

The Annual Report has not been audited

ANNUAL REPORT 2023

01.01.2023 – 31.12.2023

Spark Technology A/S
Company Registration Number: 26518199

Njalsgade 76, 4
2300 Copenhagen S
Denmark



***MOBILE BANKING.
JUST BETTER.***





NAME:
Spark Technology A/S

COMPANY REGISTRATION NUMBER:
26518199

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Spark Technology A/S

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DATE OF FORMATION:
1 February 2002

FINANCIAL YEAR:
1 January 2023 – 31 December 2023

10 APRIL 2024:
Financial Report

EXECUTIVE BOARD:
Jens Glaso, CEO

BOARD OF DIRECTORS:
Magne Fretheim
Baard Bjerkaas
Jan Fredskilde Andersen

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Spark TECHNOLOGY

MISSION

Bridging financial principles
through digital asset innovation.

VISION

Economic opportunity for everyone.



2023 Financial Highlights – Spark Group

| DKK '000 | 2023 | 2022 |
|-----------------------------|----------------|----------------|
| Gross revenue* | 182,311 | 168,729 |
| Gross Cost of sales | -135,043 | -138,098 |
| Net revenue | 47,277 | 30,631 |
| Cost of sales | -10,473 | -6,019 |
| Gross profit | 36,804 | 24,612 |
| Other Income | 0 | 673 |
| Employee expenses | -25,848 | -32,087 |
| G&A expenses | -40,885 | -26,642 |
| EBITDA | -29,929 | -33,444 |
| Net other expenses / income | 5,208 | -40,216 |
| Net income | -24,721 | -73,660 |

The Spark Group continues to build on its target of breakeven with revenue for the year increasing to DKK 182.3 million, up from DKK 168.7 million in 2022. Kazang leads the growth in revenue, contributing with DKK 169.7 million to the group's gross revenue for the period. DKK 13.6 million is represented by the group's other subsidiaries.

Net revenue for the period was DKK 47.2m resulting in a DKK 16.6m increase from revenue for 2022 which was DKK 30.6m.

For 2023, EBITDA ended with DKK -29.9m, an improvement from 2022 with its DKK -33.4m. Driven by solid revenue growth and a decrease in employee expenses.

The Spark Group reported a net loss of DKK 24.7 million in 2023 compared to a loss of DKK 73.6 in 2022.

KAZANG

Kazang Zambia has continued its growth in 2023, with gross profit for the year increasing 35% compared to 2022. This growth has been fuelled by continued POS machine deployment in the market, combined with a strong organic growth of transaction volume. EBITDA for 2023 was DKK 13.9m, an increase of 14% compared to 2022.

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

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

LETTER FROM THE CEO

Towards a brighter financial tomorrow

Dear SPARK Community,

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

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

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

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

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

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

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

Overall, our financial performance this year has been robust, highlighted by a 54.34% increase in Net Revenue and a 49.54% growth in Gross Profit, underscoring our market success and operational efficiency. Strategic adjustments have streamlined operations and improved our financial stability, aligning our resources with growth and efficiency goals.

The effectiveness of these strategies is further demonstrated by a 66.44% surge in Net Income, showcasing our cost management and potential for sustainable profitability. Our journey towards profitability is well underway.

