

Quarterly Report Q4

Q4 2024
January - December

K33 AB (publ)
556668-3933

 K33



K33's takeover of Arcario has been a great success. We are experiencing accelerated growth while preparing for partnerships with banks and financial service providers.



Torbjørn Bull Jenssen
CEO, K33 AB (publ)

Strong growth and preparing for partners

Highlights of the quarter:

Record-Breaking Quarter

K33 achieved 375M SEK in revenue, a 50% increase from Q3 2024.

Successful Rebrand

The transition to K33 was successfully completed, reinforcing K33's market position with a stronger brand and core focus of redefining wealth management in the digital era.

Positive EBITDA

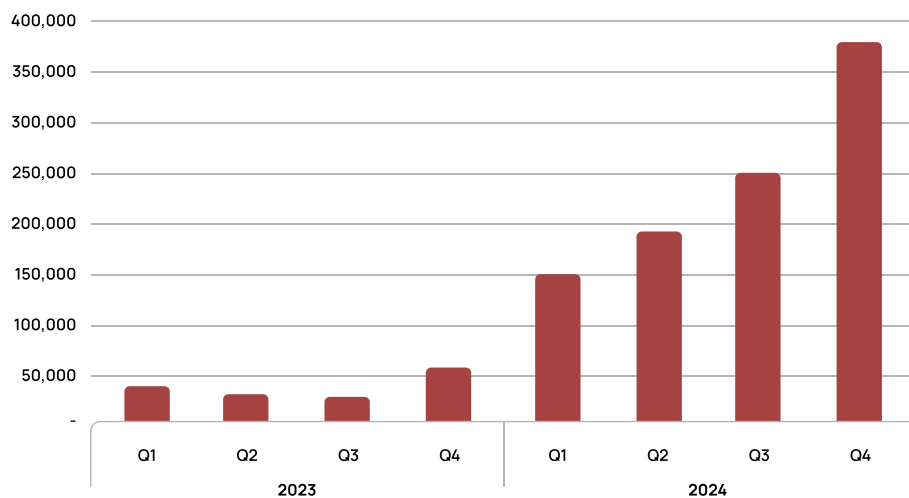
K33 posted a positive EBITDA of 1.3M SEK, reflecting its disciplined approach to growth and operational efficiency.

Onboarding partners (Subsequent event)

K33 has onboarded its first bank as a corporate client and is in the process of developing its first "brokerage-as-a-service" model with Stack, laying the foundation for future growth.

Revenue by quarter

(kSEK)



Fourth quarter of 2024

*Compared to the fourth quarter of 2023

- Group revenue increased to 375,432 kSEK (85,730)
- EBITDA amounted to 1,349 kSEK (-6,974)
- EBIT amounted to -533 kSEK (-11,140)
- The result for the period amounted to 72 kSEK (-27,119)
- Earnings per share before dilution amounted to SEK 0.000 (-0.003)

Full year 2024

*Compared to full year 2023

- Group revenue increased to 969,515 kSEK (154,305)
- EBITDA amounted to 6,654 kSEK (-21,867)
- EBIT amounted to -1,556 kSEK (-70,879)
- The result for the period amounted to -3,870 kSEK (-89,997)
- Earnings per share before dilution amounted to SEK 0.000 (-0.006)

Financial Overview (kSEK)	Q4 2024	Q4 2023	Q3 2024	Jan - Dec 2024	Jan - Dec 2023
Revenue	375,432	85,730	250,742	969,515	154,305
Operating expenses	-374,083	-92,704	-254,400	-962,861	-176,172
EBITDA	1,349	-6,974	-3,658	6,654	-21,867
Total assets	41,328	43,800	51,728	41,328	43,800
Total liabilities	11,156	43,817	15,016	11,156	43,817
Equity	30,172	-17	36,712	30,172	-17



Torbjørn Bull Jenssen
CEO, K33 AB (publ)

CEO Letter Q4 2024

Dear Investors,

K33's takeover of Arcario has been a great success. We are experiencing accelerated growth while preparing for partnerships with banks and financial service providers.

