

DLTX

Annual Report 2022



General Statement

The enclosed Financial statements and Board of Directors' report, together with the accompanying notes, fulfills DLTx ASA's Norwegian statutory requirements for annual reporting. The Annual report 2022 is available in PDF-format on our website www.dltx.com. Throughout this report "the Company" and "DLTx" refers to parent company DLTx ASA, while "the Group" refers to DLTx ASA and its affiliate companies

The Board of Directors and Management

James Haft

Chairman of the Board of Directors 2022

James Haft has a JD/MBA from Emory University and has worked in the capital markets since the late 80's. He has experience from Bear Stearns, Furman Selz and ING Barings before founding Pacific Alliance Limited, LLC through which he has co-founded and advised on over 50 internet and distributed ledger technology startups. He is an entrepreneur and Merchant Banker with broad experience managing, advising, fund raising, and developing opportunities for businesses leveraging the digitization of information and value. James has focused on the adoption of distributed ledger technology and other decentralized, encrypted data platforms adopted to improve the security, speed, and cost of transactions and communications.

Resigned 10 April 2023.

Viggo Leisner

Board Member

Viggo Leisner has long experience from oil trading, and more than 15 years as responsible for investments and M&A for Arne Blystad AS. During his 15 years as investment manager at Arne Blystad AS, he has been involved in strategic processes, financing and other support for several companies from many different businesses. He has also served at the board of directors of both private and public companies, inter alia as vice chairman of Brabank ASA and board member of Arcane Crypto. He holds a Cand. Merc in Finance from Ålborg University/St. Cloud University Minnesota and he was a sergeant at Norwegian Infantry Officer School.

Kari Mette Toverud

Board Member

Kari Mette Toverud is Client Partner at the Assessment Company. Ms Toverud has worked in the telecom and datacom sectors for the past 25 years: Communication and Marketing Director at Broadnet and Ventelo from 2011 to 2014 and held the same position at Network Norway from 2006 to 2011. She was COO at Cloudberry Mobile from 2014 to 2015 and has held top management positions at Telenor Media, Telenor Mobil and Telenor Nordic Mobile (1995–2006). She has also served on a number of boards, notably Telenor Eiendom, Telenor Norge and Telenor Key Partner, and currently sits on the boards of Nextgentel AS, Bitpro AS, Totalctrl AS and KatrinUri AS. Ms Toverud has a Master of Business and Marketing/ Handelsøkonom from BI Norwegian Business School/ Handelsakademiet (1987–1991).

Chairperson from 14 April 2023.

Roger Lund

Acting Managing Director

Roger Lund is VP Strategy and acting Managing Director of DLTx. He has broad experience from roles as analyst in investment banking, risk manager in hedge fund and equity funds, and as project manager in corporate finance for companies such as Warren Capital AS, ProCorp AS and others.. He holds a MSc from London Metropolitan University in Financial Management and Derivates, and a BBA from the University of North Dakota in Financial Management.

Management Report

Challenging 2022 for Blockchain Market

In 2022, the blockchain and cryptocurrency markets faced a challenging landscape, as a confluence of factors contributed to a market downturn. Regulatory uncertainty, the collapse of major players in the space and the macroeconomic environment were some of the key issues which emerged.

The lack of clear and uniform regulations across jurisdictions created uncertainty for both investors and developers, causing a slowdown of investments in the blockchain space. This regulatory pressure led to the exit of some market players and a decline in overall market confidence.

Another factor that dealt a heavy blow to the blockchain market in 2022 was the collapse of major players, including Luna, Three Arrows Capital, FTX, and others. These collapses were triggered by a combination of factors, such as, security breaches, regulatory scrutiny and mismanagement of funds. The downfall of these prominent platforms not only resulted in significant financial losses for investors but also tarnished the reputation of the blockchain industry as a whole. The situation heightened concerns about the stability and reliability of blockchain-based projects and services, further dampening investor sentiment and market growth.

Lastly, the blockchain market was not immune to the broader macroeconomic environment, which experienced fluctuations due to global economic uncertainties and geopolitical tensions. As the overall financial markets faced volatility, the risk appetite of investors decreased, resulting in capital flight from the blockchain sector.

Subsequent Events

The business model of funding discrete special purpose vehicles to finance the growth and development of the operational divisions of the Company proved demanding given the market conditions.

As a result of the funding challenges the divisions struggled to reach critical size which resulted in growing liabilities and an added financial pressure on the parent company. DLTx sold its foreign operating entities in April 2023 along with Filecoin cloud storage partnerships Storify and Helix as a part of efforts to improve the financial position and facilitate new strategic initiatives .

DLTx sold the shares in the group's foreign operating subsidiaries for USD 1 and a continuation of existing claims the Company had towards some of the divested subsidiaries. The foreign subsidiaries had significant outstanding debt of USD 28 million, including approx. USD 3.25 million to DLTx ASA. The Company's claims are carried forward and do not represent a traditional "sellers' credit" where DLTx would be paid a performance from the buyer in the future as settlement for the shares.

The value was set at USD 1 due to the significant debt of the subsidiaries resulting in low equity/real value. The provisions of the Norwegian Public Limited Companies Act § 3-10 et seq. therefore do not apply as the real value of the company's performance (i.e., the shares in the foreign subsidiaries) represents significantly less than 2.5 percent of the group's total balance sheet.

DLTx ASA and its Filecoin division actively tried to raise funds to continue development of operations in expectation of the completion of the business combination agreement with BMAQ. The termination of the agreement in the middle of March 2023, left the Company with no alternative sources of funding.

The sale of the subsidiaries was an important part in DLTx's effort to improve its financial position, and following the sale the Company was successful in completing a Private Placement.

Outlook

Moving forward the focus of DLTx will be optimization of the balance sheet and an opportunistic approach towards the investment portfolio.

The longer-term strategy of the Company is pursuing business combinations with companies focusing on innovative, sustainable and scalable business models.

Report from the Board of Directors

The Business of the Group

The Company's legal and commercial name is DLTx ASA. The Company is a Norwegian public limited company incorporated in Norway under and governed by the Norwegian Public Limited Companies Act, with business registration number 976 094 875. DLTx is domiciled in Oslo, Norway.

DLTx is a technology company focusing on building and scaling infrastructure for Web3 through doing business with blockchains. The Group includes, in addition to DLTx ASA, the following subsidiaries:

- DLTx Wireless AS
- DLTx Ventures AS
- DLTx Cloud AS
- DLTx Digital Assets AS
- DLT Ireland Ltd
- PAL Capital Ventures Inc.
- DSM Tech Enterprises Inc.
- Filtech SPV LLC
- Midwest Blockchain LLC
- Afton Blockchain LLC
- DSM Tech Enterprises UK Ltd
- File Storage Company 1 Inc.
- File Storage Partners LLC
- File Storage Ops 1 LLC
- File Storage Ops 3 LLC
- File Storage Ops 4 LLC
- File Storage Ops X LLC
- File Storage Token Provider LLC
- SAS Helix
- Storify BV
- Long Term Data Provision Partners Ltd
- File Storage Ops 2 Ltd
- File Storage OPS 2 AS
- Relay Partners LLC
- Relay Services LLC
- Recurring Revenue Generator LLC
- Recurring Revenue Generator X LLC
- Large Scale Compute LLC
- Lone Star Compute Partners LLC
- Curtailment Reduction Services Ops 1 LLC
- Curtailment Reduction Services Ops 2 LLC
- Flare Gas Reduction Services Ops 1 LLC
- Large Scale Compute Operations 1 LLC

The decision has been made to sell all of the subsidiaries except DLT Ireland Ltd, Pal Capital Ventures Ltd, DLTx Wireless AS, DLTx Ventures AS, DLTx Cloud AS and DLTx Digital Assets AS to a group of former U.S. management on 8th of April 2023 for USD 1.0 along with continuation of debt to DLTx ASA of USD 3,257,281 .

Financial Performance

The Group's revenues slightly decreased from USD 1.994m last year to USD 1.966m in 2022. Net loss in 2022 was USD -37.106m, compared to USD -4.960m in 2021. The large decrease in net loss is mainly due to the following factors:

- Decrease in FIL pricing simultaneously with large investments in hardware.
- DLTx entered a business combination agreement with Blockchain Moon Acquisition Corp. regarding a purchase of DLTx's Web3 assets. This transaction was terminated, and a large amount of costs related to this transaction occurred.
- The investment portfolio has decreased in value, mainly due to the market downturn.

Total cash flow from operating activities was USD 3.265m in 2022, and the operating loss constituted USD -22.531m. The difference mainly concerns ordinary depreciation and received receivables. The Group's capital investments during 2022 amounted to USD 26.177m, of which USD 26.540m has been invested in new machinery regarding storage for Filecoin. This has increased the Group's production capacity.

The Group's liquidity reserve amounted to USD 1.546m as of 31.12.2022 . The Group's ability to self-finance investments were not good as of 31.12.2022. As a result, the board of directors approved the sale of operating subsidiaries for USD 1.0 and continuation of debt of USD 3,257,281 on 8 April 2023. Subsequently the Company has also secured approx. USD 2.5m in a Private Placement to secure continuing operations.

The Group's short-term debt as of 31.12.2022 constituted 21 % of the Group's total debt, compared to 9 % as of 31.12.2021. The rise in short-term debt is managed through the sale of subsidiaries and capital funding in 2023.

Total assets at year end amounted to USD 38.930m, compared to USD 48.332 last year. The equity ratio was 10.4% as of 31.12.2022, compared to 48 % the year before.

The Company is not engaged in any R&D activities.

Risk Review

The Board and management consider systematic and deliberate management of risk as essential in the development of its projects and regard this as a significant factor for long-term value creation for the shareholders, employees and society. The risk assessment process involves analyzing both external and internal risk factors, including corporate risk and project risk factors. A risk assessment is presented to the Board on a regular basis.

Entering 2023 the Group had funding for a limited time period, but with the completion of the foreign subsidiaries transaction and the equity raise, the operating costs of the Company has been severely reduced, and the cash situation significantly improved. There is limited risk that the Company will not be able to fund its operations.

The Company's investment portfolio holds a limited number of investments and is exposed to market risk. There is a lack of diversity as most of the investments are tied to the Web3 space, and the Company does not control or influence the operations or performance of its investments. Further, returns might be adversely affected by poor performance of even a single investment. Some of the investments in the portfolio are illiquid and may be difficult to sell.

Corporate Governance Performance

DLTx's governance systems are based on principles set out in the Norwegian Code of Conduct for Corporate Governance. In accordance with section 3-3b of the Norwegian Accounting Act, an overall report of corporate governance at DLTx has been prepared and enclosed as a separate document in the annual report.

Environmental Impact and Corporate Social Responsibility

The Group's vision and values is to act responsibly and build sustainable communities based on ethical, social and environmental norms. The ethical guidelines for DLTx and the Company's business ethics are being reviewed annually and the Company reports on international standards for corporate social responsibility.

The Company facilitates equal opportunities for professional and personal development regardless of gender and strives to maintain a good working environment. The company has not had any work accidents or incidents in 2022, and the Group has not during the year had any incidents negatively affecting the external environment.

In accordance with section 3-3c of the Norwegian Accounting Act, a report of Corporate Social Responsibility has been prepared. The report is included as a separate document in the annual report and includes details on working environment, injuries, accidents, sickness absence, equality, and non-discrimination, as well as social responsibility and external environment. This report is an integral part of the Board of Directors' report.

Parent Company Results

The parent company had a loss for the year of NOK -236.1 million (2021: NOK -67.1 million). This reflects net financial loss of NOK 157.7 million (2021: NOK 20.5 million). The Board proposes that no dividend is paid and that the annual result is transferred to other equity.

The annual accounts have been prepared based on the going concern assumption in accordance with section 3-3a of the Norwegian Accounting Act. This is based on the Group's plans, budgets and level of activity going forward.

As of 31 December 2022, the parent company had cash and cash equivalents in the amount of NOK 10.5 million (2021: NOK 35.3 million). The valuation of the Group's assets is based on the going concern assumption.

Assumptions of Continued Operation

As of 31.12.2022 The Group does not have sufficient liquidity funding to secure operations for the next 12 months. To address this the Company has sold of its foreign operating subsidiaries, including its interest in Filecoin cloud storage partnerships Storify and Helix and raised NOK 25,500,000 in a Private Placement.

With these actions taken place the Board considers that the cash balance available at the end of the year to be sufficient to secure operations for the next 12 months. In accordance with section 3-3a of the Norwegian Accounting Act, the Board confirms that the assumptions of continuing operations are present.

