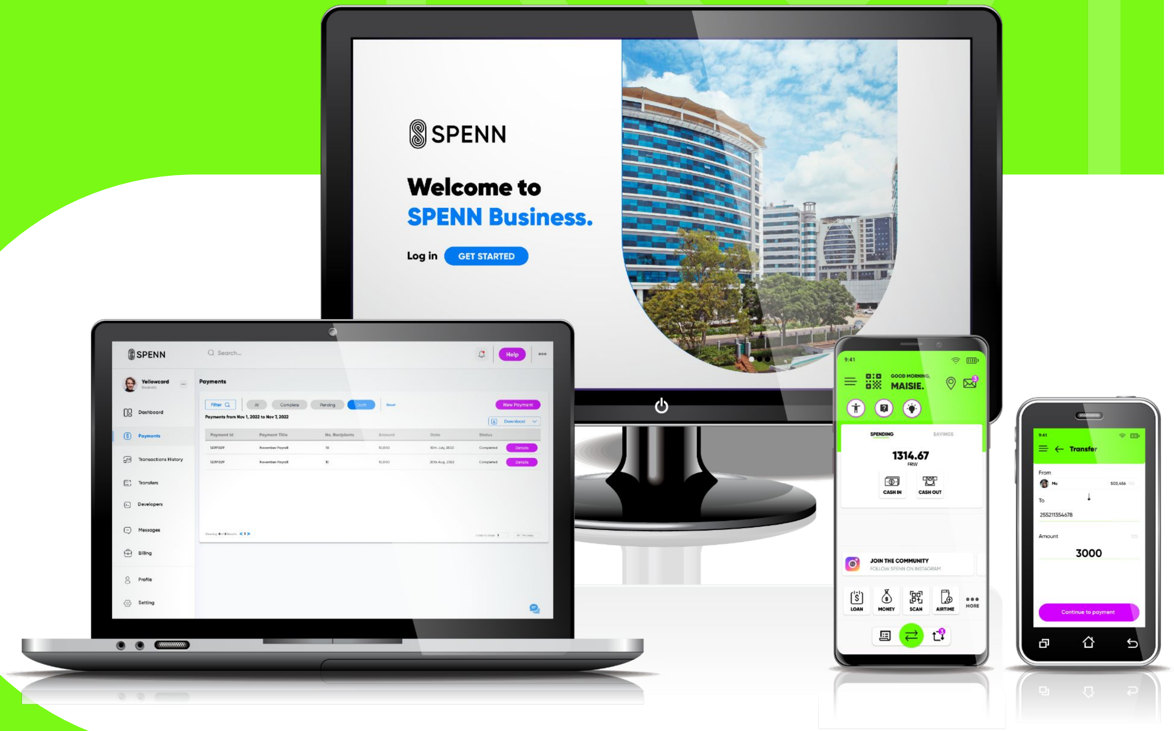
AUDITED ANNUAL REPORT

SPARK Technology A/S

ANNUAL REPORT 2023



01.01.2023 – 31.12.2023

SPARK Technology A/S
Company Registration Number: 26518199

Njalsgade 76, 4
2300 Copenhagen S
Denmark

AGM is to be held August 30, 2024

Chairman of the Board - Magne Fretheim

SPENN

MOBILE BANKING.
JUST BETTER.

NAME:
SPARK Technology A/S

COMPANY REGISTRATION NUMBER:
26518199

ADDRESS:
Njalsgade 76, 4
2300 Copenhagen S
SPARK Technology A/S

PHONE:
+45 88 30 00 00

WEB:
https://sparktechnology.dk/

DATE OF FORMATION:
1 February 2002

FINANCIAL YEAR:
1 January 2023 - 31 December 2023

16 AUGUST 2024
Annual Report 2023

EXECUTIVE BOARD:
Jens Glaso, CEO

BOARD OF DIRECTORS:
Magne Fretheim
Baard Bjerkaas
Gabriel Jeensas
Jan Fredskilde Andersen

CERTIFIED ADVISER:
Baker Tilly Corporate Finance P/S
Poul Bundgaards Vej 1, 1.
2500 Valby, Copenhagen
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AUDITOR:
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Havneholmen 29
1561 Copenhagen V
+45 39 15 52 00
www.bdo.dk

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INTRODUCTION

SPARK Technology A/S Consolidated Financial Statements

SPARK Technology

MISSION

Bridging financial principles through digital asset innovation.

VISION

Economic opportunity for everyone.

LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

A transformative year

Dear Shareholders,

2023 has been a transformative year for our company, now known as SPARK Technology A/S. We've witnessed significant developments that have reshaped our business landscape and positioned us for future growth.

Throughout the year, the team behind SPENN led by our CEO Jens Glasø continued to make strides in its mission to provide accessible financial services. The partnerships forged with NHIMA in Zambia and the Ministry of ICT and Innovation in Rwanda exemplify our commitment to financial inclusion. These collaborations not only expanded our service offerings but also created new revenue streams and strengthening our financial position. These and many other partnerships hold immense potential for reducing transaction costs and generating substantial revenue.

The approval for Kazang Zambia to process Visa card transactions on its POS devices was another significant milestone, greatly enhancing our market presence in Zambia.

SPARK made a strategic decision to sell majority of subsidiaries - including SPENN and Kazang, to Tyrill AB an investment company backed by well-known investors. This sale marks the beginning of a new chapter for our company, now rebranded as SPARK. We believe this move will unlock new opportunities and create value for our shareholders. Looking ahead, we are excited about the potential acquisition with Acceleum. Their presence in the fintech space, particularly in Uganda, aligns well with our vision. We anticipate that this acquisition, subject to satisfactory due diligence and approval by the general meeting, could create synergies beneficial not only to SPARK but also to SPENN under its new ownership.

I would like to express my gratitude to our dedicated team, led by our CEO, whose tireless efforts have brought us to this pivotal moment. Their resilience and innovation continue to drive our success. As we move forward as SPARK, we remain committed to creating value for our shareholders and contributing to the advancement of financial technology. The landscape ahead is filled with promising opportunities, and we are well-positioned to capitalize on them. Thank you for your continued trust and support. I look forward to updating you on our progress in the coming year.

LETTER FROM THE CEO

Towards a brighter financial tomorrow

Dear SPARK Community,

Reflecting on 2023, it has been a challenging yet transformative year for Spark Technology. Our journey through the complex landscape of digital finance was marked by innovation and significant growth.

This year, our attempt to acquire a significant stake in the Norwegian Block Exchange (NBX) brought unexpected complexities, leading us to terminate our pursuit despite the potential benefits. Despite this, our relationship with NBX remains robust, supporting our efforts to introduce SPENN services in Europe and innovate within our African markets.

Our successful collaboration with NASENI in Nigeria was crucial, leading to the launch of a co-branded disbursement tool and consumer app that streamlined financial transactions and bolstered SPENN's standing in the fintech landscape. In 2023 we enhanced our platform’s interoperability, significantly improving our service convenience and functionality. Building on the success with NASENI, SPENN Rwanda signed an agreement with MINICT in Rwanda, setting a new benchmark for governmental cooperation with the aim of transforming financial accessibility and empowering communities.

In Rwanda and Zambia, improved financial service integrations, achieving full interoperability which has enhanced user satisfaction and facilitated smoother transactions. Our efforts in Rwanda also led to more precise credit assessments through improved loan scorecards. In addition, features like NFS Bulk Payments, advanced account management tools, and biometric login capabilities have strengthened our user experience and operational efficiency.

The expansion of our services in Zambia with Kazang was a significant highlight. The approval from the Bank of Zambia to process Visa transactions on Kazang POS devices not only marks a significant step towards a cashless society but further cements Kazang’s position as the leading POS network in Zambia.

Reflecting on JengaX, the past two years have been markedly challenging due to the volatility in the cryptocurrency market and significant leadership changes. However, JengaX has capitalized on its strategic position within the group to pivot effectively towards an "IT as a Service" model. This shift will allow us to utilize our extensive IT resources more efficiently across the group and increase revenue.

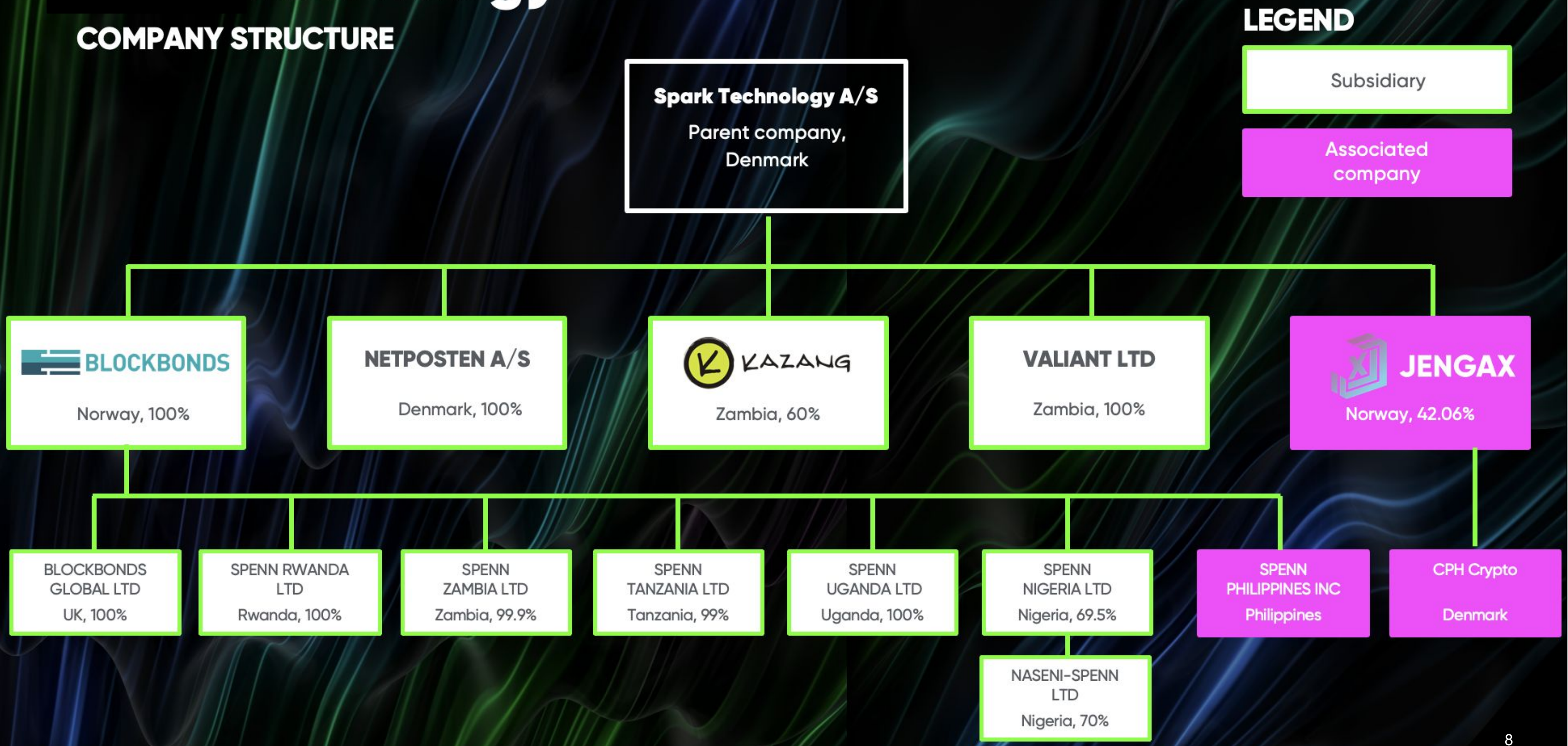
Looking ahead to 2024, a pivotal development has been our strategic alignment with Tyrill AB. Due to the successful outcomes of our ongoing initiatives, we have now completed a transformative deal with Tyrill. Shareholders approved the transfer of Spark Technology's assets in exchange for shares in Tyrill, which is set to raise between 100 and 300 million Swedish kronor and list on the Swedish stock exchange. Tyrill will focus on developing global payment infrastructures, initially in Africa, expanding on the initiatives started by SPARK Technology's portfolio companies. This deal not only transforms our business structure but also positions us to capitalize on global market opportunities, enhancing our capabilities and ensuring substantial growth and increased shareholder value through the upcoming public offering.