2024 - A record year

I couldn't be more proud of the team for delivering a record-breaking year of growth. 2024 marks the best full-year and Q4 by gross revenue in K33's history. Our revenue increased 528% compared to 2023 and the EBITDA amounted to 6.7 MSEK (-21.9).

In 2025 we will work hard to continue the trend. We are currently increasing our investment in marketing to position the company for key partnerships and strong growth later in the year.

K33 - The New Gold Standard

Focus and dedication to high standards are the main drivers of our success.

Our current client base includes active investors, family offices, corporate clients, hedge funds, and crypto exchange services. We have optimized our offering for these larger clients, who benefit from superior pricing, deep liquidity, and first-class support. In addition, all clients can choose to deposit and trade in their preferred fiat currency while having access to a broad selection of cryptocurrencies without any costs or limits on withdrawals.

Looking ahead, we will continue our iterative development approach. Users should expect new products and features in the months and quarters to come. Instantaneous bank deposits, leveraging PSD2, has just been released, and (synthetic) limit orders will follow shortly. Lending, staking, and enhanced custody are also features that are currently in live testing internally.

Growing with partners

The big shift for K33 in 2025 will be our increased focus on partners. We are confident that all financial institutions will launch a digital assets offering during the coming years, and K33 should be the preferred partner in the Nordics and beyond.

We are already working with hedge funds and crypto brokers as clients of K33. We have onboarded our first bank as a corporate client and are in the process of developing our first "brokerage-as-a-service" model with the independent investment service Stack x me.

This is just the start. Over the coming years, we expect strong growth in revenue generated through partnerships taking over as the dominant source of revenue over time.

Onwards and upwards

As anticipated in the Q3 report 2024, the crypto market is yet again on the rise and 2025 is shaping up as a potentially transformative year for the young crypto industry. Bitcoin is about to become an institutional asset and continues its march towards becoming a new global reserve asset, while the broader crypto space gets an acceleration from a more accommodative regulatory landscape in the US. In the EU, MiCA is opening the regulatory doors for banks and other financial institutions.

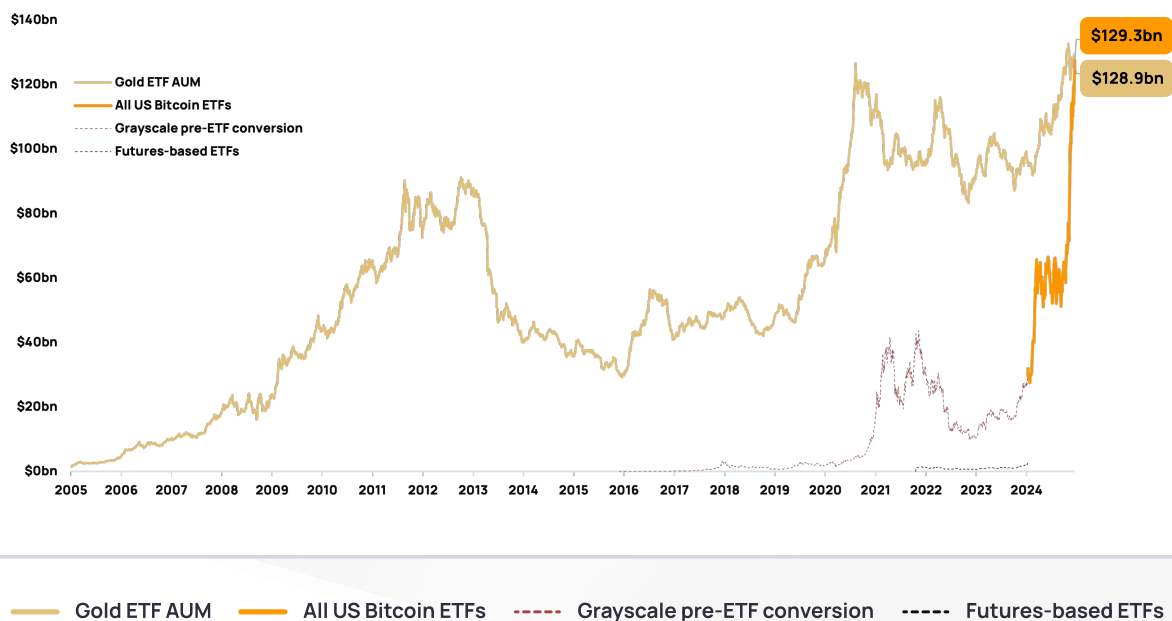
Against this backdrop, I believe that K33 is in a great position to continue to grow and seize new market opportunities in the years to come.

