

# ANNUAL REPORT

1.1.2022 - 31.12.2022

SPENN Technology A/S  
Company Registration Number: 26518199

Njalsgade 76, 4  
2300 Copenhagen S Denmark



AGM is to be held April 6, 2023

Chairman of the Board – Karl-Anders Gronland



# Mobile Banking. Just Better



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26518199

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**DATE OF FORMATION:**  
1 February 2002

**FINANCIAL YEAR:**  
1 January 2022 - 31 December 2022

**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  
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## SPENN Technology

# MISSION

Economic opportunity for everyone.

# VISION

Bridging financial principles through digital asset innovation.



## LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

# Building a robust and diversified platform



**SPENN has taken new steps to build a platform that will benefit millions of people around the world. We have also improved our bank partners' ability to take a position in the mobile money industry, which is assumed to have a total transaction value of USD 700 billion. When utilizing SPENN solutions, approximately 65% of the unbanked or underbanked population can become banked and thus improve their financial future.**

On behalf of the Board of Directors, I would like to congratulate the SPENN team with their achievements. During my years as Chairman of the Board of Directors, I have had the pleasure of visiting our markets and meeting SPENN employees in countries such as Rwanda, Zambia, and Tanzania. These are dedicated and exceptional people that have done a great job in building a user base and excelling SPENN Technology as a company. The continuous growth and the increased financial results for the Kazang Zambia business is something all our employees in this subsidiary deserves acknowledgment and appreciation for.

I am chairing SPENN Nigeria, and I am Vice-Chairman together with the current Chairman, Prof. Haruna, in our joint venture NASENI-SPENN in Nigeria. This model for co-operation and working in tandem with a governmental organization in the largest African market, was established in 2022 at a faster speed than anticipated. The model has already been applied for a similar entrance into Sierra Leone.

Trust is paramount for any company in the financial sector. We are pleased to have the tier 1 pan-African banks I&M Bank and Access Bank as SPENN's partner banks. These banks are not only solid and well-run, but also trusted by the regulator and their communities. SPENN management has good relationships with the banks' executive management teams in each country.

SPENN went public in Denmark in 2021. In 2022, SPENN expanded its exposure to the global financial markets when it started trading on the OTC Markets (OTCQB) in the United States and further to the OTCQX in March 2023.

During 2022, we have expanded our partnerships to include both Mastercard and other household name partners in our markets.

I am pleased to chair a competent Board of Directors and would like to appreciate and acknowledge my board members for their contributions and cooperation in 2022. I would also like to acknowledge the SPENN team led by CEO Jens Glaso.

I look forward to continuing this journey to see where SPENN will take us.



## LETTER FROM THE CEO

## Our pathway to break-even

**Having spent great amounts on research and development, the SPENN platform has now reached a level which requires less cost-intensive ICT-resources. This lowers our cost base and paves the way for future profitability.**

We have, in many ways, reached a milestone in the development of the SPENN technology and the sustainability of our business. During the research and development phase, we have created a valuable and effective team of ICT developers which we will be able to further utilize by outsourcing as an alternative to downsizing. Capitalizing on this resource and keeping the ICT team available is part of our pathway to a profitable future.

More important are an increased user base and expansion of services provided in cooperation with partners. 2022 saw more of the latter.

The most exciting and promising new partnership is found in Nigeria, the most populous country on the African continent. NASENI-SPENN is a joint venture between the Nigerian National Agency for Science and Engineering Infrastructure (NASENI) and SPENN Technology. The new company is established to deliver a co-branded disbursement tool and consumer app specifically for salaries, pension payouts, social intervention, manufacturing, development finance schemes, and funding of the Federal Government of Nigeria, development partners and sub-national governments.

The joint venture is a testament to the financial technology solutions that SPENN has developed over the years, and which are now recognized as world-leading within their segments.

Going forward, we see continued growth through more similar partnerships for governmental disbursements, in addition to entry into new markets. We are keen on introducing SPENN in new countries on the African continent and other continents, to include more people in the financial system, and to offer products and services that are affordable for ordinary people and profitable for SPENN.

In 2022, we were proud to be recognized by fin-tech giant Mastercard on two occasions. SPENN Technology was selected to participate in Mastercard Start Path Crypto, a program providing access to partnership opportunities, insights, and tools to grow. Later, we announced a strategic partnership with Mastercard to enable SPENN Mobile Wallet users – even those without bank accounts – to make safe and seamless digital payments on the Mastercard network including international e-commerce transactions. Under the agreement, SPENN will launch a Mastercard virtual card, giving its Mobile Wallet App customers new ways to access and pay for products and services at the millions of e-commerce merchants that accept Mastercard.

Being recognized by global players such as Mastercard is a tribute to the SPENN organization and the progress we have made together in recent years.

SPENN was also the recipient of the “Best Financial Inclusion Initiative” award at the Zambia Ecommerce Awards.

I look forward to the next steps in the SPENN development!



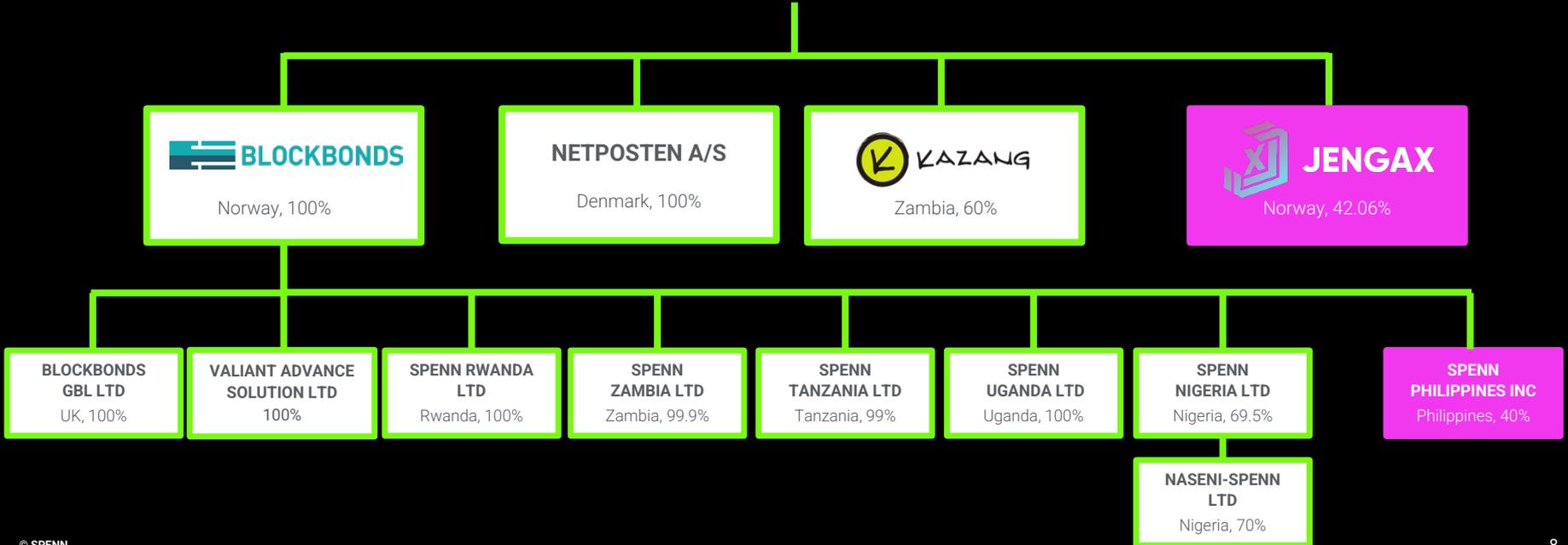
# SPENN Technology Company Structure



SPENN TECHNOLOGY A/S  
Parent company, Denmark

Subsidiary

Associated company





# 2022 AT A GLANCE

SPENN TECHNOLOGY  
ESTABLISHED



A JOINT VENTURE  
WITH NASENI



SPENN LOANS  
LAUNCHED



SPENN  
CONNECTED TO  
THE NATIONAL  
FINANCIAL  
SWITCH IN  
ZAMBIA

SPENN'S SHARE  
COMMENCED  
TRADING ON OTCQB  
IN THE US



SPENN SIGNED  
AGREEMENT WITH  
MASTERCARD



KEY FIGURES  
SPENN GROUP  
2022:

REGISTERED CUSTOMERS:

1,300,000+

REGISTERED AGENTS:

40,000+

MONTHLY TRANSACTIONS:

6,000,000+

TRANSACTION VOLUME (USD):

300,000,000+

## 2022 Financial Highlights – SPENN Group

DKK '000	2022	2021
Gross revenue*	168,729	18,222
Gross Cost of sales	-138,098	-15,084
<b>Net revenue</b>	<b>30,631</b>	<b>3,138</b>
Cost of sales	-6,019	-929
<b>Gross profit</b>	<b>24,612</b>	<b>2,209</b>
Other Income	<b>673</b>	<b>97</b>
Employee expenses	-32,087	-22,998
G&A expenses	-26,642	-42,765
<b>EBITDA</b>	<b>-33,444</b>	<b>-63,457</b>
Net other expenses / income	-40,216	61,635
<b>Net income</b>	<b>-73,660</b>	<b>-1,822</b>

The SPENN Group achieved its targets for 2022 and Turnover for the period increased to DKK 168.7 million, up from DKK 18.2 million in 2021. An increase driven by strong development in Kazang Zambia Ltd., which contributed with DKK 165.1 million to the group's gross revenue in 2022. DKK 3.6 million is represented by the group's other subsidiaries.

Net revenue for the period was DKK 30.6m resulting in a DKK 27.5m increase from revenue for 2021 which was DKK 3.1m.

For 2022, EBITDA ended with DKK -33.4m which was an improvement from 2021 with its DKK -63.5m. The company has had an increase in employee expenses as average headcount in the SPENN group increased from 229 to 275, to support the Company's development and growth, and a reduction in administrative expenses as the company monitors overheads.

The SPENN Group reported a net loss of DKK 73.7 million in 2022 compared to a loss of DKK 1.8 million in 2021, mainly driven by current year balance adjustments to group investments, and prior year adjustments reflecting non-recurring transactions undertaken.

\*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

# SPENN Group operations

**SPENN Technology A/S (“SPENN Technology”) is a FinTech group providing electronic banking and payments services. The group’s two primary solutions are the SPENN platform, a Software as a Service (SaaS) core banking platform and Kazang Zambia, its vendor terminal payments processor.**

SPENN is an advanced financial platform which drives financial inclusion through mobile banking applications and empowering businesses through payment services. The SPENN platform is developed by SPENN Technology subsidiary Blockbonds and licensed to top tier bank partners in the markets where the SPENN platform is launched. Launching the SPENN platform in partnership with a bank fast tracks the route to market, builds a stronger brand and initial presence in the market.

Kazang Zambia is an agnostic bank and wallet provider and B2B supplier of vendor terminals to agents and merchants used to process mobile money payments. Kazang Zambia has a strong foothold in Zambia. SPENN Technology’s banking and payments solutions are fully operational and live in Rwanda, Tanzania, and Zambia. Jointly, the products and services offered by the group strengthens the banking and payments proposition across customer segments.

## TARGET MARKETS

SPENN Technology’s target markets are in the introductory phase towards mobile payments and online banking. The cost of traditional banking services has prevented a large part of the population to access financial services.

The increasing mobile service penetration in emerging markets, growing smartphone ownership, rise of the e-commerce industry and increased adoption of mobile payments are all drivers that Kazang Zambia and the SPENN platform are uniquely placed to take advantage of. The market opportunity is very large, and competition remains low but increasing.

