



Karbon Equity

Financial Statements Q2 2025



Karbon Equity AS

Business registration number: 933 225 313

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

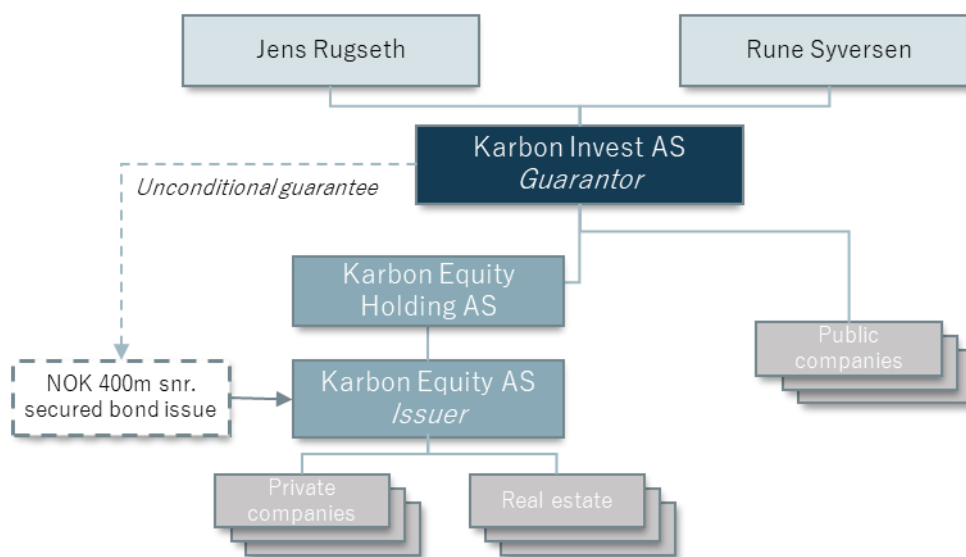
- Management Accounts
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Karbon Equity AS – Management Accounts Q2 2025

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



Pet Pawr Group AB ("PPG")	Pet Pawr Group AB is a pet concept with physical and online stores, offering a superior "one-stop shop" concept with bigbox locations.	2025
Kelvin Group AS (former Rift Labs AS)	Kelvin develops highly regarded patented LED-light products for cinema lighting and consumers	2019
Photosynthetic AS	Photosynthetic develops LED-light products and solutions for controlled environment agriculture (vertical farming and greenhouses). Demerged from Kelvin Group AS in 2025	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 invest 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
VetXL Holding AS	Veterinary chain, previously part of PetXL Group AS, that was separated following the PPG transaction.	2025



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
Sagene Vognhaller Invest AS	28.62%	2022

New investments Q2

Karbon Equity made the following investments during the second quarter:

- Divestment of Samfunnsbygg NOK 54.1 million
- Investment (loan) of NOK 8.0 million in Lettbutikk
- Investment (loan) of NOK 6.5 million in TSGG.
- Investment (loan) of NOK 5.0 million in Pet Pawr Group AB
- Investment of NOK 5.0 million in Return 1515 AS (Rift Labs)
- Investment (loan) of NOK 2.5 million in VetXL

Financial Highlights

The divestment of Samfunnsbygg Norge AS was closed April 30, 2025. The net proceeds from the divestments were NOK 54.1 million, in line with expectations and previous communication. Of this amount, NOK 50.0 million was allocated to Karbon Equity AS, as a subordinated loan.

On July 11, Pet Pawr Group AB executed a private placement of SEK 60.0 million. The share issue was priced at SEK 835.51 per share, consistent with both the "PetXL-transaction" conducted in January and the recorded book value of the investments in Karbon Equity AS and Karbon Invest AS. For each share subscribed, shareholders received rights to subscribe for seven warrants, implying a valuation below book value for both Karbon Equity AS and Karbon Invest AS. Despite this, no write-down of book values was made in Q2, as deviation from pre-emptive rights was intended to encourage shareholder participation (share issue was oversubscribed). Karbon Equity AS and Karbon Invest AS have increased their combined ownership from 15.67% to 15.71%, through subscription of



newly issued shares and secondary purchase of shares. The transaction will be reported in the Q3 financial statements.

