



SPENN

SPENN
Technology A/S

Interim Financial Report
1 January 2021 –
30 June 2021

A Word from our CEO



Strong Growth During Difficult Times

The number of SPENN users has more than tripled during the pandemic. SPENN had approximately 300,000 users when the pandemic hit. 18 months later, the number has surpassed 900,000 and is closing in on the 1 million user milestone.

With a ground crew already operational in our three African markets – Rwanda, Tanzania and Zambia – when the pandemic broke out, we have been able to recruit more users and increase our standing, even during difficult times.

We are proud of how our staff members have conducted themselves during the pandemic, ensuring a safe working environment while dutifully performing their tasks. Following the roll-out of mass vaccinations and lifting of travel restrictions, we expect growth to accelerate in existing markets, and exploration of potential new markets to intensify.

In general, personal relationships and physical meetings are prerequisites for successfully doing business in Africa. SPENN executives spend a lot of time on the ground in existing and potential markets to develop the SPENN ecosystem. During the pandemic, potential competitors that did not already have feet-on-the-ground in our markets, have not been able to build a presence. Having an established ground crew prior to the outbreak of Covid-19 has in fact been a competitive advantage for SPENN during the period.



Continuous development of the SPENN app has improved the user experience and user value. In the first half of 2021, new products and services have been added, such as savings account, payment of additional bills, purchase of airtime and deposits via credit or debit cards. All these features add to the SPENN ecosystem and increase the retention rate. More products and services are to be added later this year including lending and a health certificate released in Rwanda.

In June, SPENN was declared the overall winner of the Mastercard Lighthouse MASSIV program. Mastercard's partnership program is designed to find and scale impact unicorns, and put them in front as a Mastercard lighthouse for future innovation. According to program advisors, SPENN was chosen as the winner because it is ready to scale up, due to its groundbreaking technology and developments during the program. We look forward to extending our frictionless payment solution to Mastercard's partners, customers, and network.

"The number of SPENN users has more than tripled during the pandemic. SPENN had approximately 300,000 users when the pandemic hit. 18 months later, the number has surpassed 900,000 and is closing in on the 1 million user milestone."

In February this year SPENN entered a new bank partnership with Access Bank in Zambia. Access Bank is a strong capitalized bank with more than 28,000 employees across 10 countries. Access Bank is one of the leading banks in Africa and has an aggressive ambition to be the biggest bank, which is perfectly aligned with SPENN's ambitions. In August SPENN signed a new agreement that solidifies our operation in Zambia with improved scale and capacity to provide best-in-class financial services in the Zambian market. Growing SPENN's presence in Zambia remains a strategic priority and SPENN looks forward to realizing the synergies from the agreement and achieving further growth to the benefit of all stakeholders. Through the partnership, SPENN expects significant future increase of usage and revenues. We will explore the possibility of launching SPENN in other markets in partnership with Access Bank. This could enable SPENN to be the preferred seamless mobile banking platform in Africa.



A subsidiary of SPENN Technology A/S, CPH Crypto A/S offers a platform for trading of crypto currencies. This offering is to be further explored in the second half of 2021. African markets are strongholds for crypto currencies, which are more integrated in the everyday economy than in most other continents. 5 of the top-20 countries on the Global Crypto Adoption Index (GCAI) are African. According to the index, many emerging markets face significant currency devaluation, driving residents to buy cryptocurrency on P2P platforms, in order to preserve their savings. Others in these areas use cryptocurrency to carry out international transactions, either for individual remittances or for commercial use cases.

Combined efforts from the entire SPENN organizations through the first half of 2021 have been appreciated by the market. The share price was DKK 0.60 as of 30 December 2020 and DKK 2.16 as of 30 June 2021. Pending the approval of the company description following the reverse merger with NPInvestor, trading of the SPENN share was suspended on 8 June 2021. According to Nasdaq, the approval process should be finalized no later than the end of September. Thus, we expect trading of the SPENN share to commence on Nasdaq First North Growth Market Denmark as soon as the change of identity process has been completed.

I am proud to serve as the CEO of SPENN. I extend my thanks to our brilliant employees who work relentlessly to 'bank the unbanked', to include more people in the financial system and provide paths out of poverty. We are committed to building better services and products for SPENN users – and creating value for our shareholders.

Copenhagen, 26th August 2021



Jens Glasø
CEO



"SPENN's mission is to give everyone equal financial opportunities through innovative technology"

SPENN Technology A/S

SPENN Technology A/S (formerly "NPInvestor.com A/S") is a Scandinavian fintech company with activities within trading, investment and financial media. SPENN Technology A/S has acquired Blockbonds AS, a leading Norwegian fintech and blockchain company operating in Africa and Asia within digital banking and payment services.

Since its establishment in 2015, Blockbonds core focus has been to provide technology to banks based on a Software as a Service (SaaS) solution: SPENN. Through SPENN, which is built on blockchain technology, Blockbonds has developed an advanced financial platform built into a user-friendly mobile banking application, which targets financial inclusion by connecting the unbanked with the banked population, as well as businesses in the world.

