

SPARK Technology A/S

INTERIM REPORT H1 2024

1.1.2024 - 30.06.2024

SPARK Technology A/S
Company Registration Number: 26518199

Njalsgade 76, 4
2300 Copenhagen S
Denmark



SPARK Technology

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 2024 - 31 December 2024

6. DECEMBER 2024:

Interim Financial Report

The liquidator, who was appointed as liquidator by the Maritime and Commercial Court's probate court on 3 September 2024, does not have full knowledge of all the Company's matters, including matters that may be relevant to the half-year accounts, in particular regarding matters and transactions prior to 3 September 2024. On 18 November 2024, the general meeting of the company decided to resume the company, to reelect Magne Fretheim, Gabriel Jansaas and Bård Bjerkås for the board of directors and Jens Glaso as the CEO, and to file this decision with the Danish Business Authorities for registration. The Danish Business Authority is currently processing the registration application. The half-year accounts have been prepared by the elected, but not yet registered management, who have declared to the liquidator that, in their opinion, the half-year accounts are fair, both with regard to the income statement and assets and liabilities. The elected, but not yet registered management has therefore co-signed the half-yearly report.

CERTIFIED ADVISER:

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Poul Bundgaards Vej 1
2500 Valby, Copenhagen
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AUDITOR:

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2024 Interim Financial Highlights – SPARK Group

DKK '000	H1-2024	H1-2023
Gross revenue*	54,597	93,884
Gross Cost of sales	-49,326	-68,677
Net revenue	5,271	26,376
Cost of sales	-45	-8,018
Gross profit	5,225	18,358
Other Income	1,079	764
Employee expenses	-10,368	-12,441
G&A expenses	-7,362	-23,009
Depreciation	-7,478	-10,186
EBIT	-18,904	-26,514

In H1 2024 the gross revenues decreased to DKK 54,6 million from DKK 93.9 million in H1 2023.

Kazang contributes the most to revenues, adding DKK 54.0 million to the group's gross revenue for the period. Other revenues are represented by the group's other subsidiaries.

For H1 2024, EBIT resulted with a loss of DKK 18.9 million, an improvement from H1 2023 with its loss of DKK 26.5 million, driven by increased in other income and a decrease in employee expenses.

Kazang Zambia revenues decreased from DKK 91,1 million in H1 2023 to DKK 54,0 million in 1H 2024. EBIT for H1 2024 was a loss of DKK 2.0 million, compared to DKK -4,0m.

LETTER FROM THE CEO

Significant breakthroughs

The first half of 2024 has been a period of strategic progression and significant breakthroughs for SPENN Technology.

The Kazang integration, with implemented Visa functionality, represents a transformative milestone that has strengthened our payment infrastructure and significantly expanded our service spectrum. This has not only reinforced our market position but also created new growth opportunities.

In May, we initiated an exciting pilot through spennX, in collaboration with NASENI and the Central Bank of Nigeria (CBN), for the development of a government remittance gateway. This innovative platform is designed to give governments better control over tax evasion, increased tax revenues, and currency fluctuations, as well as critical access to USD. The pilot marks an important step toward securing spennX a strategic position in the international remittance market.

To accelerate our growth strategy, we have engaged North Point as financial advisor. This partnership strengthens our position for further expansion and value creation.

Despite market challenges, our dedicated team has worked purposefully to strengthen our technological infrastructure, expand our service offerings, and improve the user experience. These efforts have resulted in solid progress and positioned SPENN Technology for continued growth and innovation.

We enter the second half of 2024 with strengthened confidence in our strategy and a clear focus on delivering value to our customers, partners, and shareholders.

SPENN Technology continues to be a driving force for financial inclusion and innovation in our markets. Thank you for your continued support on this transformative journey.



SPARK Group outlook for 2024

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

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

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

One such investment opportunity is to acquire Acceleum Technology as was announced on the 14th of May 2024 to jointly launch their micro+investment and micro+pension platform and "The Acceleum Game". This and potential future agreements are subject to satisfactory due diligence and approval from the General meeting of SPARK Technology A/S.

