



Karbon
Equity

Financial Statements Q1 2025



Karbon Equity AS

Business registration number: 933 225 313

The financial statements for Karbon Equity AS consist of the following items:

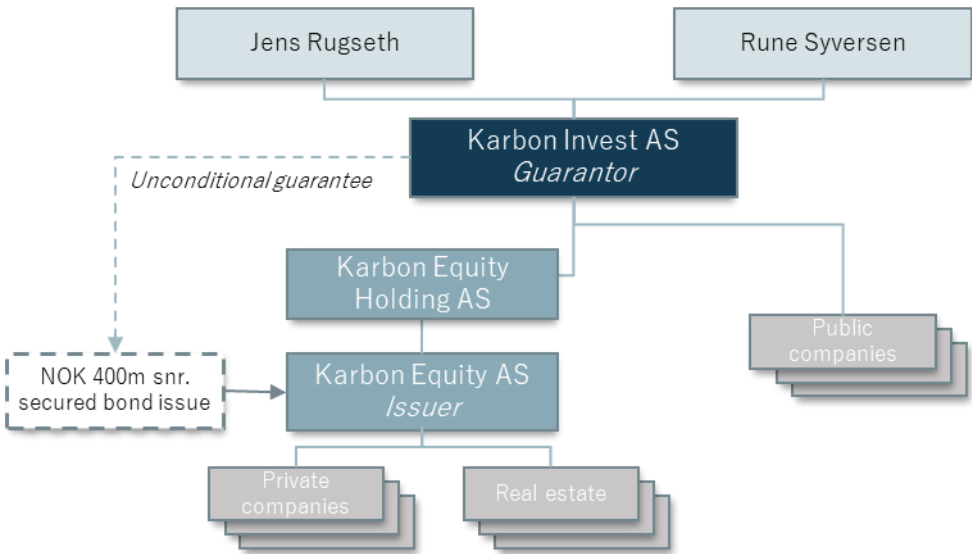
- Management Accounts
- Income Statement
- Balance Sheet
- Cash Flow Statement
- Notes



Karbon Equity AS – Management Accounts Q1 2025

Karbon Equity AS (the Company/Issuer) is an entity, ultimately owned by Karbon Invest AS (Parent), and controlled by co-founders Jens Rugseth and Rune Syversen through their respective holding companies. Jens Rugseth owns 43.57% and 17.82% of the shares in the Parent through Rugz AS and Rugz II AS, respectively. Rune Syversen and his family own 38.26% of the shares through Sevens AS. The remaining 0.35% is owned by CEO Christian Breddam through his holding company Snow AS.

The figure below shows a simplified group structure.



Karbon Equity AS was established in March 2024 to optimize funding and separate the listed and unlisted assets in the Parent’s portfolio, whereof the Issuer now owns the unlisted assets (including a real estate portfolio). The unlisted assets were transferred to the company and the operation started in June 2024.

The Issuer's principal activities are investments, including investments in real estate and securities, consulting services related to board work, strategy work and financial management, as well as activities naturally connected to this.

The Issuer's portfolio comprises the following main investments:

Company name/Fund	Business description	Time of main investment (by Parent)
The Social Gaming Group Holding AS ("TSGG")	Gastro-gaming concept developed through proprietary technology supported by a high-end food and drink offering.	2019



Pet Pawr Group AB ("PPG")	Pet Pawr Group AB is a pet concept with physical and online stores, offering a superior "one-stop shop" concept with bigbox locations.	2025
Rift Labs AS	Rift Labs develops patented LED-light products within cinema lighting and CEA (Controlled Environment Agriculture/Photosynthetic).	2019
Holdco Spirit AS ("Ecura")	Ecura is a Norwegian based health and care service provider with decades of experience, specializing in Assisted Living and Habilitation, Home Services and BPA, and Care Services.	2021
Holdco Compact AS ("Evo")	Evo is a fitness club chain operating in the premium compact segment with unmanned training centers with a low to mid-range price point.	2021
Lettbutikk AS	Lettbutikk is a 3PL and e-commerce fulfilment company solving key logistical problems in a growing market.	2021
Holdco Play AS ("Sprell")	Sprell sells toys, baby equipment and kids interior, with a focus on long-lasting quality products made with sustainable materials.	2022
Karbon Eiendom AS ("Karbon Eiendom")	Real estate portfolio across retail, office, and logistics.	2015
IK fund shares in Norselab Meaningful Equity I	Meaningful Equity I invests in companies with potential net positive impact in industries with significant sustainability challenges. The fund looks for companies driving positive change through their core products or services that have proven value to their customers and are ready to scale.	2023
Defigo AS	Defigo offers digital access control as a service for commercial and residential buildings.	2018
Memcare AS	Memcare is an Oslo/Warsaw based technology company, established in 2016 providing funeral homes with the industry's most innovative solutions, to the bereaved and funeral homes globally.	2024
VetXL Holding AS	Veterinary chain, previously part of PetXL Group AS, that was separated following the PPG transaction.	2025