SPARK Technology A/S announced in May 2024 that it had entered into an acquisition agreement with Acceleum Technology AS for jointly launching their micro-investment and micro-pension platform and “The Acceleum Game.” Acceleum Technology AS is a Norwegian company providing a comprehensive platform for micro-investments and micro-pensions in sub-Saharan African markets. Their presence in the fintech space, particularly in Uganda, aligns well with our vision.

I am incredibly proud of our achievements this year and am excited about what the future holds. Thank you for your continued trust and support as we redefine the landscape of digital finance.

SPARK Technology

COMPANY STRUCTURE



2023 Financial Highlights – SPARK Group

DKK '000	2023	2022	2021
Gross revenue*	180,344	168,729	18,222
Gross Cost of sales	-154,871	-138,098	-15,084
Net revenue	**25,473**	**30,631**	**3,138**
Cost of sales	–1,234	-6,019	-929
Gross profit	**24,240**	**24,612**	**2,209**
Other Income	4,180	673	97
Employee expenses	-25,759	-32,087	-22,998
G&A expenses	-29,160	-26,642	-42,765
EBITDA	**-26,500**	**-33,444**	**-63,457**
Net other expenses / income	-111,571	-40,216	61,635
Net income	**-138,071**	**-73,660**	**–1,822**

The SPARK Group continues to build on its target of break even with revenue for the year increasing to DKK 180,3 million, up from DKK 168.7 million in 2022 and from DKK 18.2 million in 2021. Kazang leads the growth in revenue, contributing with DKK 169.8 million to the group's gross revenue for the period. DKK 10,5 million is represented by the group's other subsidiaries.

Net revenue for the period was DKK 25.5m resulting in a DKK 5.2m decrease from revenue for 2022 which was DKK 30.6m but high increase compared to 2021 which was DKK 3.3 million.

For 2023, EBITDA ended with DKK –26.5m, an improvement from 2022 with its DKK -33.4m as well as from 2021 with DKK -63.4m. Driven by increased in other income and a decrease in employee expenses.

The SPARK Group reported a net loss of DKK 138 million in 2023 compared to a loss of DKK 73.6m in 2022 and DKK 1.8m - driven by the impairment expense of JengaX.

KAZANG
Kazang Zambia has continued its growth in 2023, with gross profit for the year increasing 33% compared to 2022. This growth has been fuelled by continued POS machine deployment in the market, combined with a strong organic growth of transaction volume. EBITDA for 2023 was DKK 13.5m, an increase of 38% compared to 2022.

* Management uses gross revenue as a metric to monitor the performance of the company. Gross revenue is total sales made by the group during the year. Revenue is shown net of cost of sales in the Income Statement

** Operational EBITDA for continuing business, less non-recurring or changed items.

SPARK Group outlook for 2024

With the onset of 2024, SPARK Technology A/S stood at a crucial crossroads. Over the past year, we have implemented significant strategic changes that have reshaped the direction of the company. The most notable was the divestment of our subsidiaries, a move reflecting our adaptability to changing market conditions and our commitment to maximizing shareholder value.

Following this divestment, the company has undergone rebranding and now operates under the name SPARK Technology A/S. This new identity signals a renewed commitment to innovation within financial technology and inclusion, reflecting our ambition to be a catalyst for change in the sector.

Looking ahead to 2024, SPARK Technology A/S will look for investments and transactions in the fintech sector. Our goal is to identify and capitalize on new opportunities that can leverage on the knowhow and experience from many years in the fintech industry and within financial inclusion, especially in markets traditionally underserved by financial services. We are confident that the company's expertise and our commitment will lead to new solutions and developments.

In 2024, we will seek to build on the strong foundations we have established and explore strategic partnerships and collaborations that can accelerate our growth and extend our reach and to navigate the dynamic landscape of global finance.

We look forward to a year filled with opportunities and are thankful for the ongoing trust and support from our shareholders and partners as we embark on this new journey with SPARK Technology A/S.

Market update: Kazang Zambia

KAZANG

Gross profit growth

+35% increase YoY

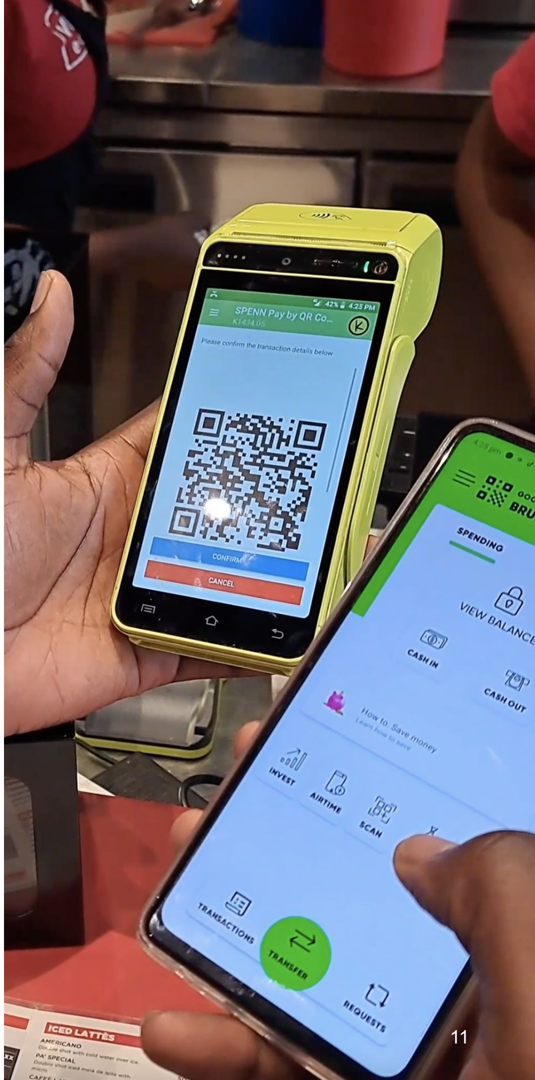
Kazang continues to increase its revenue and profits by growing its network of agents and merchants that can process payments. Kazang fell short of its target of deploying another 30,000 vendor terminals due to being more selective in which agents and merchants it is targeting. Although it is impacting the pace of roll out, it will ultimately strengthen both Kazang and SPENN Zambia in the market as Kazang will have even higher quality agents and merchants.

In addition to the increased revenue derived from growing the agent and merchant network, a key revenue driver for Kazang during 2023 has continued to be the NFS integration, although it has been adversely affected during the year as Zanaco, the largest bank in Zambia was suspended by the NFS due to technical issues.

Some of the milestones achieved between SPENN Zambia and Kazang include deploying the SPENN Agent app onto the Kazang vendor terminals as well as enabled them to present the SPENN QR code for seamless payments. Through the SPENN Agent app, any Kazang vendor terminal can now be used to onboard additional SPENN users to further drive usage for both Kazang and SPENN Zambia.

Furthermore, Kazang and SPENN Zambia further deepened its integrations to enable near instant and automated transfer from most bank accounts to SPENN.

With the synergies between SPENN Zambia and Kazang, Zambia as a market is close to breaking even.



Market update: Rwanda, Zambia and Nigeria

SPENN RWANDA

Business growth

+8% increase YoY

2023 was an eventful year for SPENN Rwanda, with full interoperability with all other mobile money and financial institution accounts being launched. This allows users to send and receive seamlessly from any enabled funds source throughout the country. Rwanda has also seen a steady increase across all key metrics during the year.

The microlending product, which was launched in 2022, has now surpassed RWF 3.98bn lent across almost 12,000 transactions. With the introduction of a lending scorecard based on usage of the application, recoverability of the partner banks' capital has increased dramatically. With the lessons learned through this process, the Company will look at other markets for suitability to roll this product out to.

SPENN ZAMBIA

Business growth

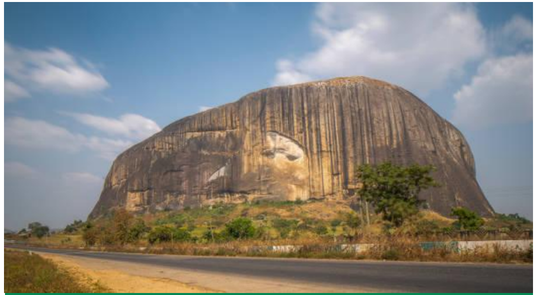
+140% increase YoY

2023 saw a number of highlights for SPENN Zambia such as the re-introduction of YellowCard as a partner for remittance via the app. Yellow card is a leading cryptocurrency exchange within the African markets. Additionally, JengaX went live with its cryptocurrency app, which is also interfaced via the SPENN app. These two customers have contributed to an 140% increase of new business customers YoY compared to 2022.

The group have high expectations for Zambia as a revenue market, noting a strong increase in active users, primarily driven by the addition of SPENN to the Zambian National Financial Switch (NFS) and the additional integration with Kazang allowing for seamless transfers from most banks to the SPENN product platform.

NASENI~SPENN

NATIONAL AGENCY FOR SCIENCE AND ENGINEERING INFRASTRUCTURE



During 2023 the team worked diligently to finalise the preparations of the app in order to launch in Nigeria on target. In March, the first official disbursement was made, marking the conclusion of the "proof of concept" period.

Features available to Naseni-SPENN users are currently limited to P2P transfers and ability to transfer funds to and from mobile money and bank accounts. During 2024, the focus will be on finalising the regulatory process to also avail value added services as well as inbound remittances to Nigeria.

In parallel to continuing the development of the product the team is onboarding the remaining Naseni employees and starting the process of onboarding beneficiaries of the social intervention fund.

Corporate Governance

Annual shareholders meetings and shareholders' initiative

At general shareholders' meetings shareholders exercise the supreme authority of SPARK Technology. Annual General Meetings are held within five months after the end of each financial year.

The Board of Directors of SPARK Technology is responsible for its management and organization, which means that the board is responsible for, among other tasks, establishing goals and strategies, ensuring that procedures and systems are in place for the evaluation of decided goals, continuously evaluating the financial position and result, and evaluating the Executive Management. The Board of Directors is also responsible for ensuring that the annual report, financial statements of the Group and interim reports are prepared on time.

