



Karbon Equity

Financial Statements Q4 2024



Karbon Equity AS

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

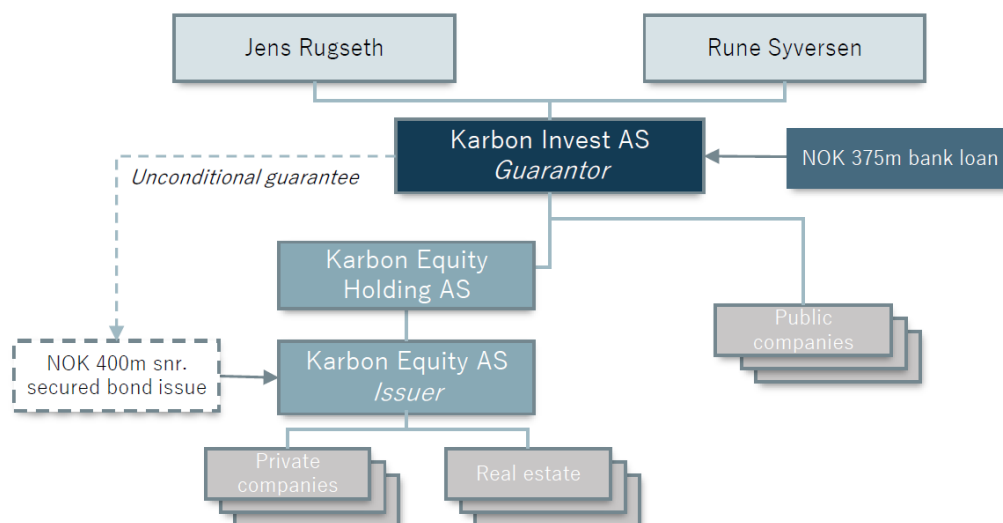
- Management Accounts
- Income Statement
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- Cash Flow Statement
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Karbon Equity AS – Management Accounts Q4 2024

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 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



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 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 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 Q4

Karbon Equity made the following investments during the 4th quarter:

- Investment of approximately NOK 25,1 million in PetXL Group AS, mainly related to outstanding loans that were converted to equity prior to the PPG transaction as described below. NOK 9 million in new loans paid out in the 4th quarter in addition to the NOK 15 million loan from the 3rd quarter.
- Investment (loan) of approximately NOK 6,6 million in Holdco Play AS (Sprell).
- Investment (loan) of NOK 9,0 million in TSGG.

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 Q4 2024 in PetXL Group AS (prior to transaction with PPG) was held by Karbon Invest AS. The net financial result for Karbon Invest AS and Karbon Equity AS combined, due to the transaction with PPG, is a net gain of NOK 25.8 million. However, for Karbon Equity AS, the transaction results in a write-down of book values by NOK 28.8 million due to the structure of the deal. 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 is reflected in the financial accounts of Karbon Equity AS as of December 31, 2024.



The portfolio¹ is developing positively and in line with the same trend we have seen throughout 2024. In addition to Evo and Ecura, which performed well throughout the year, it's worth highlighting TSGG and Sprell as positive contributors to the results in Q4 compared to Q4 2023, despite challenging markets for both companies. Total portfolio net sales in Q4 2024 are up by 8% (11% ownership adjusted) vs. Q4 2023. Gross margin has improved by 13% (14% ownership adjusted) and OPEX to revenue has slightly increased from 32.8% in Q4 2023 to 33.4% in Q4 2024. The increase in OPEX is mainly driven by one-off cost related to the PetXL transaction. EBITDA has improved by NOK 12 million in Q4 (NOK 8 million ownership adjusted). All portfolio figures are pending final audit.

The divestment of Samfunnsbygg Norge AS remains active and is expected to conclude within the first quarter of 2025.

