

Stichting Cardano Development
Amsterdam
ANNUAL REPORT 2022

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Stichting Cardano Development, Amsterdam

COMPANY INFORMATION

Foundation supervisory board

T.P. Kocken

P.A. Erkel

C.M.J. Gommans

T.E. Monzon

Managing Directors Cardano Development B.V. / Foundation board

F.J.M. Gosselink

J.M. Zuidberg

Registered Address

Mauritskade 63
1092 AD Amsterdam
The Netherlands

Chamber of Commerce number Stichting Cardano Development

57504091

Website

www.cardanodevelopment.com

REPORT OF THE FOUNDATION BOARD

Stichting Cardano Development is a foundation (stichting) in The Netherlands with charitable status (algemeen nut beogende instelling, or ANBI) and was established in March 2013, with Cardano Holding B.V. acting as its sponsor.

Our roots lie in understanding the causes and impact of risk, and how this understanding can be used to significantly improve financial resilience in developing countries. On a broader level, we want to educate the wider market about the importance of financial risk and how, when well-managed, financial products and services can help mitigate risks and benefit society. That is why we believe in sharing our views on risk, its many causes, and often unexpected consequences.

We take a value chain approach to design effective and efficient solutions. We believe that many human behavioral biases present an obstacle to sound financial decision-making. Widely acknowledged traits, such as overconfidence, or the tendency to ignore evidence that leads to uncomfortable conclusions, often lead institutions to take too much risk and thus drift towards fragility. Or alternatively overcautiousness, missing the opportunity to support sustainable impact and the necessary development.

Through the right combination of education, risk management, and an effective link between strategy and implementation, we believe that financial institutions can become resilient to financial shocks. The compound effect of doing this is greater stability in the overall financial system and for society as a whole.

The Cardano Development group is exclusively focused on developing and emerging countries, through a strategy of establishing specialized mandates to deliver targeted financial solutions that contribute to our goals as stated above. The members of the Supervisory Board conduct intensive discussions on the strategy with the two Managing Directors, who are entrusted with the implementation of our objectives. In 2022, this resulted again in steady growth centered around our core strength in developing products and services for local financial markets.

Cardano Development's aim is to catalyze scalable solutions. We use our expertise in risk management to develop a sound market-based approach. We seek to partner with and leverage the strengths and financial clout of the various institutions active in emerging and developing countries, including donors, development finance institutions and private sector investors.

Our own role is three-fold. We apply our expertise in risk and financial markets; we use our network to identify opportunities with the potential to make the largest, scalable development impact; and we aim to be an incubator in partnership with others, to realize operationally and financially sustainable solutions to close the identified market gaps. We consequently responsibly manage successfully developed concepts to serve financial markets and institutional infrastructure. We aim hereby to contribute to the Sustainable Development Goals (SDG).

All Cardano Development initiatives aim towards the following characteristics:

- They are innovative and address a systemically important market gap in frontier markets.
- They apply a state-of-the-art financial approach to markets, risk management and operational effectiveness, including IT and security.
- The solution is scalable / replicable to become relevant on a macro-economic and international level.
- They are financially sustainable to the level required by its financial partners.

The Stichting is the sole ultimate beneficial owner of Cardano Development B.V. It does not itself perform any operational activities, other than governing Cardano Development B.V.

Cardano Development B.V. is the sole subsidiary of Stichting Cardano Development and is tasked with implementing and financing its development objectives as agreed in the group's annual strategy. It acts as the group's holding company, on behalf of the Stichting, for the operational subsidiaries within the Cardano Development group.

Our services and incubator subsidiary, Frontier Finance Solutions B.V. provides group-wide support for accounting, IT, communication, and risk management, partnering with our external strategic service providers DLM Finance B.V. and Cardano Risk Management B.V.

The year 2022 was a year when the war in Ukraine started, causing turbulence in many markets and disturbing commodity value chains, impacting our focus financial markets and restricting local governments' capacity further (already impacted by covid).

It was still a successful, profitable year for the Cardano Development group, with substantial growth both in the business of key subsidiaries / scale-ups as well as in the projects / start-ups.

Going forward, we intend to maintain the group's growth strategy and focus substantial efforts in reinforcing and expanding our existing strength in local financial market development, using our network to provide capital, market knowledge and risk management expertise to create innovating solutions at scale.

For our clients, the market risk and credit risk is significant; we explore and innovate in underdeveloped financial markets and, operationally and risk management wise, we use, create and define best practice. In 2022 the concepts for liquidity risk got serious traction.

Our clients and partners (institutions, investors, and funds) share our ambitions and are more impact (quality) driven than profit driven (quantity). Reputation risk is important, equally for our clients and partners: we invest time and money in know your customer and the prevention and management of fraud, money laundering, corruption, and tax evasion. All employees and systems are actively protecting our partners' and our clients' interest.

Financially, our initiatives (companies and projects) operate with approved budgets from the investors and donors. The business model of Cardano Development as an enabling ecosystem (extended risk management platform) is in itself not very risky. Our performance fees are balanced and not dependent on growth and financial targets alone. Dividends provided in 2022 the needed extra financial capacity to Frontier Finance Solutions.

Fraud and IT

These risk areas are increasingly important as the Cardano Development group grows in size and complexity. Regulations and reporting requirements, local jurisdictions and data security, financial transactions and capitalizing ventures: the Cardano Development group is assessing the IT and fraud risk constantly.

The Cardano Development organization chart shows independent companies with an own governance structure and risk profile. That compartmentalization is foregoing some efficiency, but definitely supports security. Overstating or understating the numbers is more difficult in those dedicated structures. Also regulation, certification and reporting are more fitting to the business activity performed.

In 2022 the group wide IT infrastructure and security board oversaw improvements and has formulated a longer term ambition for architecture and security, executed with the partners Constant IT B.V. and ON2IT B.V, including business continuity, zero trust principles and the very relevant remote access policy. For 2023 reinforcement; more capacity and cooperation is already reality.

The healthy profit in 2022 for the whole Cardano Development group is EUR 1,5 million. The difference with the small loss of 2021 has three main components: incidental and high profits at GMC, donations to the Stichting that are not yet used and low leakage in new projects. It confirmed the strategy: Capitalizing the growing group companies asks for profitable companies.

Liquidity is therefore financially the most constraining factor. The ANBI status is highly appreciated.

The Cardano Development group companies employ around 150 professionals in aggregate. We are convinced that our working environment stimulates our much in demand and skilled professionals to gain the necessary experience to shine in financial markets.

Stichting Cardano Development has a two-tier board. The Supervisory Board consists of four non-executive members. The two Managing Directors are responsible for execution. Governance and business updates, as well as audited annual reports, can be found on our website.

Our ambitions have become stronger; we foresee that in the coming years we are more needed than ever to mitigate volatility and partner to reach the SDGs. Our scale-ups and start-ups have all their own different SDGs, but the overall Stichting Cardano Development denominator is SDG 17 partnerships.

Amsterdam, 29 June 2023

Managing Directors

Frank Gosselink

Joost Zuidberg

Supervisory Board

Theo Kocken

Arjan Erkel

Tamara Monzon

Carolijn Gommans

CONSOLIDATED FINANCIAL STATEMENTS

Stichting Cardano Development, Amsterdam

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

(After proposal result appropriation)

		31 December 2022		31 December 2021	
		€	€	€	€
ASSETS					
FIXED ASSETS					
Intangible fixed assets	1		94,858		53,959
Tangible fixed assets	2		297,982		536,459
Financial fixed assets					
Participations in affiliated companies	3	756,442		3	
Other investments	4	262,079		4,202,843	
Deferred tax assets	5	<u>304,563</u>		<u>-</u>	
			1,323,084		4,202,846
CURRENT ASSETS					
Receivables					
Trade debtors	6	326,579		299,575	
Receivables from affiliated companies	7	419,040		235,466	
Other investments	8	4,214,565		-	
Taxes	9	68,807		110,990	
Other receivables and prepaid expenses	10	<u>8,992,076</u>		<u>7,286,910</u>	
			14,021,067		7,932,941
Cash at bank and in hand	11		9,762,877		9,578,495
			<u>25,499,868</u>		<u>22,304,700</u>

Stichting Cardano Development, Amsterdam

		<u>31 December 2022</u>		<u>31 December 2021</u>	
		€	€	€	€
LIABILITIES					
Foundation capital	12		5,449,968		3,824,457
Provisions	13		-		4,006
Long-term liabilities	14		3,125,115		6,608,173
Current liabilities					
Trade creditors	15	495,170		376,719	
Liabilities to affiliated companies	16	439,107		335,932	
Other debentures	17	4,232,360		-	
Taxes	18	952,192		549,471	
Repayment obligations	19	183,421		421,973	
Other liabilities and accrued expenses	20	<u>10,622,535</u>		<u>10,183,969</u>	
			16,924,785		11,868,064
		<u>25,499,868</u>		<u>22,304,700</u>	

Stichting Cardano Development, Amsterdam

CONSOLIDATED STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2022

		<u>2022</u>		<u>2021</u>	
		€	€	€	€
Income	21	34,920,965		29,481,902	
Cost of income	22	<u>-1,045,845</u>		<u>-1,806,295</u>	
Gross margin			33,875,120		27,675,607
Wages and salaries	23	19,902,712		17,807,110	
Social security premiums and pension costs	24	2,142,030		1,827,704	
Other staff expenses	25	1,598,584		1,360,609	
Depreciation and amortization	26	293,325		310,409	
Other operating expenses	27	<u>8,168,755</u>		<u>6,399,370</u>	
Total operating expenses			<u>32,105,406</u>		<u>27,705,202</u>
Operating result			1,769,714		-29,595
Financial income and expenses	28		<u>86,785</u>		<u>-148,921</u>
Consolidated result from operational activities before taxation			1,856,499		-178,516
Taxation	29		<u>-269,825</u>		<u>-120,550</u>
Consolidated result after taxation			1,586,674		-299,066
Share in the result of participations	30		-100,900		-
Minority interests			<u>74,560</u>		<u>108,887</u>
Net consolidated result after taxation			<u>1,560,334</u>		<u>-190,179</u>

Stichting Cardano Development, Amsterdam

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2022

	2022		2021	
	€	€	€	€
Net result after taxation		1,560,334		-190,179
<i>Adjustments for:</i>				
Depreciation & amortization	293,325		309,256	
Change in current assets*	-1,873,561		-1,117,235	
Change in current liabilities*	1,862,444		-246,807	
Movement in deferred tax assets	-304,563		290,800	
Movement in provisions	-4,006		-19,222	
Interest income/expense	24,589		-22,963	
(Grant) income	-712,512		-588,078	
Result of participations	100,900		-	
Deconsolidation ILX Management B.V.	71,277		-	
		<u>-542,107</u>		<u>-1,394,249</u>
Cash flow from operating activities		1,018,227		-1,584,428
Cash flow from investment activities				
Investments in (in)tangible fixed assets	-175,672		-167,659	
Investments in financial fixed assets	-875,831		-585,631	
		<u>-1,051,503</u>		<u>-753,290</u>
Cash flow from financing activities				
Disbursement long term liabilities	600,000		1,000,000	
Redemption long term liabilities	-448,026		-307,237	
Cash flow from financing activities		<u>151,974</u>		<u>692,763</u>
Net cash flow		118,698		-1,644,955
Adjustment for FX differences		<u>65,684</u>		<u>96,444</u>
Movement in cash		184,382		-1,548,511
Cash at bank and in hand per 1-1		<u>9,578,495</u>		<u>11,127,006</u>
Cash at bank and in hand per 31-12		<u>9,762,877</u>		<u>9,578,495</u>

* This excludes movements in repayment obligations, preferred shares and ECHO/Shell Foundation loan, representing noncash reclassifications.