Through a demerger in Kelvin Group AS (formerly Rift Labs AS), 30% of the share capital was demerged to a new company, Photosynthetic AS. Photosynthetic AS consists of the controlled environment agriculture business, formerly part of Rift Labs AS. For Karbon Equity's remaining Kelvin Group AS shares, Karbon Equity and Norselab have entered into an agreement where Karbon Equity and Norselab will pool their shares into a SPV which will own the shares in Kelvin Group AS. As part of the agreement, Karbon Equity will invest NOK 10-15 million in a separate Norselab SPV, Return 1515 AS. In return, Karbon Equity will receive preference shares in the Kelvin SPV with a predetermined return profile based on the future exit value of Kelvin Group AS. On June 27, Kelvin Group AS executed a private placement of approximately NOK 7.3 million. The share price was NOK 1.00 per share, implying a pre-money of approximately NOK 10.4 million. Due to the agreement with Norselab, Karbon Equity did not participate in the private placement. As of Q2 2025 the process of establishing an SPV structure for the Kelvin Group AS ownership was still ongoing. Karbon Equity AS has invested NOK 5 million of the NOK 10-15 million into Return 1515 AS as of Q2 2025.

Continuing the trend from the first quarter, the overall portfolio¹ performance in the second quarter demonstrated notable improvement compared to last year. Net sales increased by 5% (9% ownership adjusted), with EVO, Lettbutikk, TSGG, and Sprell being the key contributors. Gross margin rose by 4% (9% ownership adjusted), and the OPEX to revenue ratio significantly decreased from 35,6% in Q2 2024 to 34,0% in Q2 2025. The reduction in operating expenses was primarily driven by cost-saving initiatives in PPG, as well as improved efficiency in Lettbutikk, Sprell, TSGG and EVO due to cost programs and scale. Total EBITDA improved by NOK 15.5 million in Q2 2025 compared to Q2 2024 (NOK 7.2 million ownership adjusted).

Karbon Equity made a dividend payment of NOK 20 million to Karbon Invest in Q2. The dividend was made in accordance with the bond terms, which allow up to NOK 40 million in annual distribution provided that the loan-to-value does not exceed 35%.

We believe reported values to be below market values and comparable relevant transactions. However, and in accordance with Norwegian accounting rules, the profit for investments will be booked later in

¹ The portfolio is defined and limited to subsidiaries and associated companies, excluding Karbon Eiendom AS and the Issuer (Ecura, EVO, PPG, VetXL, TSGG, Lettbutikk, Rift Labs (before demerger) and Sprell). Ownership adjusted figures includes Karbon Invest AS' shares in PPG. Ownership adjusted figures from last year are pro forma adjusted to reflect current ownership.



the event of realization or dividends from the companies. Currently most of the investments are booked at cost.

The income statement for Q2 shows a loss of NOK 12.1 million, mainly driven by interest expenses and other operating expenses.

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.

August 29, 2025

DocuSigned by:

A handwritten signature in blue ink that reads "Jens Rugseth".

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Jens Rugseth

Chairman of the Board

DocuSigned by:

A handwritten signature in blue ink that reads "Rune Syversen".

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Rune Syversen

Member of the Board



Income Statement Karbon Equity AS – Q2 2025

Operating Revenue and Operating Expenses	Q2 2025	YTD 2025	2024
Revenue	1 326 225	2 431 253	3 475 565
Total operating revenue	1 326 225	2 431 253	3 475 565
Other operating expenses	-4 437 778	-8 987 509	-9 709 079
Total operating expenses	-4 437 778	-8 987 509	-9 709 079
Operating profit/loss	-3 111 553	-6 556 257	-6 233 514
Financial Income and Financial expenses			
Other financial expenses	-12 785 966	-24 995 732	-26 278 840
Change in value of financial assets	0	-2 270 201	-28 790 601
Other financial income	3 812 361	6 401 268	60 447 068
Financial items, net	-8 973 605	-20 864 665	5 377 627
Profit/(loss) before taxation	-12 085 158	-27 420 922	-855 887
Tax	0	0	0
Profit/(loss) after taxation	-12 085 158	-27 420 922	-855 887



