

A photograph of two women sitting on a green sofa, looking at a laptop. The woman on the left has dark hair and is wearing a white top. The woman on the right has long brown hair, wears glasses, and a dark blue hoodie with the 'PENNEO' logo. The background is a dark blue wall with a repeating pattern of brown ferns. The 'PENNEO' logo is in the top right corner.

PENNEO®

Interim Report 2022-H1

Penneo A/S - Enghavevej 40, 4. sal, 1674 Copenhagen V, Denmark – Business Reg No. 35633766 – www.penneo.com

Penneo realises 33% year-on-year ARR growth at the end of 2022-H1

Company Announcement No. 26-2022

Copenhagen, 24 August 2022

Interim report for the period
1 January 2022 - 30 June 2022

Further information

CEO, Christian Stendevad
Mobile (+45) 27 29 50 02
Mail cst@penneo.com

CFO, Casper Nielsen Christiansen
Mobile (+45) 26 47 63 73
Mail cc@penneo.com

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Key features



ARR growth

ARR increased by 8.0M DKK to 63.5M DKK in 2022-H1 corresponding to 33% year-on-year (YoY) growth at the end of 2022-H1



ARPA

Average Revenue Per Account (ARPA) increased by 21% in 2022-H1 compared to 2021-H1



Net ARR retention

Net ARR retention rate amounted to 114%
ARR churn rate amounted to 3%
ARR uplift amounted to 17%



EBITDA

EBITDA amounted to negative 9.7M DKK as a result of the planned investments



New ARR

ARR from new customers amounted to 4.8M DKK in 2022-H1 compared to 5.7M DKK in 2021-H1



Guidance 2022

ARR guidance remains unchanged at 77-82M DKK
EBITDA guidance remains unchanged at negative 15-20M DKK

CEO statement

Initiation of the investment plan to realise our growth strategy

In 2022-Q2 we worked on establishing the foundation for continued future growth and were able to upscale the investments in our growth strategy as a result of the completed capital raise at the end of 2022-Q1. With committed and diligent work from the newly hired talent acquisition specialists and the entire Penneo team, we are confident that we will realise the ramp up and scaling of the organisation, having already made good progress ramping up product development. The scaling of the organisation supports the geographic expansion of Penneo Sign and the continued focus on the roll out of Penneo KYC, which materialised in onboarding PwC Denmark and PwC Norway to Penneo KYC.

The product development and sales efforts in relation to onboarding Big4 audit and accounting customers to Penneo KYC are organisationally heavier than onboarding customers to Penneo Sign. In 2022-Q2 we experienced higher than expected turnover of commercial staff and in combination with ramping up new sales representatives and a reprioritised focus from new business to up-selling KYC to existing customers to pursue market demands, the ARR growth decreased.

Looking ahead

In 2022-H2 we will continue to execute the planned growth investments in our sales and development organisations to lay the foundation for continued growth into 2023. However, these growth investments will be carried out while carefully monitoring the current, unpredictable market conditions.

Additionally, we will continue to pursue our operational focus to roll out Penneo KYC to auditors and accountants in the Nordics as announced in the annual report for 2021 while intensifying the investment in the European expansion through audit and accounting.