Bitcoin closed Q4 at \$93,350, seeing a 47% gain after facing a massive rally in the aftermath of the U.S. election. This rally pushed BTC to new all-time highs of \$108,000 within the quarter. The strong market reaction to Trump's election stems from anticipated regulatory improvements in the U.S., alongside expectations of the U.S. introducing a national digital asset stockpile.

Global spot volumes increased by 71% in Q4 compared to Q3, with global BTC spot volumes pushing to levels consistent with the Q4 2021 bull market of \$455bn. The quarter saw both retail and institutional activity thrive on the backdrop of Trump's election, with higher prices re-engaging retail traders and lifted uncertainty and expectations of regulatory clarity attracting institutional capital.

The increased institutional activity in the market is best exemplified by U.S. spot BTC ETF flows. In Q4, U.S. spot ETFs saw net inflows of \$16.4bn, exceeding the Q1 record net inflow of \$12.1bn. Bitcoin ETFs absorbed 1% of BTC's circulating supply in Q4 alone after adding 194,000 BTC to its holdings in Q4. The launch of U.S. spot ETFs exceeded market expectations and was a key contributor to BTC's strong performance in 2024. The products absorbed 550,000 BTC throughout the year, and IBIT saw the third-highest net flow in 2024, only beaten by VOO and IVV. More remarkably, 2024 ended with assets under management in U.S. BTC ETFs exceeding the AUM in U.S. gold ETFs despite gold's 20-year head start.

Assets Under Management: Gold ETFs vs. BTC ETFs



Substantial demand in Q4 also originated from MicroStrategy. The company introduced its 21/21 plan in the quarter, committing to buy \$21 billion worth of BTC through ATM sales and \$21 billion worth of BTC through senior notes offerings. MicroStrategy started the quarter with 252,200 BTC and ended the quarter with 446,400 BTC, adding 194,180 BTC in the quarter, equivalent to the buying pressure stemming from BTC ETFs. Together, these two entities absorbed a staggering 2% of BTC's circulating supply in Q4.

Following Trump's election victory, the market is adjusting to a more predictable regulatory environment in the United States. The past few years have seen the SEC commit to an aggressive approach towards crypto companies, being accused of regulation via enforcement and lacking clear regulatory guidelines. Following the election, the SEC has seen administrative changes and moved to scale back its crypto enforcement efforts. Further, SAB 121, a bulletin introducing restrictive measures for traditional custodian banks to launch digital asset offerings, has been rescinded. With SAB 121 rescinded, the outlook for crypto custody launches from BNY, State Street, Citi, and JP Morgan (Combined AUC: \$130tn) is promising, with all four custodians reportedly being ready to launch offerings within 2025.

The new U.S. administration also seeks to explore building a national digital asset stockpile, assigning the evaluation task to a designated crypto working group. This move has been followed by other nation-state officials in states such as Japan, Brazil, and the Czech Republic proposing similar approaches. These tendencies point toward Bitcoin entering a new era of becoming an asset adopted at a nation-state level, setting the stage for an exciting year ahead.

