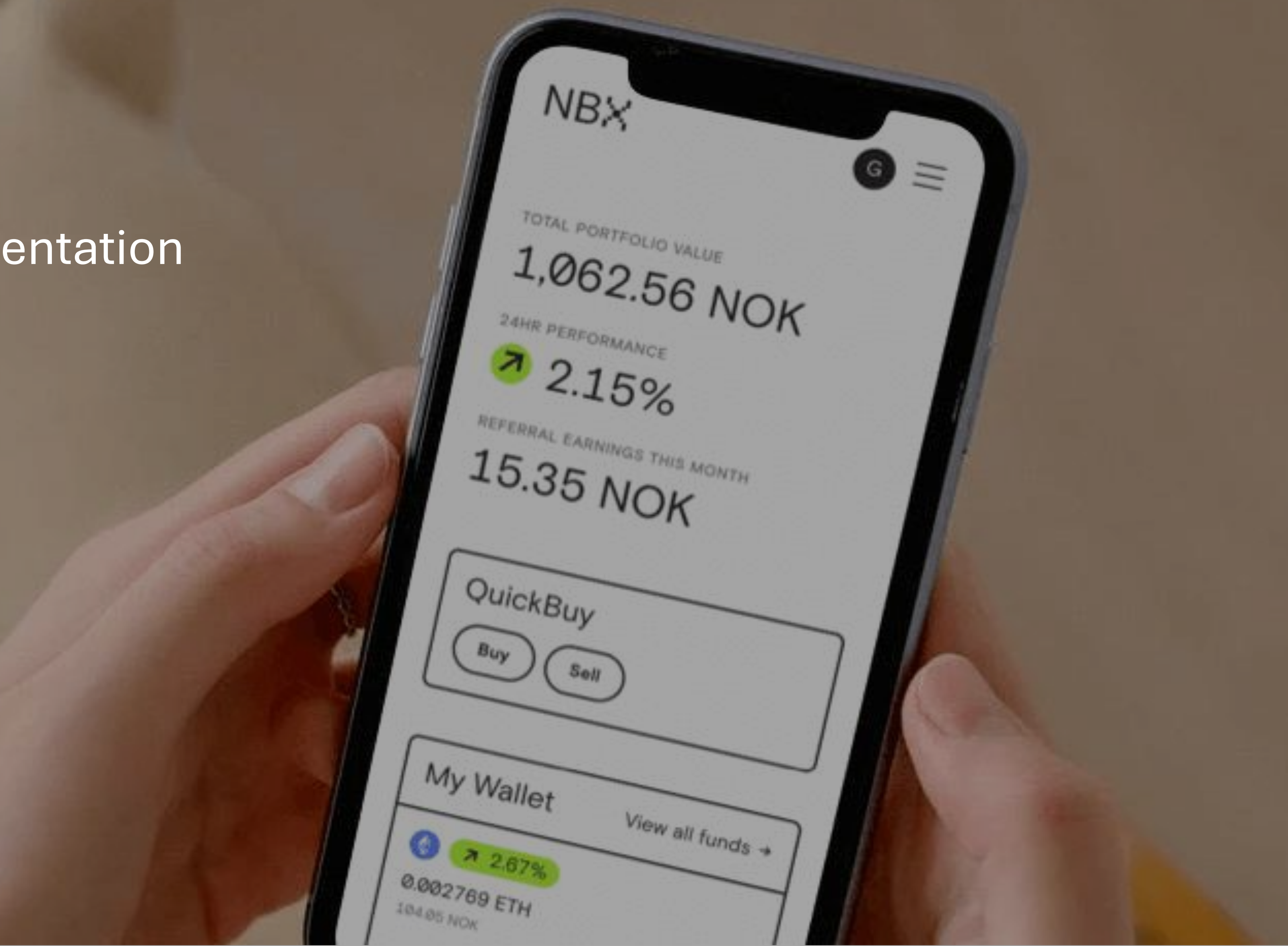
NBX

Company presentation

November 2024



Disclaimer I

ABOUT THIS PRESENTATION

By reading this presentation (the "**Presentation**"), or attending any meeting or oral presentation held in relation thereto, you (the "**Recipient**") agree to be bound by the following terms, conditions and limitations.

The Presentation has been produced by Norwegian Block Exchange AS ("**Norwegian Block Exchange**" or the "**Company**", and together with its consolidated subsidiaries, the "**Group**") solely for information purposes in connection with the contemplated offering of shares by the Company in a rights issue (the "**Rights Issue**"). Norne Securities AS (Haakon VIIs gate 6, 0161 Oslo, Norway) is acting as sole manager for the rights issue (the "**Manager**"). The Presentation is for information purposes only and does not in itself constitute, and should not be construed as, an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction. Prospective investors in the Rights Issue (if and when made) are required to read the offering material and other relevant documentation which is released in relation thereto for a description of the terms and conditions of the Rights Issue.

CONFIDENTIALITY

This Presentation and its contents are strictly confidential. Distribution of this Presentation to any person other than the Recipient and any person retained to advice the Recipient with respect to the Rights Issue is unauthorized, and any disclosure of any of the contents of this Presentation, without the prior written consent of the Company or the Manager, is prohibited.

LIMITED DUE DILIGENCE INVESTIGATIONS AND NO REVIEW OF COMPETENT AUTHORITY

The Recipient acknowledges and accepts the risks associated with the fact that no due diligence investigations have been carried out. The Manager has not carried out any due diligence review and no technical verifications, tax or other financial due diligence or third-party verifications of the Company's legal position, financial position, prospects, forecasts and budgets have been carried out by or on behalf of the Manager. The Manager has not taken any steps to verify the information in this Presentation or any other investor material [other than obtaining certain customary warranties from the Company.

The Recipient will be required to conduct its own analysis and acknowledges and accepts that it will be solely responsible for its own assessment of the Company, the Rights Issue, the market, the market position of the Company, the Company's funding position, and the potential future performance of the Company’s business and securities.

NO REPRESENTATION OR WARRANTY / DISCLAIMER OF LIABILITY

None of the Company or the Manager, or any of its respective parent or subsidiary undertakings or affiliates, or any directors, officers, employees, advisors or representatives of any of the aforementioned (collectively "**Representatives**") make any representation or warranty (expressed or implied) whatsoever as to the accuracy, completeness or sufficiency of any information contained herein, and nothing contained in this Presentation is or can be relied upon as a promise or representation by the Company or the Manager, or any of their respective Representatives. The Presentation contains certain financial key figures for the Company. These figures are based on the Company`s annual financial statements as of the financial years ended on 31 December 2023, 2022 and 2021, as well as the interim report as of the six months period ended 30 June 2024. To obtain complete information of the Company's financial position, operational results and cash flow, the financial information in this Presentation must be read in conjunction with the Company's audited financial statements and other financial information made public by the Company.

None of the Company or the Manager, or any of their respective Representatives shall have any liability whatsoever (in negligence or otherwise) arising directly or indirectly from the use of this Presentation or its contents or otherwise arising in connection with the Rights Issue, including but not limited to any liability for errors, inaccuracies, omissions or misleading statements in this Presentation.

Neither the Company nor the Manager have authorised any other person to provide investors with any other information related to the Rights Issue or the Company, and neither the Company nor the Manager will assume any responsibility for any information other persons may provide.

Disclaimer II

RISK FACTORS

An investment in the Company involves significant risk, and several factors could adversely affect the business, legal or financial position of the Company or the value of its securities. The Recipient should carefully review the chapter "Risk Factors" in the Presentation for a description of certain of the risk factors that will apply to an investment in the Company’s securities, as well as risk factors described in the financial reports of the Company. Should one or more of these or other risks and uncertainties materialise, actual results may vary significantly from those described in this Presentation. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.

NO UPDATES

This Presentation speaks as at the date set out on herein. Neither the delivery of this Presentation nor any further discussions of the Company or the Manager with the Recipient shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. Neither the Company nor the Manager assume any obligation to update or revise the Presentation or disclose any changes or revisions to the information contained in the Presentation (including in relation to forward-looking statements).

The Company will use the Oslo Stock Exchange` s information system to publish information relating to the Rights Issue, and other relevant updates on the Company.

NO INVESTMENT ADVICE

The contents of this Presentation shall not be construed as financial, legal, business, investment, tax or other professional advice. The Recipient should consult with its own professional advisers for any such matter and advice.

FORWARD LOOKING STATEMENTS

This Presentation contains certain forward-looking statements relating to inter alia the business, financial performance and results of the Company and the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions.

Any forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts and are subject to risks (including those described in the chapter “Risk Factors” in the Presentation), uncertainties and other factors that may cause actual results and events to be materially different from those expected or implied by the forward-looking statements. None of the Company or the Manager, or any of their respective Representatives provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor do any of them accept any responsibility for the future accuracy of opinions expressed in this Presentation or the actual occurrence of forecasted developments.

CONFLICT OF INTEREST

The Manager is acting as financial advisor to the Company in connection with the Rights Issue and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Rights Issue, the contents of this Presentation or any matters referred to herein. The Manager and/or its affiliates or employees may hold shares, bonds, options or other securities of the Company and may, as principal or agent, buy or sell such securities. The Manager may have other financial interests in transactions involving such securities.

Disclaimer III

DISTRIBUTION AND SELLING RESTRICTIONS

None of the Company or the Manager, or any of their respective Representatives, has taken any actions to allow the distribution of this Presentation in any jurisdiction where action would be required for such purposes. The Presentation has not been registered with, or approved by, any public authority, stock exchange or regulated market. The distribution of this Presentation, as well as any subscription, purchase, sale or transfer of securities of the Company may be restricted by law in certain jurisdictions, and the Recipient should inform itself about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the laws of any such jurisdiction. None of the Company or the Manager, or any of their respective Representatives, shall have any responsibility or liability whatsoever (in negligence or otherwise) arising directly or indirectly from any violations of such restrictions.

Neither the Company nor the Manager have authorised any offer of securities to the public, or has undertaken or plans to undertake any action to make an offer of securities to the public requiring the publication of an offering prospectus, (i) in any member state of the European Economic Area where the EU Prospectus Regulation 2017/1129 (the Prospectus Regulation) is applicable, or (ii) in the United Kingdom where Regulation (EU) 2017/1129 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 and therewith connected legislation is applicable.

