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# *Fintech Solution Lab ApS*

Gærtorvet 3, DK-1799 København V

## Annual Report for 2023

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CVR No. 36 73 42 05

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 8/7 2024

Gregers Kronborg  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Fintech Solution Lab ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København V, 6 July 2024

## Executive Board

Bo Mikael Langseth Nilsson  
CEO

## Board of Directors

Gregers Kronborg  
Chairman

Frank Lyhne Hansen

Susanne Brønnum-Hyttel

# Independent Auditor's report

To the shareholder of Fintech Solution Lab ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Fintech Solution Lab ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Material Uncertainty Related to Going Concern

It should be noted that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. We refer to note 1 to the Financial Statements disclosing that, the Company's going concern is conditional on that a signed acquisition agreement with an industrial buyer is being closed to secure additional funds being provided and that the agreement with Lenders is continued, whereby changed terms and conditions secure that the Company can service the debt. In preparing the Financial Statements, Management has assumed that agreements with industrial buyer and Lenders will be closed within the coming months. Accordingly, the Financial Statements have been prepared on the assumption of the Company continuing as a going concern. As outlined in note 1, this leads to a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to limited liquidity reserves in case of above-mentioned agreements are not entered.

## Emphasis of Matter

Without modifying our opinion, we draw attention to note 9 to the Financial Statements describing the significant uncertainty that is related to the valuation assumptions for shares in November First A/S.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

# Independent Auditor's report

## 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 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 Company'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 Company 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 about 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 the 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the 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 Company'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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

# Independent Auditor's report

Hellerup, 6 July 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Benny Voss

State Authorised Public Accountant

mne15009

Peter Nissen

State Authorised Public Accountant

mne33260

## Company information

<b>The Company</b>	Fintech Solution Lab ApS Gærtorvet 3 1799 København V  CVR No: 36 73 42 05 Financial period: 1 January - 31 December Incorporated: 1 May 2015 Financial year: 9th financial year Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	Gregers Kronborg, chairman Frank Lyhne Hansen Susanne Brønnum-Hyttel
<b>Executive Board</b>	Bo Mikael Langseth Nilsson
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

# Management's review

## Key activities

The Company's main activity is to develop a IT-platform to be used by the fully owned subsidiary November First A/S for international payments and related service. The IT-platform potentially can also be leased out to external clients.

## Development in the year

The income statement of the Company for 2023 shows a loss of DKK 16,454,971, and at 31 December 2023 the balance sheet of the Company shows a negative equity of DKK 16,439,644.

The loss of 2023 is higher than expected due to write down on assets in relation to impairment test.

The company is covered by §119 of the Companies Act on capital loss. At the ordinary general meeting, the company's management will provide information on the company's financial position and expectations for future re-establishment of the share capital.

Development of the IT-platform has continued during 2023 and undergone a significant development towards onboarding of new customers and also with focus on SmartPay. On top of this, the development activities also included features to support compliance requirements. The improvement of the IT-Platform is ongoing and ensuring the basis for stability and scalability.

The fully owned subsidiary November First A/S has in late 2021 entered into an agreement with Visma economic of co-developing "Smart Pay". In 2022 the co-operation around SmartPay launched in April 2022 and contributed to acquisition of new customers. The growth in 2023 in relation to the SmartPay-agreement with Visma e-economic was significant compared to 2022 but materialized lower than expected. Due to a high fixed costbase, the company was forced to adjust the costbase further in 2023.

During 2023 the company has fully funded November First A/S with capital injections of 10,7 M.DKK and also liquidity supply when needed. The investments have secured the capital base of the Company and the liquidity needs in 2023 and further in 2024. In 2024 Fintech Solution Lab ApS has further funded with capital injections of 4,3 M.DKK as per 30 June 2024.

## Capital resources

During 2023 the Group has been funded with establishment of convertible loan agreements of 11,9 M.DKK by existing investors and a few new ones.

At the time of signing the annual report, the company is in the final process of a sale of shares and IP-rights to a new ultimate owner. This will expectedly contribute to support capital- and liquidity needs in November First A/S to be met going forward, in terms of the budget and plans for 2024.

