

# **FIRST HALF REPORT 2025**

CodeLab Capital AS

## About CodeLab Capital

- An investment company supporting tech companies with strategy, capital and network
- Focus on sustainable growth giving a positive global impact
- Listed on Euronext Growth

## First half highlights

- Final settlement of all restructuring, initiated in 4Q24, is now done
- Simplified legal structure and significantly lowered cost base
- New board, new management team and new auditor in place
- Reverse split of the CodeLab share 1:50
- Strategic change to re-initiate the investment vehicle approach
- Announced acquisition of Kuba Norge, a leading provider of OHS and HSE solutions to the Norwegian market, for NOK 20m. Deal closed 1 July.
- Private placement of NOK 14.4m @ NOK 3 per share
- In advanced talks with possible acquisition / investment targets
- CodeLab had net cash of NOK 22.9m at end of June

## Financial review first half

First half of 2025 marks the rejuvenation of CodeLab Capital as the investment vehicle it was meant to be.

Financially, the six months are still impacted by the restructuring that was commenced in 4Q24. During the period the cost base has been considerably reduced in order to preserve the cash position.

Key strategic events like the acquisition of Kuba Norge AS and the share issue have also associated costs impacting the first half.

CodeLab Capital ("CODE"), reported NOK 17.1k in revenues in the first half. The revenues stem from paying Uniscale customers beginning of year, prior to the commercial halt of Uniscale.

Personnel expenses ended at NOK 594k for the first half of 2025, down from NOK 16.5m in 1H24. The elimination of payroll expenses is due to the restructuring initiated in 2024 and by end of February the Group did not have any hired employees. The management team was temporarily hired as consultants in 1H25, prior to reinstated as employees just after June.

Other opex came in at NOK 5.7m compared to NOK 16.5m a year ago.

The period contains several extraordinary cost items amounting to net NOK 2.8m. NOK 850k related to the restructuring, NOK 709k relates to cost optimization, and NOK 1,288 relates to transaction costs and comprehensive audit related costs.

Total costs amount to NOK 6.3m, while adjusted for the extraordinary costs the underlying operational cost base was NOK 3.5m. CODE considers this to be more representative of costs at the end of period.

Due to last year's impairment of intangible assets, the period's depreciation is negligible.

## Balance sheet and cash flow items

There have been no investments in intangible assets in the period.

CODE invested NOK 1.9m to acquire shares in Kuba Norge AS (a prepayment of shares) and NOK 1m was given as loan to the same company.

The cash position was NOK 22.9m end of June, and there is no interest-bearing debt.

Total consolidated equity was NOK 26.1m by end of June.

In May 2025 CODE carried out a private placement of NOK 14.4m at NOK 3 per share, impacting the cash position positively. The capital raise was done on the back of the announced acquisition of Kuba Norge.

The equity was also impacted by the above-mentioned share issue. In addition, the share capital was subject to two adjustments during the period. First CODE did a reverse split of the share (1:50) as the share price had been trading below NOK 1 for a long time, and secondly share capital was reduced prior to the share issue. The reduction means that CODE is restricted from paying dividends for up to 3 years, or until the share capital is increased back to where it was.

The net cash flow in the period was NOK 2.6m. Operational cash flow came in at NOK -9.0m, while NOK -1.9m were paid to acquire shares. NOK 13.5m was the effect of funding activities.

2H25 will be impacted by the acquisition and consolidation of Kuba, with effect from 1 July, as well as shifting costs from opex to personnel costs.

## Operational and other matters

CodeLab Capital enters 2H25 with a cash burn rate that is significantly lower than ever, providing the company with necessary runway to find good long-term solutions for its shareholders.

The commercial initiatives in Uniscale AS have been put on temporary hold, with minimal costs. CODE still considers that the IP could have substantial value, but for now focus is on less capital-intensive and lower risk investments. Evaluation of if, when and how to re-initiate Uniscale is done continuously.

The restructuring initiated in 2H24 is now finalized. Uniscale Denmark ApS filed for bankruptcy and there are no contingent liabilities. Acerat Ltd has been sold.

The Group structure is simplified. As a result, the Board composition and the management team have been changed. New CEO is Anton Bondesen. Together with the CFO and one business development resource, the organization now consists of three FTEs by end of June.

Kristian Ikast has taken over as Chairman of the Board. Nikolaj Helsinghoff Valentin continues in the board.

RSM is the new auditor for the Group.

In May CODE announced the acquisition of Kuba Norge AS ("Kuba") for NOK 20 million. The acquisition is financed by 1/3 cash, shares in CODE (at NOK 5.12 per share) and delayed payment (2028).

Kuba fits perfectly in the strategy of CodeLab Capital as a leading provider of OHS and HSE solutions to businesses in the Norwegian market. Kuba has approximately NOK 12.5 million in annual recurring revenue and over 1,500 customers.

The Kuba team remains in the company, and its shareholders have re-invested some of the proceeds from the sale into CodeLab.

Focus for Kuba going forward will be to invest in scalability and growth. Consolidation and integration of tools as well as increased sales efforts should yield value creation over time.

Kuba has a robust product and targets customers throughout Norway. Increased focus on lead generation and adding revenue to the portfolio. All leads are welcome!

From a financial point of view the payback time on customers is attractive.

Kuba also focuses on automation through streamlining and utilizing AI to increase efficiency.

