

FINANCIAL UPDATE

2022 FY Results

Important Notices

This presentation includes unaudited financial statements and forward-looking information, including the outlook for Sovryn. These statements are based on current expectations, estimates, and projections about the factors that may affect the Protocol's future performance, including global economic conditions and the economic conditions of the markets that are significant for Sovryn. These expectations, estimates, and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates," "targets," "plans," "outlook", "on track", "2023 framework," or similar expressions.

Numerous risks and uncertainties are beyond Sovryn's control, which could cause its actual results to differ materially from the forward-looking information and statements made in this presentation and could affect the Protocol's ability to achieve any or all its stated targets. The critical factors that could cause such differences include, among others:

- Business risks associated with the volatile global economic environment and political conditions;
- Costs associated with legal and compliance activities;
- Market acceptance of new products and services;
- Changes in governmental regulations, asset values, and currency exchange rates; and
- Other factors as may be discussed from time to time in the Protocol's Investor or Community Updates.

While Sovryn believes that its expectations reflected in any forward-looking statement are based upon reasonable assumptions, it cannot assure that those expectations will be achieved. Note that this presentation contains non-GAAP measures of performance.

01 2022 FY Results

02 Treasury Balances

01 2022 FY Results

FY 2022	OpEx	Unrealized Gains & Losses	Other Expenses
	(6,360,004)	2 (8,788,833)	3 (761,924)
	(4%)	2,199%	-

1) Sharp reduction in OpEx to \$1.2m Q4 from \$2.7m year-on-year

2) Accounting loss from lower cryptoasset prices

Q4 2022	OpEx	Unrealized Gains & Losses	Other Expenses
	1 (1,165,925)	(638,063)	(761,924)
	(57%)	(119%)	-

3) Impact of exploit 12% of full year operating costs

Profit & Loss (USD)	2022 FY	2021 FY	Change Y/Y Increase/(Decrease) vs. FY '21	Comment
INCOME				
Gross Profit	0	0	-	
EXPENSES				
Adoption	1,235,164	1,549,994	(20%)	
Development	3,185,241	3,889,963	(18%)	
Operations	1,705,056	944,023	81%	
Overhead	234,542	260,598	(10%)	
Total Expenses	6,360,004	6,644,578	(4%)	
NET OPERATING INCOME	(6,360,004)	(6,644,578)	(4%)	
Other Income	0	0	-	
Unrealized Gains & (Losses)	(8,788,833)	(382,322)	2,199%	Large drop in asset values Y/Y
Other Expenses	(761,924)	0	-	Treasury cost of Oct. exploit
Net Other Income	(9,550,757)	(382,322)	2,398%	
NET INCOME	(15,910,761)	(7,026,900)	134%	

