

arcario

Quarterly Report Q3

Q3 2023 JANUARY – SEPTEMBER

Arcario AB

556668-3933

Improving market fundamentals

We have leveraged the recent market slump to sharpen our focus, build for the next wave of adoption and we have no intention of folding now as the sentiment is about to turn.

”

We anticipate shortly being able to release details of the steps we will take to regain a solid capital base.

- Michael Jackson, Chair of Arcario

”

I'm really excited as I believe we are in a great position to finally accelerate our growth and benefit from the positive shift in market sentiment.

- Torbjørn Bull Jenssen, CEO of Arcario & K33

Third quarter of 2023

Compared to third quarter 2022

- Group revenue decreased to 28,277 kSEK (52,186)
- EBITDA amounted to -6,489 kSEK (-7,336)
- Adjusted EBITDA amounted to -4,489 (-7,336)
- EBIT amounted to -10,721 kSEK (-12,703)
- The result for the period amounted to -7,867 kSEK (-13,290)
- Earnings per share before dilution amounted to SEK -0.001 (-0.002)

First nine months of 2023

Compared to first nine months of 2022

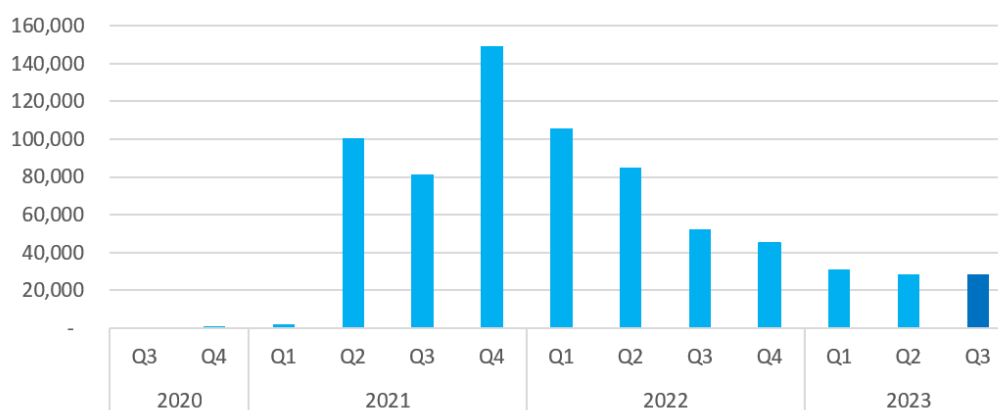
- Group revenue decreased to 97,875 kSEK (242,806)
- EBITDA amounted to -16,578 kSEK (-30,065)
- Adjusted EBITDA amounted to -14,578 kSEK (-19,166)
- EBIT amounted to -29,603 kSEK (-77,279)
- The result for the period amounted to -38,259 kSEK (-79,741)
- Earnings per share before dilution amounted to SEK -0.004 (-0.009)

Financial overview

kSEK	Q2 2023	Q3 2022	Q2 2023	Jan - Sep 2023	Jan - Sep 2022	Full year 2022
Revenue	28,277	52,186	30,991	97,875	242,806	287,838
Operating expenses	-34,766	-59,522	-34,129	-114,453	-272,871	-331,668
EBITDA	-6,489	-7,336	-3,138	-16,578	-30,065	-43,830
Adjusted EBITDA	-4,489	-7,336	-3,138	-14,578	-19,166	-32,930
Total assets	75,968	116,015	84,889	75,968	116,015	100,051
Total liabilities	38,521	29,004	37,651	38,521	29,004	28,812
Equity	37,447	87,012	47,238	37,447	87,012	71,239

Revenue by quarter

kSEK



Main Events

Main events during Q3 2023

- On September 27, Arcario notified the market that it had less than three months of working capital.
- On August 22, Q2 interim results for the Arcario group were released.
- On August 21, it was announced that Arcario intends to renew its application for a US listing on the OTCQB.
- On July 28, it was announced that Arcario's K33 signed an investment agreement with Liquid Mercury.
- On July 5, it was announced that Arcario's Finpeers reached a significant milestone following regulatory approval of its first token.
- On July 5, it was announced that Arcario's LN Markets sustained its strong performance in Q2 2023.
- On July 4, it was announced that Arcario completed the acquisition of Shares in Finpeers.
- On July 3, it was announced that Arcario's K33 subsidiary explores a strategic investment from Chicago-based Liquid Mercury.