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



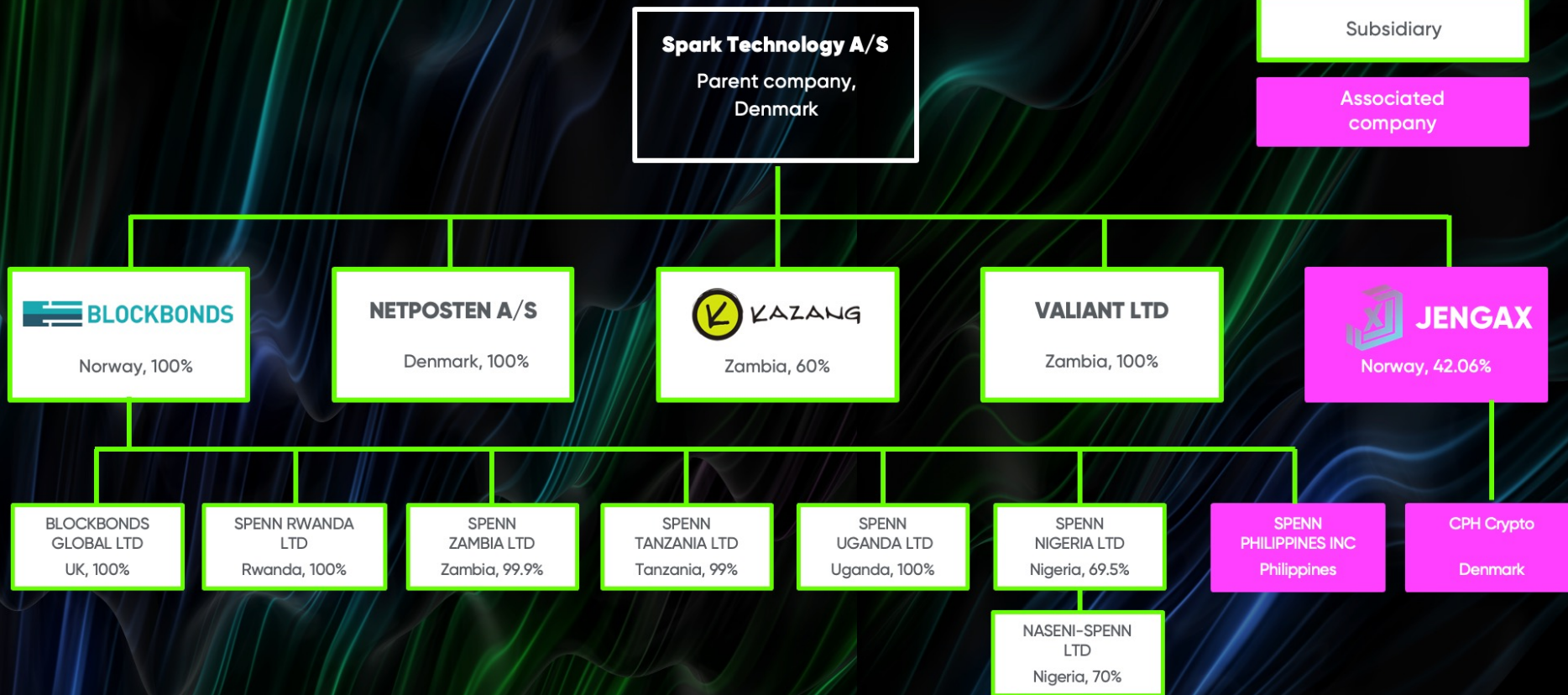
Spark Technology

COMPANY STRUCTURE

LEGEND

Subsidiary

Associated company



Spark Group outlook for 2024

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

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

Looking ahead to 2024, Spark Technology A/S will intensify its investments in the fintech sector. Our goal is to identify and capitalize on new opportunities that promote financial inclusion, especially in markets traditionally underserved by financial services. We are confident that the company's expertise and our commitment in this area will lead to groundbreaking solutions that not only foster economic growth but also contribute to social and economic equity.

Throughout 2024, we will continue to build on the strong foundations we have established and explore strategic partnerships and collaborations that can accelerate our growth and extend our reach. With a clear focus on sustainability and innovation, Spark Technology A/S is well-positioned to navigate the dynamic landscape of global finance.