Stichting Cardano Development, Amsterdam

ACCOUNTING POLICIES USED IN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

General

The registered office according to the Articles of Association of Stichting Cardano Development is Mauritskade 63, 1092 AD Amsterdam. This is also the visiting address. Stichting Cardano Development is listed in the Commercial Register of the Chamber of Commerce under the file number 57504091.

The financial statements have been prepared in accordance with Title 9, Book 2 of The Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet items, assets and liabilities is face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are considered if they have become known before preparation of the financial statements.

The financial statements were authorized for issue by the Foundation Board on 29 June 2023.

Disclosure of deviation in prior year figures

The classification of the comparative figures for the previous financial year has only been adjusted, where applicable, for comparison and legibility. These changes solely relate to the classification of the classification of software (from tangible to intangible fixed asset) and classification of the adjustment of the DGIS income in WFF in the cashflow statement (to non-cash adjustments for income). Impact on total is nil; this purely represents a shift in classification.

Going concern

Given the result for the year 2022, capital position of the foundation, and expectations for the future there are no indications for discontinuity. Therefore, management declares the consolidated financial statements are prepared on going concern basis and refers to the Foundation Board's report for substantiation.

Functional currency

The consolidated financial statements are prepared in euros, the functional and presentation currency of the company. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency translation

Transactions denominated in foreign currencies are initially carried at the functional exchange rates ruling at the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates ruling at the balance sheet date. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling at the date of valuation. Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the profit and loss account, except for exchange differences resulting from net investments in foreign activities, or from loans obtained to finance or effectively hedge net investments in foreign activities. These exchange differences are taken directly to the foreign currency translation reserve. The foreign currency translation reserve is included under the foundation capital.

Stichting Cardano Development, Amsterdam

Group activities

The activities of the foundation primarily consist of helping to develop democratization of financial markets on a global scale. All entities within the Cardano Development Group provide financial risk management products in emerging markets. For detailed information, www.cardanodevelopment.com.

Judgments, estimates, assumptions, and uncertainties

The management of the group makes various judgments and estimates when applying the accounting policies and rules for preparing the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the consolidated financial statements in future periods.

Judgment

In the process of applying the accounting policies, management has made the following judgments, which have the most significant effect on the financial statements:

Consolidation of group company

The group holds 100% of voting shares in the entity BIX Capital B.V. and Frontier Clearing Corporation B.V. The assessment of whether the group has control of these companies includes potential voting rights and related agreements. The group concludes it has no control of these entities. Please refer to the separate section about consolidated companies.

Estimates and assumptions

Management based its assumptions and estimates on circumstances and information available when the financial statements were prepared. Assumptions about future developments (or future developments that do not occur, may change due to market changes or circumstances arising that are beyond the control of the Group. These changes in estimates will be accounted for prospectively. The key estimates and assumptions are described below.

Impairments

At each balance sheet date, the group assesses whether an active asset or a group of assets has undergone impairment. The assessment did result in an impairment in the current financial year (see below).

The recoverable amount is based on the cash-generating unit's value in use at balance sheet date. The cash flow projections contain assumptions and estimates of future expectations.

Deferred tax assets and liabilities

Deferred tax assets are carried based on the tax consequences of the realization or settlement of assets, provisions, liabilities or accruals and deferred income as planned by the group at the balance sheet date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available for set-off.

In this assessment, the group includes the availability of deferred tax liabilities set-off, the possibility of planning of fiscal results and the level of future taxable profits in combination with the time and/or period in which the deferred tax assets are realized. Movements within a fiscal unity will be settled in current account.

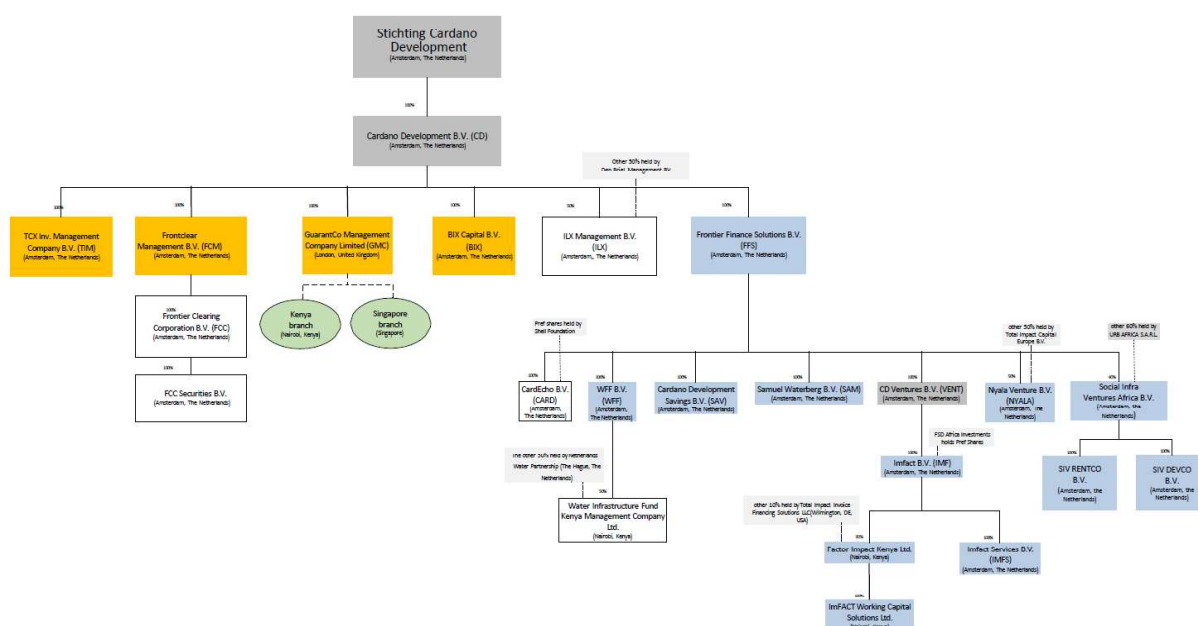
Stichting Cardano Development, Amsterdam

Equity interests

Consolidated companies

Financial information relating to group companies and other legal entities which are controlled by Stichting Cardano Development or where central management is conducted has been consolidated in the financial statements of Stichting Cardano Development.

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions.



In the consolidated accounts the results for the following companies are included:

- Stichting Cardano Development, Amsterdam;
- Cardano Development B.V., Amsterdam; (100%, 2021: 100%)
- TCX Investment Management Company B.V., Amsterdam; (100%, 2021: 100%)
- Frontclear Management B.V., Amsterdam; (100%, 2021: 100%)
- GuarantCo Management Company Ltd., London, UK; (100%, 2021: 100%)
- Frontier Finance Solutions B.V., Amsterdam; (100%, 2021: 100%)
- WFF B.V., Amsterdam; (100%, 2021: 100%)
- Cardecho B.V., Amsterdam; (100%, 2021: 100%)
- Cardano Development Savings B.V.; (100%, 2021: 100%)
- Samuel Waterberg B.V., Amsterdam (100%, 2021: 100%)
- CD Ventures B.V., Amsterdam (100%, 2021: 100%)

Stichting Cardano Development, Amsterdam

Non-consolidated companies

Frontier Clearing Corporation B.V. (FCC) is a 100% (2021: 100%) subsidiary of Frontclear Management B.V. but excluded from the consolidation due to lack of control. As 100% daughter of Frontier Clearing Corporation B.V., FCC Securities B.V. is also not consolidated.

BIX Capital B.V. is a 100% (2021: 100%) subsidiary of Cardano Development B.V. but excluded from the consolidation due to lack of control as per 2 May 2018. BIX Capital B.V. remains in the fiscal unity for Corporate Income Tax of Cardano Development B.V.

IMFact B.V. (IMF) is a 86% (2021: 86%) subsidiary of CD Ventures B.V., but excluded from the consolidation due to lack of control as per 22 December 2021.

Please refer to 'participation in affiliated companies' and 'other investments' for further substantiation.

Accounting policies in respect of the valuation of assets and liabilities

Intangible fixed assets

Intangible fixed assets are valued at cost less accumulated amortization and, if applicable, impairments. Amortization is based on the useful life and calculated as a fixed percentage of the cost. Amortization starts at the moment of commissioning.

Tangible fixed assets

Tangible fixed assets are valued at cost less accumulated depreciation and, if applicable, impairments. Depreciation is based on the useful life and calculated as a fixed percentage of the acquisition price, considering any residual value. Depreciation starts at the moment of commissioning. Prepayments on tangible fixed assets are valued at cost.

Financial fixed assets

Participations in affiliated companies

Participating interests over whose financial and operating policies no significant influence is exercised are carried at cost less any impairment. Dividend is designated as income and recognized under financial income and expense.

Frontier Clearing Corporation B.V.

The 100% interest in Frontier Clearing Corporation B.V. is not consolidated and thus valued at net asset value. Any dividend distributed to Frontclear Management B.V. is recognized as dividend income. Frontclear Management B.V. (hereafter FCM) is the single shareholder and manager of Frontier Clearing Corporation B.V., (hereafter FCC). FCC operates within the mandate provided to it by the investors in the Frontier Clearing Funds. The Frontier Clearing Funds are the holders of FCC's debt instruments. The voting rights attached to the interest of FCM in FCC are restricted by the Terms & Conditions of the Frontier Clearing Funds and the FCC Supervisory Board, effectively appointed by the Joint Investor Meeting of the Frontier Clearing Funds, which exercises significant control over the management and shareholder of FCC. As the Joint Investor Meeting of the Frontier Clearing Funds has control over FCC, FCM and thus Stichting Cardano Development is not required to consolidate FCC.

Stichting Cardano Development, Amsterdam

BIX Capital B.V.

The 100% interest in BIX Capital B.V. is not consolidated and valued at net asset value.

On 2 May 2018 BIX Capital B.V. concluded an investment agreement with three senior investors.

These investors agreed to invest at least USD 10 million in senior debt into BIX Capital B.V.

Among others, the investors stipulated a threshold of 75% of capital invested to approve decisions with respect to the choice of investment and amendments to the investment policy and investment criteria and restrictions. Each Lender has a veto right in respect of these amendments. Furthermore, the annual budgets, significant deviations from these budgets and appointment of new members or replacement of existing members of the investment committee are subject to prior approval of the Annual Investor Meeting. With these restrictions investors effectively have control over BIX Capital B.V. Although Cardano Development B.V. holds 100% of the ordinary shares in BIX Capital B.V., the separate management board of this entity and decision-making control lying with the investors make that Cardano Development B.V. no longer holds predominant control over BIX Capital B.V., and consequently this entity has been deconsolidated from the annual accounts of Stichting Cardano Development per 2 May 2018 due to lack of control.

Other investments

The investments are loans provided and are valued at amortized cost, using the FX-rate at balance sheet date. FX results are recognized through the statement of income and expenses.

IMFact B.V.