After the end of the period

- On October 11, it was announced that Arcario's K33 Markets were officially launched and ready to onboard new clients.

Commentary



Michael Jackson
Chair of Arcario

Dear Shareholders,

On 27 September, and in accordance with Stock Exchange rules, we made an announcement that we no longer had working capital to support three months of operation. A combination of disappointing mining income and market sentiment had depressed our cash resources below required levels.

Fortunately, we have a solid and supportive shareholder base, who, as myself, my board colleagues and the people who work hard every day within the Arcario umbrella continue to believe in the future of the industry and the company. We are all committed to ensure that we secure the resources needed to position Arcario well for the future.

We anticipate being able to release details of the steps we will take to regain a solid capital base that can support ourselves, our investments and our liabilities very shortly.

I thank you all for your continued support.

Commentary



Torbjørn Bull Jenssen
CEO of Arcario & K33

Dear Shareholders,

Looking forward, I am really excited as I believe we are in a great position to finally accelerate our growth and benefit from the positive shift in market sentiment.

K33 is now fully launched, our portfolio company LN markets is experiencing explosive growth, and we are close to securing the financing of Arcario. There has been substantial investor interest in both Arcario and K33, and we are working hard to secure the best possible deal for the company and our existing shareholders.

For K33, our recent launch of K33 Markets has been a major milestone. Our clients are appreciating the new trading platform and we see a fast uptick in volume. We have by far the best pricing in the Nordics, offer full FX-flexibility, so that our users can deposit trade against and withdraw in their preferred national currency and let clients choose how to trade whether it is over chat, voice, web interface or our FIX API. Addressing the private wealth market, these features are important and will help us secure strong growth going forward.

K33 Research continues to make headlines, with sustained coverage by tier 1 financial media, including Bloomberg TV. With the subscription model fully launched, the focus is now on growth and marketing, and we expect to grow the revenue substantially both from direct distribution to clients and through partnerships. This way we can leverage our research to not only serve as a great brand builder and marketing tool, but also as a revenue generator, establishing a base of recurring revenue through subscriptions.

Lastly for K33, our fund for professional investors has continued to deliver strong returns. With a great track record, K33 fully launched and the market sentiment turning positive, we are now engaging with wealth managers and private banks to act as distributors of the fund. The lead time on such relationships is substantial, but so too is the size of expected allocations.

The crypto market is turbulent and it can be tough to ride the swings. Many fall off and many projects die. Personally I have been through three cycles already and it is exciting to see how the pattern repeats. Those who hold steady and build during the downturns, regardless of how rough it gets, collect the largest rewards as the market sentiment turns. We have leveraged the recent market slump to sharpen our focus, build for the next wave of adoption and we have no intention of folding now as the sentiment is about to turn.

Furthermore, as an investment firm with a portfolio of companies in the digital assets space, Arcario benefits from the value of diversification, and is only dependent on a few successes to itself become a great success. As it looks now, both K33 and LN Markets are racing ahead at full speed, painting an exciting picture for Arcario in 2024.

