



# **Annual Report 2022**

## **Firi AS**

**Revenue statement**  
**Balance sheet**  
**Notes to the Accounts**

**Org.no.: 919 932 465**

## Revenue statement

Firi AS

Operating income and operating expenses	Note	2022	2021
Revenue		36 051 390	63 350 860
Other income		61 904	0
<b>Total income</b>		<b>36 113 293</b>	<b>63 350 860</b>
Cost of materials		1 432 650	1 969 063
Personnel expenses	1, 2	48 495 626	24 604 859
Depreciation of assets	3	839 475	88 617
Change in market value of crypto assets	4	0	258 457
Other expenses	1, 2	54 166 135	66 773 613
<b>Total expenses</b>		<b>104 933 888</b>	<b>93 694 609</b>
<b>Operating profit</b>		<b>-68 820 594</b>	<b>-30 343 748</b>
<b>Financial income and expenses</b>			
Other interest income		1 011 978	350 310
Other financial income		34 273	8 710
Increase in market value of cryptocurrency	4	138 515	0
Other interest expenses		61 525	136 529
Other financial expenses		187 471	163 572
<b>Net financial items</b>		<b>935 770</b>	<b>58 919</b>
Net profit before tax		-67 884 825	-30 284 829
Income tax expense	5	0	0
<b>Net profit after tax</b>		<b>-67 884 825</b>	<b>-30 284 829</b>
<b>Net profit or loss</b>	<b>6</b>	<b>-67 884 825</b>	<b>-30 284 829</b>
<b>Attributable to</b>			
Loss brought forward		67 884 825	30 284 829
<b>Total</b>		<b>-67 884 825</b>	<b>-30 284 829</b>

## Balance sheet

Firi AS

<b>Assets</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Intangible assets	3	67 083	102 083
<b>Total intangible assets</b>		<b>67 083</b>	<b>102 083</b>
Equipment and other movables	3	1 512 896	1 891 206
<b>Total property, plant and equipment</b>		<b>1 512 896</b>	<b>1 891 206</b>
Deposits		2 228 348	0
<b>Total non-current financial assets</b>		<b>2 228 348</b>	<b>0</b>
<b>Total non-current assets</b>		<b>3 808 327</b>	<b>1 993 289</b>
<b>Current assets</b>			
Accounts receivables		79 375	0
Other short-term receivables	7	17 692 918	5 720 504
<b>Total receivables</b>		<b>17 772 293</b>	<b>5 720 504</b>
<b>Crypto assets</b>			
Crypto assets	4	865 640	2 419 267
<b>Total investments</b>		<b>865 640</b>	<b>2 419 267</b>
Cash and cash equivalents	4, 8	27 798 985	10 008 292
<b>Total current assets</b>		<b>46 436 917</b>	<b>18 148 063</b>
<b>Total assets</b>		<b>50 245 245</b>	<b>20 141 353</b>

## Balance sheet

Firi AS

<b>Equity and liabilities</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>Equity</b>			
<b>Paid-in capital</b>			
Share capital	9	139 250	112 529
Own shares	9	-117 546	0
Share premium reserve		136 375 220	36 352 345
Other paid-up equity		3 616 753	0
<b>Total paid-up equity</b>		<b><u>140 013 677</u></b>	<b><u>36 464 874</u></b>
<b>Retained earnings</b>			
Other equity	10	-533 922	0
Uncovered loss		-101 364 091	-33 479 267
<b>Total retained earnings</b>		<b><u>-101 898 014</u></b>	<b><u>-33 479 267</u></b>
<b>Total equity</b>	<b>6</b>	<b><u>38 115 663</u></b>	<b><u>2 985 607</u></b>


## Balance sheet

Firi AS

	Note	2022	2021
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables		4 428 326	6 358 959
Public duties payable		2 148 786	2 976 383
Deposited funds due to customers	4	977 807	3 257 913
Other current liabilities		4 574 662	4 562 490
<b>Total current liabilities</b>		<b>12 129 581</b>	<b>17 155 745</b>
<b>Total liabilities</b>		<b>12 129 581</b>	<b>17 155 745</b>
<b>Total equity and liabilities</b>		<b>50 245 245</b>	<b>20 141 353</b>

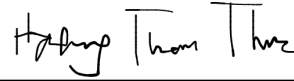
30.06.2023

The board of Firi AS



Øyvind Kvanes

chairman of the board



Thuc Tuan Hoang

member of the board/General Manager



Ingar Steffen Bentsen

member of the board



Espen Sunde Malmo

member of the board

## Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and NRS 8 - Good accounting practice for small companies.