The Board of Directors hold meetings according to a schedule established in advance. In addition to these meetings, extraordinary meetings can be convened to address issues which cannot be postponed until the next scheduled meeting. In addition to the board meetings, the chairman of the Board of Directors and the CEO continuously discuss the management of SPARK Technology. The Board of Directors currently consist of four Directors elected at the general meeting, and the proportion of non-executive members is as per the corporate governance code. All Board members are highly skilled professionals with extensive relevant experience in legal, financial, business operations and technology matters.

C-level management undertakes day-to-day management of SPARK Technology's operations. It consists of CEO, CFO, COO, CTO, CLO, CMO and CPO.

INTERNAL CONTROL

To fulfill an internal control function, Head of Compliance and Head of Internal Control is present for SPARK Technology and the entire SPARK Group. Head of Compliance is reporting directly to the Board of Directors on a quarterly basis, and ad hoc if needed. The Head of Compliance ensures risks are identified and addressed and that there are sufficient internal controls and formalized routines to ensure that established principles for financial reporting and internal controls are followed.

Head of Compliance also ensures effective systems are in place to monitor and control operations and the risks associated with the business.

The Head of Internal Control role is responsible for organizing the work of an Internal Control Department, which fulfills all day-to-day control functions and supports the compliance function..

Corporate Governance

DANISH CORPORATE GOVERNANCE RECOMMENDATIONS

In its conduct, SPARK Technology and its subsidiary companies, follow the recommendations for good corporate governance from "The Committee for Good Corporate Governance" (Komitéen for god Selskabsledelse").

ANNUAL SHAREHOLDERS MEETINGS AND SHAREHOLDERS' INITIATIVE

At general shareholders' meetings shareholders exercise the supreme authority of SPARKEN Technology. Annual General Meetings are held within five months after the end of each financial year.

The Board issues notice to convene the Annual General Meeting, and the shareholders have a right to attend and cast their vote. Shareholders have the right to have matters considered at the General Meeting.

Extraordinary General Meetings may also be convened.

Changes to the articles of association require that at least two-thirds of the share capital are represented at the annual general meeting and that any proposals to the changes of the Articles of Association are approved by two thirds of the voting share capital represented at the Annual General meeting.

Board of Directors

The Company's Board of Directors currently consist of five members, including the chairman, without deputies. The Board was elected at the General Meeting on 7 April 2022.

Board members are elected for a term of a year and may be re-elected. The Board of Directors select a chairman. In case of parity the chairman has the casting vote.

Majority of the Board Members (including the Chairman) are independent from the management. No Member of the Board represent a controlling shareholder. All the members have experience relevant to the industry.

Director	Competences	Directorships
Director  **Magne Fretheim** CTO, board member since 2021 Bachelor's degree in Engineering (IT), Høgskolen i Gjøvik, Norway Owns 442 423 shares, equal to 1.69%	-More than 20 years of experience within IT, working within sec- tors such as banking and telecoms -Strong knowledge of database systems, outsourcing, insourcing and IT operations. Worked extensively with distributed teams -Broad experience from regulatory tech discussions -Member of The European Crowdfunding Network's Blockchain Working Group.	Distinct AS (NO)
 **Bård Bjerkås** Board member since 2024 Lawyer - graduated from university of Oslo, Norway	• Founding member of several IT and real estate companies • Worked in finance since he graduated as a lawyer • Regulatory expert in international finance and tech • Former CLO and CFO in TrustBuddy	

Director	Competences	Directorships
 **Gabriel Jensaas** Board Member since 2024 Bachelor's degree in Finance, BI Norwegian Business School Executive MBA, UiA (Ongoing)	• Solid background in finance management and system architecture • Experience in coordinating teams and optimizing financial operations • Experience in financial analysis and risk assessment • Background in founding and leading technology-driven startups	
 **Jan F. Andersen** Board member since 2016 Master of Science degree in Economics and Business Administration, MSc (Econ) from Copenhagen Business School in 1992 and certificate of IAA Owns 1,067,500 shares, equal to 0.04%, 30,663,047 warrants	- Experience within management, business development, operation, finance and investment in digital and internet-based soft-ware, financial, consultancy and media companies - Co-founder of Adpepper Media International N.V., which was listed on the Frankfurt Stock Exchange and member of its Board of Directors for 11 years - Co-founder of the investment company, DK Trends Invest A/S, which was listed on the Copenhagen Stock Exchange in 2007 and director therein between 2007-2011 - Holds management positions within Netposten A/S.	-Netposten A/S (DK) -F. Andersen Management ApS (DK) -MarkZero ApS (DK)

Risk Management

Responsibility for managing risk within the company lays on the Executive Management, with the support and expertise of a risk management team. Risk management, including risk mitigation is uniform throughout all the companies and executed on the basis of the Risk Policy. The following risks are deemed particularly relevant to SPARK Technology.

RISK:

Risk relating to SPENN mobile banking application growth and development

Description	Mitigation
SPENN is in a commercialisation phase and if the efforts to grow the SPENN platform in existing markets is not capable of achieving results to the expected extent, this will result in lower earnings and reduced future prospects for the Group. There is a risk that planned new product functionalities do not attract new customers to a sufficient extent for the Group to be able to achieve breakeven status in these markets. There is also a risk that the Group is unable to quickly expand SPENN into new markets, reducing the total potential earnings capacity for the Group. There are several factors including access to capital that must align for a market to be suitable for the Group to launch the SPENN mobile banking application.	SPARK continuously seeks new opportunities and create networks to understand and potentially enter new markets, based on its development strategy. In existing markets, SPARK engaged its own sales representatives, as well as enter new partnership with distributors. Distributors and sales personnel is being trained and have access to appropriate support and knowledge. Dedicated Product department constantly develops the product offering, observing customer needs, addressing financial inclusion challenges, and ultimately expanding the customer base. Key to the product expansion efforts are stable and positive relationships with financial institutions in every local market.

RISK:

Risk relating to SPARK's reliance on local banking partners and other third-party service providers

Description	Mitigation
The Group's strategy in relation to the SPENN mobile banking platform involves its SPARK subsidiaries working with local banking partners to hold SPENN customer funds. SPARK subsidiaries drive a core part of their revenue through interest earned on the total funds held with its banking partners, and so it is imperative that the Group maintains a good working relationship with the local banking partners. The Group and its SPARK subsidiaries are exposed to the individual strategies and financial objectives of its banking partners which are at risk of not being aligned wholly with the Group's own strategy. Difficulty or conflict in the relationship may lead to run down or termination of the partnership which will affect the future earnings capability in the market. The Group also has limited visibility into the operations of its local banking partners and cannot ensure that they are complying with local or international laws and regulations. If a banking partner becomes insolvent, this would adversely affect the Group's cash flows and future earnings capacity in addition to causing significant reputational damage to SPARK and its ability to fulfil customer obligations. The Group also relies on third-party service providers for the provision of commission earning services within the SPENN platform. Therefore, interruption in their services or breakdown in the working relationship could negatively impact the future earnings capability of the Group.	SPARK enters into agreements with local banks upon a thorough due diligence being conducted on potential partners. Only reputable, well-established institutions are considered. Relationship is regulated by written agreements prepared by dedicated legal department with vast experience in financial sector. Risks related to these agreements are managed through contractual stipulations, as well as maintaining close cooperation between the bank and SPARK teams. To balance any dependency, SPARK seeks to widen its customer base and geographical footprint through new product features and new distributor relationships and partnerships.

RISK:
Regulatory Risks

Description	Mitigation
Changes in applicable law and regulation in the jurisdictions where the Group has activities with SPARK may have a material adverse effect on its business, performance and prospects. Operational constraints or increasing compliance obligations on the Group's activities, may affect the ability of SPARK Technology to maintain local subsidiaries' relationship with the partner banks and have an adverse effect on operations and earnings. Changes in tax regulations can have a negative impact on earnings for SPARK Technology's and the industry in general. There might be new tax reforms, subject to new regulation and reporting that may result in increased costs and lower earnings. The Group is exposed towards risk relating to international sanctions, in particular sanctions on trade and im-port/export, anti-bribery/anti-corruption laws through its operations in and trade across multiple jurisdictions.	SPARK actively engages in dialogue with the relevant authorities to mitigate such risk. SPARK has a dedicated legal and compliance department, who monitors any possible changes in the regulations, as well as cooperate with the legal and compliance departments of partner banks, to ensure that the internal procedures and any new functionalities are in line with the laws and regulations.

RISK:
Group's IP rights, know-how and confidentiality

Description	Mitigation
The Group has developed proprietary technology, software and intellectual property that the Group relies on to generate revenue through its SPENN mobile banking application. Third parties' infringement or abuse of the Group's intellectual property rights or business secrets, which the Group cannot fully protect itself from, may cause material damage and negatively affect the Group's future businesses, earnings and financial position. The Group's products, software or solutions, as well as hardware, software and services provided by strategic partners, software vendors and channel partners, could contain undetected errors or defects that could adversely affect the performance of the products, software or solutions and negatively impact the demand. Any such errors or defects could result in adverse client reactions and negative publicity, because many of the Group's customers are sensitive to defects in the products, software or solutions they use. There is a risk that, as the business offerings of SPARK Technology involve the collection and storage of confidential customer information, funds and other personal data are susceptible to a cyberattack by a third party. There is a risk that a successful attack could significantly damage the reputation to correctly manage confidential information damaging confidence in SPARK Technology from consumers and third parties alike.	The Group ensures that in markets where it operates, available level of IP protection is secured. Information System Contingency Plans, Business Continuity Plans, as well as other technical security measures are implemented to ensure that any disruption is addressed and resolved. Blockchain technology used is tamper-proof and storage of data is designed in a way minimising any risk of data breach or data loss.

RISK: Competitors		RISK: Reputational risk	
Description	**Mitigation**	**Description**	**Mitigation**
Despite the SPENN platform not currently having any direct competitors there is a risk that new products by competitors, lack of or changed demand as a result and increased price competition could have an impact on the Group's operations and earnings.	SPENN constantly monitors the competitive situation and initiatives in the markets, ensuring ability to answer any potential threats promptly. Additionally, SPENN protects its IP rights by ensuring available level of IP protection is secured and confidentiality agreements are in place where necessary. Furthermore, SPARK constantly develops its product offering to maintain competitiveness and attract new customers.	There is a risk that product users could use it to commit fraud which could damage the reputation of SPARK Technology and Group and hinder its ability to grow quickly. Certain level of risk is also associated with implementation of know your customer (KYC) procedures in emerging markets, e.g. African markets where the SPENN platform is being introduced, due to, for instance, lack of digital identification. Ultimate responsibility for KYC and AML/CFT in markets is on the licensed entity (banks), with which SPENN partners to enrol its product. However, SPENN manages the KYC verifications and AML/CFT prevention as per the agreement with the respective bank (arrangements vary between markets).	Companies within the Group have processes and procedures to counter fraud. This includes a comprehensive compliance management program, AML/CFT/ anti-bribery policies and procedures, internal control policies and procedures, as well as documents relating to internal system contingency planning. Dedicated and highly skilled Legal, Compliance and Internal Control personnel is responsible for the continuous effectiveness of Compliance Management System, working in synergy to achieve best results. The Compliance Management System has been endorsed by central banks of each country where the SPENN platform is live.