Outlook

DLTx sold its foreign operating subsidiaries and Filecoin cloud storage partnerships Storify BV and SAS Helix on 8 April 2023 as a part of its goal to improve the financial situation of the Company and a shift in strategy. Moving forward the focus of DLTx will be optimization of the balance sheet and an opportunistic approach towards the investment portfolio.

The longer-term strategy of the Company is pursuing business combinations with companies focusing on innovative, sustainable and scalable business models.

Oslo, April 27th, 2023, Board of Directors, DLTx ASA



Viggo Leisner

Board Member



Kari Mette Toverud

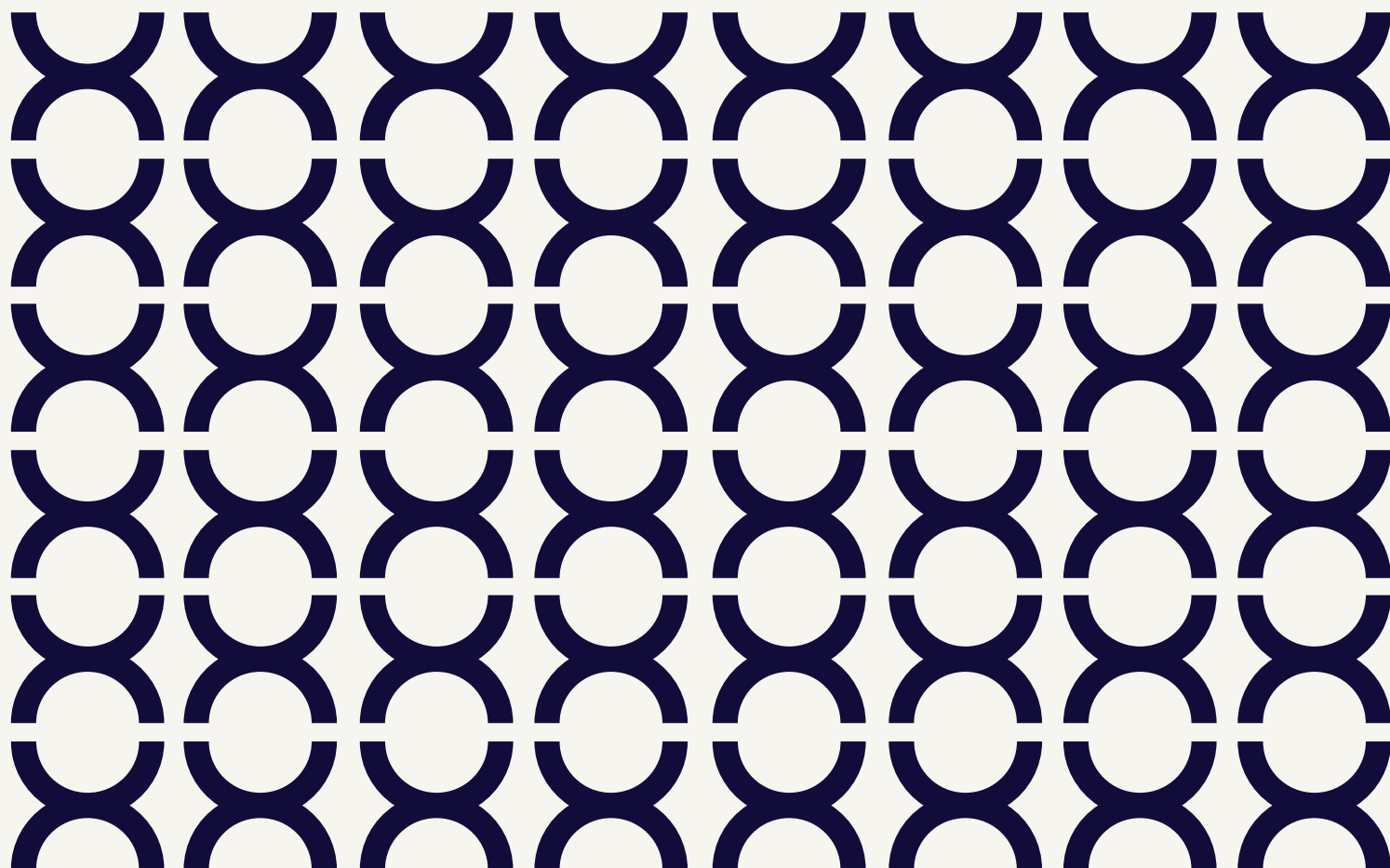
Chairperson



Roger Lund

Managing Director

Consolidated Financial Statements



Financial Statements

Income Statement

(USD '000)	Note	2022	2021
Revenue	4	372	544
Other income	4	1,594	1,450
Total income		1,966	1,994
Cost of goods sold		-3,003	-
Depreciation	20,21	-8,567	-635
Salary and social security cost	5,6,7,8	-6,195	-2,558
Other operating expenses	9	-6,732	-3,891
Operating loss		-22,531	-5,089
Financial income	10	4,377	334
Financial costs	10	-18,952	-205
Net financial items		-14,575	130
Profit/loss before tax		-37,106	-4,960
Income Taxes	11	-126	-
Profit/loss after tax		-37,232	-4,960
Loss discontinued operations, after tax		-	-
Profit/loss for the period		-37,232	-4,960
Profit/loss attributable to non-controlling interests		-15	-445
Profit/loss attributable to DLTx ASA shareholders		-37,217	-4,515
Basic and diluted earnings per share		-0.52	-0.08
Basic and diluted earnings per share - continued operations		-0.52	-0.08
Basic and diluted earnings per share - discontinued operations		-	-
Other comprehensive income:			
Items that will be reclassified to income statement			
Currency translation adjustments		-1,279	-343
Other comprehensive income		-1,279	-343
Total comprehensive income		-38,511	-5,302
Total comprehensive income attributable to non-controlling interests		-15	-445
Total comprehensive income attributable to DLTx ASA shareholders		-38,496	-4,858

Balance Sheet

(USD '000)	Note	12/31/2022	12/31/2021
ASSETS			
Goodwill	20	7,608	-
Intangible asset	20	19	248
Financial investments	13	10,589	20,000
Property, plant and equipment	20	14,263	3,580
Right of use assets	21	2,895	222
Total non-current assets		35,373	24,051
Financial investments	13	-	-
Inventories	19	1,884	6,833
Other receivables	14	127	6,402
Cash and cash equivalents	15	1,547	11,047
Total current assets		3,557	24,281
Assets classified as held for sale		-	-
Assets classified as held for sale		-	-
TOTAL ASSETS		38,930	48,332
EQUITY			
Share capital	16	13,165	10,693
Other paid-in-capital		120,511	110,365
Cumulative translation adjustments		9,032	10,311
Other equity		-141,700	-107,554
Non-controlling interests		3,042	-445
Total equity	12	4,050	23,370
LIABILITIES			
Deferred tax liabilities		187	-
Lease liabilities	21	2,797	223
Other long-term liabilities		24,486	22,415
Total long-term liabilities	17	27,470	22,638
Trade payables	17,18	3,288	963
Other current liabilities	17,18	4,122	1,361
Total current liabilities		7,410	2,324
Liabilities associated with assets classified as held for sale		-	-
Liabilities associated with assets classified as held for sale		-	-
TOTAL EQUITY AND LIABILITIES		38,930	48,332

Statement of Equity

<i>(USD '000)</i>	<i>Share capital</i>	<i>Other paid-in capital</i>	<i>Cumulative translation adjustments</i>	<i>Other equity</i>	<i>Held for sale</i>	<i>Non-controlling interests</i>	<i>Total</i>
Equity 1 January 2021	3,500	94,713	10,654	-103,234	-	-	5,633
Loss for the period				-4,515		-445	-4,960
Discontinued operation				-	-	-	-
Other comprehensive income			-343				-343
Total comprehensive income			-343	-4,515	-	-445	-5,302
Capital increase	7,193	15,277			-	-	22,470
Sale of own shares	-	375			-	-	375
Repurchase of shares	-	-	-	-	-	-	-
Share options cost	-	-	-	195	-	-	195
Converted warrants	-	-	-	-	-	-	-
Total transactions with owners	7,193	15,651	-	195	-	-	23,040
Equity 31 December 2021	10,693	110,365	10,311	-107,554	-	-445	23,370

<i>(USD '000)</i>	<i>Share capital</i>	<i>Other paid-in capital</i>	<i>Cumulative translation adjustments</i>	<i>Other equity</i>	<i>Held for sale</i>	<i>Non-controlling interests</i>	<i>Total</i>
Equity 1 January 2022	10,693	110,365	10,311	-107,554	-	-445	23,370
Result for the period				-37,217		-15	-37,232
Other comprehensive income			-1,279				-1,279
Total comprehensive income			-1,279	-37,217		-15	-38,511
Capital increase	2,471	10,146	-	-	-	-	12,618
Sale of own shares	-	-	-	-	-	-	-
Share options cost	-	-	-	3,071	-	-	3,071
Transaction with minority				-	-	3,502	3,502
Converted warrants	-	-	-	-	-	-	-
Total transactions with owners	2,471	10,146	-	3,071	-	3,502	19,191
Equity 31 December 2022	13,165	120,511	9,032	-141,700	-	3,042	4,050

Cash Flow Statement

(USD '000)	12/31/2022	12/31/2021
Profit/-loss for the year, continued operations	-37,232	-4,960
Profit/-loss for the year, discontinued operations	-	-
Operating activities		
Depreciation	8,567	635
Non-cash expenses related to warrants and impairments	3,071	195
Change in trade and other receivables	11,224	-6,401
Change in trade payables and other current liabilities	5,086	2,003
Fair value adjustments of investments	12,550	279
Change in assets held for sale	-	-
Cash flow from operating activities	3,265	-8,250
Investment activities		
Net expenditure on property, plant and equipment	-26,540	-4,459
Repayment from investments	-	2,238
Investment in other financial assets	363	-24,521
Cash flow from investment activities	-26,177	-26,742
Financing activities		
Proceeds from new shares issued	12,618	22,470
Sale of own shares	-	375
Proceeds from borrowings	2,073	22,415
Cash flow from financing activities	14,690	45,259
Net change in cash and cash equivalents	-8,222	10,267
Cash and cash equivalents at the start of the period	11,047	1,122
Sum translation effects	-1,279	-343
Cash and cash equivalents at the end of the period for cont. and disc. Operations	1,546	11,047

Note 1 – General Information

DLTx ASA is a public limited liability company incorporated and domiciled in Norway. The Company's office address is Grundingen 2, 0250 Oslo, Norway. The Company's shares are listed on the Oslo Stock Exchange.

The consolidated financial statements for 2022 comprise of the parent company and its subsidiaries (collectively referred to as the "Group" or to each company as a "group company") and show the consolidated profit/loss and the consolidated financial position for the parent company DLTx ASA and the companies in which it has a controlling interest, when these are presented as a single financial unit.

The parent company was listed on Oslo Stock Exchange on 21 December 2006. The consolidated financial statements for DLTx ASA, including disclosure requirements for the accounting period ended 31 December 2022, were approved by the Board of Directors and CEO on 26 April 2023, and will be presented for approval at the annual General Meeting on 8 June 2023.

Note 2 – Basis for Preparation

This set of financial statements comprises of the parent company accounts for DLTx ASA only and has been prepared in accordance with the Accounting Act of 1998 and the generally accepted accounting principles in Norway (NGAAP).

The consolidated financial statements of DLTx ASA as of 31 December 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and are presented in a separate section of this financial statements.

Going Concern

The annual accounts have been prepared based on the going concern assumption in accordance with section 3-3a of the Norwegian Accounting Act. This is based on the Company's plans, budgets and level of activity going forward. See also note 24 regarding events after the balance sheet date.

As of 31 December 2022, the Group had cash and cash equivalents in the amount of USD 1.547 million, which was not enough to cover the Company's operating expenses and liabilities for the 12 months following the end of year. Since the close of 2022 significant transactions and fund raising has found place and are further described in note 24.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

Note 3 – Accounting Policies

3 – 1 Basis for Consolidation

Subsidiaries

Subsidiaries are companies over which the Group has control. Control is defined as the power to govern the financial and operating policies of another entity to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Eliminations

Intercompany transactions and balances are eliminated.

Foreign currency transactions

Functional currency and presentation currency

The functional currency of the parent company (DLTx ASA) is NOK, while the presentation currency for the Group is USD. Comparable companies use primarily USD as their presentation currency. The Company is of the opinion that the results for the Group are best reflected using USD as the presentation currency, since this provides comparability with other corresponding companies. All amounts are presented in whole thousands if not otherwise stated.

Transactions and balances in foreign currency

Each group company registers transactions in the currency that is commonly used in the financial community where the group company operates (functional currency).