### **Operating revenues**

The company's main source of revenue is transaction-based fees on cryptocurrency trades and exchanges and withdrawals from customer accounts. Revenues are recognised in the income statement when the transaction (trade, exchange, or withdrawal) that gives the company a right to a fee is completed and the fee is transferred from the customer's account or deducted in the transaction settlement.

Revenue is recognised net of any bonuses or other elements earned by and transferred to the customers based on their trades and other activities.

### **Classification and valuation of the company's cryptocurrency assets**

The company's cryptocurrency assets are classified as current assets as they are not for permanent ownership or use. Cryptocurrency is valued by the lowest value of acquisition cost and fair value. Cryptocurrency is converted to Norwegian kroner based on the currency value at the reporting date. Acquisition cost is calculated with the FIFO-principle.

### **Customer funds**

The customers can transfer cash (Norwegian Krone) to the company to use the services provided by the Firi platform. The company holds the cash in segregated bank accounts on behalf of the customers. In addition to cash the customers can transfer cryptocurrency to the company to use the services provided by the Firi platform.

The presentation of customer funds (i.e customers cash and cryptocurrency) has been changed 2021 because customer funds cannot be regarded as Firi's assets according to the Norwegian Accounting act due to the following factors:

- The company does not control how the customer funds are placed
- The company is not entitled to dispose of the customer funds
- The company does not hold any potential for profits or losses on these funds
- The customer funds are segregated from the company's funds. the customer will not be available to general claims from the company's creditors in the event of bankruptcy-

The effects of change in presentation of customer funds is explained in note 7.

### **Classification and valuation of current assets**

Current assets and short-term liabilities normally include items that fall due for payment within one year of the balance sheet date, as well as items that relate to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value.

### **Tax**

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net.

Deferred tax asset is not booked according to the Accounting Act and NRS 8 - Good accounting practice for small companies .

### Classification and valuation of fixed assets

Fixed assets include assets included for long-term ownership and use. Fixed assets are valued at acquisition cost. Property, plant and equipment are entered in the balance sheet and depreciated over the asset's economic lifetime. The depreciation period for real property acquired after 2009 is divided into the part that represents the building and the part that represents fixed technical installations. Property, plant and equipment are written down to a recoverable amount in the case of fall in value which is expected not to be temporary. The recoverable amount is the higher of the net sale value and value in use. Value in use is the present value of future cash flows related to the asset. Write-downs are reversed when the basis for the write-down is no longer present.

### Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

### Pension liabilities

Pension liabilities financed over operations are calculated and entered on the balance sheet under the provision for liabilities. Pension schemes financed through insured schemes are not entered on the balance sheet. The pension premium is treated in these cases as a pension cost and classified together with wage costs.

## Note 1 Salary costs and benefits, remuneration to the chief executive, board and auditor

### Salary costs

	2022	2021
Salaries	40 392 368	17 796 675
Employment tax	7 723 769	3 451 777
Pension costs	72 432	0
Other benefits	307 057	3 356 407
<b>Total</b>	<b>48 495 626</b>	<b>24 604 859</b>

In 2022 the company employed 45 man-years.

### Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

### Remuneration to leading personnel

	Chief Executive Chairman of the board	
Salaries	1 101 025	1 118 079
Other remuneration	150	0
<b>Total</b>	<b>1 101 175</b>	<b>1 118 079</b>

The chairman of the board is remunerated through ordinary salary, in accordance with the employment contract.

### Auditor

Audit fees expensed for 2022 amount to NOK 731 250 ex. vat. This is in relation to ordinary audit.

## Note 2 Public grants

In 2022, a grant of NOK 2 983 405 was made to Firi AS by Norsk Forskningsråd, for a development project relating to cryptocurrency fraud detection.

The grant is recognized in the statement of profit or loss in the same period as the related costs and are presented net. Government grants are normally related to either other operating activities and classified as a reduction of other operating expenses or related to reimbursements of employee costs and thus classified as a reduction of payroll and related expenses.

For the full year 2022, Firi AS has recognized a reduction of NOK 1 840 777 in employee costs, and 1 142 628 in other operating expenses. The amount has been posted in full as a reduction of capitalised costs related to the project. In 2021 the company received NOK 2 773 072 in grants.