The digitised, efficient onboarding process that the SPENN platform has created for both consumers and businesses mean that it is the platform that will drive the trend toward a cashless society in SPENN Technology’s markets, further propelled by the agent and merchant acquiring proposition of Kazang Zambia. As the population of the markets in which SPENN Technology operates have become increasingly aware of the benefits that digital financial products can bring them, Kazang Zambia and the SPENN platform are becoming the clear number one solution for them. By introducing free real-time payments and transfers, the SPENN platform is reimagining the way in which users can manage their finances in emerging markets. In addition, the SPENN platform is transforming the way businesses can manage their finances through its innovative but easily operated business services. Furthermore



### INTEROPERABLE FINANCIAL ECOSYSTEM

The SPENN platform is a full-service financial platform that enables users to spend, save, borrow, invest and manage their money all in one place. Similarly, Kazang Zambia offers full interoperability for its agents and merchants to settle into any bank or mobile money account. SPENN Technology is continually improving its existing product suite and rolling out new products that increase the ability for businesses and consumers to manage all their finances and interact with the financial ecosystem.

### COMMERCIAL PARTNERSHIPS

SPENN Technology's core commercial partnerships are with top-tier banks in its target markets. SPENN Technology has a strong relationship with partner banks that in the case of the SPENN platform, offers the product to the markets in Rwanda, Tanzania, and Zambia, endorsed by the respective Central Banks and in the case of Kazang Zambia, holds the funds in trust. SPENN Technology is partnered with Access Bank and First Capital Bank in Zambia and I&M Bank in Rwanda and Tanzania.

In addition, SPENN Technology works with other key commercial partners that enable it to build the financial ecosystem. Through its current relationships, SPENN Technology has demonstrated a product/market fit and ability to work with multiple different stakeholders in innovating and developing products to meet the needs of customers regardless of their financial status, from low-income households to businesses.

### KAZANG ZAMBIA AND SPENN BUSINESS SERVICES

In late 2021, SPENN Technology placed a strategic focus on the development and marketing of its SPENN Business services; SPENN Connect and SPENN Flow. These services are crucial to the financial ecosystem which the SPENN platform is creating as they seamlessly connect businesses and consumers.

SPENN Connect links businesses with the SPENN platform, enabling users to transact directly with businesses from their SPENN wallet. The value of the SPENN platform lies in enabling its users to use their SPENN wallet for all necessary financial transactions, and SPENN Technology's business services facilitate this.

SPENN Flow enables businesses to disburse funds to SPENN users in an efficient and automated manner. The value lies in the additional SPENN services that beneficiaries can easily access when receiving payments directly into their SPENN wallet.

Kazang Zambia links SPENN users with any of its more than 10,000 agents and merchants with a vendor terminal, enabling cash in or cash out or payment for goods and services with settlement into any bank or mobile money account.

### COMPETITION

SPENN Technology is forging its own path by providing users with free or low-cost transactions and developing a suite of services that enable customers to conduct instant payments and interact with the financial ecosystem. The current market is dominated by mobile network operators who are dependent on charging high transaction fees to end users for their mobile money services.

By being network agnostic, users of Kazang Zambia and the SPENN platform are not tied to a specific mobile network and through its partnerships with reputable banking partners, SPENN Technology is able to offer a broader set of products to consumers and businesses to capture a larger cross section of society.



# SPENN Group outlook for 2023

**In 2023, SPENN Technology will continue to leverage the strong partnerships with bank partners in its markets to continue developing the SPENN financial ecosystem and Kazang Zambia network where businesses, consumers, agents, and banks can transact seamlessly and instantly.**

SPENN Technology will continue to work on unlocking synergies and operational efficiencies between SPENN Zambia and Kazang Zambia. The target for Kazang Zambia is to roll 30,000 new vendor terminals throughout Zambia in 2023. Kazang Zambia expect significant growth in all product lines, most notably through NFS transactions and leveraging its network to increase traffic for SPENN Zambia. Furthermore, SPENN Technology are currently planning to introduce additional capability to the Kazang Zambia vendor terminals to further strengthen the value proposition to agents and merchants, as well as to replicate its business model to other markets where SPENN Technology is operational.

SPENN Technology will also continue to execute the 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 through the SPENN Flow product. SPENN Business Services is expected to generate strong revenue growth in 2023. SPENN Technology is also looking to increase its strategic partnerships with either local or regional footprint as the foundation for building the wider SPENN ecosystem of consumers, merchants, and agents.

These growth strategies, coupled with new products like virtual cards,, cross border remittances, and others in the pipeline, will give more value-added services to both businesses and their employees, while automating manpower-intensive processes, and put SPENN Technology in a good position for growth in 2023.

## PRODUCT DEVELOPMENT - SPENN SAVINGS LOANS

SPENN Rwanda launched SPENN Loans to the public in Rwanda on 10th March 2022. The SPENN Loans product is SPENN Technology's first credit facility, delivered in partnership with I&M Bank Rwanda, and gives SPENN users the ability to obtain credit on short notice based on collateral held within their SPENN Savings Account. Eligible customers can take out loans of up to RWF 500,000, cost-free for the first 14 days.

The product has seen significant traction in its first year with a total of 9,500 loans with total notional of 2.9 million USD issued at the end of Q4 2022. During 2022 significant product improvements were made such as a more robust credit scoring model and the product has now been tuned for scale. SPENN Technology expects the lending product to continue to be an important revenue driver in 2023, further strengthened by launching additional credit products.



### PRODUCT DEVELOPMENT – SPENN SALARY LOANS

Building on the success of the SPENN Savings loan in Rwanda, SPENN Technology plans to launch additional credit facilities across all operational markets. The next credit facility in the development roadmap for 2023 will be a loan backed by salaries paid using the SPENN Flow product.

This product will improve the value proposition towards both businesses and consumers as it will make it more attractive for consumers to receive their salary on SPENN which in turn will drive further adoption of SPENN Flow in the business segment.

### PRODUCT DEVELOPMENT – VIRTUAL CARD

SPENN Technology signed an agreement with Mastercard during 2022 which will enable SPENN users to make safe and seamless digital payments on the Mastercard network including international e-commerce transactions.

Under the agreement, SPENN Technology will launch a Mastercard virtual card, giving users new ways to access and pay for products and services at merchants that accept Mastercard. The virtual card is expected to generate significant revenue once released during 2023.

### MARKET EXPANSION

The nature of the uniquely scalable SPENN and Kazang Zambia platforms is that market expansion is a crucial part of the company's ongoing growth strategy and development. SPENN Technology has demonstrated its ability to successfully launch and scale across three different markets to date and has already announced its intention to launch in Nigeria and Uganda. Nigeria will be launched in partnership with the Nigerian National Agency for Science, Engineering Infrastructure (NASENI), thus securing a significant user base from start. The company is targeting launching in Nigeria in March/April 2023.

In addition, Mozambique and the Philippines are also of interest as the management consider the financial inclusion and business demographics to be favourable for a market entry there. SPENN Technology is projected to access a first mover advantage when entering new markets and continue to drive user growth, financial inclusion, and revenue.

### MERGERS AND ACQUISITIONS

SPENN Technology's acquisition of Kazang Zambia in 2021, is part of a broader strategy that the management want to take further in 2023. This strategy will consist of making timely acquisitions that will enhance and enable the SPENN platform's value proposition. SPENN Technology will look to continue to make acquisitions that will generate synergies for its core product offering and provide quick access to market for complementary products and solutions.

### CAPITAL RAISE

To capitalise on the position that SPENN Technology has established and maximise the long-term value creation for the current shareholders, SPENN Technology intends to complete a capital raise during 2023 in order to maintain the growth momentum, further expansion to new markets, and additional product development. This will enable SPENN Technology to secure the foundation for continued high growth rates in 2024 and beyond.

### FORWARD-LOOKING STATEMENTS

Statements about the future expressed in the annual 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 in the management report.



# **SPENN MARKETS, PRODUCTS AND SERVICES**

# Zambia



In late 2021, SPENN Technology A/S acquired 60% of the shares in Kazang Zambia Ltd in order to increase its distribution and to develop Kazang Zambia further. This is now well underway and the Kazang acquisition is already proving to be successful with increased profitability.

## THE BUSINESS

Kazang Zambia is a B2B supplier of vendor terminals to agents and merchants, which facilitate mobile airtime purchases, data bundles, electricity, TV subscriptions, cash in and cash out ("CiCo") services and processing of merchant payments at supermarkets, restaurants and gas stations. Kazang Zambia has around 15,000 active vendor terminals and processes more than 100,000 transactions per day and is currently growing at a rate of 1,500 vendor terminals per month.

## KAZANG ZAMBIA'S GROWTH IN TRANSACTION THROUGHPUT AND RESULTING PROFIT

Kazang Zambia has continued its growth in 2022, with a transaction throughput for the year of ZMW 10,645,440,695 this is an increase of 162% compared to 2021. This growth has been fuelled by the increase in the usage of mobile money in terms of CiCo and merchant payments (Visa like transactions but processed on the various mobile money platforms (Airtel, MTN, SPENN and Zamtel). The Zambian mobile money market is increasing its reach to high volume low margin sectors like the energy sector (payments for fuel), farming inputs and rates and taxes paid to the town councils. Kazang Zambia profit has increased by 341% from 2021 to 2022.

## KAZANG ZAMBIA AND SPENN SYERGIES

Kazang Zambia continues to support SPENN in customer acquisition through implementation of the SPENN agent App on the Kazang machine (allowing Kazang Zambia agents to register SPENN end-users) across more than 10,000 agents. SPENN uses the NFS integration of Kazang Zambia to transfer funds from SPENN to other mobile wallets in Zambia.



# SPENN RWANDA

Revenue growth  
**+700% increase  
YoY**



2022 was the best year in terms of revenue with an increase of 710% mainly driven by a new revenue stream (microlending). SPENN Rwanda furthermore grew the team and increased the services offered to customers. 2022 was also characterized by improvements of the distribution network and the agent app, the platform for business customers - SPENN Flow and SPENN Connect.

Several new products and features were added to the platform in partnership with I&M Bank Rwanda and there was a successful pivot toward the new strategy of focusing more on businesses. As a result of new features and functionalities added to the app, it is more user friendly, and with USSD it is now available to a much larger portion of the Rwandan population.

# SPENN TANZANIA

Revenue growth  
**+20% increase  
YoY**



2022 was the year for SPENN Tanzania to pivot to business services from the consumer centric approach. However, due to very restrictive guidelines on agent acquisition from our partner bank I&M, our agent network has not grown as quickly as anticipated which impacted growth in the business segment.

Despite this challenge, SPENN Tanzania has acquired a number of business customers who see the value in leveraging SPENN's affordable and flexible platform to increase the reach of their business.

SPENN Tanzania's partnership with CRDB continues to allow any user to deposit through its network. In addition to CRDB, SPENN is also leveraging its partnership with Selcom to allow SPENN users access to 75,000 merchants nationwide, and it is currently working on a new integration with Selcom that would enable SPENN users to its network of 50,000+ agents.

# SPENN ZAMBIA

Revenue growth  
**+40% increase  
YoY**



SPENN Zambia had a 42% year on year increase in revenue in 2022 mainly driven by revenue through fees charged to Access Bank but also through businesses using SPENN Flow and Connect. The sales team focused on the security, hospitality, agriculture and micro finance sectors during the year.

2023 Revenue projections are high for SPENN Zambia as the launch of new features such as additional bill payments and bulk NFS on the SPENN Flow tool and simplified KYC. In addition, the introduction of JengaX on the consumer app to enable users to buy and sell crypto is expected to increase usage and transactions significantly.

SPENN Zambia is actively pursuing statutory payments through Zambia Revenue Authority and National Health Insurance Management Authority in 2023 as well, which will drive revenue positively.

# Nigeria



# NASENI~SPENN

NATIONAL AGENCY FOR SCIENCE AND  
ENGINEERING INFRASTRUCTURE

## THE BUSINESS

NASENI-SPENN is a joint venture between SPENN Technology and the Nigerian National Agency for Science, Engineering Infrastructure (NASENI) to address the Nigerian payments market. Drawing on SPENN's extensive experience of designing, developing and deploying financially inclusive solutions in other markets, NASENI-SPENN is launching a nationwide monetary disbursement tool specifically to enable Ministries, Agencies and Departments (MDAs) the ability to transfer salaries, intervention funds, pensions and subsidies to their beneficiaries directly through their NASENI-SPENN wallet. Substantial value will be also be driven to the bank partner(s) through the substantial deposit/float generation from the disbursements.

