Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	998 096 162
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SAFE DEPOSIT HOLDING AS
Forretningsadresse:	9. etasje Dronning Eufemias gate 16 0191 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Morten Meland
Dato for fastsettelse av årsregnskapet:	30.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 30.07.2024

Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Commission income		0	0
Sum inntekter		**0**	**0**
Kostnader			
Employee remuneration	9	100 002	328 200
Depreciation and write-downs		105 600 000	0
Other operating expenses	10	321 423	435 820
Sum kostnader		**106 021 425**	**764 020**
Driftsresultat		**-106 021 425**	**-764 020**
Finansinntekter og finanskostnader			
Annen renteinntekt		2 148	0
Sum finansinntekter		**2 148**	**0**
Annen rentekostnad		924 117	0
Sum finanskostnader		**924 117**	**0**
Netto finans		**-921 969**	**0**
Ordinært resultat før skattekostnad		**-106 943 394**	**-764 020**
Ordinært resultat etter skattekostnad		**-106 943 394**	**-764 020**
Årsresultat		**-106 943 394**	**-764 020**

Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	13	0	0
Sum immaterielle eiendeler		**0**	**0**
Varige driftsmidler			
Property, plant and equipment	14	0	0
Other assets		86 250	76 667
Sum varige driftsmidler		**86 250**	**76 667**
Finansielle anleggsmidler			
Investering i datterselskap	12,16	60 000 000	144 600 000
Sum finansielle anleggsmidler		**60 000 000**	**144 600 000**
Sum anleggsmidler		**60 086 250**	**144 676 667**
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Loans to and receivables from house bank	6,7,12	3 424 858	735 291
Sum bankinnskudd, kontanter og lignende		**3 424 858**	**735 291**
Sum omløpsmidler		**3 424 858**	**735 291**
SUM EIENDELER		**63 511 108**	**145 411 958**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	17	20 160 000	20 160 000
Overkurs		122 677 053	122 677 053
Sum innskutt egenkapital		**142 837 053**	**142 837 053**

Balanse

Beløp i: NOK	Note	2022	2021
Opptjent egenkapital			
Other equity		-112 650 062	-5 706 668
Sum opptjent egenkapital		**-112 650 062**	**-5 706 668**
Sum egenkapital		**30 186 991**	**137 130 385**
Gjeld			
Langsiktig gjeld			
Other liabilities	8,15	33 324 117	8 281 573
Sum avsetninger for forpliktelser		**33 324 117**	**8 281 573**
Annen langsiktig gjeld			
Sum langsiktig gjeld		**33 324 117**	**8 281 573**
Sum gjeld		**33 324 117**	**8 281 573**
SUM EGENKAPITAL OG GJELD		**63 511 108**	**145 411 958**

Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Commission income		823 830	1 775 964
Sum inntekter		**823 830**	**1 775 964**
Kostnader			
Employee remuneration	9	5 989 078	6 570 589
Depreciation and write-downs		1 922 144	1 611 849
Other operating expenses	10	8 997 602	7 895 297
Sum kostnader		**16 908 824**	**16 077 735**
Driftsresultat		**-16 084 994**	**-14 301 771**
Finansinntekter og finanskostnader			
Annen renteinntekt		314 659	39 144
Sum finansinntekter		**314 659**	**39 144**
Annen rentekostnad		1 010 431	100 008
Sum finanskostnader		**1 010 431**	**100 008**
Netto finans		**-695 772**	**-60 864**
Ordinært resultat før skattekostnad		**-16 780 766**	**-14 362 635**
Ordinært resultat etter skattekostnad		**-16 780 766**	**-14 362 635**
Årsresultat		**-16 780 766**	**-14 362 635**

Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	13	6 142 946	5 807 487
Sum immaterielle eiendeler		**6 142 946**	**5 807 487**
Varige driftsmidler			
Property, plant and equipment	14	537 624	1 278 827
Other assets		106 631	96 812
Sum varige driftsmidler		**644 255**	**1 375 639**
Sum anleggsmidler		**6 787 201**	**7 183 126**
Omløpsmidler			
Varer			
Investeringer			
High-quality liquid government bonds	6,7	9 600 684	10 000 000
Cash equivalent instruments	6,7	5 086 218	5 000 000
Sum investeringer		**14 686 902**	**15 000 000**
Bankinnskudd, kontanter og lignende			
Cash and balances with Central Banks	6,7,12	408 990	516 418
Loans to and receivables from house bank	6,7,12	42 706 961	34 381 574
Sum bankinnskudd, kontanter og lignende		**43 115 951**	**34 897 992**
Sum omløpsmidler		**57 802 853**	**49 897 992**
SUM EIENDELER		**64 590 054**	**57 081 118**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	17	20 160 000	20 160 000

Konsernets balanse

Beløp i: NOK	Note	2022	2021
Overkurs		122 667 387	122 667 387
Sum innskutt egenkapital		**142 827 387**	**142 827 387**
Opptjent egenkapital			
Other equity		-112 814 794	-97 002 852
Sum opptjent egenkapital		**-112 814 794**	**-97 002 852**
Sum egenkapital		**30 012 593**	**45 824 535**
Gjeld			
Langsiktig gjeld			
Other liabilities	8,15	34 577 461	11 256 582
Sum avsetninger for forpliktelser		**34 577 461**	**11 256 582**
Annen langsiktig gjeld			
Sum langsiktig gjeld		**34 577 461**	**11 256 582**
Sum gjeld		**34 577 461**	**11 256 582**
SUM EGENKAPITAL OG GJELD		**64 590 054**	**57 081 117**

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	25.11.2015	25.01.2016
Telefon	Deres referanse	Vår referanse
22078139	Jens Guthe	2015/1138198

SAFE DEPOSIT BANK OF NORWAY AS
POSTBOKS 1667 VIKA
0120 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 25. november 2015 og e-post av 22. januar 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Safe Deposit Holding ASA **org. nr. 998 096 162**
Safe Deposit Bank of Norway AS **org. nr. 999 644 392**

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Safe Deposit Holding ASA er et holdingselskap uten annen virksomhet enn å eie aksjene i Safe Deposit Bank of Norway AS. Selskapet eies av en gruppe norske (ca. 60 %) og utenlandske investorer (ca. 40 %), som alle benytter engelsk som felles arbeidsspråk. Konsernets arbeidsspråk er engelsk. Safe Deposit Bank of Norway AS har konsesjon fra Finanstillsynet til å drive bank. Banken, som er en meget spesiell nisjebank, vil være i operativ drift fra februar 2016. Styreleder i banken er utenlandsk, og all styrebehandling foregår på engelsk. Banken vil kun motta innskudd, og kun fra utvalgte kunder, og innskuddene vil umiddelbart settes inn i Norges Bank. Kundene vil være blant de største norske bedrifter og utvalgte private investorer, og disse innskudd forventes å være av betydelig karakter. Kunder vil få full trygghet for sine innskudd, men må pr. i dag betale 0,25 % rente for disse innskudd. Banken kan ikke drive med utlån. Alle sentrale aktører og samarbeidspartnere innen denne bransjen i Norge og utlandet behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er eid av profesjonelle norske og utenlandske investorer. Utenlandske investorer eier 40 %. Konsernspråket er engelsk og styreleder er utenlandsk. Banken er en nisjebank som retter seg mot de største norske bedrifter og utvalgte private investorer. Banken håndterer kun innskudd og disse innskudd forventes å være av betydelig karakter. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer

SDH
Safe Deposit Holding ASA

Annual Report 2022

Dear Reader,

We now have promising strategies for future development for our shareholders, this has been an important focus in 2022. We accomplished this alongside our continued focus on building scale in the EUR-product by further driving understanding and adoption of our offering. Pivoting the former Bank fully towards the EUR and away from the NOK necessarily led us to pursue a German banking license, for which we have been greenlighted. This is one possible path to future development. The expeditious path is to expand the adoption of our EUR product with a German partner.