## Note 3 Fixed assets

	<b>Equipment</b>	<b>Domain</b>
Acquisition cost as at 01.01.2022	1 976 906	105 000
Addition of purchased fixed assets	474 747	0
Disposal of purchased fixed assets	-48 582	
<b>Acquisition cost 31.12.2022</b>	<b>2 403 071</b>	<b>105 000</b>
Depreciation and write-downs as at 01.01.2022	85 700	2 917
Ordinary deprecation for the year	804 475	35 000
<b>Depreciation and write-downs as at 31.12.2022</b>	<b>890 175</b>	<b>37 917</b>
Book value 01.01.2022	1 891 206	102 083
Additions in the year	474 747	0
Disposals in the year	48 582	0
The year's depreciation and write-downs	804 475	35 000
<b>Book value 31.12.2022</b>	<b>1 512 896</b>	<b>67 083</b>
Economic lifetime	1-5 years	1-5 years



Note 4 The company's cryptocurrency and cash assets and customer funds

**The company's funds 31.12.2022**

<b>Cryptocurrency</b>	<b>Units</b>	<b>Acquisiton cost</b>	<b>Fair value</b>	<b>Unrealized</b>	<b>Book value</b>
Litecoin	39,470	28 534	27 335	-1 199	27 335
Ethereum	39,470	463 145	464 905	0	463 145
Bitcoin	0,400	64 211	64 566	0	64 211
Dai	1 182,810	11 680	11 592	-88	11 592
Cardano	4 435	11 080	9 952	-1 128	9 952
Polcadot	789,52	36 435	34 013	-2 422	34 013
EtherumPoW	3 079,75	204 988	120 049	-84 939	120 049
Solana	610,45	88 920	60 257	-28 662	60 257
USD Coin	3 571,73	32 085	35 038	0	32 085
XRP	12 952	44 877	43 000	-1 878	43 000
<b>Total</b>		<b>985 955</b>	<b>870 706</b>	<b>-120 316</b>	<b>865 638</b>

Companys bank deposits 27 798 985

**The company's funds 31.12.2021**

<b>Cryptocurrency</b>	<b>Units</b>	<b>Acquisiton cost</b>	<b>Fair value</b>	<b>Unrealized</b>	<b>Book value</b>
Litecoin	43,955	61 114	56 729	-4 385	56 729
XRP	6,989	53 914	51 198	-2 716	51 198
Ethereum	47,298	1 775 215	1 534 754	-240 460	1 534 754
Bitcoin	1,198	496 770	488 576	-8 194	488 576
Dai	24 468,217	216 593	215 893	-699	215 893
Cardano	6 245	74 494	72 116	-2 378	72 116
<b>Total</b>		<b>2 678 098</b>	<b>2 419 267</b>	<b>-258 831</b>	<b>2 419 267</b>

Company's bank deposits 10 008 292

**Customer funds 31.12.2022**

<b>Cryptocurrency</b>	<b>Units</b>	<b>Fair value</b>
Litecoin	26 230,43	18 165 095,65
XRP	37 889 166,52	125 792 032,84
Ethereum	21 833,53	257 156 163,90
Bitcoin	2 472,66	402 012 305,12
Dai	710 833,73	6 966 170,53
Cardano	11 334 202,13	27 995 479,25
Polkadot	111 596,99	4 807 598,22
Solana	74 090,23	7 313 446,82
USD Coin	814 672,04	7 991 932,69
EthereumPow	0,31	12,21
<b>Total</b>		<b>858 200 237</b>
Bank deposits to clients		120 154 961
Unsettled trades associated with clients		977 807
<b>Total customer funds</b>		<b>979 333 006</b>

**Customer funds 31.12.2021**

<b>Cryptocurrency</b>	<b>Units</b>	<b>Fair value</b>
Litecoin	23 003,834	29 689 455
XRP	27 439 120,877	201 004 839
Ethereum	15 310,84	496 876 828
Bitcoin	1 551,35	632 673 459
Dai	785 433,120	6 930 204
Cardano	6 168 301,64	71 229 397
<b>Total</b>		<b>1 438 404 182</b>
Bank deposit		153 571 643
Unsettled trades associated with customers		3 257 913
<b>Total customer funds</b>		<b>1 595 233 738</b>

## Note 5 Tax

<b>This year's tax expense</b>	<b>2022</b>	<b>2021</b>
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
<b>Tax expense on ordinary profit/loss</b>	<b>0</b>	<b>0</b>

Taxable income:		
Ordinary result before tax	-67 884 825	-30 284 829
Permanent differences	-2 969 753	-2 758 374
Changes in temporary differences	397 230	-317 601
<b>Taxable income</b>	<b>-70 457 348</b>	<b>-33 360 804</b>

Payable tax in the balance:		
Payable tax on this year's result	0	0
<b>Total payable tax in the balance</b>	<b>0</b>	<b>0</b>

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	<b>2022</b>	<b>2021</b>	<b>Difference</b>
Tangible assets	-79 628	317 601	397 230
<b>Total</b>	<b>-79 628</b>	<b>317 601</b>	<b>397 230</b>
Cryptocurrency	-120 316	2 160 438	2 280 754
Accumulated loss to be brought forward	-107 007 964	-36 550 616	70 457 348
Not included in the deferred tax calculation	107 207 908	34 072 578	-73 135 330
<b>Basis for deferred tax assets</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Deferred tax assets (22 %)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Deferred tax is not included in the balance sheet.