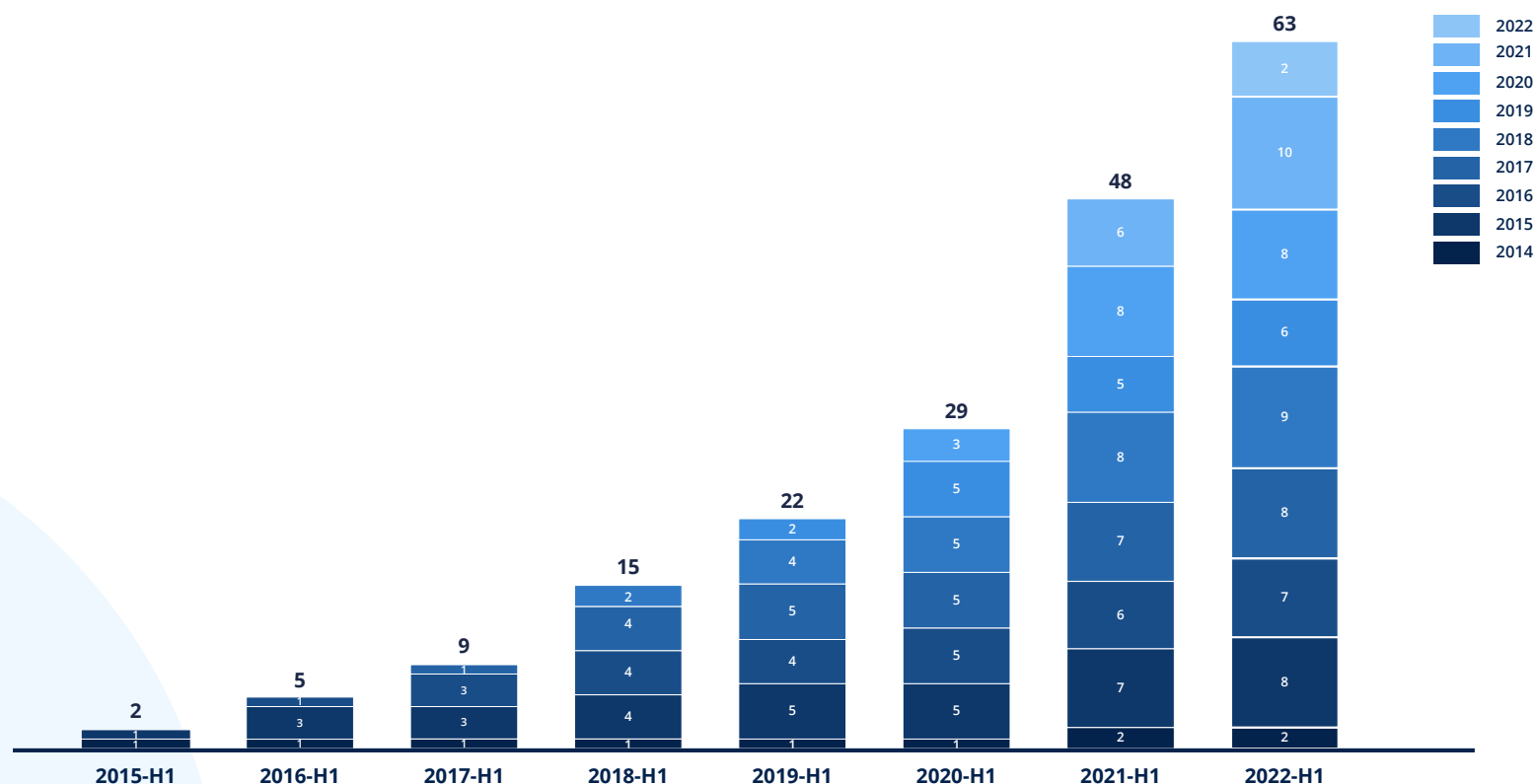
ARR development

The continued development of a strong product portfolio that continuously generates cash flow in subsequent years is essential for Penneo, and it generates a solid economic foundation for investing into future growth with low risk and better forecasting conditions.

Subscription-based revenue

From 2019 and onwards, all new customers are onboarded to a fully subscription-based model. By the end of 2022-H1, 77% of the revenue was subscription-based compared to 71% at the end of 2021-H1.

Annual Recurring Revenue Development - yearly cohorts (M DKK)



ARR development

In 2022-Q2, Penneo realised ARR growth of 5.0M DKK compared to 6.7M DKK in 2021-Q2. The decrease is primarily caused by higher than expected turnover of commercial staff, which negatively affected the ARR growth. Penneo is addressing the ongoing market challenges to attract and retain commercial staff.

ARR churn

In 2022-H1, Penneo realised a YoY ARR churn of 3% which is in line with historical performance.

