



# INTERIM REPORT H1 2022

01.01.2022 - 30.06.2022

SPENN Technology A/S  
Company Registration Number: 26518199

Njalsgade 76, 4  
2300 Copenhagen S  
Denmark



Mobile Banking  
built for you.





NAME:  
SPENN Technology A/S

COMPANY REGISTRATION NUMBER:  
26518199

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

WEB:  
<https://investor.spenn.com>

DATE OF FORMATION:  
1 February 2002

FINANCIAL YEAR 2022:  
1 January 2022 - 31 December 2022

11 AUGUST 2022:  
Interim Financial Report

23 MARCH 2023:  
2022 Annual Report

06 APRIL 2023:  
2022 Annual General Meeting

EXECUTIVE BOARD:  
Jens Glaso, CEO

BOARD OF DIRECTORS:  
Karl Anders Gronland  
Adiam Nardos Negassie  
Petrus Johannes van der Walt  
Magne Fretheim  
Jan Fredskilde Andersen

CERTIFIED ADVISER:  
Baker Tilly Corporate Finance P/S  
Poul Bundgaards Vej 1  
2500 Valby, Copenhagen  
+45 33 45 10 00  
[gmm@bakertilly.dk](mailto:gmm@bakertilly.dk)

AUDITOR:  
BDO Statsautoriseret  
Revisionsaktieselskab  
Havneholmen 29  
1561 Copenhagen V  
+45 39 15 52 00  
[www.bdo.dk](http://www.bdo.dk)

ANALYST COVERAGE:  
ABG  
Ruseløkkveien 26, 8th floor, 0251 Oslo, Norway  
SPENN's Introduce page:  
<https://www.introduce.se/foretag/spenn-technology/start/>

ANALYST:  
Eirik Thune Øritsland  
PHONE: +47 22 01 61 40  
MOBILE: +47 48 01 61 40  
EMAIL: [eirik.oritland@abgsc.no](mailto:eirik.oritland@abgsc.no)  
WEB: [www.abgsc.com](http://www.abgsc.com)



# Contents

## Introduction

SPENN Technology's Mission and Vision .....	5
Letter from the CEO .....	6
H1 2022 Financial Highlights SPEN Group .....	7
Company Structure.....	8

## SPENN Market Updates

Market Update: Zambia .....	9
Market Update: Rwanda & Tanzania .....	10
SPENN Group Outlook for 2022 .....	11
SPENN Business Services - Customer Story .....	12

## SPENN Technology A/S Consolidated Financial Statements

Management statement .....	14
Management Commentary .....	15
Income Statement .....	17
Balance Sheet .....	18
Statement of Changes in Equity .....	19
Cash Flow Statement .....	20
Notes to the Financial Statements .....	21
Shareholder Information .....	24



# SPENN Technology

## MISSION

Connecting individuals and communities with the global economy through advanced technology.

## VISION

Creating a world where everyone has equal financial opportunities.



## LETTER FROM THE CEO

# Revenues for H1 2022 are up

**The downturn in the global security markets is a stark contrast to the fact that SPENN revenues are significantly higher than a year ago.**

In short, year-over-year revenues in our three active markets have increased as follows:

**SPENN Rwanda: +700%**

**SPENN Zambia: +600%**

**SPENN Tanzania: +395%**

In Zambia, we are close to breakeven.

During the first half of 2022, we have also announced that we are currently working on entries into new markets. Among the new markets is Nigeria. Being the most populous country on the great African continent, Nigeria has more than 200 million inhabitants and an annual growth rate of approximately 5 million people. It is truly an exciting place to roll out SPENN products and services.

Our fantastic ground crew in all operational markets continues to build a base of SPENN users, businesses, and agents. They are continuously building partnerships with private and governmental entities to include more people in the financial system, and to offer products and services that are affordable for ordinary people and profitable for SPENN.

As previously announced, we have made a strategic move to target businesses more than end users. By focusing on onboarding businesses that use SPENN to make salary payments and other services, we ensure more and recurring transactions. This translates to more active users, to more transactions, and ultimately – to higher revenues.

Implementing a more profitable business strategy, and then going for scale, should prove to be an exciting growth strategy. We believe we are on the right track and together with our SPENN loans solutions, we are looking forward to further ramping up our growth in 2022.



# H1 2022 Financial Highlights SPENN Group

DKK 000

	H1 - 2022	H1 - 2021	FULL YEAR - 2021
Revenue	70,348	222	18,222
Cost of sales	-62,173	-188	-16,013
<b>GROSS PROFIT/LOSS</b>	<b>8,175</b>	<b>34</b>	<b>2,209</b>
Other income	676	0	97
Employee expenses	-15,356	-10,850	-22,998
G&A expenses	-15,715	-20,445	-42,765
<b>EBITDA</b>	<b>-30,395</b>	<b>-31,295</b>	<b>-63,457*</b>
Depreciation and amortisation	-8,062	-1,044	-2,993
Finance income	9,214	696	19,199
Finance expenses	-497	-2,344	-1,094
<b>Profit/loss before tax</b>	<b>-21,565</b>	<b>-33,953</b>	<b>-48,344</b>
Income tax expense	-1	-	-44
<b>Profit/loss before tax</b>	<b>-21,566</b>	<b>-33,953</b>	<b>-48,389</b>

The SPENN Group continues its growth in H1 2022 and revenue for the period significantly increased to DKK 70.3 million from DKK 0.2 million for the same period in 2021.

Gross profit is DKK 8.2 million up from DKK 0.03 million for the same period in 2021. The growth is primarily driven by Zambia and the contribution from the acquisition of Kazang Zambia Ltd in 2021. Kazang continues to grow and the synergies of the acquisition are continuously contributing to the growth in revenue in SPENN Zambia. Combined Zambia is close to reaching breakeven and the organisation is adopting similar strategies to fasttrack the growth of the other SPENN Markets.

