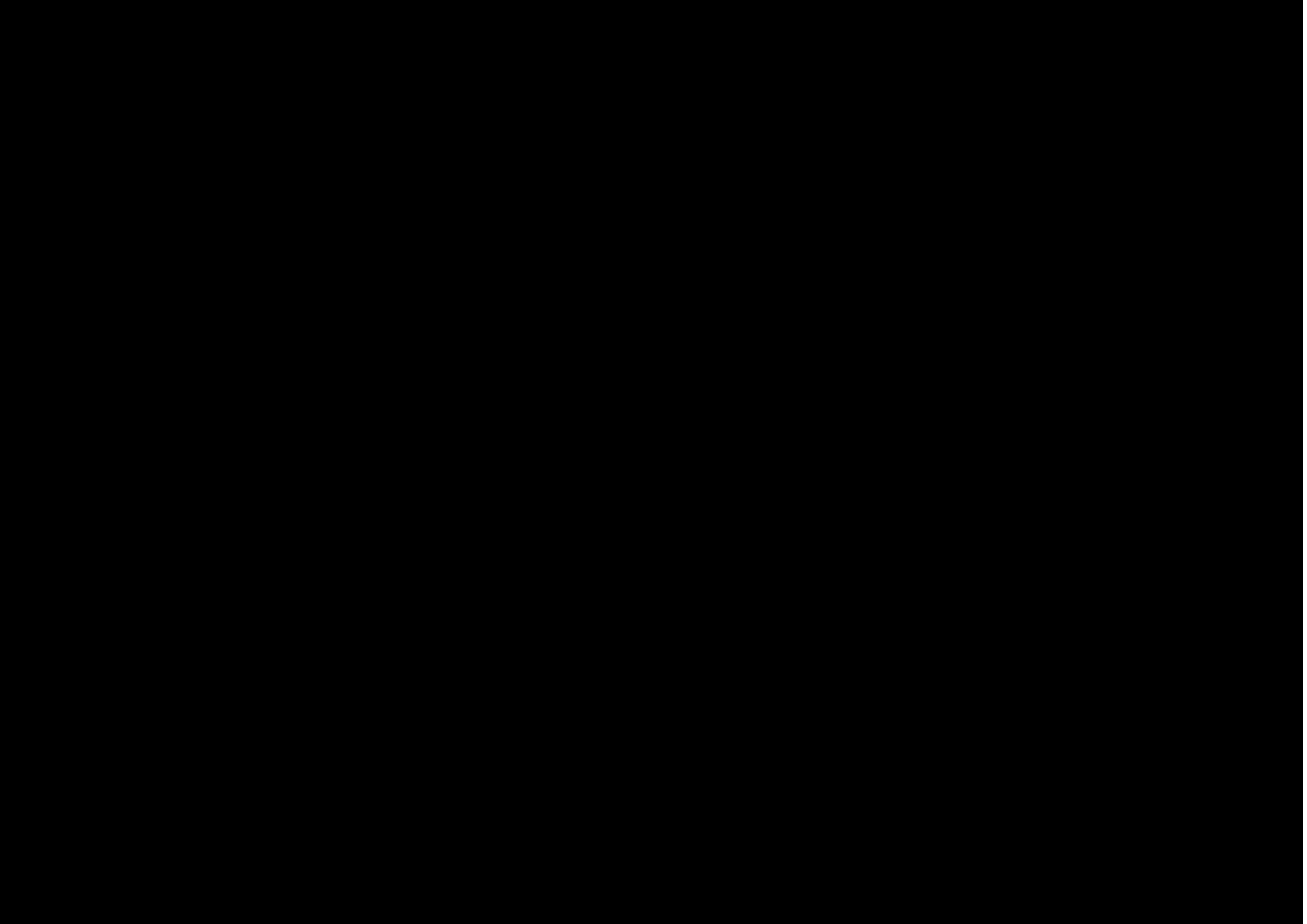


**VOIMA**





## **About this report**

This report is intended to inform our Customers, shareholders, business partners and other stakeholders about the 2021 developments at Voima Gold Ltd. Besides the financial figures and commentary, it also features the developments of each unit and the organisation as a whole. Some highlights of the year are also included. This report was published on 30 May 2022.

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# 2021



**Marko Viinikka**  
Founder and CEO

## Foreword by the CEO

Throughout the year, the market environment has remained relatively stable from the point of view of Voima's operations. Gold kept on strengthening against the euro (2.9%) after the strong previous years (14.4% in 2020 and 22.7% in 2019). Our growth also continued at a favourable pace—not only in terms of revenue and profit, but also in terms of operational maturity.

However, we do see that the society around us is changing rapidly. The governments are increasing their control measures as well as their budgetary deficits. Inflation is growing out of proportion, and the moral climate is altering—one can also detect a disregard towards such fundamental matters as constitutions. In addition, the reliability of the media has come into question, and it is increasingly difficult to find reliable news sources these days.

However, we at Voima follow the times and prepare accordingly, and this makes us resilient and prepared for the changes of tomorrow. We are here to offer a stable solution in these

times of financial uncertainty. Voima is the fortress of common sense.

Financially speaking, the year 2021 provided robust growth for Voima. Our main KPI, assets under administration, reached 710 kg at the end of the year, which is more than twice the previous year's amount.

In order to set unshakeable foundations for Voima, we have continued to allocate considerably in research and development: roughly 45% of our resources have been funnelled into R&D initiatives. The initiatives include, for example, the documentation of business operations and processes—which will lay the blueprint for scaling up our operations—the development of the 3.0 version of our application and a new onboarding flow.

The R&D expenses have not been capitalised, but they have instead been expensed as losses in the profit and loss account. We will nonetheless continue to invest in R&D, since these investments represent the future, as that money will be multiplied in the coming years.

We are becoming more efficient and better-structured in the management of human resources and operations, and it is one of my personal key initiatives for this year to improve them even further, along with the sales growth.

Our journey is still at the very beginning, but we are well on our way towards our mission to create the safest bank by leading the change to gold-based financial services. I would like to extend hearty thanks to all Customers, investors, partners, employees and anyone who has given us their loyal support.



Marko Viinikka

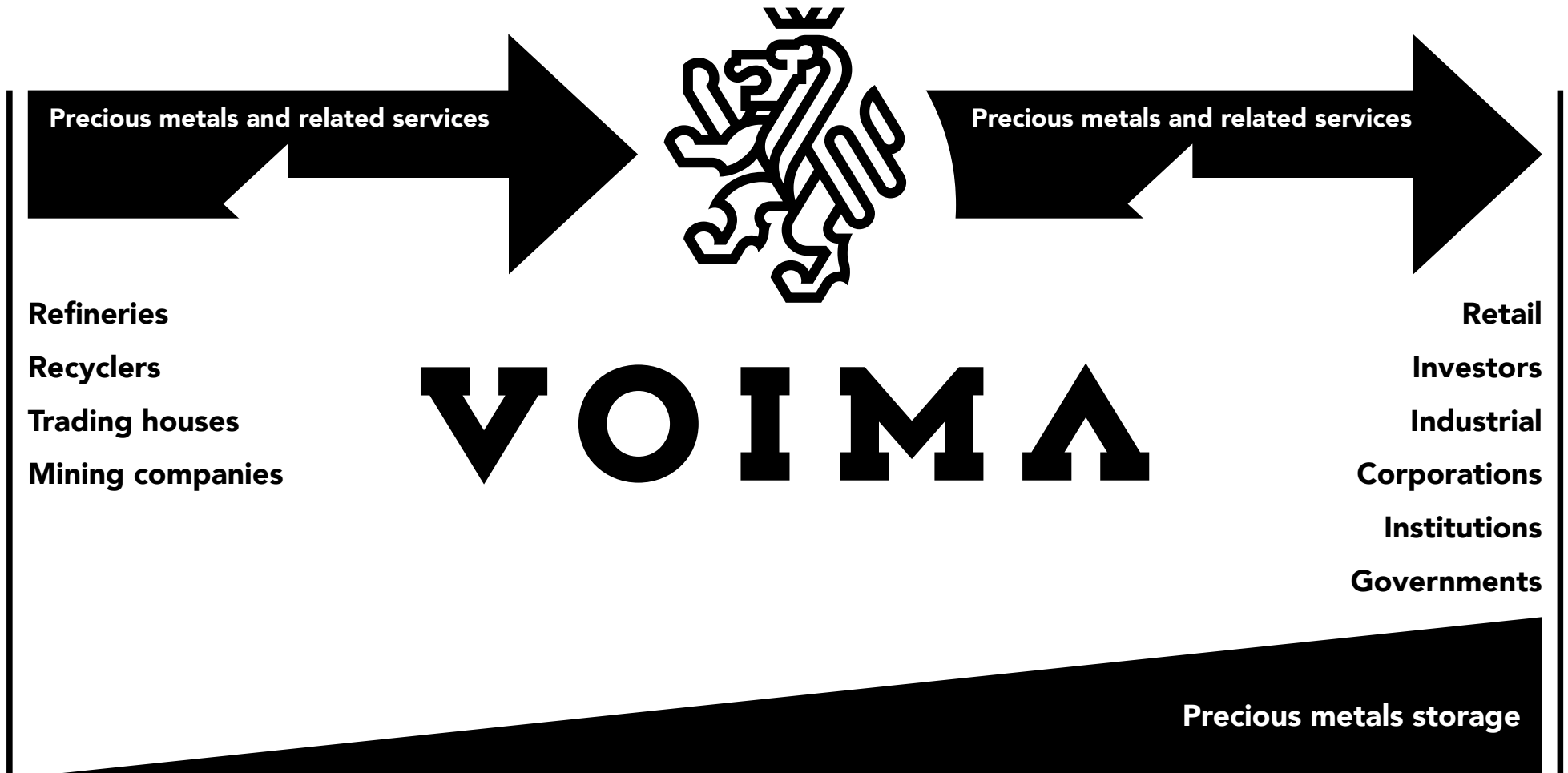
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# Our business

Founded in 2017, the Finnish company Voima Gold Ltd. provides gold-based financial services, including vault storage and transaction settlement. Customers can exchange and own gold through the company's main product, Voima Account.



# Voima's model



## Products & services

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### Voima Account

Voima Account is the main product of Voima. It consists of several asset accounts, such as the gold account and the currency account that the Customers can use to hold gold and euros respectively.

The Customers can exchange euros for gold—and vice versa—on a web browser or the Voima app. Gold can be acquired by the milligram.

Customers have full ownership over their gold, and the gold is insured, pure and audited by third parties.

