

# **Jamii ApS**

**Vesterbrogade 26, 1620 København V**

**Company reg. no. 39 85 55 18**

## **Annual report**

**1 January - 31 December 2022**

The annual report was submitted and approved by the general meeting on the 12 July 2023.

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**Charlotte Lunden Rønje**  
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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## **Management's statement**

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Today, the Executive Board has approved the annual report of Jamii ApS for the financial year 1 January - 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and 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.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København V, 12 July 2023

### **Executive board**

Charlotte Lunden Rønje

Daniel Brøndum Torp

## Independent auditor's report

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### To the Shareholders of Jamii ApS

#### Opinion

We have audited the financial statements of Jamii ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

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.

#### 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.

#### 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.

## Independent auditor's report

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As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

### 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.

## **Independent auditor's report**

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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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 12 July 2023

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36

### **Michael Beuchert**

State Authorised Public Accountant  
mne32794

## Company information

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### The company

Jamii ApS  
Vesterbrogade 26  
1620 København V

Company reg. no. 39 85 55 18  
Financial year: 1 January - 31 December

### Executive board

Charlotte Lunden Rønje  
Daniel Brøndum Torp

### Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

## Management's review

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### The principal activities of the company

The word Jamii signifies 'community' as Jamii.one is on a mission to create financial health in communities across emerging markets starting in Ethiopia. As a social enterprise, Jamii.one offers a digital platform that leverages financial data to facilitate financial inclusion.

Today, Jamii.one avails the Jamii.one App. A comprehensive data management platform that community-based groups can move their data into for secure, transparent storage of data and automatic and accurate accounting, free of charge. The App work offline first, only require one smartphone per community-based group and is available in several local languages and with local calendar. The Jamii.one dashboard allows organisation to monitor, evaluate and support ongoing group activity.

Community-based groups using the Jamii.one platform are offered access to a uniquely affordable micro group life insurance product. This product service offering portfolio will grow in the coming year.

### People

In 2022, Jamii.one went from 70,033 to 262,390 users registered on the platform adding 192,357 or 275% new users. And hence, Jamii.one delivered free access to a total of 262,390 people to a tool to make their community finance groups' recordkeeping more efficient, transparent, and accurate and allow these groups and members to start building data for financial inclusion.

This incredible increase was rooted in our continuously improved strategy for reaching people through existing local structure both local government and civil society.

Our main segment is still the Ethiopian burial associations called Iddir. An ancient institution is a self-insurance community-based funeral insurance and service. With Jamii.one, the groups can take their recordkeeping digital and expand their value proposition to members as their members gain access to the uniquely affordable life insurance offered only to community-based Iddir groups on the Jamii.one digital platform.

The micro group life insurance is a strong tool to protect against poverty as the loss of a breadwinner may have detrimental effects on a family's income. Launching a micro insurance product in a country with an insurance penetration of less than 1% requires extensive awareness raising and sensitising to the importance of insurance protection. It also requires building trust that the insurance company will pay out and ensuring that this trust is not broken.

Jamii.one launched access to micro group life insurance provided by our insurance partner Nib Insurance Company (NIC) in April 2022. In Q2 2.637 policies were sold, Q3 this rose to 4.977 and the year ended with an incredible increase of insurance sales to 16.102 in Q4. This is attributed to the gradual building of trust across communities.



## Management's review

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### Planet

The community-based groups are based on geography often and cuts across religion, ethnicity, economic status, etc. They play a vital role in supporting local communities, especially the weakest. In this way, Iddir an institution that strengthens the social fabric of Ethiopia. Improving their operations and value proposition to members, helps support the relevance of these groups in a digital age and a time that the groups are experiencing less uptake from the younger generation. Strengthening society is conducive to ensuring a country's general stability and development hence decreasing risk of war, improving living standards which in affect reduces the number of people born and allowing for development away from the use of carbon based fuels such as kerosine lamps and deforestation for charcoal.

### Profit

With the successful introduction of insurance offerings to Jamii.one users and recurring sale of data to our insurance partner for every year the users re-subscribe, Jamii.one is now on track to reach profitability in Q2 2024. Meanwhile, Jamii.one is building an incredibly rich dataset and access to people in Ethiopia which few other players have. This holds with in it a strong profit potential. A potential that will be realised only in accordance with Jamii.one's strong adherence to sustainability principles.

### Development in activities and financial matters

The revenue for the year totals DKK 585.212 against DKK 55.219 last year. Loss from ordinary activities after tax totals DKK 5.500.459 against DKK 2.057.135 last year. Management does not consider the result satisfactory but as expected.

### Expected developments

The company is expecting to raise DKK 3.5 M in 2022 moving towards a possible breakeven scenario, dependent on the strategy decided.

### Events occurring after the end of the financial year

In 2023 the company has converted adebt from shareholders and management of DKK 6.257.885 and furhtermore cash capital increases of a total of DKK 1.458.934 has been completed.

Management are in discussions on further investnebts in the company of DKK 1.850.000, however they have not been compled on the date of the approval of the annual report for 2022.