In the preparation of the financial statements for the respective group companies, transactions in currencies other than the functional currency of the entity are translated to the functional currency of the respective group company at the foreign exchange rate on the transaction date. Monetary items in foreign currencies are translated to functional currency applying the foreign exchange rate at the balance sheet date. Currency gains and losses that occur as a consequence of currency fluctuations between the transaction date and the payment date, and currency gains/losses due to translation of monetary items from foreign currency to the functional currency at the exchange rate at the balance sheet date, are recognized in profit or loss.

Consolidation

The accounts of any unit in the Group which uses a functional currency deviating from the Group's presentation currency are translated to USD as follows:

- Assets and liabilities are translated at the foreign exchange rate at the balance sheet date.
- The income statement is translated at average exchange rates; and;
- All exchange differences are entered as separate items as part of the consolidated statement of changes in equity.

Currency differences on monetary items that are a part of the Group's net investment in a subsidiary are recognized as other comprehensive income. The Group's functional currencies was USD (US dollars). The parent company's functional currency was NOK, and were converted to presentation currency USD using the following exchange rates:

	2022	2021
USD/NOK	9.86	8.82

3 – 2 Basis for Estimates and Assumptions

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses, and information on potential liabilities. This particularly applies to the depreciation of tangible fixed assets, impairment of goodwill and evaluations related to acquisitions and pension commitments. Future events may lead to these estimates being changed. Estimates and their underlying assumptions are reviewed on a regular basis and are based on best estimates and historical experience. Changes in accounting estimates are recognized during the period when the changes take place. If the changes also apply to future periods, the effect is divided among the present and future periods.

Judgements

The management has, when preparing the financial statements; made certain significant assessments based on critical judgment when it comes to application of the accounting principles. The following notes include the Group's assessments regarding:

- Financial instruments, note 12 Financial assets and financial liabilities.
- Goodwill, note 19 and 21

Key areas for judgments, assumptions and estimates at the balance sheet date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below or in its respective note.

3 – 3 Cash and Cash Equivalents

Cash and cash equivalents include bank deposits and other short-term highly liquid investments. Restricted cash includes bank deposits for withholding taxes and bank deposits pledged as security to cover certain guarantees.

3 – 4 Revenue Recognition

Revenue from contracts with customers is recognized when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue from cryptocurrency mining

Revenue from cryptocurrency mining consist of income regarding mining of Filecoin (FIL) and is recognized at fair value at the time when Filecoin is received in wallet at transaction price.

Providing computing power in digital asset storage to the FIL-network is an output of the Group's ordinary activities. For providing computer power to the FIL-network, the Group receives block awards in the form of FIL-cryptocurrency. Fair value of the cryptocurrency received is determined by using the quoted price at the time of receipt. In accordance with IFRIC updates on accounting for revenue on cryptocurrency, revenue from mining is classified under other income as it is considered outside the scope of IFRS 15 revenue from contracts with customers.

As there are no specific definite guidance on accounting of cryptocurrencies the management has exercised significant judgment in determining the appropriate accounting treatment. In the event authoritative guidance is enacted by the IASB, the company may be required to change its policies, which could have an effect on the Group's consolidated financial position and results from operations.

3 – 5 Investments in Associates

An associate is an equity investment in which DLTx can exercise significant influence, which is the power to participate in the financial and operating policy decisions of the entity. Significant influence is assumed to exist when DLTx owns between 20 and 50 percent of the voting rights unless other terms and conditions affect DLTx's influence. Special voting rights may extend control beyond what is conveyed through the owners' proportional ownership interest. Such rights may take the form of a specified number of board representatives, the right of refusal for important decisions, or the requirement of a qualified majority for important decisions which effectively results in joint control with the specific ownership situation. DLTx accounts for investments in associates and participation in joint ventures using the equity method. DLTx recognizes its share of net income, including depreciation and amortization of excess values and any impairment losses, in Share of the profit (loss) in equity accounted investments.

3 – 6 Employee Benefits

Pension obligations

The Group has a defined contribution plan for its employees in Norway. A defined contribution plan is a pension arrangement where a fixed yearly contribution is paid to a pension fund. The Group has no legal or constructive obligation to pay further contributions. Compulsory contributions are recognized as personnel costs as they arise.

Share based payment

The Group has share-based programs for the executive management and board members. The programs are measured at fair value at the date of the grant. The share option program is settled in stocks. The fair value of the issued options is expensed over the vesting period which in this case is over the agreed upon future service time. The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the company's own shares) is recognized as salary and personnel cost in profit and loss and in other paid-in capital.

Social security tax on options is recorded as a liability and is recognized over the estimated vesting period

3 – 7 Income Tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, except for:

- Temporary differences linked to goodwill that are not tax deductible.
- Temporary differences related to investments in subsidiaries, associates, or joint ventures when the Group controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognized when it is probable that the company will have enough profit for tax purposes in subsequent periods to utilize the tax asset. The companies recognize previously unrecognized deferred tax assets to the extent it has become probable that the company can utilize the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilize the deferred tax asset.

Deferred tax and deferred tax assets are measured based on the expected future tax rates applicable to the companies in the Group where temporary differences have arisen. Deferred tax and deferred tax assets are recognized at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions. Due to uncertainty related to the possible utilization of tax losses carried forward within a reasonable timeline, deferred tax assets as of 31 December 2021 have not been recognized.

3 – 8 Earnings per Share

The basic and diluted earnings per share as presented for ordinary shares.

The basic earnings per share are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the Group and held as treasury shares.

Diluted earnings per share are calculated by dividing the profit for the period with the weighted average number of outstanding shares adjusted for potential dilution effects. Options are dilutive when they result in the issue of ordinary shares for less than the average market price of ordinary shares during the period, and only when their conversion to ordinary shares would decrease earnings per share or increase loss per share. Stock options are excluded from the computation if their effect is anti-dilutive.

3 – 9 Discontinued Operation

Assets-held-for-sale; all non-current assets that are held for sale, which is when the carrying amount will be recovered principally through a sales transaction. Assets-held-for-sale are measured at fair value less costs to sell.

Impairment loss on initial classification as Asset-held-for-sale are allocated to the asset and included in profit or loss. This also applies subsequent remeasurement of reversal of previous recorded impairment loss. Assets held-for-sale are reclassified to held-for-use if they no longer meet the criteria to be classified as held-for-sale. The presentation of an operation as a discontinued operation is limited to a component that is classified as held-for-sale, and;

- Represents a separate major line of business or geographical area or operations.
- Is part of a coordinated single plan to dispose of a separate major line of business or geographical area of operations; or,
- Is a subsidiary acquired exclusively with a view to resale.

An operation segment will normally represent a separate major line of business or geographical area of operation. The discontinued operations fall within Level 3 of the fair value hierarchy, and has been valued using a method of comparable, and discounted for asset specific risk factors. The fair value of the asset is done by the managements based on market assumptions and external inputs.

3 – 10 Share Capital and Shareholder Information

Ordinary shares are classified as equity. Expenses that are directly attributable to the issue of ordinary shares are recognized as a reduction in equity (share premium reserve). Dividend distributions to the shareholders of the Company are classified as liability from the date on which the dividend is adopted by the general meeting. When treasury shares are repurchased, the purchase price including directly attributable costs is recognized in equity. Treasury shares are presented as a reduction in equity. Losses or gains on transactions involving treasury shares are not recognized in the statement of comprehensive income.

Translation differences arise in connection with exchange-rate differences of consolidated foreign entities. Exchange-rate differences in monetary amounts (liabilities or receivables) which are a part of a company's net investment in a foreign entity are also included as translation differences. If a foreign entity is sold, the accumulated translation difference linked to the entity is reversed and recognized in the statement of comprehensive income in the same period as the gain or loss on the sale is recognized.

3 – 11 Current vs. Non-current Classification

The Group presents assets and liabilities in the consolidated statement of financial position as either current or non-current.

The Group classifies an asset as current when it:

- Expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
- Holds the asset primarily for the purpose of trading.
- Expects to realize the asset within twelve months after the reporting period.

OR

- The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current, including deferred tax assets.

The Group classifies a liability as current when it:

- Expects to settle the liability in its normal operating cycle.
- Holds the liability primarily for the purpose of trading.
- Is due to be settled within twelve months after the reporting period.

OR

- It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current, including deferred tax liabilities.

3 – 12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

The Group classified its financial assets in two categories:

- Financial assets at amortized cost.
- Financial assets at fair value through profit and losses.

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Groups financial assets at amortized cost includes short-term deposit.

Financial assets at fair value through profit and loss

Financial assets and liabilities are classified as fair value through profit and loss if they are held for sale or are classified as this at initial recognition. All financial assets can be classified as fair value through profit and loss if:

- The classification reduces a mismatch in the measurement or recognition that would otherwise have arisen as a result of different rules for measuring assets and liabilities.
- The financial assets are included in a portfolio as current measured and reported at fair value.
- Transaction costs are recognized in profit or loss when incurred. Financial assets at fair value are measured at reporting date. Changes in fair value are recognized in the profit or loss.

The Group has the following assets recognized in the statement as fair value through profit and loss

- Convertible loan notes
- Derivatives
- Investment in fund units

A financial asset is deemed to be exposed to impairment if there are objective indications that one or more events have had a negative effect on the estimated future cash flow from the asset. Material financial assets are tested for impairment individually. The remaining financial assets are divided into groups where each group has similar credit risks/ characteristics, and the impairment assessment is performed on a group basis.

Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group does not have financial liabilities held-for-trading or liabilities designated as at fair value through profit or loss.

Loans, borrowings, and payables

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. Payables are measured at their nominal amount when the effect of discounting is not material.

3 – 13 Financial Income and Expense

Financial income consists of interest income on financial investments, gains related to the disposal of financial investments and changes in the fair market values of financial assets and liabilities at fair value through profit and loss.

3 – 14 Cash Flow Statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 4 – Income

<i>(USD '000)</i>	2022	2021
FIL Revenue	1,569	1,450
Rental income	12	-
Other income	13	-
Total other income	1,594	1,450
Business area	2022	2021
Sponsorship events	-	24
Sale of data storage	135	-
Advisor agreement	-	519
Mining revenue	237	-
Total revenue	372	544
Geographical area	2022	2021
USA	372	544
Total revenue	372	544

DSM Tech Enterprises Inc engage in qualified research according to IRC § in development of new software processes and technologies. Research & Experimentation Tax Credits reward companies for their investments in developig new or improved processes and products and has therefore been granted a tax credit for R&D of USD 44,650.

Note 5 – Personnel Expenses

<i>(USD '000)</i>	2022	2021
Salaries	1,982	1,270
Employment tax	192	577
Pension costs	55	38
Costs related to options granted to employees and directors	3,833	552
Other benefits	133	120
Expensed salaries and personell costs	6,195	2,558
Average number of full-time equivalentents	10	3

Note 6 – Remuneration of Executive Management, Board of Directors and Auditors

Corporate Group Management 2022

Remuneration to management 2022

(USD '000)

	Salary	Benefits in kind	Bonus	Pension cost	Total
Thomas Christensen, CEO	342	26	-	18	386
Roger Lund, VP strategy	160	0	6	15	182
Kjell Hugo Aasland, CFO	36	1	-	-	38
Magnus Nøkleby, Former CFO*	94	0	4	15	114
Total remuneration to management	632	28	11	49	719

*(Former CFO) Magnus Nøkleby has resigned from his position and employment in the company. The agreement is settled of a total one-time payment of NOK 41.667 + holiday payment.

Former CEO Geir Johansen resigned as CEO in 2021. The agreement was settled of a total one-time payment of NOK 454,000 and was paid in 2022.

The share option program for corporate management is described in note 6 Share-based payment

No substantial loans or guarantees have been given to any members of the Group Management, the Board of directors or other corporate bodies.

Remuneration to the Board of Directors

Remuneration of the Board of Directors consists of a fixed annual fee depending on the role in the board, as well as an agreement that the board members will be compensated at an hourly rate of NOK 1750 for work performed over and beyond what regular director duties normally would demand. The members of the Board do not have agreements for severance pay. The election committee proposes the remuneration of the Board of Directors.

Remuneration to board of directors 2022 (USD '000)

	2022	2021
Thomas Christensen	-	14
James Haft	51	57
Rolf Viggo Leisner	36	41
Kari Mette Toverud	36	41
Odd Ivar Lindland	2	2
Odd Aarhus	2	2
Håkon Morten Sæther	2	-
Total remuneration to the Board of Directors	129	156

Board members have been granted options. The share option program is described in more detail in note 8 *Share-based payment*.