### Gold bullion

Voima Account holders can withdraw their gold in 100 g, 1 kg and 12.4 kg bars. These bars are always investment grade and they have been produced by Argor-Heraeus in Switzerland.

### Silver

Businesses can open a silver account at Voima. Voima has obtained a tax warehouse status, which means that exchanging and storing silver is VAT-exempt.

### VoimaCredit™

VoimaCredit™ is a gold-based credit product offered by Voima's subsidiary. Customers can use their own gold as collateral for euro credit.

### Gold-backed euro obligation

Gold-backed euro obligation allows selected Customers to accumulate interest for their euro holdings. These holdings are collateralised fully by gold, and the yearly interest is determined by the loan period.

are offered bespoke services, and industrial Customers have their own dedicated Voima Miners unit. At the end of 2021, the number of active Customers<sup>1</sup> was 1,016—an increase of +51% compared to 2020.

Guardians can open a Voima Account for their children. This enables actual wealth transfer between generations, since the child is the account holder. The managing will be done by the guardian until the child turns 18.

### Miners

Voima Miners is Voima's business unit. The unit offers precious metals trading, hedging, and wholesale services to its Customers. The unit's Customers are called Miners, and they include small and medium-sized businesses who source precious metals from private individuals and companies. They can also be large-scale operators, such as mining companies, gold smelters and refineries.

## Customer segments

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Voima serves retail, industrial, HNWI and institutional Customers alike. Bigger Customers

<sup>1</sup> **Active Customer** is a Customer who holds one gram of gold or more on their Voima Account. The total number of registered Customers was 3,832.



# 99.99%

Voima's gold bars have a purity of 99.99%. Customers can get gold by the milligram, and Voima monitors the origin of the gold to assure that it is ethically sourced and not stained by criminal activities.

**Designed by Voima in Finland.**

Produced in Switzerland.

## Channels

Voima's main channels of communication and support are the following:

- ◆ Website: [www.voimagold.com](http://www.voimagold.com)
- ◆ Application for Android and iOS
- ◆ Social media
  - Facebook
  - LinkedIn
  - Instagram
  - Twitter
- ◆ Google search
- ◆ Phone: +358 (0)9 612 1917
- ◆ Email
- ◆ Video calls
- ◆ Our offices
  - Bulevardi 5, Helsinki
  - Laiturikatu 2, Lahti (since 2022)

## Partners

Voima is proud to collaborate with very dedicated specialist partners. During 2021, the following parties contributed to our success:

- ◆ ALS Inspection UK
- ◆ Argor-Heraeus
- ◆ Asiakastieto
- ◆ Brink's
- ◆ Hill Audit
- ◆ Liberty Mutual
- ◆ Metalor Technologies
- ◆ Onfido
- ◆ PricewaterhouseCoopers
- ◆ StoneX

## Company relations

### Voima Capital Oy

The parent company of Voima Gold Ltd. Voima Capital Oy is a holding company that owns 69.65% of Voima's shares.

### Voima Gold Financing Ltd.

The subsidiary company of Voima Gold Ltd. Voima Gold Financing Ltd. was established in January 2021 and it was granted a business licence in February. The beta testing began in early summer 2021, and the main focus in 2022 will be to scale up the business and operations.

### Business names

The official name is Voima Gold Oy. The following parallel names are also in use:

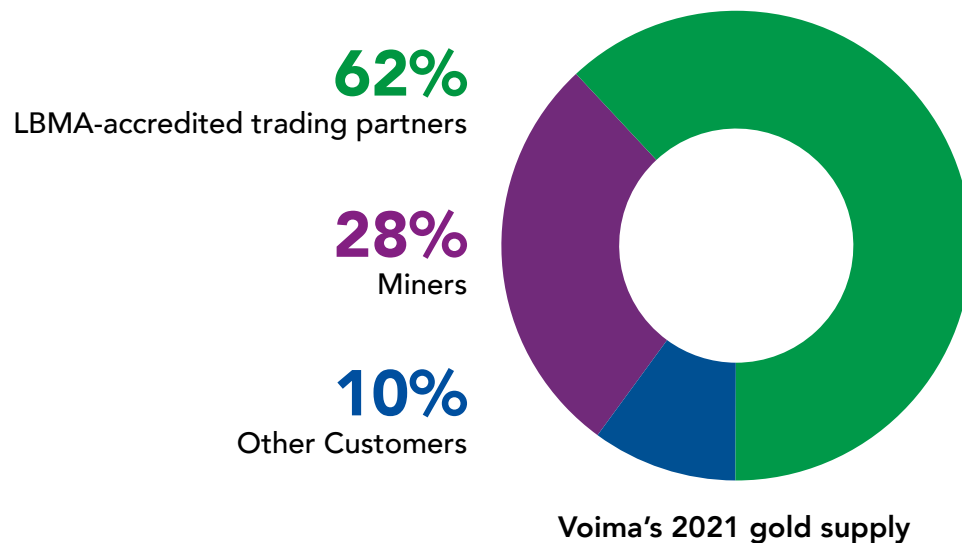
- ◆ Voima Gold Ltd. (English)
- ◆ Voima Gold Ab (Swedish)

# Trade and gold flows

## Trade flows

As a core part of Voima’s business, Voima continuously buys and sells gold with its LBMA-accredited trading partners and Customers. In 2021, Voima’s Customers exchanged a total of 673.8 kg of pure gold and 1,730.2 kg of pure silver.

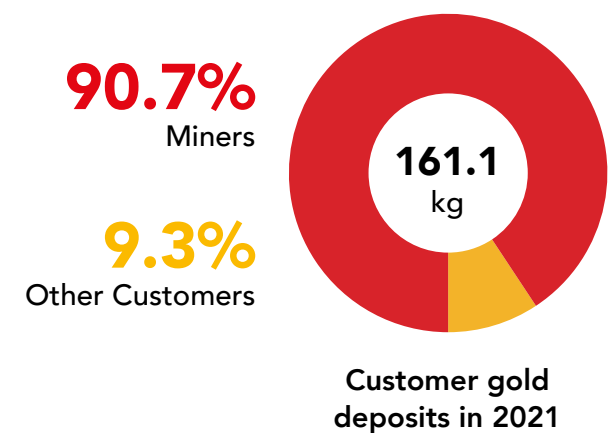
In 2021, 62% of Voima’s gold supply came from its trading partners, 28% from Miners and the remaining 10% from other Customers selling their gold to Voima.



## Gold flows

In 2020, Customers deposited 159.6 kg of gold into their Voima Accounts (a revision from the 157.15 kg reported in the 2020 annual report). Previously, there was no deeper drill-down for the material sources, so the inbound recycled gold was reported under the “Voima Miners” category. Voima Miners is the unit responsible for the analysis line, through which all Customer deposits are processed.

The recycled gold deposited by Miners increased slightly from 144.1 kg to 146.1 kg of pure gold, whilst the total deposits by all Customers rose slightly from 159.6 kg to 161.1 kg of pure gold.



## Staff

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During 2021, Voima's staff grew from 16 to 19. Overall, 8 new employees joined throughout the year, further strengthening our sales, operations and security services. Besides that, 5 employees decided to pursue new career paths and left the company in the first half of 2021. To address the turnover, we made very promising efforts in the second half of the year to improve our processes related to communications, onboarding and team building.





**Emmi-Julia Tiitta**  
Chief Operating Officer

## | Hiring highlights

### **Emmi-Julia Tiitta**

Emmi-Julia Tiitta joined Voima to bring more structure to governance processes, create new project management practices and help the business achieve new, ambitious goals through partnership and product development. With a background in political science, Emmi-Julia has over 10 years of work experience from the financial services industry, where she has worked both in in-house roles, as well as a management consultant, supporting global banks with strategy and operations across UK, Germany and Italy.

### **Teemu Pääkkönen**

Teemu Pääkkönen took up the lead of Voima's sales and Client Treasury activities in the latter half of 2021. A former ski jumping professional, he landed on different tracks in 2004 by focusing on finance and sales. Now, with 17 years of experience under his belt, Teemu has brought necessary planning and structural thinking into Voima's sales forces. Previously, he worked as a Sales Director at BH Broker House Oy, a Senior Financial Advisor at PWA SA Luxembourg and a Regional Director at United Bankers Oyj.



**Teemu Pääkkönen**  
Head of Sales

## Our guidance

**Purpose** We believe that your future matters.  
Hard work and doing the right thing matter.

We at Voima believe that you should be compensated properly for your work. You should also be able to save the results of your work safely, with as few risks as possible.

**Mission** To create the safest bank by leading the change to gold-based financial services.

Keeping the purpose firmly in mind, it comes naturally that we should choose gold. It is money that cannot be created by human hand; it is money that has been valued all through recorded history; it is money that is nobody's obligation. On top of that, we aspire to establish the safest banking institution, where you are in full control of your money.

**Vision** To enable all to pursue their dreams with money that lasts.

We want everybody to have access to sound, lasting money. With this money, they can follow and fulfil their hopes and aspirations even in the long term. This is the sustainable approach for generations to come.