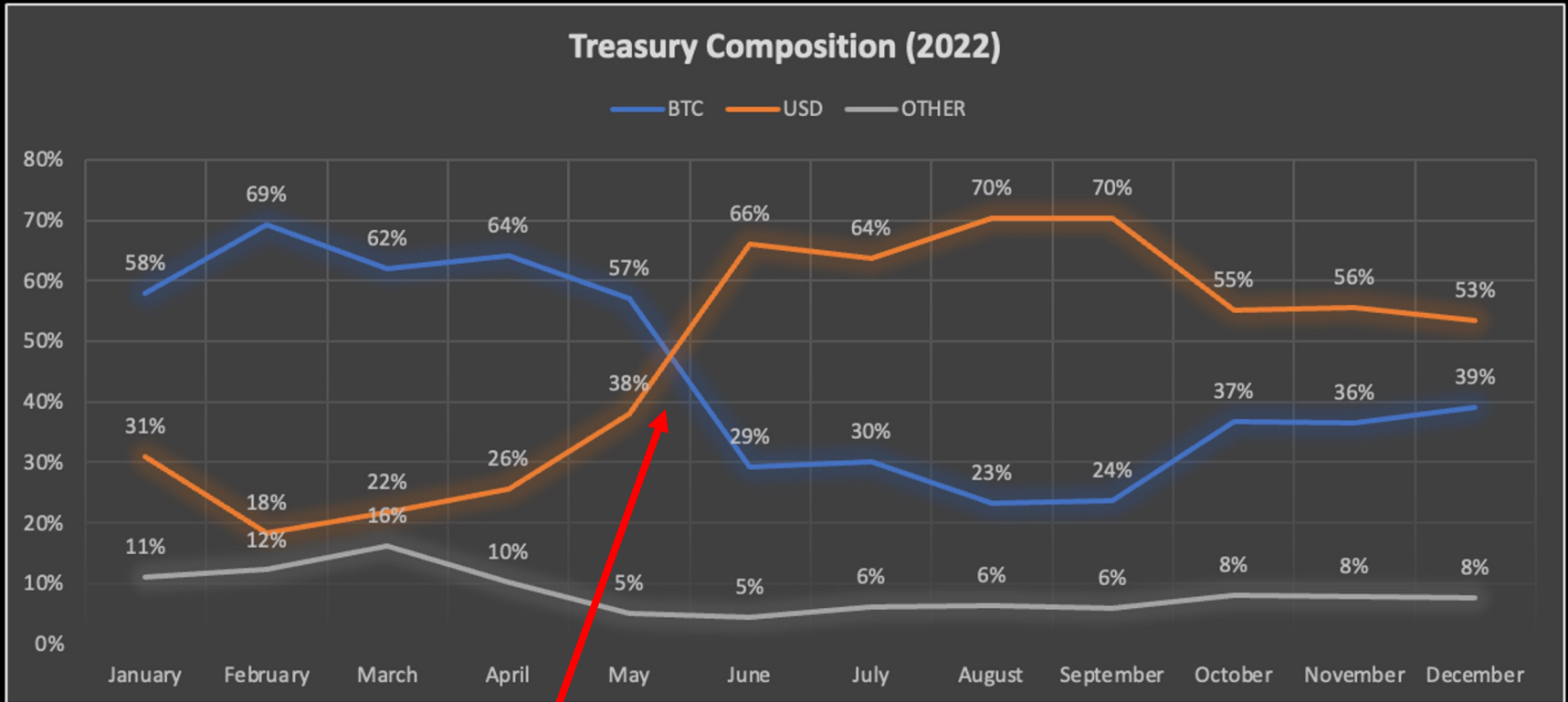
Profit & Loss (USD)	2022 Q4	2022 Q3	2021 Q4	Change Q/Q Increase/(Decrease) vs. Q3 '22	Change Y/Y Increase/(Decrease) vs. Q4 '21
INCOME					
Gross Profit	0	0	0	-	-
EXPENSES					
Adoption	206,579	187,172	508,440	10%	(59%)
Development	566,300	577,706	1,674,979	(2%)	(66%)
Operations	388,425	339,969	511,285	14%	(24%)
Overhead	4,620	4,495	43,582	3%	(89%)
Total Expenses	1,165,924	1,109,342	2,738,286	5%	(57%)
NET OPERATING INCOME	(1,165,924)	(1,109,342)	(2,738,286)	5%	(57%)
Other Income	0	0	0	-	-
Unrealized Gains & (Losses)	(638,063)	272,989	3,274,611	(613%)	(119%)
Other Expenses	(761,924)	0	0	-	-
Net Other Income	(1,399,987)	272,989	3,274,611	(143%)	(143%)
NET INCOME	(2,565,912)	(836,353)	536,325	(578%)	(578%)

2022 FY Financials

FINANCIAL UPDATE

Balance Sheet (USD)	2022 Q4	2022 Q3	2021 Q4	Change Q/Q	Change Y/Y
				Increase/(Decrease) vs. Q3 '22	Increase/(Decrease) vs. Q4 '21
ASSETS					
Treasury Balances	5,439,172	7,912,323	16,624,887	(31%)	(67%)
Trade Receivables	512,792	507,072	87,372	1%	487%
Security Deposit	51,564	51,564	-	-	-
TOTAL ASSETS	6,003,528	8,470,959	16,712,259	(29%)	(64%)
LIABILITIES AND EQUITY					
Accounts Payable	47,615	42,995	9,580	11%	397%
Accrued Expenses	275,453	181,591	511,456	52%	(46%)
TOTAL CURRENT LIABILITIES	323,068	224,586	521,036	44%	(38%)
EQUITY					
Retained Earnings	(7,183,432)	(7,183,432)	(156,531)	-	4489%
Equity	28,774,655	28,774,655	23,374,654	-	23%
Net Income	(15,910,761)	(13,344,349)	(7,026,900)	19%	126%
TOTAL EQUITY	5,680,460	8,246,373	16,191,222	(31%)	(65%)
TOTAL LIABILITIES AND EQUITY	6,003,528	8,470,959	16,712,259	(29%)	(64%)

02 Treasury Balances



The Strategic Investment Round, completed in May 2022, significantly changed the Treasury asset composition. Asset values and composition at prevailing market rates (data excludes Accounts Receivable).