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



Market update: Kazang Zambia



Gross profit growth
+35% increase YoY

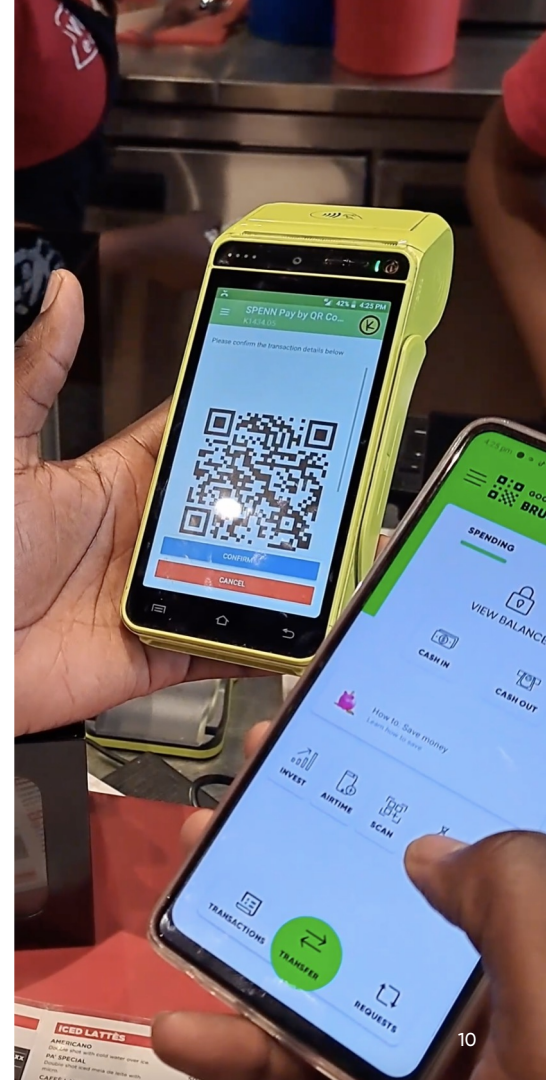
Kazang continues to increase its revenue and profits by growing its network of agents and merchants that can process payments. Kazang fell short of its target of deploying another 30,000 vendor terminals due to being more selective in which agents and merchants it is targeting. Although it is impacting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

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

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

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

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



Market update: Rwanda, Zambia and Nigeria

SPENN RWANDA

Business growth
**+8% increase
YoY**



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

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

SPENN ZAMBIA

Business growth
**+140% increase
YoY**



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

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



NASENI~SPENN
NATIONAL AGENCY FOR SCIENCE AND
ENGINEERING INFRASTRUCTURE



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

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

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

Spark Technology A/S Consolidated and Parent Company

FINANCIAL STATEMENTS

Management's Statement

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

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

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

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

The Annual Report is unaudited.

Copenhagen, 10 April 2024

EXECUTIVE BOARD:

CEO, Jens Glaso

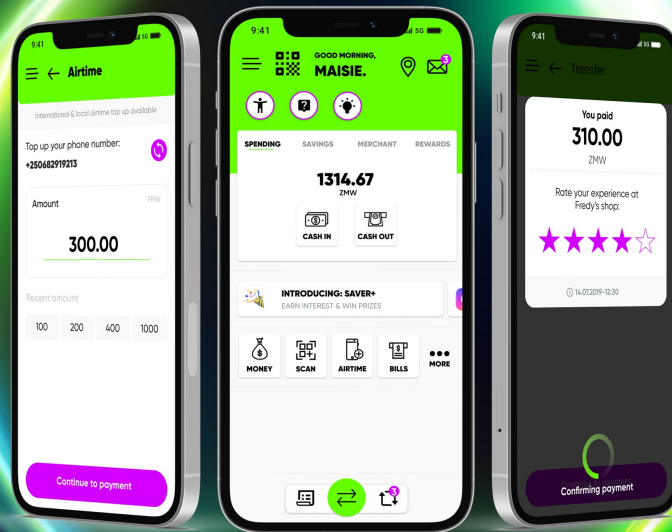
BOARD OF DIRECTORS:

Magne Fretheim (Board Chairman)