Norway being in the EEA and not EU has in the final analysis delayed our Client onboarding progress in 2022: the legal hurdles for EU financial institutions to onboard and start using our liquidity solutions, via a Norwegian bank, are significant and exceedingly time-consuming. Our operations remain resilient, robust and effective. Our team stayed on course to meet each step of the long-awaited transition to the new ECB T2 / T2S. The system updates were implemented successfully and went live on March 20, 2023. We continued to deliver consistent, reliable, real-time liquidity.

The operational excellence is made possible by our impressive team which has shown exceptional commitment, adaptability, and breadth of execution capability. This lean core team is supported by an industry-leading group of external service providers and an active, diverse Board. It has been the dedication, thoughtfulness, perseverance and enthusiasm of our employees, service providers and Board that made the expansion into Europe possible. Alongside these Stakeholders, we are fortunate to have the engaged support and solid backing of our Shareholders. We trust that our EUR product will establish its place as a differentiated solution for institutions to manage and diversify liquid cash balances, enhancing their efficiency, competitiveness and resilience, and contributing to the stability of the financial ecosystem in which we all operate.

Safe Deposit Holding ASA ("SDH") was licensed by the Norwegian Ministry of Finance as a financial holding company for its subsidiary Safe Deposit Bank of Norway ("SDBN") that carried a Norwegian banking license as a service bank with the sole purpose of placing deposits with Central banks. Both SDH and SDBN (jointly the Group) were financial enterprises regulated by Norwegian law and supervised by the Norwegian Financial Supervision Authority. SDBN has now returned its Norwegian banking licenses and is renamed SDC AS ("SDC").

SDH's net result for 2022 shows a net loss of NOK 1.343.394, which is transferred to other equity. The 2022 net result for the Group shows a loss of NOK 15.811.942. Commensurate with our conservative approach, the Deferred Tax Asset of NOK 3.256.921 (SDH) and NOK 29.665.245 (Group) as of 31 December 2022 is not recognised on the balance sheet. The Group's own funds are held at an AA-rated commercial bank, cash equivalent instruments and high-quality liquid government bond funds.

There were no occupational incidents related to the management and the employees in 2022. Further, the Board and the CEO, also in SDC, are covered by liability insurance.

The Board is of the opinion that the prerequisites for the going concern assumption exist and confirms that the financial statements were prepared on this basis. SDC has ceased offering banking services and with effect from 16 May 2023, SDC returned its Norwegian banking license and SDH its financial holding company status. This is an important step in the completion of the strategy to transit into the EURO-zone following the introduction of the EUR-product in 2020, as approved in the general meeting of 28 April 2023. SDH expects to continue as service provider to a German-licensed bank launching the safe deposit product on a broader scale, or alternatively pursue the new German banking license for which SDC has been greenlighted. SDH is in advanced negotiations with international partners to execute on this strategy, but there can be no assurances of its success.

SDH is partly financed with loans of MNOK 41.8 as of 3 May, 2023, which mature on May 31, 2023. These loans were used in capital increases in SDC (formerly SDBN) in 2021, 2022 and 2023 to meet regulatory capital requirements no longer applicable. The loans are matched by SDC holding liquid assets (MNOK 54 as of 31 December 2022) in excess of total liabilities of the group (MNOK 34,5 as at 31 December 2022) and SDH has repaid of the loans on due date with these funds.

The Board believes that the discussion with international partners will result in an agreement advantageous to SDH. However, the Board is prudently concluding an impairment loss of SDH's investment in its subsidiary of MNOK 105,6 per 31st of December 2022, as any additional value is dependent on the outcome of the current commercial negotiations. After the impairment, the SDH's investment value in its subsidiary will be MNOK 60, equal to SDC's equity per 31st of

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Safe Deposit Bank of Norway

Annual Report 2022

December 2022. This assessment will be reviewed when negotiations are completed.

To develop a dedicated, safe, deposit product for regulated institutions is a challenge, especially in terms of differences in jurisdictions, as we outline above. SDC has developed and refined its EUR product, a product with a deposit volume of EUR 2.3 billion within 8 months of launching in 2020, but which undeniably needs to be offered under a EU bank license. The Boards believe that pursuing these paths, with all caveats, is the best way to create value for all our stakeholders.

Oslo,
June 09, 2023

Christian Wist (Jun 9, 2023 18:38 GMT+2)
Christian A. Horneman Wist
Chairman

Olga Godinho
Board Member

Monica Haugan (Jun 10, 2023 15:59 GMT+2)
Monica Amanda Haugan
Board Member

Harry Konterud (Jun 11, 2023 08:32 GMT+2)
Harry Konterud
Board Member

Daniel Vock (Jun 9, 2023 21:01 GMT+2)
Daniel Vock
Board Member

Morten Meland (Jun 9, 2023 16:33 GMT+2)
Morten Meland
CEO

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Income Statement

NOK	Parent 2021	Parent 2022		Notes	Group 2022	Group 2021
	0	2 148	**Interest income (amortised cost)**		314 659	39 144
	0	924 117	Interest expenses (amortised cost)		1 010 431	100 008
	0	**-921 969**	**Net interest income**		**-695 772**	**-60 864**
	0	0	Commission income		823 830	1 775 964
	0	0	Commission expenses[1]		953 320	973 556
	0	**0**	**Net fee and commission income**		**-129 490**	**802 408**
	0	0	Financial revenue		0	0
	0	105 600 000	Financial expenses[2]		0	0
	0	**-105 600 000**	**Net financial income**		**0**	**0**
	0	**-106 521 969**	**Total income**		**-825 262**	**741 545**
	328 200	100 002	Employee remuneration	9	5 989 078	6 570 589
	435 820	321 423	Other operating expenses	10	8 997 602	7 895 297
	764 020	**421 425**	**Total operating expenses**		**14 986 680**	**14 465 886**
	-764 020	**-106 943 394**	**Profit before impairment on loans and taxes**		**-15 811 942**	**-13 724 342**
	-764 020	**-106 943 394**	**Profit before income tax**		**-15 811 942**	**-13 724 342**

[1] Includes cost of sales and fees for clearing systems, regulators and Bank Guarantee Fund
[2] Impairment of the investment in its subsidiary (SDC AS) to align the investment value with SDC's equity book value.