Remuneration to auditor

	2022	2021
Statutory audit incl. Technical assistance with financial statements	157	111
Tax advisory	-	7
Other services	9	-
Total remuneration to auditors	166	118

Note 7 – Pension Obligations

The Group has a commitment to pay a yearly contribution for each employee of 5% of the salary up to 7.1 times the base amount (G) in the Norwegian Social Security Act and 11% salary between 7.1 and 12 times the base amount.

In addition, the Group has set up a disability insurance arrangement (70% of salary up to 12 times the base amount), a spouse/cohabitant pension agreement (60 % of the disability pension in 10 years) and a child pension arrangement (50% of the disability pension, payment for each child under the age of 21).

As of 31 December 2022, the Group's pension scheme had three members (31 December 2021: three members). In the accounting period, the costs related to the contribution plan amounted to USD 52 thousand (2021: USD 34 thousand).

Note 8 – Share-Based Payments

Grant date	Number of options 01.01.21	Granted 2022	Terminated during the year	Exercised during the year	Expired during the year	Average strike price	Remaining share options 31.12.2022	Expiry date
6/6/2018	19,500				-19,500	8.2	-	6/6/2022
1/25/2019	93,000				-70,666	1.5	22,334	2022/2023
6/28/2019	225,000			- 225,000		0.3	-	2022/2023
2/24/2021	1,000,000					0.8	1,000,000	3/24/2024
2/24/2021	1,000,000					0.61	1,000,000	3/24/2024
2/24/2021	2,000,000					1.22	2,000,000	3/24/2024
4/9/2021	400,000		- 89,582			0.94	310,418	4/9/2026
8/30/2021	500,000		- 156,251			0.62	343,749	8/30/2026
6/9/2022		1,499,999				0.67	1,499,999	6/9/2027
6/9/2022		2,500,000				0.82	2,500,000	9/9/2025
9/11/2022		750,000				0.82	750,000	9/9/2025
12/21/2022		300,000				0.36	300,000	5/2/2023
Total	5,237,500	5,049,999	- 245,833	- 225,000	-90,166		9,726,500	

Variables in the model for allotment of options

	2022	2021
Expected life	2-6 years	2-6 years
Risk free interest	2.74%	0.43%

The fair value of the options has been calculated using Black & Scholes option-pricing model.
The average fair value of the options granted in, is in 2022 TUSD 552 (2021: TUSD 816).

Share-based payments compensated to key management are as followed:

	Number of options 01.01.21	Not included in 2021	Granted 2022	Terminated during the year	Exercised during the year	Expired during the year	Average strike price	Remaining share options 31.12.2022	Expiry date
Thomas Christensen	1,100,000				-50,000	-45,833	0.61	1,004,167	2023-2024
Roger Lund****		450,000	150,000				0.74	600,000	2026/2030
James Haft	1,050,000				-50,000		1.22	1,000,000	2024
Kari Mette Toverud	543,000				-25,000	-16,500	0.81	501,500	2023-2024
Viggo Leisner	500,000						0.81	500,000	2024
Hans Ola Haavelsrud*	50,000				-25,000	-8,333	1.52	16,667	2023
Kris Gram**	25,000				-25,000		0.27		2022/2023
Geir Johansen***	50,000				-50,000		0.27		2023
Magnus Nøkleby*	450,000			-245,833			0.79	204,167	2026
Total	3,768,000	450,000	150,000	-245,833	-225,000	-70,666		3,826,501	

*COO until March 2020

**Board member until 30.06.2020

***CEO until 28.02.2021

****CFO until 31st of May 2022

*****VP Strategy from 2021, and Acting Managing Director from 01.03.2023

Note 9 – Other Operating Costs

<i>(USD '000)</i>	2022	2021
Travel and transportation cost	566	336
Marketing and investor relations	1,716	90
Consultancy fees	3,552	1,390
IT and office expenses	580	558
Other operating costs	318	1,517
Total operating costs	6,732	3,891

Note 10 – Financial Income and Expense

<i>(USD '000)</i>	2022	2021
Interest from Financial investments		
Interest income	507	433
Net unrealized financial gain on investments	1,929	-479
Net financial gain on investments	1,309	200
Net realized foreign exchange income	631	180
Financial income	4,377	334
Interest expenses	1,905	5
Other financial costs	17,047	196
Net realized foreign exchange losses	-	3
Financial costs	18,952	205
Net financial items	-14,575	130

Note 11 – Tax

<i>(USD '000)</i>	2022	2021
<i>Tax expense for the year are as followed:</i>		
Income tax payable for the period	220	-
Change in deferred tax assets	- 93	-
Tax on ordinary profit	126	-

Reconciliation between nominal and actual tax rate, continued operations

(USD '000)		
Loss before tax	-37,106	-4,960
Expected income tax based on nominal tax rate	-9,038	-1,091
<i>Tax effect from the following items:</i>		
Non-deductible costs	-4,935	1,701
Temporary differences	40	-159
Unrealized gain on investments	6,683	0
Group contribution	0	0
Intangible assets	16	0
Correction of tax previous years	220	0
Change in non recognized tax assets	7,141	-
Actual recognized tax expense continued operations	127	-4,509

<i>(USD '000)</i>	2022	2021
Tangible assets	-6	-11
Intangible assets	0	0
Other provisions	-546	0
Unrealized foreign currency gain-/losses	-5,943	- 562
Long term receivables and liabilities in foreign currencies	0	-
Tax loss carried forward	-56,115	-54,896
Total tax-increasing/-reducing differences	-62,610	-55,469
Off balance sheet deferred tax assets	-62,610	-55,469

Note 12 – Earnings per Share

As of 31 December 2022, the Group has options and warrants outstanding which have a dilutive effect on the number of shares outstanding, however, the effect is not included in earnings per share as the Group has recorded losses for 2022.

<i>(USD '000)</i>	2022	2021
Loss for the year from continuing operations	- 37,232	- 4,960
Loss for the year from discontinued operations	-	-
Weighted average number of shares outstanding	71,260,769	55,189,980
Effect of the potential diluted shares	-	-
Weighted average number of shares outstanding including dilution	71,260,769	55,189,980

<i>(USD)</i>		
Basic and diluted earnings per share	-0.52	-0.08
Basic and diluted earnings per share - continued operations	-0.52	-0.08
Basic and diluted earnings per share - discontinued operations	-	-

Note 13 – Financial Assets and Financial Liabilities

Financial assets and liabilities		
<i>(USD '000)</i>	2022	2021
Investment in equity instruments	5,876	15,501
Other long-term receivables	4,712	4,499
Other short-term receivables	127	6,402
Cash and Cash equivalents	1,547	11,047
Total financial assets	12,262	37,449
Trade payables	3,288	963
Total financial liabilities	3,288	963

<i>(USD '000)</i>	2022		2021	
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Carrying amount</i>	<i>Fair value</i>
Investment in equity instruments	5,876	5,876	15,501	15,501
Other long-term receivables	4,712	4,712	4,499	4,499
Other short-term receivables	127	127	6,402	6,402
Cash and Cash equivalents	1,547	1,547	11,047	11,047
Total financial assets	12,262	12,262	37,449	37,449
Trade payables	3,288	3,288	963	963
Total financial liabilities	3,288	3,288	963	963

Fair value hierarchy	Fair value measurement using			
	Date of valuation	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
<i>(USD '000)</i>				
Assets measured at fair value	12/31/2022	-	-	10,715
Assets measured at amortized cost	12/31/2022	-	-	-
Derivatives	12/31/2022	-	-	-
Total financial assets		-	-	10,715

There were one transfers between level 1 and level 3 during 2022.

Fair value hierarchy	Fair value measurement using			
	Date of valuation	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
<i>(USD '000)</i>				
Assets measured at fair value	12/31/2021	3,959	-	22,443
Assets measured at amortized cost	12/31/2021	-	-	-
Derivatives	12/31/2021	-	-	-
Total financial assets		3,959	-	22,443

Financial risk management

The Company is exposed to several types of financial market risk arising from its normal business activities:

- Credit risk
- Liquidity risk
- Market risk
- Equity risk

The corporate management monitors the Company's most important financial risks and assesses whether measures are required to reduce a specific risk if a need to do so is identified.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. A large portion of the Group's financial assets are bank deposits and other receivables.

Credit risk related to bank deposits considered limited as the Group uses only banks that international credit rating firms consider having high creditworthiness. A large proportion of the Group's cash is placed with DNB Bank in Norway.

The Group is exposed to credit risk related to the loans extended by the Group as a part of the sale and restructuring of the assets in AMI. More specifically, to the promissory note issued to Eardly as well as the two term loans issued to AMI. The Company is exposed to the risk that AMI is not repaying the two term loans, where one was due on 30 June 2021 (wholly repaid in December 2021) and the other is due (including all accrued interest) in December 2024. The promissory note issued to Eardly is due in December 2024. The group is entitled to receive financial reports from AMI on a regular basis which helps the Group to assess the risk of not being repaid at maturity. There is no interest to be received on any of the loans as all interest falls due at the maturity date of the loans. Both the term loans have a security package which includes fixed and floating charges over all assets in AMI. The promissory notes are secured by the AMI shares (27,6%) owned by Eardly.

Liquidity risk

Liquidity risk is the risk that the Company being unable to fulfil its financial obligations when they fall due. Cash management shall ensure there is enough available cash to fulfil the Company's obligations without involving unacceptable losses. DLTx considers that it has enough cash available to pay for all administrative expenses for the next 12 months. If the Company decides to make significant investments, DLTx will have to issue shares to fund such investment. There is always a risk that the equity markets would not be available to Element and that any investment therefore could not be funded.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and equity prices will affect the Company's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The loans extended as a part of the AMI restructuring, allows DLTx to sell parts or all the loans to a third party. There is a risk that DLTx would not be able to sell the loans if the credit markets have moved negatively at the time that DLTx wanted to sell the loans.

Equity price risk

The Group's non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and the group has limits on individual and total equity investments. Results on the equity portfolio are reviewed by the Group's management on a regular basis. The Group's Board of Directors reviews and approves a changes in equity investments.

Foreign currency risk

The Group is exposed to currency risk relating to costs, receivables and liabilities in currency other than the functional currency for its entities, which are NOK and USD. Foreign transactions are mainly in USD. At present, the Group does not utilize financial instruments to handle its currency risk.

The Group's balance sheet is exposed to exchange rate movements between the functional currencies and the presentation currency (USD). Most of the Group's cash and cash equivalents are in NOK.

Note 14 – Other Receivables

<i>(USD '000)</i>	2022	2021
Advance payments	-	-
Other short-term receivables	127	6,402
Loan to employees	-	-
Total other receivables	127	6,402

Note 15 – Cash and Cash Equivalents

<i>(USD '000)</i>	2022	2021
Unrestricted cash and cash equivalents	1,459	10,705
Restricted bank deposits	88	341
Total cash and cash equivalents	1,547	11,047

Note 16 – Share Capital and Shareholder information

As of 31 December 2022, DLTx ASA had a share capital of NOK 114,197,230 comprising 71,373,268 shares with a par value of NOK 1.60. All shares have equal rights and rights to dividends from the Company. All shares are fully paid.