It has been proven that transforming a society's cash-based financial ecosystem into a digital ecosystem enables financial inclusion thus helping people lift themselves out of poverty and to become more resilient to financial shocks. The mission of Blockbonds is to give everyone equal financial opportunities through innovative technology. SPENN is the vehicle to realise this mission. The target markets of SPENN are in the introductory phase towards mobile payments and online banking, and there is a large demand for the services offered by SPENN.

ESG is at the Core of SPENN's Business

SPENN Achieves its Impact through a significant number of the UN Sustainable Development Goals.



The financial landscape in markets where SPENN operates consists primarily of banks, mobile network operators (MNO's) and microfinance actors. The MNO's dominate the market for mobile wallets and P2P transactions. However, they are dependent on legacy technology making their offering expensive and inconvenient for end users. Simultaneously, rising competition is driving down transaction fees, and the MNO's legacy technology is costly to maintain, leading to diminishing returns and challenging operating model transitions. For the formal financial institutions such as local banks, the cost to open and maintain accounts for the unbanked is too high to be viable.

Rather than entering the race with diminishing transaction fees, Blockbonds is pursuing a strategy of taking market share by providing free transactions. We believe this strategy will speed up the ongoing transition whilst allowing us to maintain a scalable business model. SPENN is a scalable and interoperable platform free from transaction and account fees, resulting in superior benefit to end customers.

Blockbonds' rapidly growing solution, SPENN, is currently in 4 markets - Philippines, Tanzania, Rwanda and Zambia with more than 900,000 registered users. Blockbonds and its subsidiaries currently has 160 employees.

Blockbonds' business model is to partner with a bank in local markets and provide SPENN IT infrastructure to roll out in partnership.

Blockbonds partners with local banks to build a stronger brand and presence in the market and to enable the secure storage of customer deposits held in the SPENN system.

The cost to open and maintain bank accounts for the unbanked is expensive for local banks. Blockbonds' local SPENN subsidiaries handle these customers for our banking partners, solving a key issue by turning a cost into income for our bank partners. The SPENN mobile banking app is easily integrated with a bank's IT infrastructure and generates multiple revenue streams. Blockbonds provides the SPENN IT infrastructure to the bank partners for a monthly fee and SPENN also earns a percentage fee on the total deposits held in the bank which are mirrored 1:1 in the SPENN system.

SPENN also earns revenue from 3rd parties by offering their products or services to customers through SPENN. These include airtime and bills payment services to customers, and there is a large potential upside in commissions as these are correlated to increasing customers and bringing further services and products to SPENN. SPENN earns additional revenue by charging businesses subscription fees to use the business services that SPENN offers. The free SPENN ecosystem creates a network effect where our segments reinforce each other leading to greater adoption. This leads to increased deposits and use of the value-add-services and products in the SPENN application which further drives revenue.

Blockbonds Timeline



SPENN Mobile Banking Application

Blockbonds' flagship product is the SPENN Mobile Banking Application. The SPENN mobile banking application is among the first products to digitise a national currency by linking the digital funds on the platform 1-to-1 with the local currency in the market. All cash is safely stored at our bank partners and funds in the SPENN system will always mirror exactly what is stored in the bank.

By carrying out transactions and payments digitally, security is increased, individuals and businesses get a better overview of their finances and risk of corruption, theft, and other negative aspects of a cash society is reduced. The SPENN ecosystem is built on blockchain technology and thus transactions are secure, with a low risk of fraud and misuse.

The SPENN app has adopted a simple and intuitive interface that is easy to understand and use by anyone, regardless of their background, education, age or knowledge of banking applications.

SPENN is free to download and offers free transfers, free payments, and a free point-of-sale solution for small businesses. Anyone with a mobile phone can create a secure bank account in less than 60 seconds as SPENN automatically fetches the necessary KYC details for a quick and frictionless onboarding experience. Users are able to top-up their SPENN wallets by visiting one of our partner banks branches or via the extensive network of SPENN Agents that we operate in our markets. These agents offer users top-up and cash out services in and out of SPENN users' wallets and ensure the distribution network to our customers is extensive and flexible.

SPENN offers consumers the ability to freely and easily transact with others whilst securely holding their funds in their SPENN account. Users can freely send, receive, and request money from other users in the SPENN ecosystem. Other features include purchasing airtime, paying for goods and bills in addition to earning interest on savings.

SPENN Features

DEPOSIT
SPENN offers a FREE bank account and various options to Deposit

SEND
Send money to other users on demand for FREE

SPEND
Pay bills + buy airtime + pay merchants + invest

SAVE
Save independently or in groups at a superior interest rate

LEND
Facilitate short term loans to SPENN Savers and Business Users

SPENN Business Services

SPENN Business Services are a set of powerful and reliable tools assisting businesses in a variety of ways.