Karbon Eiendom AS, a company controlled by the Issuer, has the following real estate investments:

Property	Ownership stake	Time of main investment
Karbon Eiendom Utvikling AS	100%	2019
Drammensveien 49 AS	100%	2020
Billingstadsletta AS	11%	2021
Lyngbakkvegen 1 AS	100%	2021
Bulk Park Enebakk II AS	49%	2021
Samfunnsbygg Norge AS	100%	2021
Sagene Vognhaller Invest AS	28.62%	2022

New investments Q1

Karbon Equity made the following investments during the first quarter:

- Investment (loan) of NOK 13.5 million in TSGG.
- Investment (loan) of NOK 5.0 million in Lettbutikk
- Investment (loan) of approximately NOK 4.4 million in Holdco Play AS (Sprell).
- Approximately NOK 2.3 million in NWC-settlement in PetXL Group AS, post the PPG-transaction.

Financial Highlights

The Shareholders of PetXL Group AS finalized the sale of all shares in PetXL Group AS to Pet Pawr Group AB (PPG) on January 9, 2025. Karbon Invest AS and Karbon Equity AS collectively received stocks in PPG with a book value of NOK 253.6 million. In order to complete the transaction, Karbon Invest AS has utilized available funding to clear existing shareholder debt, subscription rights and make available cash to PetXL Group AS, which was agreed as part of the transaction. As a consequence of this, approximately 62% of Karbon's total ownership as of Q1 2025 in Pet Pawr Group AB was held by Karbon Invest AS. We expect the values accumulated in Karbon Invest AS, as part of the transaction, to become part of Karbon Equity in due course.

Ecura resolved to pay a dividend of NOK 14.11 per share. This dividend, amounting to NOK 55,3 million for Karbon Equity AS, was paid on February 11, 2025 and was reflected in the financial accounts of Karbon Equity AS as of December 31, 2024.



The overall portfolio¹ performance in the first quarter demonstrated notable improvement compared to last year. Net sales increased by 4% (8% ownership adjusted), with EVO, Lettbutikk, TSGG, and Sprell being the key contributors. Gross margin rose by 8% (14% ownership adjusted), and the OPEX to revenue ratio significantly decreased from 38.1% in Q1 2024 to 35.5% in Q1 2025. The reduction in operating expenses was primarily driven by cost-saving initiatives in PPG, as well as improved efficiency in Lettbutikk, Sprell, and EVO due to cost programs and scale. Total EBITDA improved by NOK 40.6 million in Q1 2025 compared to Q1 2024 (NOK 17.2 million ownership adjusted), with all companies, except VetXL, showing positive EBITDA growth compared to the previous year.

The divestment of Samfunnsbygg Norge AS was closed April 30, 2025. The net proceeds from the divestments were NOK 54.1 million, in line with expectations and previous communication.


We believe reported values to be undervalued compared with market values and relevant transactions. However, and in accordance with Norwegian accounting rules, the profit for investments will be booked later in the event of realization or dividends from the companies. Currently most of the investments are booked at cost.

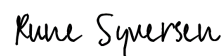
The income statement for Q1 shows a loss of NOK 15.3 million, mainly driven by interest expenses and other operating expenses.

Statement from the Board of directors

The interim financial statements are to the best of our knowledge prepared in accordance with applicable accounting standards and provide a true and fair representation of the Company's assets, liabilities and financial position.

May 28, 2025

DocuSigned by:

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Jens Rugseth
Chairman of the Board

DocuSigned by:

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Rune Syversen
Member of the Board

¹ The portfolio is defined and limited to subsidiaries and associated companies, excluding Karbon Eiendom AS and the Issuer (Ecura, EVO, PPG, VetXL, TSGG, Lettbutikk, Rift Labs and Sprell). Ownership adjusted figures includes Karbon Invest AS' shares in PPG. Ownership adjusted figures from last year are pro forma adjusted to reflect current ownership.