Baard Bjerkaas

Jan Fredskilde Andersen

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



Management Commentary

PRINCIPAL ACTIVITIES

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

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

DEVELOPMENT IN ACTIVITIES AND FINANCIAL AND ECONOMIC POSITION

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

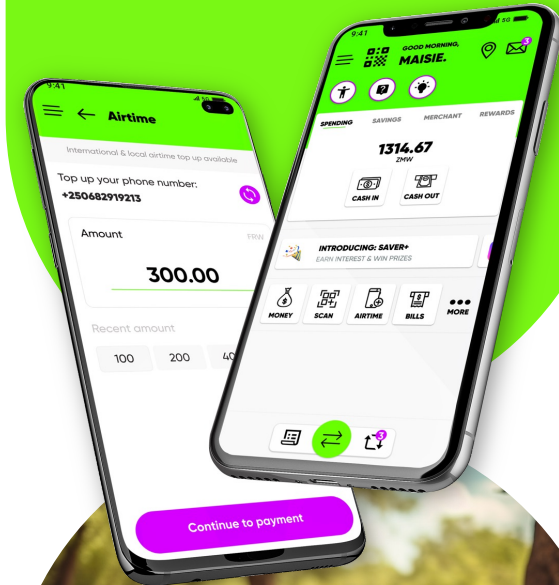
On March 10, 2023, SPARK Technology A/S began trading on the top tier of US marketplaces (OTCQX) for trading over-the-counter stocks. Spark upgraded from the OTCQB Venture Market. Graduating to the OTCQX Market marks an important milestone for companies, enabling them to demonstrate their qualifications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

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

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

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

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



2023 FINANCIAL RESULTS

The Company reported a loss of t.DKK 24,721 in 2023 compared to a loss of t.DKK 73,660 in 2022. Gross revenue increased to t.DKK 182,311, from t.DKK 168,729 in 2022. Net revenue for the period increased to t.DKK 47,277 from t.DKK 30,631 in 2022. Employee expenses amounted to t.DKK 25,848 (2022: t.DKK 32,087), driven by currency, some overhead headcount reductions and some adjustments in the markets. Gross general and administrative expenses amounted to t.DKK 40,885 (2022: t.DKK 26,642), as the company has incurred costs in relation to capital raising. Included within this number is services that has been credited after June 30th.

RESEARCH AND DEVELOPMENT

The company continues to selectively 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 31.12.23* (DKK) | -0,94 |
|---|-------|

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

FUTURE DEVELOPMENTS

The SPARK 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 further in 2024 and onwards. The group expects revenue to grow as it continue to scale in current markets (especially Nigeria) and enters new markets, as it increases its userbase and as Kazang Zambia increases its agent network.

ASSETS

As of 31 December 2023, the Company's total assets amounted to t.DKK 173,808 (2022: t.DKK 277,902). The Company's intangible assets at the period end were t.DKK 79,656 (2022: t.DKK 109,434)). Current assets at the period end were t.DKK 60,437 (2022: t.DKK 86,796). The Company had cash and cash equivalents at the period end of t.DKK 9,151 (2022: t.DKK 33,787).

EQUITY AND LIABILITIES

As of 31 December 2023, total shareholders equity amounted to t.DKK 248,184 (2022: t.DKK 248,184). Total liabilities at the end of the period amounted to t.DKK 92,558 (2022: t.DKK 91,524), consisting largely of trade payables at t.DKK 38,306.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to t.DKK -48,397 compared to t.DKK 3,988 in 2022. Cash flow from financing activities for the period was t.DKK 16,490. The total net cash flow for the period ending was t.DKK 8,628 (2022: t.DKK 17,451).

TREASURY SHARES

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



SIGNIFICANT EVENTS AFTER 31 DECEMBER 2023

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

Furthermore, in the extraordinary general meeting the shareholders also approved the change of name from SPENN Technology to Spark Technology and the transfer of Spark Technology's assets in exchange for shares in Tyrill AB, which is set to raise between 100 and 300 million Swedish kronor and list on the Swedish stock exchange. Tyrill will focus on developing global payment infrastructures, initially in Africa, expanding on the initiatives started by Spark Technology's portfolio companies.