SPARK Technology will seek to build on the strong foundations it has established and explore other strategic partnerships and collaborations that can accelerate our growth and extend our reach and to navigate the dynamic landscape of global finance.

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

FORWARD-LOOKING STATEMENTS

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





SPARK Technology A/S Consolidated and Parent Company

FINANCIAL STATEMENTS

Management's Statement

The Board of Directors, the Executive Board and the appointed Liquidator have today discussed and approved the Interim Financial Report of SPARK Technology A/S for the financial period 1 January – 30 June 2024.

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 30 June 2024 and of the results of the Group's and the Company's operations and cash flows for the financial year 1 January – 30 June 2024.

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

The Interim Financial Report is unaudited.

Copenhagen, 6. December 2024

EXECUTIVE BOARD:

CEO, Jens Glaso

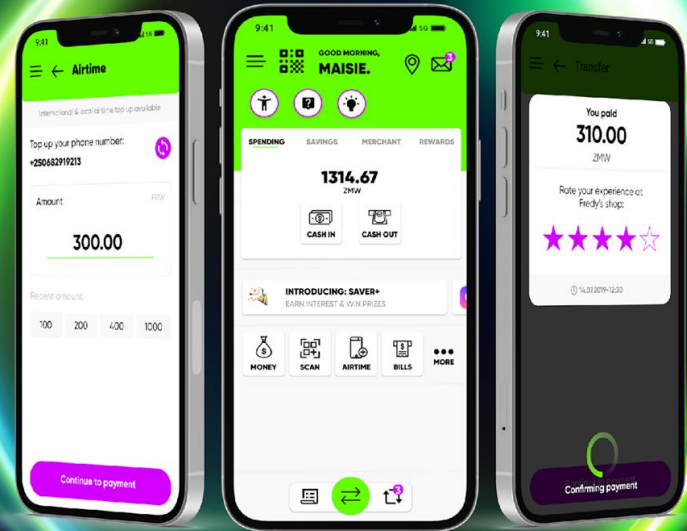
LIQUIDATOR

Henrik Sjørsløv

BOARD OF DIRECTORS:

Magne Fretheim (Board Chairman)
Bård Bjerkås

Gabriel Jeensas



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

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

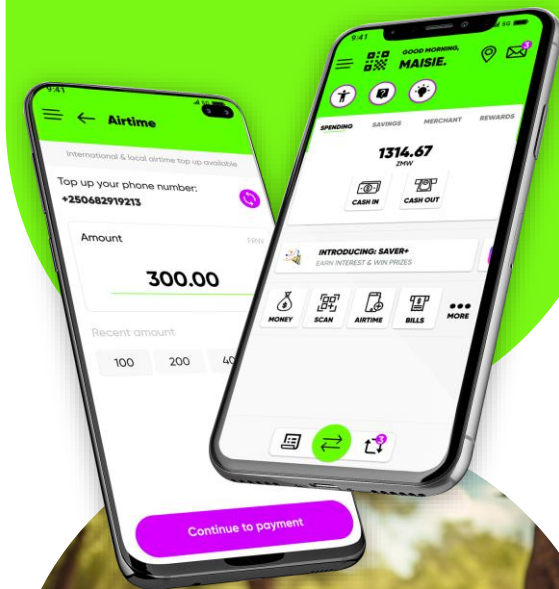
In the extraordinary general meeting on the 3rd of April 2024, Magne Fretheim was elected chairman to replace Karl-Anders Gronland. In addition, Bård Bjerkås was elected as a member of the board and Bjorn Kjos and Petrus Van der Walt resigned. In the extraordinary general meeting on 25th April 2024,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

Furthermore, in the extraordinary general meeting on 3rd of April 2024, the shareholders also approved the change of name from SPENN Technology to SPARK Technology and the transfer of SPARK Technology’s assets in exchange for shares in Tyrill AB according to the SPA between the parties

Tyrill will focus on developing global payment infrastructures, initially in Africa, expanding on the initiatives started by SPARK Technology’s portfolio companies. As part of the transaction SPARK has received SEK 10 million in cash from Tyrill AB and expects to receive shares in kind during autumn 2024. The issues of shares and capital raise in Tyrill is in process.

