

---

# *November First A/S*

Strandgade , 98,3, DK-1401 København K

## Annual Report for 2022

---

CVR No. 37 36 76 05

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 16/6 2023

Gregers Kronborg  
Chairman of the  
general meeting



# Contents

|  | <u>Page</u> |
|--|-------------|
| <b>Management's Statement and Auditor's Report</b> |             |
| Management's Statement                             | 1           |
| Independent Auditor's Report                       | 2           |
| <b>Management's Review</b>                         |             |
| Company information                                | 5           |
| Management's Review                                | 6           |
| <b>Financial Statements</b>                        |             |
| Income Statement 1 January - 31 December           | 7           |
| Balance sheet 31 December                          | 8           |
| Statement of changes in equity                     | 10          |
| Notes to the Financial Statements                  | 11          |

# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of November First A/S for the financial year 1 January - 31 December 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

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

We recommend that the Financial Statements be adopted at the Annual General Meeting.

København K, 15 June 2023

## 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 November First A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of November First A/S for the financial year 1 January - 31 December 2022, 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 an agreement with an industrial buyer is made to secure additional funds are being provided. In preparing the Financial Statements, Management has assumed that an agreement with industrial buyer will be closed within the coming 2-3 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 agreement is not entered.

## 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.

## 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.

# Independent Auditor's report

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, 15 June 2023

**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>        | November First A/S<br>Strandgade , 98,3<br>DK-1401 København K<br><br>CVR No: 37 36 76 05<br>Financial period: 1 January - 31 December<br>Incorporated: 12 January 2016<br>Financial year: 7th financial year<br>Municipality of reg. office: Copenhagen |
| <b>Board of Directors</b> | Gregers Kronborg, chairman<br>Frank Lyhne Hansen<br>Susanne Brønnum-Hyttel   |
| <b>Executive Board</b>    | Bo Mikael Langseth Nilsson   |
| <b>Auditors</b>           | PricewaterhouseCoopers<br>Statsautoriseret Revisionspartnerselskab<br>Strandvejen 44<br>2900 Hellerup  |

# Management's review

## Key activities

The Company's main activity is to provide international payment services to European companies. The IT-platform used to provide these services is owned by the parent company Fintech Solution Lab ApS. The Company operates under license no. 22017 from the Danish Financial Supervisory Authority. The license is valid for operation in Denmark and has been activated in additional 23 European countries.

## Development in the year

The income statement of the Company for 2022 shows a loss of DKK 11,475,473, and at 31 December 2022 the balance sheet of the Company shows positive equity of DKK 2,684,053.

The financial result for 2022 is unsatisfactory but as expected.

In 2022 the co-operation around SmartPay launched in April 2022 and contributed to acquisition of new customers. The growth in 2022 in relation to the SmartPay-agreement with Visma e-conomic was significant compared to 2021 but materialized lower than expected at the beginning.

Development of the IT-platform has continued during 2022 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, which has been met. The improvement of the IT-Platform is ongoing and ensuring the basis for stability and scalability.

Due to a high fixed costbase, the company was forced to adjust the costbase in 2022 and further in 2023.

During 2022 the company has been funded internally from mother company Fintech Solution Lab ApS with capital injections of 8,7 M.DKK. The investments are funded in Fintech Solution Lab ApS with establishment of convertible loan agreements by existing investors and a few new ones.

The investments have secured the capital base of the company and the liquidity needs in 2022 and further in 2023. In 2023 the company has further received capital injections of 4,6 M.DKK.

November First A/S had as per 31. December 2022 excess capital amounting to t.DKK 1,126

## Funding and going concern

The Company has been fully funded by the parent Company Fintech Solution Lab ApS in 2022 and up to the time of signing the annual report.

At the time of signing the annual report, the company is in the final process of a sale to a new ultimate owner. This will expectedly contribute to capital- and liquidity needs to be met going forward, in terms of the budget and plans for 2023. With this, the company will be able to continue its operations and development through 2023, according to plan with third part.

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.

## Subsequent events

After the balance sheet date, the company's owner and parent company Fintech Solution Lab ApS is in the final process of discussions around sale of the ownership in November First A/S and together with IP rights to the software platform. At the time of signing the annual report, a Letter of Intent has been signed but a SPA has not been signed, though it is the Management's believe, that this is a formality and it will be executed shortly hereafter with closing approx. 60 business days hereafter due to required approval for change in ultimate ownership from the Danish Financial Supervisory Authority.