Further, the Management has had discussions with lenders with the purpose of secure the company going forward and the service of loan agreements. This has led to a positive indications around managing the company's loan facilities going forward and the terms in these. Specially the terms of repayment, which in a short time is comprehensive and the Company will potentially not be able to meet these requirements at the given time.

The model around managing the company's debt and the terms in this, has been discussed and joined from Lenders. With an expected execution of this model, it is the Management's view that this will contribute to changed terms and conditions, in this significantly changed repayment terms. This will secure the company's continued operation going forward in 2024.

Based on this it is the Management's believe, that it is reasonable and prudent to prepare the Annual Report under a going concern assumption. Material uncertainties related to the above-mentioned events and conditions cast significant doubt on the Entity's ability to continue as a going concern.

Please refer to Note 1 in the Annual Report.



## **Management's review**

### **Uncertainty relating to recognition and measurement**

We refer to note 2 regarding uncertainty relating to recognition and measurement.

### **Subsequent events**

The Group is in the final process of a sale of the Company to a new ultimate owner. Please refer to note 1.

## Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
<b>Gross profit</b>		<b>2,945,205</b>	<b>3,250,815</b>
Staff expenses	3	-152,062	-330,333
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-11,408,216	-8,010,878
<b>Profit/loss before financial income and expenses</b>		<b>-8,615,073</b>	<b>-5,090,396</b>
Income from investments in subsidiaries	4	-4,268,317	-22,656,683
Financial income	5	33,973	17,245
Financial expenses	6	-4,038,923	-2,501,500
<b>Profit/loss before tax</b>		<b>-16,888,340</b>	<b>-30,231,334</b>
Tax on profit/loss for the year	7	433,369	564,130
<b>Net profit/loss for the year</b>		<b>-16,454,971</b>	<b>-29,667,204</b>
 <b>Distribution of profit</b>			
		2023	2022
		DKK	DKK
<b>Proposed distribution of profit</b>			
Retained earnings		-16,454,971	-29,667,204
		<b>-16,454,971</b>	<b>-29,667,204</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		DKK	DKK
Completed development projects		799,000	6,664,849
<b>Intangible assets</b>	<b>8</b>	<b>799,000</b>	<b>6,664,849</b>
Investments in subsidiaries	9	39,201,000	32,743,317
Receivables from associates		0	307,330
Other receivables		143,022	124,251
<b>Fixed asset investments</b>		<b>39,344,022</b>	<b>33,174,898</b>
<b>Fixed assets</b>		<b>40,143,022</b>	<b>39,839,747</b>
Receivables from group enterprises		328,769	0
Other receivables		120,860	476,615
Corporation tax		433,548	564,130
Prepayments		49,806	7,186
<b>Receivables</b>		<b>932,983</b>	<b>1,047,931</b>
<b>Cash at bank and in hand</b>		<b>50,149</b>	<b>56,479</b>
<b>Current assets</b>		<b>983,132</b>	<b>1,104,410</b>
<b>Assets</b>		<b>41,126,154</b>	<b>40,944,157</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		474,155	474,155
Reserve for development costs		623,220	5,198,582
Retained earnings		-17,537,019	-5,657,410
<b>Equity</b>		<b>-16,439,644</b>	<b>15,327</b>
Mortgage loans		31,522,436	27,650,044
Convertible and profit-yielding instruments of debt		14,101,085	11,600,442
<b>Long-term debt</b>	10	<b>45,623,521</b>	<b>39,250,486</b>
Mortgage loans	10	0	957,000
Trade payables		589,384	83,704
Payables to group enterprises		0	637,640
Other payables		10,553,893	0
Deferred income		799,000	0
<b>Short-term debt</b>		<b>11,942,277</b>	<b>1,678,344</b>
<b>Debt</b>		<b>57,565,798</b>	<b>40,928,830</b>
<b>Liabilities and equity</b>		<b>41,126,154</b>	<b>40,944,157</b>
Going concern	1		
Uncertainty relating to recognition and measurement	2		
Contingent assets, liabilities and other financial obligations	11		
Accounting Policies	12		

## Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	474,155	5,198,582	-5,657,410	15,327
Development costs for the year	0	-4,575,362	4,575,362	0
Net profit/loss for the year	0	0	-16,454,971	-16,454,971
<b>Equity at 31 December</b>	<b>474,155</b>	<b>623,220</b>	<b>-17,537,019</b>	<b>-16,439,644</b>

# Notes to the Financial Statements

## 1. Going concern

The Fintech Solution Lab ApS Group (the Group), consisting of Fintech Solution Lab ApS (the Company) and November First A/S (N1), is integrated in such way that going concern considerations must be made for the Group as well as on company level. As the Group is in a scale-up phase, there is a need for liquidity to finance investment in growth and ongoing operations. In 2023 and 2024 liquidity has been received monthly from investors to secure capital and liquidity needs but further liquidity in 2024 is not secured by the current investors as a binding acquisition agreement has been entered with a new owner of N1.

During 2023 the Group has been funded with the establishment of convertible loan agreements of 11,9 M.DKK by existing investors and a few new ones. This has secured the capital- and liquidity base in N1 and investments have been made with capital injections in 2023 with 10,7 M.DKK. In 2024 the company has received further capital injections of 4,3 M.DKK.

During the second half of 2023 an industrial buyer and the Company signed an acquisition agreement regarding N1. The process is now progressing towards closing of the transaction where the buyer will acquire all shares in the N1 and all intellectual property rights of FSL.

At the approval of the annual report, it is Managements assessment, that the Company is in the final process of a sale of N1 to a new ultimate owner. The new owner will expectedly contribute to capital- and liquidity needs to be met going forward in terms of the budget and plans for 2024. With this, the N1 will be able to continue its operations and development through 2024, according to plan.

In case the transaction does not close, e.g. due to the buyer not being approved by the Danish Financial Supervisory Authority the Group's liquidity will only be secured if the current investors choose to continue to fund the Group.

The model around managing the company's loan facilities and the terms in this, has been discussed with and are supported by Lenders. With an expected execution of this model for managing the company's loan facilities, it is the Management's view that this will contribute to changed terms and conditions so that Fintech Solution Lab ApS can service the debt by cash flow from the divestment of November First A/S and intellectual property rights are received by Fintech Solution Lab ApS. This will secure the company's continued operation going forward in 2024.

Based on the assessment of the above details, including:

- the expected closing of the transaction with the buyer in the near future,
- the expected up-front capital injections in the Company, cf. the acquisition agreement,
- the approval of the agreement with Lenders is continued, whereby changed terms and conditions secure that the Company can service the debt by cash flow from the divestment of November First A/S and intellectual property rights are received,
- the expected continued bridging by existing investors until closing of the transaction, and
- the approval of the buyer from Danish Financial Supervisory Authority (closing condition)

Management believes that it is reasonable and prudent to prepare the Annual Report under a going concern assumption.

There are material uncertainties related to the above-mentioned events and conditions that may cast significant doubt on the Group and hereby the entity's ability to continue as a going concern and therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

# Notes to the Financial Statements

## 2. Uncertainty relating to recognition and measurement

The development projects have initially been valued based on the above expectation and subsequently impairment test has been performed due to expected sales price in relation to divestment of November First A/S. Management believes that the valuation is subject to considerable uncertainty should the sale of November First A/S not materialise – please refer to note 9 for further details.

Investments in subsidiaries are initially recognized at cost price. Subsequently impairment test has been performed due to expected sales price in relation to divestment of November First A/S. Management believes that the valuation is subject to considerable uncertainty – please refer to note 9 for further details.

## 3. Staff Expenses

Wages and salaries

	2023	2022
	DKK	DKK
	152,062	330,333
	<u>152,062</u>	<u>330,333</u>
Average number of employees	<u>1</u>	<u>1</u>

Staff costs consist of allocated wages and salaries from subsidiary.