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Other Comprehensive Income

NOK	Parent 2021	Parent 2022		Group 2022	Group 2021
	-764 020	-106 943 394	Profit for the period	-15 811 942	-13 724 342
			Items that will not be reclassified to profit/loss		
	0	0	Total	0	0
			Items that will be reclassified to profit/loss		
	0	0	Total	0	0
	-764 020	**-106 943 394**	**Total comprehensive income**	**-15 811 942**	**-13 724 342**

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Safe Deposit Bank of Norway

Balance Sheet

NOK Parent 31.12.21	Parent 31.12.22		Notes	Group 31.12.22	Group 31.12.21
		ASSETS			
0	0	Cash and balances with Central Banks	6,7,12	408 990	516 418
0	0	Cash equivalent instruments	6,7	5 086 218	5 000 000
0	0	High-quality liquid government bonds	6,7	9 600 684	10 000 000
735 291	3 424 858	Loans to and receivables from house bank	6,7,12	42 706 961	34 381 574
144 600 000	60 000 000	Investment in group company	12,16	0	0
0	0	Property, plant and equipment	14	537 624	1 278 827
0	0	Intangible assets	13	6 142 946	5 807 487
76 667	86 250	Other assets		106 631	96 812
145 411 958	**63 511 108**	**Total assets**		**64 590 054**	**57 081 118**
		LIABILITIES AND EQUITY			
8 281 573	33 324 117	Other liabilities	8,15	34 577 461	11 256 582
8 281 573	**33 324 117**	**Total liabilities**		**34 577 461**	**11 256 582**
20 160 000	20 160 000	Share capital	17	20 160 000	20 160 000
122 677 053	122 677 053	Share premium		122 667 387	122 667 387
-5 706 668	-112 650 062	Other equity		-112 814 794	-97 002 852
137 130 385	**30 186 991**	**Total equity**		**30 012 593**	**45 824 536**
145 411 958	**63 511 108**	**Total liabilities and equity**		**64 590 054**	**57 081 118**

Oslo, June 09, 2023

Christian Wist (Jun 9, 2023 18:38 GMT+2)
Christian A. Horneman Wist
Chairman

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Board Member

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Daniel Vock (Jun 9, 2023 21:01 GMT+2)
Daniel Vock
Board Member

Morten Meland (Jun 9, 2023 16:33 GMT+2)
Morten Meland
CEO

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Safe Deposit Bank of Norway

Statement of Changes in Equity – Parent

NOK	Share capital	Share premium	Other equity	Total equity
Equity as at 1 January 2021	**19 800 000**	**118 177 053**	**-4 942 648**	**133 034 405**
Profit for the period			-764 020	-764 020
Total comprehensive income	**0**	**0**	**-764 020**	**-764 020**
Issue of share capital and premium	360 000	4 500 000		4 860 000
Equity as at 31 December 2021	**20 160 000**	**122 677 053**	**-5 706 668**	**137 130 385**
Equity as at 1 January 2022	**20 160 000**	**122 677 053**	**-5 706 668**	**137 130 385**
Profit for the period			-106 943 394	-106 943 394
Total comprehensive income	**0**	**0**	**-106 943 394**	**-106 943 394**
Issue of share capital and premium				
Equity as at 31 December 2022	**20 160 000**	**122 677 053**	**-112 650 062**	**30 186 991**

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Statement of Changes in Equity – Group

NOK	Share capital	Share premium	Other equity	Total equity
Equity as at 1 January 2021	**19 800 000**	**118 167 387**	**-83 278 510**	**54 688 877**
Profit for the period			-13 724 342	-13 724 342
Total comprehensive income	**0**	**0**	**-13 724 342**	**-13 724 342**
Issue of share capital and premium	360 000	4 500 000		4 860 000
Equity as at 31 December 2021	**20 160 000**	**122 667 387**	**-97 002 852**	**45 824 536**
Equity as at 1 January 2022	**20 160 000**	**122 667 387**	**-97 002 852**	**45 824 536**
Profit for the period			-15 811 942	-15 811 942
Total comprehensive income	**0**	**0**	**-15 811 942**	**-15 811 942**
Issue of share capital and premium				
Equity as at 31 December 2022	**20 160 000**	**122 667 387**	**-112 814 794**	**30 012 593**

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Statement of Cash Flows

NOK	Parent				Group	
	2021	2022		Notes	2022	2021
	-764 020	-106 943 394	Profit before income tax		-15 811 942	-13 724 342
	0	105 600 000	+ Depreciation and write-downs		1 922 144	1 611 849
	-764 020	**-1 343 394**	**Net cash increase from ordinary operations**		**-13 889 799**	**-12 112 492**
	-10 667	-9 583	Decrease/(increase) other receivables		-9 819	125 749
	14 647	-281 573	Increase/(decrease) short term debt		-2 003 239	-3 423 958
	-760 039	**-1 634 550**	**A) Net cash flow from operations**		**-15 902 856**	**-15 410 701**
	0	0	Increase in intangible and tangible fixed assets		-1 516 400	-289 401
	-11 600 000	-21 000 000	Net investments in subsidiaries		0	0
	-11 600 000	**-21 000 000**	**B) Net cash flow from investment**		**-1 516 400**	**-289 401**
	8 000 000	25 324 117	Increase/(decrease) in Bridge loan facilities		25 324 117	8 000 000
	4 860 000	0	Increase/(decrease) in equity - Issue of share capital and premium		0	4 860 000
	12 860 000	**25 324 117**	**C) Net cash flow from financial activities**		**25 324 117**	**12 860 000**
	499 961	**2 689 567**	**A) + B) + C) Net changes in cash and cash equivalents**		**7 904 861**	**-2 840 102**
	235 331	735 291	Cash and cash equivalents at 01.01		49 897 992	52 738 094
	735 291	3 424 858	Cash and cash equivalents at 31.12	6,7,12	57 802 853	49 897 992
	499 961	**2 689 567**	**Net changes in cash and cash equivalents**		**7 904 861**	**-2 840 102**

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Note 1 – General information

Description of the business

The head office is at Haakon VII's gate no. 1 in Oslo and includes the parent company Safe Deposit Holding ASA ("SDH") and the subsidiary SDC AS. Consolidated financial statements are available at SDC's headquarters in Oslo.

The financial statements for both SDC AS and consolidated Group for 2022 were approved by the respective Boards of Directors on 09 June 2023.

Banking license

As of 16 May, 2023, SDBN handed back its Norwegian banking license and is renamed SDC AS. SDBN's banking license was granted by the Financial Supervisory Authority of Norway and the Norwegian Ministry of Finance. SDBN provided the following services under the license:

(i) Acceptance of deposits and other repayable funds

(ii) Lending where a European Central Bank is the debtor

The services corresponded to activities no. 1 and 2 included in Annex I of Directive 2013/36/EU on access to the activity of a credit institutions and prudential supervision of credit institutions and investment firms ("CRDIV Directive").