K33



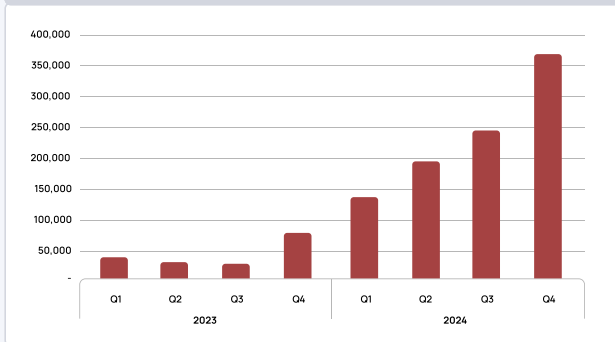
K33 operating companies generated 370,664 kSEK of revenue in the fourth quarter of the year, compared to 78,278 kSEK for the same period prior year.

Revenue is made up of 371,246 kSEK from K33 Markets, compared to 77,239 kSEK generated in Q4 2023. K33 Assets generated 624 kSEK in Q4 2024 compared to 516 kSEK generated in Q4 2023. K33 Research generated 552 kSEK revenue this quarter compared to 522 kSEK for the same period last year.

Total AUM in the fund (K33 Assets) amounted to 8.5 MUSD compared to 6.1 MUSD for the previous quarter.

K33 Markets revenue for the quarter includes SEK 18,407K of trades with related parties (not eliminated in group accounts) and SEK 286K of trades with group companies (eliminated in group accounts).

K33 Markets trading volume (kSEK)



Vanir Finance



Vanir is a FinTech company developing a platform to facilitate crypto collateralised lending, integrating both traditional and decentralised finance.

The acquisition of all shares in Vanir was completed in January 2024. Vanir is fully consolidated into group accounts from January 2024. Vanir generated a profit of 3,078 kSEK for the quarter, compared to 3,888 kSEK for the prior quarter.

Finpeers



During 2023, the Swiss startup Finpeers was added to Arcario's portfolio.