REVERSE SHARE SPLIT

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

RISK MANAGEMENT

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

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

FOREIGN EXCHANGE RISK

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

LIQUIDITY RISK

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



Income Statement 1

January – 31 December 2023

| | DKK '000 | SPARK GROUP | | PARENT COMPANY | |
|------------------------------------|----------|-------------|---------|----------------|---------|
| | Note | 2023 | 2022 | 2023 | 2022 |
| REVENUE | 1 | 47,277 | 30,631 | 0 | 0 |
| Cost of sales | 2 | -10,473 | -6,019 | 0 | 0 |
| GROSS PROFIT | | 36,804 | 24,612 | 0 | 0 |
| Employee expenses | 3 | -25,848 | -32,087 | -745 | -1,242 |
| Administrative expenses | | -40,885 | -26,642 | -14,009 | -6,620 |
| Depreciation, amortisation | | -15,668 | -11,365 | -5,572 | -20 |
| Other income | | 0 | 673 | 9,238 | 0 |
| OPERATING PROFIT/(LOSS) | | -45,597 | -44,809 | -11,088 | -7,882 |
| Associated companies | | 0 | -8,485 | 0 | -53,872 |
| Income from other investments | | 0 | -9,828 | 0 | 11,328 |
| Other financial income | 4 | 2,309 | 5,282 | 0 | 0 |
| Financial expenses | | 0 | -4,902 | 0 | -1,236 |
| Other finance costs | | -17,552 | -7,721 | -5,125 | -8,342 |
| TOTAL FINANCE INCOME/(LOSS) | | -15,243 | -25,654 | -5,125 | -52,122 |
| Gain on disposal | | 36,567 | 16 | 0 | 0 |
| PROFIT/LOSS BEFORE TAX | | -24,274 | -70,447 | -16,214 | -60,003 |
| Tax on profit/loss for the year | 5 | -447 | -3,213 | 0 | 0 |
| PROFIT/LOSS FOR THE PERIOD | 6 | -24,721 | -73,660 | -16,214 | -60,003 |

Balance Sheet at 31 December 2023

| DKK '000 | Note | SPARK GROUP | | PARENT COMPANY | |
|--|----------|----------------|----------------|----------------|----------------|
| | | 2023 | 2022 | 2023 | 2022 |
| ASSETS | | | | | |
| Research and Development | | | 26,565 | 0 | 0 |
| Goodwill | | 52,618 | 58,116 | 0 | 0 |
| Other intangible assets | | 27,038 | 24,753 | 0 | 0 |
| Intangible assets | 7 | 79,656 | 109,434 | 0 | 0 |
| Property, plant and equipment | 8 | 11,994 | 14,396 | 0 | 8 |
| Property, plant and equipment | | 11,994 | 14,396 | 0 | 8 |
| Investment in subsidiaries | | 0 | 0 | 117,389 | 130,450 |
| Investment in associates | | 17,596 | 60,630 | 16,634 | 19,812 |
| Participating interests, Govt bonds | 9 | 4,126 | 6,646 | 0 | 0 |
| Financial non-current assets | | 21,721 | 67,276 | 0 | 150,262 |
| NON-CURRENT ASSETS | | 113,371 | 191,106 | 134,024 | 150,270 |
| Inventories | | 4,429 | 5,017 | 0 | 0 |
| Trade and other receivables | | 43,083 | 37,192 | 20,611 | 29,155 |
| Receivables from group entities | | 0 | 0 | 69,026 | 36,125 |
| Other Assets | | 2,265 | 944 | 0 | 0 |
| Deferred Tax Assets | | 0 | 0 | 0 | 0 |
| Prepayments and accrued income | | 1,387 | 9,856 | 32 | 3,801 |
| Cash and Cash equivalents | | 9,151 | 33,787 | 40 | 3,434 |
| Financial instruments | | 122 | 0 | 0 | 0 |
| CURRENT ASSETS | | 60,437 | 86,796 | 89,708 | 72,515 |
| TOTAL ASSETS | | 173,808 | 277,902 | 223,732 | 222,785 |
| EQUITY AND LIABILITIES | | | | | |
| Share capital | 10 | 262,496 | 248,184 | 262,496 | 248,184 |
| Share premium | | 14,879 | 0 | 0 | 0 |
| Reverse acquisition reserve | | -90,561 | -90,561 | 0 | 0 |
| Reserve for development cost | | 0 | 26,565 | 0 | 0 |
| Retained earnings | | -88,803 | 1,063 | -50,524 | -52,351 |
| Minority interests | | 0 | -758 | 0 | 0 |
| Exchange rate adjustments | | -2,449 | 1,885 | 0 | -78 |
| Share based payment reserve | | 0 | 0 | 0 | 0 |
| P&L for the year | | 0 | 0 | -16,214 | 0 |
| EQUITY | | 95,562 | 186,378 | 195,758 | 195,755 |
| Investments in associates | | 653 | 0 | 0 | 0 |
| Loans payable | 11 | 1,326 | 0 | 1,326 | 0 |
| Long term debt | | 0 | 0 | 0 | 0 |
| Other long term debt | | 26,417 | 0 | 26,345 | 151 |
| Deferred tax liabilities | | 0 | 518 | 0 | 0 |
| Financial instruments | | 0 | 0 | 0 | 0 |
| Non-current liabilities | | 28,396 | 518 | | 151 |
| Trade payables | | 38,306 | 54,539 | 149 | 68 |
| Short term debt | 11 | 10,487 | 19,072 | 0 | 0 |
| Other liabilities | | 862 | 4,761 | 116 | 19,072 |
| Financial instruments | | 0 | 0 | 0 | 0 |
| Accruals | | 196 | 1,347 | 39 | 0 |
| Debt to group enterprises | | 0 | 11,287 | 0 | 7,739 |
| Current liabilities | | 49,850 | 91,006 | 0 | 26,879 |
| LIABILITIES | | 78,246 | 91,524 | 27,974 | 27,030 |
| EQUITY AND LIABILITIES | | 173,808 | 277,902 | 223,732 | 222,785 |