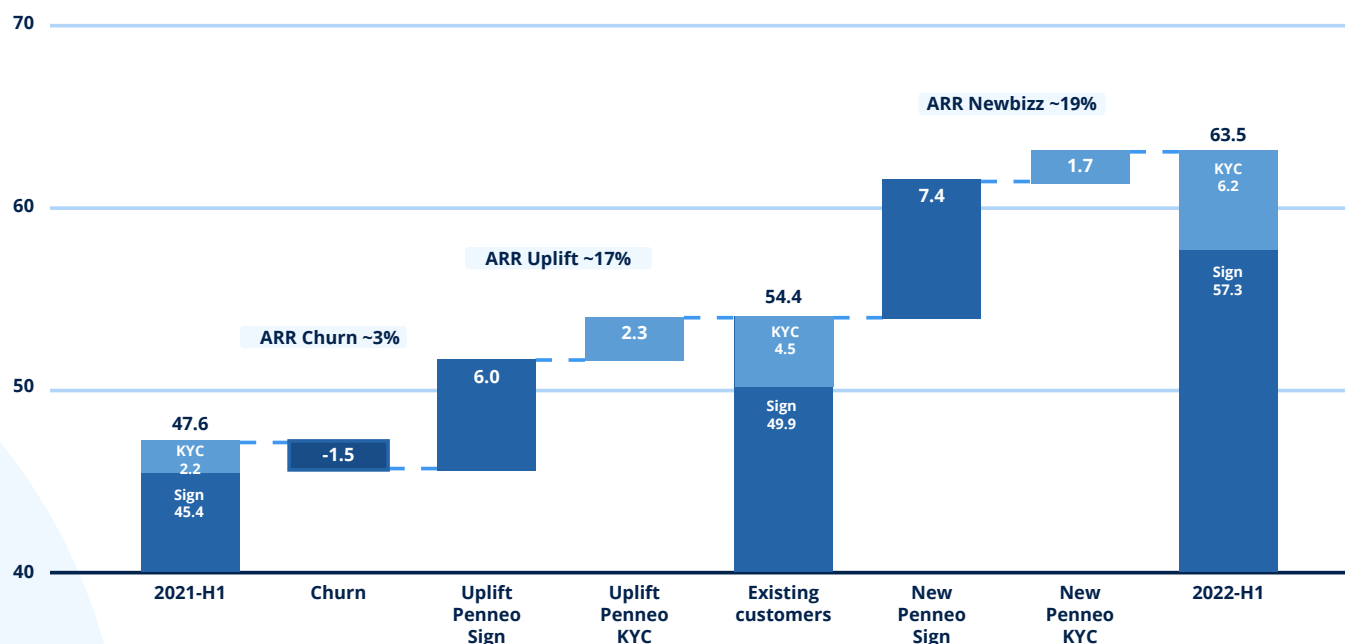
ARR uplift

In 2022-H1, Penneo realised a YoY ARR uplift of 17% which is in the lower end of the historical performance which was driven by e.g. extraordinary usage of the Penneo Sign platform during Covid-19.

ARR newbizz

In 2022-H1, Penneo realised YoY ARR newbizz growth of 19% which is in the lower end of the historical performance and was primarily caused by the reprioritisation of the sales organisation from newbizz to uplift as communicated in the 2022-Q1 report.

Annual Recurring Revenue Development in the period (M DKK)



The annual development represents the development from 2021-H1 to 2022-H1 and is measured on the last day of both periods.

ARR development

The chart displays the growth of Penneo's ARR base split into the domestic market (Denmark) and foreign markets. As put forth in the Prospectus, Penneo pursues its expansion strategy based on entering new foreign markets and increasing market shares in already entered markets.



Domestic market

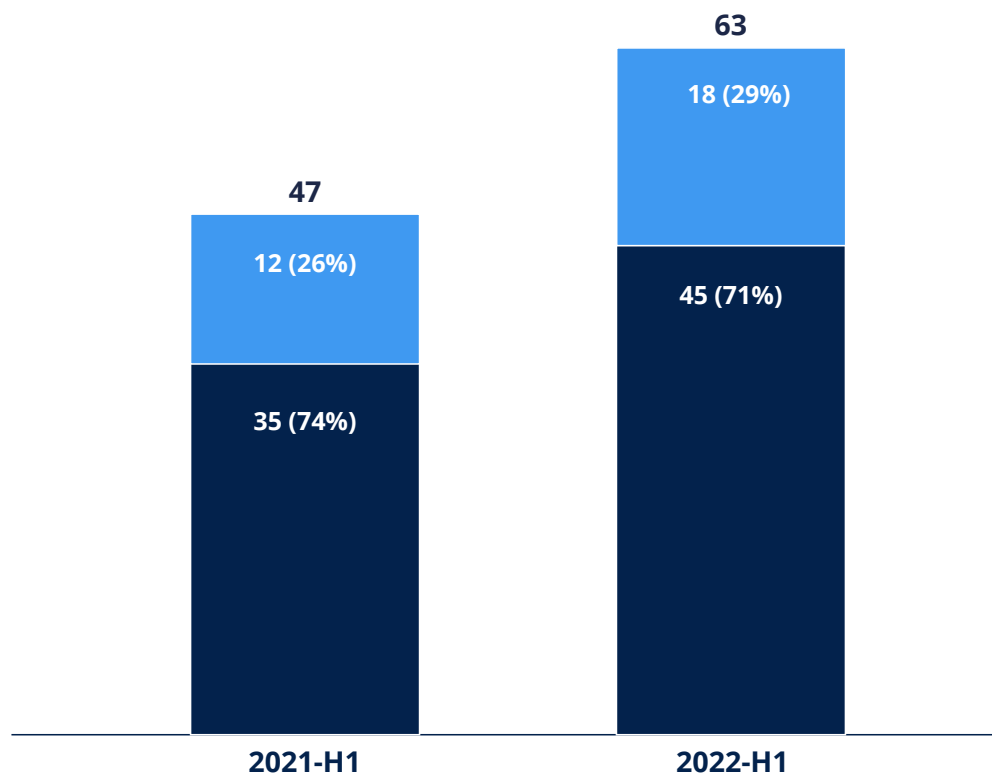
ARR from the Danish market grew by 29% YoY in 2022-H1 as a result of the commercial efforts to develop the market position and increased demand for Penneo KYC.



Foreign markets

ARR from foreign markets grew by 50% YoY in 2022-H1 as a result of executing the expansion strategy.

Annual Recurring Revenue Development
Geographic markets (M DKK)



SaaS metrics

SaaS metrics

The last four quarters

The average ARR for new customers (in the last twelve months) was 22T DKK. On average, CAC was 32T DKK, consequently it takes approximately 18 months to recover the CAC.

In 2022-Q2, the increase in average ARR in the first year for new customers was particularly driven by a large KYC deal to a Big4 customer with a longer selling cycle.

In 2022-H1, the net ARR retention rate amounted to 114% as a result of ARR uplift of 17% and ARR churn of 3%.