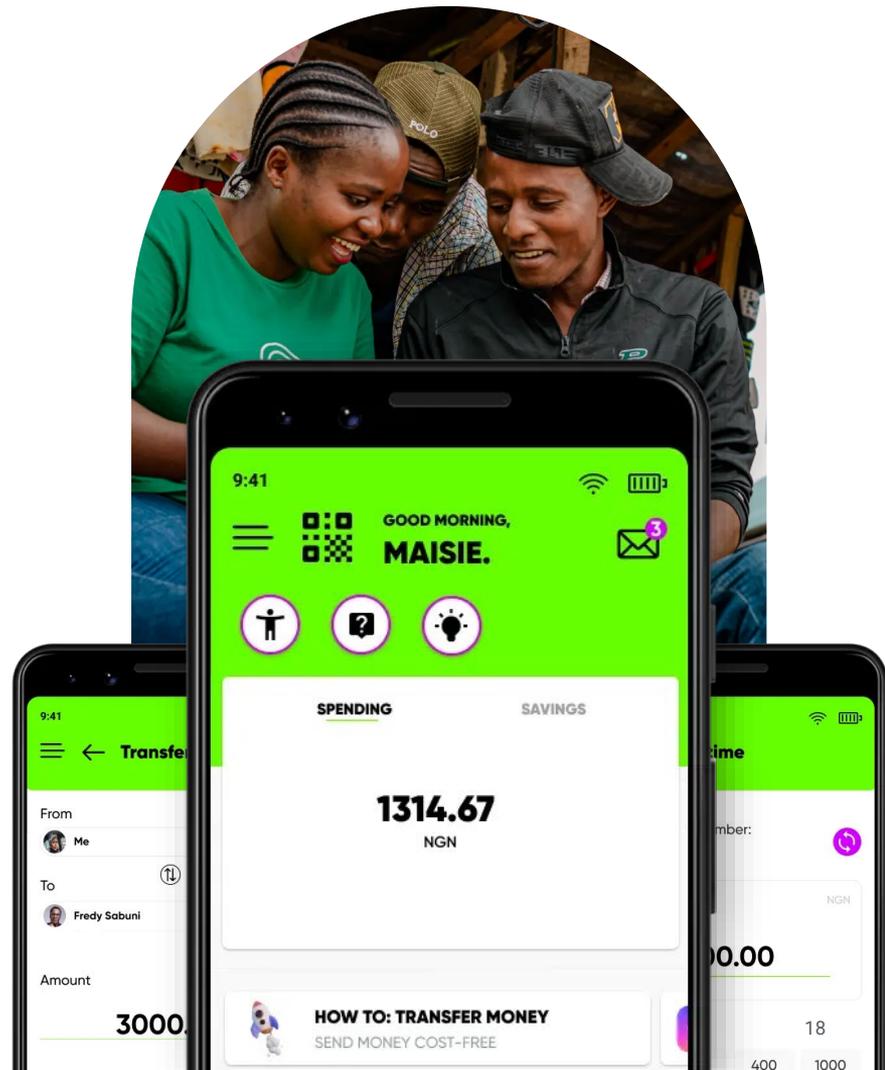
## NASENI-SPENN's UNIQUE POSITION

Despite good intentions to disburse pensions, subsidies and other intervention funds, recipients still face many challenges such as limited financing and payment services, low-end phone technology and poor access to markets and distribution. The NASENI-SPENN disbursement tool will ensure funds are delivered to targeted recipients without friction and for less than what the Government is currently paying per transaction. This is accomplished by onboarding both the MDAs and recipients on to the SPENN platform thus generating significant float capital for SPENN and partner banks and bypassing the necessity for off-platform transaction fees. Additionally, this creates an additional opportunity to introduce other Value-Added-Services such as bill payment, interest-bearing savings and loan servicing.

## THE OPPORTUNITY

What the partnership will accomplish is an order of magnitude improvement in terms of cost-savings and convenience for all stakeholders involved – from the agencies, partner banks, and most importantly to the beneficiaries who need it the most.

NASENI-SPENN initially targets disbursing to 10,000,000 beneficiaries by Q1 2024 which will generate a direct revenue of approximately USD 450,000 per month from the disbursements alone.



# SPENN Savings Loans

## A UNIQUE SHORT-TERM LOAN FACILITY

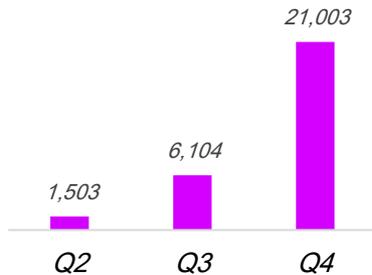
The SPENN savings loan is an instant digital loan accessible to SPENN users in Rwanda and backed by their savings. A user can borrow 2 times their amount of savings up to 500,000 FRW (approximately 500 USD) for a duration of 90 days. The bank partner takes on the credit risk associated with the SPENN savings loan product in Rwanda.

One unique feature of SPENN savings loan is that it can be borrowed without interest if repaid within 14 days.

Using an AI-powered risk reduction engine, leveraging savings behaviours as well as data from the Credit Reference Bureau (CRB) and previous lending history. SPENN has created a tiered scoring method providing our users the ability to build their credit score in a simple way.

A total of 9,500 loans with total notional of 2.9 million USD has been issued at the end of Q4 2022. The product has now been tuned for scale.

REVENUE SPENN SAVINGS LOANS (USD)



### Great user experience

Very easy to apply for a loan. It takes less than 1 minute from start to finish!



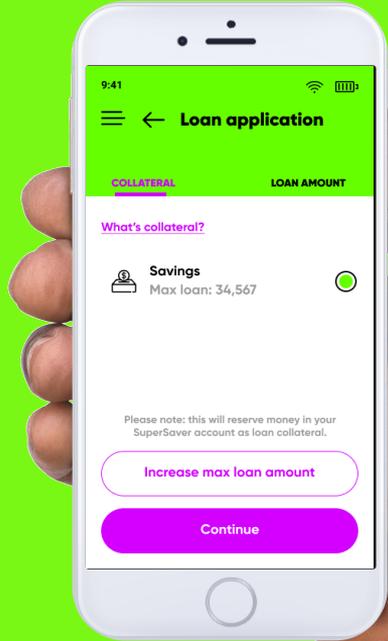
### Instant payout

Successful loan applications are paid out instantly!



### Access liquidity

An affordable loan for everyone, interest free for the first 14 days!



# Corporate Governance

The management structure of SPENN Technology is two-tiered and consists of the Board of Directors and the Executive Management. Board of Directors is ultimately responsible for the conduct of SPENN Technology.

The Board of Directors of SPENN Technology is responsible for its management and organisation, 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 SPENN Technology. The Board of Directors currently consist of five 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 SPENN Technology's operations. It consists of CEO, CFO, COO, CTO, CLO, CMO and CPO.

## INTERNAL CONTROL

To fulfil an internal control function, Head of Compliance and Head of Internal Control is present for SPENN Technology and the entire SPENN 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 fulfils all day-to-day control functions and support the compliance function..



# Corporate Governance



## DANISH CORPORATE GOVERNANCE RECOMMENDATIONS

In its conduct, SPENN 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 SPENN 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
 <p><b>Karl-Anders Grønland</b></p> <p>Chairman of the Board since 2021</p> <p>Cand. Jur from the University of Oslo (Law)</p> <p>Owns 57,956,778 shares, equal to 2.42%</p>	<ul style="list-style-type: none"> <li>- Lawyer and partner at SBG Storløkken AS, former judge</li> <li>- Additional education in economics (Norwegian School of Economics and Business Administration)</li> <li>- Former secretary for the Norwegian Public Limited Liabilities Companies Act Commission that submitted its report to the new Norwegian Public Limited Liabilities Companies Act, NOU 1996:3</li> <li>- Author of several books and articles on legal matters</li> <li>- Is on the board of 13 companies, of which he is the chairman in ten</li> </ul>	<ul style="list-style-type: none"> <li>- Ola Lompa AS (NO)</li> <li>- Ola Lompa Eiendom AS</li> <li>- Advokatfirmaet Sgb Storlykken AS (NO)</li> <li>- Blockbonds Global LTD (UK)</li> <li>- Montebello Vinselskap og invest AS</li> <li>- Envirom Group AS</li> <li>- R-Venture AS (NO)</li> <li>- 24Seven Office Group AB (publ.) (SE)</li> <li>- Magnum No AS (NO)</li> <li>- Blockbonds AS (NO)</li> <li>- Prodvance AS (NO)</li> <li>- Norwegian Association of Small &amp; Medium enterprises (SMB Norge) (NO)</li> <li>- Induct AS (NO)</li> <li>- Sitma AS (NO)</li> <li>- Spenn Nigeria Ltd. (NG)</li> <li>- Naseni Spenn Ltd. (NG)</li> </ul>
 <p><b>Petrus J. van der Walt</b></p> <p>Board member since 2021</p> <p>B.Comm &amp; Honns. B.Acc. &amp; M.Comm., North-West University</p> <p>Executive Master's Degree in Social Science - HEC School of Management, Paris</p> <p>Chartered Accountant (SA) Public Accountants and Auditor's Board</p>	<ul style="list-style-type: none"> <li>- Experienced banking executive and community developer with an extensive career at top-level positions at various banks in South Africa and Zambia</li> <li>- From 2018 served as an Executive Consultant and later CEO of Cavmont Bank Ltd in Zambia</li> <li>- Expert in corporate leadership and the areas of operational and commercial banking, deep understanding of the importance of financial inclusion for low-income communities</li> </ul> <p>Petrus J. van der Walt was elected as a member of the Board of Directors on 9th of December 2021</p>	<ul style="list-style-type: none"> <li>- Tunica Trading 14 (Pty) Ltd (ZA)</li> <li>- P.J van Der Walt Beleggings CC (ZA)</li> <li>- MSGD Investment Holdings (Pty) Ltd (ZA)</li> <li>- Leadership Strategic Partners (Pty) Ltd (ZA)</li> <li>- AGD Holdings (Pty) Ltd (ZA)</li> <li>- FWCP Services (Pty) Ltd (ZA)</li> <li>- Batro Trust (ZA)</li> <li>- Van der Walt Familie Trust (ZA)</li> </ul>

Director	Competences	Directorships	Director	Competences
 <p><b>Magne Frøtheim</b> CTO, board member since 2021 Bachelor's degree in Engineering (IT), Høgskolen i Gjøvik, Norway Owns 44,984,704 shares, equal to 1.88%</p>	<ul style="list-style-type: none"> <li>- More than 20 years of experience within IT, working within sectors such as banking and telecoms</li> <li>- Strong knowledge of database systems, outsourcing, insourcing and IT operations. Worked extensively with distributed teams</li> <li>- Broad experience from regulatory tech discussions</li> <li>- Member of The European Crowdfunding Network's Blockchain Working Group.</li> </ul>	<p>Distinct AS (NO)</p>	 <p><b>Adiam Negassie</b> Board member since 2021 Degree in Computer Engineering Owns 8,135,226 shares equal to 0.34%</p>	<ul style="list-style-type: none"> <li>- More than 15 years' experience from the oil &amp; gas and IT industry, with extensive experience in operations, business development and strategy</li> <li>- Held various positions within project management, business development and management, including project manager and tender manager of engineering projects (EPC) in a large oil &amp; gas company.</li> <li>- Successfully built the APAC division of a large Norwegian IT company OneOcean AS, a subsidiary of the OneOcean Group Ltd, where she served as CEO.</li> <li>- Passionate about sustainable technologies and is currently serving as a business development director for a waste to energy company.</li> </ul>
 <p><b>Jan F. Andersen</b> 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</p>	<ul style="list-style-type: none"> <li>- Experience within management, business development, operation, finance and investment in digital and internet-based soft-ware, financial, consultancy and media companies</li> <li>- 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</li> <li>- 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</li> <li>- Holds management positions within SPENN Technology A/S and Netposten A/S.</li> </ul>	<ul style="list-style-type: none"> <li>- Netposten A/S (DK)</li> <li>- F. Andersen Management ApS (DK)</li> <li>- MarkZero ApS (DK)</li> </ul>		