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

The agreement is subject to satisfactory due diligence and approval from the General meeting of SPARK Technology A/S. The acquisition price was currently set at DKK 100 000 000, as an in-kind contribution with 100% of the shares from Acceleum Technology AS. The share issue with the in-kind contribution, will be done at nominal value of the SPARK share, and the share issue must be approved by the General meeting of the company.



H1 2024 FINANCIAL RESULTS

The Company reported a loss of m.DKK 19,430 in 1H 2024 compared to a loss of m.DKK 31,673 in 1H 2023.

Gross revenue decreased to m.DKK 54,6 in 1H 2024, from m.DKK 93,9 in 1H 2023. Employee expenses amounted to m.DKK 10,368, driven by currency, some overhead headcount reductions and some adjustments in the markets.

Gross general and administrative expenses amounted to m.DKK 7,362, as the company has incurred costs in relation to capital raising. Included within this number is services that has been credited after June 30th. The Company did not manage to deliver on the expectations of 2024 due to lower performance from Kazang than expected, and that the reduction in expenses on SPENN side has taken longer. In addition certain of the agreements SPENN did has taken longer to implement than expected. It is expected that future periods will be able to deliver, due to Kazang's integration of VISA and the reduction in expenses in the group overall. It is also expected that there will be a positive effect from the launch of the integration fulfilled August 2024.

RESEARCH AND DEVELOPMENT

In H1 2024 company focused on maintaining the existing applications and platforms thus, there were not much spendings on the development of the products.

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

Basic Earnings per share for the period ended 30.06.24* (DKK)

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

-7,40

FUTURE DEVELOPMENTS

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

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

ASSETS

As of 30 June 2024, the Company's total assets amounted to m.DKK 156,9 (2023: m.DKK 157,5). The Company's intangible assets at the period end were m.DKK 94,2 (2023: m.DKK 98,5). Current assets at the period end were m.DKK 44,3 (2023: m.DKK 39,9). The Company had cash and cash equivalents at the period end of m.DKK 12,424 (2023: m.DKK 8,811).

EQUITY AND LIABILITIES

As of 30 June 2024, total shareholders equity amounted to t.DKK 262,496 (2023: t.DKK 262,496). Total liabilities at the end of the period amounted to m.DKK 104,8 (2023: m.DKK 95,7), consisting largely of trade payables at m.DKK 30,5.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities amounted to m.DKK -16,9. Cash flow from financing activities for the period was m.DKK 5,8 mainly attributed to further loans received in the group during 2024. The total net cash flow for the period ending was m.DKK 3,6.

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.

TYPES OF RISKS AFFECTING THE COMPANY

RISK MANAGEMENT

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

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

FOREIGN EXCHANGE RISK

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

LIQUIDITY RISK

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

CREDIT RISK

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

GOING CONCERN

SPARK has sold the majority of its subsidiaries in 2024 in a transaction with Tyrill AB. This will significantly reduce the needed investment for SPARK. At the same time expected reduced operating costs will support the working capital. SPARK is in the process of and preparations to complete the acquisition of Acceleum Technology AS announced on the 14 May 2024, on the condition that any transaction is carried out in shares and that Acceleum secures adequate working capital in the future before a possible implementation of the transaction, so that the company can cover its operating costs for the next 24 months. SPARK will also have an option to sell a small portion of the Tyrill shares received in the transaction with Tyrill in a distribution sale before Tyrill gets listed and before potential distribution of shares to each shareholder, if liquidity is needed to pay the convertible debt that is not converted by the lenders.

SIGNIFICANT EVENTS AFTER 30.06.2024

On the 16th of July 2024 SPARK Technology A/S announced a delay in releasing its audited Financial Report for 2023, causing the Annual General Meeting to be postponed to August. The delay was due to challenges in implementing new financial procedures and adapting to updated auditing requirements.