# Strategic pillars

## | Profitability

**Cash-flow positivity to be reached by the end of 2022**

- ◆ Profitable growth
- ◆ Stable fixed costs
- ◆ Rapidly increasing AUA levels

**In-depth understanding of relevant metrics**

**Towards integrated reporting by the end of 2022**

## | Independence

**Towards a more autonomous ecosystem by moving into deeper vertical integration**

**Decrease counterparty risks**

**All critical infrastructure under our own control**

- ◆ Secure & diversified gold flows
- ◆ Less IT & data system dependencies
- ◆ Voima Miners R&D facility
- ◆ Decentralisation of assets

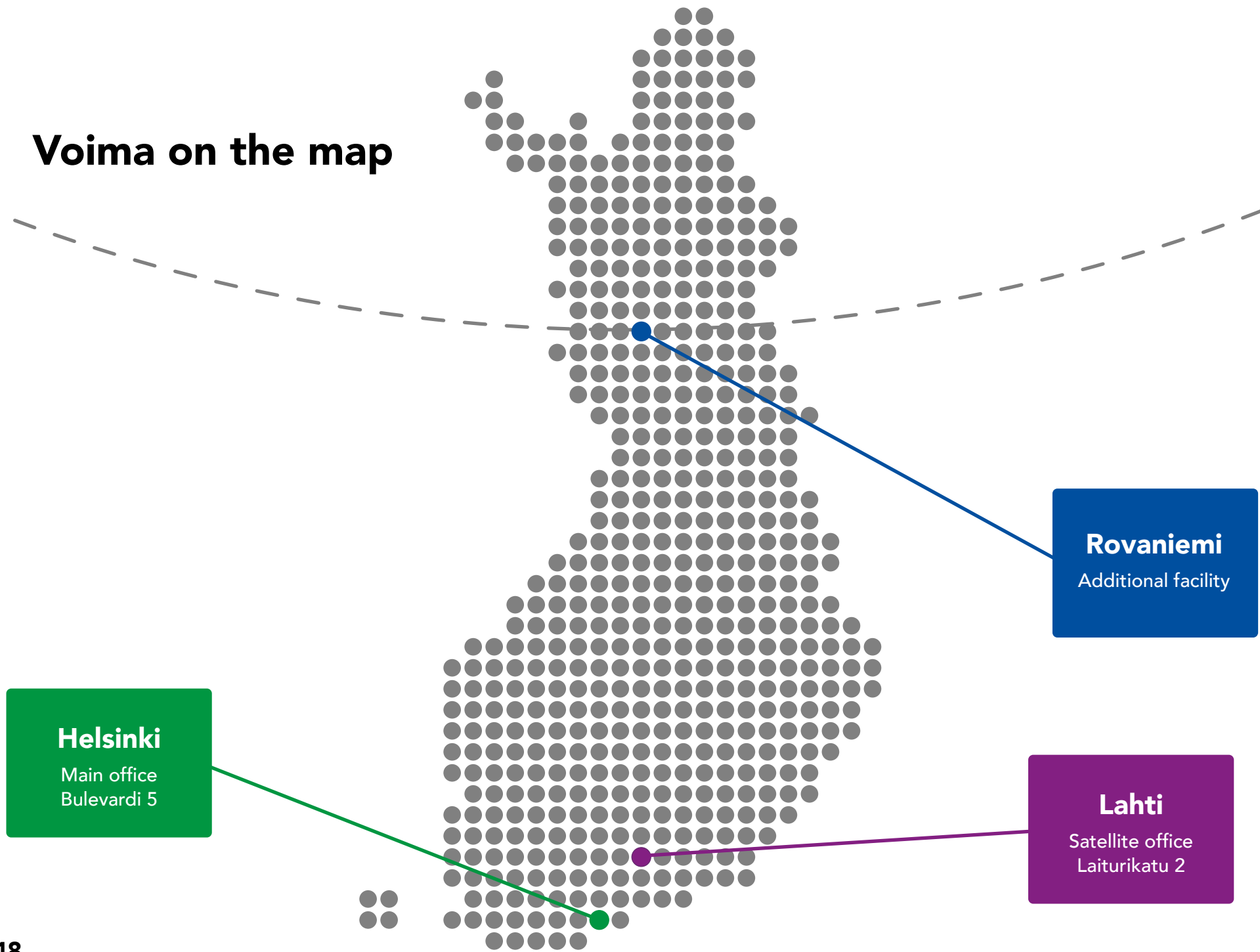
## | Banking aspirations

**Voima will be seen, understood and felt as a safe, secure and honourable financial institution**

- ◆ Provision of comprehensive, everyday banking services, such as payments and credit
- ◆ Clearer communication of value proposition
- ◆ Local presence through international branches
- ◆ Stable governance and compliance

After defining our guidance and strategic outlines in 2020, we were able to formulate our business strategy in 2021.

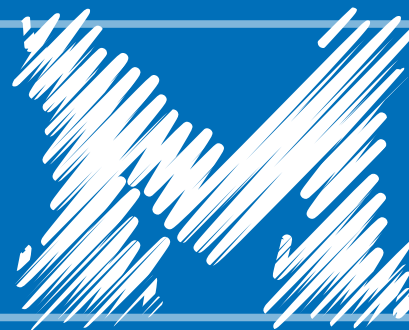
# Voima on the map



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# Units

# VOI



## Design

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Like regular banks, Voima too has in-house design capacity. This brings consistency and independence through the build-up of expertise, while cutting down time and costs spent on the use of external services.

Design at Voima is used in an operational and R&D capacity. This includes the whole spectrum from social media posts and new features for the website and the application to the branding of events, merchandise, stationery and Voima's premises.

Besides one full-time designer, Voima also employs another full-time employee for copywriting, translating and content management.

## Major design efforts

### Digital onboarding

A new onboarding flow for our Customers was designed and launched in the first half of 2021. The aim was to improve usability and lay the foundations for future iterations. These flexible and modular foundations were also used for design efforts for other features of the application. This new onboarding flow also created the blueprint for a new design system.

### Brochure

A printed brochure describing our business and products was designed.

### Fact sheet

A quarterly company fact sheet including key financial figures was developed.

### Receipts

New receipts for Customer transactions were designed.

### Branding

Branding was applied to merchandise, events, stationery, gifts and signage.

## Branding

Some key branding assets were gradually adjusted during 2021.

### Colours

Considering that lots of other players in the gold market employ a similar colour scheme as Voima used to (blue and gold) and that existing banks have claimed specific colours already, Voima adopted black and white as the main colour scheme. Besides bringing an excellent contrast ratio, this decision also allows other colours to be used for specific functions (especially in digital media), segments and products.

### Logo

The logo itself did not change, but proportions between the lion and the letters ("VOIMA") did, increasing the relative size of the lion.

### URLs, product names and trademarks

An inventory was made of the URLs and product names in use. The new product name "VoimaCredit™" was developed and added, and we also homogenised the product name catalogue.

## Signage

Outdoor signage was designed and ordered. In early 2022, these flag and wall signs were installed at Bulevardi 5.

## Challenges

The lack of reliable and available data made it difficult to grasp a solid quantitative view on our users' digital behaviour. Design decisions therefore had to be made based on anecdotal evidence, theory or generic principles.

The second big challenge was managing design capacity. Dynamic priorities and the need for delivery in parallel made the need for more capacity clear. Some effort was put into recruiting, but no new employees were hired.



## Future design needs

New Voima services, products and features will require an integrated approach to support the scaling up of Voima and attaining the strategic goal of gaining independence.

This means the Voima design team will have to increase its capacity. The focus will be on making digital design effective in close coop-

eration with Voima's Technology unit. In the longer run, a mix of skills will be needed, covering research and content production, such as copywriting and video production. In addition to these, new concepts should be developed and illustrated.

The full width of design initiatives and media production, such as packaging, interior design or communication design will be orchestrated

in-house, whether the capacity used is external or internal. Using in-house capacity will build up expertise, while external capacity leverages existing expertise.

To make this happen, recruitment efforts are needed along with tooling, templates and detailed guidelines.





## Voima Miners

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Voima Miners is Voima's business unit responsible for sourcing precious metals from the Nordic markets—including both recycled and mined gold. At the end of 2021, Finnish recycling gold traders were the biggest segment for Voima Miners, accounting for more than 90% of the total volume. The unit's Customers, Miners, deposit the delivered gold into their Voima Accounts and often sell it to Voima within days of the metal deposit.



## Voima Miners highlights for 2021

- ◆ Voima Miners analysis line saw a complete overhaul resulting in higher operational efficiency and the ability to analyse more metals.
- ◆ Silver, platinum, palladium and rhodium were added to the Voima Miners service range.
- ◆ Net profitability was achieved in October, giving room for new investments and expansion of the unit.
- ◆ Total revenue of Voima Miners from gold and silver sales was €7.36M.
- ◆ Voima Miners recycling gold volumes increased by 1.4%. To put this in perspective, the global decline was 11% according to the World Gold Council, and the average volumes received by Miners fell by 29% compared to 2020.

## Contribution towards Voima's strategic pillars in 2021

Voima Miners serves a key function directly towards two of Voima's strategic pillars: profitability and independence. By being able to source gold under the international spot prices, Voima Miners contributes towards Voima's profitability. At the end of 2021, in less than three years of operation, Voima Miners was estimated to hold a majority share of the Finnish recycling gold market based on market research.

Voima Miners also contributes towards Voima's independence by improving Voima's supply chain reliability. Without the unit, Voima would be solely relying on the import of gold from the international gold markets. In 2021, Voima purchased 28% of its gold from Miners. Over the past two years, international supply chains have been under exceptional distress, which further reinforces the case for a well-diversified supply chain in a resilient organisation.

At the end of 2021, Voima was still reliant on the international gold markets for over two thirds of its gold supply, but in the long run the Voima Miners unit aims to become the main source for Voima's gold. Rather than relying solely on international logistics and supply chains, Voima Miners aims to enable a regional supply of gold wherever Voima expands its business operations.

## Recycling gold volumes remained stable in spite of industry-wide headwind

2020 marked an eighth-year high for gold recycling volumes internationally. Strong recycling gold volumes in 2020 were largely the result of elevated media coverage due to gold prices reaching all time highs in both euros and US dollars. In 2021, gold prices were in a down-trend throughout the year and, as a result, international recycling gold volumes fell by 11% from the previous year.

This also affected the Finnish recycling gold market and Miners. The average Finnish Miner experienced a decline of 29% in their recycling gold volumes in 2021. Part of the reason was due to declining gold prices and another contributing factor was increasing competition from new companies entering the market. In spite of this, the total Voima Miners recycling gold volumes increased by 1.4% in 2021 compared to the previous year.

The industry-wide fall in recycling gold volumes was countered by the Voima Miners customer acquisition and the number of recycling gold Customers rose from 12 to 29 in 2021. Without these new Miners, the Voima Miners volumes would have fallen by almost a third from 2020 volumes.

## Net profitability and new metals

Since the Voima Miners analysis process was streamlined during 2020, the unit was operationally profitable throughout 2021. However, operational profitability does not consider management work or R&D expenditure, which is considered a sunk cost at Voima.

In early 2021, the unit set an internal target of reaching net profitability by the end of the year, which the unit was able to reach in October 2021. A contributing factor to the net profitability was the addition of silver and platinum group metals into the service range offered to Miners.

As a result of reaching net profitability from volumes provided by the Finnish Miners customer base, a green light was given to hire a senior sales person, whose responsibility would be to explore the possibility of expanding Voima Miners services into other Nordic countries. In November, the unit hired a Nordic Sales Manager to pilot abroad operations for recycled gold.

## Analysis line investments and the Voima Miners Innovation Lab

In 2021, the Voima Miners analysis line saw a complete overhaul in two separate stages. The first stage of investments included two new in-

dustrial induction furnaces and the associated facility improvements. The second stage of the investments consisted of a new state-of-the-art ED-XRF analyser.