The SPENN Group reported a loss of DKK 21.6 million for H1 2022 compared to a loss of DKK 34 million for the same period in 2021, driven by a reduction in G&A expenses which demonstrates the company's work with its costs in order to optimise the path towards profitability.

Employee expenses amounted to DKK -15.4 million. General and administrative expenses amounted to DKK -15.7 million.



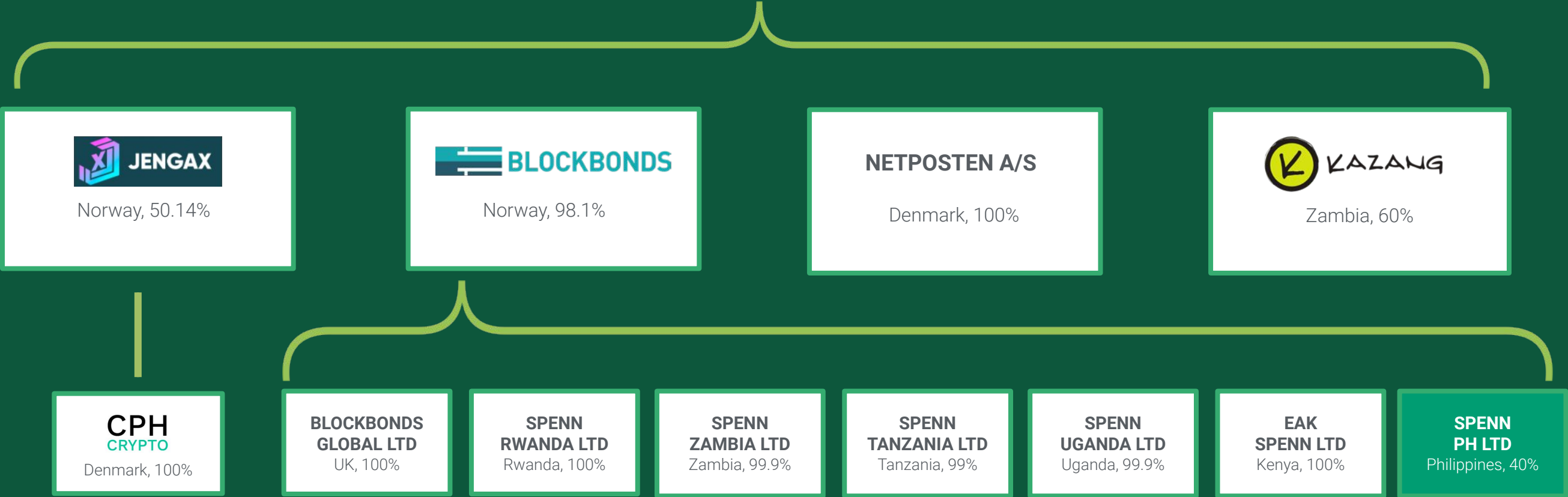
# SPENN Technology Company Structure



SPENN TECHNOLOGY A/S  
Parent company,  
Denmark

Subsidiary

Associated company





# Market update: Zambia

SPENN

Revenue growth  
**+600% increase YoY**

SPENN Zambia had a successful H1 - 2022, with a significant increase in number of business customers for both the SPENN Connect and SPENN Flow products. Merchants that accept SPENN as payment have also grown and the SPENN ecosystem in Zambia is generating network effects in all segments. A new savings product “SPENN Saver+” was introduced to the market during Q2 2022 which has been a driver of increased deposits on the platform.

SPENN Zambia has continued to unlock synergies with Kazang and its distribution network, improving cost management and increasing revenue. SPENN Zambia relocated and now share an office with Kazang which has resulted in cost savings for both companies.

Through a Kazang integration into the National Financial Switch (NFS), SPENN customers can now move funds to all other banks and mobile money wallets at no or very little cost. This functionality places SPENN as the only provider of a free and interoperable solution to the mass population of Zambia.

These initiatives, coupled with sharing of best practices between SPENN Zambia and Kazang such as introducing Early Contract Management at SPENN Zambia to increase activity and retention on the platform are testament to the synergies derived from the acquisition of Kazang.

KAZANG

Kazang continues to increase its revenue and profits by growing its network of agent and merchants that can process payments. In the first six months, Kazang added approximately 2,000 agents and merchants utilizing its vendor terminals, which further strengthens both Kazang and SPENN Zambia in the market.

In addition to the increased revenue derived from growing the agent network, a key revenue driver for Kazang during H1 - 2022 has been the NFS integration, which as more banks and other participants join, will continue to be a strong driver. Kazang is continuing to improve its work with Early Contract Management which ensure revenue targets per agent are met.

SPENN Zambia and Kazang has also finalised laying the groundwork for rolling out the SPENN Agent app onto the Kazang vendor terminals during H2 2022. Once released, this will significantly strengthen the customer acquisition channel and drive increased usage for both Kazang and SPENN Zambia.

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



# Market update: Rwanda and Tanzania



## RWANDA

Revenue growth  
**+700% increase YoY**

The first half of 2022 was characterized by several game changing product improvements and customer acquisitions, which brought SPENN further into the spotlight in Rwanda, and resulted in an exponential increase in revenue in the first half of the year.

Some of the highlights in the first half of 2022 include the launch of SPENN in Kinyarwanda, which allows Rwandans to use SPENN in their native language; the launch of SPENN Loans; the signing of two distribution agreements with DDIN and Food Bundles, which will allow us to increase our agent network to over 10,000 agents across the country by the end of the year; and the signing of Canal+, one of the biggest cable TV companies in Africa.