Statement of Changes in Equity 2023 - Spark Group

| DKK '000 | SPARK GROUP | | | | | | | |
|--|----------------|---------------|-------------------|-----------------------------|------------------------|----------------------------|--------------------|----------------|
| | Share capital | Share Premium | Retained Earnings | Reverse Acquisition Reserve | Reserve, exchange rate | Reserve, development costs | Minority interests | Total |
| Equity at 1 January 2023 | 248,184 | 0 | 1,063 | -90,561 | 1,885 | 26,565 | -758 | 186,378 |
| Restatements* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Equity at 1 January 2023 *Restated | 248,184 | 0 | 1,063 | -90,561 | 1,885 | 26,565 | -758 | 186,378 |
| Profit for the year, allocated | | | -24,721 | | | -27,905 | 0 | -52,626 |
| Transactions with owners | | | | | | | | |
| Capital increase, paid in | 14,312 | 1,590 | | | | | | 15,902 |
| Recognition of assets within acquisition reserve | | | | | | | | 0 |
| Development cost | | | -1,340 | | | 1,340 | | 0 |
| Other legal bindings | | | | | | | | |
| Change of investments, net exchange differences | | | | | -4,334 | | | -4,334 |
| Transfers | | | | | | | | |
| Share Premium Movement | | 13,289 | | | | | | 13,289 |
| Non-controlling interest | | | -63,805 | | | | 758 | -63,048 |
| Equity at 31 December 2023 | 262,496 | 14,879 | -88,803 | -90,561 | -2,449 | 0 | 0 | 95,561 |