### New furnaces and improved facilities

The first furnace was selected in order to speed up the melting process and increase the maximum per molten volume of gold batches and to be able to process platinum group metals, which melt at significantly higher temperatures compared to gold. The second furnace was selected to be able to process silver batches, which require significantly higher volumes compared to ordinary gold batches and to be able to process large gold batches.

This investment proved to be crucial for customer acquisition, as many of the recycling gold traders in Finland also trade recycling silver, which also played a role in reaching net profitability for the unit in Q4 of 2021. In addition, the increased processing efficiency due to faster melting times for gold batches further improved the unit economics of gold batches.

The first stage was completed by the end of April 2021.

### A state-of-the-art ED-XRF analyser

The second stage of investments consisted of a new state-of-the-art ED-XRF analyser. The new laboratory-level analyser has had a significant impact on Voima's analytical precision as

well as statistical confidence and repeatability. In addition to higher precision and improved statistical capabilities, the new analyser has motorisation and the ability to automatically export analysis results, which has drastically reduced the amount of human interaction needed for the analysis of batches resulting in higher automation.

According to the importer, Voima's new XRF analyser was the first of its kind in the Nordics and the second stage of the investment was completed by the end of November 2021.



Fisher XDAL 237 SDD<sup>1</sup>

<sup>1</sup> Picture © Helmut Fischer GmbH Institut für Elektronik und Messtechnik

### Voima Miners Innovation Lab

Voima Miners Innovation Lab was mentioned in the 2020 annual report as a new component to the Voima Miners unit. The Innovation Lab, consisting mainly of human resources, participated in the creation of a modular air filtration system, custom water cooling solutions for the new furnaces as well as new ways of processing material on the Voima Miners analysis line.

### Voima Miners unit in 2022

In the coming few years, the aim is to expand the Voima Miners operations into new close-by regions, as the model for recycling gold companies has proven successful in Finland. In order to increase the Voima Miners supply, Voima has also approached Nordic gold mining companies, which have the potential to provide significantly higher material flows but at a lower profit margin. The unit will also see some structural changes and increased human resources in 2022, which enable faster business development and new functions for the unit.

Sam Laakso was promoted from Head of Voima Miners to Head of Voima Markets, of which the Voima Miners sourcing channels are a part of.



**Sam Laakso**  
Head of Voima Markets



Investments into the Voima Miners product development have enabled Voima to create a superior service model for Finnish Miners. This has enabled Voima to secure a stable and growing market share of the Finnish recycling gold market. Due to limited market size and logistics expenses, Finland is a difficult country to start with when compared with, for example, Central Europe. Our success in Finland places us in a good position to explore expansion into new close-by countries, which promise bigger volumes and even higher profitability. We are already seeing positive signs of a product-market fit in other Nordic countries, and so international expansion is in the core focus for Voima Miners in the coming years.

—Sam Laakso





## Operations

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# VOIMA



Operations are in charge of Customer care, transactions processing and compliance, ensuring that Customers are served timely and efficiently with all topics.

## Unit employees

The position of Chief Operating Officer was passed on to Emmi-Julia Tiitta at the end of November 2021. The position was previously managed by Samuli Keränen, who is now solely focusing his efforts on building Voima's security, risk management and logistics processes.

During 2021, the unit gained significant new skills and practical excellence through the hiring of Kristian Söderström. Kristian is an integral part of the team, supporting Customers during their full Voima lifecycle.

At the end of 2021, Voima's Operations unit included three employees.

## Process mapping

The major challenge in 2021 was the persistently high number of manual processes combined with the lack of detailed process documentation. The situation saw improvements through process mapping and should

further improve in 2022 through automation of the most manual-intensive processes. Further documentation of business operations and processes in 2022 should also improve the functioning of operative units by providing a clear blueprint of Voima.

## Partnership with Signicat

Signicat provides Voima with services for our internal KYC and e-signature processes. The partnership was identified to improve the processes and operative strength considerably, which in turn is expected to improve customer excellence. While the partnership officially began in February 2022, the main preparation was conducted in the previous year.





The nature of the business and the provided services guide the security requirements. As Voima's product range, Customers' assets under administration and the international Customer base expand, the requirements for risk management increase.

Voima administers a significant amount of Customers' property in the form of gold, euros and personal information. Gold is at the core of Voima's business and therefore its integrity and contract management is absolutely essential. The Customers' gold is administered both in Voima's own vaults and through partners. Euros and gold are exchanged and administered through Voima's internal transaction system and banking partners.

Personal information is equally the Customers' property that Voima processes in order to provide its services. In its operations, Voima monitors that it adheres to the high information security requirements and that it maintains adequate preparedness and control to prevent and detect internal misconduct.

The purpose of security and safety work is to identify the most significant risks regarding Voima's operations and to manage them in such a way as to enable Voima to achieve its strategic, operational and financial objectives. In short, security plays an integral role in Voima's operations. Further enhancements are made increasingly, with the focus on the safety of property and facilities, personnel safety and continuity planning. In 2021, the company made a number of new recruitments, and this also applied to the Security unit.

# Technology

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href="open-account/" class="button" data-bbox="100 0 350 50">
  Open an account for <a href="/reasons/">real reasons</a>
  The account opening is <a href="https://www.voimagold.com/pricing/">free</a>.</p>
</div>
</section>

