

SAGA PURE

Q3

Saga Pure Q3 2023 report

# Contents

## Financial information

Highlights.....	3
Consolidated condensed statement of comprehensive income.....	5
Consolidated condensed statement of financial position.....	6
Consolidated condensed cash flow statement.....	7
Consolidated condensed statement of changes in equity.....	8
Notes to the financial statements.....	9

# Highlights

<i>NOK 1000</i>	<b>Jul-Sep 2023</b>	<b>Jul-Sep 2022</b>	<b>Jan-Sep 2023</b>	<b>Jan-Sep 2022</b>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Operating revenues	13 853	310	106	64 396
Operating profit (-loss) before depreciation (EBITDA) (1)	-20 437	-115 864	-117 385	73 866
Operating profit/(-loss) (EBIT) (2)	-20 437	-115 864	-117 385	73 866
<b>Net profit/(-loss)</b>	<b>-11 015</b>	<b>-114 067</b>	<b>-98 448</b>	<b>77 417</b>
<b>Total comprehensive income/(-loss)</b>	<b>-11 015</b>	<b>-114 067</b>	<b>-98 448</b>	<b>77 417</b>
<b>Basic earnings per share NOK (3)</b>	<b>-0.02</b>	<b>-0.24</b>	<b>-0.20</b>	<b>0.16</b>
<b>Diluted earnings per share NOK (3)</b>	<b>-0.02</b>	<b>-0.24</b>	<b>-0.20</b>	<b>0.15</b>

(1) EBITDA can be calculated from the statement of income by deducting interest income, interest expenses and depreciation from the profit/(loss) before taxes.

(2) EBIT can be calculated from the statement of income by deducting interest income and interest expenses from the profit/(loss) before taxes.

(3) Basic earnings per shares is calculated by dividing shareholders earnings for the period by the average number of outstanding shares in the period. Diluted earnings per shares is calculated by adding potential shares with dilutive effect, in this case average issued equity options, to the average number of outstanding shares. Dilutive effect is however not assigned to loss. In case of net loss Basic and Dilutive EPS will therefore be identical.

## Financial results

Saga Pure Group ("The Group") reports a total comprehensive loss for the third quarter 2023 of NOK -11 million. (NOK -98.4 million in loss for the first nine months of 2023).

EBITDA for the third quarter 2023 was NOK -20.4 million. (NOK -117.4 million for the first nine months of 2023).

The Group had a gain from financial investments of NOK 14 million in the third quarter. (NOK 61 million in loss for the first nine months of 2023).

The average number of outstanding shares in the quarter was 484,878,423. Total number of outstanding shares quarter end was 484,878,423.

The Group had a cash holding of NOK 674.1 million at the end of third quarter, versus NOK 675.9 million at the end of the second quarter.

The Group had a positive cash-flow from operations in the quarter, and a negative cash flow from investments, resulting in a net change in cash of NOK -1.8 million.

The major items in the financial result of the third quarter was a net loss on associates of NOK 34.9 million, net gain on financial investments and financial items of NOK 27.5 million, and administrative expenses of NOK 3.7 million.

The Group's condensed unaudited financial statements for the third quarter of 2023 are enclosed.

## Company development and investments

The total net loss from associates of NOK 34.9million consists of an impairment of NOK 31.9million and a negative result of NOK 3 million in Heimdall Power AS. The impairment is based on a total assessment of the investment. As per third quarter, the net value of the investment in Heimdall Power is NOK 75.5 million.

Net gain from short term investment amounted to NOK 13.9 million combined realised and unrealised.

## Outlook

The Group will continue to be prudent and selective when allocating its investment capital. With no interest-bearing debt, and substantial cash holdings, the Group is well positioned for pursuing new investment opportunities.

## Forward-looking statements

Matters discussed in this report may constitute forward-looking statements. The forward-looking statements in this report are based on various assumptions, many of which are based upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are difficult to predict and beyond our control, we cannot

Saga Pure Q3 2023 report

assure you that we will achieve or accomplish these expectations, beliefs or projections.