Balance Sheet Karbon Equity AS – Q2 2025

Assets	Q2 2025	FY 2024
Investments in subsidiary companies	657 192 614	753 548 900
Investments in associated companies	264 211 341	264 211 341
Other investments	121 148 994	19 792 708
Loans to group companies	95 457 614	54 250 747
Total financial non-current assets	1 138 010 563	1 091 803 696
Accounts receivables	3 507 844	2 050 853
Other receivables	5 298 553	61 858 100
Total receivables	8 806 397	63 908 953
Cash and cash equivalents	27 881 749	25 223 027
Total Current assets	36 688 146	89 131 980
Total Assets	1 174 698 709	1 180 935 675
Shareholders Equity and Liabilities		
Share capital	-69 061 693	-69 061 693
Share premium	-573 008 428	-620 429 350
Total paid-in capital	-642 070 121	-689 491 043
Bonds	-400 000 000	-400 000 000
Debt to Karbon Invest	-86 773 600	-86 773 600
Debt to Karbon Eiendom	-41 833 862	0
Total non-current liabilities	-528 607 462	-486 773 600
Accounts payable	-4 021 126	-4 671 032
Total current liabilities	-4 021 126	-4 671 032
Total shareholders equity and liabilities	-1 174 698 709	-1 180 935 675



Cash flow statement Karbon Equity AS – Q2 2025

Cash Flow from operating activities	Q2 2025	YTD 2025	FY 2024
Profit / (loss) before taxation	-12 085 158	-27 420 922	-855 887
Δ Account receivables	-1 279 725	-1 456 992	-2 050 853
Δ Other receivables	535 470	56 559 548	-54 095 322
Δ Accounts payable	60 559	-649 906	4 671 032
Δ Other assets and other liabilities	-2 882 805	-4 415 712	-10 259 748
Δ Value of financial assets	0	0	28 062 892
Net cash flow from operations	-15 651 659	22 616 015	-34 527 885
Cash Flow from investment activities			
Inflows due to investments in financial non-current assets	0	0	3 000 000
Investments in subsidiary companies	0	0	-15 933 948
Other investments	-5 000 000	-5 000 000	-10 000 002
Loans to group companies	-22 000 000	-44 957 293	-44 118 730
Outflow due to repayment of loans to group companies	0	0	-312 000 000
Net cash flow from investment activities	-27 000 000	-49 957 293	-379 052 680
Cash Flow from financing activities			
Inflow bond issue	0	0	400 000 000
Δ Shareholder loan from Karbon Invest	0	0	38 773 600
Δ Loan from Karbon Eiendom	50 000 000	50 000 000	0
Net cash flow from financing activities	50 000 000	50 000 000	438 773 600
Dividend to owners	-20 000 000	-20 000 000	0
Net change in bank deposits, cash and equivalents	-12 651 659	2 658 722	25 193 035
Bank deposits, cash and equivalents (opening balance)	40 533 409	25 223 027	29 992
Bank deposits, cash and equivalents (closing balance)	27 881 749	27 881 749	25 223 027



Notes to the accounts – Q2 2024

Note 1 Accounting principles

The financial statements have been prepared in accordance with NRS 11 (Nw: 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
Lettbutikk AS	83 %	69 258 666
Sum		657 192 614

Associated companies

Holdco Spirit AS	38 %	103 512 663
Holdco Compact AS	40 %	78 569 703
Holdco Play AS	39 %	51 458 076
Kelvin Group AS	50 %	21 469 629
Photosynthetic AS	33 %	9 201 270
Sum		264 211 341

Note 3 Equity

	Share capital	Share premium
Equity	69 061 693	605 093 586
Result for the period		-12 085 158
Dividend to owners		-20 000 000
Equity as of 30 June	69 061 693	573 008 428