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Note 2 – Accounting policies

Basis for preparing the annual accounts

The accounts for 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the EU. The measurement base for both the Parent company and Group accounts is historical cost with the modifications described below. The accounts are presented based on IFRS standards and interpretations mandatory for accounts presented as at 31 December 2022.

Presentation currency

The presentation currency is the Norwegian Krone (NOK), which is also the Groups' functional currency.

Consolidation

The Group accounts include the parent company and all subsidiaries which are not due for divestment in the near future and which are therefore to be classified as held for sale under IFRS 5. All undertakings controlled by the Group, i.e. where the Group has the power to control the undertaking's financial and operational principles with the intention of achieving benefits from the undertaking's activities, are regarded as subsidiaries. Subsidiaries are consolidated from the date on which the Group has taken over control, and are deconsolidated at the date on which the Group relinquishes control. Mutual balance sheet items and all significant profit elements are eliminated.

Upon takeover of control of an enterprise (business combination), all identifiable assets and liabilities are recognised at fair value in accordance with IFRS 3. A positive difference between fair value of the consideration and the fair value of identifiable assets and liabilities is recorded as goodwill, while a negative difference is taken to income upon purchase. Accounting for good - will after first-time recognition is described under the section on intangible assets. All intra-group transactions are eliminated in the preparation of the Group accounts. The non-controlling interest of the Group result is presented on a separate line under profit after tax in the income statement. In the equity capital, the non-controlling interest is shown as a separate item.

Financial instruments

Financial assets and liabilities are recognised in the balance sheet at the date the Group becomes a party to the contractual provisions of the financial instruments. A financial asset is derecognised when the right to receive and retain cash flows from the asset has expired, or when the rights to receive the cash flows from the financial asset and substantially all the risks and rewards from ownership of the financial asset has been transferred. If the Group retains the rights to receive the cash flows from the financial asset but assumes an obligation to pay those cash flows to the eventual recipients, the asset is derecognised if the arrangements meet the criteria for being a "pass-through" arrangement. A financial liability is derecognised when it is extinguished, i.e. when the financial liability is discharged, cancelled or expired.

Classification and measurement

All working capital financial assets of the Group are measured at amortised cost as these assets represent contractual cash flows that are solely payment of principal and interest on the amount outstanding, and are held in a context that requires amortised cost measurement. This does not apply to investments in cash equivalent instruments and high-quality liquid government bond funds. Investments in these funds are classified at fair value through profit and loss and measured at fair value. Financial liabilities shall be accounted for at amortised cost, unless they are held for trading, designated at fair value through profit or loss or are derivatives. All financial liabilities of the Group are measured at amortised cost.

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Note 2 – continued

Subsidiaries

Subsidiaries are defined as companies in which the Group has control, directly and indirectly, through ownership or other means. The Group recognises the existence of the facto control, but generally assumes to have control when the Group's direct or indirect holdings represent more than 50 percent. With respect to companies where the Group's holding is 50 percent or less, the Group makes an assessment of whether other factors indicate de facto control. Investments in subsidiaries are accounted for at cost in the parent entity's accounts

Impairment

Impairments are recognised based on a three-stage model, where assets are classified in stage 1 at initial recognition and in subsequent periods if the credit risk of the assets has not increased significantly since initial recognition. Impairment losses for assets classified in stage 1 is measured as the 12-month expected credit loss. If the credit risk has increased significantly since initial recognition, the financial assets shall be classified in stage 2 or 3, and expected credit loss is measured at the lifetime expected credit loss.

All financial assets of the Group are with investment grade counterparties or Central Banks. As all financial assets are considered to be low credit risk (investment grade) at the reporting date, the Group has concluded that credit risk has not increased significantly since initial recognition. Based on an assessment, the Group has concluded that the estimated 12-months expected credit loss is clearly immaterial.

Intangible assets

Software expenses recognised in the balance sheet are amortised according to a straight-line principle over their expected useful life and are subject to an impairment test when indications of impairment exists.

Property, plant and equipment

Property, plant and equipment along with property used by the owner are accounted for in accordance with IAS 16. The investment is initially measured at its cost and is thereafter depreciated on a linear basis over its expected useful life. When establishing a depreciation plan, the individual assets are to the necessary extent split up into components with differing useful life, with account being taken of estimated residual value. Property, plant and equipment items which individually are of little significance, for example PCs, and other office equipment, are not individually assessed for residual value, useful lifetime or value loss, but are assessed as groups. Property, plant and equipment which are depreciated are subject to an impairment test in keeping with IAS 36 when indications of impairment exist.

Interest income and expenses

Interest income and expenses related to assets and liabilities which are measured at amortised cost are recognised in profit/loss on an ongoing basis using the effective interest rate method. Charges connected to interest-bearing funding and lending are included in the computation of effective interest rate and are amortised over expected lifetime.

Commission income and expenses

Commission income and expenses are generally accrued in step with the provision of the service.

Transactions and holdings in foreign currency

Transactions in foreign currency are converted to Norwegian kroner at the transaction exchange rate. Gains and losses on executed transactions or on conversion of holdings of monetary items on the balance sheet date are recognised in profit/loss, unless they are recognised directly in equity based on hedging principles. Gains and losses on conversion of items other than monetary items are recognised in the same way as the appurtenant balance sheet item.

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Note 2 – continued

Income taxes

Tax recorded in the profit and loss account comprises tax in the period (payable tax) and deferred tax. Period tax is tax calculated on the taxable profit for the year. Deferred tax is accounted for by the liability method in keeping with IAS 12. The rate of tax in effect at all times is employed when calculating deferred tax. In the case of deferred tax, liabilities or assets are calculated on temporary differences i.e. the difference between balance sheet value and tax-related value of assets and liabilities. However, liabilities or assets are not calculated in the case of deferred tax on goodwill for which there is no deduction for tax purposes, nor on first-time recognised items which affect neither the accounting nor the taxable profit. In the case of deferred tax an asset is calculated on a tax loss carry forward. The Group's deferred tax asset is not recognised in the balance sheet.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

<u>Right-of-use assets</u>

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are presented within Property, plant and equipment in the Balance Sheet and depreciation on right of-use assets are presented within Other operating expenses in the Income Statement.

<u>Lease liabilities</u>

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

Lease liabilities are presented within Other liabilities in the Balance Sheet and interest on lease liabilities are presented within Interest expenses (amortised cost) within the Income Statement.

Deposits from Clients

The Group places Client's deposits with Central Banks. The Group does not have any right to use these deposits in its own operations, nor does it have access to the economic benefits of ownership of these deposits. Based on this, the Group does not recognise the Client's deposits in Central Banks as assets, as they do not meet the definition of assets of the Bank. All cash flows related to the deposits are contractually required to be transferred immediately and directly to the owner of the deposits.

Note 2 – continued

Provisions, contingent assets and contingent liabilities

A provision is only recognised when an obligation exists (legal or constructive) as a result of a previous event, and it is likely that an outflow resources embodying economic benefits will be required to fulfil the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are recognised at the amount that expresses the existing obligation. If considered material, the time value of money is taken into account when calculating the size of the provision. Contingent assets or contingent liabilities are not recognised.