# 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 SPENN Technology.

## RISK:

### Risk relating to SPENN mobile banking application growth and development

Description	Mitigation
<p>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.</p> <p>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.</p>	<p>SPENN continuously seeks new opportunities and create networks to understand and potentially enter new markets, based on its development strategy.</p> <p>In existing markets, SPENN 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.</p> <p>Dedicated Product department constantly develops the product offering, observing customer needs, addressing financial inclusion challenges, and ultimately expanding the customer base.</p> <p>Key to the product expansion efforts are stable and positive relationships with financial institutions in every local market.</p>

## RISK:

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

Description	Mitigation
<p>The Group's strategy in relation to the SPENN mobile banking platform involves its SPENN subsidiaries working with local banking partners to hold SPENN customer funds. SPENN 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 SPENN 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.</p> <p>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 SPENN and its ability to fulfil customer obligations.</p> <p>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.</p>	<p>SPENN enters into agreements with local banks upon a thorough due diligence being conducted on potential partners. Only reputable, well-established institutions are considered.</p> <p>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 SPENN teams.</p> <p>To balance any dependency, SPENN seeks to widen its customer base and geographical footprint through new product features and new distributor relationships and partnerships.</p>

**RISK:**  
Regulatory Risks

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

Description	Mitigation	Description	Mitigation
<p>Changes in applicable law and regulation in the jurisdictions where the Group has activities with SPENN 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 SPENN Technology to maintain local subsidiaries' relationship with the partner banks and have an adverse effect on operations and earnings.</p> <p>Changes in tax regulations can have a negative impact on earnings for SPENN 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.</p> <p>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.</p>	<p>SPENN actively engages in dialogue with the relevant authorities to mitigate such risk.</p> <p>SPENN 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.</p>	<p>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.</p> <p>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.</p> <p>There is a risk that, as the business offerings of SPENN 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 SPENN Technology from consumers and third parties alike.</p>	<p>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.</p> <p>Blockchain technology used is tamper-proof and storage of data is designed in a way minimising any risk of data breach or data loss.</p>

**RISK:**  
Competitors

**RISK:**  
Reputational risk

Description	Mitigation	Description	Mitigation
<p>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.</p>	<p>SPENN constantly monitors the competitive situation and initiatives in the markets, ensuring ability to answer any potential threats promptly.</p> <p>Additionally, SPENN protects its IP rights by ensuring available level of IP protection is secured and confidentiality agreements are in place where necessary.</p> <p>Furthermore, SPENN constantly develops its product offering to maintain competitiveness and attract new customers.</p>	<p>There is a risk that product users could use it to commit fraud which could damage the reputation of SPENN 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.</p> <p>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).</p>	<p>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.</p> <p>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.</p> <p>The Compliance Management System has been endorsed by central banks of each country where the SPENN platform is live.</p>

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>

**SPENN Technology A/S Consolidated  
and Parent Company**

**FINANCIAL  
STATEMENTS**

# SPENN Technology - Group Structure

## SUBSIDIARIES

SUBSIDIARIES NAME	REGISTERED ADDRESS	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 %

SUBSIDIARIES OF BLOCKBONDS AS	REGISTERED ADDRESS	REGISTERED OFFICE	SHARES HELD
Blockbonds Global Ltd	16-19 Eastcastle Street, London, United Kingdom	United Kingdom	100 %
SPENN Rwanda Ltd	Norrskan - 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, Nigeria	Nigeria	69.5%
SPENN Uganda Ltd	Kingdom Kampala Building, 10th floor, Nile Avenue, Kmpala Central, Uganda	Uganda	100 %
Valiant Advance Solution Ltd	Counting House Square Unit 1, Suite A Thabo Mbeki Road, Lusaka, Zambia	Zambia	100 %

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

Subsidiaries are included in the consolidation.

## ASSOCIATED COMPANIES

ASSOCIATED COMPANIES NAME	REGISTERED ADDRESS	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 SPENN Technology A/S for the financial year 1 January – 31 December 2022.**

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 2022 and of the results of the Group's and the Company's operations and cash flows for the financial year 1 January – 31 December 2022.

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 6 April 2023.

Copenhagen, 23 March 2023

## EXECUTIVE BOARD:

CEO, Jens Bjarne Glaso

## BOARD OF DIRECTORS:

Karl Anders Gronland (Board Chairman)

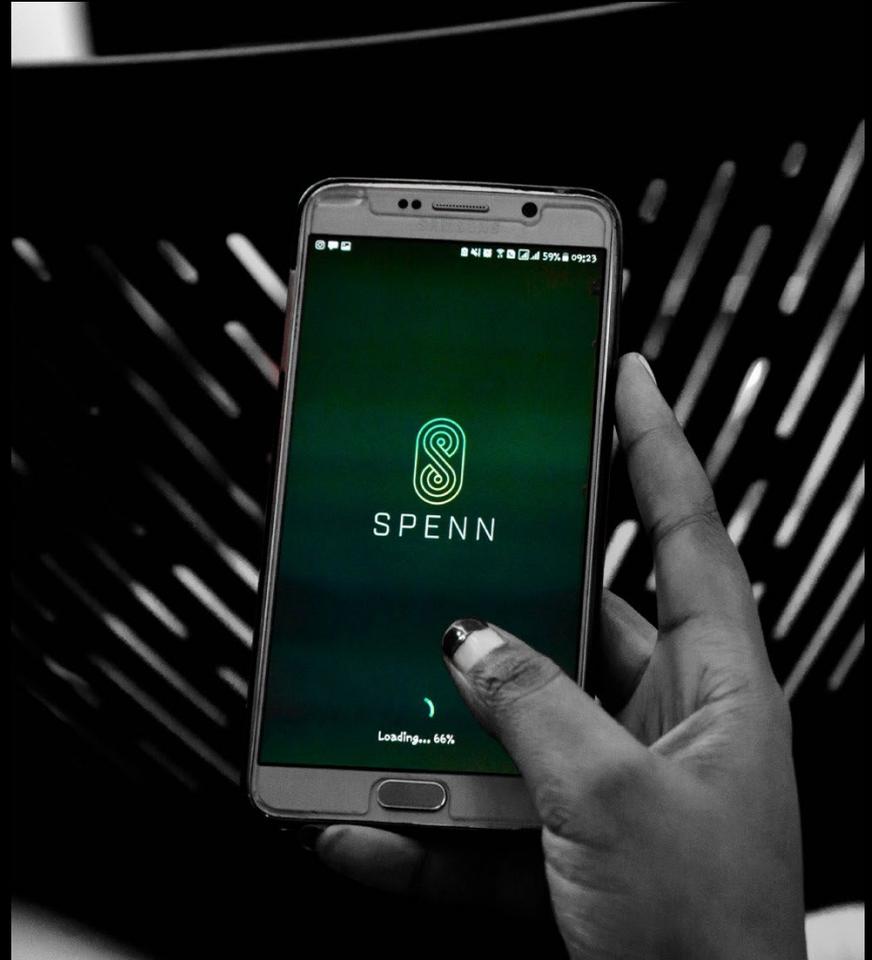
| Adiam Nardos Negassie

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.



# Independent Auditor's Report

## To the Shareholders of SPENN Technology A/S

### OPINION

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of SPENN Technology A/S for the financial year 1 January - 31 December 2022, 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 2022, 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 2022 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 Company 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 scepticism 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's Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's 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's commentary and, in doing so, consider whether Management's 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's commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's 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's commentary.

Copenhagen, 23 March 2023  
 BDO Statsautoriseret revisionsaktieselskab  
 CVR no. 20 22 26 70  
 Brian Olsen Halling  
 State Authorised Public Accountant MNE no. mne32094

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

## DEVELOPMENT IN ACTIVITIES AND FINANCIAL AND ECONOMIC POSITION

On January 6, 2022, it was announced that SPENN Technology sold a 10 percent stake in subsidiary JengaX for approximately NOK 20 million, based on a valuation of JengaX at NOK 200 million. This was part of a strategic move to spread the JengaX share across a greater number of investors in preparation of the announced OTC listing of JengaX.

On January 21, 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.

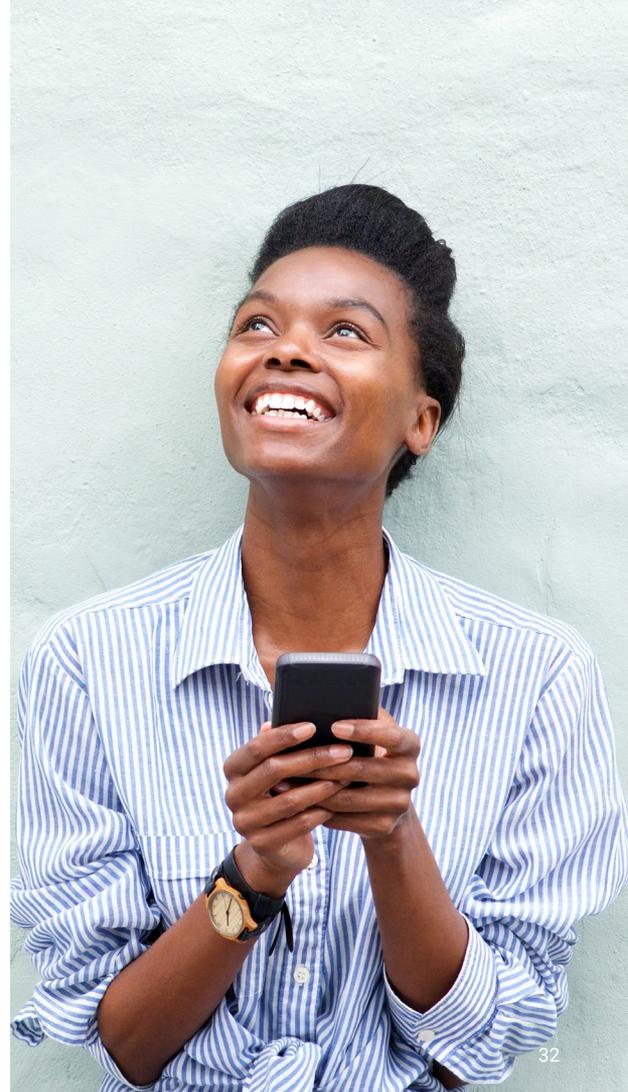
SPENN Uganda was registered on the March 23 as part of the expansion of the SPENN platform. The majority shareholding is by Blockbonds AS with Blockbonds AS owning 99,995 shares and Jens Glaso owning 5 shares.

SPENN Nigeria was registered on July 7, as a private limited company. it is 69.5% owned by Blockbonds, AS and 30.5% owned by three other parties. SPENN Nigeria is a holding company of NASENI-SPENN Ltd.

On October 27, 2022, NASENI-SPENN Ltd was registered as a joint venture between the Nigerian National Agency for Science and Engineering Infrastructure (NASENI) and SPENN Technology. NASENI-SPENN will deliver a co-branded disbursement tool and consumer app specifically for salaries, pension payouts, social intervention, manufacturing, and agricultural subsidies. SPENN Nigeria has a 70% stake in NASENI-SPENN and NASENI has a 30% stake.

Valiant Advance Solution Ltd was registered on December 22, 2022. It is 100% owned by Blockbonds AS. Valiant Advance Solutions' focus is to provide microloan services to the Zambian market.