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  </div>
</div>

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            <h4>The gold on your Voima Account is
              <a href='https://www.voimagold.com/questions-and-answers/what-does-it-mean-to-own-gold-on-voima'>
                not know who owns what.
              </a>
            </li>
          <li>
            <h4>Own any amount you like</h4>
            <p>With Voima Account, you can exchange gold to the extent you want. You can also buy gold in small amounts, starting from 100 grams.</p>
          </li>
        </ul>
      </div>
    </div>
  </div>
</section>
```



Voima has an in-house Technology unit that develops all of Voima's technological infrastructure from the Customer-facing application to the back-office transactions and manages all of the services and devices used internally to ensure independence and security.

Voima continues to focus efforts on high security standards, becoming independent and reducing third-party dependencies.

## R&D

Investments were made to reduce dependencies, with the aim for continuity and flexibility. Engineering efforts were spent on improving the base of our systems in order for the business to scale up in the future.

The need for significant R&D investments was recognised and future development plans were made during 2021.

## Engineers

From February 2021 to December, the Technology unit consisted of 4 employees. To support our ambitions, external headhunters were used in the latter part of the year to search for new senior-level software engi-

neers. The first successful hire was made in December 2021, who started in 2022.

The availability of software engineers, especially of a senior level, is extremely limited currently, which poses a challenge for increasing the headcount.

## Legacy

Technical debt, left from the previous third-party software company that built the systems before the in-house Technology unit was established, still requires attention.

Despite the challenges, a large amount of legacy code and software were removed in 2021, which strongly enhanced our independence.

## Online improvements

In 2021, the new, improved Voima Account onboarding flow was launched. In addition, the website was moved to a more flexible, secure and easier-to-use platform.

## Marketing & Communication

Marketing and communication had no designated unit in 2021, so all the related efforts were delivered collectively. In order to manage reputational risks and to gain awareness, interest, understanding and traction in the market, a structural solution is needed. We need to develop a strategy and allocate capacity and funding for the execution and development.

### Partner orientation

In 2021, we came up with prospective partners and orientated on the options and needs in this regard. However, we did not continue cooperation with any of the partners.

### Marketing activities

- ◆ We published a brochure that serves as a summary for Voima and Voima Account.
- ◆ Multiple presentations were developed and distributed to our sales team.
- ◆ Online content was published and updated in line with the brochure and sales material.
- ◆ Together with our Waymaker partner Järvi-radio, a radio commercial and an interview

were broadcasted. This was accompanied by collaborative advertising in the public transport of Helsinki.

- ◆ Our sales team ran a pilot in Oulu, introducing our value proposition at Valkea Shopping Centre and organising a gold raffle.
- ◆ We published posts on social media (LinkedIn, Twitter, Instagram, Facebook) on an approximately weekly basis.
- ◆ We developed email templates and sent out newsletters to different Customer segments.
- ◆ We began organising Voima Gold Talks—an event series featuring renowned speakers across the gold, banking and technology sectors. The first event was held on 24 November 2021.

## Google Ads

After minor Google Ads activity in 2020, from February 2021 onwards we began scaling up online advertising on this platform. We added external capacity (1 FTE) to set up, monitor and optimise these efforts. Most of the campaigns were run in Q1.

While evaluating Q1 performance, we learned there is online appetite, but this did not lead to significant growth in AUA. We concluded that our quality of leads should improve to make continuation of spending feasible, following our aim for profitability.

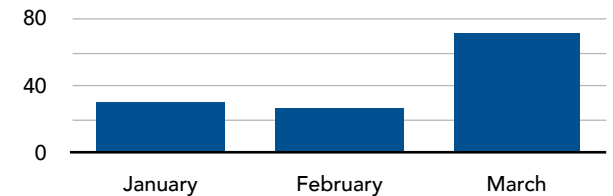
Other insights were gained on the effect of specific keywords, geographic differences and costs.

### Campaigns halted

Guided by our aim for independence, we choose only fully controlled solutions. Considering our limited view on user behaviour, we decided to halt our Google Ads campaign efforts until better data collection, analysis and optimisation systems are in place.

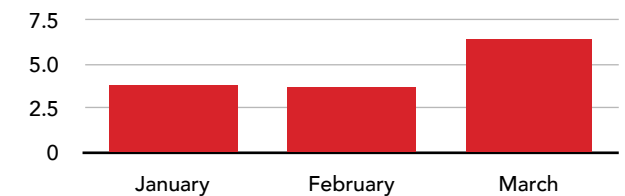
**141,000**  
Clicks (2021)

Clicks (thousands, Q1 2021)



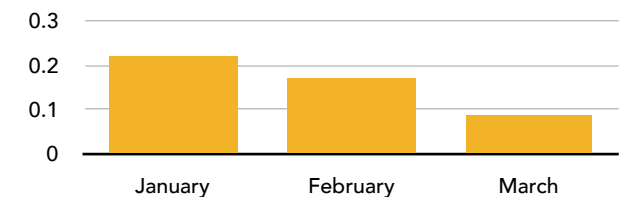
**15,500,000**  
Impressions (2021)

Impressions (millions, Q1 2021)



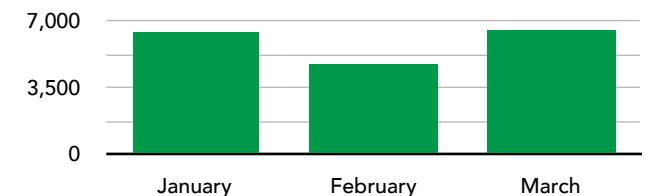
**€0.14**  
Average cost per click (2021)

Average cost per click (euros, Q1 2021)



**€19,600.00**  
Spending on Google Ads (2021)

Spending on Google Ads (euros, Q1 2021)



**FINNISH TAX WAREHOUSE**

Finance

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Silver (including silver plated with gold or platinum), manufactured forms, or in powder form.

**Ag**

ISSUE DATE	6.4.2021
ISSUED BY	FINNISH TAX ADMINISTRATION
ISSUED TO	VOIMA GOLD LTD.
BUSINESS ID	2843889-9
DOCUMENT №	P0138441249

From the finance and administration perspective, the year 2021 was the first period carried through with the sufficient financial control mechanisms and procedures that were embedded into the organisation in the previous year.

The placed structures of financial governance assured solid foundations for a swiftly forward-moving company like Voima on all fronts: management accounting, statutory accounting, taxation and financing.

Concrete examples of carried out actions were monthly board reporting, management reporting, active budget and cash flow monitoring, continuous profitability examination, customer fund reconciliation system, strategic project evaluation and internal policies.

All the above-mentioned domains together guarantee the trust from the financial side rooted to Voima's vision and further prepare the company for international expansion.



**Klaus Kurkela**  
Head of Finance

"

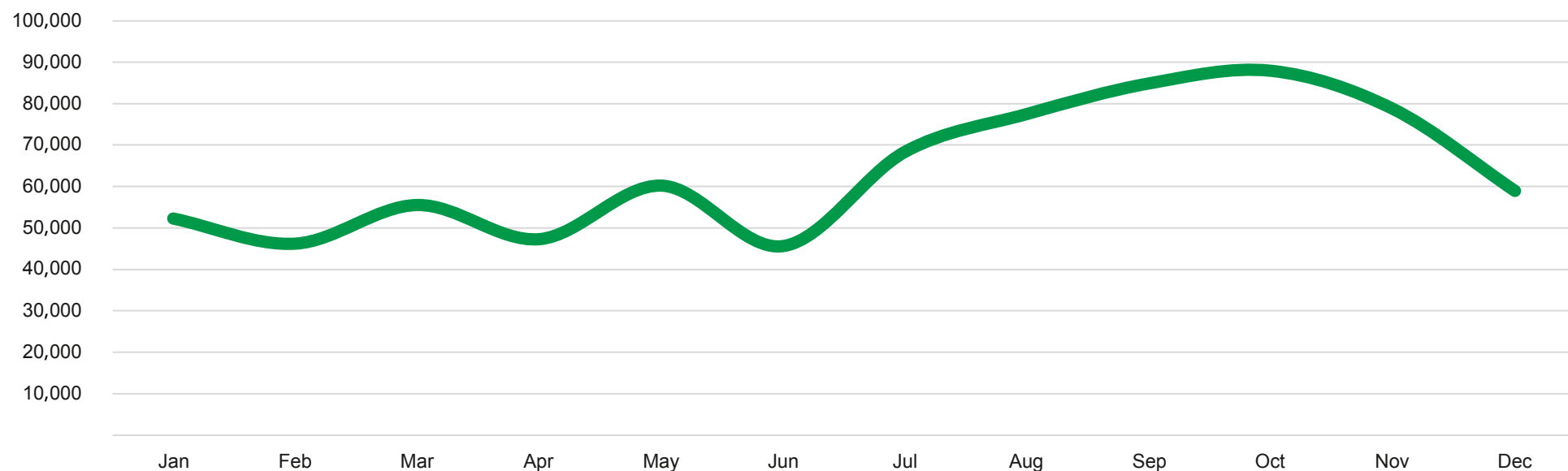
We were able to combine best practices from both ends of the organisational spectrum in our operations: proven robust practices and agile dynamic practices. This led to process efficiency and expedited performance in achieving the corporate objectives.

—Klaus Kurkela

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# Numbers



Gross profit development (€) 2021

## Gross profit

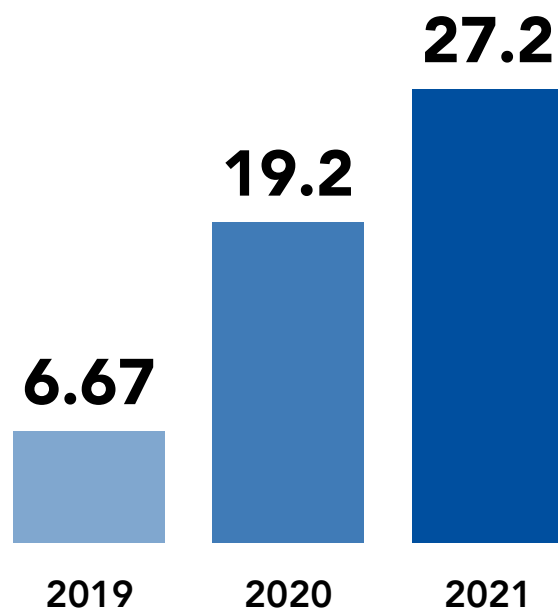
Voima's gross profit experienced a +71.5% increase from €445K<sup>1</sup> in 2020 to €764K in 2021. The gross profit percentage also improved from 2.32% to 2.81%. The main factors for better margins were an increasing gold price throughout the year, increases in AUA and MRR, bringing silver to Voima's product catalogue and more beneficial contracts from trading partners. Miners were also active in the months when the gold price was climbing, and this further assisted the margin improvements.

<sup>1</sup> Figures exclude the Business Finland Tempo grant of €50K in 2020.

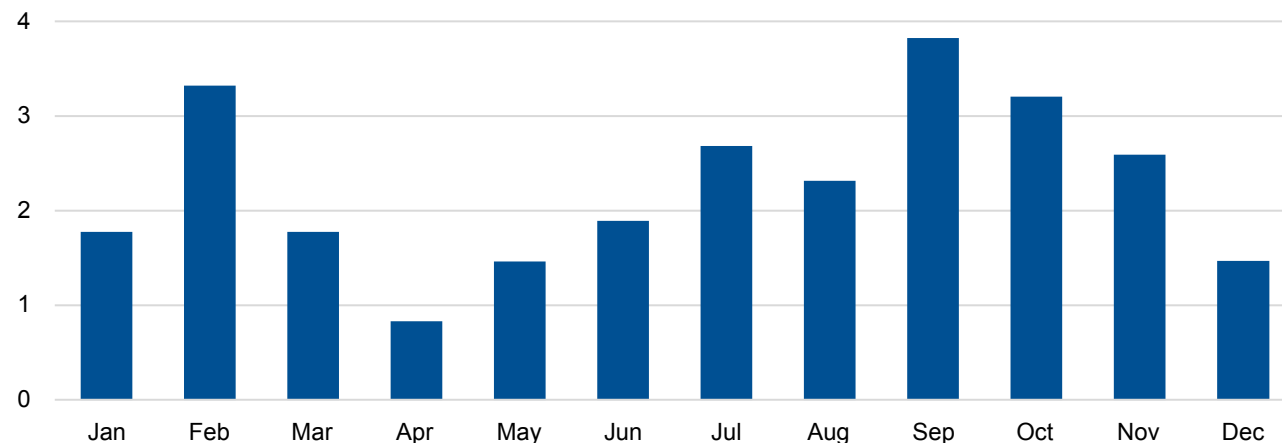
In the final analysis, Voima was able to turn the gross profit trend upwards when looking at the big picture in 2021. December turned out to be a slight disappointment after strong performances from July to November. One should still keep in mind that building a full-performance sales organisation was still in its infancy in 2021, and this naturally comes with visible fluctuations on a monthly level.

The correlation between the gross profit and the gold price is high. We are working on neutralising this effect.

## Revenue



The increase of revenue from 2019 (M€) <sup>1</sup>



Revenue development in 2021 (M€)

The top line grew +41.4% from €19.2M to €27.2M. The great news was that Voima was able to reach 5 times over €2.5M monthly sales in 2021, whereas in 2020 we did not reach such a monthly limit once<sup>2</sup>. This goes to show that the trust is getting stronger and stronger amongst Customers and that increasingly higher sales can be expected in 2022.

Monthly recurring revenue (MRR) also proved significant by growing from €75K to €180K on an annual level. We began to charge the monthly safe account fees first in

April 2020, and the comparable figure for 2021 was €145K, giving the growth percentage of +94.1%. Currently, Voima is paying VAT out of MRR, but in the future the aim is to shift the service design towards banking fees and VAT exclusion.

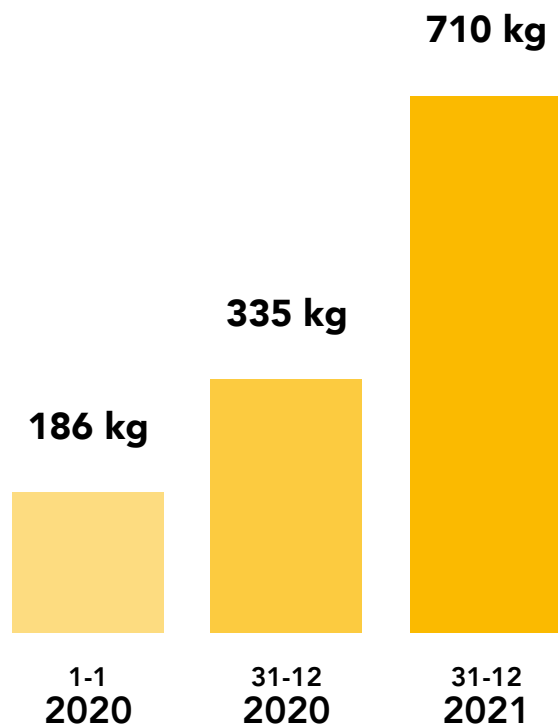
In 2021, there were two full-time employees working in Voima's sales. Roughly 65% out of the total sales came through the salespeople and 35% through digital and organic channels. Hence, there is still a lot to improve and opportunities to discover in both traditional sales methods as well as in digital marketing.

<sup>2</sup> In August 2020, €820K of extraordinary revenue was recorded, relating to manual hedging of gold-based capital loans.

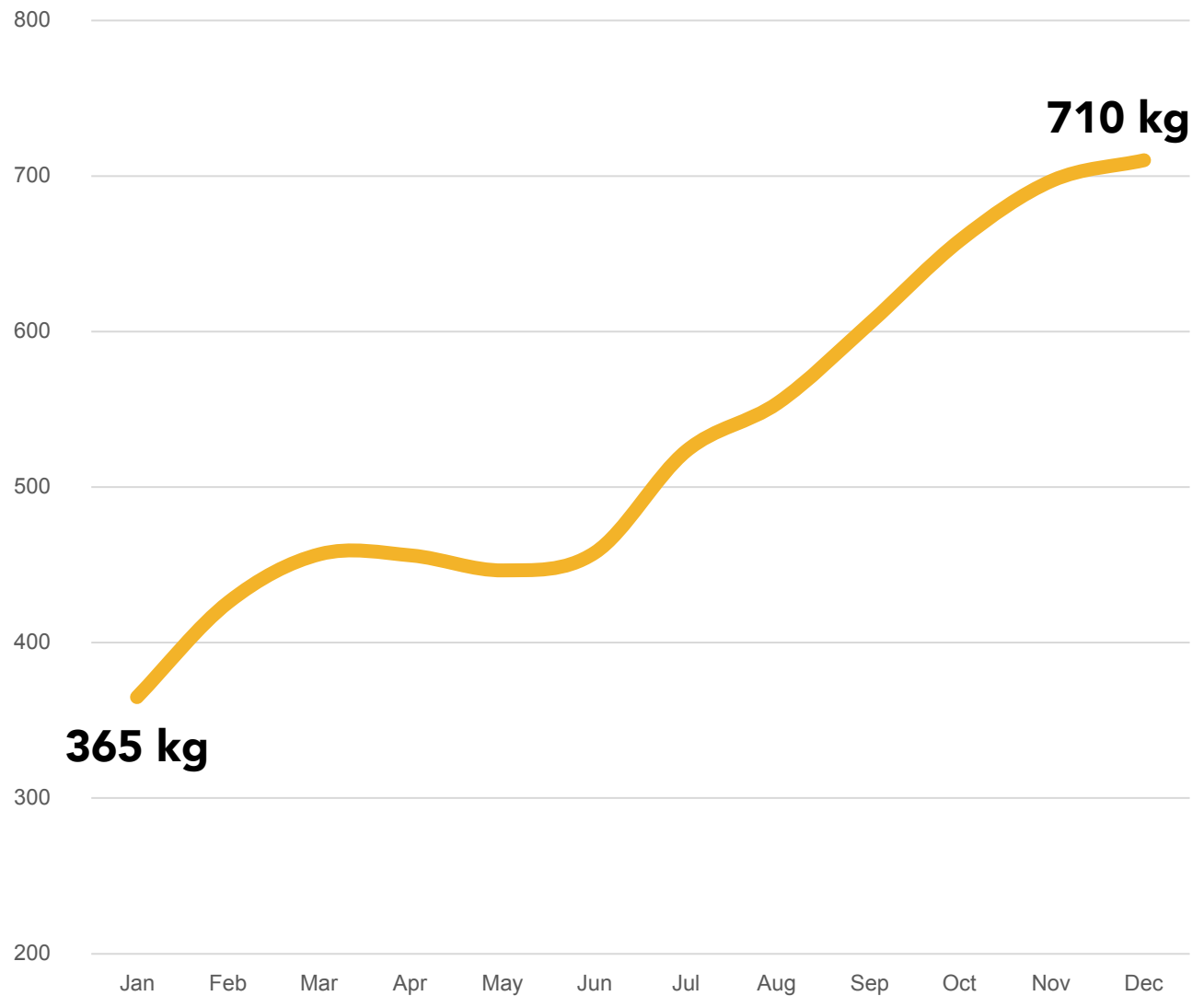
<sup>1</sup> The fiscal year 2019 was 15 months.



# Assets under administration



The increase of AUA from the beginning of 2020 (kilograms of gold)



Development of assets under administration in 2021 (kilograms of gold at the end of each month)

# Funding

2017/2018 (€)	2018/2019 (€)	2020 (€)	2021 (€)	Total (€)	
10,208	82,476	445,497	763,992	1,302,173	<b>Income</b>
1,992,555	1,662,445			3,655,000	<b>Equity</b>
	210,352	2,097,704	1,783,835	4,091,891	<b>Bonds</b>
	314,892	143,017		457,909	<b>Loans</b>
		50,000		50,000	<b>Grants</b>
2,002,763	2,270,164	2,736,218	2,547,827	<b>9,556,973</b>	

Loans and grants provided by Business Finland.

## Spending

## Future returns

		2017/2018 (€)	2018/2019 (€)	2020 (€)	2021 (€)	Total (€)
Spending	R&D	638,579	630,784	691,624	1,022,553	2,983,541
	BAU	1,041,332	914,266	892,477	1,274,669	4,122,743