## 4. Income from investments in subsidiaries

Impairment losses on financial assets

	2023	2022
	DKK	DKK
	-4,268,317	-22,656,683
	<u>-4,268,317</u>	<u>-22,656,683</u>

## 5. Financial income

Interest from group enterprises

Other financial income

	2023	2022
	DKK	DKK
	28,138	17,190
	5,835	55
	<u>33,973</u>	<u>17,245</u>

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>6. Financial expenses</b>		
Interest paid to group enterprises	6,712	1,522
Other financial expenses	4,032,211	2,499,978
	<u>4,038,923</u>	<u>2,501,500</u>
	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>7. Income tax expense</b>		
Current tax for the year	-433,369	-564,130
	<u>-433,369</u>	<u>-564,130</u>

The company has recognized a tax asset of DKK 433.369 in the financial statement, related to the group's utilization of the tax credit scheme "skattekreditordningen" under the section 8 X of the Tax Assessment Act "Ligningsloven". In a 2024 tax ruling based on an expert's appraisal, the tax subjects use of the tax scheme was considered correct. On the basis of this ruling, and as the expenses incurred by the company that is the basis of the tax asset are comparable to the expenses approved by the ruling, the company has recognized the above mentioned tax asset in the financial statement. Nevertheless, there is significant uncertainty regarding the recognition and measurement of the tax credit.



# Notes to the Financial Statements

## 8. Intangible fixed assets

	Completed development projects
	DKK
Cost at 1 January	25,985,039
Additions for the year	5,542,367
Cost at 31 December	<u>31,527,406</u>
Impairment losses and amortisation at 1 January	19,320,190
Impairment losses for the year	7,158,553
Amortisation for the year	4,249,663
Impairment losses and amortisation at 31 December	<u>30,728,406</u>
<b>Carrying amount at 31 December</b>	<b><u>799,000</u></b>
Amortised over	<u>5 years</u>

The completed development projects is a IT-platform to be used by the fully owned subsidiary November First A/S for international payments and related service.

In relation to impairment assessment, see note 9.

## Notes to the Financial Statements

	2023	2022
	DKK	DKK
<b>9. Investments in subsidiaries</b>		
Cost at 1 January	55,400,000	46,700,000
Additions for the year	10,726,000	8,700,000
Cost at 31 December	<u>66,126,000</u>	<u>55,400,000</u>
Value adjustments at 1 January	-22,656,683	0
Other adjustments	-4,268,317	-22,656,683
Value adjustments at 31 December	<u>-26,925,000</u>	<u>-22,656,683</u>
<b>Carrying amount at 31 December</b>	<u><b>39,201,000</b></u>	<u><b>32,743,317</b></u>

During 2023 and 2024 the Company carried out an impairment test of its fixed assets including completed development projects and the investments in subsidiaries. The book value of these assets as per December 31, 2023 were DKK 50.728 thousands of which the investments in subsidiaries represented DKK 43.469 thousands before this years impairment.

As mentioned in note 1, it is Managements assessment, that the company is in the final process of a sale of shares in November First and IP-rights (Softwareplatform) to a new owner. As a majority of the sales price - in the expected model - links together with an earn-out model for the acquisition as a whole, total payments and the split between assets include significant estimation uncertainties.

The recoverable value of the Company's fixed assets has been estimated using the market value of the Group as per December 31, 2023 – based on the estimated market value of the assets in terms of expected sales conditions in the near future of 2024.

The impairment test shows an additional need for write down on the assets IP-rights (Softwareplatform) of DKK 7.159 thousands and investment in subsidiaries of DKK 4,268 thousands as per. December 31, 2023. This calculation is prepared based on assumptions made with reasonable expectations and discussions with third party (expected buyer of the assets). This calculation and evaluation is also made with a material of uncertainty and based on estimations on EBITDA for 2025-2027 for November First A/S, discounted rate etc.

Should the market value be identified to be lower than described above - contrary to Management's expectations - a further write-down will be incorporated at that time.

Furthermore, in the valuation of "Investment of subsidiaries" is included capital injections made during 2023. A significant part of these injections (approx. DKK 9,5 mio.) are subject to specific matters in the acquisition agreement, referred to as "Initial Consideration". At closing, the Buyer shall pay "Initial Consideration" to the seller. Initial Consideration reflects that the Seller (FSL) has contributed the necessary amounts to the Company to finance the operations of the November First A/S until Closing. The amount contributed by the Seller which has been actually used to finance the operations of the Company until Closing in the ordinary course of business shall be compensated by the Buyer as the Initial Consideration.