SPENN Rwanda successfully fully launched the SPENN Loan product in March 2022. Since launch, nearly 5,000 loans have been issued and approximately \$1,000,000 USD loaned to individuals across all demographics. The loan product has become a key revenue generator for both SPENN and our bank partner, I&M Bank Rwanda. With the expansion of loans to further customers as well as the launch of salary-based loans on the horizon, SPENN expects further success in the Rwandan market.



## TANZANIA

Revenue growth  
**+395% increase YoY**

SPENN Tanzania has focused on growing the distribution of agents as enablers for business acquisition and wider brand recognition during the first half of 2022. To ensure ability of agents to service SPENN consumers and businesses, a float management partner was onboarded in the beginning of the year.

The work done during the first half of the year is yielding results, and as the agent network grows, growing our brand visibility and recognition with it, we anticipate a corresponding growth in the business segment during the second half of 2022. Interest in SPENN is high among prospective clients and with support from a strong distribution network, SPENN business clients will see the clear benefits.



# SPENN Group updates and outlook for 2022

At SPENN Technology we view our role as forging the future of payments in Africa by bridging mainstream financial principles with digital asset innovation. In H2 - 2022, SPENN Technology will continue to build on the accomplishments of the first half of the year and accelerate the execution of its growth strategy towards businesses through SPENN Business Services, due to the direct revenue generated by this segment and the contribution to lowering the customer-acquisition-cost for consumers.

SPENN Technology will also continue to work on unlocking synergies and operational efficiencies between SPENN Zambia and Kazang and leverage Kazang’s ambition of rolling out 6,000 new vendor terminals throughout Zambia in H2 - 2022. In parallel, all new and existing Kazang vendor terminals of the latest model will have the SPENN agent app installed, enabling Kazang agents to become a customer acquisition channel for SPENN. Kazang expects significant growth in all product lines, most notably through NFS transactions. Leveraging the Kazang network and the integration to the NFS will significantly increase traffic for SPENN Zambia in H2 - 2022 and bring the market closer to breaking even.

In Q1- 2022 SPENN was selected to participate in the Mastercard Start Path Crypto Spring Cohort along with 4 other scale-ready participants. As part of the program, SPENN was tasked with solving a unique challenge with the support of Mastercard expertise to grow and further develop their solutions. It was important to strike a balance between offering aspirational products, such as QR code payments and virtual card integration while at the same time ensuring SPENN stays close to our mandate of providing financial inclusive options for our users. Moving into H2 - 2022 those products and services will begin to be deployed in our markets starting with Zambia.

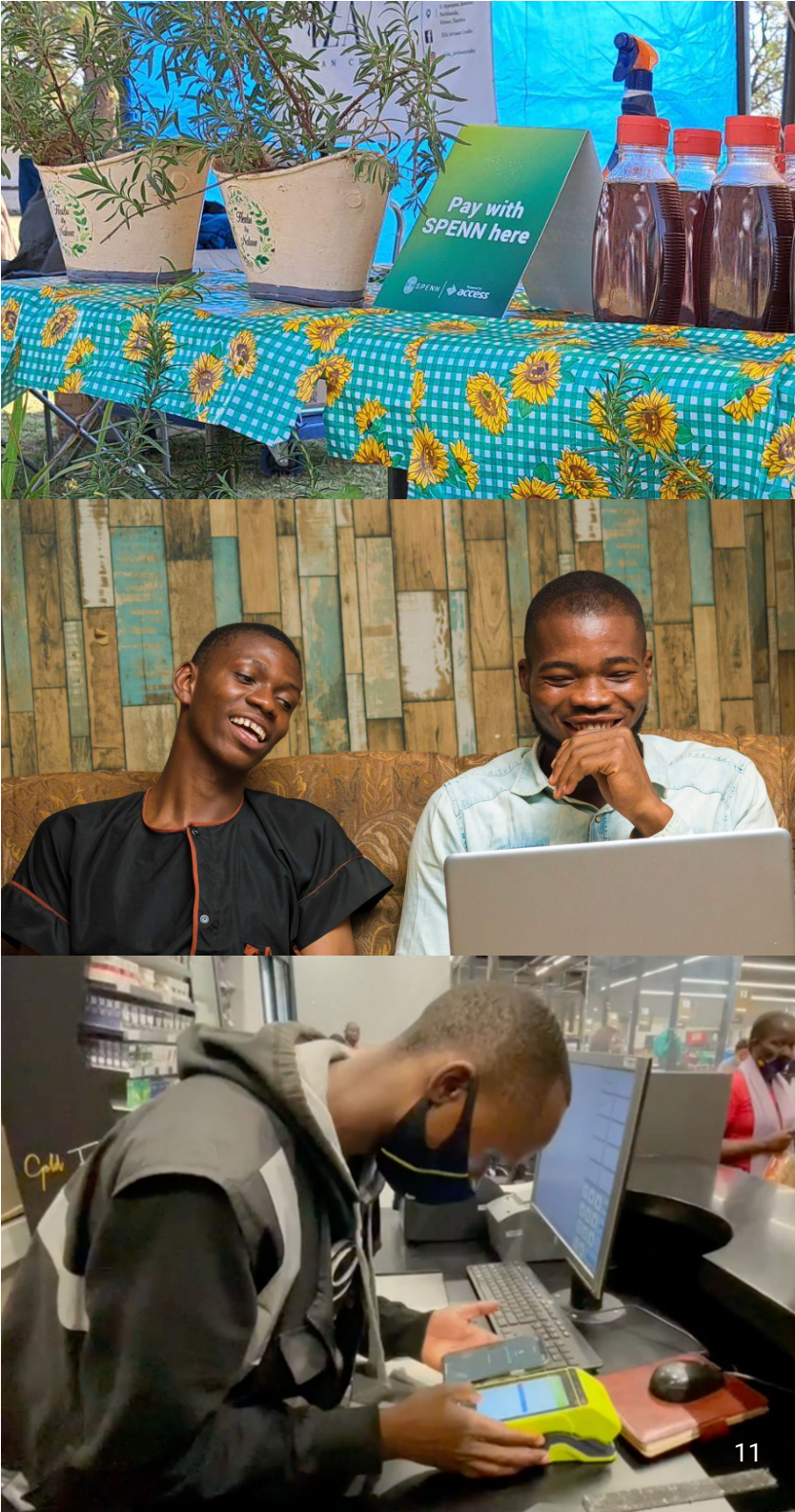
SPENN Technology will also continue to cultivate its strong partnerships with bank partners in both its current and future markets to add additional products and services, continuously building the SPENN financial ecosystem where businesses, consumers, agents, and banks can transact seamlessly and instantly. As previously announced, SPENN Technology maintains its intention to launch in new markets, which have now been joined by Nigeria where SPENN has a unique opportunity to launch its products and services.