	Other					2,450,689
						<b>9,556,973</b>

**Other** spending includes the items outside R&D and BAU, such as intercompany loans, financial expenses, cash at bank, capitalised non-R&D costs and rental deposits. Voima capitalised R&D costs in 2017–2019.

## Voima's gold price development in 2021 (€/g)



Source: nFusion



# Profit and loss account

	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020
<b>T U R N O V E R</b>	<b>27 160 857,46</b>	<b>19 213 743,01</b>
Other returns on business operations	6 012,44	50 000,00
<b>Materials and services</b>		
Materials, supplies and consumables		
Purchases during the financial period	-25 903 997,33	-19 208 655,27
Increase (+) or decrease (-) in inventories	-433 416,03	493 289,86
External services	-65 464,25	-52 880,87
<b>Materials and services in total</b>	<b>-26 402 877,61</b>	<b>-18 768 246,28</b>
<b>Personal expenses</b>		
Wages, salaries and fees	-1 153 120,49	-730 469,23
Social security expenses		
Pension expenses	-173 630,80	-91 320,88
Other social security expenses	-23 669,49	-15 575,00
<b>Personnel expenses in total</b>	<b>-1 350 420,78</b>	<b>-837 365,11</b>
<b>Depreciation and reduction in value</b>		
Depreciation according to plan	-323 769,30	-247 824,66
<b>Depreciations and reduction in value in total</b>	<b>-323 769,30</b>	<b>-247 824,66</b>
<b>Other operating expenses</b>	<b>-682 075,92</b>	<b>-746 735,78</b>

The table continues on the following page.



01.01.2021 - 31.12.2021 01.01.2020 - 31.12.2020

Continuation from the previous page.

<b>PROFIT (-LOSS)</b>	<b>-1 592 273,71</b>	<b>-1 336 428,82</b>
<b>Financial income and expenses</b>		
Other interest and financial income		
From others	1 290,01	578,26
Interest expenses and other financial expenses		
To Group companies	0,00	-1 168,81
To others	-175 337,41	-132 310,46
<b>Total financing income and expenses</b>	<b>-174 047,40</b>	<b>-132 901,01</b>
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>	<b>-1 766 321,11</b>	<b>-1 469 329,83</b>
<b>Appropriations</b>		
Group contribution		
Received group contributions	2 131,63	0,00
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>-1 764 189,48</b>	<b>-1 469 329,83</b>

Amounts in euros

## Comments on profit and loss account

In the year of 2021, we witnessed a top line growth of +41% / €7.9M compared to the previous year. The assets under administration (AUA) grew from 335 kg to 710 kg—growing more than doubly with an average of +6% monthly growth. This meant that the monthly recurring revenue (MRR) from the full year ended up at €180K from the previous year's €75K. The MRR in December 2021 was €19.5K, which was also +102% in comparison to the year before. Needless to say, Voima was able to generate stable growth in 2021 with only two full-time employees working in the sales organisation (Client Treasury). This development lays a solid foundation for the year 2022 and the expansion of operations.

The gross profit improved by +71% from €445K to €764K. The margin percentage from the whole year rose from 2.32% to 2.81% with increasing gold prices, better deals with refining partners and new products. The aim is to scale up the Client Treasury operations, advance pricing and develop new products to the mix in order to further improve the margins in the future. On top of that, Voima is examining ways to move away from VAT-liability regarding storage fees, which would also be of significant aid in increasing the margins.

Total salary expenses grew from €837K to €1.4M (+61%), and 2021 was the first full year of 20 employees on average. Voima still continued to allocate heavily in research and development activities, with a rough allocation of 45% out of its resources to R&D.

Despite the increase in staff, Voima was able to make savings in other operating expenses by decreasing them by -9%. Voima also made a small write-off of €60K in developmental expenses in 2021.

Voima raised 36 kg (€1.8M) of gold-based capital loans in 2021, and this totalled debt to €4.1M. This was reflected in the rise of financial expenses from €133K to €174K. Financial expenses also include trading costs and hedging costs from the partners: SAXO and StoneX. The equity-based investments stayed at the same level of €3,7M as the year before. Gold-based capital loans have offered a convenient way for Voima to fund its operations, and their demand from the Customers' side has also proven to be high.

## Balance sheet— assets

	31.12.2021	31.12.2020
<b>A S S E T S</b>		
<b>NON-CURRENT ASSETS</b>		
<b>Intangible assets</b>		
Development expenses	549 235,84	783 364,36
Intangible rights	21 134,01	24 809,49
Other long-term expenses	129 729,39	151 350,99
<b>Intangible assets in total</b>	<b>700 099,24</b>	<b>959 524,84</b>
<b>Tangible assets</b>		
Land and waters		
Real estate	27 900,00	0,00
Buildings and constructions		
Buildings and constructions owned	539 969,30	608 512,15
Machinery and equipment	138 593,35	54 239,86
<b>Tangible assets in total</b>	<b>706 462,65</b>	<b>662 752,01</b>
<b>Investments</b>		
Receivables from group member companies	100 000,00	0,00
<b>Investments in total</b>	<b>100 000,00</b>	<b>0,00</b>
<b>NON-CURRENT ASSETS IN TOTAL</b>	<b>1 506 561,89</b>	<b>1 622 276,85</b>

The table continues on the following page.

**31.12.2021**
**31.12.2020**

Continuation from the previous page.

<b>CURRENT ASSETS</b>		
<b>Inventories</b>		
Other inventories	60 622,35	494 038,38
<b>Inventories in total</b>	<b>60 622,35</b>	<b>494 038,38</b>
<b>Long-term receivables</b>		
Loan receivables	3 656,29	0,00
<b>Long-term receivables in total</b>	<b>3 656,29</b>	<b>0,00</b>
<b>Short-term receivables</b>		
Accounts receivable	1 913,70	0,00
Receivables from group member companies	2 341,63	0,00
Other receivables	29 487,61	112 813,62
Prepayments and accrued income	8 455,97	0,00
<b>Short-term receivables in total</b>	<b>42 198,91</b>	<b>112 813,62</b>
<b>Financial securities</b>		
Other securities	454 257,16	370 495,00
<b>Financial securities in total</b>	<b>454 257,16</b>	<b>370 495,00</b>
<b>Cash at hand and in bank</b>	<b>2 005 901,18</b>	<b>1 277 109,47</b>

The table continues on the following page.

	31.12.2021	31.12.2020
Continuation from the previous page.		
<b>CURRENT ASSETS IN TOTAL</b>	<b>2 566 635,89</b>	<b>2 254 456,47</b>
<b>TOTAL ASSETS</b>	<b>4 073 197,78</b>	<b>3 876 733,32</b>

Amounts in euros

## Comments on assets

In tangible assets, the Toramo land area was separated from buildings, and Voima Miners equipment was added to machinery and equipment. In group receivables, a €100K capital loan for Voima Gold Financing Ltd. was granted.

The inventory comprises Voima's gold on 31 December. Investments stand for the hedging position value per 31 December 2021 regarding the issued gold-based capital loans that are tied to gold price.

# Balance sheet— liabilities

	31.12.2021	31.12.2020
<b>LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	5 000,00	5 000,00
<b>Other reserves (oy)</b>		
Invested non-restricted equity fund (oy)	3 660 000,00	3 660 000,00
<b>Other reserves in total</b>	<b>3 660 000,00</b>	<b>3 660 000,00</b>
<b>Retained profit (loss)</b>	<b>-3 706 610,41</b>	<b>-2 237 280,58</b>
<b>Profit (loss) for the financial period</b>	<b>-1 764 189,48</b>	<b>-1 469 329,83</b>
<b>TOTAL FOR EQUITY</b>	<b>-1 805 799,89</b>	<b>-41 610,41</b>
<b>LIABILITES</b>		
<b>Long-term liabilities</b>		
Loans from credit institutions	457 909,00	457 909,00
Subordinated loans	4 091 890,64	2 308 055,64
<b>Long-term liabilities in total</b>	<b>4 549 799,64</b>	<b>2 765 964,64</b>
<b>Short-term liabilities</b>		
Advanced payments received	6 300,00	0,00
Accounts payable	903 727,81	879 065,83
Amounts owned to Group companies	0,00	238,11

The table continues on the following page.



	31.12.2021	31.12.2020
Continuation from the previous page.		
Other debt	68 605,89	55 612,73
Accrued expenses	350 564,33	217 462,42
<b>Short-term liabilities in total</b>	<b>1 329 198,03</b>	<b>1 152 379,09</b>
<b>TOTAL FOR LIABILITIES</b>	<b>5 878 997,67</b>	<b>3 918 343,73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4 073 197,78</b>	<b>3 876 733,32</b>

Amounts in euros

## Comments on liabilities

Long-term liabilities include capital loans and the Business Finland R&D loan, for which the amortisations start in 2023. Accounts payable include €857K on the StoneX trading limit account and €47K as ordinary invoice payables.

Short-term liabilities hold €6,300 of Customer funds in received advances that were received on 31 December but entered in Voima's system in January. Other debt includes compensation cost and social security cost deferrals, capital loan interest accrual of €150K and a small refining related accrual of €14K.

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# Risks

## Key risks

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Voima's risk management policy seeks to identify the key risk factors for the operations and to manage them in a balanced manner. From the company's point of view, special attention is paid to the safekeeping of customer assets, physical security and information security.

The starting point is the management of the overall risk position, not just the management of individual risk factors. The primary objective of risk management is to support the achievement of the goals set in the strategy by monitoring that the risks taken are proportionate to the risk–return ratio and risk-bearing capacity.

### Banking risk

The Customers' euros are held in pooled asset accounts in well-reputed and stable Finnish banks: OP and Nordea Bank. The risk that these banks would go bankrupt or become unavailable would cause partial losses to the Customers and Voima as well as hinder the operations and delay settlements.

To counter this, first and foremost, Voima maintains a stable relationship with its banking partners. Secondly, it monitors the global market situation and the amount of Customer assets in euros held in any one bank at a time. It is also worth noting that the pooled asset

accounts are not subject to the deposit guarantee system.

### Regulatory and legal risks

Changes may occur in the operating environment that would affect Voima's ability to serve citizens or residents from certain locations. The changes may be absolute or require Voima to change processes or add resources.

