000	\$ 119,276	\$ 500,000	1	1	
Total	\$ 13,009,706	\$ 4,783,041	\$ 20,791,526	71	112	

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.