<i>20 largest shareholders 31.12.2022</i>	<i>Number of shares</i>	<i>Ownership in % of total shares</i>
Nordea Bank ABP, Filial i Norge	14,751,411	20.67%
Hope for More AS	10,554,903	14.79%
Pershing LLC	3,043,133	4.26%
Easy2Connect AS	2,873,334	4.03%
Interactive Brokers LLC	1,805,352	2.53%
JPMorgan Chase Bank, N.A., London	1,287,749	1.80%
Distributed Ledger Technologies Ltd	1,266,278	1.77%
Simba AS	1,100,000	1.54%
Stian Alexander Larsen	1,002,062	1.40%
Songa Capital AS	790,270	1.11%
Six-Seven AS	734,850	1.03%
Six Sis AG	723,172	1.01%
Credit Suisse (Switzerland) Ltd.	712,403	1.00%
Camaca AS	700,000	0.98%
Duo Jag AS	630,000	0.88%
Merrill Lynch, Pierce, Fenner & Sm	614,100	0.86%
John Inge Haugstad	600,050	0.84%
Jan Andre Øksnevad Voll	575,000	0.81%
Citibank, N.A.	548,400	0.77%
Odd Ivar Lindland	531,168	0.74%
Other	26,529,633	37.17%
Total shares	71,373,268	100%

Shares DLTx ASA owned by corporate group management and board members as of 31 December 2022

Name	Position	Shares	Options	CFDs
Thomas Christensen	CEO	2,923,334	1,004,167	-
Simon Campbell	COO	2,492,235	1,000,000	-
David Johnston	CSO	7,912,433	1,000,000	1,000,000
Roger Lund	VP Strategy	81,500	600,000	-
Timothy Furey	VP Acquisitions & Operations	1,191,983	166,666	250,000
Jonathan Mohan	Head of Partnerships	97,669	333,333	773,333
Kari Mette Toverud	Member of the board	128,412	501,500	-
James Haft	Chairman of the board	9,804,593	1,000,000	1,000,000
Viggo Leisner	Member of the board	630,000	500,000	-
Total		25,262,159	6,105,666	3,023,333

Note 17 – Provisions and Contingent Liabilities

<i>(USD '000)</i>	2022	2021
Other long-term liabilities	24,487	22,415
Deferred tax liabilities	187	-
Lease liabilities	2,797	-
Other long term liabilities	27,471	22,415

Note 18 – Trade Payables, Other Current Liabilities, and non-Interest-Bearing Financial Liabilities

<i>(USD '000)</i>	2022	2021
Trade payables	3,288	963
Trade payables	3,288	963
Public duties payable	652	1,015
Accrued operating expenses	3,470	346
Provisions and contingent liabilities	-	-
Total other current liabilities	4,122	1,361

Note 19 – Cryptocurrencies

<i>Cryptocurrency (USD '000)</i>	<i>Aquisition cost</i>	<i>Carrying value</i>	<i>Market value</i>
BEAM	15	4	4
PEGNet	36	18	18
Polymath	3	3	3
Hedera	244	25	25
Filecoin	6,149	1,551	1,551
PocketNetwork	1,235	276	276
USD Coin	457	6	6
Total	8,138	1,884	1,884

Note 22 – Business Combinations

The 12.03.2022, the Company acquired 100% of DSM Tech Enterprises Inc with the subsidiaries Midwest Blockchain Company LLC, Filtech SPV LLC, DSM Tech Enterprises UK LTD and Afton Checking LLC. The purchase price was MUSD 11.416 and financed by issuing 12 572 042 new shares in DLT ASA. The companies acquired are all tech companies which configure, build and deploy high-compute hardware solutions that support blockchain protocols.

The net assets acquired in the acquisition of DSM with subsidiaries are as follows:

<i>In USD (000)</i>	<i>DSM with subsidiaries</i>
Assets	
Intangible asset	-
Financial investments	100
Property, plant and equipment	2,508
Inventories	1,224
Other receivables	7,696
Cash and cash equivalents	410
Total assets	11,937
Liabilities	
Other long-term liabilities	2,491
Deferred tax	280
Trade payables	1,386
Other current liabilities	3,972
Total liabilities	8,130
Net identifiable assets and liabilities at fair value	3,808
Goodwill	7,608
Purchase consideration transferred	11,416
Shares issued, at fair value	11,416
Cash	-
Total consideration	11,416
Paid in cash	-
Cash received	410
Net decrease/(increase) in cash	410

Included in the goodwill is related to possible external storage contracts in the future and employees with special skills. These intangible assets do not fulfill the recognition criteria under IAS 38 and are therefore not recognized separately.

Note 23 – Transactions with Related Parties

The Company have entered into a 6-month office lease agreement with ProCorp. The lease agreement has a three-month notice period.

Each of the Directors of the Board will be compensated an hourly rate of NOK 1750 for work performed over and beyond what regular director duties normally would demand.

Note 24 – Transactions after Balance Sheet Date

There have been two significant events following the balance sheet date: 1) Sale of subsidiaries and 2) Equity raise.

On 8 April 2023 the Company sold all of its foreign operating subsidiaries, including its interest in Filecoin cloud storage partnerships Storify and Helix. The entities sold was:

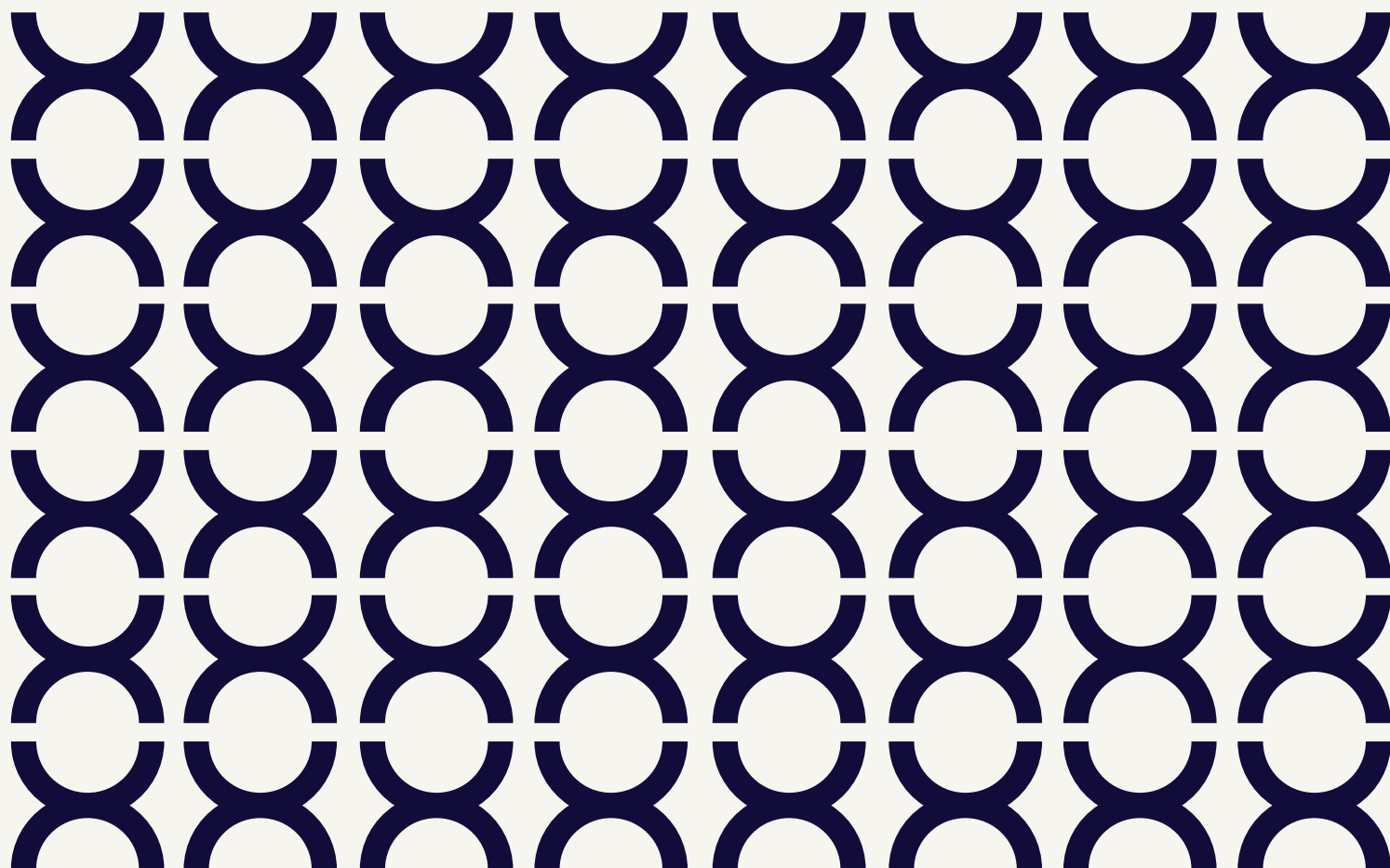
- DSM Tech Enterprises Inc.
- Relay Partners LLC
- File Storage Company 1 Inc.
- Long Term Data Provision Partners Ltd.
- DLTx Digital Assets LLC
- DLTx Wireless LLC

In addition, the Company sold its interest in partnerships Storify BV and SAS Helix.

As a result of the sale, the Company's overall debt burden and operating expenses has been severely reduced as an important part of the Company's effort to improve its financial situation and facilitate new strategic initiatives.

On 11 April 2023 the Company signed an Investment Agreement to issue 25,500,000 new shares in the Company at a price equal to NOK 1.0 per share, the investors signed the subscription agreement 14 April 2023, and settlement was made 25 April 2023. The completion of the equity raise secured the Company's going concern for the next 12 months.

Parent Company Financial Statements



Annual Accounts

Statement of Profit and Loss

<i>(NOK '000)</i>	<i>Note</i>	2022	2021
Revenue	4	7,676	222
Other income	4	-	-
Total income		7,676	222
Net income/loss from equity acct. investments		-	-
Depreciation	5	-321	-169
Salary and social security cost	6,7,8	-47,865	-21,900
Other operating expenses	9	-37,891	-24,749
Operating loss		-78,402	-46,595
Interest income	10	4,532	3,414
Net financial gains/loss on investments	10	-136,501	-24,808
Financial costs	10	-30,682	-25
Net currency gain/-loss	10,11	4,974	938
Net financial items		-157,677	-20,482
Profit/loss before tax		-236,078	-67,076
Income Taxes	12	-	-
Profit/loss after tax		-236,078	-67,076
Loss discontinued operations, after tax		-	-
Profit/loss for the period		-236,078	-67,076

Balance Sheet

(NOK '000)	Note	2022	2021
ASSETS			
Intangible assets	5	187	509
Furnitures, fixtures, etc	5	41	41
Investment in subsidiary companies	13	80,166	113,152
Investment in financial assets	14	8,200	8,969
Other long-term receivables	15	46,315	39,291
Loans to subsidiaries	16	14,960	10,183
Equity accounted investments		-	-
Total non-current assets		149,870	172,145
Investment in current financial assets		-	-
Inventories	17	-	188
Other receivables	15	363	2,053
Cash and cash equivalents	18	10,523	35,265
Total current assets		10,886	37,506
Assets classified as held for sale		-	-
Assets classified as held for sale		-	-
TOTAL ASSETS		160,756	209,651
EQUITY			
Share capital	19	114,197	92,122
Other paid-in-capital		269,973	272,710
Share premium reserve		735,319	644,969
Other equity		-1,039,120	-833,311
Total equity	20	80,369	176,490
LIABILITIES			
Loan from subsidiaries	16	46,998	19,286
Total long-term liabilities		46,998	19,286
Trade payables		12,017	3,219
Other current liabilities		21,373	10,657
Total current liabilities		33,390	13,876
Liabilities associated with assets classified as held for sale		-	-
Liabilities associated with assets classified as held for sale		-	-
TOTAL EQUITY AND LIABILITIES		160,756	209,652

Cash Flow Statement

(NOK '000)	2022	2021
Operating activities		
Profit/-loss for the year	-236,078	-67,076
Depreciation	321	168
Change in trade and other receivables	-11,652	-12,238
Change in trade payables and other current liabilities	19,514	28,207
Net unrealized adjustments on financial assets	165,821	29,258
Warrants and impairment	30,269	1,718
Cash flow from operating activities	-31,805	-19,964
Investment activities		
Net expenditure on property, plant and equipment	-	-684
Net expenditures to financial investments	-102,812	-147,362
Cash flow from investment activities	-102,624	-148,046
Financing activities		
Capital increase	109,688	191,764
Sale of own shares	-	1,966
Cash flow from financing activities	109,688	193,730
Net change in cash and cash equivalents	-24,741	25,721
Cash and cash equivalents at the start of the period	35,266	9,545
Cash and cash equivalents at the end of the period for cont. and disc. Operations	10,524	35,266

Note 1 – General Information

DLTx is a project investment company within the distributed ledger technology and block-chain sector. The Company is the parent company of the DLTx Group.

The Company was listed on Oslo Stock Exchange on 21 December 2006. A list of the largest shareholders as at 31 December 2022 is presented in note 19 Share capital and shareholder information.

Note 2 – Basis for Preparation

This set of financial statements comprises the parent company accounts for DLTx ASA only and has been prepared in accordance with the Accounting Act of 1998 and the generally accepted accounting principles in Norway (NGAAP).

The consolidated financial statements of DLTx ASA as of 31 December 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and are presented in a separate section of this financial statements.

Going Concern

The annual accounts have been prepared based on the going concern assumption in accordance with section 3-3a of the Norwegian Accounting Act. This is based on the Company's plans, budgets and level of activity going forward.

As of 31 December 2022, the Company had cash and cash equivalents in the amount of NOK 10,523 thousand, which is enough to cover the Company's operating expenses and liabilities for the 12 months following the end of year. Any new significant investments would need to be funded separately.

Use of Estimates

The preparation of the financial statements is based on available information at the time of finalizing the annual accounts. Actual results/outcome may differ from the estimates. The effects of changes in accounting estimates are accounted for in the same period as the estimates are changed.

Key areas of judgments, assumptions and estimates at the balance sheet date, which have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in its respective note.

Note 3 – Accounting Policies

3 – 1 Currency

The accounts for the parent company are reported in NOK and rounded to the nearest thousand.