Income Statement Karbon Equity AS – Q1 2025

Operating Revenue and Operating Expenses	Q1 2025	2024
Revenue	1 105 028	3 475 565
Total operating revenue	1 105 028	3 475 565
Other operating expenses	-4 549 731	-9 709 079
Total operating expenses	-4 549 731	-9 709 079
Operating profit/loss	-3 444 704	-6 233 514
Financial Income and Financial expenses		
Other financial expenses	-12 209 766	-26 278 840
Change in value of financial assets	-2 270 201	-28 790 601
Other financial income	2 588 907	60 447 068
Financial items, net	-11 891 060	5 377 627
Profit/(loss) before taxation	-15 335 764	-855 887
Tax	0	0
Profit/(loss) after taxation	-15 335 764	-855 887



Balance Sheet Karbon Equity AS – Q1 2025

Assets	Q1 2025	FY 2024
Investments in subsidiary companies	657 192 614	753 548 900
Investments in associated companies	264 211 341	264 211 341
Other investments	116 148 994	19 792 708
Loans to group companies	78 740 947	54 250 747
Total financial non-current assets	1 116 293 896	1 091 803 696
Accounts receivables	2 228 119	2 050 853
Other receivables	5 834 023	61 858 100
Total receivables	8 062 142	63 908 953
Cash and cash equivalents	40 533 408	25 223 027
Total Current assets	48 595 550	89 131 980
Total Assets	1 164 889 446	1 180 935 675
Shareholders Equity and Liabilities		
Share capital	-69 061 693	-69 061 693
Share premium	-605 093 586	-620 429 350
Total paid-in capital	-674 155 279	-689 491 043
Bonds	-400 000 000	-400 000 000
Debt to Karbon Invest	-86 773 600	-86 773 600
Total non-current liabilities	-486 773 600	-486 773 600
Accounts payable	-3 960 567	-4 671 032
Total current liabilities	-3 960 567	-4 671 032
Total shareholders equity and liabilities	-1 164 889 446	-1 180 935 675



Cash flow statement Karbon Equity AS – Q1 2025

Cash Flow from operating activities	Q1 2025	FY 2024
Profit / (loss) before taxation	-15 335 764	-855 887
Δ Account receivables	-177 267	-2 050 853
Δ Other receivables	56 024 078	-54 095 322
Δ Accounts payable	-710 465	4 671 032
Δ Other assets and other liabilities	-1 479 482	-10 259 748
Δ Value of financial assets	0	28 062 892
Net cash flow from operations	38 321 100	-34 527 885
Cash Flow from investment activities		
Inflows due to investments in financial non-current assets	0	3 000 000
Investments in subsidiary companies	0	-15 933 948
Other investments	0	-10 000 002
Loans to group companies	-23 010 718	-44 118 730
Outflow due to repayment of loans to group companies	0	-312 000 000
Net cash flow from investment activities	-23 010 718	-379 052 680
Cash Flow from financing activities		
Inflow bond issue	0	400 000 000
Δ Shareholder loan from Karbon Invest	0	38 773 600
Net cash flow from financing activities	0	438 773 600
Net change in bank deposits, cash and equivalents	15 310 381	25 193 035
Bank deposits, cash and equivalents (opening balance)	25 223 027	29 992
Bank deposits, cash and equivalents (closing balace)	40 533 409	25 223 027



Notes to the accounts – Q1 2024

Note 1 Accounting principles

The financial statements have been prepared in accordance with NRS 11 (Nw: Delårsregnskap) and the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Note 2 Investments in subsidiaries and associated companies

Subsidiaries	Share	Value
The Social Gaming Group Holding AS	89 %	366 933 948
Karbon Eiendom AS	99 %	221 000 000
Lettbutikk AS	80 %	69 258 666
Sum		657 192 614

Associated companies

Holdco Spirit AS	38 %	103 512 663
Holdco Compact AS	40 %	78 569 703
Holdco Play AS	39 %	51 458 076
Rift Labs AS	34 %	30 670 899
Sum		264 211 341

Note 3 Equity

	Share capital	Share premium
Equity	69 061 693	620 429 350
Result for the period		-15 335 764
Equity as of 31 March	69 061 693	605 093 586