Oslo, 7 November 2023  
The Board of Directors

# Consolidated condensed statement of comprehensive income

<i>NOK 1000</i>	<b>Jul-Sep 2023</b>	<b>Jul-Sep 2022</b>	<b>Jan-Sep 2023</b>	<b>Jan-Sep 2022</b>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net gain from financial investments	13 853	-	-	62 982
Other income	-	310	106	1 414
<b>Operating revenues</b>	<b>13 853</b>	<b>310</b>	<b>106</b>	<b>64 396</b>
General administrative expense	3 678	10 192	14 017	26 471
Depreciation	-	-	-	-
Net loss from financial investments	-	101 044	61 441	-
<b>Operating expenses</b>	<b>3 678</b>	<b>111 236</b>	<b>75 458</b>	<b>26 471</b>
<b>Profit/(-loss) from associates</b>	<b>-34 910</b>	<b>-2 615</b>	<b>-40 580</b>	<b>38 285</b>
<b>Operating profit/(-loss)</b>	<b>-24 735</b>	<b>-113 541</b>	<b>-115 932</b>	<b>76 210</b>
Interest income	10 327	1 947	21 456	3 751
Interest expense	-905	-151	-2 518	-200
Other financial items	4 298	-2 322	-1 453	-2 344
<b>Net financial items</b>	<b>13 720</b>	<b>-526</b>	<b>17 484</b>	<b>1 207</b>
Taxes	-	-	-	-
<b>Net profit/(-loss)</b>	<b>-11 015</b>	<b>-114 067</b>	<b>-98 448</b>	<b>77 417</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-11 015</b>	<b>-114 067</b>	<b>-98 448</b>	<b>77 417</b>
<b>Basic earnings per share NOK</b>	<b>-0,02</b>	<b>-0,24</b>	<b>-0,20</b>	<b>0,16</b>
<b>Diluted earnings per share NOK</b>	<b>-0,02</b>	<b>-0,24</b>	<b>-0,20</b>	<b>0,15</b>
Average number of shares in the period	484 878 423	479 878 423	481 992 394	479 349 011
Number of shares outstanding at period end	484 878 423	479 878 423	484 878 423	479 878 423

# Consolidated condensed statement of financial position

<i>NOK 1000</i>	<b>30.09.2023</b>	<b>31.12.2022</b>
	(unaudited)	(audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Associates	75 462	116 042
Non-current financial investments	-	101 940
<b>Total non-current assets</b>	<b>75 462</b>	<b>217 982</b>
<b>Current assets</b>		
Other current assets	26 836	1 462
Current financial investments	132 020	545
Cash and equivalents	674 064	787 082
<b>Total current assets</b>	<b>832 920</b>	<b>789 089</b>
<b>TOTAL ASSETS</b>	<b>908 382</b>	<b>1 007 071</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	4 849	4 799
Other equity	1 079 616	1 073 498
<b>Total paid-in-capital</b>	<b>1 084 465</b>	<b>1 078 297</b>
Retained earnings/-accumulated losses	-180 287	-81 840
<b>Total equity</b>	<b>904 177</b>	<b>996 457</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities (note 3)	-	368
<b>Total non-current liabilities</b>	<b>-</b>	<b>368</b>
<b>Current liabilities</b>		
Other current liabilities and accruals	4 205	10 246
<b>Total current liabilities</b>	<b>4 205</b>	<b>10 246</b>
<b>Total liabilities</b>	<b>4 205</b>	<b>10 614</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>908 382</b>	<b>1 007 071</b>

# Consolidated condensed cash flow statement

	Jul-Sep 2023	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2021
	(unaudited)	(unaudited)	(unaudited)	(audited)
<b>Net profit/(-loss)</b>	-11 015	-98 448	77 417	<b>-23 716</b>
Options and share program	-	-200	4 498	4 902
Result from associates	34 910	40 580	-38 285	-12 840
Depreciation	-	-	-	-
Net loss/(-gain) from financial investments	-13 853	61 441	-62 982	3 161
Net divestment/(-investment) trading	17 834	-112 998	15 416	26 516
Changes in other accrued income and expenditure	-4 531	-9 563	2 622	4 456
<b>Net cash flow from operating activities</b>	<b>23 345</b>	<b>-119 188</b>	<b>-1 313</b>	<b>2 480</b>
Investment in associates	-	-	-42 717	-42 717
Divestment in associates	-	-	-	-
Interest bearing loan	-25 152	-25 152	-	-
Investment in non-current financial investments	-	-	-38 998	-38 998
Divestment in non-current financial investments	-	25 322	75 592	184 073
Investment in fixed assets	-	-	-	-
<b>Net cash flow from investing activities</b>	<b>-25 152</b>	<b>170</b>	<b>-6 123</b>	<b>102 358</b>
Share issue gross	-	6 000	1 300	1 300
Share issue costs	-	-	-1 287	-1 287
Distributions to controlling interests	-	-	-95 876	-95 876
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>6 000</b>	<b>-95 863</b>	<b>-95 863</b>
<b>Net change in cash and cash equivalents</b>	<b>-1 807</b>	<b>-113 018</b>	<b>-103 298</b>	<b>8 975</b>
<b>Cash and equivalents at beginning of period</b>	<b>675 871</b>	<b>787 082</b>	<b>778 108</b>	<b>778 108</b>
<b>Net foreign exchange differences (unrealised)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and equivalents at end of period</b>	<b>674 064</b>	<b>674 064</b>	<b>674 810</b>	<b>787 082</b>