On the 22nd of July 2024 SPARK Technology A/S received a notice from Tyrill AB regarding excluding JengaX from the Tyrill-SPARK transaction and on the 23rd of July 2024 this notice was further clarified. SPARK Technology A/S clarified that the value for SPARK's shares (SEK 8M) is separate from the SEK 202M asset transaction. The SEK 10M cash amount remained unaffected, while the shares consideration decreased slightly.

On the 16th of August 2024 SPARK Technology announced delayed its Audited Annual Financial Report 2023 results which highlighted gross revenue of 180.3 million DKK and a significant net loss primarily due to JengaX-related impairments. EBITDA reached -26.5 million DKK.

SPARK Technology A/S announced on the 20th of August 2024 that the company was placed under compulsory liquidation due to delays in submitting its 2023 financial report and suspension of shares traded on Nasdaq. Consequently, the management team resigned, the scheduled general meeting was canceled and preparation of a new general meeting was arranged to address the liquidation and resume the company and operations.

On the 12th of September 2024 SPARK Technology A/S held an extraordinary general meeting approving the Annual Financial Report 2023 and aligned with SPARK's dissolution status and ongoing resuming process following recent company announcements.

SPARK Technology A/S provided on the 23rd of September 2024 an update on the process to resume operations following suspension. The Danish Business Authority did not approve a proposed capital reduction, impacting resumption plans. While the approval for the 2023 annual report remained intact, SPARK will adjust its financial calendar and arrange a new general meeting to ensure alignment with regulatory requirements and resumption of the company. This process aims to restore operational continuity and meet the company's obligations to stakeholders.

The Company purchased 60% of the shares in Kazang Zambia Limited by share purchase agreement of 20 August 2021. In September-November 2024, the sellers of the shares have claimed that the Company only owns 15% of the shares in Kazang Zambia Limited. In the opinion of the board of directors of the Company until 20 August 2024, who are expected to be re-elected as board of directors at the extraordinary general meeting on 18 November 2024, the seller's claim **is manifestly ill-founded. This opinion is supported by legal opinion of 15. November 2024 of MESSERS LEONARD KALINDE AND PARTNERS, Lusaka, Zambia.**

Income Statement

1 January – 30 June 2024

DKK '000

SPENN GROUP

	Note	1H 2024	1H 2023
REVENUE	1	5,271	26,376
Cost of sales	2	-45	-8,018
GROSS PROFIT		5,225	18,358
Employee expenses	3	-10,368	-12,441
Administrative expenses		-7,362	-23,009
Depreciation, amortisation		-7,478	-10,186
Other income		1,079	764
OPERATING PROFIT/(LOSS)		-18,904	-26,514
Associated companies		0	-2,929
Income from other investments		0	0
Other financial income		2,582	3,043
Finance costs from group enterprises		0	0
Other finance costs		-3,699	-4,585
TOTAL FINANCE INCOME/(LOSS)		-1,117	-4,471
Gain/(loss) on disposal		0	1
PROFIT/LOSS BEFORE TAX		-20,021	-30,984
Tax on profit/loss for the year		590	-689
PROFIT/LOSS FOR THE PERIOD		-19,430	-31,673
DISTRIBUTION OF RESULTS			
Minority interest		-510	-1,345
Profit attributable to parents		-18,921	-33,018
Distribution of profit		-19,430	-31,673