Defined contribution

Under a defined contribution pension scheme, the Group does not provide a future pension of a given size; instead the Group pays an annual contribution to the employees' collective pension savings. The future pension will depend on the size of the contribution and annual return on the pension savings. The Group has no further obligations regarding the labour contribution after the annual contribution has been paid. There is no allocation for accrued pension obligations under such schemes. Defined contribution schemes are directly expensed.

Dividends

Dividends are recognised as equity capital until approved by the Parent company's Annual General Meeting.

Events after the balance sheet date

The Board is of the opinion that the prerequisites for the going concern assumption exist and confirms that the financial statements were prepared on this basis. SDC has ceased offering banking services and with effect from 16 May 2023, SDC returned its Norwegian banking license and SDH its financial holding company status. SDC expect to continue as service provider to a German-licensed bank launching the safe deposit product on a broader scale, or alternatively pursue the new German banking license for which SDC has been greenlighted. SDC is in advanced discussions with international partners to execute on this strategy, but there can be no assurances of its success.

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Note 3 – Critical estimates and assessments concerning the use of accounting principle

In the preparation of the Group accounts the management makes accounting estimates, discretionary assessments and assumptions that influence the effect of the application of the accounting principles and hence the amounts booked for assets, liabilities, incomes and expenses. Estimates and discretionary assessments are evaluated continuously and are based on empirical experiences and expectations of events which, as of the balance sheet date, are deemed likely to occur in the future.

Intangible assets

Impairment tests of intangible assets are largely based on discounting of expected future cash flows. Cash flow estimates will invariably be subject to substantial uncertainty, and in some cases the methods used to assign cash flows to different assets will also be encumbered with uncertainty. Assets are amortised using a straight-line basis over expected lifetime from the date they are ready for use.

Note 4 – Risks

The Group's Risk Management Strategy provides effective risk management processes that are appropriate to its size and risks, as stipulated by the applicable Directive and Regulations.

The Group's full annual Pillar 3 report is available on the Bank's website.

The Risk Management Strategy describes the overall risk appetite for the Group and stipulates responsibilities for the risk management system and helps ensure adequate and systematic risk management and internal controls within the Group, in order to ensure that the risk profile of the Group remains within the risk appetite level deemed appropriate by the Board of Directors.

The Group operates at a low level of aggregate risk and is committed to effective risk management. The Group's main risk categories, as outlined below, are operational risk, credit risk and business and strategic risks.

Operational risk

Operational risk is the risk of an adverse outcome related to inadequate internal processes, people, technology or the impact of external partners. Exposure to operational risk arises from both procedure errors as well as extraordinary incidents such as system failures. Potential operational risks include:

- Payment transaction processing
- Operational stability / deposit liquidity
- Integrity and confidentiality of Client data
- Reliance on key personnel

The Group has zero tolerance for operational errors and has designed business processes and internal controls to minimise these risks.

Credit risk

The Group has no credit or counterparty risks related to loans or Client deposits. The Client assumes all risks and rewards pertaining to their deposits and SDBN has no obligation to credit or pay the Client any amount unless equivalent amounts are credited SDBN by the Central Bank and made available for payment to SDBN. The Group's credit and counterparty risks are therefore only relevant to the Group's own operational deposits invested in cash equivalent instruments and high-quality liquid government bond funds or held at the house bank (Handelsbanken). The Group's credit risk is therefore limited to the funds held with these counterparties.

Note 4 – continued

Business and strategic risks

The Group is exposed to the normal execution and strategic risks inherent in building and achieving institutional Client traction/adoption for a new liquidity management solution in the EUR market. In terms of exposure to systemic banking risk, the Group's business and operations are insulated from risk bearing banking activity.

Other risk categories

SDH will be exposed to ownership risk related to their shares in SDBN. This risk will mainly be related to operational risk, credit risk and business and strategic risk for business operations as described above. This will be monitored by the management and Board of Directors in SDH.

The Group is exposed to liquidity and financing risks. Risk exposure and risk tolerance are low as the Group's business model requires and ensures that Client deposits are highly liquid assets, as they are placed in overnight deposits with European Central Banks, currently the Central Bank of Germany (Deutsche Bundesbank). There is also an inherent risk that the Group does not have enough liquidity to fulfil its obligations with regards to operating expenses.

The Group is exposed to market risk in the form of interest rate risk on its own deposits, as well as limited currency risk. Leverage risk is not relevant since no Group companies have any debt. Systemic risk is inherently low given the business model.

Note 5 – Capital adequacy

As of 31 December 2022 the capital conservation buffer requirement is 2.5 percent, the systemic risk requirement is 3,0 percent and countercyclical buffer has differentiated rates with 2.0 percent being maintained for exposures in Norway. For exposures in other countries the countercyclical capital buffer rate set by the authorities in the country concerned is used. If the country concerned has not established a rate, the same rate as for exposures in Norway is to be used unless the Ministry of Finance sets another rate. These requirements are additional to the requirement of 4.5 percent CET1 capital, so that the overall minimum requirement on CET1 capital is 12,0 percent.

The Group's Common Equity Tier 1 capital at year end was NOK 23 869 647,- and risk weighted assets were NOK 20 221 343,- reflecting a CET1 capital ratio of 118,04 %.

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Note 6 – Loans and advances

NOK	Parent		Loans and advances to Central Banks, cash equivalent instruments, high-quality liquid government bonds and house bank	Group	
	2021	2022		2022	2021
	0	0	Cash and balances with Central Banks	408 990	516 418
	0	0	Cash equivalent instruments	5 086 218	5 000 000
	0	0	High-quality liquid government bonds	9 600 684	10 000 000
	735 291	3 424 858	Loans and receivables from house bank without agreed maturity or notice of withdrawal, AA rating	42 706 961	34 381 574
	735 291	3 424 858	Total	57 802 853	49 897 992

Loans and advances to house bank are floating rate. Cash equivalent instruments and government bond funds include instruments that qualify as high-quality liquid assets in LCR, in other words assets with low credit risk which are liquid in markets during stress times, for instance sovereign bonds. The investments in cash equivalent instruments and high-quality liquid government bond funds are measured at fair value and are classified to level 2 in the fair value hierarchy. The investments in debt funds are investments in an open-ended government bond fund investing in Norwegian government bonds. The portfolio duration is three to seven years.

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Note 7 - Credit quality per class of financial assets

The table below shows credit quality per class of financial assets on the balance sheet.
Cash and balances with European Central Banks, cash equivalent instruments, high-quality liquid government bond funds, loans and claims on Norwegian house bank are considered as lowest risk assets.