For more information on other risks relevant to SPENN, please refer to the Company Description available at:
https://investor.spenn.com/wp-content/uploads/2021/10/Company-Description-SPENN-FINAL-kopi.pdf

SPARK Technology A/S Consolidated and Parent Company

FINANCIAL STATEMENTS

SPENN Technology - Group Structure

SUBSIDIARIES

SUBSIDIARIES NAME	REGISTERED ADDRESSE	REGISTERED OFFICE	SHARES HELD
Netposten A/S	Njalsgade 76, 2300 København S, Denmark	Denmark	100 %
Blockbonds AS	4th Floor, Andøyfaret 15, 4623 Kristiansand, Norway	Norway	100 %
Kazang Zambia Ltd (Kazang)	Counting House Square Unit 1, Suite A Thabo Mbeki Road, Lusaka, Zambia	Zambia	60 %
Valiant Advance Solution Ltd	Counting House Square Unit 1, Suite A Thabo Mbeki Road, Lusaka, Zambia	Zambia	100 %

SUBSIDIARIES OF BLOCKBONDS AS	REGISTERED ADDRESSE	REGISTERED OFFICE	SHARES HELD
Blockbonds Global Ltd	16-19 Eastcastle Street, London, United Kingdom	United Kingdom	100 %
SPENN Rwanda Ltd	Norrsken - Kigali House, KN 78 St, Kigali, Rwanda	Rwanda	100 %
SPENN Zambia Ltd	Counting House Square Unit 1, Suite A Thabo Mbeki Road, Lusaka, Zambia	Zambia	99.9%
SPENN Tanzania Ltd	12th Floor Golden Jubilee Tower, Ohio street, Dar Es Salaam, Tanzania	Tanzania	99 %
SPENN Nigeria Ltd	13 Mambilla Street Aso Drive, Abudj, Nigeriaa	Nigeria	69.5%
SPENN Uganda Ltd	Kingdom Kampala Building, 10th floor, Nile Avenue, Kmpala Central, Uganda	Uganda	100 %

SUBSIDIARIES OF SPENN Nigeria Ltd	REGISTERED ADDRESSE	REGISTERED OFFICE	SHARES HELD
NASENI-SPENN Ltd	13 Mambilla Street Aso Drive, Abudj, Nigeriaa	Nigeria	70 %

Subsidiaries are included in the consolidation.

ASSOCIATED COMPANIES

ASSOCIATED COMPANIES NAME	REGISTERED ADDRESSE	REGISTERED OFFICE	SHARES HELD
SPENN PH Inc.	30th Street Corner, 2nd Avenue, BCG, Manila, Philippines	Philippines	39.99%
JengaX AS	4th Floor, Andøyfaret 15, 4623 Kristiansand, Norway	Norway	42.06%

Associates are recognised under the equity method.

Management's Statement

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of SPARK Technology A/S for the financial year 1 January 2023 – 31 December 2023

The Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Group's and the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Group's and the Company's operations and cash flows for the financial year 1 January 2023 – 31 December 2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

The Annual report is submitted for adoption at the Annual General Meeting on x August 2024.

Copenhagen, 16 August 2024

EXECUTIVE BOARD:

CEO, Jens Glaso

BOARD OF DIRECTORS:

Magne Fretheim (Board Chairman)

Baard Bjerkaas
Gabriel Jeensas

Jan Fredskilde Andersen

Document has been signed digitally and all signatures are present at the end of this report.

Independent Auditor's Report

To the Shareholders of SPARK Technology A/S

OPINION

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of SPARK Technology A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group and Parent Company operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to the fact that there is a significant uncertainty that may raise considerable doubt about the company's ability to continue operations. We refer to the note 28 – Going concern in the Financial Statements, from which it appears that it is currently uncertain whether commitments will be obtained for the requested loans and funds to finance operations and the necessary investments in the coming years, but that it is the management's assessment that a such a commitment will be obtained, which is why the annual accounts have accordingly been prepared under the assumption of the company's continued operation. Our conclusion is not modified regarding this matter.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 and the additional requirements applicable in Denmark 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 Consolidated Financial Statements and Parent Company Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

STATEMENT ON MANAGEMENT'S COMMENTARY

Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Violation of the Danish Financial Statements Act's deadline for submission of the annual report

The company's management has not complied with the requirements of the Danish Financial Statements Act, which stipulates that the annual report must be submitted to the Danish Business Authority within the specified deadline set by the Danish Financial Statements Act, and the management may be held liable.

Copenhagen, 16. August 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Mikkel Mauritzen
State Authorised Public Accountant
MNE no. mne46621

Management Commentary

PRINCIPAL ACTIVITIES

SPARK Technology A/S (“The Company”) is a public company incorporated under the laws of Denmark, CVR no. 26 51 81 99. The Company’s principal activities are development, maintenance, licensing or sale of IT-systems and consultancy services. Furthermore, the Company intend to invest in companies which can enhance demand of its developed software and IT- systems or companies providing complimentary services. The Company is also a publisher of financial media through its subsidiary Netposten A/S. The Company has been listed on Nasdaq First North Growth Market Denmark since 17 January 2018.

Kazang Zambia is a bank and wallet agnostic provider and B2B supplier of vendor terminals to agents and merchants used to process mobile money payments. 60% of Kazang Zambia was acquired by Spark Technology A/S on 4 November 2021.

DEVELOPMENT IN ACTIVITIES AND FINANCIAL AND ECONOMIC POSITION

On February 10, 2023, the Board of Directors decided to execute on the decision taken during the extraordinary general meeting on January 25th to do a reverse share split of the company’s ordinary shares of DKK 0.1 through a reverse share split at a consolidation rate of 100:1.

On March 10, 2023, SPARK Technology A/S began trading on the top tier of US marketplaces (OTCQX) for trading over-the-counter stocks. Spark upgraded from the OTCQB Venture Market. Graduating to the OTCQX Market marks an important milestone for companies, enabling them to demonstrate their qualifications and build visibility among US investors.

On March 10, 2023, NASENI SPENN Limited informed about going officially live and has started salary disbursements for the Nigerian Government. NASENI-SPENN has begun testing out salary disbursements for NASENI directly as a way to verify the payment flows and gain valuable feedback directly from users of the NASENI-SPENN mobile application.

On August 28, 2023, Kazang Zambia, received approval from the Bank of Zambia to acquire Visa card transactions on Kazang Point of Sale (POS) devices. This groundbreaking development marks a monumental milestone for both Kazang and SPARK Technology A/S, granting them a formidable competitive advantage in the market.

On October 18, 2023, SPARK Technology A/S and MINICT (the Ministry of ICT and Innovation) Rwanda, a public institution dedicated to promoting economic growth and poverty reduction through technology and innovation, entered into an agreement to enhance financial inclusion and opportunities in Rwanda.

On December 19, 2023, SPARK Technology A/S announced a new partnership with the National Health Insurance Management Authority (NHIMA) in Zambia. The partnership simplifies payments of health insurance premiums for all Zambians, especially casual employees.

2023 FINANCIAL RESULTS

The Company reported a loss of t.DKK 138,071 in 2023 compared to a loss of t.DKK 73,660 in 2022. Gross revenue increased to t.DKK 180,344, from t.DKK 168,729 in 2022. Net revenue for the period decreased to t.DKK 25,473 from t.DKK 30,631 in 2022. Employee expenses amounted to t.DKK 25,759 (2022: t.DKK 32,087), driven by currency, some overhead headcount reductions and some adjustments in the markets. Gross general and administrative expenses amounted to t.DKK 29,160 (2022: t.DKK 26,642), as the company has incurred costs in relation to capital raising. Included within this number is services that has been credited after June 30th.

The Company did not manage to deliver on the expectations of 2022 due to lower performance from Kazang than expected, and that the reduction in expenses on SPENN side has taken longer. In addition certain of the agreements SPENN did has taken longer to implement than expected.

It is expected that 2023 will be able to deliver, due to Kazang's integration of VISA and the reduction in expenses in the group overall. It is also expected that there will be a positive effect from the agreements entered into.

RESEARCH AND DEVELOPMENT

The company has continued to selectively spend on developing its application and services within. This is expected to continue as new businesses, services and products are being developed, and different market dynamics present different product opportunities.

EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY DURING THE YEAR

–5,26	Basic Earnings per share for the year ended 31.12.23* (DKK)

*Using the share capital issued at the reporting date, post reverse split

FUTURE DEVELOPMENTS

SPARK Technology A/S will look for investments and transactions in the fintech sector. Our goal is to identify and capitalize on new opportunities that can leverage on the knowhow and experience from many years in the fintech industry and within financial inclusion, especially in markets traditionally underserved by financial services. We are confident that the company's expertise and our commitment will lead to new solutions and developments.

In 2024, we will seek to build on the strong foundations we have established and explore strategic partnerships and collaborations that can accelerate our growth and extend our reach and to navigate the dynamic landscape of global finance. Kazang will continue to grow due to the addition of VISA on their POS terminals, and a focus to further build the distribution of their network, as well as the addition of fiscalization features. SPENNs focus on partnering with governments to deliver more services is expected to grow significantly and increase distribution and uptake. As well as a focus on delivering more services towards businesses. If the company continues to develop as it has shown the signs of in the previous 12 months, with all agreements delivering, the company estimates EBITDA to a range of mDKK-12 to mDKK-20. With additional focus on reducing cost, a positive result may be achieved by year end.

ASSETS

As of 31 December 2023, the Company's total assets amounted to t.DKK 157,518 (2022: t.DKK 277,902). The Company's intangible assets at the period end were t.DKK 98,505 (2022: t.DKK 109,434)). Current assets at the period end were t.DKK 39,962 (2022: t.DKK 86,796). The Company had cash and cash equivalents at the period end of t.DKK 8,811 (2022: t.DKK 33,787).

EQUITY AND LIABILITIES

As of 31 December 2023, total shareholders equity amounted to t.DKK 262,496 (2022: t.DKK 248,184). Total liabilities at the end of the period amounted to t.DKK 95,752 (2022: t.DKK 91,524), consisting largely of trade payables at t.DKK 36,823

CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to t.DKK -48,542 compared to t.DKK 3,988 in 2022. Cash flow from financing activities for the period was t.DKK 46,670 compared to t.DKK 23,831 IN 2022. The total net cash flow for the period ending was t.DKK -24,976 (2022: t.DKK 17,451).

TREASURY SHARES

The company has 630 ordinary shares held in treasury. The shares have the same voting rights as all other ordinary shares. The company also holds 104,985 ordinary shares on behalf of investors. Voting rights are deferred to the beneficial owners of these shares.