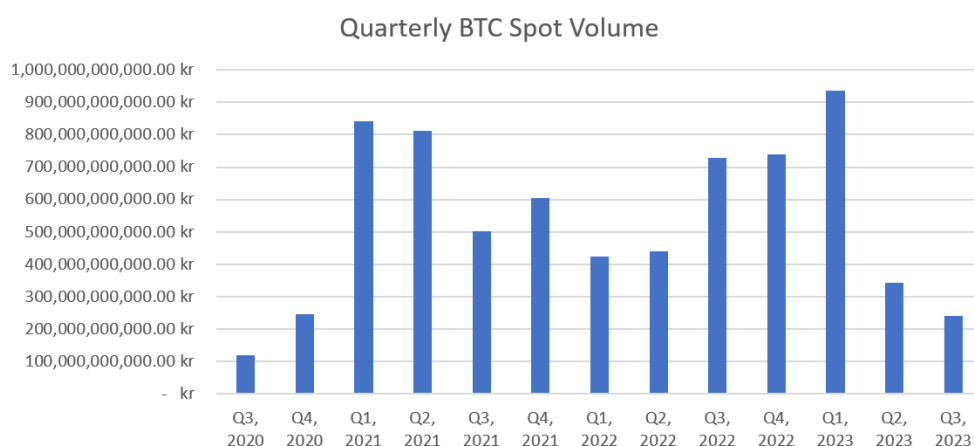
Sector development

In Q3, market fundamentals improved following a landslide Grayscale victory vs. the SEC in U.S. courts. Performance-wise, the quarter was slow, with a substantial decline in trading volumes and diminishing volatility.

Odds in favor of BTC ETF approvals in the U.S. improved in Q3 after the SEC lost Grayscale's lawsuit, with the court judging that the SEC had acted arbitrary and capricious by denying Grayscale's BTC ETF while approving futures-based BTC ETFs. Following the court verdict, the SEC either must deny spot ETF filings on different grounds than in the past, discontinue 33-act futures-based ETFs, or approve current pending filings. Following the court loss, the SEC has engaged actively with BTC ETF filers, leading filers to update their prospectus'. This has not happened in any of the past BTC ETF attempts and points towards an enhanced likelihood of BTC ETF approvals prior to the January 10, 2024, deadline.

BlackRock's ETF filing geared the market higher in June and reignited BTC momentum in October 2023. BlackRock has prepared to seed its ETF in October per its latest prospectus update, further signaling that approval is near. U.S. BTC ETFs will simplify advisors' ability to provide access to BTC exposure and reduce regulatory barriers to entering the market. The SEC is expected to accept multiple ETFs at once from BlackRock, ARK, Invesco, Fidelity, VanEck, and more, with the market anticipating frantic competition to secure market leadership. In turn, the market speculates that this competition amidst a potential launch may spark significant buy-side demand.

Despite solid ETF prospects, the quarter was slow in crypto markets. Spot volumes declined by 30%, with Q3, 2023 seeing the lowest quarterly BTC spot volume since Q3, 2020. The diminishing activity was accompanied by slow volatility, with BTC remaining heavily range bound throughout most of the quarter.



The slow-paced environment swayed market participants to add leveraged directional risk to the market, leading to a significant liquidation event on August 17. BTC consolidated at \$29,000 throughout the entirety of July until the middle of August, when a series of liquidations pushed prices toward \$26,000, where they remained throughout the remainder of the quarter. The liquidation event flushed leverage in the market to 15-month lows and impacted risk aversion in offshore derivatives, with open interest having yet to recover.

Throughout the quarter, BTC dominance strengthened, with ETH momentum reigning weak. ETF prospects and the upcoming halving are cyclical beneficial factors for BTC, leading traders to rotate from ETH to BTC. Nonetheless, structurally, the quarter was positive for ETH, as futures-based ETH ETFs were approved, improving access to ETH through traditional investment vehicles.

Momentum and activity strengthened as we entered Q4. BTC has pushed towards yearly highs of \$35,000, driven by an influx of activity from institutional traders on the CME. The market seems geared towards building exposure ahead of the ultimate ETF verdict, with a verdict being expected within the coming three months.