Balance Sheet at 30 June 2024

DKK '000	SPENN GROUP		
	Note	1H 2024	2023
ASSETS			
Research and Development		26,770	26,565
Goodwill		48,733	51,834
Other intangible assets		18,710	20,106
Intangible assets	4	94,213	98,505
Property, plant and equipment	5	10,438	11,931
Property, plant and equipment		10,438	11,931
Investment in associates		2,480	2,994
Participating interests, Govt bonds	6	5,477	4,126
Financial non-current assets		7,957	7,120
		112,608	117,556
NON-CURRENT ASSETS		112,608	117,556
Inventories		2,721	4,492
Trade and other receivables		17,938	22,344
Other Assets		5,388	1,013
Deferred Tax Assets		40	1,537
Prepayments and accrued income		5,801	1,400
Cash and Cash equivalents		12,424	8,811
Financial instruments	9	0	364
		44,312	39,962
CURRENT ASSETS		44,312	39,962
TOTAL ASSETS		156,920	157,518
EQUITY AND LIABILITIES			
Share capital	7	262,496	262,496
Share premium		0	0
Reverse acquisition reserve		-90,561	-90,561
Reserve for development cost		26,565	26,565
Retained earnings		-156,439	-137,008
Minority interests		792	1,302
Exchange rate adjustments		9,299	-1,028
Share based payment reserve		0	0
EQUITY		52,152	61,765
Investments in associates		1,793	1,979
Long term debt		0	0
Other long term debt		56,814	50,457
Deferred tax liabilities		0	0
Financial instruments		0	0
Non-current liabilities	9	58,607	52,436
Trade payables		30,532	36,823
Short term debt	8	6,278	5,730
Other liabilities		1,794	755
Financial instruments		0	0
Accruals		7,558	9
Debt to group enterprises		0	0
Current liabilities		46,161	43,316
		104,768	95,752
LIABILITIES		104,768	95,752
EQUITY AND LIABILITIES		156,920	157,518

Statement of Changes in Equity 30. June 2024 - SPARK Group

DKK '000	SPENN GROUP							
	Share capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority interests	Total
Equity at 1 January 2024	262,496	0	-137,008	-90,561	-1,028	26,565	1,302	61,765
Profit for the period, allocated			-19,430				-510	-19,941
Transactions with owners								0
Capital increase, paid in								0
Recognition of assets within acquisition reserve								0
Development cost								0
Other legal bindings								0
Change of investments, net exchange differences					10,327			10,327
Transfers								0
Share Premium Movement								0
Equity at 30 June 2024	262,496	0	-156,439	-90,561	9,299	26,565	792	52,152

Statement of Changes in Equity 30. June 2024 - SPARK Technology AS

DKK '000	SPENN GROUP							
	Share capital	Share Premium	Retained Earnings	Reverse Acquisition Reserve	Reserve, exchange rate	Reserve, development costs	Minority interests	Total
Equity at 1 January 2024	262,496	0	-218,711	0	-62	0	0	43,785
Profit for the period, allocated			-20,191					-20,191
Transactions with owners								0
Capital increase, paid in								0
Recognition of assets within acquisition reserve								0
Development cost								0
Other legal bindings								0
Change of investments, net exchange differences								0
Transfers								0
Share Premium Movement								0
Equity at 30 June 2024	262,496	0	-238,901	0	-62	0	0	23,595

Cash Flow Statement

1 January – 30 June 2024

	1H 2024	1H 2023
Profit/loss for the year before tax	-19,430	-30,984
Depreciation and amortisation	7,478	10,186
(Gain)/loss on disposal	0	-1
Impairment expense	0	0
Adjustment of profit from associates	0	2,929
Adjustment of profit from investments	0	-
Non cash movements in financial liabilities	-5,794	-2,349
Changes in working capital:		
Change in inventories	1,771	-2,281
Change in receivables	4,407	6,096
Change in other assets	-7,643	-
Change in payables	2,297	-17,168
CASH FLOWS FROM OPERATING ACTIVITIES	-16,915	-33,572
Purchase of intangible assets	4,292	-1,340
Purchase of property, plant and equipment	0	-11,470
Sale of property, plant and equipment	1,493	1
Proceeds from the disposal of JengaX shares	0	0
Net cash acquired as a result of JengaX transaction	0	0
Associated Companies	0	-119
CASH FLOWS FROM INVESTING ACTIVITIES	5,785	-12,928
Capital Increases	0	0
Loans received	6,905	20,385
Loans repaid	0	-58
Treasury shares acquired as a result of share consolidation	0	-9
Other cashflows from financing activities	-186	0
CASH FLOWS FROM FINANCING ACTIVITIES	6,718	20,318
Exchange rate adjustments from opening balance sheet	8,025	1,741
CHANGE IN CASH AND CASH EQUIVALENTS	3,613	-24,441
Cash and cash equivalents at 1 January	8,811	33,787
CASH AND CASH EQUIVALENTS AT 30 JUNE	12,424	9,347