Other than above described, no events materially effecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income statement 1 January - 31 December

|   | Note | 2022               | 2021              |
|---|------|--------------------|-------------------|
|   |      | DKK                | DKK               |
| Gross loss  |      | -2,069,025         | -2,669,799        |
| Staff expenses  | 2    | -10,239,156        | -6,032,750        |
| <b>Profit/loss before financial income and expenses</b> |      | <b>-12,308,181</b> | <b>-8,702,549</b> |
| Financial income  | 3    | 12,452             | 161               |
| Financial expenses                                      |      | -41,068            | -78,887           |
| <b>Profit/loss before tax</b>                           |      | <b>-12,336,797</b> | <b>-8,781,275</b> |
| Tax on profit/loss for the year                         | 4    | 861,324            | 573,060           |
| <b>Net profit/loss for the year</b>                     |      | <b>-11,475,473</b> | <b>-8,208,215</b> |

## Distribution of profit

|  | 2022               | 2021              |
|--|--------------------|-------------------|
|  | DKK                | DKK               |
| <b>Proposed distribution of profit</b> |                    |                   |
| Retained earnings                      | -11,475,473        | -8,208,215        |
|  | <b>-11,475,473</b> | <b>-8,208,215</b> |

## Balance sheet 31 December

### Assets

|                                    | Note | 2022             | 2021             |
|------------------------------------|------|------------------|------------------|
|                                    |      | DKK              | DKK              |
| Other receivables                  | 5    | 1,500,000        | 1,500,000        |
| <b>Fixed asset investments</b>     |      | <b>1,500,000</b> | <b>1,500,000</b> |
| <b>Fixed assets</b>                |      | <b>1,500,000</b> | <b>1,500,000</b> |
| Trade receivables                  |      | 60,805           | 109,069          |
| Receivables from group enterprises |      | 637,641          | 34,705           |
| Other receivables                  |      | 260,288          | 89,505           |
| Corporation tax                    |      | 861,324          | 619,483          |
| Prepayments                        |      | 377,948          | 323,836          |
| <b>Receivables</b>                 |      | <b>2,198,006</b> | <b>1,176,598</b> |
| <b>Cash at bank and in hand</b>    |      | <b>1,684,334</b> | <b>7,158,669</b> |
| <b>Current assets</b>              |      | <b>3,882,340</b> | <b>8,335,267</b> |
| <b>Assets</b>                      |      | <b>5,382,340</b> | <b>9,835,267</b> |

## Balance sheet 31 December

### Liabilities and equity

|  | Note | 2022             | 2021             |
|--|------|------------------|------------------|
|  |      | DKK              | DKK              |
| Share capital  |      | 1,049,000        | 962,000          |
| Retained earnings  |      | 1,635,053        | 4,497,523        |
| <b>Equity</b>  |      | <b>2,684,053</b> | <b>5,459,523</b> |
| Other payables   |      | 457,113          | 448,880          |
| <b>Long-term debt</b>  | 6    | <b>457,113</b>   | <b>448,880</b>   |
| Prepayments received from customers                            |      | 274,837          | 2,631,235        |
| Trade payables   |      | 379,437          | 372,993          |
| Other payables   |      | 1,586,900        | 922,636          |
| <b>Short-term debt</b>   |      | <b>2,241,174</b> | <b>3,926,864</b> |
| <b>Debt</b>  |      | <b>2,698,287</b> | <b>4,375,744</b> |
| <b>Liabilities and equity</b>                                  |      | <b>5,382,340</b> | <b>9,835,267</b> |
| Going concern  | 1    |                  |                  |
| Contingent assets, liabilities and other financial obligations | 7    |                  |                  |
| Accounting Policies  | 8    |                  |                  |

## Statement of changes in equity

|                              | Share capital    | Retained earnings | Total            |
|------------------------------|------------------|-------------------|------------------|
|                              | DKK              | DKK               | DKK              |
| Equity at 1 January          | 962,000          | 4,497,526         | 5,459,526        |
| Cash capital increase        | 87,000           | 8,613,000         | 8,700,000        |
| Net profit/loss for the year | 0                | -11,475,473       | -11,475,473      |
| <b>Equity at 31 December</b> | <b>1,049,000</b> | <b>1,635,053</b>  | <b>2,684,053</b> |

# Notes to the Financial Statements

## 1. Going concern

The Fintech Solution Lab ApS Group (the Group), consisting of Fintech Solution Lab ApS and November First A/S, 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 start-up/scall-up phase, there is a need for liquidity to finance investment in growth and ongoing operations. In 2022 and 2023 liquidity has been received monthly from investors to secure capital and liquidity needs but further liquidity in 2023 is not secured by the investors.

In 2022 the co-operation around SmartPay launched in April 2022 and contributed to acquisition of new customers. The growth in 2022 in relation to the SmartPay-agreement with Visma e-conomic was significant compared to 2021 but materialized lower than expected at the beginning.

Development of the IT-platform has continued during 2022 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, which has been met.