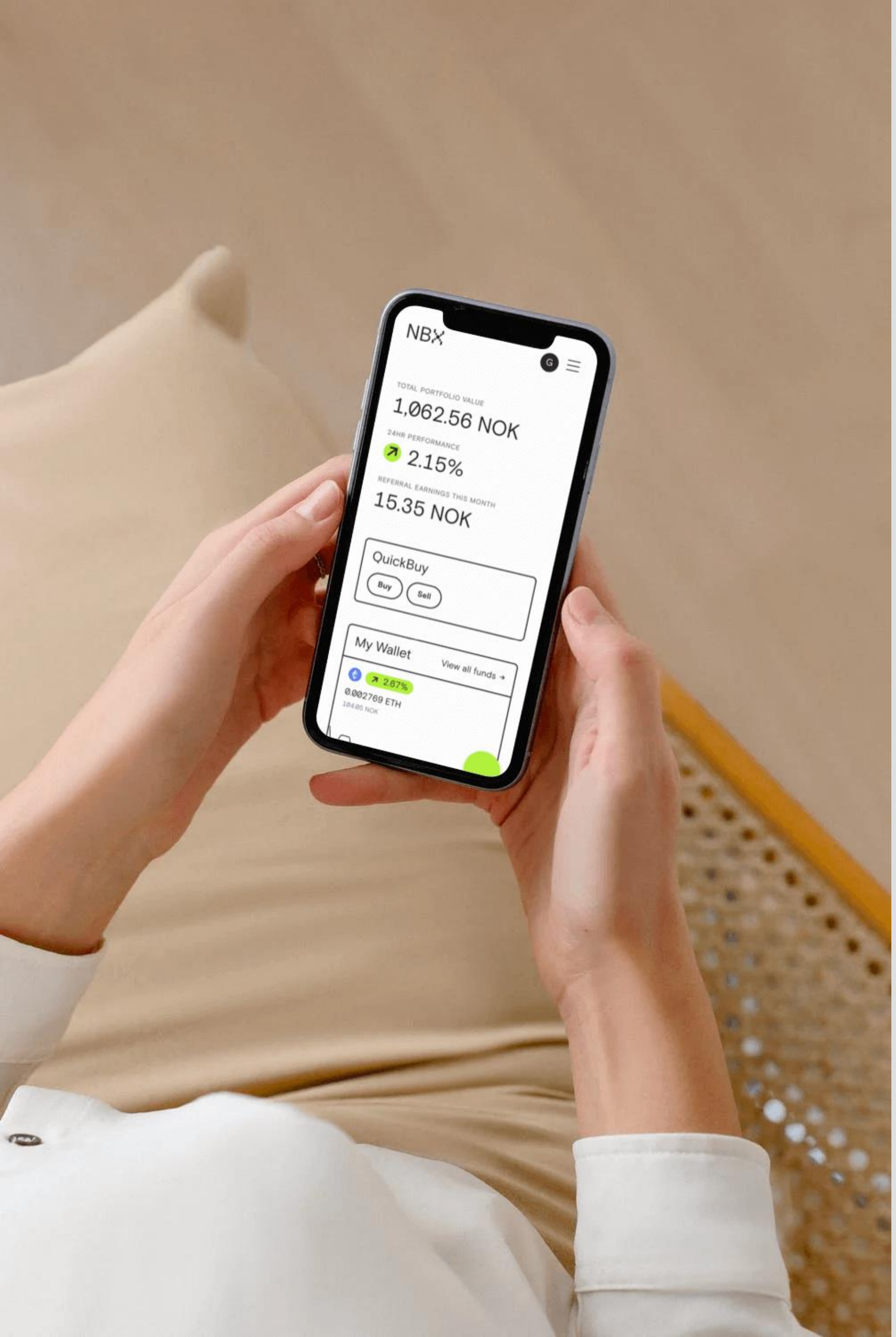
In the event that this Presentation is distributed in the United Kingdom, it shall be directed only at persons who are either "investment professionals" for the purposes of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or high net worth companies and other persons to whom it may lawfully be communicated in accordance with Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). Any person who is not a Relevant Person must not act or rely on this Presentation or any of its contents. Any investment or investment activity to which this Presentation relates will be available only to Relevant Persons and will be engaged in only with Relevant Persons. This Presentation is not a prospectus for the purposes of Section 85(1) of the UK Financial Services and Markets Act 2000, as amended ("**FSMA**"). Accordingly, this Presentation has not been approved as a prospectus by the UK Financial Services Authority ("**FSA**") under Section 87A of FSMA and has not been filed with the FSA pursuant to the UK Prospectus Rules nor has it been approved by a person authorised under FSMA.

This Presentation does not constitute an offer of securities for sale into the United States. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States, absent registration or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In the United States, the securities described herein will be offered only to qualified institutional buyers ("**QIBs**") within the meaning of, and as defined in, Rule 144A under the Securities Act or another transaction exempt from or not subject to the registration requirements of the Securities Act. Outside the United States, the securities described herein will be offered in accordance with Regulation S under the Securities Act to non-U.S. persons (as defined in Regulation S).

The Recipient warrants and represents that (i) if it is located within the United States and/or is a U.S. person or in the United States, it is a QIB, (ii) if it is a resident in the United Kingdom, it is a Relevant Person.

GOVERNING LAW AND JURISDICTION

This Presentation and the terms and conditions for the Rights Issue shall be governed by, and construed in accordance with, Norwegian law and the shares in the Rights Issue will be issued pursuant to, the Norwegian Private Liability Companies Act. Any dispute arising out of, or in connection with, this Presentation and the Rights Issue shall be subject to the exclusive jurisdiction of the Norwegian courts.



A leading Nordic company in the fields of digital assets and the crypto economy. NBX currently operates a cryptocurrency exchange, registered with the Financial Supervisory Authority of Norway, where customers can buy and sell cryptocurrencies and tokens. In 2024, NBX obtained an E-money license and became a regulated Virtual Asset Provider in Norway. They also issue the world's first credit card with Bitcoin cashback.

Making the world of digital assets accessible to everyone

Listed on Euronext Growth Oslo

E-money license

Bitcoin cashback feature on NBX Visa credit card

Unique trading platform for crypto currency

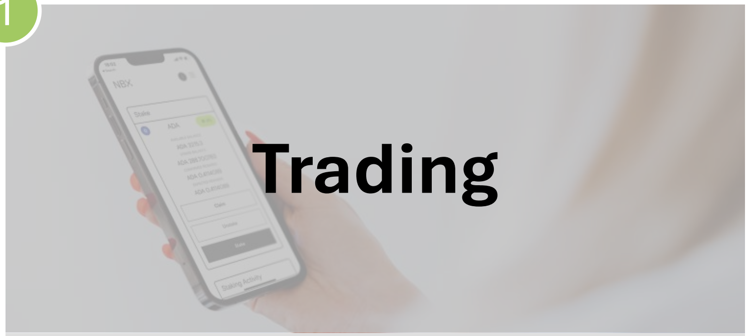
86% growth in issued credit cards last 6 months

32% growth in verified users from end 2023 to H1 2024

Main areas

NBX will move forward with three focus areas, each with different potential

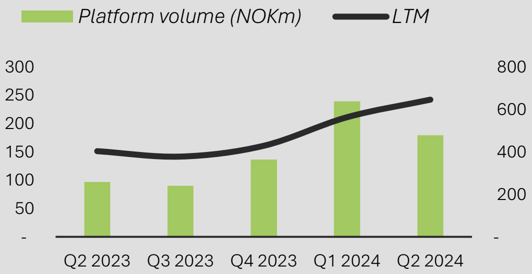
1



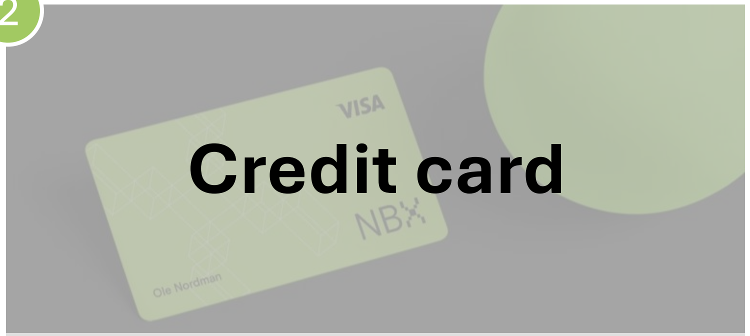
Trading

A cryptocurrency trading platform that allows users to buy, sell and trade various cryptocurrencies, providing a user-friendly interface for both beginners and experienced traders

- 94 000 registered users
- 37 000 verified users
- 28.5% growth in new registered users from H2 2023



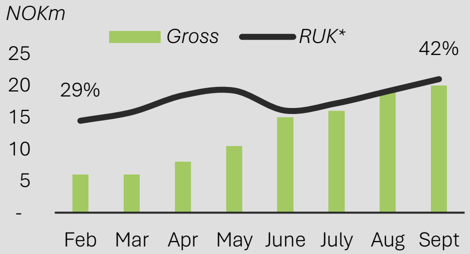
2



Credit card

The NBX Visa credit card is a unique credit card that offers rewards in the form of bitcoin. Earn bitcoin on purchases, exchange it for NOK, or other crypto-currencies on the platform, or simply hold it. First of its kind globally and popular among early adopters

- 1 600 issued cards (as of H1 2024)
- Bitcoin cashback feature at 1% to 4% depending on community engagement and trading

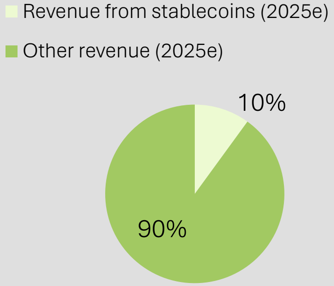


3

Stablecoins

Partnering with Moneta, NBX is soon an issuer of the USD stablecoin USDM in the European Union which is a cryptocurrency that is designed to have a consistently stable price and is fiat-collateralized

- The first fully reserved, fiat-backed stablecoin on the Cardano blockchain - one of the biggest cryptocurrencies in the world in terms of market capitalization



*Revolving Utilization of Credit

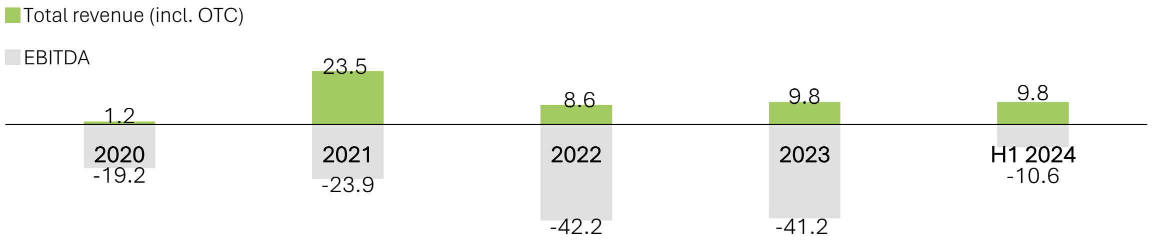
NBX is a financial services company that specializes in developing digital asset-based products

Making the world of digital assets accessible to everyone while being committed to reliable, secure and innovative services enabled by crypto such as the first credit card with bitcoin cashback globally

About the company

- HQ in Oslo, Norway
- 13 employees
- Established in 2018
- Digital assets and crypto economy

- NBX is registered with the Norwegian Financial Supervisory Authority (Finanstilsynet) and has been publicly listed on Oslo Stock Exchange Euronext Growth since 2021.
- In 2024, NBX obtained an E-money license and became a regulated Virtual Asset Provider in Norway, ensuring full compliance with MiCA and readiness for future regulations.
- Since 2020, NBX has achieved a trade volume of NOK 2.5bn and were ranked 4th on Hoptrail's anti-money laundering and terrorist financing risk board in 2023.