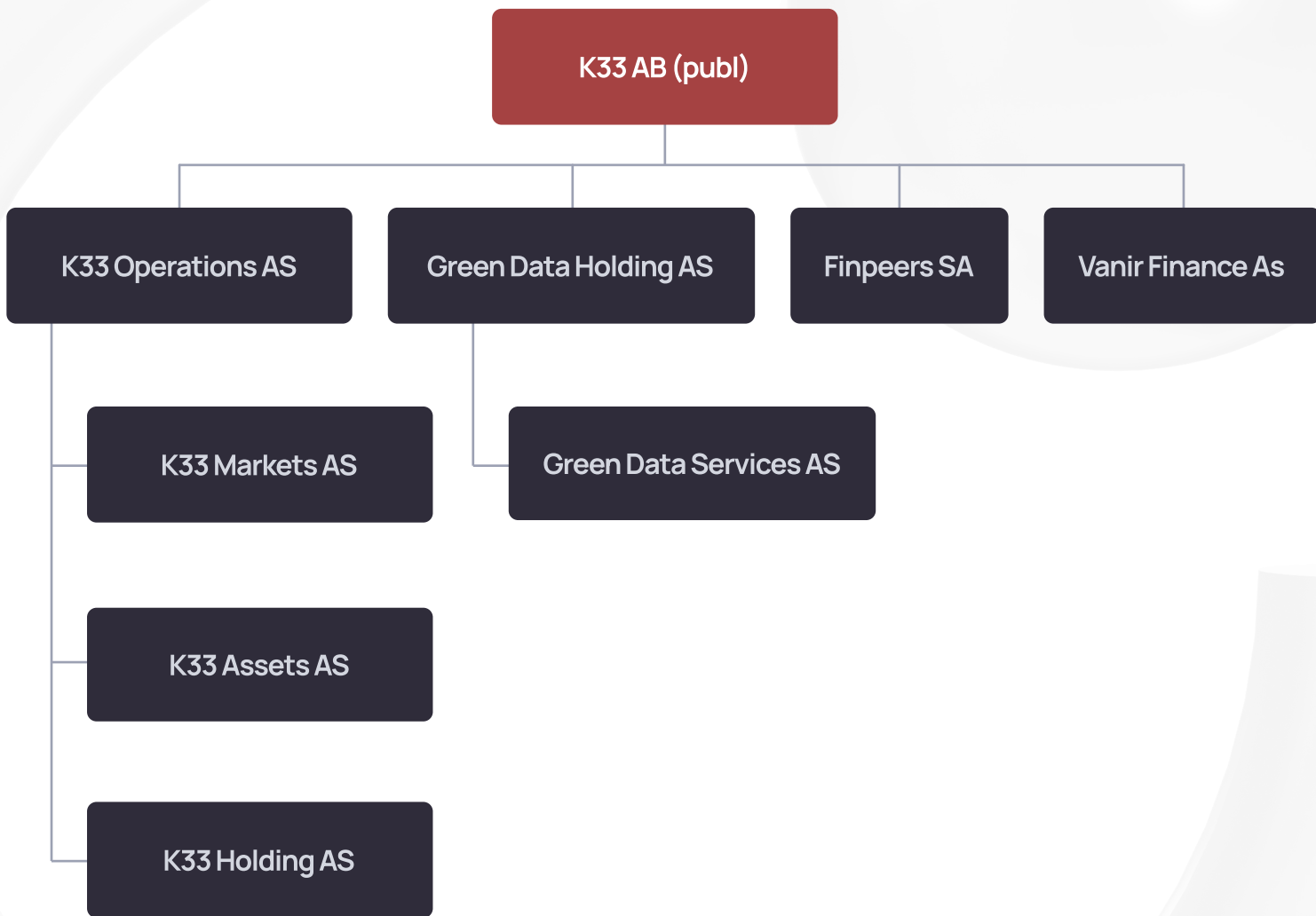
Finpeers was sold during the first quarter of 2025 generating a profit of SEK 780K.

Green Data

The Bitcoin halving on April 19, 2024, rendered Green Data's mining operations unviable. Mining activities were terminated during the third quarter. During the fourth quarter, Green Data incurred expenses of SEK 200K related to termination of operations.

Organization as of December 31, 2024

*K33 owned 3% of Finpeers at the end of 2024 but sold off the entire position during Q1 2025. All other legal entities are wholly owned.



The financial statements have been prepared in accordance with the company accounting policies, aligned with BFNAR Annual Reports and Consolidated Financial Statements (K3) and the Annual Accounts Act (Sw. årsredovisningslagen).

Revenue generated by K33 Markets is from cryptocurrency accounted for according to the Norwegian accounting principle for goods (NRS 1). When selling cryptocurrency to customers, the acquisition cost is expensed as the cost of goods and the sales value of the cryptocurrency is recognized as sales revenue. When K33 Markets acquires cryptocurrencies from a customer and off-sets the trade by exchanging the cryptocurrencies with another counterparty, the off-setting trade is classified as sales revenue while purchase from the customer is classified as cost of goods.

Comments January - December 2024

Income statement

The revenue increased for the quarter. This is mainly driven by trading volumes from K33 Markets. Other operating income this year consists of reversal of write downs for an FTX claim that was recovered in the first quarter, an additional earn-out consideration for the sale of Ijort Invest AB (Trijo), triggered in Q2, and a capital gain for sale of shares in ITOAM Sarl (LN Markets).

Compared to the corresponding quarter last year, Personnel expenses decreased from 4,421 kSEK to 3,746 kSEK. This reflects a lower head count as adjustments were made to reduce expenses.

Cash flow

Adjustments for items that are not included in the cash flow consists of items such as depreciations and unrealised losses.