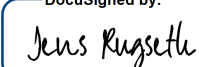
Generally speaking, we believe book values to be undervalued compared with market values and relevant transactions. However, and in accordance with Norwegian accounting rules, the profit for investments will be booked later in the event of realization or dividends from the companies. Currently most of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

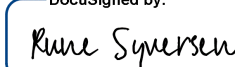
The income statement for Q4 shows a profit of NOK 14.0 million, mainly driven by the Ecura dividend and the PetXL write down. Interest expenses and other operating expenses are in line with expectations.

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.

February 26, 2025

DocuSigned by:

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Jens Rugseth
Chairman of the Board

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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, PetXL, TSGG, Lettbutikk, Rift Labs and Sprell)



Income Statement Karbon Equity AS – Q4 2024

Operating Revenue and Operating Expenses	Q4 2024	FY 2024
Revenue	1 610 190	3 475 565
Total operating revenue	1 610 190	3 475 565
Other operating expenses	-4 493 105	-9 709 079
Total operating expenses	-4 493 105	-9 709 079
Operating profit/loss	-2 882 915	-6 233 514
Financial Income and Financial expenses		
Other financial expenses	-13 038 197	-26 278 840
Change in value of financial assets	-28 790 601	-28 790 601
Other financial income	58 355 303	60 447 068
Financial items, net	16 526 505	5 377 627
Profit/(loss) before taxation	13 643 591	-855 887
Tax	0	0
Profit/(loss) after taxation	0	0



Balance Sheet Karbon Equity AS – Q4 2024

Assets	Q4 2024	Q3 2024
Investments in subsidiary companies	753 548 900	757 192 614
Investments in associated companies	264 211 341	264 211 341
Other investments	19 792 708	19 792 708
Loans to group companies	54 250 747	52 536 656
Total financial non-current assets	1 091 803 696	1 093 733 319
Accounts receivables	2 050 853	1 865 375
Other receivables	61 858 100	7 231 112
Total receivables	63 908 953	9 096 487
Cash and cash equivalents	25 223 027	21 346 739
Total Current assets	89 131 980	30 443 226
Total Assets	1 180 935 675	1 124 176 545
Shareholders Equity and Liabilities		
Share capital	-69 061 693	-69 061 693
Share premium	-620 429 350	-606 785 759
Total paid-in capital	-689 491 043	-675 847 452
Bonds	-400 000 000	-400 000 000
Debt to Karbon Invest	-86 773 600	-48 000 000
Total non-current liabilities	-486 773 600	-448 000 000
Accounts payable	-4 671 032	-329 092
Total current liabilities	-4 671 032	-329 092
Total shareholders equity and liabilities	-1 180 935 675	-1 124 176 545



Cash flow statement Karbon Equity AS – Q4 2024

Cash Flow from operations:	Q4 - 2024	YTD
Profit / (loss) before taxation	13 643 591	-855 887
Δ Account receivables	-185 478	-1 502 928
Δ Other receivables	-54 626 988	-54 426 033
Δ Accounts payable	4 341 940	4 671 032
Δ Other assets and other liabilities	-1 564 539	-2 496 970
Δ Value of financial assets	28 062 892	28 062 892
Net cash flow from operations	-10 328 582	-26 547 893
Cash Flow from investment activities		
Inflows due to investments in financial non-current assets	0	3 000 000
Investments in subsidiary companies	-9 000 000	-30 933 948
Other investments	0	-10 000 002
Loans to group companies	-15 568 730	-31 068 730
Net cash flow from investment activities	-24 568 730	-69 002 680
Cash Flow from financing activities		
Shareholder loan from Karbon Invest	38 773 600	38 773 600
Net cash flow from financing activities	38 773 600	38 773 600
Net change in bank deposits, cash and equivalents	3 876 288	-56 776 973
Bank deposits, cash and equivalents (opening balance)	21 346 739	82 000 000
Bank deposits, cash and equivalents at 31st December	25 223 027	25 223 027



Notes to the accounts – Q4 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	30 %	96 356 286
Lettbutikk AS	80 %	69 258 666
Sum		753 548 900

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 as of 1 October	69 061 693	606 785 759
Result for the period		13 643 591
Equity as of 31 December	69 061 693	620 429 350