On December 28, 2022, SPENN shares began trading on the OTCQB Venture Market list in the US ("Ticker: SPENNF"). This dual listing of the share is to increase visibility and investor accessibility in the US market



On December 29, 2022, an extraordinary general meeting gave authorization to the Board of Directors of SPENN Technology to issue convertible debentures in the amount of NOK 30 million. The amount corresponds with the interest from a group of investors that secures further funding for continued development of SPENN Technology. The debentures are issued with an 8 per cent interest rate for an 18-month term.

During 2022 Spenn Technology sold a total of 1,001,433 JengaX shares, as part of the group strategy.

## 2022 FINANCIAL RESULTS

The Company reported a loss of t.DKK 73,660 in 2022 compared to a loss of t.DKK 1,822 in the prior year, mainly driven by current year balance adjustments to group investments, and prior year adjustments reflecting non-recurring transactions undertaken.

Gross revenue increased to t.DKK 168,729, from t.DKK 18,222 in 2021, representing a full year of Kazang Zambia operations, and revenue from the launch of new SPENN products.

Net revenue for the period increased to t.DKK 30,631 from t.DKK 3,138 in 2021, driven by Kazang Zambia at t.DKK 27,026, t.DKK 3,313 from Blockbonds Group and t.DKK 292 from Netposten A/S. Employee expenses amounted to t.DKK 32,087 (2021: t.DKK 22,998) as headcount in the SPENN group increased from 229 to 275 employees. General and administrative expenses amounted to t.DKK 26,642 (2021: t.DKK 42,765).

## RESEARCH AND DEVELOPMENT

The company continues to spend on developing its application and services within. This is expected to continue as new services and products are brought online, and different market dynamics present different product opportunities.

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

Basic Earnings per share for the year ended 31.12.22*	-0.03
(DKK)	

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

## FUTURE DEVELOPMENTS

The SPENN Group is growing and continuing its expansion to further countries through its subsidiaries. It is expected that the Company's assets will grow and investing activities will increase in 2023. The company expects revenue to grow as it enters more markets, namely Nigeria, as it increases its userbase in current markets and as Kazang Zambia increases its agent network during 2023. If the company continues to develop as it has shown the signs of in the previous 12 months, and anticipated agreements are achieved, the company estimates EBITDA to reduce again to a range of mDKK -15 to mDKK -25, but if the company reduce their IT expenses, a lower negative result or perhaps even a positive result including Kazang Zambia may be achieved

## ASSETS

As of 31 December 2022, the Company's total assets amounted to t.DKK 266,937 (2021: t.DKK 131,184). The Company's intangible assets at the period end were t.DKK 96,162 (2021: t.DKK 53,328) where Goodwill from the acquisitions during 2022 represented t.DKK 36,554. Current assets at the period end were t.DKK 89,103 (2021: t.DKK 78,429). The Company had cash and cash equivalents at the period end of t.DKK 33,787 (2021: t.DKK 16,336).

## EQUITY AND LIABILITIES

As of 31 December 2022, total shareholders equity amounted to t.DKK 186,378 (2021: t.DKK 105,238). The increase in equity is mainly due to the transaction between the Company and Blockbonds completed on 30th of June 2021. Total liabilities at the period end amounted to t.DKK 91,524 (2021: t.DKK 40,935), consisting largely of trade payables at t.DKK 54,539.

## CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to t.DKK 3,988 mainly due to the disposals of group assets and increased liabilities due at year end. Cash flow from financing activities for the period was t.DKK 23,831, mainly attributed to the Convertible debt raised in the group during 2022. The total net cash flow for the period ending was t.DKK 17,451 (2021: t.DKK 9,469).



## TREASURY SHARES

The company has 5,100 ordinary shares held in treasury. The shares have the same voting rights as all other ordinary shares.

The company also holds 10,498,582 ordinary shares on behalf of investors. Voting rights are deferred to the beneficial owners of these shares.

## SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

On 1 January 2023, Helge Dalen was appointed CFO, replacing Staffan Herbst.

On 10 February 2023, the Board of Directors decided to execute on the decision taken during the extraordinary general meeting on 25 January 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 10 March 2023, SPENN Technology began trading on the top tier of US marketplaces (OTCQX) for trading over-the-counter stocks. SPENN 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.

## 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 SPENN 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 are 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.

### 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. These projections are used to indicate that the company expects to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances. Given that the company is in a rapid expansion phase with geographical expansion in multiple markets simultaneously and similarly within products, the company has a significant funding need to cover investments and running expenses, as the Company is currently not generating any positive cash flow. This poses a liquidity risk for the Company, as lack of funds could jeopardise expansion plans, commercialisation as well as the going concern itself.

### 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, such as Covid-19, which could affect performance of the subsidiaries and thus the credit risk of the Company. The notes to the Company's financial statements include details of its credit risk and provide further information, not included here.

### 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 expectations in 2022 and the Company is well positioned for future growth. However, there is still uncertainty attached to how cash flow will develop in future. Specifically, impacts of unknown events on the operational capacity of the business, access to liquidity and capital, contractual obligations, asset valuations, other critical accounting judgements, forecast uncertainty and how these can affect liquidity have been considered.

The Company will need to raise capital during 2023 to fully support its expansion and growth plans. Additionally, the Company also has access to loan facilities and has investments that could be sold to raise other forms of liquidity if a capital raise was delayed during the year. The Company has had interest expressed by investors, both old and new in participating in a fund raise in the future.

Taking the above factors into consideration, the board and management considers that the going concern conditions are satisfied and the financial statements are prepared on this basis.

# Income Statement

## 1 January – 31 December 2022

DKK '000	SPENN GROUP			PARENT COMPANY	
	Note	2022	2021 *Restated	2022	2021 *Restated
<b>REVENUE</b>	1	30,631	3,138	0	0
Cost of sales	2	-6,019	-929	0	0
<b>GROSS PROFIT</b>		<b>24,612</b>	<b>2,209</b>	<b>0</b>	<b>0</b>
Employee expenses	3	-32,087	-22,998	-1,242	-1,295
Administrative expenses		-26,642	-42,765	-6,620	-3,864
Depreciation, amortisation		-11,365	-3,025	-20	-169
Other income		673	97	0	0
<b>OPERATING PROFIT/(LOSS)</b>		<b>-44,809</b>	<b>-66,482</b>	<b>-7,882</b>	<b>-5,328</b>
Income from investments in group enterprises	4	0	36,758	-53,872	-19,504
Loss from investments in associates	5	-8,485	-441	-8,341	0
(Loss)/income from other investments and receivables classified as non-current	6	-9,828	12,659	11,328	12,659
Other financial income	7	5,282	1,453	0	229
Financial expenses	8	-4,902	-640	-1,236	-273
Gain on bargain purchase		0	14,927	0	14,927
Impairment expense		-7,721	0	0	0
Gain on disposal		16	-12	0	0
<b>PROFIT/LOSS BEFORE TAX</b>		<b>-70,447</b>	<b>-1,778</b>	<b>-60,003</b>	<b>2,710</b>
Tax on profit/loss for the year	9	-3,213	-44	0	0
<b>PROFIT/LOSS FOR THE YEAR</b>	10	<b>-73,660</b>	<b>-1,822</b>	<b>-60,003</b>	<b>2,710</b>

\*Details on restatement available in note 27

# Balance Sheet at 31 December 2022

DKK '000	Note	SPENN GROUP		PARENT COMPANY	
		2022	2021 *Restated	2022	2021 *Restated
<b>ASSETS</b>					
Research and Development		26,565	19,692	0	0
Goodwill		58,116	3,985	0	0
Other intangible assets		24,753	27,555	0	0
<b>Intangible assets</b>	<b>11</b>	<b>109,434</b>	<b>51,232</b>	<b>0</b>	<b>0</b>
Property, plant and equipment	<b>12</b>	14,396	9,366	8	28
<b>Property, plant and equipment</b>		<b>14,396</b>	<b>9,366</b>	<b>8</b>	<b>28</b>
Investments in subsidiaries	13	0	0	130,450	210,137
Investment in associates	14	60,630	36	19,812	36
Participating interests, Govt bonds	14	6,646	6,799	0	0
<b>Financial non-current assets</b>		<b>67,276</b>	<b>6,835</b>	<b>150,262</b>	<b>210,173</b>
<b>NON-CURRENT ASSETS</b>		<b>191,106</b>	<b>67,433</b>	<b>150,270</b>	<b>210,201</b>
Inventories	16	5,017	5,342	0	0
Trade and other receivables		37,192	54,036	29,155	44,792
<b>Receivables from group entities</b>		<b>0</b>	<b>0</b>	<b>36,125</b>	<b>0</b>
Other Assets		944	8	0	0
Deferred Tax Assets	16	0	2,037	0	0
Prepayments	17	9,856	981	3,801	0
Cash and Cash equivalents		33,787	16,336	3,434	100
<b>CURRENT ASSETS</b>		<b>86,796</b>	<b>78,740</b>	<b>72,515</b>	<b>44,892</b>
<b>TOTAL ASSETS</b>		<b>277,902</b>	<b>146,173</b>	<b>222,785</b>	<b>255,093</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	18	248,184	240,138	248,184	240,138
Share premium		0	0	0	0
Reverse acquisition reserve	19	-90,561	-236,302	0	0
Reserve for development cost		26,565	19,692	0	0
Retained earnings		1,063	80,332	-52,351	6,062
Minority interests		-758	-1,085	0	0
Exchange rate adjustments		1,885	2,463	-78	-16
<b>EQUITY</b>		<b>186,378</b>	<b>105,238</b>	<b>195,755</b>	<b>246,184</b>
Investments in associates		0	42	0	0
Other long-term liabilities		0	69	151	64
Deferred tax liabilities	20	518	0	0	0
<b>Non-current liabilities</b>	<b>20</b>	<b>518</b>	<b>111</b>	<b>151</b>	<b>64</b>
Trade payables	21	54,539	29,446	68	478
Short Term Debt	22	19,072	2,086	19,072	0
Debt to Group enterprises	23	11,287	8,285	7,739	8,285
Other liabilities		4,761	1,007	0	82
Accruals		1,347	0	0	0
Current liabilities		91,006	40,824	26,879	8,845
<b>LIABILITIES</b>		<b>91,524</b>	<b>40,935</b>	<b>27,030</b>	<b>8,909</b>
<b>EQUITY AND LIABILITIES</b>		<b>277,902</b>	<b>146,173</b>	<b>222,785</b>	<b>255,093</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 interests	Total
<b>Equity at 1 January 2021</b>	<b>1,006</b>	<b>16,346</b>	<b>-11,626</b>	<b>0</b>	<b>0</b>	<b>16,313</b>	<b>0</b>	<b>22,037</b>
Movements in equity for 2021 in financial statements	239,132	-16,346	63,157	-237,076	2,463	3,380	-1,085	<b>53,627</b>
<b>Closing Equity 2021 financial statements</b>	<b>240,138</b>	<b>0</b>	<b>51,531</b>	<b>-237,076</b>	<b>2,463</b>	<b>19,693</b>	<b>-1,085</b>	<b>75,664</b>
Restatements*	<b>0</b>	<b>0</b>	<b>28,801</b>	<b>774</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,575</b>
<b>Equity at 1 January 2022 *Restated</b>	<b>240,138</b>	<b>0</b>	<b>80,332</b>	<b>-236,302</b>	<b>2,463</b>	<b>19,693</b>	<b>-1,085</b>	<b>105,239</b>
Profit for the year, allocated			-73,987				327	<b>-73,660</b>
<b>Transactions with owners</b>								
Capital increase, paid in	8,046	1,590		-4,879				<b>4,757</b>
Recognition of assets within acquisition reserve				150,620				<b>150,620</b>
<b>Development cost</b>			-6,872			6,872		<b>0</b>
<b>Other legal bindings</b>								
Change of investments, net exchange differences					-578			<b>-578</b>
<b>Transfers</b>								
Share Premium Movement		-1,590	1,590					<b>0</b>
<b>Equity at 31 December 2022</b>	<b>248,184</b>	<b>0</b>	<b>1,063</b>	<b>-90,561</b>	<b>1,885</b>	<b>26,565</b>	<b>-758</b>	<b>186,378</b>