Balance Sheet

The increase in intangible assets stems from Goodwill as a result of the Vanir acquisition.

The decrease in financial assets reflects the sale of the Group's stake in LN Markets.

Reduction of current liabilities are due to the repayment of a convertible loan from Cowa and an off-set issue to clear debts that arose due to short term funding needs last year.

Dividend Policy Update

The board has elected not to declare a dividend for the fiscal year 2024. Instead, all proceeds will be reinvested to ensure further growth and strengthen the company's market position. This decision reflects our commitment to long-term value creation for shareholders.

The Share and Shareholders

As of December 31, 2024, there were 21,680 shareholders holding 12,260,639,239 shares in K33 available for trade. During the year 5,745,126,788 shares were traded at an average price of 0.02 SEK per share, a total traded value of over 127 MSEK.

Share price and volume January 2024 - December 2024



Top 10 shareholders, 31 December 2024	Number of shares	% of shares
Klein Invest AS	2,521,706,715	20.66%
Middelborg Invest AS	1,854,322,715	15.19%
Tigerstaden AS	1,756,589,288	14.39%
Avarius AS	487,669,218	4.00%
Modiola AS	432,337,599	3.54%
Hortulan AS	327,378,646	2.68%
Muunilinst AS	279,776,596	2.29%
Avanza Pension	157,696,016	1.29%
Kabaal Crypto AS	139,765,048	1.14%
Nordnet Livsforsikring AS	83,620,052	0.69%
Total 10	8,040,861,893	65.87%
Others	4,165,777,346	34.13%
Total number of shares	12,206,639,239	100%

Organization and Employees

As of the end of Q4, the Group had a total 10 full-time employees across the various business units and wholly owned subsidiaries.

Significant Risks and Uncertainty

K33 operates in the cryptocurrency industry, which is still largely unregulated and subject to continual and rapid technological and regulatory changes. There are uncertainties related to the development of the cryptocurrency market, including its future size, and the future success of K33's business is, therefore, difficult to predict. The legal status of cryptocurrencies varies between different countries and is very much in transition. There is a lack of regulatory consensus concerning the regulation of cryptocurrencies in Europe. Future regulatory or political developments could adversely affect markets for cryptocurrencies, their adoption, and ultimately, their prices. Please see our last annual report for further description of the business of the company and associated risk factors.

Contact

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This Report has not been subject to review by the company's auditor. The information disclosed in this Interim Report is mandatory for K33 AB (publ) to publish pursuant to the EU's Market Abuse Regulation (MAR). This information was submitted for publication at 07:00 a.m. (CEST) on 27 February 2025, through the agency of the CEO.

The Company is listed on Nasdaq First North Growth Market and Mangold Fondkommission is Certified Adviser.

Company Address

Sweden
 K33 AB (publ)
 Box 12172
 102 25 Stockholm
 Sweden

Accounting Principles

The financial statements have been prepared in accordance with BFNAR Annual Reports and Consolidated Financial Statements (K3) and the Annual Accounts Act (Sw. Årsredovisningslagen), which are the accounting principles that are the basis for the annual reports.

Transactions with Related Parties

K33 AB (publ) has a consultancy agreement with The Networked Nation AB for work performed by Fredrik Burvall beyond normal duties as Chairman of the Board. The Networked Nation AB is entitled to a monthly fee of 37.5 kSEK.

Financial Calendar (2025)

Date	Event
30 Apr	Annual report 2024
22 May	Interim report Q1 2025
05 Jun	Annual General Meeting
28 Aug	Interim report Q2 2025
20 Nov	Interim report Q3 2025
26 Feb	Interim report Year-end and Q4 report 2025

*The annual report will be published by press release and available on the company's website no later than 30 April 2025.