SPENN Distribution Tool:

This is a SaaS business platform that allows businesses to make multiple disbursements of funds. Whether it is payroll, payment to suppliers or commission to employees, everything can be done from the SPENN distribution tool. The SPENN distribution tool also enables the business to access transaction statements with a full business transaction history and the ability to add multiple users with variable permission levels.

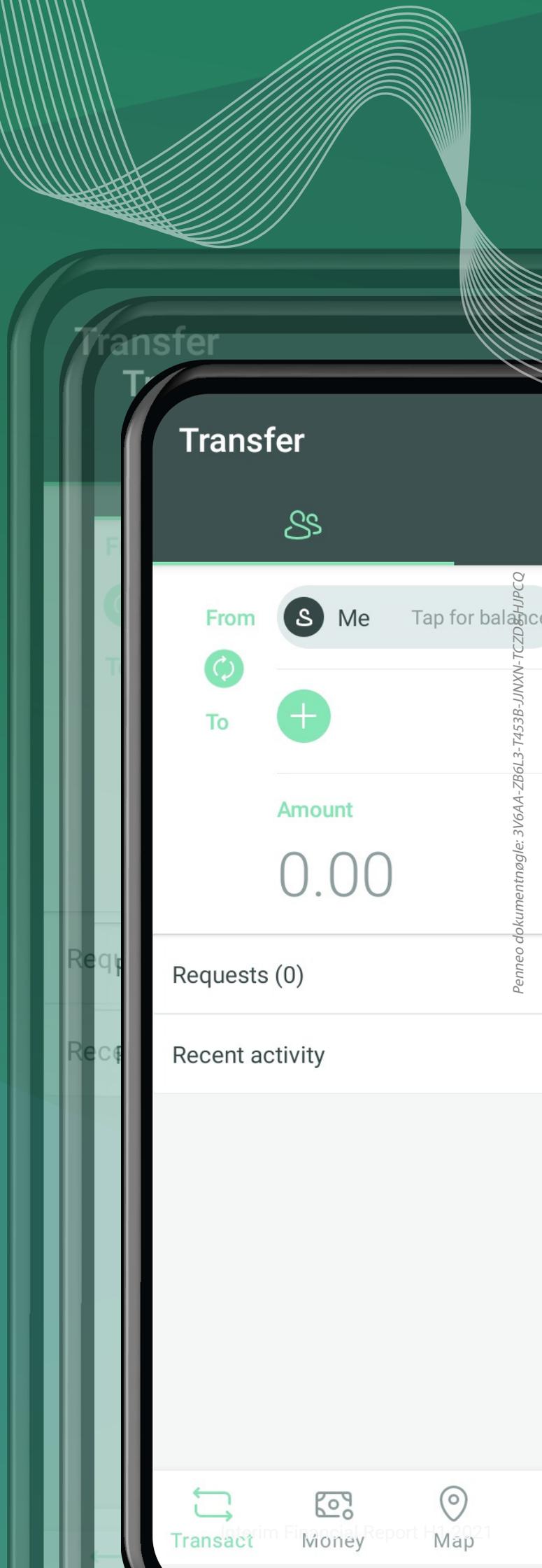
SPENN Connect:

The SPENN Connect platform provides businesses quick and secure integration into the SPENN platform through SPENN's easy-to-use application program interfaces to provide instant payment processing. This is a highly flexible platform that is increasingly becoming more relevant in developing African nations where the internet penetration rate is growing at an exponential rate.

SPENN Marketplace:

The SPENN Marketplace enables third party businesses to sell directly within the SPENN app. This provides businesses with a direct access point to our SPENN users and as the adoption of SPENN increases throughout our markets these offering increases in value to businesses.

SPENN earns a subscription fee paid by SPENN Business customers and received from the use of the SPENN Distribution tool and SPENN Connect. Both these tools are expected to be large growth drivers as businesses adopt SPENN as a platform to distribute and manage their finances.



Penneo dokumentnøgle: 3V6AA-ZB6L3-T453B-JJNXN-TCZDS-8HJPCQ

SPENN: How It Works

SPENN is essentially an accounting solution that enables cost free and secure transactions between users in real time using blockchain technology. A blockchain is a continuously growing list of records, called blocks, which are linked and secured using cryptography. Each block typically contains a cryptographic hash of the previous block, a timestamp, and transaction data. The blockchain is a distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way. In the case of SPENN, the blockchain contains the complete ledger of all transactions that has ever happened on the platform.

SPENN uses a private blockchain, that gives even an extra level of security, limiting the accessibility to third parties. Private blockchains give their operators control, as such Blockbonds has control over who can read the ledger of verified transactions, who can submit transactions, and who can verify them.