NOK Parent	Neither defaulted nor written down		
2022	Lowest risk	Defaulted or written down	Total
Cash and balances with Central Banks	0	-	0
Cash equivalent instruments	0	-	0
High-quality liquid government bonds	0	-	0
Loans to and receivables from house bank	3 424 858	-	3 424 858
Total	**3 424 858**	**0**	**3 424 858**

NOK Parent	Neither defaulted nor written down		
2021	Lowest risk	Defaulted or written down	Total
Cash and balances with Central Banks	0	-	0
Cash equivalent instruments	0	-	0
High-quality liquid government bonds	0	-	0
Loans to and receivables from house bank	735 291	-	735 291
Total	**735 291**	**0**	**735 291**

Note 7 – continued

NOK Group	Neither defaulted nor written down		
2022	Lowest risk	Defaulted or written down	Total
Cash and balances with Central Banks	408 990	-	408 990
Cash equivalent instruments	5 086 218	-	5 086 218
High-quality liquid government bonds	9 600 684	-	9 600 684
Loans to and receivables from house bank	42 706 961	-	42 706 961
Total	**57 802 853**	**0**	**57 802 853**

NOK Group	Neither defaulted nor written down		
2021	Lowest risk	Defaulted or written down	Total
Cash and balances with Central Banks	516 418	-	516 418
Cash equivalent instruments	5 000 000	-	5 000 000
High-quality liquid government bonds	10 000 000	-	10 000 000
Loans to and receivables from house bank	34 381 574	-	34 381 574
Total	**49 897 992**	**0**	**49 897 992**

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Note 8 – Liquidity risk

Liquidity risk is the risk that the parent company and/or the Group will be unable to refinance its debt or unable to finance increases in its assets.

NOK Parent						
At 31 December 2022	On demand	Below 3 months	3-12 months	1-5 yrs	Above 5 yrs	Total
Cash flows related to liabilities						
Other commitments	0	33 324 117				33 324 117
Total cash flow liabilities	**0**	**33 324 117**	**0**	**0**	**0**	**33 324 117**

NOK Parent						
At 31 December 2021	On demand	Below 3 months	3-12 months	1-5 yrs	Above 5 yrs	Total
Cash flows related to liabilities						
Other commitments	281 573		8 000 000			8 281 573
Total cash flow liabilities	**281 573**	**0**	**8 000 000**	**0**	**0**	**8 281 573**

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Note 8 - Continued

NOK Group At 31 December 2022	On demand	Below 3 months	3-12 months	1-5 yrs	Above 5 yrs	Total
Cash flows related to liabilities						
Other commitments	1 253 344	33 324 117				34 577 461
Total cash flow liabilities	**1 253 344**	**33 324 117**	**0**	**0**	**0**	**34 577 461**

NOK Group At 31 December 2021	On demand	Below 3 months	3-12 months	1-5 yrs	Above 5 yrs	Total
Cash flows related to liabilities						
Other commitments	3 256 582		8 000 000			11 256 582
Total cash flow liabilities	**3 256 582**	**0**	**8 000 000**	**0**	**0**	**11 256 582**

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Note 9 – Employee remuneration

According to the former Bank's Remuneration Policy, SDBN will offer their employees remuneration that is fair, motivating and in line with the Risk and Management Strategy. This policy shall ensure that SDBN will comply with regulations concerning remuneration in Financial Institutions. The policy applies to all forms of remunerations and to all employees.

NOK	Parent			Group	
	2021	2022		2022	2021
	100 000	100 000	Wages	4 708 090	4 697 512
	228 198	0	Accrued wages	0	839 553
	0	0	Pension costs	286 608	208 423
	2	2	Employer's contribution	927 491	751 457
	0	0	Social costs	66 890	73 644
	328 200	**100 002**	**Total personnel**	**5 989 078**	**6 570 589**

The Group had 4 employees as of 31 December 2022 (5 employees as of 31 December 2021), which implies FTE of 4 (FTE of 4,8 as of 31 December 2021)

CEO	**2022**	**2021**
Morten Meland	1 544 392	1 544 392

Compensation to Board Members for SDBN & SDH	**2022**	**2021**
Olga Godinho	550 000	550 000
Christian A. Horneman Wist	200 000	200 000
Knut Bergo	100 000	100 000
Dominique Levy	100 000	100 000
Monica Haugan	50 000	50 000
Harry Konterud	50 000	50 000
Daniel Vock	50 000	50 000

No additional bonus or variable remunerations were paid to board members or management in connection with their executive or non-executive duties. There are no loans or guarantees to board members or management. SDBN's compensation committee consists of all members of the SDBN Board. It is the opinion of the SDBN Board that the remuneration for management in 2022 is in accordance with the SDBN Remuneration Policy.

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Note 10 – Other operating expenses

NOK Parent 2021	Parent 2022		Group 2022	Group 2021
0	0	Ordinary depreciation	1 922 144	1 611 849
0	0	Operating expenses, real properties	195 197	156 480
301 129	173 546	Purchased services	2 230 991	1 887 718
134 691	147 877	Other operating expenses	4 649 270	4 239 250
435 820	**321 423**	**Other operating expenses**	**8 997 602**	**7 895 297**
		Audit fees		
84 506	95 781	Statutory audit services	417 138	286 859
48 137	54 966	Other attestation services	183 988	181 874
0	0	Tax-related services	18 625	33 751
0	0	Other non-audit services	190 575	0
132 643	**150 747**	**Total incl value added tax**	**810 326**	**502 484**

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Note 11 – Income tax

The following is a specification of the difference between the accounting profit before tax, the year's tax base and the year's tax charge.

NOK	Parent 2021	Parent 2022		Group 2022	Group 2021
	-764 020	-106 943 394	Profit before tax	-15 811 942	-13 724 342
	0	0	+/- permanent differences	51 731	15 428
	0	0	+/- change in temporary differences as per specification	-2 235	-2 793
	-764 020	**-106 943 394**	**Income subject to tax**	**-15 762 446**	**-13 711 707**
	0	**0**	**Payable tax**	**0**	**0**
	0	**0**	**Net change in deferred tax**	**0**	**0**
	0	0	Income tax	0	0

NOK	Parent – Deferred tax in balance sheet 2021	Parent – Deferred tax in balance sheet 2022	Composition of deferred tax recognised in the income statement	Group – Deferred tax in balance sheet 2022	Group – Deferred tax in balance sheet 2021
			Temporary differences:		
	-	-	Property, plant and equipment	-8 938	-11 173
	0	**0**	**Total tax-increasing temporary differences**	**-8 938**	**-11 173**
	0	**0**	**Deferred tax**	**-2 235**	**-2 793**
			Temporary differences:		
	-11 684 290	-118 627 684	Deficit carried forward	-118 660 979	-102 898 533
	-11 684 290	**-118 627 684**	**Total tax-decreasing temporary differences**	**-118 660 979**	**-102 898 533**
	-2 921 073	**-29 656 921**	**Deferred tax asset**	**-29 665 245**	**-25 724 633**
	-2 921 073	-29 656 921	Net	-29 667 479	-25 727 427

The above table comprises temporary differences from all consolidated companies shown gross. At the Company level tax-increasing and tax-reducing temporary differences are shown net. At the Group level recognition is on a gross basis in conformity with IAS 12 with each company being presented separately in the calculation of the Group's tax benefit and deferred tax.

Deferred tax asset is not recognised in the balance sheet at year end 2021 or 2022.

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Note 12 – Financial instruments

Fair value of financial instruments at amortised cost

Amortised cost entails valuing items in balance sheet after initially agreed cash flows, adjusted for impairment. Measurement at fair value will invariably be encumbered with uncertainty, as it has not been measured, but assumed that their carrying amount (book value) is a reasonable approximation of fair value among else due short-term nature and low credit risk.