## Accounting policies

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The annual report for Jamii ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Income statement

#### Revenue

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

#### Other operating income

#### Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

#### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

#### Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses etc.

## Accounting policies

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### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

## Statement of financial position

### Intangible assets

#### Development projects

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 3 years.

#### Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

## Accounting policies

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### Investments

#### Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

#### Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

#### Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

### Equity

#### Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

#### Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

## Accounting policies

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The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Revenue	585.212	55.218
Other operating income	31.988	652.659
Other external costs	-2.776.120	-1.030.994
<b>Gross profit</b>	<b>-2.158.920</b>	<b>-323.117</b>
2 Staff costs	-1.402.226	-1.425.620
Depreciation and impairment of non-current assets	-1.840.323	-906.428
Other financial expenses	-429.275	-66.337
<b>Pre-tax net profit or loss</b>	<b>-5.830.744</b>	<b>-2.721.502</b>
Tax on net profit or loss for the year	330.285	664.367
<b>Net profit or loss for the year</b>	<b>-5.500.459</b>	<b>-2.057.135</b>
<b>Proposed distribution of net profit:</b>		
Allocated from retained earnings	-5.500.459	-2.057.135
<b>Total allocations and transfers</b>	<b>-5.500.459</b>	<b>-2.057.135</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Non-current assets</b>		
Completed development projects, including patents and similar rights arising from development projects	0	1.840.323
Total intangible assets	0	1.840.323
Deposits	13.000	13.000
Total investments	13.000	13.000
<b>Total non-current assets</b>	<b>13.000</b>	<b>1.853.323</b>
<b>Current assets</b>		
Trade receivables	243.070	0
Deferred tax assets	0	70.031
Other receivables	38.006	61.179
Prepayments	24.228	0
Total receivables	305.304	131.210
Cash and cash equivalents	256.774	1.065.526
<b>Total current assets</b>	<b>562.078</b>	<b>1.196.736</b>
<b>Total assets</b>	<b>575.078</b>	<b>3.050.059</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>		<u>2022</u>	<u>2021</u>
<u>Note</u>			
<b>Equity</b>			
Contributed capital		57.939	57.939
Share premium		1.103.521	1.103.521
Reserve for development costs		0	1.435.452
Retained earnings		-7.635.923	-3.567.916
<b>Total equity</b>		<b>-6.474.463</b>	<b>-971.004</b>
<b>Liabilities other than provisions</b>			
3 Other credit institutions		1.546.031	515.357
Payables to shareholders and management		0	3.349.900
Total long term liabilities other than provisions		<u>1.546.031</u>	<u>3.865.257</u>
Trade payables		52.727	35.716
Payables to shareholders and management		5.399.193	0
Other payables		51.590	120.090
Total short term liabilities other than provisions		<u>5.503.510</u>	<u>155.806</u>
<b>Total liabilities other than provisions</b>		<b>7.049.541</b>	<b>4.021.063</b>
<b>Total equity and liabilities</b>		<b>575.078</b>	<b>3.050.059</b>
<b>1 Subsequent events</b>			
<b>4 Charges and security</b>			
<b>5 Contingencies</b>			



## Statement of changes in equity

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Share premium</b>	<b>Reserve for development costs</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	57.939	1.103.521	1.435.452	-3.570.916	-974.004
Retained earnings for the year	0	0	0	-5.500.459	-5.500.459
Transferred from distributable reserves	0	0	-1.435.452	1.435.452	0
	<b>57.939</b>	<b>1.103.521</b>	<b>0</b>	<b>-7.635.923</b>	<b>-6.474.463</b>

## Notes

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All amounts in DKK.

### 1. Subsequent events

In 2023 the company has converted adebt from shareholders and management of DKK 6.257.885 and furhtermore cash capital increases of a total of DKK 1.458.934 has been completed.

Management are in discussions on further investnebts in the company of DKK 1.850.000, however they have not been completed on the date of the approval of the annual report for 2022.

	<u>2022</u>	<u>2021</u>
<b>2. Staff costs</b>		
Salaries and wages	1.375.548	1.407.743
Other costs for social security	<u>26.678</u>	<u>17.877</u>
	<b><u>1.402.226</u></b>	<b><u>1.425.620</u></b>
Average number of employees	<u>2</u>	<u>2</u>
<b>3. Other credit institutions</b>		
<b>Total other credit institutions</b>	<b><u>1.546.031</u></b>	<b><u>515.357</u></b>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>
<b>4. Charges and security</b>		
The Company has provided floating company charge of DKK 1.500.000 as security for debt to credit institutions of DKK 1.546.031 at 31 December 2022.		
<b>5. Contingencies</b>		
<b>Contingent liabilities</b>		
		31/12 2022
		DKK in
		thousands
Total contingent liabilities		<u>25</u>

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

## Daniel Brøndum Torp

Direktør

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## Charlotte Lunden Rønje

Direktør

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2023-07-13 06:32:20 UTC



## Michael Beuchert

Statsautoriseret revisor

Serienummer: CVR:34209936-RID:96597195

IP: 62.243.xxx.xxx

2023-07-13 07:18:22 UTC



## Charlotte Lunden Rønje

Dirigent

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