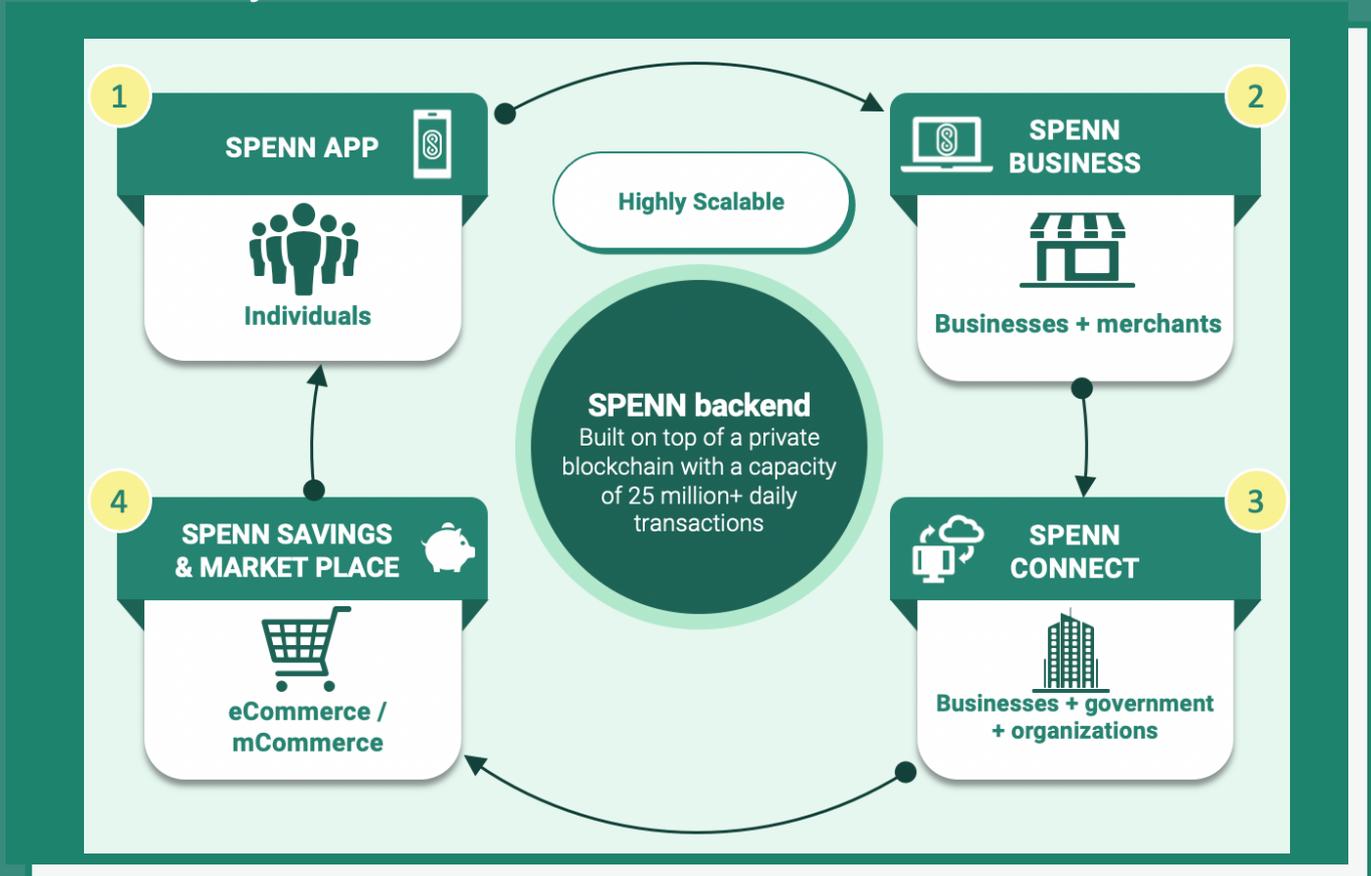
This has been an important requirement when working with banking partners, that the data is not available on a public blockchain.

A node is a host computer (or a server) that is connected to the network. Blockbonds have full control over the system's nodes since it is run on a private blockchain. Each node has the complete blockchain, thus all transactional records are stored on all nodes, ensuring consistency and integrity.

SPENN was built with scalability in mind from the start, both when looking at increasing demand and when dealing with platform expansions. Partner integration with SPENN is a simple process through a set of easy-to-use application program interfaces (APIs).

The significant cost benefit of using a private blockchain is what enables SPENN to provide cost free transactions to its users.

SPENN Ecosystem





SPENN: Future Roadmap

Blockbonds' strategy is for SPENN to become a full-service financial services platform that will enable users to spend, save and manage their money all in one place. This will drive both customer growth and retention creating a network effect for new and existing users. The company continuously works on improving current SPENN functionalities and is continuing to explore potential expansion into new markets.