These growth strategies, coupled with introducing new products such as the virtual Mastercard debit card amongst others in the pipeline, will provide a greater suite of genuine value-adding services to both businesses and their employees. This strategy combined with a capital raise in H2 - 2022 will allow the company to realise its expansion and growth plans and put SPENN Technology in a good position to reach its revenue target for 2022.

Looking toward 2023, SPENN Technology will focus on cementing its position in current markets and reach breakeven in Zambia. With increased market penetration in existing markets, coupled with launching SPENN in additional markets, the future for SPENN is bright.

## FORWARD-LOOKING STATEMENTS

Statements about the future expressed in the interim report, reflect SPENN Technology’s current expectations for future events and financial results. The nature of these statements is affected by risk and uncertainties. Therefore, SPENN Technology’s actual results may differ from the expectations expressed.





# SPENN Business Services - Customer story

## irembo - A SPENN FLOW CUSTOMER

Irembo is the one-stop center for all government services in Rwanda, for both Rwandans and foreigners. Irembo offers more than 100 government services, allowing families and individuals to apply for birth certificates, healthcare, land titles and every local or national service in between. The services are accessible both online and via Irembo agents.

In May 2022, SPENN Rwanda onboarded Irembo as a customer for the SPENN Flow product enabling Irembo to disburse commissions to their network of agents in Rwanda. SPENN Flow generates a monthly subscription fee for SPENN while also generating float revenue from the account balances that Irembo and their agents hold in their respective SPENN accounts.

**“We have more than 6,000 Irembo agents across Rwanda, and we needed a solution to disburse commissions that is cost effective, traceable, and empowering, by allowing them to be banked. We found the SPENN Flow disbursement tool to be a perfect solution for us, we are very happy with the pilot phase that just concluded and look forward to scaling it up to include all the remaining agents. We look forward to working more with SPENN in the years to come.”**

– Richard Mutabazi, CFO at Irembo

To ensure a smooth implementation with strong support from both Irembo and their agents, the partnership started with a pilot phase of 30 Irembo agents. The pilot phase is now successfully concluded and SPENN Rwanda is working together with Irembo to define a roll-out plan and timeframe for onboarding the remaining Irembo agents. Once at full scale Irembo will disburse commissions amounting to approximately RWF 30m per month to their agents.

This customer is a great example of the potential for SPENN Business Services in our markets.



SPENN Technology A/S Consolidated

# FINANCIAL STATEMENTS

# Management's Statement

**The Board of Directors and the Executive Board have today discussed and approved the Annual Report of SPENN Technology A/S for the financial period 1 January – 30 June 2022.**

The Interim Financial Report has been prepared in accordance with IAS 34, Interim Financial Reporting as approved by the EU and additional disclosure requirements for companies listed on NASDAQ First North Growth Market Denmark.

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 30 June 2022 and of the results of the Group's and the Company's operations and cash flows for the financial period 1 January – 30 June 2022.

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

The Interim Financial Report is unaudited.