SIGNIFICANT EVENTS AFTER 31 DECEMBER 2023

On the 19 January 2024 in company announcement 118 SPARK Technology A/S clarified the situation about the acquisition in 2023 released in company announcement 105 of 16% stake in NBX (Norwegian Block Exchange AS) purchasing shares owned by Observatoriet AS. The acquisition was not completed due to that a qualifying shareholding up to 90% in NBX was refused by the Norwegian Financial Authority on the 01.08.2023. As a result of the refusal, SPARK Technology had sought alternative solutions in mutual collaboration with Observatoriet AS but it was not possible to complete a transaction

In the extraordinary general meeting on the 3rd of April 2024, Magne Fretheim was elected chairman to replace Karl-Anders Gronland. In addition, Bård Bjerkås was elected as a member of the board and Bjorn Kjos and Petrus Van der Walt resigned. In the extraordinary general meeting on 25th April 2024, Gabriel Jenssas was elected as a member of the board.

Furthermore, in the extraordinary general meeting on 3rd of April 2024, the shareholders also approved the change of name from SPENN Technology to SPARK Technology and the transfer of SPARK Technology's assets in exchange for shares in Tyrill AB, which is set to raise between 100 and 300 million Swedish kronor and list on the Swedish stock exchange. Tyrill will focus on developing global payment infrastructures, initially in Africa, expanding on the initiatives started by SPARK Technology's portfolio companies. As part of the transaction SPARK has received SEK 10 million in cash from Tyrill AB and expects to receive shares in kind during autumn 2024, when Tyrill is expected to be listed on Nasdaq First North Stockholm in September 2024, The issues of shares and capital raise in Tyrill is in process.

SPARK Technology A/S announced on the 14th of May 2024 that it has entered into an acquisition agreement with Acceleum Technology AS, a Norwegian company providing a comprehensive platform for micro-investments and micro-pensions in sub-Saharan African markets. SPARK Technology A/S has agreed to acquire Acceleum Technology AS, for jointly launching their micro-investment and micro-pension platform and “The Acceleum Game.”

The agreement is subject to satisfactory due diligence and approval from the General meeting of SPARK Technology A/S.

The acquisition price was currently set at DKK 100 000 000, as an in-kind contribution with 100% of the shares from Acceleum Technology AS. The share issue with the in-kind contribution, will be done at nominal value of the SPARK share, and the share issue must be approved by the General meeting of the company. Currently the Due Diligence process is ongoing.

REVERSE SHARE SPLIT

On 10 February 2023, the company executed a reverse share split, consolidating 100 shares into 1, and thereby increasing the nominal value of each share from DKK 0.1 to DKK 10. Orphan shares were purchased back by the company, but not canceled, and as a group converted at the same rate.

RISK MANAGEMENT

The Company seeks to identify, assess, monitor and manage each of the various types of risk involved in its business activities, in accordance with defined policies and procedures.

The Company continues to assess its own risk management policy framework and progress towards optimisation of the risk management within the SPARK Group. Risk is an inherent part of the Company’s business activity and the following are the core risks identified by management.

FOREIGN EXCHANGE RISK

Revenue generated in the Group's international subsidiaries is denominated in the local currencies of each subsidiary. Therefore, changes in the value of the local currencies relative to the Danish Krone could affect the operating results of the Group. There is a risk that, owing to these exchange rate fluctuations, operating results may differ from forecast and thus expectations of investors and alike. The company has taken forward currency contracts to mitigate the cash risk associated with this. The forward contracts are carried at fair value through the profit and loss.

LIQUIDITY RISK

The liquidity risk is managed centrally by the finance function, budgets are set and agreed by the directors in advance, enabling the company cash requirements to be anticipated. The company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The directors of the company will assess cash flow projections on a monthly basis as well as information regarding cash balances.

CREDIT RISK

There is an element of credit risk in the Company, through its loans to subsidiaries as they develop towards breakeven. Even though the directors are confident of the quality of its products and its development, the Company is exposed to changes as a result of the market conditions which could affect performance of the subsidiaries and thus the credit risk of the Company.

GOING CONCERN

SPARK has sold the majority of its subsidiaries in 2024 in a transaction with Tyrill AB.

The cash part of the sale was SEK 10 million, which provides liquidity for working capital for the company for a period of more than a minimum of 12 months. At the same time expected reduced operating costs will support the working capital.

SPARK is in the process of and preparations to complete the acquisition of Acceleum Technology AS announced on the 14 May 2024, on the condition that any transaction is carried out in shares and that Acceleum secures adequate working capital in the future before a possible implementation of the transaction, so that the company can cover its operating costs for the next 24 months.

SPARK will also have an option to sell a small portion of the Tyrill shares received in the transaction with Tyrill in a distribution sale before Tyrill gets listed and before potential distribution of shares to each shareholder, if liquidity is needed to pay the convertible debt that is not converted by the lenders.

Tyrill is currently in ongoing pre-IPO offering where will collect SEK 70 million, and from 23 September 2024, Tyrill will start the IPO to collect minimum SEK 100 million. With such funding in place Tyrill will have the needed funding for planned investments and operational cost until operations are cash positive.

AUDITORS FEE

From 2023, SPARK Technology A/S is obliged to disclose the fee charged for the fiscal year by the company's auditor, BDO. The audit services related to the annual financial statements amounted to t.DKK 1,297 for the group and t.DKK 590 for the Parent. Other audit services amounted to t.DKK 281 for the group and t.DKK 69 for the parent.

Income Statement 1 January – 31 December 2023

DKK '000		SPARK GROUP		PARENT COMPANY	
	Note	2023	2022	2023	2022
REVENUE	1	25,473	30,631	0	0
Cost of sales	2	-1,234	-6,019	0	0
GROSS PROFIT		24,239	24,612	0	0
Employee expenses	3	-25,759	-32,087	-753	-1,242
Administrative expenses		-29,160	-26,642	-10,883	-6,620
Depreciation, amortisation		-21,677	-11,365	-5,572	-20
Other income		4,180	673	0	0
OPERATING PROFIT/(LOSS)		-48,177	-44,809	-17,208	-7,882
Associated companies	5	-57,636	-8,485	-14,516	-8,341
Income from investment in group enterprises	4	0	0	-102,749	-53,872
Income from other investments	6	0	-9,828	0	11,328
Other financial income	7	921	5,282	0	0
Financial expenses	8	-20,893	-4,902	-3,409	-1,236
Other finance costs		-12,407	-7,721	-28,477	0
TOTAL FINANCE INCOME/(LOSS)		-90,015	-25,654	-149,151	-52,121
Gain on disposal		0	16	0	0
PROFIT/LOSS BEFORE TAX		-138,192	-70,447	-166,359	-60,003
Tax on profit/loss for the year	9	120	-3,213	0	0
PROFIT/LOSS FOR THE PERIOD	10	-138,072	-73,660	-166,359	-60,003

Balance Sheet at 31 December 2023

DKK '000		SPARK GROUP		PARENT COMPANY	
	Note	2023	2022	2023	2022
ASSETS					
Research and Development		26,565	26,565	0	0
Goodwill		51,834	58,116	0	0
Other intangible assets		20,106	24,753	0	0
Intangible assets	12	**98,505**	**109,434**	**0**	**0**
Property, plant and equipment		11,931	14,396	0	8
Property, plant and equipment	13	**11,931**	**14,396**	**0**	**8**
Investment in subsidiaries	14	0	0	88,392	130,450
Investment in associates		2,994	60,630	2,119	19,812
Participating interests, Govt bonds		4,126	6,646	0	0
Financial non-current assets	15	**7,121**	**67,276**	**90,511**	**150,262**
NON-CURRENT ASSETS		117,556	191,106	90,511	150,270
Inventories	16	4,492	5,017	0	0
Trade and other receivables		22,344	37,192	100	29,155
Receivables from group entities		0	0	0	36,125
Other Assets		1,013	944	0	0
Deferred Tax Assets	17	1,537	0	0	0
Prepayments and accrued income	11	1,400	9,856	52	3,801
Cash and Cash equivalents		8,811	33,787	40	3,434
Financial instruments		364	0	0	0
CURRENT ASSETS		39,961	86,796	192	72,515
TOTAL ASSETS		157,518	277,902	90,703	222,785
EQUITY AND LIABILITIES					
Share capital	18	262,496	248,184	262,496	248,184
Reverse acquisition reserve	19	-90,561	-90,561	0	0
Reserve for development cost		26,565	26,565	0	0
Retained earnings		-137,008	1,063	-218,710	-52,351
Minority interests		1,302	-758	0	0
Exchange rate adjustments		-1,028	1,885	-62	-78
EQUITY		61,766	186,378	43,724	195,755
Investments in associates		1,979	0	1,326	0
Loans payable		4,757	0	0	0
Other long term debt		45,700	0	45,480	151
Deferred tax liabilities		0	518	0	0
Non-current liabilities	22	**52,436**	**518**	**46,806**	**151**
Trade payables	20	36,823	54,539	153	68
Short term debt	21	5,730	19,072	0	19,072
Other liabilities		755	4,761	20	0
Accruals		8	1,347	0	0
Debt to group enterprises	24	0	11,287	0	7,739
Current liabilities		43,316	91,006	173	26,879
LIABILITIES		95,752	91,524	46,979	27,030
EQUITY AND LIABILITIES		157,518	277,902	90,703	222,785

Statement of Changes in Equity 2023 - Spark Group

DKK ‘000	SPARK GROUP							
	Share capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority interests	Total
Equity at 1 January 2023	248,184	0	1,063	-90,561	1,885	26,565	-758	186,378
Profit for the year, allocated			-138,071				2,060	-136,012
Capital increase, paid in	14,312							14,312
Change of investments, net exchange differences					-2,913			-2,913
Equity at 31 December 2023	262,496	0	-137,008	-90,561	-1,028	26,565	1,302	61,766

Statement of Changes in Equity 2023 - Spark Technology AS

DKK ‘000	SPARK TECHNOLOGY AS							
	Share capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority interests	Total
Equity at 1 January 2023	248,184	0	-52,351	0	-78	0	0	195,833
Profit for the year, allocated			-166,359					-166,359
Capital increase, paid in	14,312							14,312
Change of investments, net exchange differences					16			16
Equity at 31 December 2023	262,496	0	-218,710	0	-62	0	0	43,724

Cash Flow Statement 1 January – 31 December 2023

DKK '000	SPARK GROUP	
	2023	2022
Profit/loss for the year before tax	-138,071	-70,447
Depreciation and amortisation	21,677	11,365
(Gain)/loss on disposal	0	-16
Impairment expense	68,327	7,721
Adjustment of profit from associates	0	8,485
Adjustment of profit from investments	0	9,828
Non cash movements in financial liabilities	0	29,505
Tax on profit/loss	0	189
Change in inventories	525	325
Change in receivables	14,848	7,033
Change in other assets	7,214	0
Change in payables	-23,061	0
CASH FLOWS FROM OPERATING ACTIVITIES	**-48,542**	**3,988**
Purchase of intangible assets	-7,044	-9,923
Purchase of property, plant and equipment	-7,420	-10,063
Sale of property, plant and equipment	0	135
Investments	0	16,993
Associated Companies	0	-144
CASH FLOWS FROM INVESTING ACTIVITIES	**-14,465**	**-3,002**
Capital Increases	14,312	1,757
Loans received	32,358	22,074
CASH FLOWS FROM FINANCING ACTIVITIES	**46,670**	**23,831**
Exchange rate adjustments from opening balance sheet	-8,639	-7,366
CHANGE IN CASH AND CASH EQUIVALENTS	**-24,976**	**17,451**
Cash and cash equivalents at 1 January	33,787	16,336
CASH AND CASH EQUIVALENTS AT 31 December	**8,811**	**33,787**

Contents – notes to financial statements

SPENN

Notes To The Financial Statements

ACCOUNTING POLICIES

BASIS OF PREPARATION

The Annual Financial Report for the Company has been prepared in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C. Historically the company has reported under a hybrid of both classes B and C. The change in accounting policy from the hybrid reporting to only class C has not had an impact on accounting policies regarding recognition or measurement, and are consistent with the policies from last year. The comparative sections of the Annual Financial Report are a summary of the continuing operations of SPARK Technology A/S (formerly SPENN Technology A/S) group for the year ended 31 December 2023.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of all subsidiaries from the date on which control over the operating and financial decisions is obtained and cease to be consolidated from the date on which control is transferred out of the Group. Control exists when the Company has the power, directly, or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities.

