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Safenetpay ApS

Vesterbrogade 74, 1620 Copenhagen

Company reg. no. 40 86 03 20

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the

Dilshod Mikhmanov
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 %

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2023	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	12

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Safenetpay ApS for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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.

Copenhagen, 28 June 2024

Managing Director

Petter Arntzen Skyner

P. Skyner

Board of directors


Sanjar Mav'yanov



Dilshod Mikhmanov

Independent auditor's report

To the Shareholders of Safenetpay ApS

Auditor's report on the Financial Statements

Opinion

We have audited the financial statements of Safenetpay ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, 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 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.

Basis for conclusion

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.

Emphasis of Matter

We draw the attention to note 1 regarding the information that The Financial Supervisory Authority has revoked the company's license as an Electronic Money Institution (EMI). The company has filed an appeal and is currently awaiting a decision.

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.

Independent auditor's report

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 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.

Independent auditor's report

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.

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.

Violation of the payroll tax act (lønsumslovgivningen)

The company has not reported their payroll tax (lønsumsafgift) for 2022 and 2023, as the business is not yet registered for this. Management has represented that the registration is in process, and once the registration is made, the payroll tax will be reported and paid.

Copenhagen, 28 June 2024

Grant Thornton

State Authorised Public Accountants
Company reg no 34 20 99 36



Michael Benchert
State Authorised Public Accountant
mnc32794

Company information

The company	Safenetpay ApS Vesterbrogade 74 1620 Copenhagen
	Company reg. no. 40 86 03 20 Financial year: 1 January - 31 December
Board of directors	Sanjar Mavlyanov Dilshod Mikhmanov
Managing Director	Petter Arntzen Skyner
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Parent company	Safenetpay Services Company Ltd

Management's review

Description of key activities of the company

The company's activities comprise to trade, service and investments.

Development in activities and financial matters

The gross profit for the year totals DKK 4.549.591 against DKK 103.035 last year. Management considers the net profit for the year as expected.

The company has lost more than half of its equity. The management expects that the company will be able to restore its own equity by future operations.

The Financial Supervisory Authority has revoked the company's license as an Electronic Money Institution (EMI). The company has filed an appeal and is currently awaiting a decision.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	4.549.591	103.035
3 Staff costs	-5.328.453	-815.556
Operating profit	-778.862	-712.521
Other financial income	81.960	29.571
Other financial expenses	-29.431	-12.722
Results before tax and extraordinary items	-726.333	-695.672
Tax on net profit or loss for the year	0	0
Net profit or loss for the year	-726.333	-695.672
Proposed distribution of net profit:		
Allocated from retained earnings	-726.333	-695.672
Total allocations and transfers	-726.333	-695.672

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Non-current assets			
4	Deposits	48.756	44.942
	Total investments	48.756	44.942
	Total non-current assets	48.756	44.942
Current assets			
	Other receivables	145.623	55.862
	Prepayments	28.641	35.251
	Total receivables	174.264	91.113
	Cash and cash equivalents	3.202.845	102.805.317
	Total current assets	3.377.109	102.896.430
	Total assets	3.425.865	102.941.372

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity and liabilities		
Equity		
Contributed capital	2.714.800	2.714.800
Retained earnings	-1.893.777	-1.167.444
Total equity	<u>821.023</u>	<u>1.547.356</u>
Liabilities other than provisions		
Trade payables	87.500	35.000
Payables to group enterprises	434.555	2.144.344
Other payables	1.549.481	99.138.530
Deferred income	533.306	76.142
Total short term liabilities other than provisions	<u>2.604.842</u>	<u>101.394.016</u>
Total liabilities other than provisions	<u>2.604.842</u>	<u>101.394.016</u>
Total equity and liabilities	<u>3.425.865</u>	<u>102.941.372</u>

- 1** Uncertainties relating to going concern
- 2** License for Electronic Money Institution
- 5** Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	2.714.800	-1.167.444	1.547.356
Retained earnings for the year	0	-726.333	-726.333
	2.714.800	-1.893.777	821.023

Notes

All amounts in DKK.

1. Uncertainties relating to going concern

The company has lost more than half of its equity. The management expects that the company will be able to restore its own equity by future operations.

2. License for Electronic Money Institution

The Financial Supervisory Authority has revoked the company's license as an Electronic Money Institution (EMI). The company has filed an appeal and is currently awaiting a decision.

	<u>2023</u>	<u>2022</u>
3. Staff costs		
Salaries and wages	5.165.753	811.580
Pension costs	128.870	0
Other costs for social security	26.602	3.976
Other staff costs	7.228	0
	<u>5.328.453</u>	<u>815.556</u>
 Average number of employees	 <u>9</u>	 <u>1</u>
	 <u>31/12 2023</u>	 <u>31/12 2022</u>
4. Deposits		
Cost 1 January 2023	44.942	44.942
Additions during the year	93.756	0
Disposals during the year	-89.942	0
Cost 31 December 2023	<u>48.756</u>	<u>44.942</u>
 Carrying amount, 31 December 2023	 <u>48.756</u>	 <u>44.942</u>

5. Contingencies

Contingent liabilities

The company has entered into tenancy agreements with a total contractual obligation until expiration/earliest termination per. March 2024 of DKK 48.750.

Accounting policies

The annual report for Safenetpay 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.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, direct costs and external costs.

Revenue comprises the value of services provided during the year, including outlay for customers 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.

Accounting policies

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.

Direct costs include expenses for software, consulting services, and licenses.

Other external expenses comprise expenses incurred for sales, advertising and administration.

Staff costs

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

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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

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.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and safeguarded client accounts.

Accounting policies

Liabilities other than provisions

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

Deferred income

Payments received concerning future income are recognised under deferred income.