# Statement of Changes in Equity 2022 - Parent Company

DKK '000	PARENT COMPANY				
	Share-capital	Share Premium	Retained Earnings	Reserve, exchange rate	Total
<b>Equity at 1 January 2021</b>	<b>1,006</b>	<b>4,184</b>	<b>-4,695</b>		<b>495</b>
Movements in equity for 2021 in financial statements	239,132	-4,184	-18,084	-16	216,848
<b>Closing Equity 2021 financial statements</b>	<b>240,138</b>	<b>0</b>	<b>-22,779</b>	<b>-16</b>	<b>217,343</b>
Restatements*	0	0	28,841	0	28,841
<b>Equity at 1 January 2022 restated</b>	<b>240,138</b>	<b>0</b>	<b>6,062</b>	<b>-16</b>	<b>246,184</b>
Profit for the year, allocated			-60,003		<b>-60,003</b>
<b>Transactions with owners</b>					
Capital increase paid in	8,046	1,590			<b>9,636</b>
Capital increase, reverse acquisition					<b>0</b>
<b>Other legal bindings</b>					
Change of investments, net exchange differences				-62	<b>-62</b>
<b>Transfers</b>					
Share Premium Movement		-1,590	1,590		<b>0</b>
<b>Equity at 31 December 2022</b>	<b>248,184</b>	<b>0</b>	<b>-52,351</b>	<b>-78</b>	<b>195,755</b>

\*Details on restatement available in note 27

# Cash Flow Statement

## 1 January – 31 December 2022

DKK '000	SPENN GROUP	
	2022	2021 *restated
Profit/loss for the year before tax	-70,447	-1,778
Depreciation and amortisation	11,365	2,993
(Gain)/loss on disposal	-16	12
Impairment expense	7,721	0
Adjustment of profit from associates	8,485	441
Adjustment of profit from investments	9,828	-36,578
Adjustment of gain on bargain purchase	0	-14,927
Tax on profit/loss	189	153
Change in inventories	325	693
Change in receivables	7,033	-10,187
Change in other provisions	0	22
Change in other liabilities	29,505	1,515
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>3,988</b>	<b>-57,789</b>
Purchase of intangible assets	-9,923	-4,387
Purchase of property, plant and equipment	-10,063	-6,323
Sale of property, plant and equipment	135	317
Investments	16,993	-6,835
Sale of subsidiary	0	5,072
Associated Companies	-144	-396
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-3,002</b>	<b>-12,552</b>
Capital Increases	1,757	66,985
Loans received	22,074	8,285
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>23,831</b>	<b>75,270</b>
Exchange rate adjustments from opening balance sheet	-7,366	4,540
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>17,451</b>	<b>9,469</b>
Cash and cash equivalents at 1 January	16,336	6,867
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>33,787</b>	<b>16,336</b>

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# 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 SPENN Technology A/S (formerly NPInvestor.com A/S) group for the year ended 31 December 2021.

The company has restated the 2021 Financial Statements due to subsequent material misstatements. Further details and impacts to the prior year Financial Statements from the change are available in note 27.

Under the Danish Financial Statements Act the reverse acquisition is interpreted under IFRS 3. Therefore, the 2021 comparative financial statements for the group reflect the consolidated financial statements of the Blockbonds group and the portion of revenue received after the transaction date. CPH Crypto A/S was disposed of during 2021 and is too considered as a discontinuing activity. Furthermore, as a result of the Kazang Zambia transaction, the financial statements of Kazang Zambia have been consolidated in the Company's consolidated financial statements.

### 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 during the period, in relation to the difficult circumstances faced in two specific markets, Tanzania and the Philippines. An impairment expense has been booked for m.NOK 7.5 against the loan for Tanzania and m.NOK 3 for the Philippines.

This is based on the uncertainty of receiving critical contracts, impacting the subsidiary's likelihood 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, reporestning the commission is made, and no cost of the good or service is recognised, under the agent and principle revenue recognitions principals.

#### **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.

### 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.

### 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 date 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.

**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.

**Receivables**

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

**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 SPENN 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 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:

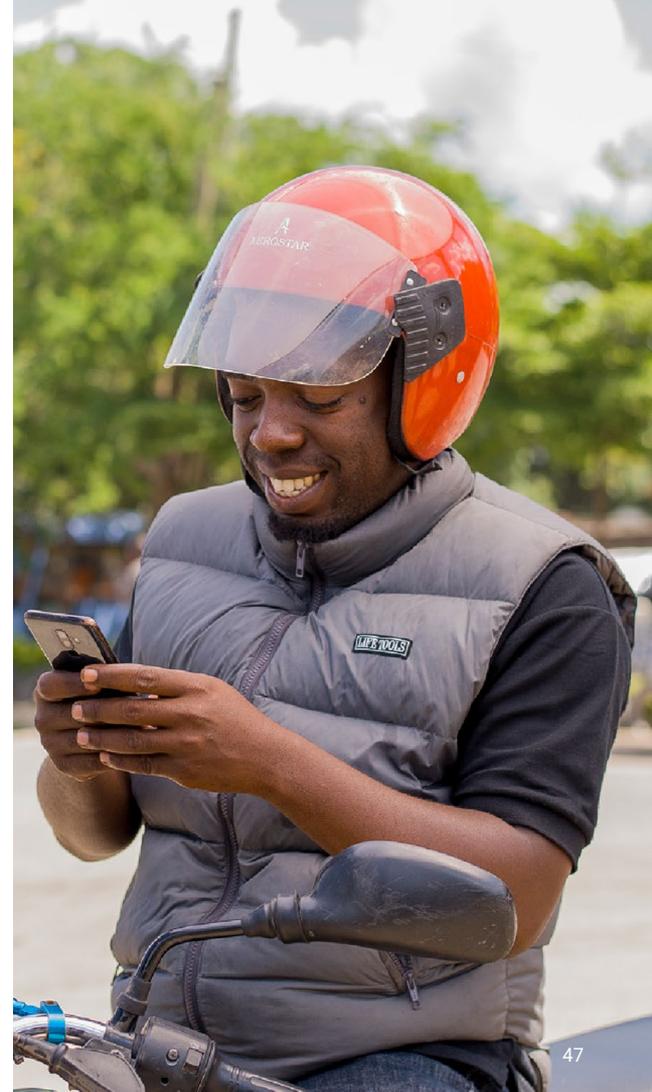
- The Kazang Zambia Agent network (fair value of t.DKK 7,067)
- The Kazang Zambia branding (fair value of t.DKK 20,955)

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%.

The acquired business contributed revenues of t.DKK 17,244 and net loss of t.DKK 702 to the group for the period 4 November 2021 to 31 December 2021. If the acquisition had occurred on 1 January 2021, consolidated pro-forma revenue for the year ended 31 December 2021 would have been t.DKK 43,637 and net profit of t.DKK 10. These amounts have been calculated using the subsidiary's results and adjusting them for:

- differences in the accounting policies between the group and the subsidiary, and
- the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 January 2020, together with the consequential tax effects.



**JengaX AS Transaction**

On 8 June 2022, the Company's subsidiary Blockbonds demerged 19% of its share Capital, representing unused intellectual property, which was subsequently merged with JengaX AS. The total amount of outstanding shares in the Blockbonds post the demerger remained unchanged. As a result of the transaction, the Company received 3,333,330 shares in JengaX AS. JengaX AS is a cryptocurrency company which listed on Euronext Norway OTC during 2022, after the transaction. Management is assessing whether it will need to account for specific assets currently included in goodwill, under the guidelines for business acquisitions. An assessment will be completed during 2023.

**NOTE 1 REVENUE**

DKK '000

SPENN Group

	2022	2021
Blockbonds Group	3,313	698
Netposten	292	280
Kazang Zambia	27,026	2,160
<b>Total</b>	<b>30,631</b>	<b>3,138</b>

2021 Revenue attributed to SPENN Technology A/S from Kazang Zambia is consolidated from the transaction date of 4th November 2021 as per Kazang Zambia 2021 audited accounts. 2022 revenue represents a full year of Kazang Zambia operations.

**NOTE 2 COST OF SALES**

DKK '000

SPENN Group

	2022	2021
Blockbonds Group	-336	-44
Kazang Zambia	-5,683	-885
<b>Total</b>	<b>-6,019</b>	<b>-929</b>

t.DKK -44 in SPENN subsidiaries is mainly attributed to SELCOM gateway charges in Tanzania (2021: t.DKK -42). Cost of Sales attributed to Kazang Zambia is consolidated from the transaction date of 4th November 2021 as per Kazang Zambia 2021 audited accounts. 2022 cost of sales represents a full year of Kazang Zambia operations. Kazang Zambia's main cost of sales is accessing the Kazang Zambia transaction processing network, which is owned by Kazang South Africa.

**NOTE 3 EMPLOYEE EXPENSES**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Salaries	-28,162	-20,346	-1,188	-1,216
Social Security	-3,076	-2,146	-14	-19
Pension	-849	-506	-40	-60
	<b>-32,087</b>	<b>-22,998</b>	<b>-1,242</b>	<b>-1,295</b>
Average Number of Employees	275	229	2	2
Remuneration to Management	-5,939	-7,823	-798	0

Average number of employees in 2022 of 275 is represented by 194 employees in Kazang Zambia and 81 employees in the rest of the SPENN Group.

**NOTE 4 INCOME FROM INVESTMENT IN GROUP ENTERPRISES**

DKK '000	SPENN Group		Parent Company	
	2022	2021 *restated	2022	2021 *restated
Sale of CPH Crypto A/S	0	36,743	0	36,743
Result from FMS	0	0	0	-114
Result from CPH A/S	0	0	0	-327
Result from Netposten A/S	0	0	-87	-214
Result from Kazang Zambia (60%)	0	15	1,651	205
Result from Blockbonds Group (100%)/	0	0	-41,507	-48,862
Blockbonds Goodwill Amortization	0	0	-11,127	-6,461
Kazang Zambia Goodwill Amortization	0	0	-2,802	-474
<b>Total</b>	<b>0</b>	<b>36,758</b>	<b>-53,872</b>	<b>-19,504</b>

On the 13th of December 2021, the Company sold 100% of its shares of CPH A/S to JengaX AS for total cash received of t.DKK 5,072 and services receivable of t.DKK 31,360

**NOTE 5 INCOME FROM INVESTMENT IN ASSOCIATES**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Share of SPENN PH Inc Result for the year	-144	-441	0	0
Share of JengaX Result for the year	-8,341	0	-8,341	0
<b>Total</b>	<b>-8,485</b>	<b>-441</b>	<b>-8,341</b>	<b>0</b>

Blockbonds AS owns 39.99% of SPENN PH Inc. and as such the result for the year is apportioned to take into account the share of ownership that the group has in SPENN PH Inc.

SPENN Technology owns 42.06% of JengaX AS and as such the result for the year is apportioned to take into account the share of ownership that the group has in JengaX AS.

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

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Sale of JengaX Shares	16,992	12,691	16,992	12,691
Cost of JengaX Shares	-26,820	-32	-5,664	-32
<b>Total</b>	<b>-9,828</b>	<b>12,659</b>	<b>11,328</b>	<b>12,659</b>

The sale of part of the Company's holdings of JengaX during the year generated a loss of DKK t.DKK 9,828. A total of 1,001,433 shares were sold for t.DKK 16,992.