On 30 June 2021, SPENN Technology A/S underwent a re-organisation by virtue of which 98.44%of Blockbonds shareholders exchanged their shares for shares in SPENN Technology A/S, which became the ultimate parent company of the Group. Notwithstanding the change in the legal parent of the Group, this transaction has been accounted for as a reverse acquisition and the consolidated financial statements are prepared on the basis of the new legal parent having been acquired by the existing Group. All intercompany balances and transactions, including recognised gains arising from inter-group transactions, have been eliminated in full. Unrealised losses are eliminated in the same manner as recognised gains except to the extent that they provide evidence of impairment.

The Consolidated Financial Statements have been prepared under the historical cost principle. Income is recognised in the consolidated statement of profit or loss and other comprehensive income as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the period are recognised in the consolidated statement of profit or loss and

other comprehensive income, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the consolidated statement of financial position when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the consolidated statement of financial position when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably. At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the consolidated statement of financial position date.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Management has made a critical judgement over the recoverability of group loans and value of investment during the period, in relation to the difficult circumstances for Jenga X subsidiary.
The impairment loss recognized equal to 57m DKK. This is based on the uncertainty of receiving critical contracts, impacting the subsidiary's likeliness to repay the structural loans made. No other critical accounting judgements have been made in the process of applying the Company's accounting policies that have had a significant effect on the amounts recognized in the financial statements. There are no key sources of estimation or uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

CURRENCIES PRESENTED

Items included in the financial statements are measured and presented in Danish Krone (DKK). All monetary assets and liabilities denominated in currencies other than DKK are translated into DKK at the rates ruling at the reporting date. Transactions and non-monetary assets and liabilities denominated in currencies other than DKK are recorded at the rates prevailing at the dates of the transactions.

All translation differences are taken through the statement of comprehensive income. Realised exchange differences are recognised in the statement of comprehensive income are presented in 'Other expense' and unrealised exchange differences are presented in 'Other comprehensive income/(loss)'.

INCOME STATEMENT

Revenue and revenue recognition

Revenues are recognised when the promised goods or services are delivered to the Company's customers, in an amount that is based on the consideration the Company expects to receive in exchange for those goods or services when such amounts are not probable of significant reversal.

Where the group make revenue on the resale of a third party good or service, the net amount, representing the commision is made, and no cost of the good or service is recognised, under the agent and principle revenue recognition principles.

Cost of Sales

Cost of Sales comprise costs, including wages and salaries and write-off, incurred to achieve the revenue for the year. Commercial enterprises recognise cost of sales, and the manufacturing enterprises recognise production costs equal to the revenue for the year, including direct and indirect costs of raw materials and consumables, wages and salaries, rent and leasing and depreciation of production plant.

Amortisation of capitalised development and research costs and the development costs, that do not fulfil the criteria for capitalisation, are also recognised in Cost of Sales.

Impairment losses are recognised in connection with expected losses on project contracts.

Administrative expenses

Administrative expenses recognise costs incurred during the year regarding management and administration of the Group, inclusive of costs relating to the administrative staff, executives, office premises, office expenses, etc. and related amortisation.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security, etc. for the Company's employees. Repayments from public authorities are deducted from staff costs.

Investments in subsidiaries and associates

The Income Statement of the Parent Company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

The Income Statement of the owner company recognises the proportional share of the results of each associate after proportional elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Profits from sale are recognized, if the economic rights related to the sold Equity interests are transferred. However, not before the profit is realised or regarded as realisable. Moreover, realised losses besides impairments are recognized, when they are demonstrated.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised in the Income Statement by the amounts, that relate to the financial year.

Income tax
The tax expense represents the sum of the tax currently payable. The tax currently payable is calculated based on taxable profit for the year. Taxable profit may differ from profit/(loss) before income tax as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Current tax is charged or credited in the statement of comprehensive income.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and limited to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current tax assets are offset against current tax liabilities when there is a legally enforceable right to set off current tax assets against current tax liabilities and the Company intends to settle its current tax assets and current tax liabilities on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and current tax liabilities on a net basis.

Amortisation and impairment of tangible and intangible assets
Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight-line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful Life	Residual Value
Completed Development Projects	10 years	0%
Concessions, patents, licenses, trademarks and other similar rights	5 years	0%
Other fixtures and fittings, tools and equipment	2-8 Years	0%

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Consolidated statement of profit or loss and other comprehensive income under other operating income or expenses.

BALANCE SHEET

Intangible assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 10 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Group's development activities and which fulfil the criteria for recognition. The SPENN Platform qualifies as an intangible asset as it is identifiable and will bring future economic benefit to the Group.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. It is expected that a 10-year useful life is a fair representation of the platform and the economic benefits that will flow to the Company. Intangible assets are generally written down to the lower of recoverable value and carrying amount.

Profit or loss from sale of intangible assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Property, plant and equipment

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses. The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued. In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs. The cost of composite assets is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Equity Investments

Equity investments in group enterprises and associates Investments in group enterprises and associates are recognised in the consolidated statement of financial position at the proportionate share of the equity value of the enterprises, calculated according to the parents accounting policies with the deduction or addition of unrealised intercompany profits or losses and with the addition or deduction of the remaining value of positive or negative goodwill, calculated according to the purchase method.

Subsidiaries having a negative equity value are recognised at DKK 0, and any amounts receivable from those enterprises are written down by the parents share of the negative equity value to the extent that the amounts are deemed to be uncollectible.

If the negative equity value exceeds receivables, the remaining amount is recognised as a provision to the extent that the parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Inventories

Inventories are measured at cost using the FIFO method. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes costs of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, costs of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Cash
Cash comprises balances with original maturities of three months or less, that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Goodwill
In connection with every acquisition of businesses, goodwill and a non- controlling interest (minority) are recognised as follows: Goodwill relating to the entity acquired comprises a positive difference, if any, between the consideration paid plus the fair value of previous held interest in the acquiree and the fair value of the total net assets for accounting purposes. Goodwill is recognised in intangible assets. It is amortised on a 10 year straight line basis. Sold or liquidated entities are recognised up to the date of disposal.

Offsetting of financial assets and financial liabilities
Where there is a currently legally enforceable right to set off the recognised amounts and an intention to either settle on a net basis or to realise the asset and the liability simultaneously, financial assets and financial liabilities are offset and the net amount is presented on the statement of financial position. In the absence of such conditions, financial assets and financial liabilities are presented on a gross basis.

Other provisions for liabilities
Other provisions for liabilities include the expected cost of warranty commitments, loss on work in progress, restructuring, etc. and deferred tax.

Warranty commitments include liabilities for improvement of work within the warranty period of 1 to 5 years. The provision for liabilities is measured and recognised on the basis of experience with warranty work.

When it is likely that the total costs will exceed the total income on the contract work in progress, a provision is made for the total loss, that is anticipated for the contract.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet at the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates, that, under the legislation in force on the Balance Sheet date, will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax resulting from changes in tax rates are recognised in the Income Statement, except from items recognised directly in Equity.

Liabilities
Financial liabilities are recognized at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies, that are not settled on the Balance Sheet date, are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

On recognition of foreign subsidiaries that are not independent entities, but integrated entities, monetary items are translated at the exchange rate on the Balance Sheet date. Non-monetary items are translated at the rate at the time of acquisition or at the time of subsequent revaluation or write-down of the asset. The items of the Income Statement are translated at the rate on the transaction date, items derived from non-monetary items being translated at the historic rates of the non-monetary item. Exchange rate differences are recognised in the Income Statement under financial income and expenses.

Exchange rate differences are recognised in the Income Statement under financial income and expenses.

The income statements of foreign subsidiaries and associates fulfilling the criteria for being independent entities are translated at an average exchange rate for the month and Balance Sheet items are translated at the rate of exchange on the Balance Sheet date. Exchange differences arising from translation of the Equity of foreign subsidiaries at the beginning of the year to the rates of the Balance Sheet date and from translation of income statements from average rate to the rates of the Balance Sheet date are recognised directly in the Equity.

Exchange adjustments of intercompany accounts with foreign subsidiaries that are deemed to be an addition to or deduction from the Equity of independent subsidiaries are recognised directly in Equity.

Exchange rate differences recognised in Equity are accumulated in a fair value reserve for currency translation of foreign entities and are transferred to the Income Statement when object of the currency translation is realised or ends. An exception is exchange rate differences arising from translation of Equity interests, which are recognised at Equity value, where the whole value adjustment, including exchange rate differences, are included in the reserve for net valuation according to the Equity value method.

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.
With reference to the Danish Financial Statements Act, section 98, para 4, the parent company has not prepared a Cash Flow Statement. The Cash flow Statement has been prepared on a group basis.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Reverse Acquisition transaction
Under the Danish Financial Statements Act the reverse acquisition is interpreted under IFRS 3. Under IFRS 3 "Business Combinations", the Transaction between Blockbonds AS by SPARK Technology A/S has been accounted for as a reverse acquisition and the consolidated IFRS financial information of the Company is therefore a continuation of the financial information of Blockbonds AS. As a result, any financial information after 30 June 2021 represents consolidated financial information of the Group. Prior to this date the historical financial information represents the financial information of the Blockbonds subsidiaries.

In the above transaction the operating entity in this case Blockbonds AS (the operating company) has been acquired by a listed company NP Investor/SPENN The resulting shareholding often indicates that the operating company is the accounting acquirer and the listed shell company the accounting acquiree. In this transaction Blockbonds is the legal subsidiary and SPENN the legal parent but Blockbonds is the accounting acquirer and SPENN the accounting acquiree.

Blockbonds AS is the accounting acquirer as the former shareholders of the legal subsidiary as a group retain the largest portion of voting rights in the new combined entity, the relative size (assets, revenues) of the legal subsidiary is significantly greater than that of the legal parent, as the former senior management of Blockbonds is the senior management of the subsequent combined entity.

Consequently, the previously recognised book values and assets and liabilities have been retained and the consolidated financial information for the period up to 31 December 2021 has been presented as if the Company had always been the parent company of the Group. The share capital for the period covered by these consolidated financial statements and the comparative periods is stated at the nominal value of the shares issued pursuant to the above share arrangement. Any differences between the nominal value of these shares and previously reported nominal values of shares and applicable share premium issued by Blockbonds AS have been transferred to the reverse acquisition reserve.