# Consolidated condensed statement of changes in equity

Jan-Sep 2023 (Unaudited) <i>NOK 1000</i>	Issued capital	Other equity	Accumulated losses	Total
<b>Equity as of 1 January 2023</b>	<b>4 799</b>	<b>1 073 498</b>	<b>-81 840</b>	<b>996 457</b>
Net profit/(-loss)	-	-	-98 448	<b>-98 448</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-98 448</b>	<b>-98 448</b>
Share issue	50	5 950	-	<b>6 000</b>
Share issue costs	-	-	-	-
Options and share program (note 3)	-	168	-	<b>168</b>
<b>Equity per ending balance 30 September 2023</b>	<b>4 849</b>	<b>1 079 616</b>	<b>-180 287</b>	<b>904 177</b>

Jan-Sep 2022 (Unaudited) <i>NOK 1000</i>	Issued capital	Other equity	Accumulated losses	Total
<b>Equity as of 1 January 2022</b>	<b>4 789</b>	<b>1 161 258</b>	<b>-58 123</b>	<b>1 107 924</b>
Net profit/(-loss)	-	-	77 417	<b>77 417</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>77 417</b>	<b>77 417</b>
Dividends	-	-95 876	-	<b>-95 876</b>
Share issue	10	1 290	-	<b>1 300</b>
Share issue costs	-	-1 287	-	<b>-1 287</b>
Options and share program (note 3)	-	7 368	-	<b>7 368</b>
<b>Equity per ending balance 30 September 2022</b>	<b>4 799</b>	<b>1 072 753</b>	<b>19 294</b>	<b>1 096 846</b>

Jan-Dec 2022 (Audited) <i>NOK 1000</i>	Issued capital	Other equity	Accumulated losses	Total
<b>Equity as of 1 January 2022</b>	<b>4 789</b>	<b>1 161 258</b>	<b>-58 123</b>	<b>1 107 924</b>
Net profit/(-loss)	-	-	-23 716	<b>-23 716</b>
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-23 716</b>	<b>-23 716</b>
Dividends to controlling interests	-	-95 876	-	<b>-95 876</b>
Share issue	10	1 290	-	<b>1 300</b>
Share issue costs	-	-1 287	-	<b>-1 287</b>
Options and share program (note 3)	-	8 113	-	<b>8 113</b>
<b>Equity per ending balance 31 December 2022</b>	<b>4 799</b>	<b>1 073 498</b>	<b>-81 840</b>	<b>996 457</b>



# Notes to the financial statements

## Note 1 – Basis for preparation

The Company's condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as approved by the EU and requirements in the Norwegian Securities Trading Act. This condensed interim financial statement for the third quarter is approved by the Board of Directors on 7 November 2023.

The accounting policies applied in the preparation of the condensed interim financial statements are consistent with those presented in the Annual Report of 2022.

### Foreign currency

The financial statements are presented in NOK. NOK is also the functional currency for the Company.

## Note 2 – Operating Segments

Investments are reported as one segment, while the "Other" segment currently consist of consulting services from internal industry specialists, are monitored separately. Further segmentation might be applied as the business evolves.

Segment information <i>NOK 1000</i>	Investment			Other			Total		
	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Income</b>									
Net gain/loss on investments	-61 441	62 982	-3 161	-	-	-	-61 441	62 982	-3 161
Other income	-	-	-	106	1 414	1 819	106	1 414	1 819
<b>Total income</b>	<b>-61 441</b>	<b>62 682</b>	<b>-3 161</b>	<b>106</b>	<b>1 414</b>	<b>1 819</b>	<b>-61 335</b>	<b>64 396</b>	<b>-1 342</b>
<b>Operating expenses - excluding loss in investments</b>	<b>14 017</b>	<b>26 471</b>	<b>38 716</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 017</b>	<b>26 471</b>	<b>38 716</b>
<b>Net operating profit</b>	<b>-116 038</b>	<b>74 796</b>	<b>-29 038</b>	<b>106</b>	<b>1 414</b>	<b>1 819</b>	<b>115 932</b>	<b>76 210</b>	<b>-27 219</b>
	<b>30 Sep 2023</b>	<b>30 Sep 2022</b>	<b>31 Dec 2022</b>	<b>30 Sep 2023</b>	<b>30 Sep 2022</b>	<b>31 Dec 2022</b>	<b>30 Sep 2023</b>	<b>30 Sep 2022</b>	<b>31 Dec 2022</b>
Assets	908 382	1 105 413	1 007 071	-	-	-	908 382	1 105 413	1 007 071
Liabilities	4 205	8 567	10 614	-	-	-	4 205	8 567	10 614

## Note 3 – Options and share program

The equity-settled option and share program had 8,500,000 issued options in the beginning of the quarter, all of which were fully vested. There were no changes in the number of outstanding options during the quarter. Per third quarter, no reserves are made for social security for the remaining options, as none of them are currently "in the money".

Title: Saga Pure Q3 2023 report  
Saga Pure ASA

Published date:  
8 November 2023

[info@sagapure.com](mailto:info@sagapure.com)

Sjølyst Plass 2,  
0278 Oslo, Norway

The publication can be downloaded on  
[sagapure.com](https://sagapure.com)