Portfolio development

K33

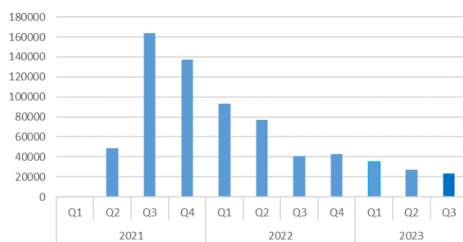
K33

K33 generated 23,757 kSEK of revenue in the third quarter of the year.

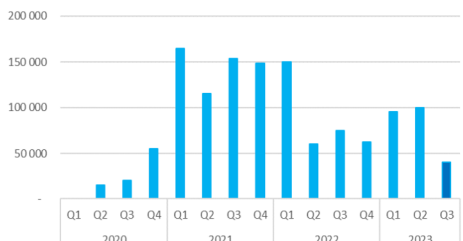
Revenue is made up of 23,396 kSEK from K33 Markets, compared to 41,871 kSEK generated by Kaupang Krypto in Q3 2022. K33 Assets generated 312 kSEK in Q3 2023 compared to 370 kSEK generated by Arcane Assets in Q3 2022. K33 Research generated 48 kSEK revenue this quarter compared to 1,604 kSEK revenue from Arcane Research for the same period last year.

Total assets under management amounted to 3.7 MUSD compared to 9.3 MUSD for the previous quarter.

Gross trading volume kSEK



Assets Under Management, kSEK



Green Data



Green Data operates bitcoin mining in northern Norway through a hosting agreement with Exanorth. Revenue was stable at 4,309 kSEK for the third quarter compared to 4,348 kSEK for the prior quarter.

LN Markets



The Company owns 16% of LN Markets, a trading platform built on the Bitcoin Lightning Network, that uses bitcoin, paid and settled over the Lightning Network, as collateral for derivatives trading.

During Q3, the total volume traded on the LN Markets platform was 142 MUSD, up 33% vs. prior quarter and an all-time high quarterly volume for LN Markets. The user base continues to grow, up 7% from the previous quarter.

LN Markets continues to demonstrate outstanding performance, total volume traded for the first nine months of the year was 354 MUSD compared to 175 MUSD for the same period last year.

LN Markets

Gross trading volume, MUSD



Portfolio development

Pure Digital



At the end of the period there were 7 LOIs in place with Tier 1 investment banks, two of which have already been announced (State Street and Bank of New York Mellon):

The Company owns 37.5% of Puremarkets. Puremarkets is building an interbank marketplace for cryptocurrency price discovery and exchange of wholesale risk via the Pure Digital Platform. Pure Digital will provide a best-in class primary wholesale marketplace, with a consortium of banks as liquidity providers, custodian and clearers. The management team brings many years of experience at top-tier banks and have successfully delivered a similar platform for the FX market.

Pure Digital continue to work closely with banks and regulators to prepare for launch.

As major investment banks expand their digital asset services and secure crypto-related approvals, Pure Digital's unique development of an interbank market provides a distinct advantage in the swiftly changing landscape.

The prolonged duration of Pure Digital's critical financing process makes it entirely reliant on the successful completion of this process for its continued survival.