Kazang Zambia Limited Transaction

On 4 November 2021, the group acquired a 60% controlling stake in Kazang Zambia Limited. Kazang Zambia is a distributor of agent terminals, seller of prepaid electronic services in Zambia and was strategically acquired transforming the SPENN group into the largest cash-in, cash-out distributor in Zambia.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration was DKK 12.7 million. The Purchase consideration was split into cash and equity. Total amount paid in cash was DKK 7.9 million and DKK 4.8 million settled via equity issuance.

The group has finalised its purchase price allocation as a result of the Kazang Zambia 60% acquisition.

All recognised intangibles, property, plant and machinery has been acquired at fair value. t.DKK 8,458.
All other liabilities and receivables have been acquired at the fair value of t.DKK -8,818.

The group has also identified additional intangible assets acquired, with its proportional share (60%) being:

- The Kazang Zambia Agent network (fair value of t.DKK 7,067)
- The Kazang Zambia branding (fair value of t.DKK 20,955)

The company has not recognised any increase in the non controlling interest for the residual 40% of the identified assets.

The group recognises non-controlling interests in an acquired entity either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in Kazang Zambia Ltd, the group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets. As per the terms of the acquisition non-controlling interest in Kazang Zambia Ltd is 40%.

NOTE 1 REVENUE

DKK '000	SPARK Group	
	2023	2022
Blockbonds Group	2,077	3,313
Netposten	401	292
Kazang Zambia	22,996	27,026
Total	**25,473**	**30,631**

Alike in 2022, most of the sales of the group is generated by Kazang Zambia. Almost 90% of all of the revenues is generated by Kazang Zambia. Revenues are shown as net of cost of sales for the airtime and commision revenues.

NOTE 2 COST OF SALES

DKK '000	SPARK Group	
	2023	2022
Blockbonds Group	0	-336
Kazang Zambia	-1,234	-5,683
Total	**-1,234**	**-6,019**

NOTE 3 EMPLOYEE EXPENSES

DKK '000	SPENN Group		Parent Company	
	2023	2022	2023	2022
Salaries	-23,465	-28,162	-543	-1,188
Social Security	-1,630	-3,076	-210	-14
Pension	-664	-849	-0	-40
	-25,759	**-32,087**	**-753**	**-1,242**
Average Number of Employees	248	275	1	2
Remuneration to Management	-4,949	-5,939	-753	-798

Average number of employees in 2023 amounted of 248 which comprises of 198 employees from Kazang Zambia and 50 employees in the rest of the SPARK Group.

NOTE 4 INCOME FROM INVESTMENT IN GROUP ENTERPRISES

DKK '000	SPENN Group		Parent Company	
	2023	2022	2023	2022
Result from Netposten A/S	0	0	0	-87
Result from Kazang (60%)	0	0	1,454	1,651
Result from Blockbonds Group (100%)/	0	0	-43,445	-41,507
Impairment of Blockbonds valuation	0	0	-48,343	0
Blockbonds Goodwill Amortization	0	0	-11,127	-11,127
Kazang Goodwill Amortization	0	0	-1,288	-2,802
Total	**0,0**	**0**	**-102,749**	**-53,872**

The investments in Blockbonds AS and Kazang Zambia have been amortized in 2023 with the same manner as for the year 2022.

NOTE 5 INCOME FROM INVESTMENT IN ASSOCIATES

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Share of SPENN PH Inc Result for the year	0	-144	0	0
Share of JengaX Result for the year	0	-8,341	0	-8,341
Impairment of Jenga X	-57,636	0	-14,516	0
Total	**-57,636**	**-8,485**	**-14,516**	**-8,341**

SPENN PH Inc is perceived as imaterial thus the results for the year is 0.

JengaX is not consolidated since SPARK Technology does not hold a majority share in the company.

In 2023 the group has recognized an additional one-off write-off of Jenga X investment of DKK 57,6 million as the project has not reached its milestones.

NOTE 6 INCOME FROM OTHER INVESTMENTS AND RECEIVABLES CLASSIFIED AS NON-CURRENT

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Sale of JengaX Shares	0	16,992	0	16,992
Cost of JengaX Shares	0	-26,820	0	-5,664
Total	**0**	**-9,828**	**0**	**11,328**

In 2023 there was no sales of shares of the subsidiaries of Spenn Group including Jenga X shares.

NOTE 7 FINANCE INCOME

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Finance Income	921	5,282	0	0
Total	**921**	**5,282**	**0**	**0**

NOTE 8 FINANCE EXPENSES

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Finance Expenses	-20,893	-4,902	-3,409	-1,086
Finance Expenses from group enterprises	0	0	-1,716	-150
Total	**-20,893**	**-4,902**	**-5,125**	**-1,236**

NOTE 9 TAX ON PROFIT/LOSS FOR THE YEAR

DKK '000	SPARK Group	
	2023	2022
Kazang Zambia	-328	-1300
Blockbonds A/S	448	-1,913
Total	**120**	**-3,213**

In 2023 Spenn Zambia (a part of Blockbonds Group) recognized a loss of ZMK 10,9 million, which was a tax expense for 2023 that corresponds to DKK 3,8 million.

NOTE 10 PROPOSED PROFIT ALLOCATION

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Profit attributable to parent	-139,041	-73,987	-166,359	-60,003
Minority Interests 'share of Profit/Loss	969	327	0	0
Total	**-138,071**	**–73,660**	**-166,359**	**-60,003**

A loss in 2023 is primarily caused by the impairment expense the investments in subsidiaries of the total amount of DKK 57 million.

NOTE 11 PREPAYMENTS

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Kazang	0	5,871	0	0
Blockbonds AS	1,348	184	0	0
SPARK Technology A/S	52	3,801	52	3,801
Total	**1,400**	**9,856**	**52**	**3,801**

Prepayments relate to rent, insurances and other payments made in advance, and expensed as the benefit is consumed, through the income statement. Prepayments in SPARK Technology relate to office deposits.

NOTE 12 INTANGIBLE ASSETS

DKK '000 **SPARK Group**

	R&D	Goodwill	Others	Total
Cost at 1 January 2023	26,565	58,116	24,753	131,306
Additions	13,809	3,923	0	7,044
Cost at 31 December 2023	**40,374**	**62,039**	**24,753**	**138,350**
Amortisation at 1 January 2023	-9,002	-4,003	-3,269	-16,274
Amortisation for the year	-3,382	-6,202	-2,802	-23,571
Amortisation at 31 December 2023	**-12,384**	**-10,205**	**-6,071**	**-39,845**
Carrying amount at 31 December 2023	**27,989**	**51,834**	**18,682**	**98,505**

Intangible assets are capitalized at cost and depreciated over their estimated useful lives. If the fair value is assumed to be lower than the depreciated cost, a write-down is made to fair value. Intangible assets during the year apply to the capitalization of development costs related to the SPENN platform and intangible assets held within Kazang Zambia Ltd. As the digital solutions have been launched in some countries via Blockbonds subsidiaries, the products have helped to create cash flows. As of the 31/13/2023 the assessment of the company is that there was an impairment of DKK 3,4 million from the development costs of SPARK Technology and are a part of amortisation costs.

Goodwill at 31 December 2023 has a cost of t.DKK 51,834. It is amortized over 10 years on a straight line basis. Other intangibles relate to intangible assets acquired during the Kazang Zambia transaction related to the branding and agent network. It is also amortised over a 10 year basis.

NOTE 13 PROPERTY, PLANT & EQUIPMENT

DKK '000 **SPARK Group**

	Fixtures	Equipment	Total
Cost at 1 January 2023	48	17,281	17,329
Additions	113	7,308	7,420
Disposals	0	-158	-158
Cost at 31 December 2023	**160**	**24,431**	**24,591**
Depreciation at 1 January 2023	0	-7,736	-7,736
Reversal of Depreciation of assets disposed of	0	0	0
Depreciation for the year	-18	-4,907	-4,925
Depreciation and Impairment losses at 31 December 2023	**-18**	**-12,643**	**-12,661**
Carrying Amount at 31 December 2023	**142**	**11,789**	**11,931**

The Carrying amount at 31 December 2023 includes DKK 11,6 million which is attributed to Kazang Zambia and mostly relates to mobile terminals. The other property asset relate to a lease held by Blockbonds for office premises.

DKK '000 **Parent Company**

	Equipment	Total
Cost at 1 January 2023	97	97
Cost at 31 December 2023	**97**	**97**
Depreciation at 1 January 2023	-88	-88
Reversal of Depreciation of assets disposed of	0	0
Depreciation for the year	-82	-8
Depreciation and Impairment losses at 31 December 2023	-97	-97
Carrying Amount at 31 December 2023	**0**	**0**

NOTE 14 INVESTMENTS IN SUBSIDIARIES

DKK '000	Parent Company
Investments in Subsidiaries as at 1 January 2023	**130,450**
Additions (Debt conversion)	60,742
Goodwill amortization 2023	-12,414
Result 2023	-41,99
Impairment 2023	-48,394
Investment in Subsidiaries at 31 December 2023	**88,392**
Blockbonds	
Blockbonds Equity (98.44%)	116,092
Additions (1.56%)	4,879
Conversion of the debt	60,742
Blockbonds Goodwill	121,990
Blockbonds Cost (100%)	**303,703**
Blockbonds Result (cumulative)	-90,370
Amortisation (cumulative)	-17,588
Blockbonds Result 2023	-43,446
Amortisation 2023	-11,127
Transfers	-30,781
Impairment to fair value	-48,394
Blockbonds as at 31 December 2023	**61,997**
Kazang Zambia	
Kazang Equity (60%)	-360
Kazang Goodwill	28,022
Kazang Cost	**27,662**
Kazang Result (60%) (cumulative)	1,834
Amortisation (cumulative)	-3,268
Kazang Result (60%) 2023	1,454
Amortisation 2023	-1,287
Kazang as at 31 December 2023	**26,395**
Investment in Subsidiaries at 31 December 2023	**88,392**

NOTE 15 PARTICIPATING INTERESTS AND GOVERNMENT BONDS

DKK '000	SPARK Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Kazang Zambia (Bonds only)	4,127	6,646	0	0
JengaX	2,119	60,623	2,119	19,812
Investments in associates	875	7	0	0
Investments in subsidiaries	0	0	88,392	130,450
Total	**7,121**	**67,276**	**90,511**	**150,262**

NOTE 16 INVENTORY

DKK '000	SPARK Group	
	2023	**2022**
Cost at 1 January 2023	**5,017**	**5,342**
Additions	1,420	443
Disposals	-1,945	-768
Cost at 31 December 2023	**4,492**	**5,017**
Total	**4,492**	**5,017**

Out of DKK 4,5 million, DKK 4,3 million is the inventory of Kazang Zambia that relates to vendor terminals that are sold directly to Kazang Zambia agents.