Copenhagen, 10 August 2022

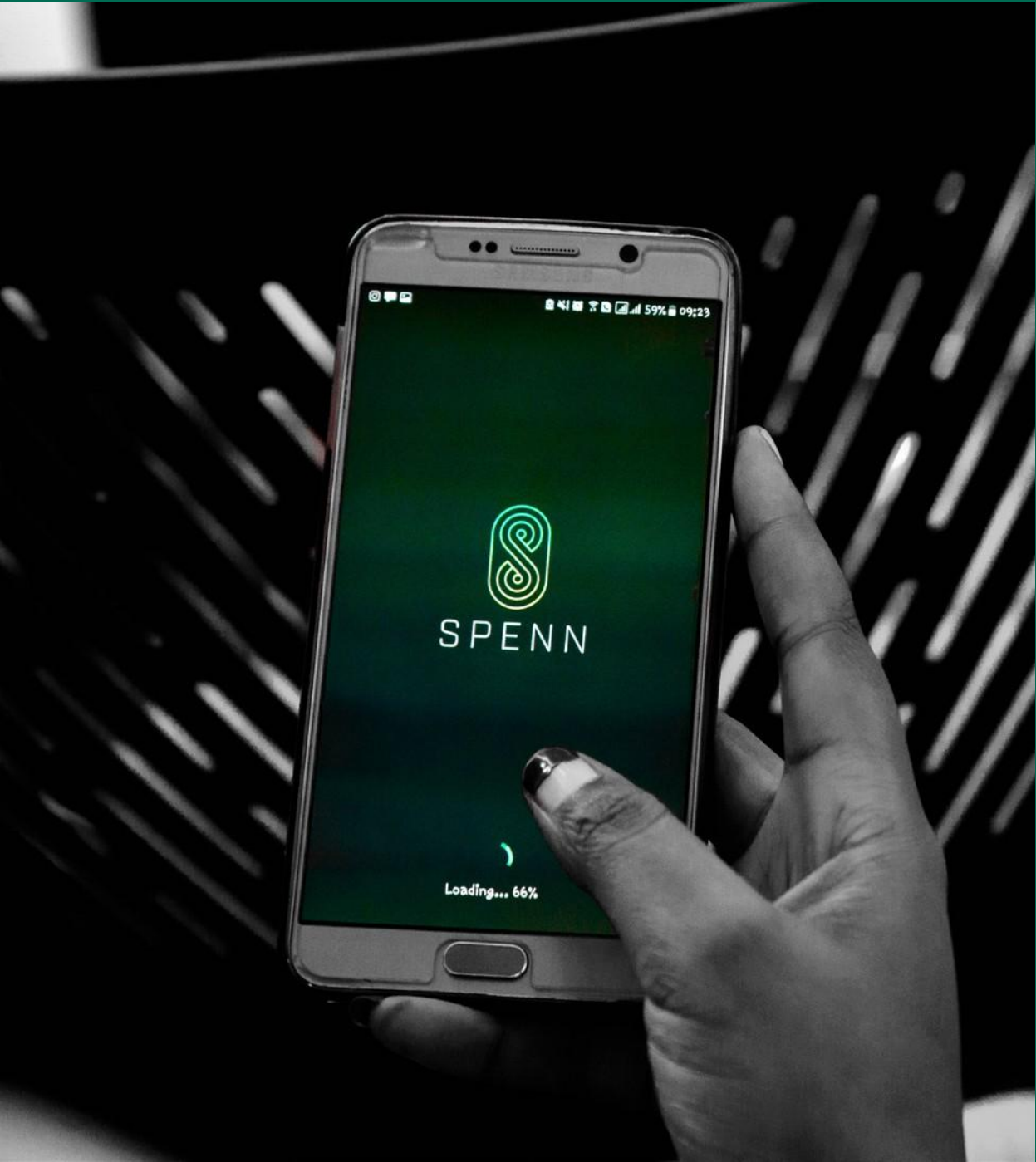
EXECUTIVE BOARD:

CEO, Jens Bjarne Glasø

BOARD OF DIRECTORS:

Karl Anders Gronland (Board Chairman)		Adiam Nardos Negassie
Petrus Johannes van der Walt		Magne Fretheim
Jan Fredskilde Andersen		

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





# Management Commentary

## PRINCIPAL ACTIVITIES

SPENN 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 financial media through its subsidiary Netposten A/S. The Company has been listed on Nasdaq First North Growth Market Denmark since 17 January 2018.

## DEVELOPMENT IN ACTIVITIES AND FINANCIAL AND ECONOMIC POSITION

On the 31st of January 2022, the board of directors in the Company resolved to issue 40,884,063 warrants in accordance with the authorization from the general meeting dated 26.03.2021. Each warrant entitles but does not obligate the warrant holders to subscribe for one new share in the Company nominally DKK 0.1. As a result of the issued warrants the fully diluted shares outstanding in the Company is 2,442,263,494 as of the 31st of January 2022.

In H1 2022, the Company's subsidiary Blockbonds demerged 19% of its share capital which was subsequently merged with JengaX AS. The total amount of outstanding shares in the Blockbonds post the demerger remained unchanged at 24,428,745 shares. As a result of the transaction, the Company's total shareholding in JengaX AS at 30.06.2022 is 4,730,893, equivalent to 50.14% of the total outstanding shares. JengaX AS is a cryptocurrency company which is planning to list in Norway during H2 - 2022 which could realise significant values for the Company.

In H1 2022 the warrants exercised by Jens Bjarne Glasø (CEO), Bård Bjerås (CLO), Karl-Anders Grønland (Chairman) and Daniel Aanonsen (employee) were registered, resulting in that the Company's ownership of Blockbonds was diluted to 98.1%.

The Company sold part of its shares in JengaX AS during the period. The Sale of the shares realised a profit of DKK 4.8 million.

## H1 - 2022 FINANCIAL RESULTS

The Group reported a loss of t.DKK 21,566 for the period, compared to a loss of t.DKK 33,953 in the prior year mainly driven by the growth in Zambia. Revenue for the period increased to t.DKK 70,348 from t.DKK 222 in 2021, driven by Kazang Zambia Ltd. Employee expenses amounted to t.DKK 15,356 (2021: t.DKK 10,850) as headcount in the SPENN group continues to increase. General and administrative expenses amounted to t.DKK 15,715 (2020: t.DKK 20,445) as the Company continues to strive for cost control throughout the group.

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

Basic Earnings per Share (DKK)	-0.01
--------------------------------	-------





ASSETS

As of 30 June 2022, the Company’s total assets amounted to t.DKK 343,727 (2021: t.DKK 62,432). The Company’s intangible assets at the period end were t.DKK 281,749 (2021: t.DKK 21,377) where Goodwill from the acquisition of JengaX during 2022 represented an increase of t.DKK 84,735. Current assets at the period end were t.DKK 41,801 (2021: t.DKK 40,240). The Company had cash and cash equivalents at the period end of t.DKK 17,975 (2021: t.DKK 38,892).

EQUITY AND LIABILITIES

As of 30 June 2022, total shareholders equity amounted to t.DKK 274,486 (2021: t.DKK 59,091). The increase in equity is mainly due to the transaction between the Company and JengaX. Total liabilities at the period end amounted to t.DKK 69,241 (2021: t.DKK 3,341), consisting largely of trade payables at t.DKK 25,356, and Other liabilities at t.DKK 43,364 mainly driven by Kazang Zambia Ltd.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to t.DKK -7,833 mainly due to general operational expenses. Cash flow from investing activities for the period was t.DKK 4,389, mainly attributed to net cash received upon the completion of the JengaX transaction, and disposal of JengaX shares pre acquisition. The total net cash flow for the period ending was t.DKK 1,640 (2021: t.DKK 32,025).