Finpeers



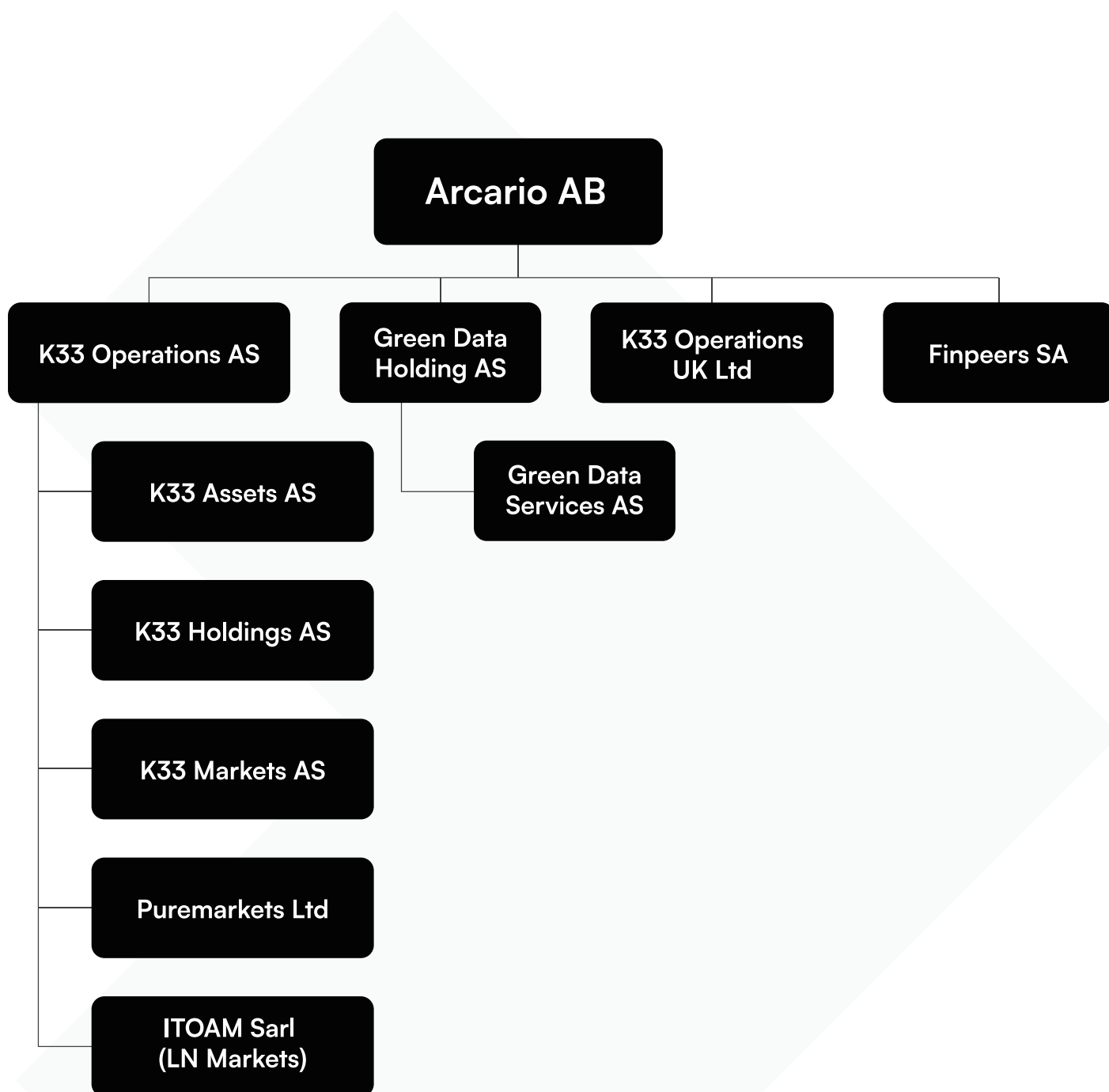
In Q2, the Swiss startup Finpeers was integrated into Arcario's growing roster, epitomising the calibre and potential of future investments.

Venturing into the burgeoning domain of tokenizing real-world assets, they've established a unique position, cementing robust partnerships both in Europe and the UAE. As they navigate the complex regulatory terrain, an endorsement from FINMA for their utility token sale was attained, and their Security Token Offering (STO) infrastructure has been readied.

Finpeers have been approved by SO-FIT as a self regulating organisation qualifying it as a financial intermediary in Switzerland. Launch is planned for early January 2024, preparations are in full swing, encompassing a formidable go-to-market strategy for the utility token.

Organization as of September 30, 2023

Arcario owns 37.5% of Puremarkets,
16% of LN Markets and 3% of Finpeers,
all other legal entities are wholly owned.