NOK Parent	Classification	2022 Book value	2021 Book value
Assets			
Loans to and receivables from house bank	Amortised cost	3 424 858	735 291
Total financial assets		**3 424 858**	**735 291**
Liabilities			
Total financial liabilities		0	0

NOK Group	Classification	2022 Book value	2021 Book value
Assets			
Cash and balances with Central Banks	Amortised cost	408 990	516 418
Loans to and receivables from house bank	Amortised cost	42 706 961	34 381 574
Total financial assets		**43 115 951**	**34 897 992**
Liabilities			
Total financial liabilities		0	0

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Note 13 – Intangible assets

NOK	2022	2021
Intangible assets		
Cost as at 1 January	8 308 593	8 052 762
Acquisitions/disposals	1 471 215	255 831
Cost as at 31 December	**9 779 808**	**8 308 593**
Accumulated depreciation as at 1 January	2 501 106	1 610 553
Depreciation	1 135 756	890 553
Total depreciation as at 31 December	**3 636 862**	**2 501 106**
Carrying amount as at 31 December	**6 142 946**	**5 807 487**

Intangible assets concerns IT systems and licenses. The IT systems are amortised on a straight-line basis in accordance with the rest period of the agreement. Amounts recorded above are reviewed on the balance sheet date for any indications of value impairment. No write-downs have been made in 2021 or 2022.

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Note 14 – Property, plant and equipment

NOK	2022		2021	
	Right-of-use asset	Total	Right-of-use asset	Total
Cost as at 1 January	3 307 244	3 307 244	3 273 674	3 273 674
Aquisitions/disposals	45 185	45 185	33 570	33 570
Cost as at 31 December	**3 352 429**	**3 352 429**	**3 307 244**	**3 307 244**
Accumulated depreciation as at 1 January	2 028 417	2 028 417	1 307 121	1 307 121
Depreciation	786 388	786 388	721 296	721 296
Total depreciation as at 31 December	**2 814 805**	**2 814 805**	**2 028 417**	**2 028 417**
Carrying amount as at 31 December	**537 624**	**537 624**	**1 278 827**	**1 278 827**

The Right of use asset are depreciated over the lower of remaining lease term at the commencment of the lease or economic life which for the Group's leased assets is approx. 2 years. Set out below are the carrying amounts of lease liabilities (included under 'Other liabilities' in Note 15) and the movements during the period:

NOK	2022	2021
As at 1 January	**1 278 827**	**1 966 553**
Additions	45 185	33 570
Accretion of interest	63 936	100 008
Payments	-850 324	-821 304
As at 31 December	**537 624**	**1 278 827**

The Group had total cash outflows for leases of NOK 850 324 in 2022.

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Note 15 – Other debt and liabilities

NOK	Parent			Group	
	2021	2022	Other debt and recognised liabilities	2022	2021
	53 375	0	Creditors	0	194 173
	8 228 198	33 324 117	Other	34 577 461	11 062 410
	8 281 573	**33 324 117**	**Total other debt and recognised liabilities**	**34 577 461**	**11 256 582**
	8 281 573	**33 324 117**	**Total commitments**	**34 577 461**	**11 256 582**

There are no securities pledged at year end 2021 or 2022.

The Company had MNOK 8 in bridge loan facilities per end 2021 and MNOK 33 in bridge loan facilities per end 2022. The Company may at any time wholly or partly prepay the Loan prior the final repayment date of 27 March 2023. The loans per 2022 carry an interest corresponding to 3 to 6 months NIBOR plus a margin of 2 per cent. p.a. The loan is unsecured and ranks pari passu with claims of all other unsecured and subordinated creditors. The lenders are members of the Board of Directors (or entities related to such members) of Safe Deposit Holding ASA or SDC AS, the CEO and/or the Company's Shareholders.

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Note 16 – Investments in subsidiaries and transactions with related parties

Shares in subsidiaries

Recorded at acquisition cost in the Parent company. Full consolidation in the Group accounts.

NOK 2022	Company number	Reg. office	Stake in percent	Share capital	No of shares	Nominal value
SDC AS (formerly SDBN)	999644392	Oslo	100	47 650 000	476 500	100
Total investments in credit institutions				**47 650 000**	**476 500**	**100**

	Assets	Liabilities	Total income	Total expenses	Result	Book value 31.12
SDC AS (formerly SDBN)	61 078 945	1 253 344	96 707	14 565 255	-14 468 549	60 000 000
Total investments in credit institutions	**61 078 945**	**1 253 344**	**96 707**	**14 565 255**	**-14 468 549**	**60 000 000**

NOK 2021	Company number	Reg. office	Stake in percent	Share capital	No of shares	Nominal value
SDC AS (formerly SDBN)	999644392	Oslo	100	45 550 000	455 500	100
Total investments in credit institutions				**45 550 000**	**455 500**	**100**

	Assets	Liabilities	Total income	Total expenses	Result	Book value 31.12
SDC AS (formerly SDBN)	56 269 160	2 975 009	741 545	13 701 866	-12 960 322	144 600 000
Total investments in credit institutions	**56 269 160**	**2 975 009**	**741 545**	**13 701 866**	**-12 960 322**	**144 600 000**

Transactions with group companies and other related parties

In 2022, the former Bank has purchased services from entities related to Board members of Safe Deposit Bank of Norway AS or Safe Deposit Holding ASA amounting to NOK 198 637. At the balance sheet date, the amount owed related to the purchased services is NOK 0. These transactions are made on terms equivalent with market practice for similar transactions with non-related parties.

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Note 17 – Share capital

NOK Share capital	Number of shares	Book value
Ordinary shares 1 January 2021	99 000	19 800 000
Issue new shares	1 800	360 000
Ordinary shares 31 December 2021	100 800	20 160 000
Issue new shares	0	0
Ordinary shares 31 December 2022	**100 800**	**20 160 000**

Largest shareholders	Nominee	Shares held by the Board / CEO	Number of shares	Ownership in percent
UBS SWITZERLAND AG	Yes	Board Member, CEO	13 082	12,98 %
CLEARSTREAM BANKING S.A.	Yes		10 229	10,15 %
CREDIT SUISSE (SWITZERLAND) LTD.	Yes	Board member	8 901	8,83 %
JOH JOHANNSON EIENDOM AS	No		8 458	8,39 %
RUFFEN INVESTOR AS	No		8 458	8,39 %
SUNDT AS	No		7 401	7,34 %
J.P. MORGAN BANK LUXEMBOURG S.A.	Yes		5 600	5,56 %
CITIBANK, N.A.	Yes	Board Member	5 000	4,96 %
ZPE INVESTOR AS	No		4 444	4,41 %
BNP PARIBAS SECURITIES SERVICES	Yes		4 229	4,20 %
BEETLE INVEST AS	No		3 334	3,31 %
NERGAARD INVESTMENT PARTNERS AS	No		3 333	3,31 %
HARALD ARNE LOTHE	No		2 050	2,03 %
HÅKON WÆRSTAD	No		1 967	1,95 %
NSV INVEST AS	No		1 667	1,65 %
RINGNES HOLDING AS	No		1 667	1,65 %
HATHON HOLDING AS	No		1 554	1,54 %
HAUGANS HUS MARKEDSINVEST AS	No	Board Member	1 485	1,47 %
NYE BACHELOR AS	No		1 333	1,32 %
FERMIN AS	No		1 100	1,09 %
CHRISTIAN ALEXANDER HORNEMAN WIST	No	Board Member	200	0,20 %
HARRY KONTERUD	No	Board Member	95	0,09 %
Others less than 1 %			5 213	5,17 %
Total			**100 800**	**100,0 %**

The register of shareholders is based on the Norwegian Central Securities Depository's (VPS) shareholder register as of 31 December 2022.