Furthermore, Blockbonds is striving to develop additional products and services that will drive usage and deposits through the SPENN app. For example, in adding a prepaid card to the SPENN wallet, SPENN users could access card payments enabling them to instantly access the funds in their SPENN wallet to make payments. Another example is to offer its users the ability to exchange crypto-currencies on its platform to take advantage of the growing adoption of crypto assets seen in SPENN's current markets.

By providing a full suite of financial service solutions to our customers, we will drive customer retention in our markets. Many of them are connected and reinforce SPENN's fee on total deposits as a core revenue driver over time, as the overall user and deposit base increases within each market.

Company Information

Company

SPENN Technology A/S
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Date of Formation: 1 February 2002

Financial Year: 1 January 2021- 31 December 2021

Executive Board

Jens Bjarne Glaso, Chief Executive Officer

Board of Directors

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Management Statement

Today, the Board of Directors and the Executive Management have discussed and approved the Interim Financial Report of SPENN Technology A/S (“the Company”) for the period 1 January – 30 June 2021.

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

In our opinion, the financial statements give a true and fair view of the Company’s financial position as of 30 June 2021 and of the results of the Company’s operations and cash flows for the period 1 January 2021 – 30 June 2021.

The management’s review includes in our opinion a fair presentation of the matters dealt with in the report.

Copenhagen, 26.08.2021
The Board of Directors

The Interim Financial Report is unaudited.

Financial Calendar

Date	Event
17 March 2022	2021 Annual Report
07 April 2022	2021 Annual General Meeting
11 August 2022	2022 Interim Financial Report

Group Structure

Subsidiaries

Name	Registered Office	Shares Held
Netposten A/S	Denmark	100%
CPH Crypto A/S	Denmark	100%
NPInvestor Fondsmæglersekskab A/S i frivillig likvidation	Denmark	100%
Blockbonds AS	Norway	98.44%

Subsidiaries of Blockbonds AS

Blockbonds Global Ltd	United Kingdom	100%
EAK SPENN Ltd	Kenya	100%
SPENN Rwanda Ltd	Rwanda	100%
SPENN Zambia Ltd	Zambia	99.9%
SPENN Tanzania Ltd	Tanzania	99%

Subsidiaries are included in the consolidation

Associates

Name	Registered Office	Shares Held
SPENN PH Inc	Philippines	39.99%

Associates are recognised under the equity method.

SPENN Technology's Principal Activities

SPENN Technology A/S ("the Company") is a Danish fintech company with activities within trading, investment, and financial media.

Blockbonds AS ("Blockbonds") is a fintech and blockchain company operating in Africa and Asia within digital banking and payment services. Blockbonds AS is a technology provider to banks based on a Software as a Service (SaaS) solution: SPENN.

Netposten A/S provides financial news, stock comments, analyses and market data targeted private investors and traders. CPH Crypto A/S is a crypto exchange/brokerage company offering crypto currency trading and investment.

Key Figures

The development in the Company's key figures can be described as follows.

t.DKK	30/06/2021	30/06/2020
Revenue	536	265
Employee Expenses	-11,541	-1,072
EBITDA	-33,808	-2,684
Operating profit/(loss)	-35,015	-2,852
Profit/(loss) for the period	-36,862	-2,852
Total Equity	184,897	3,777
Total Assets	188,238	4,863

Management Commentary

Share Swap Transaction with Blockbonds AS

A share swap transaction ("Transaction") between SPENN Technology A/S and Blockbonds AS was completed on 30 June 2021. The shareholders of Blockbonds AS subscribed to a total 2,380,819,815 shares in the Company, each share with a nominal value of DKK 0.10 and equivalent of DKK 238,081,981.5 share capital, with a contribution in kind of NOK 24,048,685 shares in Blockbonds. Each share in Blockbonds, with nominal value NOK 1, equalled the right to subscribe for 99 shares in the Company. The contributed shares are equivalent to 98.44% of the total share capital of nominally NOK 24,428,745 shares in Blockbonds AS.

As a result of the transaction, the Company's share capital increased nominally from DKK 1,006,103.4 to DKK 239,088,084.9.

Operating Income and Operating Results

The Company recorded a net loss of t.DKK -36,862 for the period 1 January 2021-30 June 2021.

Revenue for the period amounted to t.DKK 536. t.DKK 222 was generated through Blockbonds. Blockbonds' rapidly growing application, SPENN, is currently fully operational in three African markets - Rwanda, Tanzania and Zambia.

t.DKK 314 was generated through the operations of Netposten A/S.

Employee expenses amounted to t.DKK -11,541 for the period as headcount in the Blockbonds group increased because of the continued growth of operations within the SPENN live markets.

General and administrative expenses amounted to t.DKK -22,615 for the period. This includes capital raising costs of t.DKK -8,912 in relation to the capital raise completed by Blockbonds in the first half of 2021. IT and external service costs amounted to t.DKK -7,013 as spending increased on the SPENN IT infrastructure. Other general and administrative costs were incurred to support the growing global operations of the SPENN Technology A/S group.