**NOTE 7 FINANCE INCOME**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Finance Income	5,282	1,453	0	0
Finance income from group enterprises	0	0	0	229
<b>Total</b>	<b>5,282</b>	<b>1,453</b>	<b>0</b>	<b>229</b>

**NOTE 8 FINANCE EXPENSES**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Finance Expenses	-4,902	-640	-1,086	-145
Finance Expenses from group enterprises	0	0	-150	-128
<b>Total</b>	<b>-4,902</b>	<b>-640</b>	<b>-1,236</b>	<b>-273</b>

**NOTE 9 TAX ON PROFIT/LOSS FOR THE YEAR**

DKK '000

SPENN Group

	2022	2021
Kazang Zambia	-1,300	11
EAK SPENN	0	-55
Blockbonds A/S	-1,913	0
<b>Total</b>	<b>-3,213</b>	<b>-44</b>

**NOTE 10 PROPOSED PROFIT ALLOCATION**

DKK '000	SPENN Group		Parent Company	
	2022	2021* restated	2022	2021 *restated
Profit attributable to parent	-73,987	-1,197	-60,003	2,710
Minority Interests 'share of Profit/Loss	327	-625	0	0
<b>Total</b>	<b>-73,660</b>	<b>-1,822</b>	<b>-60,003</b>	<b>2,710</b>

**NOTE 11 INTANGIBLE ASSETS**

DKK '000

SPENN Group

	R&D	Goodwill	Other	Total
Cost at 1 January 2022	25,644	4,196	28,022	57,862
Transfer	0	0	0	0
Additions	9,923	57,843	0	67,766
<b>Cost at 31 December 2022</b>	<b>35,567</b>	<b>62,039</b>	<b>28,022</b>	<b>125,628</b>
Amortisation at 1 January 2022	-5,951	-211	-467	-6,629
Amortisation for the year	-3,051	-3,712	-2,802	-9,565
<b>Amortisation at 31 December 2022</b>	<b>-9,002</b>	<b>-3,923</b>	<b>-3,269</b>	<b>-16,194</b>
<b>Carrying amount at 31 December 2022</b>	<b>26,565</b>	<b>58,116</b>	<b>24,753</b>	<b>109,434</b>

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 31/12/2022 the assessment of the company is that there is no need to write down the values. It is argued with the expectation of increasing cash flows and future earnings in the future.

In line with the Danish Financial Statements act a reserve for development costs must be denoted. As detailed, t.DKK 26,565 relates to the development costs associated within the SPENN platform.

Goodwill at 31 December 2022 has a cost of t.DKK 62,039. 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 12 PROPERTY, PLANT & EQUIPMENT**

DKK '000

SPENN Group

	Fixtures	Equipment	Total
Cost at 1 January 2022	560	16,780	17,340
Additions		9,871	9,871
Disposals	-184	-135	-319
<b>Cost at 31 December 2022</b>	<b>376</b>	<b>26,516</b>	<b>26,892</b>
Depreciation at 1 January 2022	-270	-7,713	-7,983
Reversal of Depreciation of assets disposed of	49	95	144
Depreciation for the year	-63	-4,594	-4,657
<b>Depreciation and Impairment losses at 31 December 2022</b>	<b>-284</b>	<b>-12,212</b>	<b>-12,496</b>
<b>Carrying Amount at 31 December 2022</b>	<b>92</b>	<b>14,304</b>	<b>14,396</b>

The Carrying amount at 31 December 2022 includes t.DKK 13,981 which is attributed to Kazang Zambia and mostly relates to vendor terminals. The property asset relates to a lease held by Blockbonds for office premises

DKK '000

Parent Company

	Equipment	Total
Cost at 1 January 2022	97	97
Additions	0	0
Disposals	0	0
<b>Cost at 31 December 2022</b>	<b>97</b>	<b>97</b>
Depreciation at 1 January 2022	-69	-69
Reversal of Depreciation of assets disposed of	0	0
Depreciation for the year	-20	-20
Depreciation and Impairment losses at 31 December 2022	-89	-89
<b>Carrying Amount at 31 December 2021</b>	<b>8</b>	<b>8</b>

## NOTE 13 INVESTMENTS IN SUBSIDIARIES

DKK '000	Parent Company	
	2022	2021
<b>Investment in Subsidiaries as at 1 January 2022</b>		
<b>Blockbonds</b>		
Blockbonds Equity (98.44%)	116,092	
Additions (1.56%)	4,879	
Blockbonds Goodwill	121,990	
Blockbonds Cost (100%)	242,961	
Blockbonds Result (cumulative)	-90,370	
Amortisation (cumulative)	-17,588	
Transfers	-30,781	
<b>Blockbonds as at 31 December 2022</b>	<b>104,222</b>	
<b>Kazang Zambia</b>		
Kazang Zambia Equity (60%)	-360	
Kazang Zambia Goodwill	28,022	
Kazang Zambia Cost	27,662	
Kazang Zambia Result (60%) (cumulative)	1,834	
Amortisation (cumulative)	-3,268	
<b>Kazang Zambia as at 31 December 2022</b>	<b>26,228</b>	
<b>Investment in Subsidiaries at 31 December 2022</b>	<b>130,450</b>	

## NOTE 14 PARTICIPATING INTERESTS AND GOVERNMENT BONDS

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Kazang Zambia (bonds only)	6,646	6,799	0	0
JengaX	60,623	36	19,812	36
Investments in associates	7	-42	0	0
<b>Total</b>	<b>67,276</b>	<b>6,793</b>	<b>19,812</b>	<b>36</b>

## NOTE 15 INVENTORY

DKK '000	SPENN Group	
	2022	2021
Kazang Zambia stock for re-sale	5,017	5,342
<b>Total</b>	<b>5,017</b>	<b>5,342</b>

Inventory held within the group relates wholly to the inventory that Kazang Zambia holds for resale to Kazang Zambia agents. This consists of vendor terminals that are sold directly to Kazang Zambia agents and prepaid services sold by Kazang Zambia agents.

## NOTE 16 DEFERRED TAX

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Deferred Tax Asset – SPENN Zambia Ltd	0	1,814	0	0
Deferred Tax Asset (Liability) – Kazang Zambia Ltd	0	223	0	0
<b>Total</b>	<b>0</b>	<b>2,037</b>	<b>0</b>	<b>0</b>

Deferred Tax Assets: Deferred tax assets are computed in Zambia using the income tax rate of 35%. The gross movement on the deferred income tax account is as follows.

## KAZANG ZAMBIA LTD

DKK '000	SPENN Group 2022
Balance at the start of the year	223
Charge for the year	-223
<b>Balance at the end of the year</b>	<b>0</b>
<b>SPENN ZAMBIA LTD</b>	
<b>DKK '000</b>	<b>SPENN Group 2022</b>
Balance at the start of the year	1,814
Charge for the year	1,301
Income Tax Credit	-3,118
<b>Balance at the end of the year</b>	<b>0</b>

**NOTE 17 PREPAYMENTS**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Kazang Zambia	5,871	314	0	0
Blockbonds AS	184	667	0	0
SPENN Technology A/S	3,801	0	3,801	0
<b>Total</b>	<b>9,856</b>	<b>981</b>	<b>3,801</b>	<b>0</b>

Prepayments relate to rent, insurances and other payments made in advance, and expensed as the benefit is consumed, through the income statement. Prepayments in SPENN Technology relate to consulting advisory services.

**NOTE 18 SHARE CAPITAL**

DKK '000	SPENN Group	
	2022	2021
Balance at the start of the year	240,138	1,006
Increase in Capital	8,046	239,132
<b>Total</b>	<b>248,184</b>	<b>240,138</b>

The company owns 5,100 of its own shares as treasury shares, with a nominal value of DKK 0.1 each, and a total value of DKK 510. This represents 0.02% of total shares on issue at year end.

During the year, the company issued 80,456,710 shares at a nominal value of DKK 0.1, representing an increase of 3.35% of the shares on issue at the start of the year.

The company also holds 10,498,582 ordinary shares on behalf of investors. Voting rights are deferred to the beneficial owners of these shares.

**NOTE 19 REVERSE ACQUISITION RESERVE**

DKK '000	SPENN Group	
	2022	2021
Reverse Acquisition Reserve	-90,561	-236,302
<b>Total</b>	<b>-90,561</b>	<b>-236,302</b>

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.

During the period, the company demerged share capital and previously unrecognised intangible assets from Blockbonds AS, and merged them into JengaX. The share capital and intangible assets had a fair value of t.DKK 150,620.

**NOTE 20 NON-CURRENT LIABILITIES**

DKK '000	SPENN Group			
	Total debt 31/12/2022	Repayment next year	Debt outstanding after 5 years	Total 31/12/2021
Investments associated companies	0			42
Long Term debt to parent	0			69
Deferred Tax liabilities	518			
<b>Total</b>	<b>518</b>	<b>0</b>	<b>0</b>	<b>111</b>

**NOTE 20 NON-CURRENT LIABILITIES (continued)**

DKK '000	Parent Company			
	Total debt 31/12/2022	Repayment next year	Debt outstanding after 5 years	Total 31/12/2021
Provisions for investments in group enterprises	151	0	0	64
<b>Total</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>64</b>

**NOTE 21 TRADE PAYABLES**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Kazang Zambia	44,994	27,707	0	0
Blockbonds AS	9,477	1,261	0	0
SPENN Technology	68	478	68	478
<b>Total</b>	<b>54,539</b>	<b>29,446</b>	<b>68</b>	<b>478</b>

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 22 SHORT TERM DEBT**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Convertible debentures	19,072	2,086	19,072	0
<b>Total</b>	<b>19,072</b>	<b>2,086</b>	<b>19,072</b>	<b>0</b>

Convertible debentures were issued on 29 December 2022. They bear interest at 8%, and are convertible to shares at an average of a 30 day trading period, preceding the conversion date determined by the company board. The debentures were issued in both DKK and NOK, with 2.75m DKK and 23m NOK of debentures being issued. The mandatory redemption or conversion date is 18 months after the bond monies were received, however the bond holder can convert at any time, with prior notice to the company. The company also has the discretion to early settle the facility.



**NOTE 23 DEBT TO GROUP ENTERPRISES**

DKK '000	SPENN Group		Parent Company	
	2022	2021	2022	2021
Debt to group enterprises	11,287	8,285	7,739	8,285
<b>Total</b>	<b>11,287</b>	<b>8,285</b>	<b>7,739</b>	<b>8,285</b>

As at 31/12/2022 the group has an outstanding loan to JengaX AS of t.DKK 11,287.

**NOTE 24 SHARE-BASED PAYMENTS**

Costs of share-based payments are recognised as staff costs with a corresponding effect in equity. At 31st of December 2022 the Parent Company did not have any outstanding warrants and has not activated any amount corresponding to share-based payments in 2022.

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. Details of the issued warrants are outlined in the table below.

Warrant holder	Grant date	Expiry Date	Exercise Price (DKK)	No. of Warrants	Nominal Amount (DKK)
Jan F. Andersen (Board member)	31st Jan 2022	31st Dec 2023	0.1	30,663,047	3,066,304.70
Jesper Bender (Employee)	31st Jan 2022	31st Dec 2023	0.1	6,132,609	613,260.90
Carsten N. Bach (Previous Board Member)	31st Jan 2022	31st Dec 2023	0.1	2,044,203	204,420.30
Michael J. Rugaard (Previous Board Member)	31st Jan 2022	31st Dec 2023	0.1	2,044,203	204,420.30
<b>Total</b>				<b>40,884,063</b>	<b>4,088,406.30</b>

**Blockbonds Warrants**

Blockbonds has over the years introduced Warrant programmes aimed to board of directors and key employees. Warrants are vesting over time to ensure the retention of such key employees. Each warrant entitles but does not obligate the warrant holders to subscribe for one new share in Blockbonds nominally NOK 1. If the warrants detailed in the programmes are exercised in its entirety, the Company's ownership of Blockbonds would be diluted to 91.30%. Details of the warrant programmes are outlined in the tables below.