Consolidated income statement

KSEK	Q4 2024	Q4 2023	Q3 2024	Jan - Dec 2024	Jan - Dec 2023
Net sales	373,131	85,678	249,681	958,462	154,093
Other operating income	2,301	52	1,061	11,053	212
Total revenue	375,432	85,730	250,742	969,515	154,305
Cost of goods sold	-365,829	-84,922	-245,473	-929,033	-144,727
Other external expenses	-4,342	-3,255	-5,440	-16,546	-11,076
Personnel costs	-3,746	-4,421	-3,565	-14,414	-18,263
Other operating expenses	-166	-106	78	-2,868	-2,106
EBITDA	1,349	-6,974	-3,658	6,654	-21,867
Depreciation and amortization	-1,882	-4,166	-2,844	-8,210	-49,012
Operating profit	-533	-11,140	-6,502	-1,556	-70,879
Profit from participation in associated companies	-	-6,685	-	21	-
Realized gain on sale of financial assets	-	-	-	-	-
Amortization of financial assets and short term investments	-	-	-	-	-1,600
Interest income and other financial income	-1653	15,188	233	853	9,574
Interest expenses and other financial costs	2258	-24,482	-1,936	-3188	-27,092
Total financial items	605	-15,979	-1,703	-2,314	-19,118
Profit after financial items	72	-27,119	-8,205	-3,870	-89,997
Profit before tax	72	-27,119	-8,205	-3,870	-89,997
Tax on profit for the period	-	-	-	-	-
The result for the period	72	-27,119	-8,205	-3,870	-89,997

Net earnings per share

kSEK	Q4 2024	Q4 2023	Q3 2024	Jan - Dec 2024	Jan - Dec 2023
Before dilution					
Number of shares	12,206,639,239	12,178,525,260	12,206,639,239	12,178,525,260	12,178,525,260
Weighted average	12,206,639,239	10,474,086,470	12,178,525,260	10,474,086,470	10,474,086,470
Net earning kSEK	72	-27,119	-3,870	-65,378	-89,997
Net earnings per share before dilution, SEK	0.000	-0.003	-0.000	-0.006	-0.009
After dilution					
Weighted average number of shares	12,206,639,239	10,474,086,470	12,178,525,260	10,474,086,470	10,474,086,470
Issued shares not yet registered	-	-	-	-	-
Issue warrants not yet converted to shares	600,000,000	201,951,259	600,000,000	199,687,778	199,687,778
Total number of shares after dilution	12,806,639,239	10,676,037,729	12,778,525,260	10,673,774,248	10,673,774,248
Net earning, kSEK	72	-27,119	-3,870	-65,378	-89,997
Net earnings per share after dilution, SEK	0.000	-0.003	-0.000	-0.006	-0.008

Consolidated Balance Sheet

kSEK	12/31/2024	12/31/2023
ASSETS		
Fixed assets		
Intangible assets	28,252	8,268
Tangible assets	15	3,984
Financial assets	860	20,610
Total fixed assets	29,127	32,862
Current assets		
Receivables	3,777	3,642
Short-term investments	396	458
Cash and bank balances	8,028	6,838
Total current assets	12,201	10,938
TOTAL ASSETS	41,328	43,800
Equity		
Share capital	44,539	34,276
Other contributed capital	341,046	317,036
Other equity including profit for the year	-355,413	-351,329
Total equity	30,172	-17
Liabilities		
Long-term liabilities	6,769	9,231
Current liabilities	4,387	34,586
Total liabilities	11,156	43,817
TOTAL EQUITY AND LIABILITIES	41,328	43,800