	2021-Q3	2021-Q4	2022-Q1	2022-Q2
New customers	87	123	98	103
Average ARR in the first year for new customers	16,366	21,939	19,432	28,131
Customer Acquisition Cost (CAC)*	35,640	32,229	29,871	31,952
Net ARR retention rate**	124	124	120	114
Average Revenue per account (ARPA)	21,960	23,137	23,751	25,092

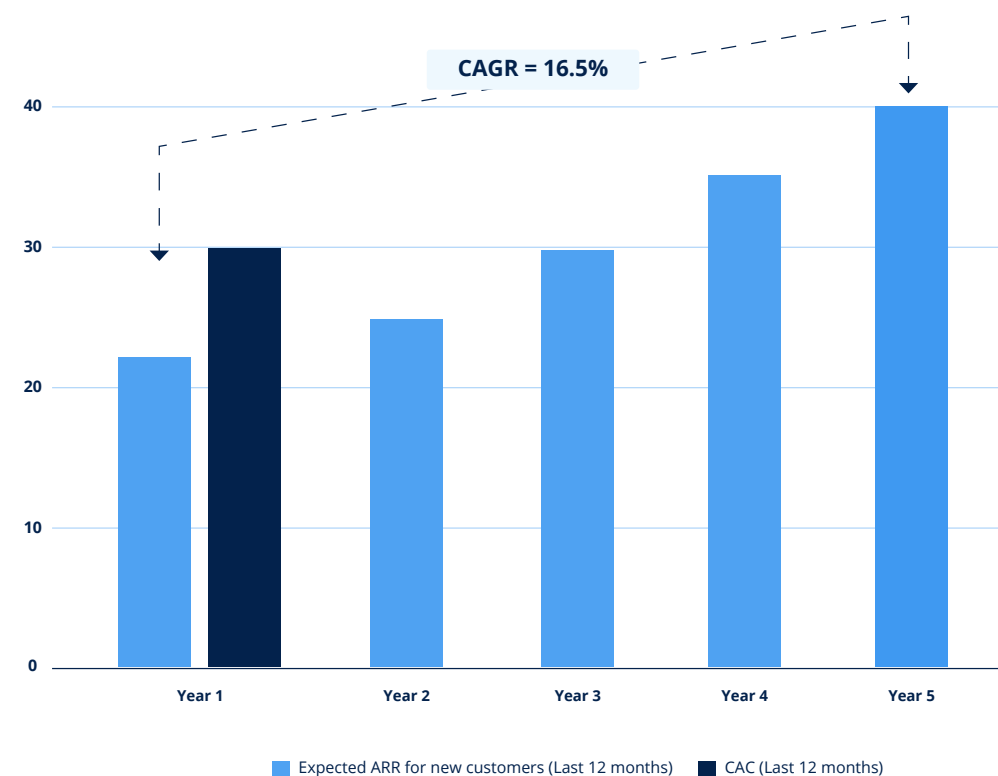
*CAC is defined as inbound lead spend and staff costs directly related towards onboarding new customers

**Net ARR retention rate is the yearly ARR development of the existing customer base.

Average ARR development (T DKK)

A five year cohort analysis based on new customers

A cohort analysis based on all financial years since the establishment of Penneo, shows a yearly growth of 16.5% in net ARR from a given cohort (including both churn of customers and ARPA development of retained customers). Consequently the ARR could grow from 22T DKK in year one to 40T DKK in year five.



Business summary

Transformation of the sales organisation

As part of the expansion strategy, Penneo initiated a transformation of the sales organisation to further strengthen the international scaling which included establishment of the first local sales presence outside Denmark. In connection to establishing the new office, Penneo onboarded a Head of Sales for the Belgian market to build a local team to secure the continued growth and expansion in the market.

The transformation of the sales organisation is undertaken to strengthen the execution of the two-fold strategy put forth in the Listing Prospectus and outlined below:

- 1 **Growth in existing markets**
- 2 **Geographic expansion into new markets**

...supported by three primary investment streams



Upsell Penneo KYC to auditors



Penetrate AML-governed industries with Penneo's KYC and Sign product



Fuel expansion through the Audit and Accounting vertical to become the de facto standard for auditors in Europe

Preparation for acceptance in the European Commission Trust list

From 2021 and onwards, Penneo has been working dedicatedly towards professionalising its technological infrastructure in the Sign platform. The purpose is to upgrade the Sign platform from offering *Advanced Electronic Signatures (AES)* to offering the highest level of electronic signature in the eIDAS regulation: *Qualified Electronic Signatures (QES)* upon acceptance on the EU Trust List. In Denmark, the only entities currently listed on the Trust List are the Danish Government and Nets.

In order to become accepted on the Trust List, Penneo entered the external Trust List audit in 2022-H1 with an expected finalisation of the audit and approval by Digitaliseringsstyrelsen and the European Commission in 2022-H2. Conditioned upon approval, Penneo will become a *Qualified Trust Service Provider (QTSP)* offering QES which fuels the upscaling of market entries outside Scandinavia.

Upscaling the international expansion ties directly to the growth strategy and to continuing the investments in the audit and accounting vertical. Offering QES establishes a competitive edge for Penneo towards signing documents in the Audit and Accounting and AML-governed industries in EU countries outside Scandinavia as the majority of these documents require QES to be legally valid.