Notes To The Financial Statements

ACCOUNTING POLICIES BASIS OF PREPARATION

The Annual Financial Report for the Company has been prepared in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

Historically the company has reported under a hybrid of both classes B and C. The change in accounting policy from the hybrid reporting to only class C has not had an impact on accounting policies regarding recognition or measurement, and are consistent with the policies from last year.

The comparative sections of the Annual Financial Report are a summary of the continuing operations of SPARK Technology A/S (formerly SPENN Technology A/S) group for the first half of 2024.

Interim 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.

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.

NOTE 1 REVENUE

SPARK Group

DKK '000	1H 2024	1H 2023
Blockbonds Group	480	1,965
Netposten	96	65
Kazang Zambia	4,695	24,346
Total	5,271	26,376

Most of the sales of the group is generated by Kazang Zambia. Almost 90% of all of the revenues is generated by Kazang Zambia. Revenues are shown as net of cost of sales for the airtime and commission revenues.

NOTE 2 COST OF SALES

SPARK Group

DKK '000	1H 2024	1H 2023
Blockbonds Group	-26	-165
Kazang Zambia	-19	-7,853
Total	-45	-8,018

NOTE 3 EMPLOYEE EXPENSES

DKK '000	SPARK Group	
	1H 2024	1H 2023
Salaries	-9,177	-10,253
Social Security	-955	-1,886
Pension	-236	-302
	-10,368	-12,441

NOTE 4 INTANGIBLE ASSETS

DKK '000

SPARK Group

	R&D	Goodwill	Others	Total
Cost at 1 January 2024	40,373	62,039	24,753	127,166
Additions	520	0	1,429	1,948
Cost at 30 June 2024	40,893	62,039	26,182	129,114
Amortisation at 1 January 2024	-12,384	-10,205	-6,071	-28,660
Amortisation for the period	-1,739	-3,101	-1,401	-6,241
Amortisation at 30 June 2024	-14,123	-13,306	-7,472	-34,901
Carrying amount at 30 June 2024	26,770	48,733	18,710	94,213

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 for the period of first half of 2024 the assessment of the company is that there was an impairment of DKK 1,7 million from the development costs of SPARK Technology and are a part of amortisation costs. Goodwill at 30 June 2024 has a cost of t.DKK 48,733. 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 5 PROPERTY, PLANT & EQUIPMENT

DKK '000 SPARK Group

	Fixtures	Equipment	Total
Cost at 1 January 2024	142	11,789	11,931
Additions	0	920	920
Disposals	0	-65	-65
Cost at 30 June 2024	142	12,644	12,786
Depreciation for the period	-20	-2,328	-2,348
Depreciation and Impairment losses at 30 June 2024	-20	-2,328	-2,348
Carrying Amount at 30 June 2024	122	10,316	10,438

The Carrying amount at 30 June 2024 includes DKK 10,4 million which is attributed to Kazang Zambia and mostly relates to mobile terminals. The other property asset relate to a lease held by Blockbonds for office premises.

DKK '000 Parent Company

	Equipment	Total
Cost at 1 January 2024	0	0
Cost at 30 June 2024	0	0
Reversal of Depreciation of assets disposed of	0	0
Depreciation for the period	0	0
Depreciation and Impairment losses at 30 June 2024	0	0
Carrying Amount at 30 June 2024	0	0

NOTE 6 GOVERNMENT BONDS

DKK '000	SPARK Group		Parent Company	
	1H 2024	2023	1H 2024	2023
Kazang Zambia (Bonds only)	5,477	4,126	0	0
Total	5,477	4,126	0	0

NOTE 7 SHARE CAPITAL

DKK '000 SPARK Group

	1H 2024	2023
Balance at the start of the year	262,496	248,184
Increase in Capital	0	14,312
Total	262,496	262,496

In 1H 2024 there was no capital increase.