Financials

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 Kaupang 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 Kaupang 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 July– September 2023 and January - September 2023

Income statement

The revenue decreased for both the quarter and the first nine months vs. prior year. This is mainly driven by lower trading volumes from K33 Markets. The lower trading volume reflects lower market activity for the broader crypto market, which to a large extent is a result of lower BTC prices and volatility compared to the same periods last year. It should be noted that Trijo was divested during the second half of 2022 and as such are included in the comparison numbers for prior year.

Compared to the corresponding period last year, Personnel expenses for the quarter decreased from 8,681 kSEK to 5,083 kSEK. For the first nine months, it decreased from 21,180 kSEK to 13,794 kSEK. This reflects a lower head count as adjustments were made to reduce expenses to off-set lower trading volumes.

Other external expenses decreased from 4,451 kSEK to 1,959 kSEK for the quarter and from 16,967 kSEK to 7,907 kSEK for the first half.

Other operating expenses is a realised loss on sale of fixed assets stemming from sale of bitcoin miners that were not deployed.

Balance Sheet

The decrease in fixed assets is due to depreciations according to plan and a sale of 62 bitcoin miners. Reductions of long term liabilities are due to repayments. Current liabilities are mainly increasing due to short term loans from Avarius.

Cash flow

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

The Share and Shareholders

As of September 30, 2023, there were 18,505 shareholders holding 8,769,991,803 shares in Arcario available for trade. During the third quarter 2,632,469,365 shares were traded at an average price of 0.031 SEK per share, a total traded value of over 65 MSEK.

Share price and volume October 2022 - September 2023



Top 10 shareholders, 30 September 2023

	Number of shares	% of shares
Kristian Lundkvist (Middelborg)	2,105,822,715	23.94%
Tigerstaden AS	1,756,589,288	19.97%
Morten Klein	578,486,315	6.58%
Jonatan Raknes	540,805,548	6.15%
Simen Thorsen	327,378,646	3.72%
Torbjørn Bull Jenssen	257,538,453	2.93%
Bulltech AS	166,188,204	1.89%
Avanza Pension	114,605,403	1.30%
Nordnet Livsforsikring AS	75,980,718	0.86%
Nordnet Pension Insurance	45,655,002	0.52%
Total 10	5,969,050,292	67.9%
Other	2,827,941,511	32.1%
Total number of shares	8,796,991,803	100.0%

Additional Comments

Organization and Employees

As of the end of Q3, the Group had a total 11 full-time employees across the various business units and wholly owned subsidiaries.

Significant Risks and Uncertainty

Arcario 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 Arcario'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 the company description published by Arcario AB (then Vertical Ventures) on 21st December 2020 prior to the Reverse Takeover for further description of the business of the company and associated risk factors

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

Arcario has a consultancy agreement with Hafofo OÜ for work performed by Michael Jackson beyond normal duties as Chairman of the Board. Hafofo is entitled to a monthly fee of approximately 50 kSEK.

Financial calendar

Date	Event
7 November 2023	Interim report Q3 2023
27 February 2024	Interim Year-end and Q4 report 2023

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 Arcario AB to publish pursuant to the EU's Market Abuse Regulation (MAR). This information was submitted for publication at 08:00 a.m. (CEST) on 7 November 2023, 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
Arcario AB
Box 12172
102 25 Stockholm
Sweden