Voima monitors the development of the international regulatory environment and strives to understand and anticipate changes proactively so that the provision of services can continue as widely as possible internationally.

### Money laundering and terrorist financing risks

The risk of money laundering or terrorist financing is a combination of the effects of threats and vulnerabilities.

A threat may be posed by an individual, a group of people or an activity that may seek to exploit Voima's services for the purposes of money laundering or terrorist financing.

Vulnerabilities refer to weaknesses in regula-

tory control, industry self-regulation and crime prevention that can be exploited by threatening actors and that allow for criminal activity. Vulnerabilities can also be associated with different technological opportunities as well as certain types of services and products.

Money laundering and terrorist financing are significant and ever-changing challenges for digital payment technologies and the transmission and preservation of gold and other assets. To meet these challenges, Voima has prepared thorough risk assessments and policies, in which potential threats, vulnerabilities and management measures are described.

## | Data security risks

The misuse of personal data for the purposes of extortion, damaging and theft of property, damaging of reputation or indirect exploitation are the extreme examples of possible impacts on lost data.

Data loss could be caused by external threats, internal fraud or human error, and these causes are constantly evolving. As a result, Voima researches and develops data security measures on an ongoing basis.

## | Technology sourcing risks

Voima works with chosen partners to provide certain service functions. At the same time, as the use of these partners in normal circumstances improves the company's service availability and controls costs, it is recognised this exposes Voima to the operational risks related to these partners' service functionality, information security, service availability and continuity management.

For Voima, the key thing is to recognise the dependencies in the service supply chain, the possible effects of a single partner's downtime and possible secondary service providers. Furthermore, Voima's ability to use multiple service providers, its ability to harness the secondary providers' services and the service providers' ability to provide services within an accepted transition period are key factors in the assessment.

## | Vault storage

The Customers' gold is stored in such a way that it can be audited and can be withdrawn by Customers in a controlled manner. At the same time, there is a theoretical possibility that some entity could try to gain access to the Customers' assets.

Although the risk is evident, it is at the same time very unlikely and ineffective. For its vaulting operations, Voima maintains a combination of layers of high-level security technology, robust physical layers and separated personnel groups in multiple units with monitored, controlled and multi-authenticated access management processes. This makes unauthorised access practically impossible and not worth the effort.

## Liquidity risk

The major part of Voima's service is to exchange euros for gold and gold for euros. As part of the gold is physically stored in Voima's own vaults, there is a possibility of a delay for Voima to sell this gold if Customers simultaneously sell gold in excess of the liquidity buffer, which comprises a maximum of 30% of the Customers' gold.

For Voima, the most concrete liquidity risk is related to the actions of the Customers and the impact of these actions on Voima's liquidity buffer. Voima holds a target limit of 70% of the Customers' gold in Voima's own vaults. This means that a maximum of 30% of the Customers' gold is held on gold accounts offered by trading partners for liquidity purposes, i.e. to mitigate the liquidity risk.

The liquidity buffer allows trades to be processed immediately. If the Customers sell a lot of gold at the same time, but less than is held in the liquidity buffer, Voima can process those transactions immediately and the Customers will receive a payment in euros with no delay.

## Financing and solvency risk

Financing risk is the risk where Voima could not meet its liabilities when they are due. Solvency risk is the risk of lacking sufficient capital to fulfil the business objectives and market expectations. An insolvent company is unable to pay its debts and will be placed into bankruptcy.

The company's operations are financed by the accumulated gross profits, equity investments, capital loans and other available funding such as the Business Finland R&D loan and the Tempo grant. Voima's Head of Finance, together with the management team and Board of Directors, is responsible to forecast and monitor the cash position closely at all times in order to mitigate the solvency risk.

## Market and exchange rate risk

Market risks refer to the risk of financial losses due to fluctuations in market conditions and prices of assets which the company is exposed to.

Most commonly cited sources for market risk are the following:

- ◆ interest rate risk—the risk of changes in general interest rates
- ◆ foreign exchange (FX) rate risk—the risk of changes in FX rates
- ◆ equity price risk—the risk of changes in equity prices
- ◆ commodity price risk—the risk of changes in commodity prices

In Voima's case, the main market risks arise from Voima's exposure to fiat currencies and precious metals and the fluctuation in the exchange rates between these assets. Since Voima views gold as a cash-equivalent asset, the sources of market risk at Voima are grouped to FX rate risks and interest rate risks.

Voima is continuously exposed to the FX rate risks arising from Voima's holdings in euros and gold. In small quantities, Voima is also exposed

to similar FX rate risks posed by silver, platinum, palladium and fiat currencies such as the US dollar.

The main implication of FX rate risks for Voima is the fluctuation of the exchange rate between euro and gold. This has a direct effect on Voima's profit margin, although Voima aims to minimise this effect with a high inventory turnover. A positive trend in the price of gold measured in euros is generally beneficial for Voima's profit margin.

Interest rate risks at Voima are linked to both liquidity management and corporate financing. With regards to liquidity management, Voima sources the majority of its gold from the London gold market and Voima's cost of holding positions associated with the London gold market is affected by general interest rates. If interest rates rise, the cost of maintaining liquid positions increases.

With regards to corporate financing, Voima has issued fixed-rate gold-backed capital loans, which expose Voima to interest rate risk. If general interest rates were to rise significantly, it might be harder for Voima to refinance these loans at the same rate with which they have been previously issued, given that Voima's strategy was to refinance the gold bonds. In addition, Voima uses derivatives to hedge the gold exposure from the gold bonds. General

interest rates also affect the pricing of these derivatives as well as the cost of maintaining positions in these derivatives.

### **How does Voima manage market risks?**

Voima manages its market risks through risk management protocols and continuous monitoring. Voima exercises a long-only strategy in its balance sheet management meaning that Voima is always long the currencies and metals that it deals in. Voima has several employees managing the company's exposures on the markets.

However, market risks also pose opportunities if managed correctly. For example, in addition to rising gold prices having a positive impact for Voima's business case, it is in Voima's strategy to be long gold in the long term. This means that Voima benefits both business-wise and strategically from the depreciation of fiat currencies relative to gold in the long term.

## **| Termination of the company**

In the extreme case where Voima would be forced to terminate its activities, the Customers would be able to choose between physical delivery of their gold and a liquidation of assets by selling, in accordance with

the amount of Customers assets and the availability of withdrawable physical bars. The residual risk is the delayed settlement caused by the bankruptcy proceedings and the price risk that could be caused by this.



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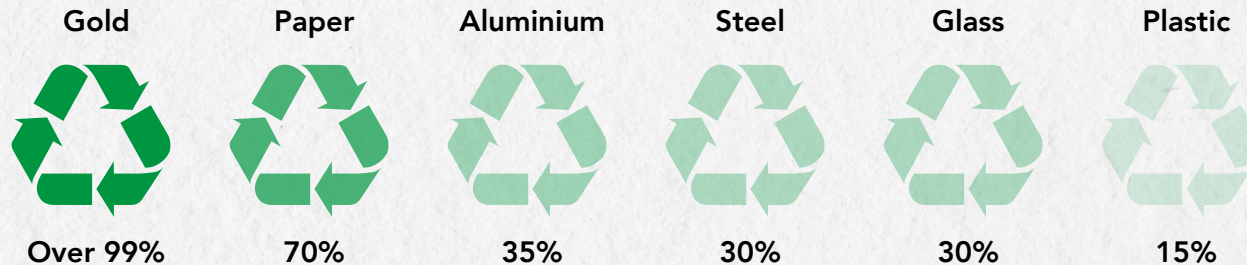
# ESG



## Sustainability is inseparable from Voima

### Recycling rates

Gold is well suited to be recycled.



### Gold lasts forever

Gold does not tarnish or decay over time, enabling it to be recycled over and over again without decreasing its purity, quality or value. This is the reason why Voima has set gold as the basis of its operations: it is perfectly sustainable.

But what would be better than simply recycling? It is to endlessly reuse the materials, and this is what Voima's ecosystem has also been built for. Except in certain marginal cases, the gold simply changes hands without leaving the ecosystem. In other words, in addition to recycling materials, Voima's ecosystem also enables the recycling of ownership.

Since the current financial system is based on debt, anyone opting for Voima's products takes a decisive step towards sustainability. The more people's finances stand on solid ground, away from the precarious obligations of debtors and the inflationary forces, the more they can plan their future with peace of mind.



793

KYC verifications in 2021

6,477

monitored transactions in 2021

## | Customer origins

Besides monitoring the origin of the gold entering Voima's ecosystem, we carefully consider whom we do business with.

Voima performs thorough verifications in order to ensure that its services cannot be used by persons or entities engaged in suspicious activities.

These procedures include

- ◆ verifying the identity of the Customer,
- ◆ understanding the nature of the Customer's activities and
- ◆ performing a due diligence assessment.

Verifying Customer identity is of the highest importance, since after the verification, it will be the key to the Customer's Voima Account. The identity secures both present and future access to the assets.