NOTE 8 SHORT TERM DEBTS

DKK '000	SPARK Group		Parent Company	
	1H 2024	2023	1H 2024	2023
Convertible debentures	6,278	5,730	0	0
Total	6,278	5,730	0	0

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

NOTE 9 NON-CURRENT LIABILITIES

DKK '000

SPARK Group

	Total debt 30/06/2024	Repayment next year	Debt outstanding after 5 years	Total 30/06/2024
Investments associated i companies	1,793	849	944	1,793
Convertible loans	49,985	0	49,985	49,985
Loans payable	5,320	5,320	0	5,320
Other non-current liabilities	1,509	1,509	0	1,509
Total	58,607	7,678	50,929	58,607

At the end of H1 2024, the outstanding long term debt consisted mainly of DKK 50,0 million of convertible debt to the investors of SPARK Technology.

The next years repayment includes DKK 5,3 million of bank overdraft by Kazang Zambia and DKK 1,5 million of other liabilities.

DKK '000

Parent Company

	Total debt 30/06/2024	Repayment next year	Debt outstanding after 5 years	Total 30/06/2024
Investments associated i companies	849	849	0	849
Convertible loans	49,985	0	49,985	49,985
Total	50,834	849	49,985	50,834

Shareholder Information

INVESTOR RELATIONS

The company's share capital at 30th of June 2024 was DKK 262,495,620 divided into 26,249,562 shares of nominally DKK 10 each. The shares belong to the same share class and are paid in full. All shares in the Company have the same rights. The shares are listed on the Nasdaq first north growth market Denmark. As of 28 June 2024, the share price was DKK 3,02

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	4,999,945	20.15%	Jens Glaso (1)	CEO / NOR
JANUS INVEST AS	1,220,780	4.92%	Bård Bjerkås	CLO / NOR
DAVID JAMES CHAPMAN	1,198,898	4.83%	David James Chapman	Investor / HK
GIS HOLDING AS	792,269	3.19%	Jørgen Gismervik	Investor / NOR
DIAGEN INTERNATIONAL INC. AS	658,738	2.65%	Vidar Lindberg	Investor / NOR
MONTEBELLO VINSELSKAP OG INVEST AS	606,573	2.44%	Karl-Anders Grønland	Chairman of the Board / NOR
BØEN INVEST AS	516,461	2.08%	Kjell Apeland	Investor / NOR
ETOS PATOS LOGOS AS	513,910	2.07%	Rune Glasø	Previous board member / NOR
SAVOCA AS	479,313	1.93%	Ole Harry Sandvold	Investor / NOR
SAAMAND AS	444.454	1.79%	Olav Bryn	Investor / NOR

OWN SHARES

SPENN 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 2024 was DKK 5,62. Trading was closed on 28th June 2024 at a share price of DKK 3,02. (Comparable share prices used).

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

- Magne Fretheim owns 442,423 shares equal to 1.69% of the Company's share capital post Transaction through Distinct AS
- Jan F Andersen owns 10.675 shares equal to 0.04 % of the Company's share capital post Transaction through F. Andersen Management ApS



Henrik Sjerlev (Dec 6, 2024 16:50 GMT+1)

06/12/24



Bård Bjerås (Dec 6, 2024 17:36 GMT+1)

06/12/24



Jens Guse (Dec 6, 2024 16:34 GMT+1)

06/12/24



Gabriel Sjaas (Dec 6, 2024 16:35 GMT+1)

06/12/24

INTERIM FINANCIAL REPORT

NAME:
SPARK Technology A/S
2024 - 31 December 2024

26518199

COMPANY REGISTRATION NUMBER:

FINANCIAL YEAR:

1 January