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred after the end of the period that have not already been communicated via announcements.

RISK MANAGEMENT

SPENN Technology and its subsidiaries are exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. Financial risks are related to factors such as exchange rates, tax, liquidity and credit. Risk management within the SPENN Technology Group is aimed at identifying, controlling, and reducing risks. The Company continues to assess its own risk management policy framework and progress towards optimisation of the risk management within the SPENN Group. The risk assessment is unchanged from the risk profile presented in 2021 annual report. The Parent Company’s risks and uncertainties are indirectly the same as for the Group.



GOING CONCERN

Retaining sufficient liquidity and capital to withstand market pressures remains central to the Company’s strategy. The cash flows from the subsidiaries in the group have developed in line with expectation in 2022 and the Company is well positioned for future growth. However, there is still uncertainty attaches to how cash flow will develop in future. Specifically, market conditions can impact the operational capacity of the business, access to capital, contractual obligations, asset valuations, other critical accounting judgements, forecast uncertainty and its effect on liquidity. The Company will raise capital in H2 2022 to fully support its expansion and growth plans but the Company also have access to loan facilities and have investments that could be sold to extend the near term need for a capital raise. Taking the above factors into consideration, the management considers that the going concern conditions are satisfied and the business is operated on this basis.

# Income Statement

## 1 January – 30 June 2022

DKK '000		SPENN GROUP	
	Note	2022	2021*
REVENUE	1	70,348	222
Cost of sales	2	-62,173	-188
GROSS PROFIT/LOSS		8,175	34
Employee expenses	3	-15,356	-10,850
Administrative expenses		-15,715	-20,445
Depreciation, amortisation		-8,062	-1,044
Other income		676	0
OPERATING PROFIT/LOSS		-30,282	-32,305
Associated companies		-75	-123
Income from other investments		4,824	0
Other financial income		4,390	696
Finance costs from group enterprises		0	0
Other finance costs		-410	-2,221
TOTAL FINANCE INCOME/ (LOSS)		8,804	-1,525
Loss on disposal		-12	0
PROFIT/LOSS BEFORE TAX		-21,565	-33,953
Tax on profit/loss for the year		-1	0
PROFIT/LOSS FOR THE PERIOD		-21,566	-33,953
DISTRIBUTION OF RESULTS			
Minority interest		-600	-14
Profit attributable to parents		-20,966	-33,939
Distribution of profit		-21,566	-33,953



# Balance Sheet at 30 June 2022

DKK '000	SPENN GROUP			
	Note	2022	2021*	31 DECEMBER 2021
<b>ASSETS</b>				
Research and Development	4	165,094	17,955	19,692
Goodwill	4	116,655	3,422	33,635
<b>Intangible assets</b>	4	<b>281,749</b>	<b>21,377</b>	<b>53,328</b>
Property, plant and equipment	5	11,478	758	9,366
<b>Property, plant and equipment</b>		<b>11,478</b>	<b>758</b>	<b>9,366</b>
Investment in associates		0	57	0
Participating interests, Govt bonds	6	8,699	0	6,799
Other investments		0	0	36
<b>Non-current assets</b>		<b>8,699</b>	<b>57</b>	<b>6,835</b>
<b>NON-CURRENT ASSETS</b>		<b>301,926</b>	<b>22,192</b>	<b>69,528</b>
Inventories		6,011	0	5,342
Trade and other receivables		13,899	1,265	22,365
Other assets		1,103	45	8
Deferred tax assets		240	0	2,037
Prepayments and accrued income		2,573	38	981
Cash and cash equivalents		17,975	38,892	16,336
<b>CURRENT ASSETS</b>		<b>41,801</b>	<b>40,240</b>	<b>47,070</b>
<b>TOTAL ASSETS</b>		<b>343,727</b>	<b>62,432</b>	<b>116,598</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	7	242,638	239,088	240,138
Share premium		500	0	0
Reverse acquisition reserve		-86,456	-237,076	-237,076
Retained earnings		20,440	41,288	51,931
Reserve for development cost		29,817	17,955	19,692
Exchange rate adjustments		-1,540	-265	2,463
Minority interest		68,198	-1,899	-1,085
Share based payment reserve		889	0	0
<b>TOTAL EQUITY</b>		<b>274,486</b>	<b>59,091</b>	<b>75,664</b>
Investments in associates		71	0	42
Other long-term liabilities		0	0	69
<b>Non-current liabilities</b>		<b>71</b>	<b>0</b>	<b>111</b>
Trade and other payables		25,356	2,297	29,446
Accruals		353	122	0
Short Term Debt		97	0	2,086
Debt to group enterprises		0	0	8,285
Other liabilities		43,364	922	1,007
<b>Current liabilities</b>		<b>69,170</b>	<b>3,341</b>	<b>40,824</b>
<b>TOTAL LIABILITIES</b>		<b>69,241</b>	<b>3,341</b>	<b>40,935</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>344,371</b>	<b>62,432</b>	<b>116,598</b>