Due to a high fixed costbase, the company was forced to adjust the costbase in 2022 and further in 2023.

During 2022 the company has been funded internally from parent company Fintech Solution Lab ApS with capital injections of 8,7 M.DKK. These capital injections are funded in Fintech Solution Lab ApS with establishment of convertible loan agreements by existing investors and a few new ones.

The capital injections into November First have secured the capital base of the company and the liquidity needs in 2022 and further in 2023. In 2023 the company has received further capital injections of 4,6 M.DKK.

November First A/S had as per 31. December 2022 excess capital amounting to t.DKK 1,126.

During 2022 the launch of the Smart Pay service, as well as business with other business partners, created acquisitive interest in the Group, and a structured sales process was initiated. This led to the signing of a Letter of Intent with an industrial buyer. Subsequently the process has progressed and due diligence has been successfully completed. The process is now progressing towards the signing and closing of an asset purchase agreement where the buyer will acquire all shares in November First and all intellectual property rights.

At the approval of the annual report it is Managements assessment, that the Group is in the final process of a sale to a new ultimate owner. This will expectedly contribute to capital- and liquidity needs to be met going forward, in terms of the budget and plans for 2023. With this, the company will be able to continue its operations and development through 2023, according to plan with third part.

In case that negotiations are not concluded with a positive result the Group's liquidity will only be secured for few weeks from the approval of the Annual Report, in the case that the investors choose not to continue to bridgefund the Group, opposite previously.

Based on the assessment of the above details, including

- the ongoing negotiation with industrial buyer is expected to fall out successfully,
- the up-front capital injections in the company will be in line with the indicative discussions,
- the existing investors is expected to provide sufficient capital and liquidity until closing of an agreement, 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 Groups 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

|                                | <u>2022</u>       | <u>2021</u>      |
|--------------------------------|-------------------|------------------|
|                                | DKK               | DKK              |
| <b>2. Staff Expenses</b>       |                   |                  |
| Wages and salaries             | 9,780,219         | 5,751,889        |
| Pensions                       | 125,898           | 77,063           |
| Other social security expenses | 139,374           | 77,858           |
| Other staff expenses           | 193,665           | 125,940          |
|                                | <u>10,239,156</u> | <u>6,032,750</u> |
| <br>                           |                   |                  |
| Average number of employees    | <u>18</u>         | <u>11</u>        |

|                                 | <u>2022</u>   | <u>2021</u> |
|---------------------------------|---------------|-------------|
|                                 | DKK           | DKK         |
| <b>3. Financial income</b>      |               |             |
| Interest from group enterprises | 1,522         | 0           |
| Other financial income          | 10,930        | 161         |
|                                 | <u>12,452</u> | <u>161</u>  |

|   | <u>2022</u>     | <u>2021</u>     |
|---|-----------------|-----------------|
|   | DKK             | DKK             |
| <b>4. Income tax expense</b>                |                 |                 |
| Current tax for the year                    | -861,324        | -619,483        |
| Adjustment of tax concerning previous years | 0               | 46,423          |
|   | <u>-861,324</u> | <u>-573,060</u> |

The estimated tax charge for the year includes tax refunds according to LL § 8X (skattekreditordningen), totalling DKK 861.324.

# Notes to the Financial Statements

## 5. Other fixed asset investments

|                                       | Other<br>receivables |
|---------------------------------------|----------------------|
|                                       | DKK                  |
| Cost at 1 January                     | 1,500,000            |
| Cost at 31 December                   | 1,500,000            |
| <b>Carrying amount at 31 December</b> | <b>1,500,000</b>     |

Cash security deposit paid to the Company's bank.

|                                | 2022           | 2021           |
|--------------------------------|----------------|----------------|
|                                | DKK            | DKK            |
| <b>6. Long-term debt</b>       |                |                |
| Debt falling due after 5 years | 457,113        | 448,880        |
|                                | <b>457,113</b> | <b>448,880</b> |

Long term debt relates to loan at "Lønmodtagernes Feriemidler" regarding holiday payment.

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

### Contingent liabilities

In 2022 November First A/S has been met with a HR legal claim. It is the management's assessment, that a possible legal case will not affect the Financial statements 2022 significantly and thereby not affect the assessment on the Financial statements 2022.

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Fintech Solution Lab ApS, which is the management company of the joint taxation purposes. 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 Company's liability.

# Notes to the Financial Statements

## 8. Accounting policies

The Annual Report of November First A/S for 2022 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 2022 are presented in DKK.

### 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.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

### Income statement

#### Net sales

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 loss

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



# Notes to the Financial Statements

## Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

## 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 Fintech Solution Lab ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

## Balance sheet

### Other fixed asset investments

Fixed asset investments consist of restricted cash (deposit).

### 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 and other periodic accruals.

### 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 debts

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