Cash Flow Statement

1 January – 31 December 2023

| DKK '000 | SPARK GROUP | |
|--|----------------|---------------|
| | 2023 | 2022 |
| Profit/loss for the year before tax | -24,721 | -17,770 |
| Depreciation and amortisation | 15,668 | 8,062 |
| (Gain)/loss on disposal | 36,567 | 12 |
| Impairment expense | 3,229 | 2,480 |
| Adjustment of profit from associates | -68,197 | 75 |
| Adjustment of profit from investments | 0 | 0 |
| Non cash movements in financial liabilities | 0 | -3,975 |
| Tax on profit/loss | 0 | 0 |
| Change in inventories | 1,582 | -669 |
| Change in receivables | 2,487 | 8,466 |
| Change in other assets | 386 | -2,925 |
| Change in payables | -15,399 | -2,659 |
| CASH FLOWS FROM OPERATING ACTIVITIES | -48,397 | -8,723 |
| Purchase of intangible assets | 34,904 | -5,245 |
| Purchase of property, plant and equipment | 516 | -5,934 |
| Sale of property, plant and equipment | 0 | 0 |
| Investments | 0 | 15,643 |
| Associated Companies | 0 | -75 |
| CASH FLOWS FROM INVESTING ACTIVITIES | 35,420 | 4,839 |
| Capital Increases | -20,317 | 0 |
| Loans received | 36,807 | 0 |
| Other cashflows from financing activities | 0 | 889 |
| CASH FLOWS FROM FINANCING ACTIVITIES | 16,490 | 889 |
| Exchange rate adjustments from opening balance sheet | 5,115 | 5,084 |
| CHANGE IN CASH AND CASH EQUIVALENTS | 8,628 | 1,639 |
| Cash and cash equivalents at 1 January | 17,975 | 16,336 |
| CASH AND CASH EQUIVALENTS AT 31 December | 9,347 | 17,975 |

Notes To The Financial Statements

ACCOUNTING POLICIES

BASIS OF PREPARATION

The accounting policies adopted in these interim financial statements are identical to those adopted in the Group's audited annual financial statements for the year ended 31 December 2022, which are available at investor.spenn.com.



NOTE 1 REVENUE

DKK '000 Spark Group

| | 2023 | 2022 |
|------------------|---------------|---------------|
| Blockbonds Group | 12,140 | 3,313 |
| Netposten | 401 | 292 |
| Kazang Zambia | 24,263 | 27,026 |
| Total | 36,804 | 30,631 |

NOTE 2 COST OF SALES

DKK '000 Spark Group

| | 2023 | 2022 |
|------------------|----------------|---------------|
| Blockbonds Group | 0 | -336 |
| Netposten | 0 | 0 |
| Kazang Zambia | -10,473 | -5,683 |
| Total | -10,473 | -6,019 |

NOTE 3 EMPLOYEE EXPENSES

DKK '000 Spark Group

| | 2023 | 2022 |
|-----------------------------|----------------|---------------|
| Salaries | -22,686 | -28,162 |
| Social Security | -2,478 | -3,076 |
| Pension | -684 | -849 |
| Share based payment expense | 0 | 0 |
| Total | -25,848 | 32,087 |

NOTE 4 FINANCE INCOME

DKK '000 Spark Group

| | 2023 | 2022 |
|---------------------------------------|--------------|--------------|
| Finance income | 2,309 | 5,282 |
| Finance income from group enterprises | 0 | 0 |
| Total | 2,309 | 5,282 |

NOTE 5 TAX ON PROFIT/LOSS FOR THE YEAR

DKK '000 Spark Group

| | 2023 | 2022 |
|----------------|-------------|---------------|
| Kazang Zambia | -447 | -1,300 |
| Blockbonds A/S | 0 | -1,913 |
| Total | -447 | -3,213 |

NOTE 6 DISTRIBUTION OF RESULTS

DKK '000 Spark Group

| | 2023 | 2022 |
|--------------------------------|----------------|----------------|
| Minority Interest | 1,072 | 327 |
| Profit attributable to parents | -23,649 | -73,987 |
| Distribution of profit | -22,577 | -73,660 |

NOTE 7 INTANGIBLE ASSETS

DKK '000

Spark Group

| | R&D | Goodwill | Other | Total |
|--|----------|---------------|---------------|---------------|
| Cost at 1 January 2023 | 26,565 | 58,166 | 24,753 | 109,434 |
| Transfers & Depreciation | -26,565 | -5,548 | -2,465 | -29,778 |
| Carrying amount on 31 December 2023 | 0 | 52,618 | 27,038 | 79,656 |