The 86% interest in IMFact B.V. is not consolidated and valued at cost. On 8 July 2021 CD Ventures B.V. acquired 100% of the newly issued ordinary shares for an investment of USD 250,000. On 22 December 2021 FSDAi Investments Ltd. invested USD 4,030,000 in preference shares with voting rights in IMFact B.V. These preference shares can be converted at any time and at sole discretion of FSDA into ordinary shares. Amongst other things, FSDA's prior approval is required for:

- any changes in capital structure of the company, be it debt or equity;
- any decision to change the scope, nature, or development of new business
- material changes to, and adoption of, the code of conduct and fintech factoring platform policies

Finally, FSDA is entitled to appoint 2 supervisory board members, of which one should always be present when taking decisions. These supervisory board members decide -amongst others- unanimously on:

- the mid-term and/or long-term strategy of the Company or any Group Company;
- any decisions regarding the Support Services Agreement, which dictates how the Group companies relate to each other; and
- the appointment, removal and remuneration of Directors, management team and senior staff of any Group Company.

Following the above FSDA has a veto right when it comes to certain operational decisions, appointment of board members, strategic decisions and financing of the IMFact group, and consequently IMFact B.V. and/or its subsidiaries has been deconsolidated from the annual accounts of Stichting Cardano Development per 22 December 2021.

Stichting Cardano Development, Amsterdam**Accounts receivable**

Upon initial recognition the receivables are included at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Any provision for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, bank balances, notes and checks and carried at face value. It also includes deposits if these are effectively at the group's free disposal, even if interest income may be lost.

Cash at bank and in hand not expected to be at the group's free disposal for over twelve months is classified as financial fixed assets

Foundation capital

A reserve was formed for translation differences related to subsidiaries with different functional currency. FX results due to translation of the functional currencies of the subsidiaries to Euro are directly accounted for in the so-called translation reserve.

Provisions

A provision is formed if the group has a legal or constructive obligation as at the balance sheet date if it is probable that an outflow of resources will be required to settle the obligation and the amount of the liability can be reliably estimated.

Deferred tax liabilities

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. Deferred tax liabilities are not discounted.

Long term liabilities

Upon initial recognition, loans and liabilities recorded are stated at fair value and then valued at amortized cost.

Current liabilities

Upon initial recognition the short-term liabilities are included at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Amounts due to group companies are measured at face value.

Stichting Cardano Development, Amsterdam

Pensions

These schemes are funded by payments to insurance companies. The pension obligations are valued according to the "obligation to the pension provider approach". In this approach, the premium to be paid to the pension provider is recognized as an expense in the income statement. The pension plan provided is a defined contribution plan.

The company cannot be held liable for any deficits within the pension scheme and the company cannot assert any rights to any surpluses other than that future premium can be adjusted.

At year-end 2022 (and 2021) the group had no pension claims and no obligations in addition to the payment of the annual premium due to the pension provider.

Consolidated cash flow statement

The cash flow statement is prepared according to the indirect method. The cash at bank and in hand included in the cash flow statement consist exclusively of liquid assets. Cash flows denominated in foreign currency are converted at the exchange rate at transaction date. Expenditures arising from interest and tax on profits are included in the cash flow from operating activities. The acquisition price paid for acquired participations as well as the received dividends and any selling price of participating interests are included in the cash flow from investing activities as well as the income from interest. Transactions where no exchange of cash takes place are not included in the cash flow statement. The consequences of exchange rate changes on cash instruments held or due in foreign currencies are presented in the cash flow statement to provide a reconciliation between cash at the beginning and at the end of the period.

Accounting policies in respect of result determination

General

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are considered if they have become known before preparation of the financial statements.

Income

Income represents amounts invoiced and/or awarded for services supplied during the financial year reported on, net of discounts and value added taxes.

Services

If the result of a transaction relating to a service can be reliably estimated and the income is probable to be received, the income relating to that service is recognized in proportion to the service delivered.

Stage of completion is based on the costs incurred in providing the services up to the balance sheet date in proportion to the estimated costs of the total services to be provided.

Government grants

Government grants are recognized in the profit and loss account in the year in which the subsidized expenditure is incurred, in which the reduction of income is recognized or in which the operating loss is incurred for which the grant was received.

Dividend

Dividends are recognized in the profit and loss account if the group is entitled to them, and the dividends are probable to be received.

Stichting Cardano Development, Amsterdam

Gross margin

The gross margin consists of the net income, other operating income and cost of income.

Personnel expenses

Wages, salaries and social security charges are recognized in the profit and loss account according to the terms of employment to the extent they are due to either employees or the tax authorities.

The group recognizes an obligation if it has demonstrably committed paying a termination benefit or transition payment. If the termination is part of a reorganization, the group includes the costs of a termination benefit or transition payment in a provision for reorganization costs.

Depreciation and amortization

The calculation of depreciation on fixed assets is based on the purchase price. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Realized capital gains and losses on the disposal of fixed assets are included under depreciation and amortization expenses.

Other operating expenses

Expenses are based on the historical cost convention and attributed to the financial year to which they pertain.

Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the profit and loss account, with the amortized (net) cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

Taxation

Current taxes

Taxes are calculated on the profit as disclosed in the profit and loss account based on current tax rates, allowing for tax-exempt items and cost items which are non-deductible, either in whole or in part.

Tax assets and liabilities are netted if the general conditions for netting are met.

Deferred taxes

A deferred tax liability is recognized for all taxable temporary differences between the valuation for tax and financial reporting purposes. A deferred tax asset is recognized for all deductible temporary differences between the valuation for tax and financial reporting purposes, and carry-forward losses, to the extent that it is probable that future taxable profit will be available for set-off. Deferred tax assets and liabilities are recognized under financial fixed assets and provisions, respectively.

Deferred tax liabilities and deferred tax assets are carried based on the tax consequences of the realization or settlement of assets, provisions, liabilities or accruals and deferred income as planned by the group at the balance sheet date. Valuation is based on future tax rates. Deferred tax liabilities and deferred tax assets are carried at non-discounted value.

Stichting Cardano Development, Amsterdam

NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

FIXED ASSETS

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
1 Intangible fixed assets		
Software	<u>94,858</u>	<u>53,959</u>

	<u>2022</u>	<u>2021</u>
	€	€
Software		
Historical cost price	54,959	-
Accumulated amortization	<u>-1,000</u>	<u>-</u>
Book value as at 1 January	<u>53,959</u>	<u>-</u>
Movements		
Effects of deconsolidation	-53,959	-
Investments	101,588	54,959
Amortization	<u>-6,730</u>	<u>-1,000</u>
Balance movements	<u>40,899</u>	<u>53,959</u>
Historical cost price	101,588	54,959
Accumulated amortization	<u>-6,730</u>	<u>-1,000</u>
Book value as at 31 December	<u>94,858</u>	<u>53,959</u>
Amortization percentage	20%	20%

Software relates to the development of a Risk Metrics System by TCX Investment Management Company B.V. (2021: ILX Management B.V. CRM system)

Stichting Cardano Development, Amsterdam
2 Tangible fixed assets

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Leasehold improvements	84,705	235,798
Computer equipment	151,827	173,621
Office equipment	<u>61,450</u>	<u>127,040</u>
	<u>297,982</u>	<u>536,459</u>

	Leasehold improvements	Computer equipment	Office equipment	Total
	€	€	€	€
Balance as at 1 January 2022				
Historical cost price	750,546	736,044	450,002	1,936,592
Accumulated depreciation	-506,972	-561,351	-324,210	-1,392,533
Currency translation differences	<u>-7,776</u>	<u>-1,072</u>	<u>1,248</u>	<u>-7,600</u>
Book value as at 1 January 2022	<u>235,798</u>	<u>173,621</u>	<u>127,040</u>	<u>536,459</u>
<i>Movements</i>				
Investments	-	65,921	8,163	74,084
Effects of deconsolidation	-5,122	-10,530	-1,666	-17,318
Depreciation	-140,762	-75,396	-70,437	-286,595
				-
Currency translation differences	<u>-5,209</u>	<u>-1,789</u>	<u>-1,650</u>	<u>8,648</u>
				-
Balance movements	<u>-151,093</u>	<u>-21,794</u>	<u>-65,590</u>	<u>238,477</u>
Balance as at 31 December 2022				
Historical cost price	742,863	777,945	453,834	2,076,230
Accumulated depreciation	-645,173	-623,257	-391,982	-1,667,142
Currency translation differences	<u>-12,985</u>	<u>-2,861</u>	<u>-402</u>	<u>-16,248</u>
Book value as at 31 December 2022	<u>84,705</u>	<u>151,827</u>	<u>61,450</u>	<u>297,982</u>
Depreciation percentages	<u>10-20%</u>	<u>20-33%</u>	<u>20%</u>	

Stichting Cardano Development, Amsterdam

2021:

	Leasehold improvements	Computer equipment	Office equipment	Total
	€	€	€	€
Balance as at 1 January 2021				
Historical cost price	750,546	657,825	424,883	1,833,254
Accumulated depreciation	-363,308	-474,689	-255,642	-1,093,639
Currency translation differences	-29,256	-5,411	-4,775	-39,442
Book value as at 1 January 2021	<u>357,982</u>	<u>177,725</u>	<u>164,466</u>	<u>700,173</u>
<i>Movements</i>				
Investments	-	86,672	26,028	112,700
Disposal of tangible fixed assets	-	-8,453	-909	-9,362
Depreciation	-143,664	-92,918	-69,477	-306,059
Disposal accumulated depreciation	-	6,256	909	7,165
				<u>31,84</u>
Currency translation differences	<u>21,480</u>	<u>4,339</u>	<u>6,023</u>	<u>2</u>
				<u>-</u>
Balance movements	<u>-122,184</u>	<u>-4,104</u>	<u>-37,426</u>	<u>163,714</u>
Balance as at 31 December 2021				
Historical cost price	750,546	736,044	450,002	1,936,592
Accumulated depreciation	-506,972	-561,351	-324,210	-1,392,533
Currency translation differences	-7,776	-1,072	1,248	-7,600
Book value as at 31 December 2021	<u>235,798</u>	<u>173,621</u>	<u>127,040</u>	<u>536,459</u>
Depreciation percentages	<u>10-20%</u>	<u>20-33%</u>	<u>20%</u>	

Stichting Cardano Development, Amsterdam
Financial fixed assets

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
3 Participations in affiliated companies		
Participation in ILX Management B.V., Amsterdam	719,331	-
Participation in Nyala Venture B.V., Amsterdam	37,109	1
Participation in BIX Capital B.V., Amsterdam	1	1
Participation in Frontier Clearing Corporation B.V., Amsterdam	<u>1</u>	<u>1</u>
	<u>756,442</u>	<u>3</u>
	<u>2022</u>	<u>2021</u>
	€	€
ILX Management B.V.		
Balance as at 1 January		
Book value as at 1 January	<u>-</u>	<u>-</u>
Movements		
Deconsolidation	1	-
Share issuance	599,999	-
Catch up result previous years	-136,943	-
Result financial year	<u>256,274</u>	<u>-</u>
Balance movements	<u>719,331</u>	<u>-</u>
Book value as at 31 December	<u>719,331</u>	<u>-</u>

On 12 January 2022 ILX reached financial close with APG, the biggest pension administrator in The Netherlands. With this milestone, new shares were issued with a total capital injection of EUR 1.2 mln, to which Cardano Development B.V. subscribed for 50%. Cardano Development B.V. has fully paid up the outstanding shares and commitment. ILX Management B.V. reported a net result for 2022 of EUR 512,548.