Financing of capital injection to a significant degree is obtained as "Other payables". At receipt of the "Initial Consideration", significant part of "Other payables" shall be repaid.

Investments in subsidiaries are specified as follows:

## Notes to the Financial Statements

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
November First A/S	Copenhagen	2,740,260	100%	2,199,141	-11,210,912
				<b>2,199,141</b>	<b>-11,210,912</b>
				2023	2022
				DKK	DKK

### 10. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

#### Mortgage loans

After 5 years	0	0
Between 1 and 5 years	31,522,436	27,650,044
Long-term part	31,522,436	27,650,044
Within 1 year	0	957,000
	<b>31,522,436</b>	<b>28,607,044</b>

# Notes to the Financial Statements

	2023	2022
	DKK	DKK
<b>10. Long-term debt</b>		
<b>Convertible and profit-yielding instruments of debt</b>		
After 5 years	0	0
Between 1 and 5 years	14,101,085	11,600,442
Long-term part	14,101,085	11,600,442
Within 1 year	0	0
	<u>14,101,085</u>	<u>11,600,442</u>

Please refer to Note 1 for a description of the current financing situation and the financing expectations in 2024. The loans are recognized and presented in the Financial statements 2023 in accordance with the present loan agreements. The discussions around a model for managing the company's debt ratio and the positive indications from Lenders have a potential outcome, that the present terms of repayment and interest calculation will be significantly adjusted going forward.

Recognition in the Financial statements 2023:  
The company is partly financed by Vækstfonden with 3 loans.

Syndication Loan consist of a loan amounting to T.DKK 7,450 plus accumulated interest of T.DKK 7,765. The loan is an interest-only loan with rolled-up annual interest of 11,5% until repayment, which is eight years from payout, as per January 18, 2024. At any point in time, the Entity may choose to repay the loan or a part hereof. Repayment of the loan has been postponed until negotiations with the Lender have been completed.

COVID-19 BA-loan I was received in 2020, consists of a loan amounting to T.DKK 10,000 plus accumulated interest of T.DKK 1,215. The loan is an interest-only loan with rolled-up annual interest (CIBOR 3 months + 5%). The loan shall be repaid in installments starting October 2, 2023 with 957 T.DKK (following quarterly payments of 957 T.DKK) to be fully repaid in 2026. The Loan Amount will be due for full and final repayment in case of sale of the entity. In case of a sale the lender is further entitled to a bonus if the gross proceeds per share exceeds four times the price per share in connection with the business angel investments made to qualify for the loan, which was DKK 50 per share for 29% and DKK 200 for 71% of the investments made. The bonus equals the loan amount less any repaid interest. Repayment of the loan has been postponed until negotiations with the Lender have been completed.

An additional Covid 19 BA-loan II was received in 2021, consists of a loan amounting to T.DKK 2,000 plus accumulated interest of T.DKK 177, with the same conditions as above. Repayment starts with quarterly payments from July 2024. Repayment of the loan has been postponed until negotiations with the Lender have been completed.

The convertible loans are non-terminable for both the company and the lenders unless breach occurs. In certain events like capital increases in the company the lenders may convert the loan to shares or have the loan repaid.

# Notes to the Financial Statements

## 11. Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Fintech Solution Lab ApS has entered a lease contract with a notice of 1 month. The rent obligation amounts to DKK 51.339 pr. December 31, 2023.

### Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

The company has entered into an agreement with a financial advisory firm that obligates the company to a monetary payout upon the closing of the mentioned agreement regarding sale of November First A/S. Please refer to note 1 for further details.

# Notes to the Financial Statements

## 12. Accounting policies

The Annual Report of Fintech Solution Lab ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Income statement

#### Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

#### Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

#### Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of intangible assets.

# Notes to the Financial Statements

## Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with . The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance sheet

### Intangible fixed assets

Intangible assets etc comprise development projects completed.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the developments projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. The amortisation periods used are 5 years.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums.

# Notes to the Financial Statements

## Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## Financial liabilities

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

## Deferred income

Deferred income comprises payments received in respect of income in subsequent years.