## | Supply chain

In 2021, Voima sourced 62% of its gold from LBMA-accredited trading partners, 28% from Voima Miners and the rest was bought from other Customers who have either previously



bought gold from Voima through their Voima Accounts or have previously deposited gold into their Voima Account.

Throughout the year, several random checks were carried out in accordance with Voima's internal policies for inbound material from Customers. According to Voima's policy, all Customers need to declare the origins of the material, and spot checks are carried out for more detailed investigation regarding the origins of certain items.

As Voima is gaining more visibility and interest both locally and internationally, more suspicious contacts in terms of potential criminal activity are received through public communications channels. Voima aims to prevent these types of criminal contacts by continuously improving website communication on the matter that Voima has zero tolerance for criminal activities. Communicating about Voima's standards, principles and values on the website and living up to these guidelines every day is one of the best ways to proactively prevent criminal engagement. Suspicious engagements are reported to local authorities in accordance with the laws of Finland.

## Voima supply chain policy in 2022

The EU Council Directive 2017/821 requires organisations sourcing gold from outside of the EU to publicly report on their supply chains. This legislation was put in effect at the beginning of 2022, and in late 2021, LBMA launched the version 9 of the LBMA Responsible Gold Guidance, which is compliant with the new EU requirements. In preparation of the changes in the regulatory requirements, which were put in force from the beginning of 2022, Voima created and implemented a sourcing policy already in 2019, entitled "Voima Miners Sourcing Policy", which describes Voima's supply chain policies as required by the regulators.

The policy has been reviewed annually since inception, and in 2021 it was decided that the whole policy will be updated to better reflect all aspects of Voima's gold sourcing operations, which are not limited to Voima Miners but also include gold flows from Switzerland as well as trade that takes place in the UK. Even though Voima currently operates only with regional Miners and Voima's regulatory reporting requirements arise from the transactions that take place between Voima and LBMA-accredited trading partners, it is deemed important to remain fully transparent

about Voima's sourcing operations to not only be compliant with regulations but also to build trust with key stakeholders and Customers.

Voima's sourcing policy is scheduled to be fully updated in 2022, and the policy will be made publicly available on Voima's website once updated.

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# Notes

# Notes to the financial statements

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Information on provisions applied when compiling the financial statements (PMA, chapter 1, section 1 (5))

The financial statements were prepared in accordance with the provisions concerning small-scale businesses in the Decree on Small-Scale and Micro Businesses (PMA).

Principles for preparing the financial statements (PMA, chapter 3, section 1)

Valuation principles concerning receivables and financial securities and liabilities

Receivables, financial securities and other such financial assets, as well as liabilities, are measured according to the Accounting Act, chapter 5, section 2.

Inventories

The acquisition cost of raw materials and accessories was valued according to the FIFO principle.

Development expenses

Between 29 June 2017 and 31 December 2019, the company capitalised application development expenses for a total of €1,022,952.68. Of the development expenses, €233,834.30 are written off during their estimated economic life as straight-line depreciation in 4 years, and the remaining €789,118.38 are written off during their estimated economic life as straight-line depreciation in 8 years.

Other long-term expenses

The company has capitalised other long-term expenses during the financial period 29 June 2017 to 30 September 2018 for a total of €281,388.35. Other long-term expenses will be written off as straight-line depreciation during their estimated economic life, 10 years.

**Total amount of off-balance-sheet liabilities**

The total amount of off-balance-sheet liabilities is €29,819.13.

**Information on the parent company (chapter 3, section 8)**

The company belongs to a Group whose parent company is Voima Capital Oy, and whose registered office is in Helsinki.

**Personnel (PMA, chapter 3, section 11)**

The average number of personnel employed by the company during the period reviewed was 20.

**Annual report information (PMA, chapter 3, section 13)**

In the shareholder meeting held on 10 March 2021, the Board was authorised to decide on the issuance of shares. The maximum number of shares that can be issued is 72,360, which would correspond to 30% of all shares. The authorisation includes the right to decide to issue new shares in exchange for payment or gratis.

**Information on capital loans (Limited Liability Companies Act, chapter 12)**

The principal loan terms of capital loans and interest not entered as expense

Capital loans included in liabilities amount to a total of €4,091,891. Of this amount, €3,881,539.09 are capital loans tied to gold.

**Principal loan terms**

1. In case of company liquidation or bankruptcy, the capital loan and interest is paid with the lowest priority in relation to all other creditors.
2. The capital may be otherwise returned and interest paid only as far as the amount of non-restricted shareholders' equity and all equity loans exceeds, at the time of payment,



the company's loss according to the balance sheet for the previous financial period or balance sheet included in more recent financial statements.

3. The company or its subsidiary may not deposit a security for the payment of the capital or interest.
4. The annual loan interests range from 3.1 to 5.5%.
5. With the consent of the creditor of the capital loan, the loan may be used as a payment for the increase of the share capital, converted into invested unrestricted share holders' equity, or used to cover the company's loss.
6. If the interest on a capital loan cannot be paid, the interest will be transferred for payment on the basis of the first of such financial statements, on the basis of which it can be paid.
7. The capital loans have an equal right to the company's funds.
8. Capital loans are entered on the balance sheet in liabilities as a separate item.

#### The other information on capital loans

As per the agreements, the first capital loans are about to reach their maturity in April–May 2022 (€598,320.00). However, it is acknowledged in relation to these loans that the loan period will be extended by at least a year. The total amount of the capital loans to mature on 31 December 2022 is €2,199,515.64. These loans will be rearranged in connection with the capital market transactions or their maturity date will be extended by at least one year. The third possible option is to pay the loans back. If this option is chosen, the company will arrange separate funding for this. However, at the time the accounts were closed, it seems likely that the loans will stay in the company's balance sheet for more than 12 months, and hence they have all been entered as subordinated loans under the long-term liabilities.

## Calculation on the sufficiency of shareholders' equity

Shareholders' equity on balance sheet	-1 805 799,00
+ Capital loan	4 091 890,64
Adjusted shareholders' equity in total	2 286 091,64

## Disclaimer

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While great care has been taken to ensure the accuracy of the figures in this report, in case there are any discrepancies between this document and the financial documentation provided by Voima's financial auditor, Hill Audit Oy, the latter documents shall prevail. Copies of this documentation can be received on request.

Nothing in this document constitutes an investment recommendation or an offer for the purchase or sale of gold, any gold-related products and services or any other products, services, securities or financial instruments. This document does not suggest the future or expected value of gold or any gold-related products or services, or implicitly recommend or suggest an investment strategy of any kind.

You should be aware that the risk of loss in trading or holding commodities such as gold can be substantial. As with any asset, the value of gold can go up or down, and there can be a substantial risk that you lose money buying, selling, holding or investing in gold.

Voima Gold Ltd. is a limited liability company operating under the laws of Finland and the European Union and does not offer legal or taxation guidance on any jurisdictions. You are responsible for compliance with your local laws and regulations, including but not limited to tax laws, and paying local taxes that may be applied to gold purchases, gold sales and gold custody.

# Voima Gold Talks

24 November 2021  
The Savoy, Helsinki

Voima organised the first Voima Gold Talks—an event series featuring renowned speakers across the gold, banking and technology sectors. The first VGT keynote speaker was Isabelle Strauss-Kahn.

Isabelle Strauss-Kahn has worked at such illustrious institutions as the Bank for International Settlements (BIS), the World Bank and Banque de France. In her presentation, she covered fundamental and topical reasons for gold allocation and the net buy positions of central banks, among other things.

**VOIMA** *Gold Talks*



I was extremely honored and pleased for having been invited to the first Voima Gold Talks, thanks to Marko Viinikka. My presentation focused on the main physical and financial drivers of the gold market and the role of central banks as a major actor in that market. I was impressed by the very rich and active dialogue between the participants and I. A great initiative from Voima!

—Isabelle Strauss-Kahn





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