Assets

As of 30 June 2021, the Company's total assets amounted to t.DKK 188,238. The Company's intangible assets at the period end were t.DKK 17,955. Goodwill as a result of the Transaction amounted to t.DKK 129,226.

Current assets at the period end were t.DKK 40,241. The Company had cash and cash equivalents on hand of t.DKK 38,892 as of 30 June 2021. The increase relative to 31 December 2020 is due to the successful capital raise in Blockbonds AS, completed during the first half of the year.

Equity and Liabilities

As of 30 June 2021, total shareholder's equity amounted to t.DKK 184,897. The increase relative to 31 December 2020 is as a result of the transaction between the Company and Blockbonds completed on 30 June 2021.

Current liabilities as of June 30, 2021, amounted to t.DKK 3,341, consisting largely of trade and other payables.

Cash Flow and Investments

Cash flow from operating activities amounted to t.DKK -35,997 due to the loss incurred during the period.

Cash flow from investing activities for the period was t.DKK -2,643 largely because of increased spending on SPENN Business IT Infrastructure.

Cash flow from financing activities for the period was t.DKK 69,448 as a result of the successful capital raise by Blockbonds AS.

The total net cash flow for the period ending was t.DKK 30,808.

Outlook for 2021

Through the Transaction with shareholders of Blockbonds, the Company is sufficiently capitalised to continue operations and fund continued growth into 2022. There are several key success factors that will drive growth through the second half of 2021; continuing to add new features and value-add services to SPENN, along with growth in SPENN Business services will drive user growth and increase monetisation of the SPENN platform.

Post financial period events

Since June 30 2021, no events have occurred which would materially change the financial information presented in this report.

Consolidated statement of profit or loss and other comprehensive Income

(Amounts in t.DKK)	Notes	01 Jan 2021- 30 June 2021	01 Jan 2020- 30 June 2020
Revenue		536	265
Total revenue		536	265
Cost of Sales		-188	-
Gross Profit		348	265
Employee Expenses	8	-11,541	-1,072
General and administrative expenses		-22,615	-1,877
Depreciation and amortisation		-1,207	-168
Total operating expenses		-35,363	-3,117
Operating profit/(loss)		-35,015	-2,852
Income from Investments in associates		-123	-
Finance Income		696	-
Finance Costs		-2,272	-
Profit/(loss) of ordinary activities before tax		-36,713	-2,852
Terminated activities	9	-149	-
Operating profit/(loss) before tax		-36,862	-2,852
Income tax expense		-	-
Profit/(loss)		-36,862	-2,852
Proposed Distribution of results			
Non-controlling interest		-587	-
Retained earnings		-36,275	-
Earnings per share for profit for the period attributable to the owners of the parent during the period			
Basic EPS		-1.56	-0.28
Continuing Operations			
Basic EPS		-1.56	-0.28

Consolidated statement of financial position

(Amounts in t.DKK)	Notes	30 June 2021	30 June 2020
Assets			
Intangible assets	10	17,955	300
Property, plant and equipment	11	758	100
Long-term receivables from associates		57	-
Goodwill	12	129,226	-
Total non-current assets		147,996	400
Cash & cash equivalents		38,892	4,241
Other short-term receivables		1,265	-
Prepayments and accrued income	13	38	5
Other Assets		45	217
Total current assets		40,241	4,463
Total assets		188,238	4,863
Equity			
Share capital	14	239,088	1,006
Share premium		4,184	4,184
Retained earnings		-56,992	-1,413
Non-controlling interest		-1,383	-
Total equity		184,897	3,777
Liabilities			
Trade and other payables	15	2,297	-
Accruals		122	54
Other Liabilities		922	1,032
Total liabilities		3,341	1,086
Liabilities and equity		188,238	4,863

Consolidated statement of changes in equity

01 January 2021 – 30 June 2021 (Amounts in t.DKK)	Share Capital	Share Premium	Retained Earnings	Non-Controlling Interest	Total
Equity 1 January 2021	1,006	4,184	-4,695		495
Increase of Capital	238,082				238,082
Change of Investments through net exchange differences			-258		-258
Non-controlling Interest				-1,383	-1,383
Profit / (loss)			-52,039		-52,039
Equity 30 June 2020	239,088	4,184	-56,992	-1,383	184,897

01 January 2020 – 30 June 2020 (Amounts in t.DKK)	Share Capital	Share Premium	Retained Earnings	Non-Controlling Interest	Total
Equity 1 January 2020	1,006	4,184	1,439	-	6,629
Increase of Capital					
Change of Investments through net exchange differences					
Non-controlling Interest				-	
Profit / (loss)			-2,852		-2,852
Equity 30 June 2020	1,006	4,184	-1,413	-	3,777

The Share Capital has developed as follows:

(Amounts in t.DKK)	30 June 2021	2020	2019	2018	2017	2016
Balance at the beginning of the period	1,006	1,006	629	525	525	189
Additions during the period	238,082	0	377	104	0	336
Balance at the end of the period	239,088	1,006	1,006	629	525	525