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Note 18 – Subsequent events

Change in regulatory status

Following a process with the Norwegian FSA on the relevance of a Norwegian banking license for a bank only offering a EUR deposit product in the European market outside Norway, the company handed back its Norwegian banking license with effect from 16 May 2023.

As a precondition for initiating the process for returning the license and the successful completion thereof, the 2022 financial statements were initially approved by the board on 14 April and submitted to the NFSA as regulatory required, but could not be presented to an annual general meeting for its approval within the stipulated April deadline. This triggered the amendment of the articles in the extraordinary general meeting of 28 April, with June as the new deadline of approval, to be met by the approval at AGM of the financial statements.

Other subsequent events

On 21 December 2022 and 4 January 2023 the Company entered into bridge loans of NOK 5 000 000 to finance an equity injection of NOK 5 000 000 into Safe Deposit Bank of Norway AS. The loan amount was paid to the Company in two tranches: NOK 2 400 000 in Decemer 2022 and NOK 2 600 000 in January 2023. The Company may at any time wholly or partly prepay the Loan prior the final repayment date of 27 March 2023. The loan carries an interest corresponding to 3-month NIBOR plus a margin of 2 per cent. p.a. The loan is unsecured and ranks pari passu with claims of all other unsecured and subordinated creditors. The lenders are members of the Board of Directors (or entities related to such members) of Safe Deposit Holding ASA or Safe Deposit Bank of Norway AS and its Shareholders.

On 8 and 9 March 2023, SDH extended the Company's existing bridge loan facilities of NOK 35 000 000 (excluding interest) till 31 May 2023. The Company may at any time wholly or partly prepay the Loans prior the final repayment date of 31 May 2023.

On 10 March 2023, the Company entered into a bridge loan of NOK 4 000 000 to finance an equity injection of NOK 4 000 000 into Safe Deposit Bank of Norway AS. The Company may at any time wholly or partly prepay the Loan prior the final repayment date of 31 May 2023. The loan carries an interest corresponding to 3-month NIBOR plus a margin of 2 per cent. p.a. The loan is unsecured and ranks pari passu with claims of all other unsecured and subordinated creditors. The lenders are members of the Board of Directors (or entities related to such members) of Safe Deposit Holding ASA or Safe Deposit Bank of Norway AS and the CEO.

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Note 18 – continued

On 26 April 2023, the Company entered into a bridge loan of NOK 1 800 000 to finance an equity injection of NOK 1 800 000 into Safe Deposit Bank of Norway AS. The Company may at any time wholly or partly prepay the Loan prior the final repayment date of 31 May 2023. The loan carries an interest corresponding to 1-month NIBOR plus a margin of 2 per cent. p.a. The loan is unsecured and ranks pari passu with claims of all other unsecured and subordinated creditors. The lender is the CEO of Safe Deposit Bank of Norway AS.

On 3 May 2023, the Company entered into a bridge loan of NOK 1 000 000 to finance an equity injection of NOK 1 000 000 into Safe Deposit Bank of Norway AS. The Company may at any time wholly or partly prepay the Loan prior the final repayment date of 31 May 2023. The loan carries an interest corresponding to 1-month NIBOR plus a margin of 2 per cent. p.a. The loan is unsecured and ranks pari passu with claims of all other unsecured and subordinated creditors. The lender is the CEO of Safe Deposit Bank of Norway AS.

On 31 May 2023, the Company entered into an internal loan of NOK 43 500 000 from its subsidiary, SDC AS, to repay the Companies bridge loan facilities to the lenders. The Company may at any time wholly or partly prepay the internal Loan prior the final repayment date of 30 September 2023. The loan carries an interest corresponding to 3-month NIBOR on 31 May 2023 plus a margin of 2 per cent. p.a.

On 31 May 2023, NOK 35 800 000 of the bridge loan facilities (in addition to the accumulated interest) were paid to the lenders. The remaning bridge loan facilities (in addition to accumulated interest) of NOK 6 000 000 were scheduled for payment 31 May 2023 and all paid by 02 June 2023.

No other significant events affecting the Group's accounts have been recorded after the balance sheet date.

Note 19 – Going concern

The Board is of the opinion that the prerequisites for the going concern assumption exist and confirms that the financial statements were prepared on this basis. SDC has ceased offering banking services and with effect from 16 May 2023, SDC returned its Norwegian banking license and SDH its financial holding company status. This is an important step in the completion of the strategy to transit into the EURO-zone following the introduction of the EUR-product in 2020, as approved in the general meeting of 28 April 2023. SDH expects to continue as service provider to a German-licensed bank launching the safe deposit product on a broader scale, or alternatively pursue the new German banking license for which SDC has been greenlighted. SDH is in advanced negotiations with international partners to execute on this strategy, but there can be no assurances of its success.

SDH is partly financed with loans of MNOK 41.8 as of 3 May, 2023, which mature on May 31, 2023. These loans were used in capital increases in SDC (formerly SDBN) in 2021, 2022 and 2023 to meet regulatory capital requirements no longer applicable. The loans are matched by SDC holding liquid assets (MNOK 54 as of 31 December 2022) in excess of total liabilities of the group (MNOK 34,5 as at 31 December 2022) and SDH has repaid of the loans on due date with these funds.

The Board believes that the discussion with international partners will result in an agreement advantageous to SDH. However, the Board is prudently concluding an impairment loss of SDH's investment in its subsidiary of MNOK 105,6 per 31st of December 2022, as any additional value is dependent on the outcome of the current commercial negotiations. After the impairment, the SDH's investment value in its subsidiary will be MNOK 60, equal to SDC's equity per 31st of December 2022. This assessment will be reviewed when negotiations are completed.


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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Safe Deposit Holding ASA

Opinion

We have audited the financial statements of Safe Deposit Holding ASA (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2022, the income statement, other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 attention to note 18 – Subsequent events, which describes the change in regulatory status. Our opinion is not modified in respect of this matter.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 the other information, and, in doing so, consider whether the board of directors' report contains the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

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Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, 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 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 in accordance with ISAs, we exercise professional judgment 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 and the Group'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 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 and the Group'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 and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors 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.

Oslo, 20 June 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Johan-Herman Stene
State Authorised Public Accountant (Norway)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Johan-Herman Stene
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