Key strategic focus areas going forward to increase revenue

Trading platform - maximizing value from existing products and services

- The number of unique users increased ~28% from H1 2023 to H1 2024 and NBX has reached ~94 000 registered users.
- +108% increase in volume from H1 23.
- Strategic growth by enhancing marketing to attract retail and family office users.

Goal to maintain volume growth short-term

The NBX Visa Credit Card – further plans to ramp up issuance

- Soft launch in Q3 2023 while gathering credit metrics.
- ~1 600 issued cards as of H1 2024.
- Innovative Bitcoin cashback feature of 1-4% depending on trading and community engagement.
- Increased marketing and distribution partnerships in the Nordic countries and Europe, adding insurance products.

Goal of ROE 15%

Stablecoins

- Increased focus on new, cost-effective and capital-light initiatives such as the partnership with Moneta to issue the USDM stablecoin in the EU.
- USDM is the only fiat-backed USD stablecoin on the Cardano blockchain, uniquely positioned for adoption and generating revenue from interest on custodial funds.

10% of 2025e revenue

An experienced corporate management team and an active board with a proven track record of successfully driving scale-ups

Management

Stig A. Kjos-Mathisen - *CEO*

- Stig is a former Norwegian Special Forces operative with 12 years of experience. He co-founded NBX after leading manpower planning at Norwegian Air Shuttle and holds a Master's in Finance from BI Norwegian Business School and HEC Lausanne. Stig also serves on the board of the Norwegian Computer Society's Blockchain group.

Nicolai Lunde - *CFO*

- Nicolai joined from Kistefos, previously serving on the Board of Morrow Bank ASA and its Audit and Risk Committee. He was Head of Analysis at Bank Norwegian, focusing on risk management, and has worked in consultancy at EY and as an Analyst at Nordea. Nicolai holds an MSc in Corporate Finance from Cass Business School and an MA in Business from Heriot-Watt University.

Trond Pettersen – *CRO & CCO*

- Trond has >20 years of experience in the finance industry, starting as a software developer. He has expertise in internal control, risk management and compliance, having served as Quality and Security Manager for VPS and CCO for Euronext Securities Oslo. Trond holds a MSc in Industrial Economics and Computer Science from NTNU.

Alex Karpov - *CTO*

- Alex is a skilled software engineer and technology leader with >15 years of experience. Before joining NBX, he led technical teams at Bisnode, Real Audience, and SoftServe, focusing on digital advertising, analytics, and healthcare projects. He holds a MSc in Control Automation Systems from Dnipro National University.

Inna Romanenko - *Chief AML Officer*

- Inna has deep knowledge and experience within the AML field. She has worked in Rietumu Bank, a large commercial bank in Latvia, serving corporate clients and wealthy individuals. She also has MSc in Finance and CAMS certification, which is recognized as the gold standard in AML by governments and regulators worldwide.

The Board of Directors

Nils Kristian Sundling - *Chairman*

- Nils Sundling has a background in Norway's banking and financial sector, where he led the launch of the country's first internet bank, NOR 24. He later served as CEO of C3 and, over the past 15 years, has been an investor and founder, leading the BPO company Runway and founding the dentist chain "Tannfeen." He is currently a board member of Ideco Group.

Bjørn Kjos - *Member*

- Bjørn Kjos, founder of Norwegian Air Shuttle, served as CEO from 2002 to 2019, growing the airline into Europe's third and the world's fifth-largest low-cost carrier with around 170 aircraft. He also co-founded Bank Norwegian. Before his airline career, Kjos was a lawyer admitted to the Supreme Court of Norway.

Rony Solaiman - *Member*

- Founder of PLAY Capital, a crypto and software-focused venture builder. Since 2010 Rony has served as a lawyer and general counsel in various law firms and investment funds specializing in technology and finance. Rony holds a Master of Law from the University of Oslo.

Vahid Toosi - *Member*

- Vahid Toosi is a serial entrepreneur with experience in retail and product development. He has started several companies in the blockchain sector and therefore has first-hand knowledge and understanding of the industry and its potential for society.

Anne Helene Kjos-Mathisen - *Member*

- Anna Helene Kjos-Mathisen represents the second-largest owner of NBX through Nye KM Aviatrix Invest AS and personal ownership. She is a professional investor. With 12 years of experience in commercial aviation, Anna has worked as a pilot and handled crew recruitment at Norwegian.

Vegard Kristiansen - *Member*

- Vegard is the Founder and CEO of TechHedge Labs, where he leads the company's strategic direction and oversees its expansion in the technology sector. With a deep understanding of data, economics and physics, he was also an early Ethereum and Filecoin investor.

User friendly and secure retail & business platform, in addition to personalised OTC trading service for larger and more specialized orders

Seamless large-scale trades via a professional OTC desk

- **Focus on strategic growth** by enhancing marketing and listing more coins to attract retail and institutional users to the trading platform or OTC services (block trades).
    - *Competitors lack business services, e-money licenses and public listing transparency. NBX was chosen by Norges Bank for its cross-border payments project with the Bank for International Settlements after an extensive evaluation.*
- **NBX supports multiple cryptocurrencies**, including Bitcoin (BTC), Ethereum (ETH) and other digital assets.
- **The platform aims to ensure liquidity** for transactions, making it easier for users to execute trades, even for larger amounts, without significant price slippage.
- **NBX facilitates efficient trades** by tapping directly into the market rather than relying solely on order books, allowing for faster and potentially more favorable transactions.
- **NBX emphasizes security**, incorporating features like two-factor authentication, cold storage for digital assets and compliance with Norwegian financial regulations.
- **Core services** like custody, tokenization and AML will remain key, with expected growth as institutional interest in digital assets rises.

Goal to maintain volume growth short-term

NBX's trading platform is designed to offer a secure, efficient, and user-friendly experience for individuals looking to engage in cryptocurrency trading

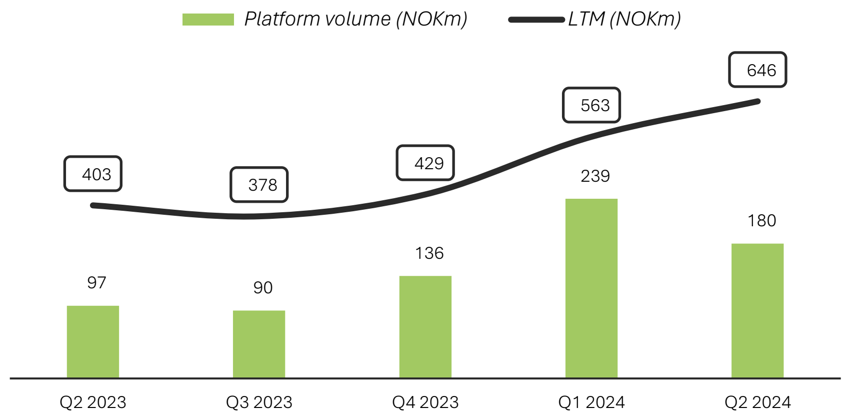
94 000
Registered users

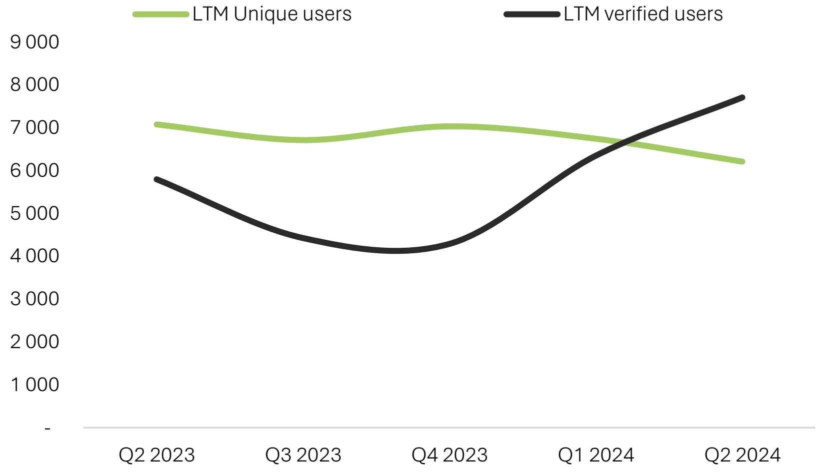
37 000
Verified users

NOK 419m
Total platform volume H1 24

+108%
Increase in volume from H1 23

Increased conversion of users with increased trading activity

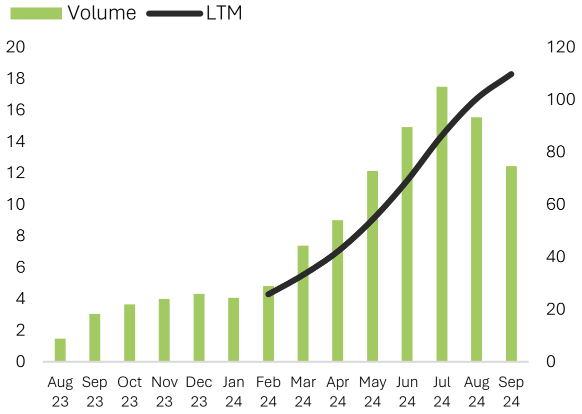




A unique credit card that offers rewards in the form of bitcoin to its users

Strong volume growth with no marketing – lean organization enables high profitability

1. **>1 600**
   issued cards (H1 2024)
   (pilot phase - low marketing effort)
2. **6 000 - 8 000**
   issued cards to reach break-even
3. **ROE of ~15-18%**
   mid-term goal
4. **78%**
   of issued cards active
5. **42%**
   of these revolving
6. **232k**
   transactions
7. **NOK 120m**
   volume processed
8. **3%**
   loan loss provisions since inception



Starting with low credit limits to gather customer credit data

Use data to assess payment behavior and increase limits for reliable customers

Ramp up card issues through new distribution partners

1-4% in bitcoin cashback when shopping with NBX Visa credit card with user bonus system and shareholder level upgrade

Major distributors partners like LOAX and agents enables NBX's expansion to other Nordic countries