Consolidated income statement

kSEK	Q3 2023	Q3 2022	Q2 2023	Jan - Sep 2023	Jan - Sep 2022	Full year 2022
Net sales	28,246	51,921	30,918	97,715	242,145	287,223
Other operating income	31	265	73	160	661	615
Total revenue	28,277	52,186	30,991	97,875	242,806	287,838
Cost of goods sold	-25,724	-46,390	-28,153	-90,752	-223,824	-268,341
Other external expenses	-1,959	-4,451	-2,394	-7,907	-16,967	-21,412
Personnel costs	-5,083	-8,681	-3,582	-13,794	-21,180	-27,296
Other operating expenses	-2,000	—	0	-2,000	-10,900	-14,619
EBTIDA	-6,489	-7,336	-3,138	-16,578	-30,065	-43,830
Adjusted EBTIDA (*)	-4,489	-7,336	-3,138	-14,578	-19,166	-32,930
Depreciation and amortization	-4,232	-5,367	-4,372	-13,025	-47,214	-51,457
Operating profit	-10,721	-12,703	-7,510	-29,603	-77,279	-95,287
Profit from participation in associated companies	-617	-440	-685	-1,610	-1,489	-1,782
Interest income and other financial income	4,579	835	4,350	9,842	1,886	6,402
Interest expenses and other financial costs	-1,108	-982	-1,359	-16,888	-2,859	-3,534
Total financial items	2,854	-587	2,306	-8,656	-2,462	1,086
Profit after financial items	-7,867	-13,290	-5,204	-38,259	-79,741	-94,201
Profit before tax	-7,867	-13,290	-5,204	-38,259	-79,741	-94,201
Tax on profit for the period	—	—	—	—	—	—
The result for the period	-7,867	-13,290	-5,204	-38,259	-79,741	-94,201

(*) (*) Adjusted EBITDA excludes earn-out consideration settled in Arcario shares for Kaupang Krypto (Q2 2022), a partial write down of the earn-out component for the sale of Ijort Invest AB (Q3 2022) and the realised loss on sale of fixed assets (Q3 2023). Neither item impacted cash flow.

Net earnings per share

	Q3 2023	Q3 2022	Jan - Sep 2023	Jan - Sep 2022	Full Year 2022
<i>Before dilution</i>					
Number of shares	8,796,991,803	8,693,453,264	8,796,991,803	8,693,453,264	8,769,647,680
Weighted average	8,796,991,803	8,664,227,077	8,796,991,803	8,599,576,727	8,637,673,935
Net earning kSEK	-7,867	-13,290	-38,259	-79,741	-94,201
Net earnings per share before dilution, SEK	-0.001	-0.002	-0.004	-0.009	-0.011
<i>After dilution</i>					
Weighted average number of shares	8,796,991,803	8,664,227,077	8,796,991,803	8,599,576,727	8,637,673,935
Issued shares not yet registered	-	20,615,427	-	20,615,427	-
Issue warrants not yet converted to shares	199,687,778	676,154,688	199,687,778	676,154,688	172,444,553
Total number of shares after dilution	8,996,679,581	9,390,223,379	8,996,679,581	9,144,242,013	8,810,118,488
Net earning, kSEK	-7,867	-13,290	-38,259	-79,741	-94,201
Net earnings per share after dilution, SEK	-0.001	-0.001	-0.004	-0.009	-0.011

Consolidated Balance Sheet

kSEK	9/30/2023	12/31/2022
ASSETS		
Fixed assets		
Intangible assets	9,554	13,048
Tangible assets	40,365	55,451
Financial assets	20,709	22,936
Total fixed assets	70,628	91,435
Current assets		
Receivables	2,771	2,715
Short-term investments	1,134	828
Cash and bank balances	1,435	5,073
Total current assets	5,340	8,616
TOTAL ASSETS	75,968	100,051
Equity		
Share capital	31,995	31,995
Other contributed capital	311,815	311,815
Other equity including profit for the year	-306,363	-272,571
Total equity	37,447	71,239
Liabilities		
Long-term liabilities	9,614	13,077
Current liabilities	28,907	15,735
Total liabilities	38,521	28,812
TOTAL EQUITY AND LIABILITIES	75,968	100,051