	<u>2022</u>	<u>2021</u>
	€	€
Nyala Venture B.V.		
Balance as at 1 January		
Book value as at 1 January	<u>1</u>	<u>-</u>
Movements		
Capital injection	23,146	-
Share issuance	-	1
Result financial year	<u>13,962</u>	<u>-</u>
Balance movements	<u>37,108</u>	<u>1</u>
Book value as at 31 December	<u>37,109</u>	<u>1</u>

The participation in Nyala Venture B.V. refers to the 50% subsidiary of Frontier Finance Solutions B.V., incorporated on 1 September 2021. Frontier Finance Solutions B.V. holds and has fully paid up its outstanding share at EUR 1. On 8 June 2022 a GBP 40,000 capital injection was made by the shareholders, as part of the agreement with FSD Africa Investments Ltd. Nyala Venture reported a net result for 2022 of EUR 27,925.

Stichting Cardano Development, Amsterdam

The participation in Frontier Clearing Corporation B.V. refers to the 100% subsidiary of Frontclear Management B.V. Frontclear Management B.V. holds and has fully paid up the single outstanding share of Frontier Clearing Corporation B.V. at EUR 1. The total of unrecognized losses for Frontier Clearing Corporation B.V. per 31 December 2022 amount to USD 9,947,000 (EUR 9,316,062, rate 0.93657) (2021: USD 9,807,000 (EUR 8,659,091)).

The participation in BIX Capital B.V. refers to the 100% subsidiary of Cardano Development B.V. Cardano Development B.V. holds and has fully paid up the single outstanding share of BIX Capital B.V. at USD 1. The total of unrecognized losses for BIX Capital B.V. per 31 December 2022 amount to EUR 2,896,909 (2021: EUR 3,556,366). This excludes the preferred shares owned by Cardecho B.V., as these do not give control over BIX Capital and are therefore classified as investment rather than a participation.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
4 Other investments		
The Development Guarantee Group Ltd.	232,646	-
Nyala Venture B.V.	20,024	-
AGRI 3 Fund	9,368	8,830
Participation Social Infra Ventures Africa B.V.	40	-
Participation in IMFact B.V., Amsterdam	1	220,738
Preferred shares BIX Capital B.V.	-	3,973,275
	<u>262,079</u>	<u>4,202,843</u>

The participation in IMFact B.V. refers to the 86% subsidiary of CD Ventures B.V. CD Ventures holds and has fully paid up the outstanding ordinary shares at USD 250,000. Because of the equity investment of FSD Africa Investments Ltd. per 22 December 2021 CD Ventures effectively lost decisive control over IMFact B.V. and its subsidiaries and consequently per this date this entity has been deconsolidated from the accounts. Please refer to the accounting policies under 'other investments' for further detail.

The Participation in Social Infra Ventures Africa B.V. represents share capital for the 40% equity interest at incorporation on 29 November 2022. There were no activities in 2022.

Stichting Cardano Development, Amsterdam

	<u>2022</u>	<u>2021</u>
	€	€
<i>The Development Guarantee Group Ltd.</i>		
Balance as at 1 January		
Book value as at 1 January	<u>-</u>	<u>-</u>
Movements		
Disbursements	232,646	-
Currency translation	<u>-</u>	<u>-</u>
Balance movements	<u>232,646</u>	<u>-</u>
Balance as at 31 December		
Book value as at 31 December	<u>232,646</u>	<u>-</u>

This represents a USD 125,000 (EUR 120,536) cash contribution and EUR 112,110 'in kind' contribution to the Development Guarantee Group Ltd. Cardano Development B.V. will acquire a 40-50% equity stake in this entity. Per 31 December 2022 the equity stake has not been formalized yet and consequently this amount remains an investment.

	<u>2022</u>	<u>2021</u>
	€	€
<i>Nyala Venture B.V.</i>		
Balance as at 1 January		
Book value as at 1 January	<u>-</u>	<u>-</u>
Movements		
Withholdings	20,000	-
Currency translation	<u>24</u>	<u>-</u>
Balance movements	<u>20,024</u>	<u>-</u>
Balance as at 31 December		
Book value as at 31 December	<u>20,024</u>	<u>-</u>

On 8 June 2022 Nyala Venture concluded an agreement with FSD Africa Investments Ltd. to provide early-stage, risk bearing capital. Alongside this agreement a management fee budget was also approved. Following the cash constraint position of Nyala Venture it was decided to defer part of the Investor advisory fees charged to Nyala Venture by Frontier Finance Solutions B.V. and Total Impact Capital Europe B.V. This withholding is set to EUR 10,000 per quarter per advisor, and will continue to accrue until this can be paid out of the revenues from future assets under management.

Stichting Cardano Development, Amsterdam

	<u>2022</u>	<u>2021</u>
	€	€
AGRI 3 Fund		
Balance as at 1 January		
Book value as at 1 January	<u>8,830</u>	<u>8,141</u>
Movements		
Disbursements	-	-
Currency translation	<u>538</u>	<u>689</u>
Balance movements	<u>538</u>	<u>689</u>
Balance as at 31 December		
Book value as at 31 December	<u>9,368</u>	<u>8,830</u>

This represents a USD 10,000 investment by Cardano Development B.V. in AGRI 3 Fund to capitalize this fund as part of a commitment of the initial participants under the subscription agreement dated 17 April 2020. Cardano Development B.V. holds 33.33% interest in this fund. AGRI 3 was launched as a FGR ('*fonds voor gemene rekening*' or mutual fund) from the start, however, as of 31 December 2022 it has no investors / participants. For this reason, the 3 initial advisors have been asked to participate in the fund with a USD 10,000 participation, which will be discontinued as soon as an external investor joins. As a result, Cardano Development has temporarily become a participant in AGRI3 fund for as long as this structure is in force.

	<u>2022</u>	<u>2021</u>
	€	€
Preferred shares BIX Capital B.V.		
Balance as at 1 January	<u>3,973,275</u>	<u>3,581,908</u>
Movements		
Currency translation	241,290	306,456
Reclassification	-4,214,565	-
Investments	<u>-</u>	<u>84,911</u>
Balance movements	<u>-3,973,275</u>	<u>391,367</u>
Balance as at 31 December	<u>-</u>	<u>3,973,275</u>

This pertains to the USD 4,500,000 (2021: USD 4,500,000) preferred shares investment of Cardecho B.V. in BIX Capital B.V. Cardecho B.V. holds and has fully paid up the 4,500,000 preferred shares at USD 4,500,000 (EUR 4,214,565, 2021: EUR 3,973,275). These shares yield up to a 4% dividend, and do not give control over BIX Capital B.V. Consequently, they have been presented as investment. On 15 February 2022 the original agreement expired, which prompted management to reclassify these amounts to the current assets. Please refer to note 8.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
5 Deferred tax assets		
Deferred tax asset GuarantCo Management Company Ltd.	<u>304,563</u>	<u>-</u>
	Deferred tax asset	Total
	GuarantCo Management Company Ltd.	
	€	€
Balance as at 1 January 2022	-	-
Movement for the year	304,563	304,563
Balance per 31 December 2022	<u>304,563</u>	<u>304,563</u>

The deferred tax asset of GuarantCo Management Company Ltd. relates to effects of provision timing differences and fixed assets timing differences between fiscal and company financial statements, as well as temporary differences on the valuation of forward FX hedges.

CURRENT ASSETS
Receivables

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
6 Trade debtors		
Trade debtors	326,579	340,815
Provision for doubtful debts	-	-41,240
	<u>326,579</u>	<u>299,575</u>

The provision for doubtful debts relates to the debtor positions at GuarantCo Management Company Ltd. Which have been outstanding for more than one year. In 2022 these positions were formally written off.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
7 Receivables from affiliated companies		
Receivable Frontier Clearing Fund Junior	178,959	158,093
Receivable Frontier Clearing Corporation B.V.	108,351	45,052
Receivable Stichting FTAP	104,202	-
Receivable Frontier Clearing Fund Subordinated	23,371	27,219
Receivable Stichting Frontclear	4,157	4,157
Receivable Stichting Titleholder ILX	-	945
	<u>419,040</u>	<u>235,466</u>

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
8 Other investments		
Preferred shares BIX Capital B.V.	<u>4,214,565</u>	<u>-</u>

This pertains to the USD 4,500,000 (2021: USD 4,500,000) preferred shares investment of Cardecho B.V. in BIX Capital B.V. Cardecho B.V. holds and has fully paid up the 4,500,000 preferred shares at USD 4,500,000 (EUR 4,214,565, 2021: EUR 3,973,275). On 15 February 2022 the original agreement expired, making the amounts owed to ECHO and Shell Foundation immediately due upon request. These amounts are intertwined with the investment in BIX Capital. This expiration, together with the talks about BIX II taking shape, and the likelihood of the settlement of these amounts taking place in 2023, prompted management to reclassify these amounts to the current assets. For details on the loans, please refer to note 14.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
9 Taxes		
Value added tax	<u>68,807</u>	<u>110,990</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
10 Other receivables and prepaid expenses		
Performance fee GuarantCo Ltd.	6,133,650	4,228,916
Performance fee The Currency Exchange Fund N.V.	1,669,666	1,915,428
Prepaid expenses	504,088	533,137
Unbilled revenue	393,271	273,393
Guarantee deposits	224,394	236,901
Management fee payable to The Currency Exchange Fund N.V.	-	11,691
Other receivables	<u>67,007</u>	<u>87,444</u>
	<u>8,992,076</u>	<u>7,286,910</u>

The annual performance fee is based upon parameters agreed between the respective companies and their Supervisory Boards and approved by the shareholders. The performance fees are accounted for on an accrual basis. All receivables are due within one year.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
11 Cash at bank and in hand		
Barclays Bank Plc., current accounts	4,891,066	5,091,274
ABN AMRO Bank N.V., deposit	3,000,000	1,950,000
Rabobank N.V., current accounts	600,454	1,266,167
Restricted cash	420,941	-
Rabobank N.V., savings accounts	370,371	371,258
ABN AMRO Bank N.V., flexible deposit	365,950	815,950
ABN AMRO Bank N.V., current account	70,514	40,264
Guarantee deposits	43,578	43,578
Cash	<u>3</u>	<u>4</u>
	<u><u>9,762,877</u></u>	<u><u>9,578,495</u></u>

The deposit for EUR 3,000,000 (2021: EUR 1,950,000) is freely available and held in a separate deposit which can be withdrawn upon a 31-day notice.

An amount of EUR 43,578 is not at free disposal as this amount is pledged as a guarantee for the office rent in Amsterdam.

Restricted cash represents two Rabobank current accounts held by Cardano Development B.V. but contractually assigned to the Development Guarantee Group Ltd. (DGG). Although these amounts are held freely, any outflow of cash from these accounts requires DGG management's approval.

The remaining cash is at the company's free disposal.

Stichting Cardano Development, Amsterdam

12 Foundation capital

A specification of the foundation capital can be found in the company financial statements which are included in this report (note 37). The consolidated capital amounting to EUR 5,449,968 (2021: EUR 3,863,092) differs from the company's capital (EUR 5,702,007, 2021: EUR 4,108,697).