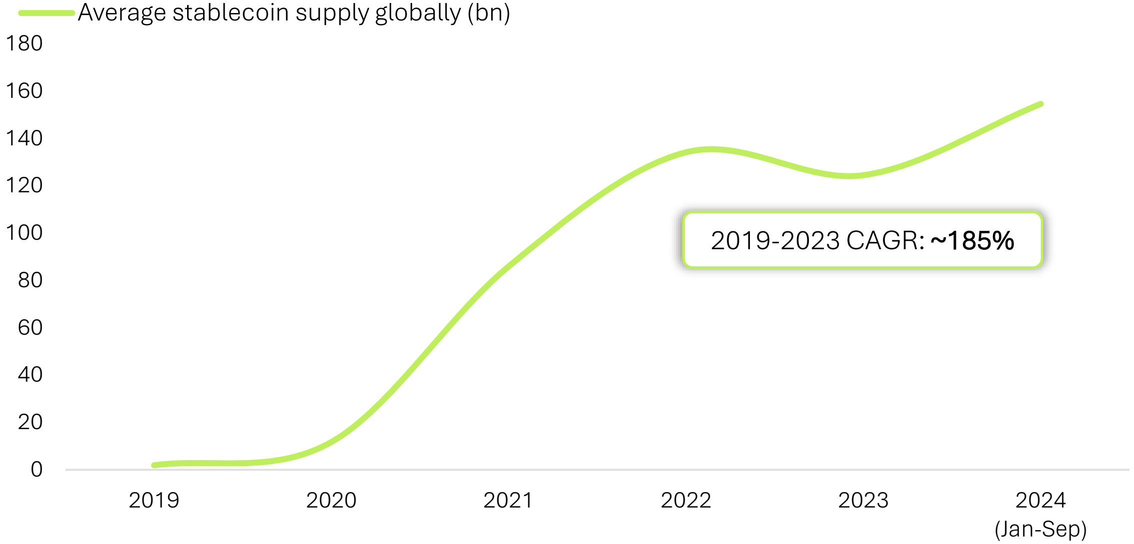
No annual fees, NOK 20 000-50 000 starting credit and option to refer new customers to NBX

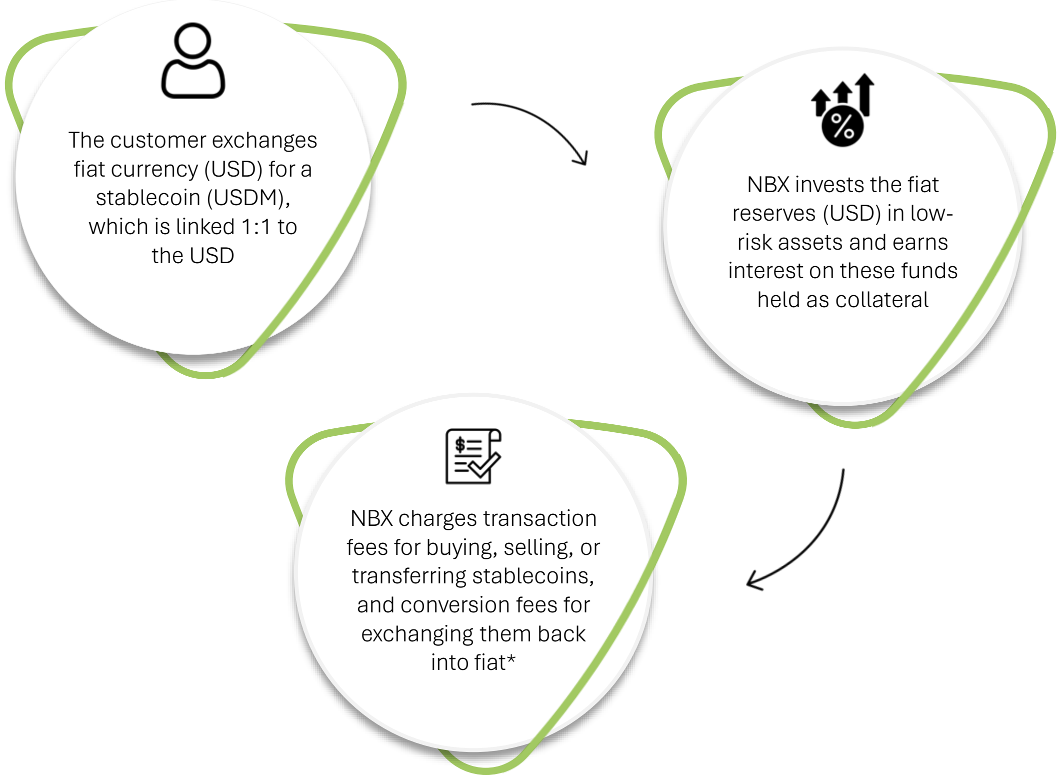
Nordiska and Dun & Bradstreet provide credit lines and credit policies on behalf of NBX

Generating revenue from interest on funds in custody-backed stablecoins

USDM drives NBX growth and revenue

- NBX has recently introduced the fast-growing stablecoin business to its product offering through an exclusive agreement for issuing USDM in the European markets.
- The company is aiming to issue its first USDM in Europe in December, pending approval from Finanstilsynet.
- Stablecoins are used as hedges against the highly volatile cryptocurrency market and for decentralized loans or loans on the blockchain.
- In addition to transaction fees, NBX will earn interest on funds held as collateral on behalf of its clients.
- With a soft introduction, ~10% of NBX 2025 revenue is expected to come from stablecoins.





The market of stablecoins

- The most popular stablecoin worldwide is Tether (USDT), launched by the company Tether Limited in 2014. Tether has become the largest cryptocurrency in terms of trading volume, commanding 70% of the market share, surpassing Bitcoin in 2019.
- Tether Limited outperformed Goldman Sachs and Visa in Q2 2024, reporting a profit of USD 5.2bn for the first half of the year, with a net equity of USD 11.9bn.
- With the increased adoption of stablecoins in Europe and among institutions, NBX sees great potential in the business model of stablecoins.

Fees are only applied when exchanging to currencies other than USD

NBX is the first cryptocurrency exchange in the Nordics that has received start-up permit for a license as an e-money institution

NBX is committed to adhering to strict regulatory standards...

MiCA - a comprehensive legal framework for the cryptocurrency and digital asset markets (EU)

- MiCA establishes safeguards for consumers who invest in crypto-assets, aiming to protect them from fraud, market manipulation and operational risks.
- Specific rules for stablecoins, ensuring they maintain stable value and are backed by sufficient reserves.
- Required to obtain licenses and subject to regulatory oversight by EU authorities and enforces strict anti-money laundering (AML) rules.

NBX can expand its market reach through cross-border operations as an e-money institution

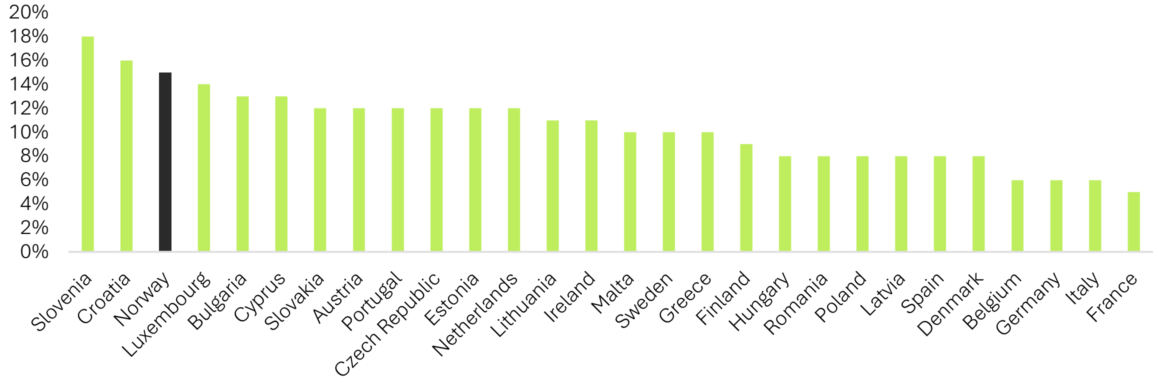
- NBX's status as an e-money institution allows it to operate across the European Union, enabling cross-border financial services.
- As an e-money institution, NBX can offer additional financial services that might be restricted to traditional financial entities such as fiat backed crypto loans.
- Opportunities to access emerging markets with growing crypto adoption, while complying with both national and EU regulatory standards.

Persistent historical challenges around money makes Bitcoin relevant[1]

1 Prone to **inflation and debasement** given a non-fixed supply	Fixed maximum supply of **21 million units**, with supply growth declining every 4 years
2 **Difficult to transact** across boarders	Digitally-native and borderless permitting **near-instantaneous global transfers of value**
3 **Access limited** to one's particular country; controlled by central authority	First truly **open-access** global monetary system

...in a rapidly evolving cryptocurrency industry[2]

Population of selected European countries investing in crypto (2023)



Opportunities arise with the global movement of stablecoins on blockchain networks[3]

USD 20.6tn
Total transaction volume
across public blockchains globally in the last 12 months

3.7bn
Total transaction count
across public blockchains globally in the last 12 months

USD 147bn
Average supply
across public blockchains globally in the last 12 months

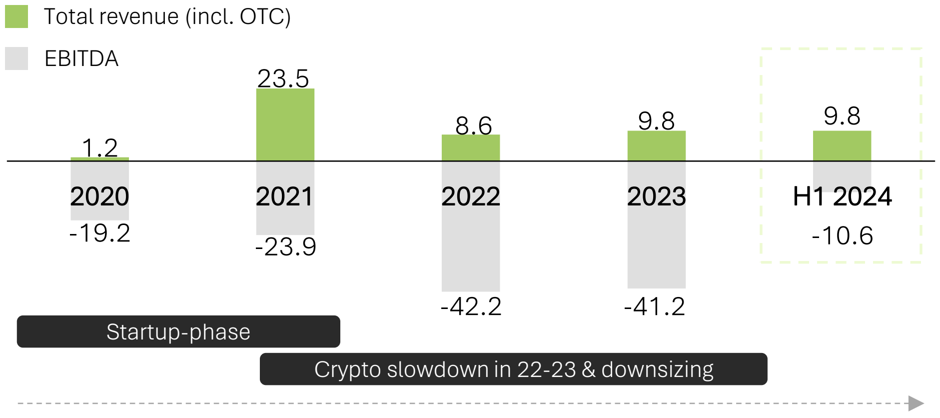
187.1m
Total Active Unique Addresses
across public blockchains globally in the last 12 months

Source: [1]BlackRock, [2]The World Economic Forum, [3]Visa

Predicted high growth in income with increased trading volume and issuance of credit cards and stablecoins

Revenues

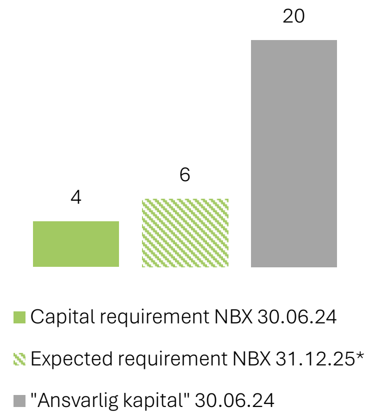
Historical figures (NOKm)[1]



Key numbers

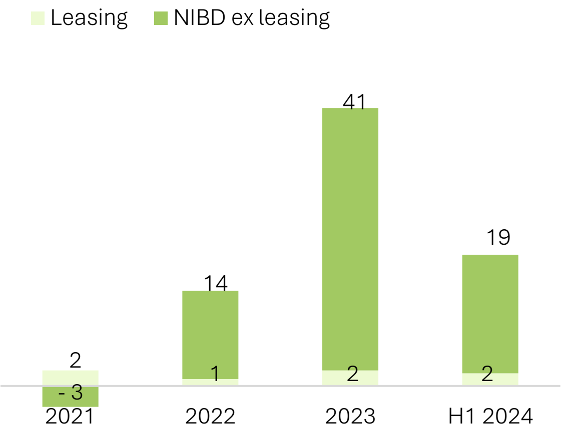
- CAGR 2019 to 2023: **239%**
- Adjusted EBITDA H1 2024: **~NOK -6.1m**
- Total platform and OTC volume increased **154%** from H1 2023 to H1 2024
- Break-even is projected at **6 000** to **8 000** issued **credit cards**
- Significant investments in place, low ongoing cost going forward
- Normalized opex of NOK 1-1.5m / month

Capital requirement (NOKm)



Equity (NOKm)

NIBD[2] (NOKm)



Comments on financial performance

Increase in revenue

- Further growth on trading platform and contribution from cards.
- In 2025, 10% of revenue will come from cost-effective, capital-light stablecoins.