Consequently, offering QES is a market enabler and accelerates market entries as it allows Penneo to facilitate the signing of more document types and reduces needs for local adaptation of the platform to national requirements on a country-to-country basis.

Guidance

ARR guidance

Penneo maintains ARR guidance of 77M-82M DKK at the end of 2022 corresponding to an ARR growth rate of 40%-49% as put forth in the annual report for 2021 (company announcement no. 5-2022).

Fulfilment of the ARR guidance depends on the following key drivers and assumptions:

- A continued low churn rate
- A continued level of engagement with the platform
- A continued ability to obtain new customers across industries and markets
- A continued ability to roll out Penneo KYC to large audit and accounting customers in the Nordics

EBITDA guidance

In 2022, Penneo continues to invest in long-term ARR growth in accordance with the announced expansion strategy in the Prospectus. The investments in long-term ARR growth will be intensified in 2022 as a result of the capital raise in 2022-Q1 (company announcement 6-2022). However, these investments will not impact ARR guidance for 2022.

Penneo maintains EBITDA guidance of negative 15-20M DKK. Deviations from the guided range depend on investments in new strategic opportunities that align with the expansion strategy based on continued growth in existing markets and geographic expansion into new markets. The guided EBITDA is based on the key assumption of continued investments in the announced use of proceeds from the capital raise in 2022-Q1 i.e. investments in product development, sales and business operations.

Forward-looking statements

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

A Sign customer story from Belgium

About Fineko

Fineko is an organisation that has been running for more than 25 years. They have 3 offices in Genk, Hasselt, and Leuven, and employ around a hundred people.

The company offers a broad range of services, from accounting and bookkeeping to tax and legal advisory, as well as corporate finance.

Fineko improves customer service thanks to Penneo Sign

Challenge

It has always been paramount for Fineko to remain competitive hence digitalization became a priority. Some processes like signature tracking were becoming problematic and needed to be improved.

Solution

After some research, Fineko decided to implement Penneo Sign. The user-friendly interface for both users and clients was a key component in the decision process. The ability to set simple and advanced signing flows and automatic reminders optimises internal processes. Fineko wanted to allow its customers and business partners to sign digitally with the Belgian eID *itsme*® from any place and any device.

Result

The adoption of Penneo Sign has been beneficial for Fineko as the employees are now able to focus on their customers in part due to the time saved through automatic reminders.

Manual processes are now less time-consuming thanks to Penneo, and Fineko can see a speed of execution, especially around annual reporting.

“

“By using Penneo, our colleagues have a lot more time on their hands. They actually spend less time checking who has signed and who has not, also due to the fact that these documents actually arrive automatically, that certain internal processes and tasks are then checked off automatically, which means that our colleagues actually have more time to give targeted advice to their customers.”

”

Stijn de Prins,
Partner at Fineko

FINEKO
Accountants • Belastingconsulenten • Juristen



Financial statements

Key figures

DKK	2022-H1	2021-H1
Revenue	31,920,354	26,692,977
Cost of sales	(6,124,433)	(4,902,145)
Gross profit	25,795,921	21,790,832
	81%	82%
Other external expenses	(8,582,888)	(7,412,867)
Staff costs	(26,888,922)	(19,768,728)
EBITDA*	(9,675,889)	(5,390,764)

DKK	2022-Q2	2022-Q1	2021-Q4	2021-Q3	2021-Q2	2021-Q1	2020-Q4	2020-Q3
Revenue	17,565,608	14,354,746	18,458,693	9,128,555	15,832,776	10,860,201	11,875,102	7,733,482
Cost of sales	(3,187,849)	(2,936,584)	(2,690,089)	(2,071,042)	(2,607,159)	(2,294,986)	(2,166,540)	(1,450,088)
Gross profit	14,377,759	11,418,162	15,768,604	7,057,514	13,225,617	8,565,215	9,708,562	6,283,394
	82%	80%	85%	77%	84%	82%	81%	81%
Other external expenses	(4,556,907)	(4,025,980)	(3,626,638)	(3,405,948)	(3,298,648)	(4,114,219)	(3,007,267)	(2,468,528)
Staff costs	(13,489,502)	(13,399,421)	(12,729,816)	(11,741,094)	(10,628,358)	(9,140,370)	(9,030,075)	(6,401,659)
EBITDA*	(3,668,650)	(6,007,239)	(587,850)	(8,089,529)	(701,389)	(4,689,374)	(2,328,780)	(2,586,793)

*EBITDA does not include extraordinary income and costs categorised as "Other income" and "Other operating expenses" on page 19

M DKK	2022-Q2	2022-Q1	2021-Q4	2021-Q3	2021-Q2	2021-Q1
ARR Newbizz	2.9	1.9	2.7	1.4	3.2	2.5
ARR Uplift	2.4	1.6	2.7	1.8	3.6	1.4
ARR Churn	0.3	0.4	0.2	0.6	0.1	0
Total ARR growth	5.0	3.1	5.2	2.6	6.7	3.9

CFO statement – Casper Nielsen Christiansen



International traction

In 2022-Q2 the international traction materialised with more than 60% of our new ARR coming from foreign markets compared to less than 40% in 2021-Q2.