# Statement of Changes in Equity 2022 - SPENN Group

DKK '000	SPENN GROUP								
	Share-capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority Interest	Share based payment reserve	Total
<b>Equity at 1 January 2022</b>	<b>240,138</b>	<b>0</b>	<b>51,531</b>	<b>-237,076</b>	<b>2,463</b>	<b>19,692</b>	<b>-1,085</b>	<b>0</b>	<b>75,663</b>
Change of investments through net exchange					-4,003				<b>-4,003</b>
Capital increase, paid in	2,500	500							<b>3,000</b>
Capital increase, reverse acquisition									<b>0</b>
Recognition of assets within acquisition reserve				150,620^					<b>150,620</b>
Development costs			-10,125			10,125			<b>0</b>
Profit/loss			-20,966				-600	<b>889</b>	<b>-20,677</b>
Non-controlling interest							69,882^		<b>69,882</b>
<b>Equity at 30 June 2022</b>	<b>242,638</b>	<b>500</b>	<b>20,440</b>	<b>-86,456</b>	<b>-1,540</b>	<b>29,817</b>	<b>68,198</b>	<b>889</b>	<b>274,486</b>

DKK '000	SPENN GROUP							
	Share-capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority Interest	Total
<b>Equity at 1 January 2021</b>	<b>1,006</b>	<b>16,346</b>	<b>-11,626</b>	<b>-237,076</b>		<b>16,312</b>		<b>22,038</b>
Change of investments through net exchange					-265			<b>-265</b>
Capital increase, paid in		71,634						<b>71,634</b>
Capital increase, reverse acquisition	238,082			-237,076				<b>1,006</b>
Share premium movement		-87,980	87,980					<b>0</b>
Development Costs			-1,643			1,643		<b>0</b>
Profit/loss			-33,423				-1,899	<b>-35,322</b>
Non-controlling interest								<b>0</b>
<b>Equity at 30 June 2021*</b>	<b>239,088</b>	<b>0</b>	<b>41,288</b>	<b>-237,076</b>	<b>-265</b>	<b>17,955</b>	<b>-1,899</b>	<b>59,091</b>

\*Restated as disclosed in the Accounting policy note

^Movements as a result of the JengaX AS Transaction

# Cash Flow Statement

## 1 January – 30 June 2022

DKK '000

SPENN GROUP

	2022	2021*
Profit/loss for the year before tax	-20,676	-33,953
Depreciation and amortisation	8,062	1,044
Loss on disposal	12	0
Adjustment of profit from associates (SPENN PH Inc)	75	123
<b>Changes in working capital:</b>		
Increase in inventory	-669	0
Decrease in receivables	8,466	467
Increase in other assets	-2,925	0
Change in payables	-2,659	-933
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-7,833</b>	<b>-33,252</b>
Purchase of intangible assets	-5,245	-2,062
Purchase of property, plant and equipment	-5,934	-449
Sale of property, plant and equipment	0	3
Proceeds from the disposal of JengaX shares	4,825	0
Net cash acquired as a result of JengaX transaction	10,818	0
Associated Companies	-75	-123
Other investing activities	0	-12
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>4,389</b>	<b>-2,643</b>
Capital Increases	0	67,417
Other cash flows from financing activities	0	503
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>0</b>	<b>67,920</b>
Exchange rate adjustments from opening balance sheet	5,084	0
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>1,640</b>	<b>32,025</b>
Cash and cash equivalents at 1 January	16,336	6,867
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>17,976</b>	<b>38,892</b>



# Notes To The Financial Statements

## ACCOUNTING POLICIES

### BASIS OF PREPARATION

The accounting policies adopted in these interim financial statements are identical to the those adopted in the Group's most recent audited annual financial statements for the year ended 31 December 2021, which are available at [investor.spenn.com](https://investor.spenn.com).

### RESTATEMENT OF 30 JUNE 2020 INTERIM RESULTS

The Group's interim financial results to 30 June 2020 were prepared on the initial assessment that the transaction with Blockbonds AS should be accounted for as an acquisition by SPENN Technology A/S. Following further assessment and consideration, the directors concluded that the transaction was more reliably represented by the use of reverse acquisition accounting under IFRS 3, and that Blockbonds AS was the acquiring entity for accounting purposes (as described in the accounting policies of the Group's audited financial statements for the year ended 31 December 2021). No other accounting policies or estimates have changed as a result of this restatement.

Use of the acquisition method in accounting for the Group formation resulted in goodwill of t.DKK 129,226 and net assets of the group of t.DKK 184,897 in the 2020 interim results. Following the adoption of the reverse acquisition accounting method in the full year audited results, only t.DKK 3,421 of goodwill is recognised.

Share premium of t.DKK 71,634 (which was subsequently transferred to retained earnings) and a reverse acquisition reserve of t.DKK(237,036) in the consolidated financial statements. The net assets of the Group as at 30 June 2020 has been restated to t.DKK 59,091.

Management has also prepared an adjusted income statement, removing the profit and loss recognised by NPIInvestor.com prior to its reverse merger with Blockbonds AS.

This has resulted in a net reduction of the loss recognised in the prior period of t.DKK 2,910.

**This has been allocated as follows (in t.DKK):**

Revenue	(314)
Employee expenses	690
General and administrative expenses	2,170
Finance costs	51
Depreciation	164
Terminated activities	149
<b>Total</b>	<b>2,910</b>

### ACQUISITION OF CONTROLLING INTEREST IN JENGAX

As noted in management commentary, after the demerger of capital and intellectual property from Blockbonds AS, and the subsequent merger into JengaX AS, management is preparing the allocation of identifiable assets and liabilities as required by IFRS 3. This has not been completed at 30 June 2022, and as such the financial statements have been prepared with the residual value above the historically recorded assets currently being allocated to goodwill. Management will include a revised balance sheet in the first set of accounts once completed. This will be no later than the 2023 interim financial report.