H1 2024

- Total income came in at NOK 9.8m as at H1 2024 (incl. OTC).
- Among operating expenses, NOK 4m were one-offs.

Growth and strategic partnerships

- Strong customer acquisition momentum.
- Ongoing discussions with several large partners in the EU/Nordics.

Convertible debt and options

- **1 839 795** options whereas the management holds **972 523** of them
- **NOK 25.9m** in convertible debt
  - **NOK 1.4** will be settled by use of proceeds from the Rights Issue
  - **NOK 3.6m** fall due between June and August 2025
  - **NOK 20.9m** falls due on 22 November 2026

NBX

*(1)Revenues include OTC (financial income), (2)Majority of NIBD are convertible loans to shareholders, *Based on expected growth*

Key value proposition going forward

- NBX is positioned for growth with investment and development costs already taken out
- Solid credit card metrics indicate a highly profitable credit card ramp-up
- Opportunistic approach in an evolving industry, with stablecoin issuance as a key business area moving forward

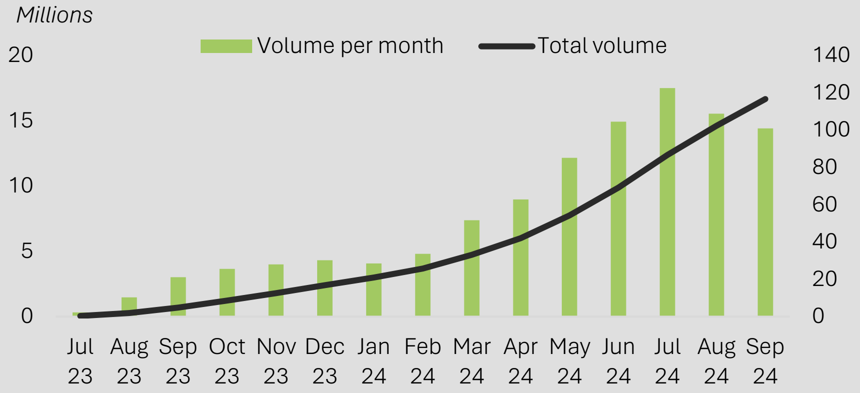
Norwegian Block Exchange

Arnstein Arnebergs vei 30
1366 Lysaker
Norway

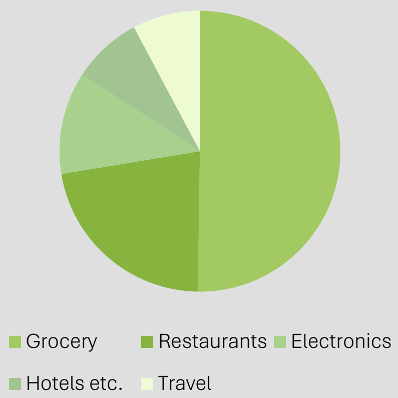
Appendix I

Selected credit metrics after 12 months of pilot phase

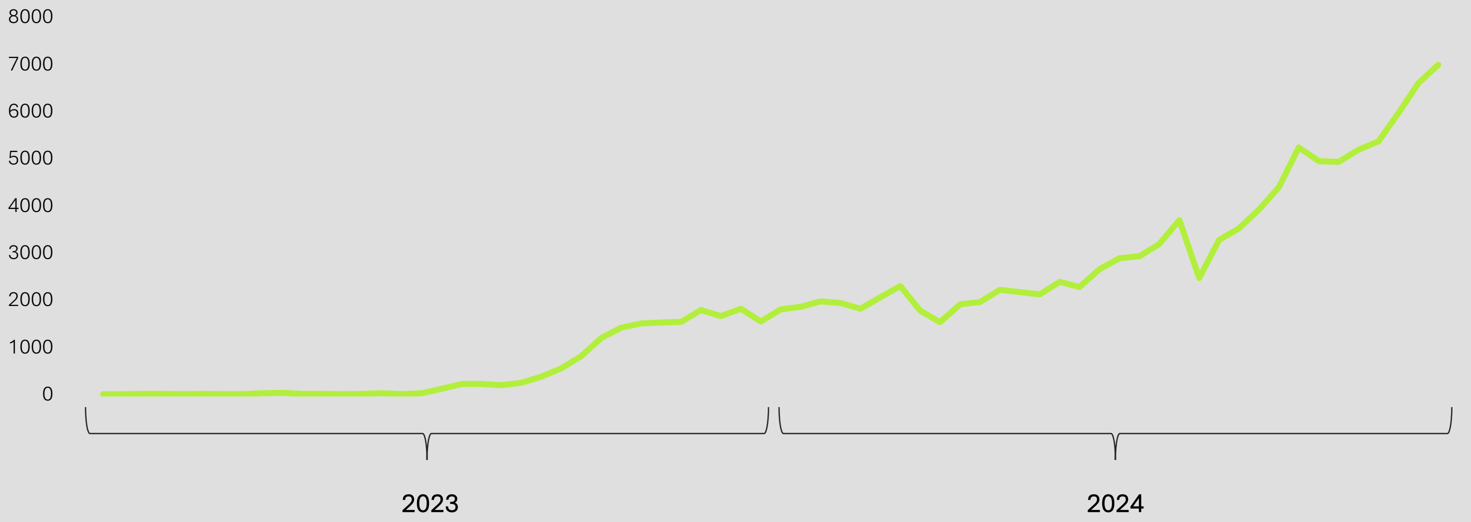
The NBX Visa credit card spending

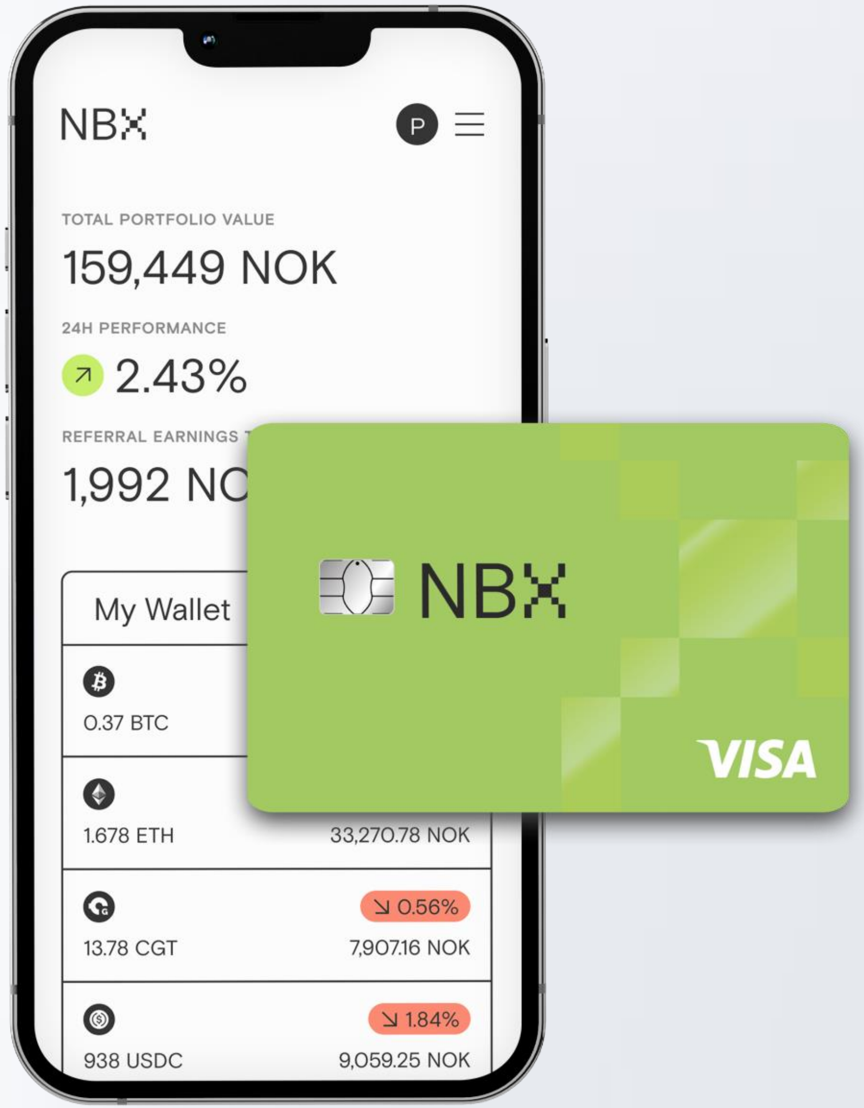


Spending category



Development in weekly volume





Appendix II

Historical income statement and balance sheet

Income statement

NOK thousand	2021	2022	2023	H1 2024
Revenue	84	1 221	2 486	2 127
Other income	7 742	5 502	5 400	4 532
Operating income	7 826	6 723	7 886	6 657
Employee benefits expense	16 134	20 714	13 906	5 635
Depreciation and amortisation expenses	1 751	1 605	3 819	1 575
Write down on tangible and intangible assets	30	4 449	- 136	
Other operating expenses	32 152	25 585	19 064	11 093
Operating expenses	50 066	52 353	36 653	18 304
Operating profit	- 42 241	- 45 630	- 28 767	- 11 647
Other financial income	15 680	1 851	1 925	3 155
Net financial items	11 238	- 329	- 402	- 592
Operating result before tax	- 31 002	- 45 959	- 29 170	- 12 239
Tax on ordinary result	- 6 821	- 10 111	- 6 416	- 2 693
Operating result after tax	- 24 182	- 35 848	- 22 753	- 9 546
Net profit or loss	- 24 182	- 35 848	- 22 753	- 9 546