Consolidated foundation capital	5,449,968	3,863,092
Minority interests	-	-38,635
	<u>5,449,968</u>	<u>3,824,457</u>

Because of new equity investors in 2021 at CD Ventures B.V. the group has to account for minority interests, which relate to the respective capital invested minus any losses attributed if applicable.

<u>31-12-2022</u>	<u>31-12-2021</u>
€	€

13 Provisions

Deferred tax liability GuarantCo Management Company Ltd.	-	4,006
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The deferred tax liability of GuarantCo Management Company Ltd. related to effects of provision timing differences and fixed assets timing differences between fiscal and company financial statements. In 2022 this flipped back to a deferred tax asset position.

<u>31-12-2022</u>	<u>31-12-2021</u>
€	€

14 Long-term liabilities

Subordinated loans	100,000	200,000
Other liabilities	2,540,641	5,819,488
Private loans	<u>484,474</u>	<u>588,685</u>
	<u>3,125,115</u>	<u>6,608,173</u>

<u>31-12-2022</u>	<u>31-12-2021</u>
€	€

Subordinated loans

Original loan Cardano Holding Ltd.	<u>100,000</u>	<u>200,000</u>
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Original loan Cardano Holding Ltd.

For the purchase of the participation in Cardano Development B.V. Stichting Cardano Development received a loan of EUR 1,000,000 from Cardano Holding Ltd. in 2013. The grants pledged in 2021 and 2022 (please refer to note 23 under 'Grants') were settled with the loan and therefore not paid in cash. The loan will annually bear interest on the amount outstanding at a rate of 6%.

Loan Cardano Holding Ltd. Part I

On 30 January 2015, Cardano Development B.V. and Cardano Holding Ltd. agreed a 7-year term loan of EUR 850,000 with 7% annual interest. As per 8 January 2019 it was agreed that the Part I loan shall be repaid in 4 equal tranches of the principal amount (EUR 212,500 per tranche). On 1 July 2022 the fourth and final tranche was repaid.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
Other liabilities		
Deferred compensation GuarantCo Management Company Ltd.	799,531	-
Conditional Repayable Grant DGIS	742,691	1,148,695
Cardano Holding Ltd. Term Loan	629,448	-
Stichting Custodian Agent OPC crowdfunding loan	236,842	342,105
GuarantCo Ltd. capital expenditure account	132,129	338,637
Loan Echo Pilot Investments	-	2,119,080
Loan Shell Foundation	-	1,765,900
ECHO Upside reserve amount	-	105,071
	<u>2,540,641</u>	<u>5,819,488</u>

Deferred compensation GuarantCo Management Company Ltd.

This represents the part of the variable compensation awarded to the staff of GuarantCo Management Company Ltd. which will be paid out beyond a 12-month horizon.

Conditional Repayable grant DGIS

On 1 June 2017 Stichting Cardano Development received a repayable grant for an amount of maximum EUR 10,000,000 from the Directoraat-Generaal Internationale Samenwerking (hereafter DGIS), a department of the Ministry of Foreign Affairs of The Netherlands, for creation of a Water Finance Facility with the goal to provide access to safe drinking water across the globe by 2030 (based on SDG 6). The grant stretched from 1 January 2017 until 31 December 2021. At the same time, a partnership has been agreed for a duration of at least 10 years. Stichting Cardano Development appointed WFF B.V. as project manager. Per 31 December 2022 EUR 9 million of the grant has been disbursed (2021: EUR 9 million), of which 9 million has been distributed to WFF B.V.

Per 31 December 2022 EUR 8,257,309 (2021: EUR 7,851,305) has been expensed.

In December 2020 DGIS expanded the facility with EUR 4.7 million and stretched the grant period to 31 December 2035, on the condition that the KES bond be issued before 31 December 2021. However, this condition wasn't met and therefore WFF B.V. submitted an end of subsidy document to DGIS until 30 June 2023. DGIS consequently lowered the maximum repayable grant to the EUR 9 million already disbursed. WFF/KPWF is winding up its activities in Kenya and supports Development Partners Group led by The Netherlands and the Kenyan Government to conduct a study about the Kenyan Water Sector financing. Final report for WFF is due on 31 December 2023. Although final repayment amount of the grant is only known after the final audit report, there are no indications that anything more than the amount remaining will be reclaimed.

Cardano Holding Ltd. Term Loan

On 11 January 2022 Cardano Holding Ltd. provided a EUR 600,000 term loan to Cardano Development B.V. to finance the share issuance in ILX Management B.V. The loan has a term of 5 years, starting after the Grace Period, which runs until 2 January 2025. Cardano Holding Ltd. can bring this date forward at any time. The interest is 5% per year (actual/actual) and is paid semi-annually. Cardano Development B.V. has the option to add accrued interest to the principal, up to a maximum of EUR 700,000. Repayments after the Grace Period are scheduled to occur semi-annually as well, together with accrued interest. No securities have been provided.

Stichting Cardano Development, Amsterdam

Stichting Custodian Agent OPC crowdfunding loan

With effective date 12 January 2021 OnePlanetCrowd, through their crowdfunding platform, provided a loan of EUR 500,000, with a term of 5 years until 1 January 2026. The interest is 6% per year, to be paid with every quarterly instalment. The loan must be repaid in 19 equal quarterly instalments of EUR 26,316. The repayment obligation for 2023 in the amount of EUR 105,263 has been presented under the short-term repayment obligations. As security a first pledge on the bank account of Cardano Development B.V. has been established. Following the attraction of additional long term debt, and thus a change in risk profile of Cardano Development B.V., it was agreed to increase the interest rate to 7% per year, retrospectively to 1 July 2021.

GuarantCo Ltd. capital expenditure account

This represents the part of the annual budget approved by GuarantCo Ltd. to GuarantCo Management Company Ltd. for investment in capital expenditure (fixed assets). Since this amount is not repaid annually but is slowly diminished as and when the assets are depreciated, it has been reclassified to long term liabilities.

Loan ECHO Pilot Investments

Envirofit Carbon Holdings One LLC. provides funding to Cardecho B.V. in an aggregate amount not exceeding USD 4,500,000 (the repayable grant). All funding needs to be invested in BIX preferred shares. The loan is 4% interest bearing. Repayment schedule depends on the Cardecho Carbon Rights revenues. Per 31 December 2022 USD 2,400,000 (EUR 2,119,080, FX rate 31 December 2022: 1 USD = 0.93657 EUR) has been disbursed (2021: USD 2,400,000). Following the expiration of the original agreement on 15 February 2022 the amount was reclassified to current liabilities. Please refer to note 17.

Loan Shell Foundation

Following the call of the guarantee Shell Foundation provided to Calvert for repayment of their USD 2,000,000 (EUR 1,873,140) (FX rate 31 December 2022: 1 USD = 0.93657 EUR) loan to Cardecho B.V., Shell Foundation replaced Calvert as lender in the agreement per 12 April 2021. The loan is 3% interest bearing. Since Shell Foundation upheld its obligation under the Repayable Grant Agreement, the original terms of the agreement apply. Following the expiration of the original agreement on 15 February 2022 the amount was reclassified to current liabilities. Please refer to note 17.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
<i>Private loans</i>		
Loan T.P. Kocken	189,474	273,685
Loan J. Zuidberg	117,500	117,500
Loan F. Gosselink	117,500	117,500
Loan G. Vermeijden	60,000	80,000
	<u>484,474</u>	<u>588,685</u>

Loan T.P. Kocken

With effective date 1 March 2021 T.P. Kocken provided a loan for EUR 400,000, with a term of 4 years and 10 months until 1 January 2026. The interest is 5.2% per year, to be paid with every quarterly instalment. The loan must be repaid in 19 equal quarterly instalments of EUR 21,052, for the first time on 1 July 2021. The repayment obligation for 2023 in the amount of EUR 63,158 has been presented under the short-term repayment obligations. No securities have been provided.

Loan J. Zuidberg

J. Zuidberg, managing director of Cardano Development B.V., provided a loan in 2016 amounting to EUR 130,000. As per year end 2022 the loan is EUR 117,500. The loan is 7.5% interest bearing. The interest accrued is paid out semi-annually. The adjusted loan of EUR 117,500 is subordinated to all three initial Cardano Holding Ltd. loans. With the final settlement of the Cardano Holding term loan on 1 July 2022 this loan has no longer any subordination. The loan needed to be repaid on 6 May 2021 (EUR 100,000) and 29 December 2021 (EUR 17,500). Repayment can be demanded at any time.

Loan F. Gosselink

F. Gosselink, managing director of Cardano Development B.V., provided a loan in 2016 amounting to EUR 75,000. On 2 January 2017 an additional EUR 30,000 was provided, and on 24 November 2017 a EUR 12,500 addition was provided to the loan. The loan is 7.5% interest bearing. The interest accrued is paid out semi-annually. With the final settlement of the Cardano Holding term loan on 1 July 2022 this loan has no longer any subordination. The loan needed to be repaid on 2 May 2021 (EUR 25,000), 2 May 2021 (EUR 50,000), 2 January 2022 (EUR 30,000) and 29 December 2021 (EUR 12,500) in full including accrued interest if applicable. Repayment can be demanded at any time.

Loan G. Vermeijden

With effective date 1 October 2021 G. Vermeijden provided a loan of EUR 100,000 with a term of 5 years until 1 October 2026. The interest is 5.2% per year, to be paid with every quarterly instalment. The loan must be repaid in 20 equal quarterly instalments of EUR 5,000. The repayment obligation for 2023 in the amount of EUR 15,000 has been presented under the short-term repayment obligations. No securities have been provided.

Stichting Cardano Development, Amsterdam
CURRENT LIABILITIES

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
15 Trade creditors		
Trade creditors	<u>495,170</u>	<u>376,719</u>
	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
16 Liabilities to affiliated companies		
Current account BIX Capital B.V.	404,884	335,932
The Development Guarantee Group Ltd.	<u>34,223</u>	<u>-</u>
	<u>439,107</u>	<u>335,932</u>

Current account BIX Capital B.V.

This is a liability of Cardano Development B.V. Movements as of date of settlement relate to value added tax as part of the fiscal unity with Cardano Development B.V. and deferred tax movements within the fiscal unity for corporate income tax. No interest is paid over the amount payable. Since BIX Capital B.V. is part of the fiscal unity deferred tax losses can be offset anywhere in the group. Any changes in applicable tax rates will be charged to this account as well.

The Development Guarantee Group Ltd.

This liability represents the part of restricted cash directly reserved for transfer to The Development Guarantee Group Ltd. If called upon to do so.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
17 Other debentures		
Loan Echo Pilot Investments	2,247,768	-
Loan Shell Foundation	1,873,140	-
ECHO upside reserve amount	<u>111,452</u>	<u>-</u>
	<u>4,232,360</u>	<u>-</u>

Please refer to note 14 for the details of these amounts. On 15 February 2022 the original agreement expired, making the amounts owed to ECHO and Shell Foundation immediately due upon request. These amounts are intertwined with the investment in BIX Capital. This expiration, together with the talks about BIX II taking shape, and the likelihood of the settlement of these amounts taking place in 2023, prompted management to reclassify these amounts to the current liabilities.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
18 Taxes		
Wage tax	502,540	468,689
Corporate income tax	<u>449,652</u>	<u>80,782</u>
	<u>952,192</u>	<u>549,471</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
19 Repayment obligations		
Stichting Custodian Agent OPC	105,263	105,263
T.P. Kocken	63,158	84,210
G. Vermeijden	15,000	20,000
Cardano Holding Ltd.	-	212,500
	<u>183,421</u>	<u>421,973</u>

Because the Q4 2022 repayments to Kocken and Vermeijden in the total amount of EUR 26,052 were made on 23 December 2022 there is one quarter of repayment obligations less presented. Please refer to note 14 for more details on these amounts.