Since 2020, we have pursued our expansion strategy, which prescribes investing into acquiring new customers in foreign markets. In connection with the long term investments in acquiring new and large customers in foreign markets, we expect CAC levels to rise paired with growth in new ARR per customer. In 2022-H1 ARR increased by 33% YoY compared to 2021-H1 while CAC increased 41% in the same period. In 2022-Q2 ARR per new customer increased by 49% compared to 2021-Q2 while CAC increased 41% in the same period. A part of the positive correlation between ARR and CAC in 2022-Q2 and 2021-Q2 is attributable to a larger KYC newbizz deal to a Big4 auditor in Norway.

Free Cash Flow (FCF)

Cash flow from operating activities of 3.5m DKK in 2022-Q2 was affected by delayed invoicing and the expenses in connection to the listing on Nasdaq Copenhagen. Cash flow from investing activities of 4.5m DKK in 2022-Q2 is aligned with our expected investment level in the product development department.

Amount of fixed costs allocated to direct newbizz sales

A part of Penneo's growth strategy entails increasing investments in direct newbizz sales compared to total fixed costs. However, we reprioritised the focus of sales representatives from newbizz to upsell in the beginning of 2022-H1. The reprioritisation has previously been addressed with mitigating actions taken e.g. recruiting talent acquisition specialists. In 2022-H1 the mitigating actions have increased the amount of fixed costs allocated to direct newbizz sales which materialised in an increase in the proportion of fixed costs used to acquire new customers from 16.8% in 2022-Q1 to 18.2% in 2022-Q2.

Financial commentary

2022-H1

Recognised revenue

Recognised revenue only increased by 20% compared to 2021-H1 due to the aforementioned delay in invoicing.

Cost of sales

Cost of sales increased by 25% compared to 2021-H1 which is caused by the increased usage of the Penneo platform. As a result, the contribution margin has decreased from 82% in 2021-H1 to 81% in 2022-H1.

Staff costs

Staff costs increased by 36% compared to 2021-H1, amounting to 91 employees excluding contract staff at the end of 2022-Q2 compared to 83 at the end of 2022-Q1. Aligned with the growth strategy, Penneo invested in hirings related to sales, marketing and software development. Additionally, Penneo welcomed its new CEO in Q3 2021. Penneo aims at taking advantage of its position in Scandinavia and continue to invest in scaling and strengthening the organisation to support the execution of the expansion strategy.

EBITDA

EBITDA amounted to negative 9.7M DKK, compared to negative 5.4M DKK in 2021-H1. The result is aligned with the planned investments in the growth strategy announced in company announcement no. 6-2022 and put forth in the Prospectus.

The growth strategy prescribes investing into product development and commercial activities to build a globally scalable software company and into future ARR growth and value creation. Short term, these investments will genera-

te a negative EBITDA but long term it will strengthen the profitability.

Other intangible assets

Other intangible assets increased by 12% compared to the end of 2021. The increase is primarily due to the investment into development projects.

Trade receivables

Trade receivables decreased by 22% compared to the end of 2021 even though June 2022 has been the highest invoicing month in Penneo's history.

Income tax receivables

Income tax receivables consist of tax credits for 2021 and 2022 related to Penneo's development projects.

Prepayments

Prepayments decreased by 20% compared to the end of 2021 which is primarily due to costs related to the admission into trading on Nasdaq Copenhagen being expensed in April 2022.

Trade payables

Trade payables decreased by 43% compared to the end of 2021. The decrease was caused by seasonality.

Other payables

Other payables decreased by 26% compared to the end of 2021 which was primarily caused by the repayment of a part of the postponed A tax and labour market contribution, subsequent to Covid-19.

Cash flow from operating activities

Net cash flow from operating activities resulted in an outflow of 8.8M DKK in 2022-H1 compared to an outflow of 7.9M DKK in 2021-H1.

Cash flow from operating activities of 3.5m DKK in 2022-Q2 was affected by the aforementioned delayed invoicing and the expenses in connection to the listing on Nasdaq Copenhagen. A part of Penneo's growth strategy is to continue the investments in operations-related costs (e.g. staff costs, cost of premises and increased marketing activities) to support the international expansion of Penneo.

Cash flow from investing activities

Net cash flow from investing activities resulted in an outflow of 9.2M DKK in 2022-H1 compared to an outflow of 7.1M DKK in 2021-H1. The increase is caused by the investment to develop Penneo's product in accordance with the strategy.

Cash flow from financing activities

Net cash flow from financing activities resulted in an inflow of 58.1M DKK in 2022-H1 compared to an outflow of 1.1M DKK in 2021-H1. The increase is primarily caused by the capital raise of net 59M DKK.