Balance sheet

NOK thousand	2021	2022	2023	H1 2024
Research and development	44 545	49 922	54 039	56 183
Concessions, patents, licences, trademarks, etc	1 662	1 637	1 587	1 562
Deferred tax asset	17 888	27 998	34 415	37 107
Lease right of use	2 323	995	2 426	1 964
Equipment and other movables	537	371	149	125
Investments in subsidiaries	30	30	30	30
Loan to group companies			95	
Other long-term receivables			164	164
Accounts receivables	15	742	656	901
Receivables from group companies	418	103	55	143
Other receivables	1 022	803	974	3 173
Payments to be received from owners		26	10	
Other financial instruments	21 702	12 086	8 763	11 959
Cash and own deposits	3 375	3 705	399	946
Customers deposits	50 093	17 074	16 899	19 921
Total assets	143 609	115 492	120 660	134 180
Share capital	51 917	54 596	54 596	82 226
Share premium reserve	92 116	106 563	106 563	107 195
Restricted equity	- 2 706	- 2 706	- 2 706	- 2 706
Loss brought forward	- 60 732	- 96 580	- 119 333	- 115 230
Total equity	80 596	61 874	39 120	71 485
Leasing obligations	2 468	1 097	2 449	2 005
Convertible debt	-	17 550	41 750	19 637
Liabilities to financial institutions	89	74		
Trade creditors	3 878	1 281	3 824	3 717
Public duties payable	2 731	1 691	1 597	1 555
Other short term liabilities	3 755	14 911	13 812	16 540
Customers funds	50 093	17 014	18 109	19 240
Total liabilities	63 014	53 619	81 540	62 695
Total equity and liabilities	143 609	115 492	120 660	134 180

Risk factors I

1. RISK FACTORS

Investing in the Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Presentation. The risks and uncertainties described below are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialise, individually, cumulatively, or together with other circumstances, it could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The risks and uncertainties described below are not the only risks the Company may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on the Group's business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

Additional risks not presently known to the Company or that the Company currently deems immaterial, may also impair the Group's business operations and adversely affect the price of the Shares. The risks mentioned herein could materialise individually or cumulatively. The information herein is presented as of the date hereof and is subject to change, completion or amendment without notice.

1.1 Risks related to the Group and the industry in which the Group operates

1.1.1 The Group is targeting rapid growth which may put pressure on its organisation and resources and the Group may not be able to implement its business strategy successfully, reach its strategic objectives or manage its growth effectively

The strategy of the Group is to become a full-service provider for digital assets, with payments, trading, saving, borrowing and lending. As the Group's development and commercialization plans and strategies for its services continue to develop, it may need additional managerial, operational, sales, marketing, financial and other resources, which may not be available on terms considered acceptable to the Group or at all. The Group's business and financial condition will be dependent on its ability to manage future growth effectively.

Further, the Group’s ability to implement its strategy and achieve its objectives is subject to a variety of factors, many of which are beyond the Group’s control. The Group’s success will, inter alia, depend upon the Group’s ability to expand the NBX platform functionalities as a full-service provider for digital assets and increase value and the quality of the Group’s existing and future offerings and adapt these successfully to the needs of its users.

There can be no assurance that the Group will actually be successful in achieving and realizing its development and commercialization plans, and its contemplated upscaling of operations. In addition, there can be no guarantee that even if the Group were to successfully implement its strategy, it would result in the Group achieving its business and financial objectives. The Group may decide to alter or discontinue elements of the Group’s business strategy and may adopt alternative or additional strategies in response to the Group’s operating environment, regulatory requirements or competitive situation or other factors beyond the Group’s control. However, there is no guarantee that such revised strategies will be successfully executed. If the Group is unsuccessful in executing its growth strategy or if the Group fails to manage its growth efficiently, this could have a material adverse effect on the Group's business, financial condition, and operating results, cash flow and/or prospects.

1.1.2 The Group's business plan depends heavily on revenues from a fast-growing technology that is dependent on market acceptance, familiarity and reputation

The Group's success in pursuing market opportunities as an exchange and custodian for virtual currencies is dependent on convincing the markets of its technology and services, as well as the Group's ability to develop and adapt its technology and deliver services which meet market demand and acceptance, at profitable pricing.

Notwithstanding the Group's efforts to convince the market of the soundness of its technology and services and its adaptability, the Groups is also dependent on the reputation of cryptocurrency and blockchain markets in general. Widespread failures by competitors, violation of laws, lack of cybersecurity, bankruptcies or commitments of fraud may lead to a perception by the public that trading in cryptocurrency is unsecure or that the technology is irrelevant, not working or not user friendly, etc. Such damage to the reputation of the market in which the Group operates may in turn lead to a damage of the Company's market reputation, reduce its market share and cause a decline of consumers and corporations using cryptocurrency in their common transactions, which in turn could have a material adverse effect on the Group's business, financial condition and operating results.

1.1.3 The Group may not pay any dividends in the foreseeable future

As of the date of this Presentation, the Group is still in a development phase, not generating a profit and is not in a position to pay any dividends. There can be no assurance that the Group will achieve profitability or that the Group, in any given year, will propose or declare dividends.

The Group may also require additional capital in the future pursuant to its business plan, due to unforeseen liabilities or other circumstances in order for it to take advantage of opportunities that may be presented to it. Further, negative developments in the costs of the Group may lead to a strained liquidity position and the potential need for additional funding through equity funding, debt financing or other means, and the Group may not be able to obtain necessary funding in a timely manner and/or on acceptable terms. If funding is insufficient at any time in the future, the Group could be forced to delay, limit, reduce or terminate its development and commercialization efforts, and further may not be able to take advantage of business opportunities, respond to competitive pressures or other commercially reasonable efforts to secure growth, any of which could adversely impact the Group's results of operations, cash flow and financial condition.

1.1.4 The Group is exposed to high competition from providers of similar products and new entrants in the market

The Group operates within the cryptocurrency and blockchain markets which are new, highly fragmented and subject to continuous, dynamic and technological changes. With an increased focus on cryptocurrency issues the recent years as well as the rapid development of new technology, the market has also experienced an increase in the number of players and consequently, an increase in the competition. The Group expects that the competition will intensify in the future in terms of competitors introducing new products or improve existing products. The Group may face competition from not only providers of cryptocurrency exchange and similar trading platforms (e.g. Firi, eToro, Binance, Bitruption, etc.), but all parties whose business is related to digital currency and blockchain technologies, as well as domestic and international banks. There can be no assurances that the Company will be able to maintain a competitive position or to meet changes in the market. New competitors or more direct competitors may reduce the demand for the Company’s products, and consequently adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects.

1.1.5 The Group may not be able to attract new customers/users or retain existing customer

The Group's success depends on its ability to attract new customers, and to procure additional orders from existing customers, and any failure to do so may have a material adverse effect on the Group's business, financial condition and prospects. The number of existing and new customers trading cryptocurrency in the NBX platform in a given period may decline or fluctuate for a number of reasons, such as dissatisfaction with the Group's offerings, solutions or support, perception that competing services are better or that there are less expensive exchange platforms on the market. Users may choose competing products and services over those of the Group due to factors such as ease of adoption and use, security and transparency, supported currencies, available payment methods and overall reliability of the Group’s offerings compared to other alternatives available with a competing content.

The Group focuses on ensuring that the products and services are secure, reliable and engaging and offer competitive prices in an increasingly crowded and price sensitive market, however there can be no assurance that such measures will enable the Group to retain current customers or attract new customers. Even if the Group manages to continue expanding its customer base, the Group may not generate increased revenue from such new customers. Any decline in the Group’s number of customers, existing customers investments and trading, may have a material adverse effect on the Group’s business, financial condition, results of operations, cash flow and/or prospects.

Risk factors II

1.1.6 The Group is reliant on key personnel and the ability to attract and retain qualified personnel

The Group has a lean organisation and is dependent upon having a highly qualified team. This includes being able to retain and attract qualified personnel, in particular certain IT professionals with expertise within information security and privacy or with product or engineering skills required to sustain and develop the Group's innovative and creative products. There is no assurance that the Group will be able to retain and/or recruit the required key personnel, including IT professionals, in the future. Any failure to retain or attract such personnel could result in the Group not being able to successfully implement its business plan which could have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects. The current shortage of and competition for relevant management personal and highly qualified IT professionals with experience and relevant skill sets, is expected to continue in the upcoming years. The loss of one or more key persons, or the inability to recruit relevant personnel, might impede the achievement of the Group's development and commercial objectives.

The Group's employees are not subject to restrictive covenants such as non-compete or non-solicitation undertakings in their employment agreements, and the Group's competitors may therefore be successful in recruiting and hiring one or more key persons, including members of the Group's management personnel, and it may be difficult for the Group to find suitable replacements on a timely basis, on competitive terms or at all. Further, the Group's key personnel may also establish competing business considering the lack of restrictive covenants.

1.1.7 Risks related to dependency on third party service providers and interruptions in services provided by such third parties

The Group has entered into partnership with Sparebanken Vest regarding holding of client funds. The Company is exposed to the risks of losing critical bank relationships, i.e. bank accounts to provide inter alia custodial services and client funds. The loss of current banking partners or the imposition of operational restrictions by these banking partners and the inability to utilize other redundant financial institutions may result in a disruption of business activity as well as regulatory risks. Thus, the Group has established several bank relationships in order to limit the risk. However, there can be no assurances that third parties currently providing services to the Group or its customers on the Group's behalf will continue to do so on acceptable terms or at all.

The Group has also outsourced certain tasks to third parties, including but not limited to cloud computing services and data centers and marketing functions. In the event that the current outsourcing to third parties, are terminated or the Group's outsourcing partners are unable to fulfil their obligations, there is a risk that the Group may experiences unsatisfactory service levels or even disruptions in its business-critical services and operations, and the Group may be unable to locate new outsourcing partners on economically attractive terms or at all. In the event that the Group, for any reason, is unable to locate a new outsourcing partner at acceptable terms or suffers delays in this process, the Group may be forced to carry out the currently outsourced tasks on its own or the Group may not be able to carry out such task at all, which may have an adverse effect on the costs of the Group's business and, thus, its financial condition and cash flow.

1.1.8 The success, competitive position and future revenues of the Group will depend in significant part on the Group's ability to protect intellectual property and know-how

The Group relies heavily on unregistered intellectual property, and the Group's business and business strategy are tied to its intellectual property rights. No assurances can be given as to the adequacy of the protection of the Group's intellectual property rights. The Group operates in business segments that makes it dependable on software, hardware, copyright, trademark, industrial design, trade secret and other related laws and confidentiality procedures and contractual provisions to protect, maintain and enforce its proprietary technology and intellectual property rights and will rely on such in all jurisdictions where it will operate in the future. The Group's failure to process, obtain or maintain adequate protection of its intellectual property rights for any reason in foreign jurisdictions, as well as in Norway, may have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects.