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
20 Other liabilities and accrued expenses		
Variable compensation staff GuarantCo Management Company Ltd.	4,486,534	3,588,551
Management fee payable GuarantCo Ltd.	2,068,711	1,073,984
Deferred compensation	1,260,392	2,507,532
Variable compensation staff TCX Investment Management Company B.V.	1,001,316	1,169,545
Accrued expenses	554,100	367,409
Grant MUFG Bank	386,718	-
Audit fees	224,624	154,823
Deferred income	174,660	157,506
Joint Donor Escrow Account	172,597	172,597
Management fee payable to The Currency Exchange Fund N.V.	70,161	-
Pension premiums	38,066	42,780
Accrued interest	22,314	90,240
Rent down payments	5,163	5,163
Variable compensation staff Frontclear Management B.V.	-	39,244
Net wages	-	2,722
FX absorption pool	-	677,277
Other liabilities	157,179	134,596
	<u>10,622,535</u>	<u>10,183,969</u>

The deferred compensation relates to variable elements in the compensation of employees of TCX Investment Management Company B.V. (EUR 514,426, 2021: EUR 443,443), and GuarantCo Management Company Ltd. (EUR 745,966, 2021: EUR 2,064,089). The bonuses will be paid in differing instalments.

Audit fees include fees for the financial audit 2022.

The FX absorption pool represents an amount reserved by the board of GuarantCo Management Company Ltd. to absorb any foreign currency exchange rate differences. In 2022, following the decision to change the budget approach from USD to GBP, the absorption pool has been written off and included in the payable to GuarantCo Ltd.

The liability to Joint Donor Escrow Account refers to an upfront financing JODEA provided for the capital injection in CD Ventures B.V. This grant is repayable and thus presented as liability.

The MUFG Grant relates to the remaining part of the USD 768,994 deposited on 2 March 2022 as coverage for the due diligence activities in relation to setting up the Green Climate Fund.

Stichting Cardano Development, Amsterdam

21 Off-balance-sheet rights, obligations and arrangements

Forward currency contracts

The group had a forward currency contract in place at the year-end date with a carrying amount of nil. The contract serves to hedge future income in 2023 under a management agreement with a Mauritius client that is denominated in US dollar. Purchases are expected to be made in January, April, July and October 2023. Under the terms and conditions of the forward currency contract, the group will sell USD 1,000,000 at a rate of USD 1 = GBP 0.87329 on 23 January 2023, USD 1,000,000 at a rate of USD 1 = GBP 0.87376 on 17 April 2023, USD 2,000,000 at a rate of USD 1 = GBP 0.87362 on 6 April 2023, USD 1,000,000 at a rate of USD 1 = GBP 0.87539 on 24 July 2023 and USD 1,000,000 at a rate of USD 1 = GBP 0.87697 on 23 October 2023. The unrealized gain on the forward currency contract amounts to GBP 309,650 (EUR 349,694) at 31 December 2022.

Contingent liabilities, fiscal unity

Cardano Development B.V. is head of the Fiscal Unity for both Value Added Tax and Corporate Income Tax. Cardano Development shares a joint liability for any tax liabilities of the fiscal unity.

The fiscal unity for Value Added Tax consists of the following companies as per 1 January 2022:

- Cardano Development B.V.;
- TCX Investment Management Company B.V.;
- BIX Capital B.V.;
- Frontclear Management B.V.;
- Frontier Finance Solutions B.V.;
- Frontier Clearing Corporation B.V.;
- ILX Management B.V.;
- Cardano Development Savings B.V.

The fiscal unity for Corporate Income Tax consists of the following companies as per 1 January 2022:

- Cardano Development B.V.;
- TCX Investment Management Company B.V.;
- Frontclear Management B.V.;
- Frontier Finance Solutions B.V.;
- Cardecho B.V.;
- BIX Capital B.V.;
- WFF B.V.;
- ILX Management B.V.;
- Cardano Development Savings B.V.
- Samuel Waterberg B.V.

On 12 January 2022 ILX Management reached financial close with APG, the biggest pension administrator in The Netherlands. At the same time, 50% of shares were sold to Den Briel Management B.V. and consequently ILX Management B.V. is no longer part of the fiscal unity for corporate income tax.

BIX Capital B.V. remains in the fiscal unity for Corporate Income Tax since for tax purposes the percentage of shares held by a company is leading in determining whether decisive control exists, and Cardano Development B.V. still holds 100% of the normal shares in BIX Capital B.V. as per 31 December 2022.

Stichting Cardano Development, Amsterdam

Operating rent commitments

Frontier Finance Solutions B.V. has a rental contract for rent of the facilities at Mauritskade 63, 1092 AD Amsterdam. Annual rent is approximately EUR 232,000 (including VAT). The contract renews automatically every five years. The obligation with a term of more than one year is approximately EUR 472,000. There are no obligations with a term of more than five years.

GuarantCo Management Company Ltd. (hereafter GMC) signed an Agreement to Lease 10th Floor, 6 Bevis Marks, London on 22 December 2017. GMC will sublet part of this floor space. Annual rent is approximately GBP 562,000 (approximately EUR 635,000 per 31 December 2022). An amount of GBP 2,250,000 remains as obligation with a term of more than one year.

Fund Management JODEA

Frontier Finance Solutions B.V. was appointed as the fund manager of the JODEA account in 2016. All proceeds as well as losses and/or liabilities are for the risk and account of JODEA (effectively KfW). The annual fee for Frontier Finance Solutions B.V. amounts to EUR 25,000. As per 31 December 2022, EUR 36,262 remains available on the account.

Deferred Performance Fee Component & LTI

On 6 April 2023, the Supervisory Board of FCC awarded FCM with a Fixed Performance Fee Component ("FPFC") for its performance during 2022 of USD 284,474.

In accordance with clause 5 of Schedule 2 of the FCC Management Agreement, the Fixed Performance Fee Component and Long-Term Incentive fee are payable conditional on FCC achieving a positive operational result. The FCC Management Agreement defines a positive operational result as the lower of the reported operating result and the result of FCC with income from guarantees and fixed income investments adjusted to reflect linear recognition of income over the life of the transaction, with the difference between the two carried forward to the next financial year.

Based on the results of FCC, no accrual has been recognized in 2022 for payment of the Fixed Performance Fee Component (2021: USD 0) or the payment of the deferred LTI (2021: USD 0). The deferred Fixed Performance Fee Component is USD 1,839,254 (2021: USD 1,554,780) and the remaining LTI is USD 557,508 (2021: USD 557,508). These deferred components are not subject to expiration.

22 Subsequent events

On 23 January 2023 Cardano Development received EUR 500,000 from Stichting Custodian Agent OPC in a second successful crowdfunding campaign to raise working capital for incubator projects. The terms are the same as with the first loan, 5 year term with quarterly linear repayments and 7% interest.

NOTES TO THE CONSOLIDATED STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2022

	2022	2021
	€	€
23 Income		
Management fees	24,160,877	19,314,820
Performance fees	8,366,773	6,538,081
Secondment staff	648,300	-
Project JODEA	408,992	1,053,665
Project Water Financing Facility	406,004	488,078
Grants	400,000	221,257
Project Impact Loan Exchange	-	1,358,547
Other income	530,019	507,454
	<u>34,920,965</u>	<u>29,481,902</u>

Management fees

The supervisory boards of The Currency Exchange Fund N.V. (TCX), Frontier Clearing Corporation B.V. and GuarantCo Ltd. (GC) agree to an annual budget. The budget for TCX is payable monthly in advance with reconciliation to actual cost at year end. The budget for GC is payable quarterly in advance with reconciliation to actual cost at year end.

Performance fees

The annual performance fee is driven by parameters agreed between the companies and their respective Supervisory Boards and approved by the shareholders. The performance fee for TCX Investment Management Company B.V and GuarantCo Management Company Ltd. are accounted for on accrual basis. The performance fee for Frontclear Management B.V. is partly based on discretionary elements subject to the approval of the 'FCC Supervisory Board' in 2022 and subsequently only for the fixed part an accrual has been included as per 31 December 2022.

Project Water Financing Facility

This represents part of the subsidy expensed during the financial year by the Water Financing Facility Repayable Grant. All expenses are one on one covered by this grant. For the conditions of the DGIS repayable grant we refer to note 14 in long term liabilities (page 29).

Project Impact Loan Exchange

This represents a grant extended by 'Directoraat Generaal Internationale Samenwerking' (DGIS) of The Netherlands to cover expenses incurred by ILX B.V. in relation to the Impact Loan Exchange Project. Following the financial close of ILX on 12 January 2022 no extension was required.

Stichting Cardano Development, Amsterdam

Project JODEA

Project JODEA income in Frontier Finance Solutions B.V. concerns costs recovered from a Joint Donor Escrow Account (managed by Frontier Finance Solutions B.V.). The JODEA account is used for projects related to local currency finance with high development potential. Eligible initiatives are presented to the JODEA Donor committee for approval prior to implementation.

Grants

Stichting Cardano Development receives an annual grant of EUR 100,000 from Cardano Holding Ltd. This grant is not paid in cash but settled with the loan amount outstanding.

The remaining EUR 300,000 concerns grants for Samuel Waterberg B.V.

Secondment staff

This relates to staff seconded by FFS to other non-consolidated affiliated companies in the group.

Other income

This mainly relates to coverage for the Kenyan Credit Enhancement Facility by FSDA (EUR 114,706) and a grant extended by MUFG Bank to cover the due diligence project expenses for the setup of the Green Climate Fund (EUR 295,631).

	<u>2022</u>	<u>2021</u>
	€	€
24 Cost of income		
External party hire	<u>1,045,845</u>	<u>1,806,295</u>

Cardano Development entered into Service Level Agreements with external parties for back-office facilities and project management. The Water Finance Facility further cut down on its expense in 2022 following the decision to scale down activities in Kenya. Further reduction is due to ILX Management B.V. no longer being consolidated following their financial close and consequent management buy-in.

	<u>2022</u>	<u>2021</u>
	€	€
25 Wages and salaries		
Wages and salaries	13,156,422	12,685,995
Bonus personnel	6,636,832	5,009,626
Severance payments	119,702	123,252
Sick pay recoveries	<u>-10,244</u>	<u>-11,763</u>
	<u>19,902,712</u>	<u>17,807,110</u>

Directors' remuneration

The Board of Stichting Cardano Development is unpaid. The Supervisory Board of Stichting Cardano Development B.V. was paid a total of EUR 13,300 for their services and attending meetings. The Directors of Cardano Development B.V. (on the payroll in Frontier Finance Solutions B.V.) were paid a total of EUR 542,916 in gross salaries plus EUR 3,388 in expense allowance and working from home compensation.

Stichting Cardano Development, Amsterdam
Average number of employees

	<u>2022</u>	<u>2021</u>
TCX Investment Management Company B.V.	32	28
Frontclear Management B.V.	12	9
Frontier Finance Solutions B.V.	17	21
Guarantco Management Company Ltd.	<u>60</u>	<u>60</u>
	<u><u>121</u></u>	<u><u>118</u></u>

Of the 121 employees on average, 60 from GuarantCo Management Company Ltd. and 2 from Frontclear Management B.V. are employed outside of The Netherlands.