At the end of 2022-Q2, the total cash and cash equivalents amounted to 65.5M DKK

Free Cash Flow

DKK	2022-Q2	2022-Q1	2021-Q4	2021-Q3	2021-Q2	2021-Q1	2020-Q4	2020-Q3
Cash flow from operating activities	(3,542,478)	(5,241,924)	(617,208)	482,436	2,655,548	(10,600,077)	1,281,215	(1,284,752)
Cash flow from investing activities	(4,481,480)	(4,685,991)	(4,755,818)	(3,661,802)	(3,436,842)	(3,626,669)	(3,060,003)	(4,298,426)
Free Cash Flow (FCF)	(8,023,958)	(9,927,915)	(5,373,026)	(3,179,366)	(781,294)	(14,226,746)	(1,778,788)	(5,583,178)

Statement by Management

The Board of Directors and Executive Board have today considered and approved the interim report for the period 01.01.2022 – 30.06.2022 for Penneo A/S.

The financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of Penneo's assets, liabilities and financial position as at 30.06.2022 and of the results of Penneo's activities and cash flows for the accounting period of 01.01.2022 – 30.06.2022.

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

The interim report has not been audited nor reviewed by the Company's auditor.

Copenhagen, 24.08.2022

Executive Board

CEO, Christian Stendevad

Board of Directors

Christian Sagild

Morten Kenneth Elk

Rikke Stampe Skov

Steffen Heegaard

Statement of profit or loss and other comprehensive income

	2022-Q2 DKK	2022-H1 DKK	2021-Q2 DKK	2021-H1 DKK
Revenue	17,565,608	31,920,354	15,832,776	26,692,977
Cost of sales	(3,187,849)	(6,124,433)	(2,607,159)	(4,902,145)
Gross profit	14,377,759	25,795,921	13,225,617	21,790,832
Other external expenses	(4,556,907)	(8,582,888)	(3,298,648)	(7,412,867)
Staff costs	(13,489,502)	(26,888,922)	(10,628,358)	(19,768,728)
Other income	11,196	22,393	11,197	22,393
Other operating expenses	(2,365,758)	(2,365,758)	(339,121)	(639,121)
Depreciation, amortisation, impairment	(2,480,067)	(4,958,422)	(1,978,598)	(3,955,154)
Operating profit/(loss)	(8,503,278)	(16,977,676)	(3,007,912)	(9,962,646)
Financial income	40,637	35,121	14,370	34,505
Financial expenses	(861,874)	(1,261,797)	(251,881)	(651,185)
Profit/(loss) before tax	(9,324,515)	(18,204,351)	(3,245,422)	(10,579,325)
Tax for the year	1,386,582	2,817,152	1,163,093	2,213,063
Profit/(loss) for the year	(7,937,933)	(15,387,199)	(2,082,329)	(8,366,262)
Total comprehensive income for the year	(7,937,933)	(15,387,199)	(2,082,329)	(8,366,262)
Earnings per share, basic (DKK)	(0.25)	(0.51)	(0.08)	(0.33)
Earnings per share, diluted (DKK)	(0.22)	(0.46)	(0.07)	(0.27)

Statement of financial position

	30.06.2022 DKK	31.03.2022 DKK	31.12.2021 DKK	30.06.2021 DKK
Other intangible assets	50,527,591	47,888,029	45,048,292	39,572,534
Property, plant and equipment	1,182,766	1,191,369	1,227,193	754,708
Right-of-use assets	11,754,782	12,384,326	12,852,335	14,110,214
Deposits	1,322,007	1,322,007	1,288,942	1,288,887
Total non-current assets	64,787,146	62,785,732	60,416,763	55,726,343
Trade receivables	9,232,572	8,785,753	11,830,821	12,402,583
Income tax receivables	7,573,236	6,186,654	4,756,084	4,177,874
Other receivables	612	25,142	22,325	0
Prepayments	1,627,683	2,494,245	2,039,272	657,912
Cash	65,524,735	73,378,894	25,415,797	15,712,850
Total current assets	83,958,838	90,870,687	44,064,299	32,951,218
Total assets	148,745,984	153,656,419	104,481,061	88,677,561

Statement of financial position

	30.06.2022 DKK	31.03.2022 DKK	31.12.2021 DKK	30.06.2021 DKK
Share capital	638,401	632,792	542,579	502,615
Reserve for development	36,410,205	33,605,643	30,600,906	19,552,677
Retained earnings	55,164,352	64,760,096	12,050,329	23,237,051
Treasury shares	4,477	4,589	7,177	7,177
Other capital reserve	14,221,156	12,194,304	13,842,673	8,235,686
Total equity	106,438,591	111,197,425	57,043,663	51,535,206
Interest bearing liabilities	12,569,867	13,481,227	14,366,991	3,919,840
Provisions	448,509	445,640	442,790	437,841
Lease liabilities	10,108,032	10,730,515	11,212,840	12,380,131
Other payables	2,417,510	2,396,178	2,384,316	1,850,411
Contract liabilities	380,673	391,870	403,066	425,458
Total non-current liabilities	25,924,592	27,445,431	28,810,003	19,013,681
Contract liabilities	4,105,390	4,093,486	4,216,457	3,975,025
Lease liabilities	2,432,777	2,400,478	2,347,715	2,249,527
Trade payables	2,543,884	2,720,661	4,487,375	2,629,756
Other payables	5,333,464	4,661,396	7,245,187	8,123,777
Interest bearing liabilities	1,967,286	1,137,542	330,660	1,150,590
Total current liabilities	16,382,801	15,013,563	18,627,395	18,128,674
Total liabilities	42,307,392	42,458,994	47,437,397	37,142,356
Total equity and liabilities	148,745,984	153,656,419	104,481,061	88,677,561