Transactions in foreign currencies are recorded at monthly average exchange rates that correspond to market exchange rates.

Monetary items in foreign currencies are recorded at the year-end exchange rates. Currency gains/losses are recognized as financial items.

As of 31 December 2022, the exchange rate for the most important currency, USD, was 9.86 (31 December 2021: NOK/USD 8.82).

3 – 2 Revenue Recognition

Revenue from contracts with customers is recognized when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

3-3 Income Tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

3-4 Balance Sheet Classification

Current assets and short-term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

3 – 5 Cash and Cash Equivalents

Bank deposits, cash and cash equivalents comprise cash, bank deposits and other liquid assets with an original maturity of three months or less.

3 – 6 Subsidiaries and Investments in Associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period. Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends / group contribution exceeds withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

3-7 Share Capital and Shareholder Information

Ordinary shares are classified as equity. Expenses that are directly attributable to the issue of ordinary shares are recognized as a reduction in equity (share premium reserve).

Dividend distributions to the shareholders of the Company are classified as liability from the date on which the dividend is adopted by the general meeting.

3-8 Provision and Contingent Liabilities

Provisions are recognized when, the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate for the outflow necessary to settle the obligation at the date of the balance sheet. The amount is discounted to present value if the interest effect is material.

3 – 9 Cash and Cash Equivalents

Two parties are regarded as related if one of the parties exercises significant influence over the other party's strategic or operational management. Related parties during the accounting period were the Company's board and management and subsidiaries. All transactions between related parties are based on the arm's length principle (estimated fair market value).

3-10 Intercompany balances - receivables

Long-term loans are recognized at the nominal value received when the loans were established. The borrowing capacity of the subsidiaries are tested on a yearly basis.

3-11 Employee benefits

Pension obligations

The Group has a defined contribution plan for its employees in Norway. A defined contribution plan is a pension arrangement where a fixed yearly contribution is paid to a pension fund. The Group has no legal or constructive obligation to pay further contributions. Compulsory contributions are recognized as personnel costs as they arise.

Share based payment

The Group has share-based programs for the executive management and board members. The programs are measured at fair value at the date of the grant. The share option program is settled in stocks. The fair value of the issued options is expensed over the vesting period which in this case is over the agreed upon future service time.

The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the company's own shares) is recognized as salary and personnel cost in profit and loss and in other paid-in capital. Social security tax on options is recorded as a liability and is recognized over the estimated vesting period.

3 – 12 Inventories

Cryptocurrency is classified and accounted for according to IAS 2 inventory, as they are used as payment in the ordinary course of the business or held for sale. As there are no specific definite guidance on accounting of cryptocurrencies the management has exercised significant judgment in determining the appropriate accounting treatment. In the event authoritative guidance is enacted by the IASB, the company may be required to change its policies, which could have an effect on the Company's financial position and results from operations..

3 – 13 Cash Flow Statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 4 – Income

Business area	2022	2021
Sponsorship events	-	210
Management fees	7,676	-
Total revenue	7,676	-

Geographical area	2022	2021
Oslo, Norway	7,676	210
Total revenue	7,676	210

Note 5 – Fixed Assets

(NOK '000)	Art	IT-equipment	Website	Total
Carrying value 1 January 2022	41	-	509	550
Additions	-	-	-	-
Disposals, and assets classified as held for sale	-	-	-	-
Additions from acquisition of companies	-	-	-	-
Write downs	-	-	-	-
Reversal of previous write downs	-	-	-	-
Depreciation	-	-	-321	-321
Exchange differences	-	-	-	-
Carrying value 31 January 2022	41	-	187	229
As of 1 January 2022				
Acquisition cost	41	404	643	1088
Accumulated depreciation and write downs	-	-404	-134	-538
Carrying value	41	-	509	550
As of 31 December 2022				
Acquisition cost	41	404	643	1088
Accumulated depreciation and write downs	-	-404	-455	-859
Carrying value	41	-	187	229

Note 6 – Personnel Expenses

(NOK '000)	2022	2021
Salaries	7,901	13,860
Employment tax	-1,868	4,959
Pension costs	515	329
Costs related to options granted to employees and directors	39,869	1,718
Other benefits	1,448	1,033
Expensed salaries and personell costs	47,865	21,900
Average number of man-years	3	3

Note 7 – Remuneration of Executive Management, Board of Directors and Auditors

Corporate Group Management 2022

Remuneration to management 2022
(NOK '000)

	Salary	Benefits in kind	Bonus	Pension cost	Total
Thomas Christensen, CEO	3,287	251	-	178	3,716
Roger Lund, VP Strategy	1,534	4	60	149	1,747
Magnus Nøkleby, Former CFO*	903	2	42	145	1,091
Kjell Hugo Aasland, CFO	348	14	-		362
Total remuneration to management	6,071	272	102	471	6,915

*(Former CFO) Magnus Nøkleby has resigned from his position and employment in the company. The agreement is settled of a total one-time payment of NOK 41.667 + holiday payment.

Former CEO Geir Johansen resigned as CEO in 2021. The agreement was settled of a total one-time payment of NOK 454,000 and was paid in 2022.

The share option program for corporate management is described in note 8 Share-based payment.

No substantial loans or guarantees have been given to any members of the Group Management, the Board of directors or other corporate bodies.

Remuneration to the Board of Directors

Remuneration of the Board of Directors consists of a fixed annual fee depending on the role in the board, as well as an agreement that the board members will be compensated at an hourly rate of NOK 1750 for work performed over and beyond what regular director duties normally would demand. The members of the Board do not have agreements for severance pay. The election committee proposes the remuneration of the Board of Directors.

Remuneration to board of directors 2022 (NOK '000)

	2022	2021
Thomas Christensen	-	118
Rolf Viggo Leisner	350	350
James Haft	487	486
Kari Mette Toverud	350	350
Odd Aarhus	15	15
Odd Lindland	15	20
Håkon Morten Sæther	20	15
Total remuneration to the Board of Directors	1,237	1,354

Board members have been granted options. The share option program is described in more detail in note 8 *Share-based payment*.

Remuneration to auditor

	2022	2021
Statutory audit incl. Technical assistance with financial statements	1,510	954
Other assurance services	-	-
Tax advisory	-	60
Other services	82	-
Total remuneration to auditors	1,593	1,014

Note 8 – Share Based Payments

Grant date	Number of options 01.01.21	Granted 2022	Terminated during the year	Exercised during the year	Expired during the year	Average strike price	Remaining share options 31.12.2022	Expiry date
6/6/2018	19,500				- 19,500	81.00		6/6/2022
1/25/2019	93,000				-70,666	15.00	22,334	2022/2023
1/25/2019	225,000			-225,000		2.63		2022/2023
2/24/2021	1,000,000					8.00	1,000,000	3/24/2024
2/24/2021	1,000,000					6.00	1,000,000	3/24/2024
2/24/2021	2,000,000					12.00	2,000,000	3/24/2024
4/9/2021	400,000		-89,582			9.23	310,418	4/9/2026
8/30/2021	500,000		-156,251			6.12	343,749	8/30/2026
6/9/2022		1,499,999				6.60	1,499,999	6/9/2027
6/9/2022		2,500,000				8.10	2,500,000	9/9/2025
9/11/2022		750,000				8.10	750,000	9/9/2025
12/21/2022		300,000				3.50	300,000	5/2/2023
Total	5,237,500	5,049,999	-245,833	-225,000	- 90,166		9,726,500	

Variables in the model for allotment of options

	2021	2021
Expected life	2-6 years	1-3 years
Volatility		

Share-based payments compensated to key management are as followed:

	Number of options 01.01.22	Not included in 2021	Granted 2022	Terminated during the year	Exercised during the year	Expired during the year	Average strike price	Remaining share options 31.12.2022	Expiry date
Thomas Christensen	1,100,000				-50,000	-45,833	6.04	1,004,167	2023-2024
Roger Lund*****		450,000	150,000				7.22	600,000	2026/2030
James Haft	1,050,000				-50,000		12.00	1,000,000	2024
Kari Mette Toverud	543,000				-25,000	-16,500	8.02	501,500	2023-2024
Viggo Leisner	500,000						8.00	500,000	2024
Hans Ola Haavelsrud*	50,000				-25,000	-8,333	8.81	16,667	2023
Kris Gram**	25,000				-25,000		2.63		2022/2023
Geir Johansen***	50,000				-50,000		2.63		2023
Magnus Nøkleby*	450,000			-245,833			7.68	204,167	2026
Total	3,768,000	450,000	150,000	-245,833	-225,000	-70,666		3,826,501	

*COO until March 2020

**Board member until 30.06.2020

***CEO until 28.02.2021

****CFO until 31st of May 2022

*****VP Strategy from 2022

Note 9 – Other Operating Costs

<i>(NOK '000)</i>	2022	2021
Travel and transportation cost	3,482	209
Consultancy fees	27,901	12,440
Rent costs	3,267	3,463
Other operating costs	3,241	8,636
Total operating costs	37,891	24,749

Note 10 – Financial Income and Expense

<i>(NOK '000)</i>	2022	2021
Interest from Financial investments		
Interest income	4,532	3,414
Reversal of previous years write-down on financial assets	-	2,240
Write-down on financial assets	-	-27,048
Other financial income	145	-
Net unrealized foreign exchange income	4,974	938
Financial income	9,651	-20,457
Interest expenses	-705	-25
Other financial costs	-29,977	-
Net realized foreign exchange losses	-	-
Net unrealized foreign exchange losses	-136,646	-
Impairment of financial assets	-	-
Financial costs	-167,328	-
Net financial items	-157,677	-20,482

Note 11 – Financial Market Risk

The Company is exposed to several types of financial market risk arising from its normal business activities:

- Credit risk
- Liquidity risk
- Market risk

The corporate management monitors the Company's most important financial risks and assesses whether measures are required to reduce a specific risk if a need to do so is identified.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Most of the Company's financial assets are bank deposits and other receivables.

Credit risk related to bank deposits considered limited as the Company uses only banks that international credit rating firms consider having high creditworthiness. A large proportion of the Company's cash is placed with DNB Bank in Norway.

The Group is exposed to credit risk related to the loans extended by the Group as a part of the sale and restructuring of the assets in AMI. More specifically, to the promissory note issued to Eardly as well as the two term loans issued to AMI. The Company is exposed to the risk that AMI is not repaying the two term loans, where one was due on 30 June 2021 (wholly repaid in December 2021) and the other is due (including all accrued interest) in December 2024. The promissory note issued to Eardly is due in December 2024. The group is entitled to receive financial reports from AMI on a regular basis which helps the Group to assess the risk of not being repaid at maturity. There is no interest to be received on any of the loans as all interest falls due at the maturity date of the loans. Both the term loans have a security package which includes fixed and floating charges over all assets in AMI. The promissory notes are secured by the AMI shares (27,6%) owned by Eardly.

Liquidity risk

Liquidity risk is the risk that the Company being unable to fulfil its financial obligations when they fall due. Cash management shall ensure there is enough available cash to fulfil the Company's obligations without involving unacceptable losses. Given the fund raising described in note 23, DLTx considers that it has enough cash available to pay for all administrative expenses for the next 12 months. If the Company decides to make significant investments, DLTx will have to either sell assets or issue shares to fund such investment. There is always a risk that the equity markets would not be available to DLTx, or that assets cannot be sold, and that any investment therefore could not be funded.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and equity prices will affect the Company's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Price risk

The Company does not have any significant assets or liabilities which are exposed to price risk.

Foreign currency risk

The Company is exposed to currency risk mainly relating to receivables in currency other than the functional currencies, which are NOK. Foreign exchange transactions are mainly in USD. At present, the Company does not utilize financial instruments to handle its currency risk.

<i>(USD '000)</i>	Amount in currency	NOK/USD 31.12.2022	Carrying amount	Effect of a ±10% change in NOK/USD
Gross receivables	6,253	9.86	61,638	± 6,164
Carrying amount of receivables	-7,430	9.86	-73,236	± -7,324

The table shows the effect on the company's equity as of 31 December 2022 if the specified currencies had appreciated/depreciated by 10% and all other variables remained constant.