	<u>2022</u>	<u>2021</u>
	€	€
26 Social security premiums and pension costs		
Social security charges	1,204,185	1,026,405
Pension costs	<u>937,845</u>	<u>801,299</u>
	<u><u>2,142,030</u></u>	<u><u>1,827,704</u></u>

The pension costs relate to defined contribution schemes.

	<u>2022</u>	<u>2021</u>
	€	€
27 Other staff expenses		
Third party services	388,751	142,916
Sickness insurance	355,222	397,403
Recruitment expenses	244,959	253,402
Study and training expenses	168,867	200,986
Income protection	141,156	109,104
Commuting allowance	46,464	30,430
Relocation staff	37,459	32,029
Expense allowances	23,355	25,666
Other staff expenses	<u>239,195</u>	<u>187,471</u>
	1,645,428	1,379,407
Recovered staff expenses	<u>-46,844</u>	<u>-18,798</u>
	<u><u>1,598,584</u></u>	<u><u>1,360,609</u></u>

Income protection relates to premiums paid for risk insurances with respect to disability or death of employees. Third party services increased mainly due to vacancies at GuarantCo Management Company Ltd. which were temporarily filled by third party hires.

Stichting Cardano Development, Amsterdam

	2022	2021
	€	€
28 Depreciation and amortization		
Leasehold improvements	119,559	143,664
Computer equipment	75,396	94,012
Office equipment	70,437	69,536
Software	27,933	1,000
	<u>293,325</u>	<u>308,212</u>
Loss on disposal of fixed assets	-	2,197
	<u><u>293,325</u></u>	<u><u>310,409</u></u>

	2022	2021
	€	€
29 Other operating expenses		
Housing expenses	848,720	779,186
Travel and marketing expenses	2,060,125	618,716
Office expenses	1,142,749	1,074,283
Project expenses	523,091	250,275
General expenses	<u>3,594,070</u>	<u>3,676,910</u>
	<u><u>8,168,755</u></u>	<u><u>6,399,370</u></u>

The general expenses mainly consist of Advisory fees amounting to EUR 1,366,327 (2021: EUR 1,490,450), insurance premiums ad. EUR 621,543 (2021: EUR 626,640) and market data ad EUR 629,376 (2021: EUR 547,811).

The general increase of operating expenses is due to the growth of mainly the subsidiaries Guarantco Management Company Ltd. and TCX Investment Management Company B.V. Following the lessening restrictions worldwide on COVID measures, travel expenses also returned.

Project expenses relate to working capital transfers of WFF B.V. to the Kenyan management company Water Infrastructure Fund Kenya Management Company Ltd. (EUR 227,460). Following the decision to cut activities in Kenya these are no longer presented as a loan, but expensed. The remaining balance represents due diligence expenses to set up the Green Climate Fund (EUR 295,631), which are covered by the MUFG grant.

Audit fee

An amount of EUR 228,711 is included in the general expenses with respect to financial audit fees for the financial year 2022 audits for the group (2021: EUR 246,311). Of this amount EUR 218,526 relates only to audit services provided by Ernst & Young Accountants LLP. No other services are provided by the auditor.

Stichting Cardano Development, Amsterdam

	<u>2022</u>	<u>2021</u>
	€	€
30 Financial income and expenses		
Other interest and similar income	299,222	59,304
Interest and similar expenses	<u>-212,437</u>	<u>-208,225</u>
	<u>86,785</u>	<u>-148,921</u>

	<u>2022</u>	<u>2021</u>
	€	€
<i>Other Interest and similar income</i>		
Foreign currency translation	273,788	24,111
Dividend preferred shares BIX Capital B.V.	-	12,119
Other interest receivable	<u>25,434</u>	<u>23,074</u>
	<u>299,222</u>	<u>59,304</u>

Interest or similar income from affiliated companies amounts to EUR 0 (2021: EUR 12,119).

	<u>2022</u>	<u>2021</u>
	€	€
<i>Interest and similar expenses</i>		
Interest guarantee Shell Foundation	56,808	38,268
Interest loans Cardano Holding Ltd.	49,005	40,413
Interest loan OnePlanetCrowd	30,621	28,042
Bank charges	21,713	21,540
Interest loans management	17,625	17,625
Negative credit interest bank	16,478	23,864
Interest loan Kocken	15,689	16,721
Interest loan Vermeijden	4,498	1,296
Interest loan Calvert	-	19,924
Other interest expenses	<u>-</u>	<u>532</u>
	<u>212,437</u>	<u>208,225</u>

An amount of EUR 22,314 is included in the balance sheet as accrued interest or similar expense which completely pertains to 2022.

Stichting Cardano Development, Amsterdam

	<u>2022</u>	<u>2021</u>
	€	€
31 Taxation		
Change in deferred taxes	314,950	223,771
Corporate income tax GuarantCo Management Company Ltd.	<u>-584,775</u>	<u>-344,321</u>
	<u><u>-269,825</u></u>	<u><u>-120,550</u></u>

Due to foreign currency translation differences the change in deferred tax assets and corporate income tax does not align with the movement in the asset itself on the balance sheet. Please refer to note 33 for substantiation of the change in (deferred) taxes.

	<u>2022</u>	<u>2021</u>
	€	€
32 Share in the result of participations		
ILX Management B.V.	256,274	-
ILX Management B.V. previous years	-136,943	-
Nyala Venture B.V.	13,962	-
IMFact B.V.	<u>-234,193</u>	<u>-</u>
	<u><u>-100,900</u></u>	<u><u>-</u></u>

Stichting Cardano Development, Amsterdam

33 Tax position of the consolidated financial statements

As of 19 March 2013, there is fiscal unity for corporate income tax with Cardano Development B.V., TCX Investment Management Company B.V. and BIX Capital B.V.

BIX Capital B.V. was no longer part of the fiscal unity as of 1 February 2015. Per 1 January 2016 BIX Capital B.V. was part of the fiscal unity again. As of 7 May 2017, BIX Capital B.V. was part of the fiscal unity again, after being removed per 12 September 2016 due to issuance of preferred shares to Cardecho B.V.

As of 1 January 2016, both Frontclear Management B.V. and Frontier Finance Solutions B.V. were added to the fiscal unity. As of 1 January 2017, Cardecho B.V. was added to the fiscal unity as well.

As of 1 April 2017, WFF B.V. and ILX B.V. were added to the fiscal unity. As per 1 January 2020 Cardano Development Savings was added to the fiscal unity as well.

	2022
	EUR
Calculation taxable amount	
Result before taxation GuarantCo Management Company Ltd.	1,537,992
Result before taxation TCX Investment Management Company B.V.	699,418
Result before taxation Stichting Cardano Development	344,942
Result before taxation WFF B.V.	7,128
Result before taxation Frontclear Management B.V.	-
Result before taxation Cardano Development Savings B.V.	-
Result before taxation Samuel Waterberg B.V.	-2,437
Result before taxation CD Ventures B.V.	-3,126
Result before taxation Cardecho B.V.	-59,304
Result before taxation Cardano Development B.V.	-190,524
Result before taxation Frontier Finance Solutions B.V.	<u>-477,591</u>
Consolidated result before taxation	1,856,498
 Result Stichting Cardano Development (tax exempt)	 <u>-344,942</u>
Subtotal	1,511,556

Stichting Cardano Development, Amsterdam

Subtotal (continued)	1,511,556
Tax charge at 15% (up to EUR 395,000):	-59,250
Tax charge at 25.8% (above EUR 395,000):	<u>-288,071</u>
	347,321
<i>Tax effects of:</i>	
Foreign tax charges	53,540
Unrecognized losses	43,059
Capital items expensed + non-eligible depreciation	9,689
Nondeductible expenses	7,243
Nondeductible fines	10
Investment allowances	-2,454
Deviating tax rates	-127,472
Double tax relief	-20,228
Foreign currency translation loans	<u>-40,883</u>
Tax charge consolidated annual report	269,825

The corporate income tax of Cardano Development B.V. and its subsidiaries is calculated as if the companies are individually liable for corporate income tax. The corporate income tax is settled in the current account with Cardano Development B.V.

The taxable result of the fiscal unity for Corporate Income Tax of Cardano Development B.V. for the financial year 2022 results in a profit of EUR 613,612. BIX Capital has allocated part of its profit for 2022 in the amount of EUR 901,088 to their prefix losses of 2015-2017 (EUR 244,073) The remaining profit for the fiscal unity of EUR 369,539 has been settled with the losses carried forward.

	<u>Deductible</u> <u>losses at</u> <u>start of year</u> EUR		<u>Deductible</u> <u>losses at</u> <u>year end</u> EUR
Loss compensation fiscal unity			
2014	68,831	-68,831	-
2015	733,198	-300,708	432,490
2016	395,687	-	395,687
2017	384,111	-	384,111
2018	470,083	-	470,083
2019	521,680	-	521,680
2020	188,625	-	188,625
2021	<u>1,123,085</u>	<u>-</u>	<u>1,123,085</u>
	<u>3,885,300</u>	<u>-369,539</u>	<u>3,515,761</u>

COMPANY FINANCIAL STATEMENTS

Stichting Cardano Development, Amsterdam

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2022

After result appropriation

		<u>31 December 2022</u>		<u>31 December 2021</u>	
		€	€	€	€
ASSETS					
FIXED ASSETS					
Financial fixed assets					
Participations in group companies	34	5,497,948		4,249,580	
Other investments	35	<u>9,000,000</u>		<u>8,900,000</u>	
			14,497,948		13,149,580
CURRENT ASSETS					
Cash at bank and in hand	36		420,923		221,691
			<u>14,918,871</u>		<u>13,371,271</u>

Stichting Cardano Development, Amsterdam

		<u>31 December 2022</u>		<u>31 December 2021</u>	
		€	€	€	€
LIABILITIES					
Foundation capital	37		5,702,007		4,108,697
Long-term liabilities					
Subordinated loans	38	100,000		200,000	
Other debentures	39	<u>9,000,000</u>		<u>9,000,000</u>	
			9,100,000		9,200,000
Current liabilities					
Trade creditors		-		-	
Liabilities to group companies	40	82,316		40,804	
Other liabilities and accrued expenses	41	<u>34,548</u>		<u>21,770</u>	
			116,864		62,574
			<u>14,918,871</u>		<u>13,371,271</u>

Stichting Cardano Development, Amsterdam

COMPANY STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2022

		2022		2021	
		€	€	€	€
Income	44		400,000		221,257
Other operating expenses	45		<u>42,420</u>		<u>29,395</u>
Operating result			357,580		191,862
Financial income and expense	46		<u>-12,638</u>		<u>-18,330</u>
Result from ordinary activities			344,942		173,532
Share in result from participations	47		<u>1,382,880</u>		<u>153,260</u>
Net result			<u><u>1,727,822</u></u>		<u><u>326,792</u></u>

The difference between the company's and the consolidated result can be specified as follows:

	Company result for 2022	Recognized for 2022	Valuation difference	2022 €
Company's result				1,727,822
Consolidated result				<u>1,560,334</u>
Difference				167,488
Frontier Finance Solutions B.V.	-553,857	-449,946	-103,911	
CD Ventures B.V.	-162,759	-160,539	-2,220	
Cardecho B.V.	-59,304	-384	-58,920	
Samuel Waterberg B.V.	-2,437	-	<u>-2,437</u>	
Valuation differences				<u>-167,488</u>
Total				-

ACCOUNTING POLICIES USED IN PREPARING THE COMPANY FINANCIAL STATEMENTS**Financial fixed assets**

The group company subsidiaries are valued at net equity value. The financial statements have been prepared according to Title 9, Book 2 BW of the Netherlands Civil Code. For foundations article 2:10 BW is applicable instead of Title 9, Book 2 BW. However, if a foundation holds subsidiaries with substance, we apply Title 9 Book 2 BW.