Statement of changes in equity

2022-H1	Share Capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Treasury shares DKK	Other capital reserve DKK	Total DKK
Equity beginning of 2022	542,579	30,600,906	12,050,329	7,177	13,842,673	57,043,663
Net profit/(loss) for the period			(15,387,199)			(15,387,199)
Exercise of warrants	6,238		1,759,664		(408,922)	1,356,980
Capital increase	89,584		61,499,471			61,589,055
Transaction costs			(3,383,473)			(3,383,473)
Transfer to reserves		5,809,299	(5,809,299)			0
Shares issued as consideration in a business combination			3,001,826	(1,826)	(3,000,000)	0
Transfer of shares as part of Employee Share Scheme			1,433,033	(874)	(1,432,159)	0
Share-based payments					5,219,564	5,219,564
Equity end of 2022-Q2	638,401	36,410,205	55,164,352	4,477	14,221,156	106,438,591

2021-H1	Share Capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Treasury shares DKK	Other capital reserve DKK	Total DKK
Equity beginning of 2021	502,615	15,928,604	35,227,386	7,177	5,910,269	57,576,051
Net profit/(loss) for the period			(8,366,262)			(8,366,262)
Transfer to reserves		3,624,073	(3,624,073)			0
Share-based payments					2,325,417	2,325,417
Equity end of 2021-Q2	502,615	19,552,677	23,237,051	7,177	8,235,686	51,535,205

Cash flow statement

	2022-H1 DKK	2021-H1 DKK
Operating profit/loss	(16,977,676)	(9,962,646)
Depreciation, amortisation and impairment	4,958,422	3,955,154
Share-based payment expense	5,219,564	2,325,417
Other income	(22,393)	(22,393)
Changes in working capital	(901,537)	(3,817,611)
Financial income received	35,121	34,505
Financial expenses paid	(1,095,903)	(456,956)
Cash flow from operating activities	(8,784,402)	(7,944,529)
Investments in intangible assets	(9,071,978)	(6,920,633)
Investments in property plant and equipment	(62,428)	(112,692)
Deposits	(33,065)	(30,187)
Cash flow from investing activities	(9,167,471)	(7,063,511)
Repayment of borrowings	(160,498)	0
Payment of principal portion of lease liabilities	(1,341,254)	(1,121,962)
Transactions costs from capital increase	(3,383,473)	0
Cash increase from capital	62,946,035	0
Cash flow from financing activities	58,060,811	(1,121,962)
Cash and cash equivalents beginning of period	25,415,797	31,842,851
Net cash flow	40,108,938	(16,130,002)
Cash and cash equivalents end of period	65,524,735	15,712,849



Governance



Governance

Company information

Penneo A/S
Enghavevej 40
DK-1674 Copenhagen V

Business Registration No.: 35 63 37 66
Registered office: Copenhagen

Date of incorporation: 09.01.2014
Accounting period: 01.01.2022 - 30.06.2022

Board of Directors

Christian Sagild (Chairman)
Morten Kenneth Elk
Rikke Stampe Skov
Steffen Heegaard

Executive Board

CEO, Christian Stendevad

Auditor

Deloitte Statsautoriseret Revisionspartnerselskab

Primary activities

Penneo is a provider of Software-as-a-Service (SaaS), and was initially established for the purpose of assisting businesses with digital document signing and digitising workflows. Today, the company has developed into an eco-system of digital solutions which automate work routines within for example anti-money laundering (AML) - a RegTech software that offers businesses an efficient and cost-saving way to comply with legislation.

The original and widespread product “Penneo Sign”, which helps customers secure easy online signing of documents, is still continuously developed by the company - while at the same time new products appear, such as Penneo KYC (Know Your Customer) - a product that digitises the work-flows in businesses and contributes to complying with legal requirements in connection with onboarding and identification of customers.

Penneo holds a strong position in the Nordic countries, and in Denmark alone, more than 740,000 persons signed documents electronically with “Penneo Sign” in 2021. In April 2022, Penneo was listed on Nasdaq Copenhagen following a listing on Nasdaq First North since June 2020. This transition contributes to strengthening the company's focus on European expansion.

For more information about Penneo please visit:

<https://penneo.com/investors/>

Financial Calendar

QUARTERLY REPORT

23 November 2022

ANNUAL REPORT

28 February 2023

The logo for PENNEO, featuring the word "PENNEO" in a bold, white, sans-serif font. The letters are stylized with rounded edges and a modern feel. A registered trademark symbol (®) is located at the top right of the letter "O".

PENNEO®

Learn more on www.penneo.com