**Warrant program 1**

Warrant holder	Grant date	Expiry Date	Exercise Price (NOK)	No. of Warrants	Nominal Amount (NOK)
Anders S. Hermansen (Employee)	1st Jan 2021	1st Jan 2023	6.11	35,728	35,728
Anna Eldib (Employee)	1st Jan 2021	1st Jan 2023	6.11	49,224	49,224
Bård Bjerås (CLO)	1st Jan 2021	1st Jan 2023	6.11	219,488	219,488
Daniel Aanonsen (Employee)	1st Jan 2021	1st Jan 2023	6.11	22,070	22,070
Jens B. Glasø (CEO)	1st Jan 2021	1st Jan 2023	6.11	272,224	272,224
Karl-Anders Grønland (Board Chairman)	1st Jan 2021	1st Jan 2023	6.11	124,676	124,676
Magne Fretheim (Board member/CTO)	1st Jan 2021	1st Jan 2023	6.11	238,168	238,168
<b>Total</b>				<b>1,129,578</b>	<b>1,129,578</b>

## Warrant Program 2

Warrant holder	Grant date	Expiry Date	Exercise Price (NOK)	No. of Warrants	Nominal Amount (NOK)
Bård Bjerkås (CLO)	15th Feb 2022	15th Feb 2023	4.00	59,747	59,747
Erik Seiving (COO)	15th Feb 2022	15th Jun 2023	4.00	50,000	50,000
JAC Invest AS (CEO)	15th Feb 2022	15th Feb 2023	4.00	153,847	153,847
Jens B. Glasø (CEO)	15th Feb 2022	15th Feb 2023	4.00	74,747	74,747
Karl-Anders Grønland (Board Chairman)	15th Feb 2022	15th Feb 2023	4.00	34,747	34,747
Magne Fretheim (Board member/CTO)	15th Feb 2022	15th Feb 2023	4.00	105,000	105,000
Rune Glasø (Previous Board member)	15th Feb 2022	15th Feb 2023	4.00	35,000	35,000
Kostas Papadopoulos (Employee)	1st Oct 2023	1st Oct 2024	4.00	5,000	5,000
<b>Total</b>				<b>693,088</b>	<b>693,088</b>

### Warrants exercised in 2022

There were no warrants exercised through the group during 2022.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the warrants. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and making assumptions about them.

Blockbonds recognised a cost of NOK 10,263,733 in 2022 as a result of the outstanding warrants.

## NOTE 25 CONTINGENT LIABILITIES

Blockbonds AS has issued letters of support to affiliated companies in the group to ensure the necessary liquidity is provided to December 31, 2022. Similarly, SPENN Technology A/S has issued a declaration to other creditors in affiliated companies and a statement to ensure the necessary liquidity to December 31, 2022.

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 operating lease liability for the group at 31 December 2022 is t.DKK 141. The total commitment of non-cancellable leases is t.DKK 221. Most of the companys leases are able to be terminated with one months notice.

## NOTE 26 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.

### Other Related Parties

Other related parties of SPENN 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 26 RELATED PARTIES (continued)****Transactions with related parties**

SPENN Technology A/S acquired 277,276 shares in JengaX from Staffan Herbst, former CFO for t.DKK 3,000.

SPENN Technology A/S acquired 163,483 shares in Blockbonds AS from JAC invest for 16,184,817 of its own shares.

SPENN Technology A/S acquired 242,682 shares in Blockbonds AS from JAC invest for 24,025,518 of its own shares

SPENN Technology A/S acquired 26,105 shares in Blockbonds AS from Karl-Anders Gronland for 2,584,395 of its own shares

SPENN Technology A/S acquired 26,105 shares in Blockbonds AS from Jens Glaso for 2,584,395 of its own shares

All transactions with related parties are therefore not considered to be entered into on a market basis. Section 98 C, para 7 of the Danish Financial Statements Act is considered fulfilled.

**NOTE 27 PRIOR YEAR ADJUSTMENT**

Through a review of the 2021 financial statements, and subsequent questioning by the Erhvervsstyrelsen (Danish Business Authority), the company has been inadequately able to explain certain accounting or reporting decisions and disclosures made, and therefore has had to restate the 2021 financial statements.

Four key errors were found in relation to:

- The reverse acquisition of Npinvestor.com A/S by Blockbonds AS
- The valuation of Kazang Zambia Limited
- The sale of CPH Crypto A/S to JengaX AS
- The acquisition of JengaX AS shares during the period

Additionally, the company has made 2 further restatements

- The revenue generated by Kazang Zambia post acquisition to be on a net basis under the agent-principle principals of revenue accounting. The revenue was shown on a gross basis in the 2021 financial statements.
- The company has finalised its purchase price allocation for its share of the fair value of the assets acquired as part of the Kazang Zambia Acquisition. It has reduced the goodwill recognised, and the value of goodwill has been allocated to the intangible asset balance, recognising the fair value of the agent network, and branding of Kazang Zambia.

**Reverse Acquisition of NPinvestor.com A/S by Blockbonds AS**

The company had used the residual value of the transaction to calculate the goodwill on the transaction, as it had not identified any specific assets that could be recognised at their fair value, outside of goodwill.

The company should have applied IFRS 3 B.20 for guidance, which directs the company to calculate how many shares it would have had to issue, to acquire the company at an arms length transaction, if it were to be an ordinary subsidiary of the group. This has resulted in the group recognising t.DKK 4,196 of goodwill, rather than the original value of t.DKK 3,421.

**Acquisition of Kazang Zambia Limited**

The company had calculated the consideration of the shares issued at the date of the signing of the contract, where the shares had a market value of DKK 2.16 each, giving a total value of equity granted of m.DKK 23. Due to a typographical error within the accounts, this was stated as m.DKK 30.8 of equity granted.

However provisions within the sale contract stated that the sale was not to be completed until the sellers were able to trade the shares that they had received as part of the transaction, which occurred on 4 November 2021. At this date, the shares had a market value of DKK 0.468, resulting in total consideration of m.DKK 12.7, being m.DKK 7.9 in cash and m.DKK 4.8 in the fair value of issued equity at the date of the contract completion.

**Sale of CPH Crypto A/S**

The company had omitted including the receivable from JengaX AS for the sale of CPH Crypto in both its Statement of Financial Position and Statement of Comprehensive income. The value of services receivable was m.NOK 43.2 (m.DKK 31.6).

**NOTE 27 PRIOR YEAR ADJUSTMENT (continued)****Acquisition of shares in JengaX AS.**

The company had disclosed that it had purchased 947,965 shares in JengaX AS from related parties, at a value of NOK 0.1 each, and that this was considered to have been entered into on pricing at a market basis.

The company did not acquire these shares on a market basis principle, due to the relationship held with the related parties, but acquired them at a nominal value of each share, which was below the fair value.

**Total impact to the financial statements as a result of the restatement**

DKK '000	SPENN Group	SPENN Parent
	2021	2021
<b>Adjustments to Statement of Financial Position</b>		
Adjustment to goodwill on acquisition of NPIinvestor.com	774	0
Adjustment to goodwill on acquisition of Kazang Zambia Limited	(17,764)	(17,764)
Derecognition of remaining goodwill after adjustments on acquisition of Kazang Zambia Limited	(13,095)	(13,095)
Recognition of fair value of intangible assets on acquisition of / investment in Kazang Zambia Limited	28,022	28,022
Additional amortisation expense on Npinvestor.com goodwill	(39)	0
Amortisation expense on acquired intangible assets in Kazang Zambia Limited	(467)	(467)
Reversal of amortisation on Kazang Zambia goodwill	474	474
Adjustment for the receivable on the sale of CPH Crypto A/S	31,671	31,671
Share Premium / Retained Earnings*	17,764	17,764
Reverse Acquisition reserve	(774)	0
<b>Total</b>	<b>46,566</b>	<b>46,605</b>

DKK '000	SPENN Group	SPENN Parent
	2021	2021
<b>Adjustments to Income Statement</b>		
Reduction in revenue	15,084	0
Reduction in cost of sales	(15,084)	0
Additional amortisation – NPIinvestor.com	39	0
Additional amortisation – Intangible assets Kazang Zambia Limited	467	467
Reversal of amortisation – Kazang Zambia Limited goodwill	(474)	(474)
Proceeds from the sale of CPH Crypto	(31,671)	(31,671)
Gain on bargain purchase – Kazang Zambia Limited	(14,927)	(14,927)
<b>Total</b>	<b>(46,566)</b>	<b>(46,605)</b>

There has been no tax impact as a result of the restatement.

\*Share Premium was transferred to Retained Earnings at the end of the 2021 Financial Year.

## NOTE 28 GOING CONCERN

The Company sees a strong year ahead in performance for both the company on its path to profitability, and support from strategic investors and shareholders.

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 expectations in 2022 and the Company is well positioned for future growth.

However, there is still uncertainty attached to how cash flow will develop in future and importantly the next 12 months. Specifically, impacts of unknown events on the operational capacity of the business, access to liquidity and capital, contractual obligations, asset valuations, other critical accounting judgements, forecast uncertainty, political risks within the Company's operating markets and the subsequent impacts of each on liquidity have been considered.

The Company will need to raise capital during 2023 to fully support its geographical expansion and current operational market growth ambitions. Additionally, the Company also has access to loan facilities and has investments in subsidiaries and associated companies that could be sold to raise other forms of liquidity if a capital raise was delayed during the year. The Company has interest expressed by investors, both institutional and individual, and both old and new in participating in a fund raise in the future or, to provide non dilutive working capital.

Taking the above factors into consideration, the board and management considers that the going concern conditions have been satisfied and the financial statements are prepared on this basis.

# Shareholder Information

## INVESTOR RELATIONS

The company's share capital at 31st of December 2022 was DKK 284,183,614.10 divided into 2,481,836,141 shares of nominally DKK 0.10 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 31 December 2022, the share price was 0.16 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	500,644,517	20.17%	Jens Glaso (1)	CEO / NOR
JANUS INVEST AS	127,195,254	5.13%	Bard Bjerkas	CLO / NOR
DAVID JAMES CHAPMAN	119,889,792	4.99%	David James Chapman	Investor / HKG
GIS HOLDING AS	79,226,933	3.19%	Jørgen Gismervik	Investor / NOR
DIAGEN INTERNATIONAL INC. AS	65,873,808	2.65%	Vidar Linberg	Investor / NOR
MONTEBELLO VINSELSKAP OG INVEST AS	60,657,341	2.44%	Karl-Anders Gronland	Chairman of the Board / NOR
BØEN INVEST AS	51,646,056	2.08%	Kjell Apeland	Investor / NOR
ETOS PATOS LAGOS ASHØGEVOLL AS	49,058,843	2.01%	Rune Glaso	Previous Board Member / NOR
DISTINCT AS	45,058,843	1.82%	Magne Fretheim	Board member / CTO / NOR
SAAMAND AS	44,443,418	1.81%	Olav Bryn	Investor / NOR

## OWN SHARES

SPENN Technology A/S holds a total 10,503,628 of its own shares.

## SHARE PRICE DEVELOPMENT

SPENN Technology A/S's opening share price at the start of 2022 was DKK 0.274. Trading was closed on 30th December 2022 at a share price of DKK 0.156.

## POST BALANCE SHEET CAPITAL EVENTS

On the 21st of February 2023 SPENN 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 share price of DKK 10.00.

## ANNUAL GENERAL MEETING

The annual general meeting will be held 6th of April 2023.

1 Jens Glasø personally holds an additionally 19,179,665 shares in SPENN Technology A/S corresponding to 0.80 %, thus a total of 519,824,182 shares corresponding to 20.95 % of the Company's share capital is controlled by Jens Glasø.

Ownership of other Board Members or Executive Managers, not listed: 1. Helge Dalen owns 80,000 shares equal to 0.003 % of the Company's share capital through Sølvbukta Invest AS. 2. Adiam Negassie: Owns 8,135,226 shares equal to 0.33 % of the Company's share capital through Negassie Holding AS. 3. Jan F Andersen: Owns 1,067,500 shares equal to 0.04 % of the Company's share capital post Transaction through F. Andersen Management ApS.