Consolidated statement of cash flows for the period

(Amounts in t.DKK)

	01 January 2021- 30 June 2021	01 January 2020- 30 June 2020
Profit / (loss) for the period	-36,862	-2,852
Depreciation and amortisation expense	1,207	168
Adjustments of profit / (loss) from associates after tax	123	-
Decrease / (increase) in receivables	467	55
(Decrease) / increase in trade payables	-933	19
Cash flows used in operating activities	-35,997	-2,610
Purchase of intangible assets	-2,062	-
Purchase of property, plant and equipment	-449	-
Sale of property, plant and equipment	3	-
Other Assets	-135	-
Cash flows used in investing activities	-2,643	-
Capital Increases	67,417	-
Other components of cash flows from financing activities	2,031	-
Cash inflows from financing activities	69,448	-
Net Increase (decrease) in cash and cash equivalents	30,808	-2,610
Cash and cash equivalents, balance at start of period	8,084	6,851
Cash and cash equivalents, balance at end of period	38,892	4,241

Notes to the consolidated financial statements

1. Accounting Policies

The Interim Financial Report for the period 1 January 2021 – 30 June 2021 for the Company is prepared in accordance with International Financial Reporting Standards as adopted by the EU and further provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the option of certain provisions from class C.

The Interim Financial Report is presented in Danish Kroner.

The Interim Financial Report is a summary of the continuing operations of SPENN Technology A/S (formerly NPinvestor.com A/S) group for the period 1 January 2021-30 June 2021. NPinvestor Fondsmæglerselskab A/S (under solvent liquidation) is being discontinued and as such, has been included as a discontinuing activity within the consolidated financial information presented.

The accounting policies applied remain unchanged from last year. For further information on accounting policies, please see the Company's Annual Report of 2020.

2. Reporting Currency

The Interim Financial Report is prepared in Danish Kroner.

3. Consolidated Financial Statements

Newly acquired or established enterprises are recognized in the Consolidated Financial Statements from the date of takeover or establishment. Sold or wound-up enterprises are recognized in the consolidated statement of profit or loss and other comprehensive income up to the time of handover. Comparative figures are not adjusted for newly acquired, sold or wound-up enterprises.

The date of takeover is the date on which the Company gains actual control over the acquired enterprise.

Acquired enterprises are recognized in the Consolidated Financial Statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. At calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognized at fair value based on an assessor's opinion, based on an overall assessment of the production equipment.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities are recognized in intangible assets as goodwill and amortized systematically in the consolidated statement of profit or loss and other comprehensive income under an individual assessment of the useful life. Negative differences are recognized in the consolidated statement of profit or loss and other comprehensive income upon takeover.

4. General Information

a) Basis of recognition and measurement

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 Interim Financial Report, i.e. losses and risks which prove or disprove matters which exist at the consolidated statement of financial position date.

b) Uncertainties and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period. Management continuously reassesses these estimates and judgements based on relevant factors in the given circumstances.

c) Foreign Currency Conversion

The consolidated statement of financial position of foreign subsidiaries are translated using the closing rate, being the exchange rate at the reporting date. The consolidated

statement of profit or loss and other comprehensive income is translated using the average rate for the period.

Exchange rate differences that occur between the exchange rate on the transaction date and the exchange rate on the payment date and the exchange rate on the balances sheet date, respectively, are recognised in the income statement as exchange rate adjustments.

5. Consolidated statement of profit or loss and other comprehensive income

a) Revenue

Income is recognised in the consolidated statement of profit or loss and other comprehensive income when it is earned. Revenue recognition therefore normally takes place the time of delivery of the service/asset.

b) Other operating income

Other operating income comprises items of a secondary nature to the activities of the Company, including profits on sale of intangible and tangible assets.

c) Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

d) Staff expenses

Staff expenses comprise wages, salaries, and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

e) 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.

f) Income from investments in group enterprises and associates

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

g) Financial income and expenses

Financial income and expenses are recognised in the consolidated statement of profit or loss and other comprehensive income based on the amounts that concern the financial period. Financial income and expenses include interest income and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends from equity investments are recognised as income in the period in which the dividends are declared.

6. Consolidated statement of financial position

a) Intangible assets

Clearly defined and identifiable development projects where the technical rate of utilisation, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the Consolidated statement of profit or loss and other comprehensive income as they incur.

Development costs comprise costs, including wages, salaries and amortisation, that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

Capitalised development costs are measured at cost on initial recognition and subsequently at the lower of cost less accumulated amortisation and the recoverable amount.

Other intangible assets, including licences and acquired rights etc., are measured at cost less accumulated amortisation and impairment losses.

b) Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

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.

c) Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

d) Prepayments

Prepayments recognised in assets comprises prepaid expenses regarding subsequent financial period.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

f) Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

g) Other payables

Other payables are measured at amortised cost, which usually corresponds to the nominal value.

h) Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial period.

i) Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Consolidated statement of financial position but appear only in the notes.