1.1.9 The Group uses information technology systems to conduct its business, and disruption, failure, undetected errors or security breaches of these systems could materially and adversely affect its business and results of operation

The Group's ambition is to offer its segment broader solutions through the use of modern and efficient IT systems and processes. The Group's technological platform comprises internally developed systems as well as third party solutions and the Group will therefore rely heavily on both internal processes and systems as well as processes and systems delivered or hosted by third parties. Thus, the Company is exposed to the risk of failure, undetected errors or defects, disruption or inadequacy in these systems, related processes or interfaces, including the risk of fraud and other criminal acts carried out against the Group.

The business is dependent upon accurate and efficient processing and reporting of a high volume of complex transactions across numerous and diverse products and services. Any weakness in these systems or processes could have an adverse effect on the Company's results and on its ability to deliver appropriate customer service levels during the affected period.

There can be no assurance that the risk controls, loss mitigation and other internal controls or actions that are applied by the Group could help prevent the occurrence of a serious disaster resulting in interruptions, delays, the loss or corruption of data or the cessation of the availability of systems. Furthermore, risk management methods may rely on estimates, assumptions and information that may be incorrect or outdated. If the risk management is insufficient or inadequate, this could have a material effect on the Company's results and reputation.

Further, any future changes in regulatory or operational requirements may imply material changes to the Group's IT systems and processes and could further lead to a change in the systems and solutions provided to the Group by its third-party providers. Such changes may be costly and/or may interfere negatively with other systems and/or processes and may adversely affect the Company's ability to deliver needed functionality and/or services, which in turn could adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects.

1.1.10 The Group may not be sufficiently prepared to manage cyber threats that have the potential to significantly disrupt the Group and its customers' products and services

Due to its reliance on digital solutions and interfaces, the Group is exposed to risk of cyber-crime. The nature of cyber-crime is continually evolving, and cyber-crimes are increasing in frequency, persistence and sophistication. The Group relies in part on commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of confidential customer information, such as personal identifiable information, personal financial information, etc. It further relies on third parties for hosting and servicing. Despite the security measures in place and the focus on creating a reputation as a secure trading platform, the Group's facilities and systems, and those of its third party service providers, designated to protect the data managed by the Group, may be vulnerable to cyber-attacks, security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors. Consequently, no assurance can be made that these security measures will provide absolute security or prevent breaches or attack. If one or more of such events occur, any one of them could potentially jeopardise confidential and other information related to the Group, its customers and its counterparties.

Further to above, the Group has previously experienced cyberattacks that, in the Company's opinion, was dealt with in a satisfactory manner by the Group. However, there can be made no guarantees that the Group will not be subject to similar or even more comprehensive attacks in the future and that the Company will be able to respond to and deal with such future attacks in a successful manner that prevents the attackers from retrieving any information about the customers, the business and operations or otherwise of the Group. Hence, the Group can make no guarantees that the Group will not suffer from economical loss, reputational harm or otherwise in the future due to potential future cyberattacks. Any security breach involving the misappropriation, loss or other unauthorised disclosure of confidential information, whether by the Group or its vendors, could damage the Company's reputation or brand, reduce the customer's confidence in crypto economy, result in the Group's systems or services being unavailable, expose it to regulatory scrutiny, investigations, litigation, increased capital requirements or sanctions from the Norwegian Financial Supervisory Authority, disrupt its operations or affect the Company negatively in other ways, hereunder that the Company may also be required to spend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures.

1.1.11 The Group's insurance coverage may prove insufficient as the Group does not carry any general liability or business interruption insurance policies

The Group has insurance coverage which is deemed satisfactory by the Company in light of its current operations. However, the Group does not carry any general liability or business interruption insurance policies, as such insurance policies are not available to the Group on attractive terms. Thus, no guarantee can be given that the Group will be sufficiently insured against any potential claims or that the Group's existing insurances will be sufficient in light of any expansion of the Group's activities. In the event the Group's insurance should prove insufficient with respect to a claim, such insufficiency may have a significant adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects.

Risk factors III

1.2 Risks relating to the Group's financial position

1.2.1 The Groups is relying on the Rights Issue to satisfy its immediate needs for working capital

The Company is of the opinion that the working capital available to the Group is not sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus. Unless additional capital is raised through the Rights Issue, the Company expects that it may not be able to satisfy its liabilities as they fall due during Q4 2024. If the Rights Issue is unsuccessful or fails to raise minimum MNOK 6, the Group may be unable to fund its current and ongoing commercial activities, lose business opportunities or be unable to respond to competitive pressures, which could have a material adverse effect on the Group's business, revenues, profitability, liquidity, cash flow, financial positions, prospects and/or the Group's ability to continue as a going concern. The limited working capital also increases the Company's vulnerability to operational disruptions or unfavourable market conditions, which could have a material negative impact on its financial performance and overall viability.

1.2.2 Risk related to the Company's liquidity, that capital in the future may not be available on attractive terms, or at all

The Company is at a development stage and has not generated positive cash flow from its operations. The Group expects to continue to have negative operating cash flow going forward. Thus, at current, the Company is dependent on access to sufficient liquidity on acceptable terms in order to be able to meet its obligations as they fall due. Furthermore, the Company would as a cryptocurrency exchange be dependent on sufficient funding in order to carry out its business. This liquidity risk is inherent in the Company's operations and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding, or changes in credit ratings or markets. It cannot be ruled out that the Company may need to obtain additional capital in the future, e.g. due to reduced margins, operational losses above expectations, growth above expectations, expansion, or other factors affecting its capital adequacy and/or stricter capital adequacy requirements. Such capital, whether in the form of subordinated debt, hybrid capital or additional equity, may not be available on attractive terms, or at all. Further, any such development may expose the Company to additional costs and liabilities and require it to change the manner in which it conducts its business or otherwise have a material adverse effect on its business, financial condition, results of operations, cash flow and/or prospects. The Company has issued convertible loans to investors and existing shareholders, and the Company may face liquidity risks if it is unable to meet the debt obligations at maturity, which could necessitate additional capital raising or refinancing. Failure to manage these debt obligations effectively may have an adverse impact on the Company's financial position, cash flow, and ability to execute its business strategy. In addition, conversion of the loans and the other outstanding convertible elements to equity could result in dilution for existing shareholders.

1.2.3 Risks related to market price and volume fluctuations

The Group is exposed to market risks in the form of price fluctuations related to cryptocurrency held by the Company and mitigates this risk by hedging the positions. This strategy still exposes the group to counterparty risk for the hedging. As per the end of 2023, the net exposure for the hedging held by the Company was approx. NOK 2.2 million. The key source of income for the Group is transaction fees on the platform in connection with purchase, sale and trading of crypto assets.

NBX Capital AS (wholly-owned subsidiary of the Company) is responsible for providing liquidity and competitive spreads in the traded currency pairs. For this, a working capital in crypto currencies is needed. Any declines in volume and/or price of crypto assets may result in lower total revenue to the Group. These factors are unpredictable and outside the Group's control. No assurances can be made that the supported crypto assets will maintain their value.

Furthermore, the Company's reporting currency is Norwegian kroner (NOK), but the Company receives income and accrues expenses in foreign currency including but not limited to SEK, DKK, EUR and USD. The Company is therefore exposed to foreign exchange risk with respect to the value of NOK against other currencies and changes in exchange rates may have an adverse effect on the Company's revenues and financial condition.

1.3 Risks relating to laws and regulations

1.3.1 The Company's license as an electronic money institution may be withdrawn, and the Company is subject to Norwegian provisions on ownership control and capital adequacy

The Company is registered with the Norwegian Financial Supervisory Authority as an exchange and custodian for virtual currencies in Norway and has obtained license as an electronic money institution from the Norwegian Financial Supervisory Authority. The license to operate as an electronic money institution grants the Company access to carry out services that are part of the Company's core business, such as, inter alia, to issue electronic money and provide payment services, as well as receiving funds from customers for use in the provision of such services. Thus, in the event that the license, for any reason, is withdrawn by the Norwegian Financial Supervisory Authority, such withdrawal may adversely impact the Group's business, financial condition, results of operations, cash flow and/or prospects.

In addition, as a licensed electronic money institution, the Company is subject to the Norwegian Financial Enterprises Act's regulations on capital adequacy requirements. The regulatory capital adequacy requirements entails that an increased level of expected or perceived risk in the Group's business or changes in the requirement as such could lead to an increase in its capital adequacy requirements, including liquidity requirements and other regulatory requirements and constraints concerning increased capital requirements. Stricter capital requirements, or any such requirements as mentioned above, could have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects. If the Company fails to adhere to such capital adequacy requirements, this may also affect the license, and the Norwegian Financial Supervisory Authority may decide to withdraw the license, which in turn would affect the business of the Group materially.

Further, pursuant to the Norwegian Financial Enterprises Act, acquisition of qualifying holdings in a financial enterprise is subject to prior approval by the Norwegian Ministry of Finance or the Norwegian Financial Supervisory Authority. A qualifying holding is a holding that represents 10% or more of the capital or voting rights in a financial enterprise or allows for the exercise of significant influence on the management of the enterprise and its business. The same condition on approval applies for acquisitions that would result in an increase in a qualifying ownership interest to, or exceeding, respectively, 20, 30, or 50% of the capital or voting rights in the financial institution. Approval may only be granted if the acquirer is considered appropriate according to specific non-discriminatory tests described in the Norwegian Financial Enterprises Act (the so-called "fit and proper" test). Any person intending to acquire shares of the capital or voting rights of the Company exceeding the listed threshold of 10, 20, 30 or 50% must be explicitly approved as applicable by the Norwegian Financial Supervisory Authority and/or the Norwegian Ministry of Finance, before the transaction can be carried through. Such persons run a risk that their application for approval is denied or that Norwegian authorities impose unfavorable conditions related to an approval.

1.3.2 The Group may not be able to comply with legislative developments related to the crypto industry

As the Group's business relates to cryptocurrency, a relatively new and partly unregulated phenomenon, the Group must, in particular, deal with continuous development in the legislative area. This is showcased by for instance Regulation (EU) 2023/1114 on markets in crypto-assets ("MiCA"), which entered into force in EU on 9 June 2023. MiCA establishes comprehensive regulations for participants in the crypto industry, including electronic money institutions offering crypto-asset services, within the EU. As a result, industry participants operating in the same market are subject to different regulatory frameworks, which leaves the Group vulnerable to, inter alia, legislative developments making competitors subject to more favorable frameworks than those the Group currently operates within.