Consolidated Cash Flow

KSEK	Q4 2024	Q4 2023	Q3 2024	Jan - Dec 2024	Jan - Dec 2023
Operating profit	-533	-11,140	-6,504	-1,556	-40,743
Adjustment for items that are not included in the cash flow	-5,380	4,233	12,153	-3,308	20,092
Cash flow from operating activities before changes in working capital	-5,913	-6,907	5,649	-4,864	-20,651
Increase / decrease in operating receivables	6,828	-1,332	-2,663	-135	-1,338
Increase / decrease in operating liabilities	-2,629	6,464	-6,034	-30,199	19,635
Change in working capital	4,199	5,132	-8,697	-30,334	18,247
Cash flow from operating activities	-1,714	-1,775	-3,047	-35,198	-2,404
Investment activities					
Acquisition of financial assets	-	-	-	-	-
Acquisition of fixed assets	-	-	-	-	85
Sale of financial assets	-	-	2104	4,573	-
Sale of fixed assets	-	-	-	-	50
Cash flow from investment activities	-	-	2,104	4,573	136
Financing activities					
Share issue	858	7500	-	34273	7,500
Issue cost	-	-	-	-	-
Borrowings	-	-	-	-	-
Loan repayments	-1,231	-384	-1,231	-2,462	-3,463
Cash flow from financing activities	-373	7,116	-1,231	31,811	4,037
Increase / decrease in cash and cash equivalents	-2,087	5,341	-2,174	1,186	1,769
Cash and cash equivalents at the beginning of the period	10,115	1,501	12,289	6,842	5,073
Cash and cash equivalents at the end of the period	8,028	6,842	10,115	8,028	6,842

Change in Consolidated Equity

kSEK	Share capital	Other contributed equity	Other equity incl. Profit for the year	Total Equity
Equity 2023-12-31	34,276	317,036	-351,329	- 17
Employee options			963	963
Share issue	10,263	24,010		34,273
Exchange rate difference			-1,177	- 1,177
Result for the period			-3,870	- 3,870
Equity 2024-12-31	44,539	341,046	-355,413	30,172

Parent Company

The Parent Company only carries out supporting functions for the Group with its main task to raise capital and manage the listing of its shares. All income in the parent company is related to billing of services to the Group.

Parent Company Income Statement

kSEK	Q4 2024	Q4 2023	Q3 2024	Jan - Dec 2024	Jan - Dec 2023
Net sales	-	7506	1	4765	7596
Other operating income	0	52	33	968	212
Total revenue	0	7,558	34	5,733	7,718
Other external expenses	-215	-716	-443	-2,434	-3,746
Personnel costs	-256	-1,206	-811	-2,676	-4,470
Non-recurring amortization of current assets	-	-	-	-	-47198
Other operating expenses	-245	-80	-14	-14	-106
EBITDA	-716	5,556	-1,234	609	-47,802
Depreciation and amortization	-	-	-	-	-
Operating profit	-716	5,556	-1,234	609	-47,802
Impairment of shares in group companies	7144	-217000	-	7144	-217000
Interest income and other financial income	3504	10373	-	3504	10373
Interest expenses and other financial costs	-302	-625	-312	-1963	-2117
Total financial items	10,346	-207,252	-312	8,685	-208,744
Profit after financial items	9,630	-201,696	-1,546	9,294	-256,546
Profit before tax	9,630	-201,696	-1,546	9,294	-256,546
Tax on profit for the period	-	-	-	-	-
The result for the period	9,630	-201,696	-1,546	9,294	-256,546

Parent Company Balance Sheet

kSEK	12/31/2024	12/31/2023
ASSETS		
Fixed assets		
Intangible assets	-	-
Tangible assets	-	-
Financial assets	289,190	218,445
Total fixed assets	289,190	218,445
Current assets		
Receivables	33,694	64,196
Short-term investments	-	-
Cash and bank balances	3,282	4,036
Total current assets	36,976	68,232
TOTAL ASSETS	326,166	286,677
Equity		
Share capital	44,539	34,276
Other contributed capital	816,842	792,831
Other equity including profit for the year	-554,688	-564,945
Total equity	306,693	262,162
Liabilities		
Long-term liabilities	6,769	9,231
Current liabilities	12,704	15,284
Total liabilities	19,473	24,515
TOTAL EQUITY AND LIABILITIES	326,166	286,677



Quarterly
Report Q4