Financial assets are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, considering the initial valuation.

If an asset qualifies as impaired, it is measured at its impaired value; any write-offs are disclosed in the income statement.

ANBI

As of 19 March 2013 Stichting Cardano Development acquired its ANBI status (Algemeen Nut Beogende Instelling). ANBI is also described as a public welfare institution.

Accounting principles for determining the result**Result from participations in group companies**

Where significant influence is exercised over participations, the group's share in the participation's result is included in the consolidated statement of income and expenses. Result from participation includes losses on discontinued operations.

Stichting Cardano Development, Amsterdam

NOTES TO THE COMPANY BALANCE SHEET AS AT 31 DECEMBER 2022

Financial fixed assets

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
34 Participations in group companies		
Cardano Development B.V.	<u>5,497,948</u>	<u>4,249,580</u>

Stichting Cardano Development holds a 100% interest in Cardano Development B.V. at Amsterdam.

	<u>2022</u>	<u>2021</u>
	€	€
<i>Cardano Development B.V.</i>		
Balance as at 1 January		
Book value as at 1 January	<u>4,249,580</u>	<u>4,054,125</u>
Movements		
Result financial year	1,382,880	153,260
Translation differences	<u>-134,512</u>	<u>42,195</u>
Balance movements	<u>1,248,368</u>	<u>195,455</u>
Book value as at 31 December	<u>5,497,948</u>	<u>4,249,580</u>

Stichting Cardano Development provided Cardano Development with a share premium contribution in 2015 ad. EUR 1.2 million.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
35 Other investments		
Loan WFF B.V.	<u>9,000,000</u>	<u>8,900,000</u>

This represents the part of the DGIS Repayable Grant disbursed to WFF to cover expenses. For details about the DGIS Repayable Grant we refer to note 14.

Stichting Cardano Development, Amsterdam

CURRENT ASSETS

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
36 Cash at bank and in hand		
Rabobank, savings account	120,722	121,257
Cash in transfer	300,000	-
Rabobank, current accounts	<u>201</u>	<u>100,434</u>
	<u>420,923</u>	<u>221,691</u>

Cash is at the company's free disposal.

The cash in transfer represents a short term working capital transfer to Cardano Development. The amount was repaid on 9 February 2023.

Stichting Cardano Development, Amsterdam
37 Foundation capital

	Foundation capital	Translation reserve	Reserve Samuel Waterberg	Total
	€	€		€
Balance as at 1 January 2022	3,945,245	42,195	121,257	4,108,697
Result for the year	1,428,357	-	299,465	1,727,822
Currency translation	-	-134,512	-	-134,512
Balance per 31 December 2022	5,373,602	-92,317	420,722	5,702,007

A substantial increase in capital for Stichting Cardano Development was funded by a EUR 1.2 million capital contribution from The Currency Exchange Fund N.V. ('TCX') in 2015. The contribution is to be used for capitalizing TCX Investment Management Company B.V.

Repayment of the capital contribution will occur should TCX Investment Management Company B.V. no longer be appointed as fund manager of TCX.

The reserve for Samuel Waterberg was formed following several grants received at Stichting Cardano Development specifically for that project/purpose. Samuel Waterberg B.V. is a newly formed all private donations/grants funded entity which aims to support other initiatives in the group.

The difference between the company's and the consolidated foundation capital can be specified as follows:

	Shareholder's equity as per 31 December 2022	Valuation as per 31 December 2022	Valuation difference	2022 €
Company's capital				5,702,007
Consolidated capital				5,449,968
Difference				252,039
CD Ventures B.V.	-5,528	-3,308	-2,220	
Cardecho B.V.	-189,905	-46,254	-143,651	
IMFact Services B.V.	-2,473,490	-2,369,579	-103,911	
Samuel Waterberg B.V.	-4,745	-	-4,745	
Valuation differences				-254,527
Translation differences				2,488
Total				-

Stichting Cardano Development, Amsterdam

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
38 Subordinated loans		
Loan Cardano Holding Ltd.	<u>100,000</u>	<u>200,000</u>
	<u>2022</u>	<u>2021</u>
	€	€
<i>Loan Cardano Holding Ltd.</i>		
Balance as at 1 January	200,000	300,000
Release	<u>-100,000</u>	<u>-100,000</u>
Balance as at 31 December	<u>100,000</u>	<u>200,000</u>
Interest percentage	6%	6%

For details please refer to note 14 to the consolidated financial statements. The release is accounted for as income (see note 44).

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
39 Other debentures		
Conditional Repayable Grant DGIS	<u>9,000,000</u>	<u>9,000,000</u>

For details please refer to note 14 to the consolidated balance sheet. Per 31 December 2022 EUR 8,257,309 has been expensed (2021: 7,851,305). Because the final audit report has not been accepted yet (expected 31 December 2023) the original EUR 9 mln payable has been upheld.

CURRENT LIABILITIES

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
40 Liabilities to group companies		
Current account Cardano Development B.V.	<u>82,316</u>	<u>40,804</u>

Stichting Cardano Development provided funding to have Cardano Development B.V. achieve her objectives. There have been no agreements made (in writing) in relation to the redemption of this payable as well as interest and other securities.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	€	€
41 Other liabilities and accrued expenses		
Interest loan Cardano Holding Ltd.	9,435	14,153
Audit Fee	<u>25,113</u>	<u>7,618</u>
	<u>34,548</u>	<u>21,771</u>

Stichting Cardano Development, Amsterdam**42 Appropriation of result**

The foundation board proposes to appropriate the result as follows:

The grants received for Samuel Waterberg minus negative interest, in the amount of EUR 299,465 will be added to the reserve Samuel Waterberg. The remaining result for the year 2022 in the amount of EUR 1,428,357 will be added in full to the foundation capital.

43 Subsequent events

There are no subsequent events to report for the foundation.

Stichting Cardano Development, Amsterdam

NOTES TO THE COMPANY STATEMENT OF INCOME AND EXPENSES FOR THE YEAR 2022

	<u>2022</u>	<u>2021</u>
	€	€
44 Income		
Grants Samuel Waterberg B.V.	300,000	121,257
Grant Cardano Holding Ltd.	<u>100,000</u>	<u>100,000</u>
	<u>400,000</u>	<u>221,257</u>

The grants of Cardano Holding Ltd. pledged in 2021 and 2022 were settled with the loan and therefore not paid in cash.

In 2022 several grants were received for the newly set up initiative Samuel Waterberg B.V. The amounts can be drawn at any moment by Samuel Waterberg B.V.

	<u>2022</u>	<u>2021</u>
	€	€
45 Other operating expenses		
General expenses	<u>42,420</u>	<u>29,395</u>

	<u>2022</u>	<u>2021</u>
	€	€
General expenses		
Audit fees	38,478	25,395
Accounting fee	3,630	3,630
Advisory fees	-	151
Bank charges	<u>312</u>	<u>219</u>
	<u>42,420</u>	<u>29,395</u>

The audit fees related only to audit services provided by Ernst & Young Accountants LLP. No other services are provided by the auditor.

	<u>2022</u>	<u>2021</u>
	€	€
46 Financial income and expense		
Interest loan Cardano Holding Ltd.	-12,181	-18,243
Negative credit interest bank	<u>-457</u>	<u>-87</u>
	<u>-12,638</u>	<u>-18,330</u>

	<u>2022</u>	<u>2021</u>
	€	€
47 Share in result from participations		
Result from Cardano Development B.V.	<u>1,382,880</u>	<u>153,260</u>

Stichting Cardano Development, Amsterdam

48 Other notes

Average number of employees at the Foundation

During the year 2022, there were no employees at the foundation (2021: nil).

OTHER INFORMATION

Stichting Cardano Development, Amsterdam

Other information

Proposal result appropriation

Article 3.4

The property of the Foundation shall be utilized in the pursuit of its objectives. The Foundation shall not hold any property in excess of that which is reasonably required for the continuity of the pursuit of the objectives of the Foundation.

The result will be added/subtracted to/from the foundation capital.

Auditor's report of the independent accountant

The independent auditor's report is included on the next page of this annual report.

Independent auditor's report

To: The Foundation supervisory board and the Foundation board of Stichting Cardano Development

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2022 of Stichting Cardano Development based in Amsterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting Cardano Development as at 31 December 2022 and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the consolidated and company balance sheet as at 31 December 2022
- the consolidated and company profit and loss account for 2022
- the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Stichting Cardano Development (hereinafter referred as: the Foundation) in accordance with the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the Foundation and its environment and the components of the system of internal control, including the risk assessment process and the Foundation board's process for responding to the risks of fraud and monitoring the system of internal control and how the Foundation supervisory board exercises oversight, as well as the outcomes.

We refer to section Fraud and IT in the Report of the Foundation board for the Foundation board's (fraud) risk assessment.

We note that the Foundation board has not formalized its fraud risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and whistle blower procedures. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all of our audits, we addressed the risks related to management override of controls. For these risks we have performed procedures among others to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in section Judgments, estimates, assumptions, and uncertainties in the Accounting policies used in preparing the consolidated financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

Additionally, in order to respond to the identified risks of management override of controls, we specifically assessed the correctness of elimination and reclassification entries within the consolidation process. We consider the risk of management override to be specifically present in the consolidation process, given the manual nature of elimination and reclassification entries.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We presumed that this risk is specifically present in the revenue of the significant group companies that are part of the consolidated financial statements of the Foundation, as these group companies generate the majority of consolidated revenue and are earnings-based monitored by the Foundation board. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.

These risks did however not require significant auditor's attention during our audit.

We considered available information and made enquiries of Foundation board members and the Foundation supervisory board members.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the Foundation board, reading minutes and performing substantive tests of details of classes of transactions, account balances or disclosures.

We remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section 'Going concern' in the Accounting policies used in preparing the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the Foundation board made a specific assessment of the Foundation's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the Foundation board exercising professional judgment and maintaining professional skepticism. We considered whether the Foundation board's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern.

Based on our procedures performed, we did not identify material uncertainties about 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 a Foundation to cease to continue as a going concern.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Foundation board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the Foundation board and the Foundation supervisory board for the financial statements

The Foundation board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Foundation board is responsible for such internal control as the Foundation board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Foundation board is responsible for assessing the Foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Foundation board should prepare the financial statements using the going concern basis of accounting unless the Foundation board either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so. The Foundation board should disclose events and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern in the financial statements.

The Foundation supervisory board is responsible for overseeing the Foundation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The 'Information in support of our opinion' section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and Performing audit procedures responsive to those risks, and obtaining 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
- Obtaining 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 Foundation's internal control

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Foundation board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Communication

We communicate with the Foundation supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 29 June 2023

Ernst & Young Accountants LLP

Signed by S.B. Spiessens