NOTE 8 PROPERTY, PLANT, & EQUIPMENT

DKK '000

Spark Group

| | Total |
|--|---------------|
| Cost at 1 January 2023 | 14,396 |
| Transfers & Depreciation | -2,402 |
| Carrying Amount at 31 December 2023 | 11,994 |

NOTE 9 PARTICIPATING INTERESTS AND GOVERNMENT BONDS

DKK '000

Spark Group

| | 2023 | 2022 |
|---------------------------------------|--------------|--------------|
| Government Bonds held - Zambia | 4,126 | 6,464 |

NOTE 10 SHARE CAPITAL

DKK '000

Spark Group

| | 2023 | 2022 |
|----------------------------------|----------------|----------------|
| Balance at the start of the year | 248,184 | 240,138 |
| Increase in Capital | 14,312 | 8,046 |
| Total | 262,496 | 248,184 |

NOTE 11 LOANS PAYABLE

DKK '000

Spark Group

| | 2023 | 2022 |
|--------------------------|---------------|---------------|
| Loans payable to JengaX | 1,326 | 11,287 |
| Loans payable by Kazang* | 10,487 | |
| Total | 11,813 | 11,287 |

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.

Shareholder Information

INVESTOR RELATIONS

The company's share capital at 31 of December 2023 was DKK 248,183,620 divided into 26,249,562 shares of nominally DKK 10 each. The shares belong to the same share class and are paid in full. All shares in the Company have the same rights. The shares are listed on the Nasdaq first north growth market Denmark. As of 29 December 2023, the share price was DKK 5.80

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

| Shareholder | Holdings, No. of shares | Holdings percentage | Beneficial owner | Position/Country |
|------------------------------------|-------------------------|---------------------|----------------------|------------------|
| JAC INVEST AS | 5,024,260 | 19.14 | Jens Glasø | CEO / NOR |
| JANUS INVEST AS | 1,178,298 | 4.49% | Bård Bjerkås | CLO / NOR |
| DAVID JAMES CHAPMAN | 1,172,335 | 4.47% | David James Chapman | Investor / HK |
| GIS HOLDING AS | 795,269 | 3.03% | Jørgen Gismervik | Investor / NOR |
| DIAGEN INTERNATIONAL INC. AS | 658,738 | 2.51% | Vidar Lindberg | Investor / NOR |
| MONTEBELLO VINSELSKAP OG INVEST AS | 606,573 | 2.31% | Karl-Anders Grønland | Investor / NOR |
| BØEN INVEST AS | 516,461 | 1.97% | Kjell Apeland | Investor / NOR |
| ETOS PATOS LOGOS AS | 513,910 | 1.96% | Rune Glasø | Investor / NOR |
| SAVOCA AS | 479,313 | 1.83% | Ole Harry Sandvold | Investor / NOR |
| SAAMAND AS | 444,435 | 1.69% | Olav Bryn | Investor / NOR |

OWN SHARES

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

SHARE PRICE DEVELOPMENT

SPARK Technology A/S's opening share price at the start of 2023 was DKK 16.36. Trading was closed on 29th December 2023 at a share price of DKK 5.80. (Comparable share prices used).

On the 21st of February 2023 SPARK Technology A/S did a reverse share split of the share, 100 to 1. The first settlement date for trading of the new share was 23rd February, with a par value of DKK 10.00.

Ownership of other Board Members or Executive Managers, not listed:

1. Magne Fretheim owns 442,423 shares equal to 1.69% of the Company's share capital post Transaction through Distinct AS

2. Jan F Andersen owns 10,675 shares equal to 0.04 % of the Company's share capital post Transaction through F. Andersen Management ApS.

INTERIM FINANCIAL REPORT

NAME:
Spark Technology A/S

COMPANY REGISTRATION NUMBER:
26518199

FINANCIAL YEAR:
1 January 2023 - 31 December 2023