## Note 6 Equity capital

	<b>Share capital</b>	<b>Share premium reserve</b>	<b>Uncovered loss</b>	<b>Decided, not registered capital increase</b>	<b>Total</b>
Pr. 31.12.2021	112 529	36 352 345	-33 479 267		2 985 607
Result of the year			-67 884 825		-67 884 825
Capital increase	27 055	100 022 541		400 080	100 449 676
<b>Pr 31.12.2022</b>	<b>139 584</b>	<b>136 374 886</b>	<b>-101 364 091</b>		<b>35 550 459</b>

	<b>Currency adjustments</b>	<b>Other equity</b>	<b>Own shares</b>	<b>Total</b>
Own shares			-117 546	-117 546
Share option cost		3 216 673		3 216 673
Currency adjustments	-533 923			-533 923
<b>Pr.31.12.2022</b>	<b>-533 923</b>	<b>3 216 673</b>	<b>2 682 750</b>	<b>2 565 204</b>

<b>Total equity capital 31.12.2022</b>	<b>38 115 663</b>
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## Note 7 Related party transactions

The Company has a commitment to Schibsted Tillväxtmedier AB pertaining to the purchase of marketing services as of 31.12, amounting to NOK 23 936 000. As part of the agreement, an advance payment of NOK 13 936 000 has been made and NOK 10 000 000 is not posted. As of June 2023, the commitment has been reduced with NOK 11 600 573. The agreement is in effect until Q1 2024.

## Note 8 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 950 613.

## Note 9 Shareholders

The share capital in Firi AS as of 31.12 consists of:

	Total	Face value	Entered
Ordinary shares	139 250 000	0,001	139 250
<b>Total</b>	<b>139 250 000</b>		<b>139 250</b>

### Eierstruktur

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Thuc Tuan Hoang	22 050 000	15,83	15,83
Øyvind Kvanes	21 500 000	15,43	15,43
Skyfall Ventures Fund I AS	13 515 000	9,70	9,70
Knut Erik Eldjarn	11 000 000	7,89	7,89
Schibsted Tillväxtmedier AB	8 153 846	5,86	5,86
Kien Vu	5 990 615	4,30	4,30
Maren Kleppan	5 274 768	3,78	3,78
Tycoon Industrier AS	4 312 132	3,10	3,10
Andre Høøk	4 179 000	3,00	3,00
The Factory Angels VII AS	3 835 000	2,75	2,75
Steffen Eriksen	2 590 847	1,87	1,87
Skyfall Ventures AS	2 400 000	1,72	1,72
Mikal Villa	2 184 616	1,56	1,56
Cloud Catalyst Norway AS	2 170 100	1,56	1,56
Nordnet Bank AB	2 072 852	1,49	1,49
The Aventures Fund K/S	2 014 896	1,46	1,46
Firi AS	1 965 781	1,46	1,46
Bakken & Bæck Holding AS	1 660 000	1,20	1,20
Thomas Vestre	1 500 000	1,09	1,09
NGMI Holding AS	1 472 583	1,06	1,06
<b>Total &gt;1% ownership share</b>	<b>119 842 036</b>	<b>86,1</b>	<b>86,1</b>
Total other	19 407 964	13,9	13,9
<b>Total number of shares</b>	<b>139 250 000</b>	<b>100,0</b>	<b>100,0</b>

### Shares and options owned by the Directors of the Board and the General Manager:

Name	Position	Ordinære
Thuc Tuan Hoang	member of the board/General Manager	22 050 000
Øyvind Kvanes	chairman of the board	21 500 000
<b>Total number of shares</b>		<b>43 550 000</b>

## Note 10 Going concern and events after the balance sheet date

The company raised 46.31 million NOK in May. Of this, 38.56 million NOK was raised through crowdfunding and 7.75 million NOK was raised through convertible loans.






The events after the balance sheet date have no consequences on the annual accounts, and the board considers that the going concern conditions are satisfied and the annual accounts is presented on this basis.

Both the capital and liquidity situation are considered satisfied, after the last completed capital increase.

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