Consolidated Cash Flow

kSEK	Q3 2023	Q3 2022	Jan - Sep 2023	Jan - Sep 2022	Full year 2022
Operating profit	-10,721	-12,703	-29,603	-77,279	-95,287
Adjustment for items that are not included in the cash flow	5,442	2,604	16,484	50,713	48,401
Cash flow from operating activities before changes in working capital	-5,279	-10,099	-13,119	-26,567	-46,886
Increase / decrease in operating receivables	1,215	2,601	-362	13,212	13,398
Increase / decrease in operating liabilities	2,408	-17,891	13,170	-17,708	-16,362
Change in working capital	3,623	-15,290	12,808	-4,496	-2,964
Cash flow from operating activities	-1,656	-25,389	-311	-32,063	-49,850
Investment activities					
Acquisition of fixed assets	—	-39,484	86	-953	-2,059
Sale of fixed assets	50	—	50	9464	9373
Cash flow from investment activities	50	-39,484	136	8,511	7,314
Financing activities					
Share issue	—	61,382	0	13,148	15,212
Issue cost	—	-294	0	0	0
Borrowings	—	446	0	15,000	15,000
Loan repayments	1,540	0	-3,463	-7,885	-1,924
Cash flow from financing activities	1,540	61,534	-3,463	20,263	28,288
Increase / decrease in cash and cash equivalents	-66	13,951	-3,638	-3,262	-14,248
Cash and cash equivalents at the beginning of the period	1,501	33,502	5,073	17,862	19,321
Cash and cash equivalents at the end of the period	1,435	47,453	1,435	14,600	5,073

Change in Consolidated Equity

kSEK	Share capital	Other contributed equity	Other equity incl. Profit for the year	Total Equity
Equity 2022-12-31	31,995	311,815	-272,571	71,239
Employee options			1,051	1,051
Exchange rate difference			3,415	
Result for the period			-38,259	
Equity 2023-09-30	31,995	311,815	-306,364	37,447

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	Q3 2023	Q3 2022	Q2 2023	Jan - Sep 2023	Jan - Sep 2022	Full year 2022
Net sales	—	—	—	—	3,381	11,170
Other operating income	31	71	73	160	—	509
Total revenue	31	71	73	160	3,381	11,679
Other external expenses	-1,071	-711	-548	-3,030	-4,293	-4,723
Personnel costs	-1,069	-949	-984	-3,264	-3,868	-5,897
Other operating expenses	0	—	-25	-26	0	-134
EBTIDA	-2,109	-1,589	-1,484	-6,160	-4,780	925
Depreciation and amortization	—	—	—	—	—	—
Operating profit	-2,109	-1,589	-1,484	-6,160	-4,780	925
Profit from participation in associated companies	—	—	—	—	35	—
Interest income and other financial income	—	—	—	—	—	5,360
Interest expenses and other financial costs	-668	-771	-444	-1,492	-75	-1,137
Total financial items	-668	-771	-444	-1,492	-40	4,223
Profit after financial items	-2,777	-2,360	-1,928	-7,652	-4,820	5,148
Profit before tax	-2,777	-2,360	-1,928	-7,652	-4,820	5,148
Tax on profit for the period	—	—	—	—	—	—
The result for the period	-2,777	-2,360	-1,928	-7,652	-4,820	5,148

Parent Company Balance Sheet

kSEK	9/30/2023	12/31/2022
ASSETS		
Fixed assets		
Intangible assets		—
Tangible assets	—	—
Financial assets	327,634	326,775
Total fixed assets	327,634	326,775
Current assets		
Receivables	198,017	196,646
Short-term investments	—	—
Cash and bank balances	45	304
Total current assets	198,062	196,950
TOTAL ASSETS	525,696	523,725
Equity		
Share capital	31,955	31,955
Other contributed capital	804,000	804,000
Other equity including profit for the year	-332,751	-326,150
Total equity	503,204	509,805
Liabilities		
Long-term liabilities	9,615	13,077
Current liabilities	12,877	843
Total liabilities	22,492	13,920
TOTAL EQUITY AND LIABILITIES	525,696	523,725

There is a risk that the carrying value of Arcario AB's shareholdings in subsidiaries have been impaired. Arcario AB is currently engaged in discussion to secure funding to scale and grow the group. Several potential transactions are being explored and as such it is not possible to perform a reliable impairment test as of now, this will be addressed in the next quarter. Management expects any potential impairment charge to only impact the parent company.

Arcario AB

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