Note 12 – Tax

(NOK '000)	2022	2021
<i>Tax expense for the year are as followed:</i>		
Income tax payable for the period	-	-
Change in deferred tax assets	-	-
Tax on ordinary profit	-	-

Reconciliation between nominal and actual tax rate

Loss before tax	-236,078	-67,076
Expected income tax based on nominal tax rate	-51,937	-14,757
<i>Tax effect from the following items:</i>	0	-
Non-deductible costs	32,518	14,614
Group Contribution	2,350	-
Effect of change in tax rate	-	-
Actual recognized tax expense	-17,069	-67,219

Reconciliation between loss before tax and taxable loss:

Loss before tax	-236,078	-67,076
Permanent differences	147,810	14,614
Changes in temporary differences	-34	-1,359
Group Contribtuion	10,681	-
Correction of change in temporary differences from prior period	-1,735	840
Increase in tax loss carried forward	79,356	52,981
Taxable loss for the period	-	-

(NOK '000)	2022	2021
Tangible assets	-60	- 95
Other provisions	-5,378	- 4,955
Long term receivables and liabilities in foreign currencies	-	-
Tax loss carried forward	-563,506	- 484,149
Total tax-increasing/-reducing differences	-568,944	-489,199
Deferred tax assets	125,168	107,624
Off balance sheet deferred tax assets	125,168	107,624

Note 13 – Investments in Subsidiaries

<i>(NOK '000)</i>	Registered office	Direct ownership voting share	Year of acquisition
DLTx Cloud AS	Oslo	100%	2007
DLTx Digital Assets AS	Oslo	100%	2007
DLTx Wireless AS	Oslo	100%	2018
DLTx Ventures AS	Oslo	100%	2018
Pal Capital Ventures Inc.	USA	100%	2019
DLT Ireland Ltd	Ireland	100%	2021
File Storage Partners LLC	USA	100%	2021
SAS Helix	Frankrike	51%	2022
DSM Tech Enterprises Inc	USA	100%	2022
File Storage OPS 2 AS	Oslo	100%	2022

<i>(NOK '000)</i>	Acquisition cost	Impairment	Carrying value 2021	Acquisitions 2022	Impairment 2022	Carrying value 31.12.2022
DLTx Cloud AS	8,120	-8,120	-	-	-	-
DLTx Digital Assets AS	518	-518	-	-	-	-
DLTx Wireless AS	30	-	30	-	-	30
DLTx Ventures AS	30	-	30	-	-	30
Pal Capital Ventures Inc.	5126	-	5,126	-	-3,792	1,334
DLT Ireland Ltd	135,000	-27,034	107,966	-	-29,224	78,742
SAS Helix	-	-	-	25	-25	-
File Storage OPS 2 AS	-	-	-	30	-	30
DSM Tech Enterprises	-	-	-	101,834	-101,834	-
File Storage Partners LLC	-	-	-	0	-	0
Total carrying value	148,824	-35,672	113,152	101,889	-134,874	80,167

The Company has loans to Norwegian subsidiaries. Please refer to note 14 *Intercompany balances - receivables* for further details.

Note 14 – Investment in Financial Assets

Investments (NOK '000)	Acquisition cost	Carrying value	Change in value over profit and loss
Jupiter Sponsor LLC	5,523	5,523	-
Titan.io, Inc.	1,698	1,698	-
ITMO US	899	-	-899
Avocado Guild Australia Pty Ltd	867	-	-867
WeatherXM AG	986	979	-7
Total	9,972	8,200	-1,772

Note 15 – Accounts Receivable and Other Short-Term Liabilities

(NOK '000)	2022	2021
AMI loan - current	-	-
Short term receivables	363	2,053
Total other receivables - current	363	2,053
AMI loan – non-current	46,315	38,361
Long term receivables	-	930
Total other receivables – non-current	46,315	38,361

Note 16 – Intercompany Balances

(NOK '000)	2022	2021
DLTx Cloud AS*	4,049	4,027
DLTx Digital Assets AS*	964	942
DLTx Wireless AS*	119	99
DLTx Ventures AS*	45	22
Pal Capital Ventures Inc.	-45	299
DLTx Ireland Ltd	-35,426	-19,267
DSM Tech Enterprises Inc	12,371	-
Recurring Revenue Generator LLC	190	-
Long Term Data Provision Partners	262	-
File Storage Partners LLC	19,709	9,728
Impairment	-34,275	-4,955
Total	-32,038	-9,103

*Carrying value are impaired to NOK 0.00

Note 17 – Cryptocurrencies

Cryptocurrency (NOK '000)	Value	Aquisition cost	Carrying value	Market value
Tether	-	-	-	-
USD Coin	-	-	-	-
Total	-	-	-	-

Note 18 – Cash and Cash Equivalents

(NOK '000)	2022	2021
Unrestricted cash and cash equivalents	9,652	32,257
Restricted bank deposits	871	3,008
Total cash and cash equivalents	10,523	35,265

Note 19 – Share Capital and Shareholder Information

As of 31 December 2022, DLTx ASA had a share capital of NOK 114,197,230 comprising 71,373,268 shares with a par value of NOK 1.60. All shares have equal rights and rights to dividends from the Company. All shares are fully paid.

<i>20 largest shareholders 31.12.2022</i>	<i>Number of shares</i>	<i>Ownership in % of total shares</i>
NORDEA BANK ABP, FILIAL I NORGE	14,751,411	20.67%
HOPE FOR MORE AS	10,554,903	14.79%
Pershing LLC	3,043,133	4.26%
EASY2CONNECT AS	2,873,334	4.03%
Interactive Brokers LLC	1,805,352	2.53%
JPMorgan Chase Bank, N.A., London	1,287,749	1.80%
DISTRIBUTED LEDGER TECHNOLOGIES, L	1,266,278	1.77%
SIMBA AS	1,100,000	1.54%
LARSEN	1,002,062	1.40%
SONGA CAPITAL AS	790,270	1.11%
SIX-SEVEN AS	734,850	1.03%
SIX SIS AG	723,172	1.01%
Credit Suisse (Switzerland) Ltd.	712,403	1.00%
CAMACA AS	700,000	0.98%
DUO JAG AS	630,000	0.88%
Merrill Lynch, Pierce, Fenner & Sm	614,100	0.86%
HAUGSTAD	600,050	0.84%
VOLL	575,000	0.81%
Citibank, N.A.	548,400	0.77%
LINDLAND	531,168	0.74%
Other	26,529,634	37.17%
Total shares	71,373,269	100%

Shares DLT ASA owned by corporate management and board members as of 31 December 2022

Name	Position	Shares	Options	CFDs
Thomas Christensen*	CEO	2,923,334	1,004,167	-
Roger Lund**	VP Strategy	81,500	600,000	-
Kari Mette Toverud	Member of the board	128,412	501,500	-
James Haft	Chairman of the board	9,804,593	1,000,000	1,000,000
Viggo Leisner	Member of the board	630,000	500,000	-
Total		13,567,839	3,605,667	1,000,000

*Thomas Christensen resigned as CEO 28.02.2023

**Roger Lund steps in as Acting Managing Director as of 01.03.2023

Note 20 – Equity

<i>(NOK '000)</i>	<i>Share capital</i>	<i>Share premium fund</i>	<i>Other paid-in capital</i>	<i>Other equity</i>	<i>Total</i>
Equity 1 January 2021	30,448	500,391	285,232	-767,952	48,119
					-
Loss for the period	-	-	-	-67,076	-67,076
Discontinued operation	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-67,076	-67,076
Capital increase	61,674	144,579	-14,488	-	191,764
Repurchase of shares	-	-	1,966	-	1,966
Share options cost	-	-	-	1,718	1,718
Warrants costs	-	-	-	-	-
Converted warrants	-	-	-	-	-
Total transactions with owners	61,674	144,579	-12,522	1,718	195,448
Equity 31 December 2021	92,122	644,969	272,710	-833,311	176,490

<i>(NOK '000)</i>	<i>Share capital</i>	<i>Share premium fund</i>	<i>Other paid-in capital</i>	<i>Other equity</i>	<i>Total</i>
Equity 1 January 2022	92,122	644,969	272,710	-833,311	176,490
Result for the period	-	-	-	-236,078	-236,078
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-236,078	-236,078
Capital increase	22,075	90,349	-2,737	-	109,688
Sale of own shares	-	-	-	-	-
Share options cost	-	-	-	30,269	30,269
Transaction with minority	-	-	-	-	-
Converted warrants	-	-	-	-	-
Total transactions with owners	22,075	90,349	-2,737	30,269	139,957
Equity 31 December 2022	114,197	735,318	269,973	-1,039,120	80,369

Note 21 – Provisions and Contingent Liabilities

There are no contingent liabilities at 31.12.2022

Note 22 – Transactions with Related Parties

The Company have entered into a 6-month office lease agreement with ProCorp. The lease agreement has a three-month notice period.

Each of the Directors of the Board will be compensated an hourly rate of NOK 1750 for work performed over and beyond what regular director duties normally would demand.

Note 23 – Transactions After the Balance Date

There have been two significant events following the balance sheet date: 1) Sale of subsidiaries and 2) Equity raise.

On 8 April 2023, the Company sold all of its foreign operating subsidiaries, including its interest in Filecoin cloud storage partnerships Storify and Helix. The entities sold was:

- DSM Tech Enterprises Inc.
- Relay Partners LLC
- File Storage Company 1 Inc.
- Long Term Data Provision Partners Ltd.
- DLTx Digital Assets LLC
- DLTx Wireless LLC

In addition, the Company sold its interest in partnerships Storify BV and SAS Helix.

As a result of the sale, the Company's overall debt burden and operating expenses has been severely reduced as an important part of the Company's effort to improve its financial situation and facilitate new strategic initiatives.


On 11 April 2023 the Company signed an Investment Agreement to issue 25,500,000 new shares in the Company at a price equal to NOK 1.0 per share, the investors signed the subscription agreement 14 April 2023, and settlement was made 20 April 2023. The completion of the equity raise secured the Company's going concern for the next 12 months.

Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2022 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the Company taken as a whole.

We also confirm to the best of our knowledge that the Board of Directors report includes a true and fair review of the development and performance of the business and the position of the entity and the Company, together with a description of the principal risks and uncertainties facing the entity and the Company.

Oslo, April 27th, 2023, Board of Directors, DLTx ASA


Viggo Leisner
Board Member


Kari Mette Toverud
Chairperson


Roger Lund
Managing Director

Corporate Governance

1. Corporate Governance

DLTx is required to report on corporate governance by section 3-3b of the Norwegian Accounting Act and by the Norwegian Code of Practice for Corporate Governance, ref. ongoing obligations for listed companies point 7. The Norwegian Code of Practice for Corporate Governance, last revised 17 October 2018, is available at www.nues.no.

This document addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the board of directors (the "Board"), the chief executive officer (the "CEO") and the Company's executive management team (the "Executive Management Team"). This document, which has been discussed and adopted by the Board, presents the main principles and guidelines for corporate governance at DLTx.

2. Values and ethical guidelines

DLTx is a technology company focusing on building and scaling infrastructure for Web3. The Group's head office is in Oslo. The Group's objective is to increase values for the shareholders and other interested parties, while continuing to develop infrastructure projects in new protocols. DLTx places emphasis on performing its activities within the framework of relevant legislation and regulations. DLTx has ethical guidelines that describe the Group's principles, values, standards and rules for behavior and govern the Group's decisions, procedures and systems in such a way that they contribute to the well-being of our main interests and respect the rights of all those affected by our activities.

3. Business

DLTx's business is defined in article 3 of the Company's articles of association. "The company's business is investment activities in securities, digital assets and other financial instruments, as well as investments, development and business operations within digital assets and blockchain technology and to run business related thereto or associated therewith, including investing in securities, digital assets and other financial instruments related to other companies".

DLTx's articles of association are available on our website: www.dltx.com. The website will be updated on an ongoing basis with relevant information about the Company's activities and development.

4. Equity and Dividends

The Board aims to maintain a capital structure suited to the Group's risk profile and providing enough financial flexibility to manage unforeseen situations.

The Company's objective is to generate a return for the shareholders at a level which is at least equal to other investment possibilities with comparable risk. The Company does not distinguish between such a return in the form of dividends and in the form of capital appreciation. Given the Company's current investment horizon and balance sheet structure, it is unlikely that the Group will pay dividend on a regular basis. This situation may change if one or more projects are sold or in other ways monetized, or a partnership is entered.

5. Equal treatment of shareholders and transactions with close associates

DLTx has only one class of share and all shares have the same rights in the Company. In situations where normal preferential rights shall be deviated from, the Company's board will prepare grounds for such a decision in accordance with the Norwegian Code of Practice for Corporate Governance and shall present these to the General Meeting. This will in turn be based on the joint best interests of the Company and the shareholders.

All DLTx's transactions in its own shares are performed on the stock exchange or otherwise at stock exchange prices. In the case of significant transactions between the Company and shareholders, board members and senior management or close associates of these, the Board will ensure that a valuation is performed by an independent third party. This does not apply if the General Meeting shall discuss the matter in accordance with the rules of the Public Limited Company Act. An independent valuation will also be obtained in the case of transactions between companies in the same group where one of the companies involved in the transaction has minority interests.