Any changes in the cryptocurrency regulatory environment, including the implementation of MiCA in Norway, which is anticipated in due course, may increase the costs of production, compliance, and development, which could have an adverse effect on the Group's profitability and have a negative impact on the Group's ability to deliver on its business plan. Additionally, given the scarcity of case precedents related to the crypto industry, there is a heightened risk of misinterpreting the relevant laws and regulations compared to more established legal frameworks.

In principle, it is possible that the Group will be forced to change, reduce or even discontinue individual business activities as a result of legislative or regulatory measures in Norway or abroad. If existing regulations or newly adopted regulations were violated by the Group's management or employees or by its customers, the Group could be subject to fines, penalties or other sanctions or suffer reputational harm, which could reduce demand for the Company's products and services and have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects.

Risk factors IV

1.3.3 Risks related to classification of crypto currencies offered on the trading platform to the Company

There is a risk that one or several of the crypto assets currently traded on the Company's trading platform will be regarded as a "financial instrument" as further defined in MiCA and Directive 2014/65/EU on Markets in Financial Instruments and amended Directive 2002/92/EC, Directive 2011/61/EU ("MiFID II"). If so, the Company may need to obtain a permission to operate a multilateral trading facility or an organized trading facility in order to maintain services related to trading in such crypto assets. Should the Company choose to maintain its services related to trading in such crypto assets and obtain such permission, this will potentially increase the costs of the Company substantially, and may have a material adverse effect on the Company and the business of which the Company operates.

Alternatively, the Company may choose to discontinue its services and not provide trading in crypto assets that are regarded as financial instruments. The agreements entered into with customers generally allows for discontinued trading in crypto assets that are regarded as financial instruments. Should the Company choose to discontinue any trading services this must be expected to have a negative effect on the revenues and results of operations for the Company, and, subject to the extent of new regulations and what crypto assets that in the future are regarded as financial instruments the negative effects for the Company may be material.

There can be made no guarantees that the Company will be able to maintain its trading services for any specific crypto asset.

1.3.4 Changes in laws of any jurisdiction in which the Group operates, or failure to comply with applicable legislation may have material adverse effect for the Group

The Group is subject to legislation, treaties and regulations in the jurisdictions in which it operates and the interpretation and enforcement thereof. Operations are conducted in accordance with the Group's interpretation of applicable laws, treaties and regulations in relevant countries and the requirements of the relevant authorities. Should the Group's interpretation of applicable laws, treaties and regulations, turn out to be incorrect, or if the relevant authorities make different interpretations or decisions, possibly with retroactive effect, this could have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and/or prospects. If any authority successfully challenges inter alia the Group's operational structure, the taxable presence of its branch offices in Latvia, or in any other country where the Group finds it appropriate to establish a branch in the future, or if authorities do not agree with the Group's assessment of the effect of applicable laws, treaties and regulations, or if the Group loses a material dispute in any country, or any challenge of the Group's tax payments is successful, the Group's effective tax rate on its earning could increase substantially and the Group's business, financial condition, results of operations, cash flow and/or prospects could be materially and adversely affected.

1.3.5 The Group may not be able to comply with GDPR requirements

The Group's business requires the processing and storage of personal data relating to its customers, employees and others and is therefore subject to complex data protection laws and regulations. For example, the Group is subject to the General Data Protection Regulation (EU) 2016/679 (the "GDPR") as well as relevant national implementing legislation. Furthermore, in operating as an electronic monetary institution, the Group's ability to adequately protects the personal data relating to its customers is of special importance to upheld and build confidence among its customers.

Any failure to comply with data protection and data privacy policies, privacy-related obligations to customers or third parties, privacy-related legal obligations, or any compromise of security that results in unauthorised disclosure or release, transfer or use of personally identifiable information or other customer data, may result in governmental enforcement, fines, claims for damages by customers and other affected individuals, reputational damages and loss of goodwill.

1.3.6 The Group is exposed to changes in financial services regulations and changes in the interpretation and operation of such regulations

Norwegian authorities may at any time, within the framework of the EEA Agreement, introduce regulations or implement financial or monetary policy measures, including changes in tax, VAT and currency laws, which could affect the Group's income and costs. An example of this is the taxation of dividends. The authorities may also introduce other measures that may affect the Group's operations, for example through stricter solvency requirements or other specific requirements. Through its control of the supervisory and management institutions in the money and credit markets, the authorities will also be able to make allocations that directly affect the Group's operations. For example, the introduction of increased or new tax rates for the financial industry could help to weaken the Group's business, financial condition, results of operations, cash flow and/or prospects.

In recent years, financial regulation in the EEA area has been considerably expanded. Supervision of the financial industry has also been significantly strengthened. Changes in financial services regulations and changes in the interpretation and operation of such regulations is considered the most significant risk related to regulatory risk as this could affect the Company's ability to grow, raise capital and pay dividend.

1.4 Risks relating to the Shares and the Rights Issue

1.4.1 The Rights Issue is dependent on the approval of the share capital decrease from the Norwegian Financial Supervisory Authority

The Rights Issue is contingent upon the completion and registration of the share capital reduction, to be resolved at the same extraordinary general meeting at which the share issue pertaining to the Rights Issue is to be resolved. As the Company is registered with the Norwegian Financial Supervisory Authority as an exchange and custodian for virtual currencies in Norway and has obtained license as an electronic money institution from the Norwegian Financial Supervisory Authority, the Company is required to obtain approval from the Financial Supervisory Authority for the completion of the share capital reduction. As the Rights Issue is dependent on the approval, there is a risk that such approval is not granted and that the Rights Issue cannot be completed as planned or at all. Additionally, the Company intends to utilize parts of the proceeds from the Rights Issue prior to the formal registration in the Norwegian Register of Business enterprises. This entails a risk that the Company may have used proceeds from the Rights Issue without the successful completion and registration of the shares to be issued in the Rights Issue, should the required approval for the share capital decrease not be granted by the Norwegian Financial Supervisory Authority. Consequently, there is a risk that the Rights Issue might not proceed as planned, which could have significant financial consequences for the Company. In addition, any issues in obtaining the approval, could cause a delay in delivery of the shares in the Rights Issue or may entail that the shares cannot be delivered at all.

However, the Company carried out a capital reduction concurrently with a subsequent repair issue earlier this year. At the time of conducting the issuance of the new shares in the subsequent offering, the capital reduction had not yet been approved by the Financial Supervisory Authority nor formally registered as completed. This did not present any issues, and the Company is not expecting any objections in this case, however no guarantee can be made.

1.4.2 The Company is subject to approval from the Norwegian Financial Supervisory Authority in order to increase its share capital

The Company is registered with the Norwegian Financial Supervisory Authority as an exchange and custodian for virtual currencies in Norway and has obtained license as an electronic money institution from the Norwegian Financial Supervisory Authority. As a consequence, certain changes in the share capital of the Company is subject to approval from the Norwegian Supervisory Authority.

As the Company is required to apply to increase the share capital (save for by cash settlement), there is a risk that the issuance of shares may be delayed and/or that an application to increase the share capital may be denied, resulting in the Company being unable to raise capital as planned and unable to complete the issuance of shares.

Risk factors V

1.4.3 The price of the Company's shares could fluctuate significantly

An investment in the Company's Shares is associated with a high degree of risk and the price of the Offer Shares may not develop favorably. An active or liquid trading market for the Shares may not develop or be sustained, and the Offer Shares may not be resold at or above the offer price. If such market fails to develop or be sustained, it could have a negative impact on the price of the Offer Shares. Investors may not be in a position to sell their shares quickly, at the market price or at all if there is no active trading in the Shares.

Further, while a subscription for Offer Shares is binding and irrevocable, and cannot be withdrawn, cancelled, or modified by the subscriber after reception, the delivery of the Offer Shares will not be immediate. Meanwhile, the trading price of the Shares has shown significant fluctuations in the past. Thus, subscribing for the Offer Shares carries the risk that, during the time span from the investor's subscription to the delivery of the Offer Shares, the Shares of the Company may trade below the Subscription Price. Should the share price develop negatively, this would result in a loss of the investment in the Offer Shares.

1.4.4 Future offerings of debt or equity securities by the Company may adversely affect the market price of the Shares and lead to substantial dilution of existing shareholders

The Company may in the future seek to raise capital through offerings of debt securities, including convertible debt securities, or additional equity securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price for the Shares and would dilute the economic and voting rights of the existing shareholders. Further, the Company has implemented a share option program for employees in the Group. The 1,941,682 outstanding options, as well as any new options that may be granted in the future, will have a dilutive effect on the Company's shareholders once/if exercised.

1.4.5 U.S Shareholders and certain other foreign shareholders may be diluted if they are unable to participate in future offering

Certain transfer and selling restrictions may limit a shareholder's ability to sell or otherwise transfer their Shares. Beneficial owners of Shares that are registered in the name of a nominee may not be able to vote for such Shares unless their ownership is re-registered with the VPS in the name of the beneficial owners prior to the general meeting. The Shares have not been registered under the US Securities Act of 1933 (as amended) or any US state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. The Shares may not be offered or sold except unless an exemption from the applicable registration requirement under US law is available. Shareholders residing or domiciled in the US may not be able to participate in future capital increases, rights offerings or other issuances of securities by the Company and as such have their shareholdings diluted, or not be able to receive economic benefits related to the Shares.

1.4.6 If the Rights Issue is withdrawn, all subscription rights will lapse without value resulting in the investors not receiving any refund or compensation for subscription rights purchased in the market

If the Rights Issue is withdrawn, all subscription rights will lapse without value, any subscriptions for, and allocations of, Offer Shares that have been made will be disregarded and any payments for Offer Shares made will be returned to the subscribers without interest or any other compensation. The lapsing of subscription rights will be without prejudice to the validity of any trades in subscription rights, and investors will not receive any refund or compensation in respect of subscription rights purchased in the market.

1.4.7 Existing shareholders who do not participate in the Rights Issue may experience a significant dilution of their shareholding

Subscription rights that are not sold before the end of the trading period or exercised by the end of the subscription period will have no value and will automatically lapse without compensation to the holder. To the extent that an existing shareholder does not exercise its subscription rights prior to the expiry of the Subscription Period, such existing shareholder's proportionate ownership and voting interests in the Company after the completion of the Rights Issue will be diluted. Even if an existing shareholder chooses to sell its unexercised subscription rights, or such subscription rights are sold on its behalf, the consideration it receives in the trading market for the subscription rights may not reflect the immediate dilution in its shareholding resulting from the completion of the Rights Issue.

Further, existing shareholders who do not participate in the Rights Issue will not be entitled to receive any warrants. Exercise of warrants may result in a significant dilution for existing shareholders who do not have, or do not exercise, warrants.

Change is inevitable, and the disruption it causes often brings both inconvenience and opportunity.

NBX

NBX is registered with the Financial Supervisory Authority of Norway.