



Karbon Equity

Financial Statements Q3 2024



Karbon Equity AS

933 225 313

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

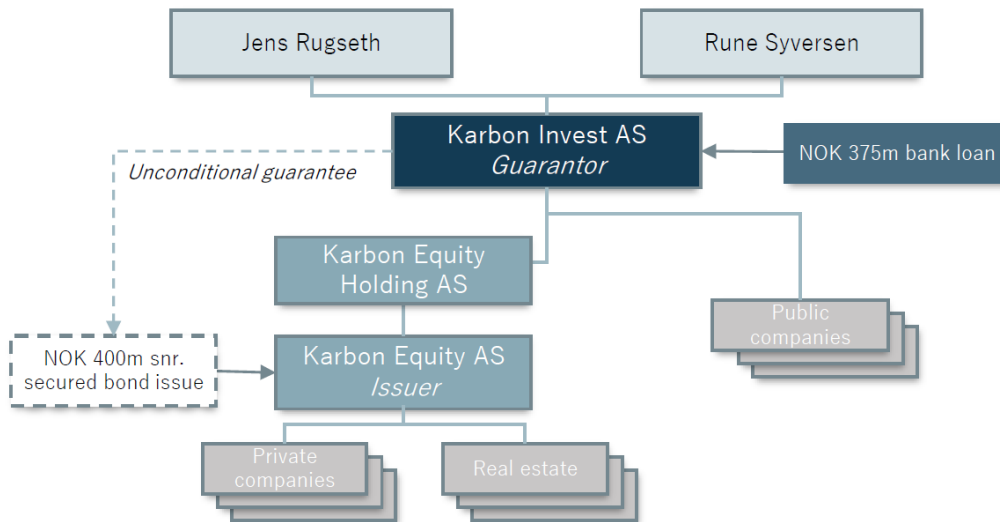
- Management Accounts
- Income Statement
- Balance Sheet
- Cash Flow Statement
- Notes



Karbon Equity AS – Management Accounts Q3 2024

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 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



PetXL Group AS	PetXL is a pet concept with physical stores, online stores and veterinarians, offering a superior “one-stop shop” concept with bigbox locations.	2019
Rift Labs AS	Rift Labs develops patented LED-light products within the 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

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	100%	2019
Drammensveien 49	100%	2020



Billingstadsletta	11%	2021
Lyngbakkvegen 1	100%	2021
Granittveien	49%	2021
Samfunnsbygg	100%	2021
Trikkehallen	28.62%	2022

New investments Q3

Karbon Equity has made the following investments during the 3rd quarter:

- Investment (loans) of NOK 15,5 million in TSGG.
- Investment (loans) of NOK 15.0 million in PetXL Group AS.
- Investment of approximately NOK 10 million in Memcare AS.
- Investment of approximately NOK 6,9 million in TSGG.

Financial Highlights

We are experiencing a positive momentum in our portfolio, with several companies performing better than expected. Evo and Ecura, especially, continue to deliver strong results, and PetXL and TSGG, both of which have been in a growth phase and historically required capital injections, have significantly strengthened their results compared to previous years, mainly by focusing on cost control. Total revenue in the portfolio¹ in Q3 2024 is up by 11% (13% ownership adjusted) vs. Q3 2023. Gross margin is improved with 16% (20% ownership adjusted) and OPEX over revenue is reduced from 30,1% in Q3 2023 to 28,9% in Q3 2024, improving EBITDA with MNOK 25 (MNOK 14 ownership adjusted).

The divestment of Samfunnsbygg was scheduled for Q3, however, the sales process has taken longer time than expected. The process remains active and is projected to conclude within the first quarter of 2025. The delayed divestment has resulted in a cash balance of NOK 21.3 million at the end of Q3. Alternative financing sources have been established through Karbon Invest AS to secure the Company's future commitments if necessary.

There are several strategic opportunities in the portfolio with significant value potential that we are currently exploring. However, and in accordance with Norwegian accounting rules, the profit for

¹ The portfolio is defined and limited to subsidiaries and associated companies, excluding Karbon Eiendom AS and the Issuer (Ecura, Evo, PetXL, TSGG, Lettbutikk, Rift Labs and Sprell)



investments will be recorded later in the event of realization or dividends from the companies. Currently most of the investments are recorded at cost.

The income statement for the 3rd quarter shows a loss mainly driven by interest expenses and other operating expenses, which are in line with expectation.

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.

29. November 2024

DocuSigned by:
Jens Rugseth
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Jens Rugseth
Chairman of the Board

DocuSigned by:
Rune Syversen
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Rune Syversen
Member of the Board



Income Statement Karbon Equity AS - Q3 2024

Operating Revenue and Operating Expenses	Q3 2024
Revenue	1 317 450
Total operating revenue	1 317 450
Other operating expenses	-5 241 759
Total operating expenses	-5 241 759
Operating profit/loss	-3 924 309
Financial Income and Financial expenses	
Other financial expenses	-12 997 644
Other financial income	2 091 764
Financial items, net	-10 905 880
Profit/ loss before taxation	-14 830 189
Tax	0
Profit/ loss after taxation	0



Balance Sheet Karbon Equity AS - Q3 2024

Assets	Q3 2024	Q2 2024
Investments in subsidiary companies	757 192 614	753 258 666
Investments in associated companies	264 211 341	264 211 341
Other investments	19 792 708	9 792 706
Loans to group companies	52 536 656	21 104 225
Other assets	0	0
Total financial non-current assets	1 093 733 319	1 048 366 938
Accounts receivables	1 865 375	547 925
Other receivables	7 231 112	7 762 778
Total receivables	9 096 487	8 310 703
Cash and cash equivalents	21 346 739	82 000 000
Total Current assets	30 443 226	90 310 703
Total Assets	1 124 176 545	1 138 677 641
Shareholders Equity and Liabilities		
Share capital	-69 061 693	-69 061 693
Share premium	-606 785 759	-621 615 948
Total paid-in capital	-675 847 452	-690 677 641
Bonds	-400 000 000	-400 000 000
Debt to Karbon Invest	-48 000 000	-48 000 000
Total non-current liabilities	-448 000 000	-448 000 000
Accounts payable	-329 092	0
Total current liabilities	-329 092	0
Total Shareholders Equity and Liabilities	-1 124 176 545	-1 138 677 641



Cash flow statement Karbon Equity AS - Q3 2024

Cash Flow from operations:	Q3 - 2024
Profit / loss before taxation	-14 830 189
Δ Account receivables	-1 317 450
Δ Other receivables	531 666
Δ Accounts payable	329 092
Δ Other assets and other liabilities	-932 431
Net cash flow from operations	-16 219 311
Cash Flow from investment activities	
Inflows due to investments in financial non-current assets	3 000 000
Investments in subsidiary companies	-6 933 948
Other investments	-10 000 002
Loans to group companies	-30 500 000
Net cash flow from investment activities	-44 433 950
Net change in bank deposits, cash and equivalents	-60 653 261
Bank deposits, cash and equivalents 1 st July	82 000 000
Bank deposits, cash and equivalents 30th September	21 346 739



Notes to the accounts, period ended 30th September 2024

Note 1 Accounting principles

The financial statements have been prepared in accordance with NRS 11 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
PetXL Group AS	82 %	100 000 000
Lettbutikk AS	79 %	69 258 666
Sum		757 192 614

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

Note 3 Equity

	Share capital	Share premium
Equity as of 1 st July	69 061 693	621 615 948
Result for the period (Q3)		- 14 830 189
Equity as of 30th September	69 061 693	606 785 759