DLTx has guidelines to ensure that board members and senior management advise the Board if they have a direct or indirect significant interest in a transaction or agreement being entered into by the Group.

6. Freely Negotiable Shares

All shares in DLTx ASA are freely negotiable and the Company's articles of association do not contain any form of restriction on negotiability.

7. General Meetings

The Board of DLTx will facilitate conditions for the shareholders to be able to exercise their rights by participating in the Company's general meetings and for the general meetings to be an effective meeting place for shareholders and the Board.

This means that:

- the notice for the general meeting shall be announced to shareholders no later than three weeks before the general meeting is held;
- all documentation for the general meeting shall be made available on the Company's website no later than three weeks before the general meeting;
- these documents shall be sufficiently detailed to allow shareholders to come to a decision on all items to be discussed;
- in order to register for participation at the general meeting the shareholder must be registered in the shareholders register three working days before the general meeting;
- shareholders who cannot attend themselves shall be given the opportunity to vote by proxy; and
- the chairman of the Board, the nominating committee and the auditor will be represented at the general meeting.

The General Meeting elects the members of the Board and the Company's external auditor. The annual General Meeting is held no later than 30 June each year. The notice of the General Meeting shall inform of the procedure shareholders must follow in order to participate and vote at the general meeting.

During 2021 DLTx conducted one extraordinary general meeting in addition to the annual general meeting.

8. Nominating Committee

Article 7 of DLTx's articles of association states that the Company shall have a nomination committee.

The nominating committee shall consist of three members, elected by the General Meeting for a period of up to two years. The nominating committee shall be composed in such a way as to safeguard the shareholders' interests. The committee members shall be independent of the board and of senior management. No more than one member of the nominating committee can be a board member who should not then stand for re-election. The CEO and other senior managers shall not be members of the committee. As of 31 December 2022, the nomination committee consisted of three members.

The nominating committee proposes candidates for the Company's board and remuneration for board members. The nominating committee will explain the background for its proposals. DLTx informs who the members of the nominating committee are.

9. The board: Composition and Independence

DLTx is not required to have a corporate assembly. The board members are elected at the general meeting. The decision is taken by a simple majority. Board members are elected for a period of two years and may be re-elected.

The Company's articles of association state that the Board shall consist of minimum three and maximum eight members. The Board is composed in such a way that it can safeguard the shareholders' interests, as well as the Company's need for competence, capacity, and diversity. Attention has been paid to ensuring that the Board shall function as a collegial body.

The Board of DLTx currently consists of three members. Information about each of the board Members is in the Annual Reports of DLTx.

The members of the Board are issued options in The Company (see section 12 below) and are encouraged to own shares. Information about board members' remuneration, the number of shares held in DLTx etc. is provided in the notes in the consolidated financial statements.

10. The Work of the Board

The Group's board is responsible for monitoring the Group's senior managers and the Group's strategic development and for ensuring that the interests of shareholders and other interested parties are safeguarded in a satisfactory manner.

The Group's board should determine an annual plan for its work, with emphasis on goals, strategy and implementation.

The Group's board shall:

- ensure that the Group is appropriately organized and that the Group's activities are carried out in accordance with prevailing legislation and regulations, the Group's objectives and articles of association and ethical guidelines, approve and monitor major business and financial strategies and their implementation and further approve key agreements and transactions;
- appoint a CEO and constantly evaluate his or her performance;
- establish a policy for remuneration to senior managers; and,
- ensure that the Group has good internal and external control routines and appropriate systems for risk management.

DLTx has established a clear distribution of responsibilities and duties between the Group's board and senior management. The chair of the Board is responsible for ensuring that the Group's board performs its tasks in an effective and correct manner.

The CEO is responsible for the Group's operations. The Group's board has laid down instructions for the CEO and these instructions define which decisions require the Board's approval.

The Group's board shall lead the Group's strategic planning. The Group has determined specific instructions (board instructions) and detailed rules for the Board's work and relevant procedures. Board meetings may take the form of physical or telephone meetings.

The Group is exempt from the requirement to have an audit committee due to the limited size of the balances sheet and the number of employees. The Board has decided that the full Board will act as the audit committee for the Group. This committee shall improve the Group's quality assurance of financial reporting and monitor the Group's internal control and risk management systems. The committee will also be in contact with the Group's elected auditor regarding auditing the Group's annual accounts, as well as monitoring the auditing Group's impartiality.

11. Risk Management and Internal Control

The Group's board ensures that DLTx has good internal control and appropriate systems for risk management in relation to the nature and extent of the Group's activities. The internal control and systems also embrace the Group's basic values and ethical guidelines.

The framework for internal control includes routines to ensure that risks associated with the Group's day-to-day operations are identified, analyzed and managed routines to review the Group's commercial risk and operational risk routines for internal control of various processes, including compliance with guidelines, routines, instructions and authorizations.

The Board of DLTx has through its meetings an overview of how risks develop in the Group, with a review of financial developments and administrative conditions. DLTx ASA has chosen to outsource periodic consolidation and reporting as well as accounting production for the Norwegian entities to Aider accounting services. This to ensure sufficient capacity and backup solutions, as well as providing wider access to knowledge and experience within the area of accounting. DLTx remains ultimately responsible for all accounting and reporting activities for the Group.

12. Remuneration of the Board

Remuneration to board members is determined by the General Meeting, based on the nominating committee's recommendations. The remuneration reflects the Board's responsibility, skills and time spent and the complexity of the Group.

All board members have been granted share options. The share option program has been approved by the annual shareholders meeting. The company has chosen to Issue options to the Board members as an alternative to paying a higher remuneration to the Board.

Members of the Group's board and/or companies with which they are associated should not take on specific assignments for the Group in addition to serving on the Board. If a board member does however take on such an assignment, this must be reported to the Board as a whole. Remuneration for such additional obligations shall be approved by the Board. All remuneration to board members is described in detail in notes to the Group's accounts.

13. Remuneration of the Senior Management

The Group's board has determined guidelines for remuneration of the CEO. This remuneration will be reviewed annually.

The Group's option program and similar agreements is approved by the General Meeting before the agreements are introduced. A proposed agreement shall include information about distribution principles, the value of options, accounting consequences and possible dilution effects.

14. Information and Communications

The Group's board has established guidelines for how DLTx shall communicate and report financial and other information to shareholders, based on openness and with consideration of the requirement for equal treatment of all those involved in the securities market.

It is the Board's goal to provide information about the Group's activities on an ongoing basis to the Group's shareholders, the Oslo Stock Exchange, analysts and investors. This is done by publishing information and holding presentations.

The Group's financial calendar for the coming year will be published no later than 31 December in the current year. The financial calendar and other stock exchange-related information will be first published through the Oslo Stock Exchange news website www.newsweb.no, before the information is also released through news agencies and the Group's website www.dltx.com.

All information that is communicated to the Company's shareholders shall be published on the Group's website at the same time as it is sent to shareholders. The Group's board wishes to maintain a regular dialogue with shareholders. Contact information is published on the DLTx's website. DLTx spokesperson is the CEO.

15. Takeovers

DLTx's articles of association do not include any active instruments designed to prevent or obstruct a bid to take over the Group's shares.

In any takeover process, the bidder, the Board of DLTx ASA and management, have an independent responsibility to help ensure that the shareholders of DLTx ASA receive equal treatment and that the activities of the target Group are not unduly disturbed. The Board has a specific responsibility for ensuring that shareholders have enough time and information to be able to come to a decision on the bid.

The Board shall not without specific grounds seek to prevent or impede anyone from putting forward a bid for the Group's business or shares. If a bid is presented for the Group's shares, the Group's board shall not use its authority to issue shares or take any other action for the purpose of hindering the process of the bid, unless this has been approved by the general meeting after the bid has become known.

If a bid for the Group's shares is presented, the Board shall issue a statement with its assessment of the bid and a recommendation of whether shareholders shall accept or not. If the Board finds that it cannot give the shareholders a recommendation of whether they should accept the bid or not, an explanation for this will be given.

The Board's statement about the bid should indicate whether the assessment is unanimous, and if not on what grounds some board members have dissociated themselves from the board's statement.

The Board will consider whether to obtain an assessment from an independent expert. If any board member or senior manager or close associate or anyone who has recently held such a position is a bidder or has specific interest in the bid, the Board will obtain an independent assessment in any case. The same applies if the bidder is a major shareholder. The assessment will be attached to, repeated in or be referred to in the Board's statement.

Transactions that in reality mean the disposal of the business will be presented to the general meeting. If it is in the shareholders' interests, the board will, if appropriate, attempt to present a competing bid.

16. Auditor

The Group's board and auditor shall have at least one meeting each year without the general manager or other members of senior management present. The auditor shall annually present to the Board the main items of a plan for completion of the auditing work. At least once a year, the auditor shall review the Group's internal control with the Board, including identifying weaknesses and suggestions for improvement.

The auditor shall attend board meetings where the annual accounts are discussed. In meetings, the auditor shall give a briefing on any significant changes in the Group's accounting principles, give an assessment of major accounting estimates and report all significant circumstances where there has been disagreement between the auditor and the Group's senior management.

The auditor receives notices of meetings of the audit committee with relevant documents and attends these meetings regularly.

The Group's auditor, Plus Revisjon AS, was elected in an extraordinary general meeting held in January 2019. The Board will receive a written declaration from the auditor each year that the auditor still satisfies the requirements for independence.

In addition to the audit itself, the auditor has from time to time provided assistance with accounts, as well as providing other services such as reporting services and tax advice. The Group's board will report on the remuneration paid to the auditor at the general meeting, including details of fees paid for the auditing work and any fees paid for other specific assignments. The annual accounts also include a specific note about this information.

The Group's senior management has regular meetings with the auditor. Accounting principles, risk areas, internal control procedures and tax questions are discussed at these meetings.

The Board makes regular assessments of whether the auditor is performing the audit function in a satisfactory manner.

**Annual Report
2022**

**DLTx ASA
Grundingen 2
0250 Oslo**

dltx.com

DLTX

To the Shareholders' Meeting of Dltx ASA

Independent auditor`s report

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Dltx ASA (the Company), which comprise:

- The financial statements of the company, which comprise the balance sheet as at 31 December 2022, and income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet at 31 December 2022, and income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Except for the matter described under “Basis for qualified opinion”, in our opinion:

- The financial statements comply with applicable statutory requirements,
- The financial statements give a true and fair view of the financial position of the company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- The financial statements give a true and fair view of the financial position of the group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Qualified Opinion

At yearend 2022 the groups consolidated balance sheet include USD 14,3 million in Property, Plant and Equipment. During the audit we have not been able to perform the necessary site visits to obtain sufficient and necessary audit evidence to conclude on this line item. Consequently, we have not been able to determine whether there might be a need to adjust this amount.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have

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fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 4 years from the election by the general meeting of the shareholders on 28.01.2019 for the accounting year 2018.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of each key audit matter	Audit approach to each key audit matter
<p><i>Other income from crypto mining activities</i></p> <p>Through its subsidiaries, Dltx ASA consolidate other income from mining of FIL, a crypto currency.</p> <p>Due to the novel nature of income from crypto currency mining and lack of definitive guidance on accounting treatment from IASB, management have exercised significant judgment in classification and recognition of such revenue, see note 3-4. Other income from crypto currency mining is thus considered a Key Audit Matter.</p>	<p>To address the identified risk we have performed walk through of the company's process concerning revenue recognition and performed direct audit procedures to verify transaction prices, volume and inventory valuation.</p>
<p><i>Valuation of financial assets</i></p> <p>Directly and through its subsidiaries, Dltx ASA hold several investments in early stage companies. These are equity investments, debt instruments and agreements for future tokens, and constitute 27 % of the company's total assets at the balance sheet date.</p> <p>Observable market prices for comparable investments are not available for all investments and balance sheet values necessarily rely on estimates. Given the</p>	<p>To address the identified risks we have reviewed the respective security agreements and related documents to identify the relevant rights and terms. We have built valuation models and reviewed management's estimates to assess the company's measurement of fair value.</p>

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uncertain nature of early stage investments and their combined size compare to DLT ASA's balance sheet, measurement of fair value of these investments according to IFRS 9, is considered a Key Audit Matter.	
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Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises Management Report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements

Responsibilities of management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

Report on Other Legal and Regulatory Requirements

Report on compliance with requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Dltx ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name DLTx_ASA_2022_12_31_en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

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PLUS REVISJON AS

Audit & Advisory

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the

financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 27.04.2023

Plus Revisjon AS

Bent Wessel Eide

State Authorised Public Accountant

(This document is signed electronically)

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