NOTE 17 DEFERRED TAX

DKK '000	SPARK Group		Parent Company	
	2023	**2022**	**2023**	**2022**
Deferred Tax Asset – SPENN Rwanda Ltd	553	0	0	0
Deferred Tax Asset – Kazang Zambia Ltd	994	0	0	0
Total	**1,537**	**0**	**0**	**0**

NOTE 17 DEFERRED TAX

SPENN RWANDA LTD

DKK '000	SPARK Group 2023
Balance at the start of the year	0
Charge for the year	543
Balance at the end of the year	**543**

KAZANG ZAMBIA LTD

DKK '000	SPARK Group 2023
Balance at the start of the year	517
Charge for the year	447
Balance at the end of the year	**994**

NOTE 18 SHARE CAPITAL

DKK '000	SPARK Group	
	2023	2022
Balance at the start of the year	248,184	240,138
Increase in Capital	14,312	8,046
Total	**262,496**	**248,184**

On 25 May 2023, share capital was increased by DKK 14,3 million that totaled to DKK 262,5 million. Increase of the capital was a cash contribution made by the private investors. After the raise, there are 26,249,562 shares at a nominal value of DKK 10 per share.
The shares are fully paid-in and registered and do not have any special rights. SPARK Technology own 630 shares which makes up 0,0024% of all shares.

NOTE 19 REVERSE ACQUISITION RESERVE

DKK '000	SPARK Group	
	2023	2022
Reverse Acquisition Reserve	-90,561	-90,561
Total	**-90,561**	**-90,561**

Under the Danish Financial Statements Act the reverse acquisition is interpreted under IFRS 3. The share capital for the period covered by these consolidated financial statements and the comparative periods is stated at the nominal value of the shares issued pursuant to the above share arrangement. The difference the nominal value of the shares issued and previously reported nominal values of shares and applicable share premium issued by Blockbonds has been transferred to the reverse acquisition reserve in the consolidated statement of equity.

NOTE 20 TRADE PAYABLES

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Kazang Zambia	26,614	44,994	0	0
Blockbonds AS	10,042	9,477	0	0
SPARK Technology	153	68	153	68
Netposten	14	0	0	0
Total	**36,823**	**54,539**	**153**	**68**

Trade payables in Kazang Zambia relate to amounts owed to customers who settle through the National Financial Switch (NFS), client deposits for terminals and amounts owed to suppliers. Trade payables in Blockbonds relate to current supplier payments due.

NOTE 21 SHORT TERM DEBTS

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Convertible debentures	5,730	19,072	0	19,072
Total	**5,730**	**19,072**	**0**	**19,072**

The only outstanding short term debt relates to debt owed to private investor and bank by Kazang Zambia.

NOTE 22 NON-CURRENT LIABILITIES

DKK '000 **SPARK Group**

	Total debt 31/12/2023	Repayment next year	Debt outstanding after 5 years	Total 31/12/2023
Investments associated i companies	1,979	1,326	653	1,979
Convertible loans	45,401	0	45,401	45,401
Loans payable	4,757	4,757	0	4,757
Other non-current liabilities	299	0	299	299
Total	**52,436**	**6,083**	**46,353**	**52,436**

At the end of 2023, the outstanding long term debt consisted mainly of DKK 45,1 million of convertible debt to the investors of SPARK Technology.
The next years repayment includes the repayment of debt towards Jenga X of DKK 1,3 million by SPARK Technology and DKK 4,7 million of bank overdraft by Kazang Zambia

DKK '000 **Parent Company**

	Total debt 31/12/2023	Repayment next year	Debt outstanding after 5 years	Total 31/12/2023
Investments associated i companies	1,326	1,326	0	1,326
Convertible loans	45,46	0	45,46	45,46
Other non-current liabilities	20	0	20	20
Total	**46,806**	**1,326**	**45,46**	**46,806**

NOTE 23 CONVERTIBLE DEBT

DKK '000

	2023	2022
Convertible debt NOK	25,549	16,322
Convertible debt DKK	19,852	2,750
Total	**45,401**	**19,072**

At the end of 2023, total debt from convertibles loans amounted to DKK 45,4 million.
The principal of convertible loan in NOK was NOK 33,1 million principal (exchange rate NOK/DKK = 1,53) resulted in DKK 21,6 million and the accrued coupon of convertible NOK debt equaled to DKK 3,929 million.

The principal of convertible loan in DKK was DKK 16,8 million the accrued coupon of convertible in DKK equaled to DKK 3,039 million.

The repayment dates for the convertible notes vary from July 2025 to December 2025.

NOTE 24 DEBT TO GROUP ENTERPRISES

DKK '000	SPARK Group		Parent Company	
	2023	2022	2023	2022
Debt to group enterprises	0	11,287	0	7,739
Total	**0**	**11,287**	**0**	**7,739**

As of 31/12/2022, the group had outstanding loan to JengaX AS of DKK 11,3 million but due to the settlement of conversion of the shares and outstanding debt SPARK Technology own DKK 1,3 million that is described in the Note 22.

NOTE 25 SHARE-BASED PAYMENTS

Costs of share-based payments are recognised as staff costs with a corresponding effect in equity. At 31st of December 2023 the Parent Company had no obligations that comes from the outstanding warrants for the key personnel.

The Warrant Program 1 describes the liabilities of the SPARK Technology Group towards its employees.

Blockbonds Global Ltd. being wholly owned subsidiary of Blockbonds AS, which is wholly owned subsidiary of SPENN Technology AS allows for certain key employees and executive management to take part in the Blockbonds AS as well as SPENN Technology AS share scheme. At 31st of December 2023, the outstanding share option value for the key personnel of Blockbonds Global Ltd. was GBP 26,077. Out of share option value of GBP 26,077, GBP 25,467 is the value of the options granted by Blockbonds AS to its key personnel while GBP 611 it the value granted by SPENN Technology AS to key personnel of Blockbonds AS.

Warrant program

Warrant holder	Grant date	Expiry Date	Exercise Price (NOK)	No. of Warrants	Nominal Amount (GBP)	Nominal Amount (NOK)
Kostas Papadopoulos	02.02.2020	01.10.2024	4	5 000	4 326	55959
Anna Eldib	30.09.2020	01.01.2024	6,11	49224	21 140	273433
Maisie Antonia Harley	31.01.2022	01.03.2026	10	1 000	382	4938
Maisie Antonia Harley 2	31.01.2022	01.03.2027	10	1 000	229	2959
Total				**56 224**	**26 077**	**337 289**

NOTE 26 CONTINGENT LIABILITIES

Blockbonds AS has issued letters of comfort to support affiliated companies in the group for to ensure the necessary liquidity is provided to May 24 2025 for SPENN Zamba, SPENN Rwanda, NETPOSTEN while SPENN Tanzania will be provided funds throughout 2024. Similarly, SPARK Technology A/S has a issued a declaration to other creditors in affiliated companies and a statement to ensure the necessary liquidity to May 24. 2025.

The parent company is jointly taxed with the other Danish companies in the group and is jointly and severally liable for the taxes which relates to joint taxation. The total amount is stated in the annual report for SPARK Technology A/S is zero, which is management company in the joint taxation.

The monthly operating lease liability for the group at 31 December 2023 is t.DKK 141.

NOTE 27 RELATED PARTIES

Related parties consist of:

Shareholders holding 5% or more of the shares or of the votes
Jac Invest AS holds 500,644,517 (20.17%) of the outstanding shares in the Company.
Janus Invest AS holds 127,195,254 (5.13%) of the outstanding shares in the Company.

In 2023 there were no related parties transactions.

Other Related Parties

Other related parties of SPARK Technology A/S with significant influence comprise the Board of Directors, senior management and their related parties. There were no other related parties identified.

NOTE 28 GOING CONCERN

SPARK has sold the majority of its subsidiaries in 2024 in a transaction with Tyrill AB.

The cash part of the sale was SEK 10 million, which provides liquidity for working capital for the company for a period of more than a minimum of 12 months. At the same time expected reduced operating costs will support the working capital.

SPARK is in the process of and preparations to complete the acquisition of Acceleum Technology AS announced on the 14 May 2024, on the condition that any transaction is carried out in shares and that Acceleum secures adequate working capital in the future before a possible implementation of the transaction, so that the company can cover its operating costs for the next 24 months.

SPARK will also have an option to sell a small portion of the Tyrill shares received in the transaction with Tyrill in a distribution sale before Tyrill gets listed and before potential distribution of shares to each shareholder, if liquidity is needed to pay the convertible debt that is not converted by the lenders.

Tyrill is currently in ongoing pre-IPO offering where will collect SEK 70 million, and from 23 September 2024, Tyrill will start the IPO to collect minimum SEK 100 million. With such funding in place Tyrill will have the needed funding for planned investments and operational cost until operations are cash positive.

Shareholder Information

INVESTOR RELATIONS

The company's share capital at 31 of December 2023 was DKK 262,495,620 divided into 26,249,562 shares of nominally DKK 10 each. The shares belong to the same share class and are paid in full. All shares in the Company have the same rights. The shares are listed on the Nasdaq first north growth market Denmark. As of 29 December 2023, the share price was DKK 5.80

The following are the major shareholders in SPARK Technology A/S:

Shareholder	Holdings, No. of shares	Holdings percentag e	Beneficial owner	Position/Country
JAC INVEST AS	5,024,260	19.14	Jens Glasø	CEO / NOR
JANUS INVEST AS	1,178,298	4.49%	Bård Bjerkås	**CLO / NOR**
DAVID JAMES CHAPMAN	1,172,335	4.47%	David James Chapman	**Investor / HK**
GIS HOLDING AS	795,269	3.03%	Jørgen Gismervik	Investor / NOR
DIAGEN INTERNATIONAL INC. AS	658,738	2.51%	Vidar Lindberg	Investor / NOR
MONTEBELLO VINSELSKAP OG INVEST AS	606,573	2.31%	Karl-Anders Grønland	Investor / NOR
BØEN INVEST AS	516,461	1.97%	Kjell Apeland	Investor / NOR
ETOS PATOS LOGOS AS	513,910	1.96%	Rune Glasø	Investor / NOR
SAVOCA AS	479,313	1.83%	Ole Harry Sandvold	Investor / NOR
SAAMAND AS	444.435	1.69%	Olav Bryn	Investor / NOR

OWN SHARES

SPARK Technology A/S holds a total 630 of its own shares.

SHARE PRICE DEVELOPMENT

SPARK Technology A/S's opening share price at the start of 2023 was DKK 16.36. Trading was closed on 29th December 2023 at a share price of DKK 5.80. (Comparable share prices used).
On the 21st of February 2023 SPARK Technology A/S did a reverse share split of the share, 100 to 1. The first settlement date for trading of the new share was 23rd February, with a par value of DKK 10.00.

Ownership of other Board Members or Executive Managers, not listed:
1. Magne Fretheim owns 442,423 shares equal to 1.69% of the Company's share capital post Transaction through Distinct AS
2. Jan F Andersen owns 10.675 shares equal to 0.04 % of the Company's share capital post Transaction through F. Andersen Management ApS.

ANNUAL FINANCIAL REPORT

NAME:	COMPANY REGISTRATION NUMBER:	FINANCIAL YEAR:
SPARK Technology A/S	26518199	1 January 2023 - 31 December 2023