**NOTE 1 REVENUE**

DKK '000

SPENN Group

	2022	2021
Blockbonds Group	457	222
Netposten	465	0
Kazang	69,426	0
<b>Total</b>	<b>70,348</b>	<b>222</b>

**NOTE 2 COST OF SALES**

DKK '000

SPENN Group

	2022	2021
Blockbonds Group	36	188
Netposten	1	0
Kazang	62,136	0
<b>Total</b>	<b>62,173</b>	<b>188</b>

**NOTE 3 EMPLOYEE EXPENSES**

DKK '000

SPENN Group

	2022	2021
Salaries	12,775	8,984
Social security	1,173	1,644
Pension	519	222
Share based payment expense	889	0
<b>Total</b>	<b>15,356</b>	<b>10,850</b>

**NOTE 4 INTANGIBLE ASSETS**

DKK '000

SPENN Group

	R&D	Goodwill	Total
Cost at 1 January 2022	25,644	33,635	59,279
Transfer	0	0	0
Additions	147,996	84,734	232,740
<b>Cost at 30 June 2022</b>	<b>173,640</b>	<b>118,369</b>	<b>207,919</b>
Amortisation at 1 January 2022	-5,951	0	-5,951
Amortisation for the year	-2,595	-1,714	-4,309
<b>Amortisation at 30 June 2022</b>	<b>-8,546</b>	<b>-1,714</b>	<b>-10,260</b>
<b>Carrying amount at 30 June 2022</b>	<b>165,094</b>	<b>116,655</b>	<b>281,749</b>

The increase in Research and Development assets is due to continued investment in the SPENN platform.

Additional Research and Development assets have been recognised at fair value upon contribution to acquire a controlling interest in JengaX.

The increase in goodwill recognised during the period, is due to the controlling interest acquired in JengaX, and historical goodwill from investments already recognised on the JengaX balance sheet.

**NOTE 5 PROPERTY, PLANT AND EQUIPMENT DKK '000**

SPENN Group

	Fixtures	Equipment	Total
Cost at 1 January 2022	400	16,952	17,349
Additions		5,934	14,395
Disposals		-58	-317
<b>Cost at 30 June 2022</b>	<b>400</b>	<b>22,828</b>	<b>23,227</b>
Depreciation at 1 January 2022	-194	-7,789	-7,983
Reversal of depreciation of assets disposed of		53	53
Depreciation for the year	-67	-3,753	-3,819
<b>Depreciation and Impairment losses at 30 June 2022</b>	<b>-261</b>	<b>-11,489</b>	<b>-11,750</b>
<b>Carrying amount at 30 June 2022</b>	<b>139</b>	<b>11,339</b>	<b>11,478</b>

NOTE 6 GOVERNMENT BONDS

DKK '000	SPENN Group	
	2022	2021
Government Bonds held - Zambia	8,699	0

NOTE 7 SHARE  
CAPITAL DKK '000

	SPENN Group	
	2022	2021
Balance at the start of the year	240,138	1,006
Increase in capital	2,500	238,082
<b>Total</b>	<b>242,638</b>	<b>239,088</b>

The share capital is divided into 2,426,379,431 shares. The shares have a nominal value of DKK 0.10. There is only one share class, and all shares have the same rights. The 2,500,000 share increase relates to shares issued to Staffan Herbst, Group Chief Financial Officer. These shares have been issued but have not admitted to trading, and are awaiting approval from the relevant authorities.

NOTE 8 CONTINGENT LIABILITIES

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 SPENN Technology A/S is zero, which is management company in the joint taxation.

The monthly lease liability for the group at 30 June 2022 is t.DKK 127. There are no lease agreements with longer maturity than 1 year.

NOTE 9 RELATED PARTIES

Related parties consist of:

Shareholders holding 5% or more of the shares or of the votes  
Jac Invest AS hold 494,948,360 (20.61%) of the outstanding shares in the Company.

Other Related Parties:

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

Transactions with related parties:

All transactions with related parties have been disclosed via public announcement, and are available on the Company's NASDAQ First North page.



# Shareholder Information

## INVESTOR RELATIONS

The company’s share capital at 30th of June 2022 was DKK 240,137,943.10 divided into 2,401,379,431 shares of nominally DKK 0.10 each. The fully diluted shares outstanding in the Company is 2,467,263,494 at the 30th of June 2022. 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 30th of June 2022, the share price was 0.1408 DKK.

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

SHAREHOLDER	HOLDINGS, NO. OF SHARES	HOLDINGS PERCENTAGE	BENEFICIAL OWNER	POSITION / COUNTRY
JAC INVEST AS	494,918,360	20.61%	Jens Glaso	CEO / NOR
DAVID JAMES CHAPMAN	119,889,792	4.99%	David James Chapman	Investor / HK
JANUS INVEST AS	108,725,308	4.53%	Bård Bjerkås	CLO / NOR
GIS HOLDING AS	81,352,260	3.39%	Jørgen Gismervik	Investor / NOR
DIAGEN INTERNATIONAL INC. AS	65,873,808	2.74%	Vidar Lindberg	Investor / NOR
ETOS PATOS LOGOS AS	61,441,559	2.56%	Rune Glasø	Previous Board Member/NOR
MONTEBELLO VINSELSKAP OG INVEST AS	58,9149,46	2.42%	Karl-Anders Grønland	Chairman of the Board / NOR
BØEN INVEST AS	52,646,056	2.19%	Kjell Apeland	Investor / NOR
DISTINCT AS	45,058,843	1.88%	Magne Fretheim	Board Member/CTO/NOR
HØGEVOLL AS	37,061,323	1.54%	Arild Egeland	Investor/NOR

## OWN SHARES

SPENN Technology A/S holds a total 5,100 of its own shares.

## SHARE PRICE DEVELOPMENT

SPENN Technology A/S’s opening share price at the start of 2022 was DKK 0.278. Trading was closed on 30th June 2022 at a share price of DKK 0.1408.