7. Consolidated cash flow statement

The Consolidated Cash Flow Statement shows the Company's cash flows for the period broken down by operating, investing and financing activities, changes for the period in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the period.

Cash flow from the operating activity is determined as the profit/(loss) for the period adjusted for changes in working capital and non-cash consolidated statement of profit or loss and other comprehensive income items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments. Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

8. Employee Benefits Expenses

(Amounts in t.DKK)	30 June 2021	30 June 2020
Wages and Salaries	9,641	960
Post-Employment Benefit Expense	256	112
Social Security Contributions	1,644	-
Total for the period	11,541	1,072

(Count)	30 June 2021	30 June 2020
Average number of employees	98	3

9. Terminated Activities

(Amounts in t.DKK)	30 June 2021	30 June 2020
Income from Investments in group enterprises	-149	-
Balance at the end of the period	-149	-

NPInvestor Fondsmæglerselskab A/S has ceased to be a stockbroking company and is under voluntary liquidation. There have been no value adjustments in connection with the termination.

10. Intangible Assets

(Amounts in t.DKK)	30 June 2021	30 June 2020
Costs at the beginning of the period	20,758	-
Additions during the period, including improvements	1,899	-
Cost at the end of the period	22,657	-
Depreciation and amortisation at the beginning of the period	-3,715	-
Amortisation for the period	-987	-
Depreciation and amortisation at the end of the period	-4,702	-
Carrying amount at the end of the period	17,955	-

Development costs relate to development of the SPENN platform. As the digital solutions have been launched in the individual countries via Blockbonds subsidiaries, the products have contributed to generating earnings. It is the management's assessment that as of 30 June 2021, there is no need to write down the capitalized development costs, as there is an expectation of increased future earnings.

11. Acquired Intangible Assets

(Amounts in t.DKK)	30 June 2021	30 June 2020
Costs at the beginning of the period	1,500	1,500
Cost at the end of the period	1,500	1,500
Depreciation and amortisation at the beginning of the period	-1,350	-1,050
Amortisation at the end of the period	-150	-150
Impairment losses and amortisation at the end of the period	-1,500	-1,200
Carrying amount at the end of the period	-	300

Property, Plant and Equipment

(Amounts in t.DKK)	30 June 2021	30 June 2020
Costs at the beginning of the period	650	167
Additions during the period, including improvements	431	-
Disposals during the period	-3	-
Cost at the end of the period	1,078	167
Depreciation and amortisation at the beginning of the period	-250	-49
Depreciation for the period	-71	-18
Reversal of depreciation and amortisation of disposed assets	1	-
Depreciation and amortisation at the end of the period	-320	-67
Carrying amount at the end of the period	758	100

12. Goodwill

Goodwill of t.DKK 129,226 is recognised as a result of the of the share swap transaction between SPENN Technology A/S and Blockbonds AS which was completed on 30 June 2021.

13. Prepayments

(Amounts in t.DKK)	30 June 2021	30 June 2020
Prepayments	38	5
Balance at the end of the period	38	5

14. Contributed Capital

(Amounts in t.DKK)	30 June 2021	30 June 2020
Balance at the beginning of the period	1,006	1,006
Additions during the period	238,082	-
Balance at the end of the period	239,088	1,006

The share capital is divided into 2,390,880,849 shares. The shares have a nominal value of DKK 0.10. There is only one share class, and all shares have the same rights. In 2018, the Company acquired 5,100 shares for DKK 0. At 30 June 2021, the market value of these shares is DKK 11,016.

	2021	2020
Number of outstanding shares at the end of the period	2,390,880,849	10,061,034
Average number of outstanding shares for the period	23,214,735	10,061,034

15. Trade and other payables

(Amounts in t.DKK)	30 June 2021	30 June 2020
Trade and Other Payables	2,234	-
WHT Payable	63	-
Balance at the end of the period	2,297	-

16. Contingent Liabilities

The Company is jointly taxed with the other enterprises in the SPENN Technology A/S group and are jointly and severally liable for the taxes that concern the joint taxation. As of 30 June 2021 the total amount is calculated at DKK 0.

17. Collaterals and Securities

No securities or mortgages exist at the consolidated statement of financial position date.

18. Related parties

a) Related parties consist of:

Shareholders holding 5% or more of the shares or of the votes

1. Jac Invest AS
2. David James Chapman

b) Controlling Interests:

None

c) Other Related Parties:

Affiliated companies, members of the Executive Board and members of the Board of Directors are considered related parties.

There are no transactions with related parties other than interim accounts with affiliated companies, salaries, possible dividends, and joint taxation.

All transactions with related parties are entered into on a market basis. Section 98 C, para 7 of the Danish Financial Statements Act is considered fulfilled.



SPENN

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