Kuba/CODE is also looking into inorganic growth initiatives with potential synergy potential.

CODE is continuously in dialogue with potential acquisition targets, and some are more advanced than others. Hopefully, new signed deals will be announced shortly.

## Outlook

We have recently put behind us a period with turmoil and risk mitigation. During 1H25 the company has achieved its goal of safeguarding the liquidity and set the foundation for value-accretive initiatives again.

The first acquisition has already been closed, and we expect more to come. With a combination of cash, listed shares and other instruments CodeLab can offer sellers more variety and at the same time be cautious on its own cash position.

Focus going forward is to sign more acquisitions, but at the same time keep focus on operational improvements in the company we own.

The burn rate is now on an acceptable level and predictable, making it easier to plan for the future, which now looks much brighter than it has for a long time.

## Consolidated statement of profit & loss

### CODELAB CAPITAL AS

In Norwegian Kroner	H1 2025	H1 2024
Revenue	3 746	91 185
Other operating income	13 353	
<b>Operating income</b>	<b>17 099</b>	<b>91 185</b>
Cost of good sold	0	-1 133 649
<b>Gross profit</b>	<b>17 099</b>	<b>-1 042 464</b>
Payroll expenses	-593 669	-16 492 545
Other operating expenses	-5 729 925	-16 487 707
<b>EBITDA</b>	<b>-6 306 496</b>	<b>-34 022 716</b>
Depreciation, amortisation and impairment	-5 692	-9 902 598
<b>EBIT</b>	<b>-6 312 188</b>	<b>-43 925 314</b>
Interest income	1 734	0
Other financial income	11 813	0
Interest expenses	-118	-61 144
Other Financial expenses	-40 132	0
<b>Net financial income and expenses</b>	<b>-26 703</b>	<b>-61 144</b>
<b>Operating result before tax</b>	<b>-6 338 891</b>	<b>-43 986 458</b>

## Consolidated statement of financial position

### CODELAB CAPITAL AS

In Norwegian Kroner	H1 2025	2024FY
<b>Tangible assets</b>		
Property, plant & equipment	5 693	11 385
<b>Total tangible assets</b>	<b>5 693</b>	<b>11 385</b>
<b>Non current financial assets</b>		
Equity investments in other entities	1 900 000	0
Loan Kuba Norge AS	1 001 644	0
Long term receivables	124 091	124 091
<b>Total financial fixed assets</b>	<b>3 025 735</b>	<b>124 091</b>
<b>Total fixed assets</b>	<b>3 031 428</b>	<b>135 476</b>
<b>Current assets</b>		
Trade receivables	0	31 596
Other receivables	126 066	135 242
Cash and bank deposits	22 927 430	20 336 247
<b>Total current assets</b>	<b>23 053 496</b>	<b>20 503 085</b>
<b>TOTAL ASSETS</b>	<b>26 084 924</b>	<b>20 638 561</b>
<b>Equity</b>		
Share capital	28 736 581	46 949 019
Other equity	-2 609 165	-29 042 875
<b>Total equity</b>	<b>26 127 416</b>	<b>17 906 144</b>
<b>Current liabilities</b>		
Trade payables	142 752	1 538 934
Public duties payable	-310 257	104 123
Other short term liabilities	125 013	1 089 361
<b>Total current liabilities</b>	<b>-42 492</b>	<b>2 732 417</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26 084 924</b>	<b>20 638 561</b>



## Consolidated statement of cash flow

### CODELAB CAPITAL AS

In Norwegian Kroner	H1 2025	H1 2024
<b>Cash flows from operating activities</b>		
Profit/loss before tax	-6 338 891	-43 986 458
Net financial items (P&L)	26 703	61 144
Depreciation and amortisation	5 692	9 902 598
Change in accounts receivable	31 596	15 721
Change in accounts payable	-1 396 182	-454 909
Change in other working capital items	-1 369 551	3 286 105
<b>Net cash flows from operating activities</b>	<b>-9 040 633</b>	<b>-31 175 800</b>
<b>Cash flow from investment activities</b>		
Purchase of PPE and intangible assets	0	-9 969 668
Payments to buy shares	-1 900 000	0
Net cash from acquisition of Acerat	0	389 448
<b>Net cash flows from investment activities</b>	<b>-1 900 000</b>	<b>-9 580 220</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	14 400 444	0
Net financial items (cash)	131 372	-41 053
Net change in long-term debts	-1 000 000	0
<b>Net cash flows from financing activities</b>	<b>13 531 816</b>	<b>-41 053</b>
Net change in cash and cash equivalents	2 591 183	-40 797 073
Translation differences on cash flows	0	-816 662
BoP Cash and bank deposits	20 336 247	57 226 063
<b>Cash and bank deposits per 30/06</b>	<b>22 927 430</b>	<b>15 612 328</b>

## Notes

## Accounting principles

### Basis of preparation

The consolidated financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway (NGAAP). The consolidated financial statements are presented in NOK. The parent entity's functional currency is NOK.

### Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities and the disclosure of contingent assets and liabilities on the balance sheet date. Underlying results can differ from these estimates. Key judgemental items include the useful life of R&D (5 years), capitalized costs and deferred tax assets.

### Consolidation

The Group's consolidated financial statements comprise Codelab Capital AS and companies in which Codelab Capital AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Codelab Capital AS has one subsidiary as of end of 1H 2025, Uniscale AS (functional currency NOK). The consolidated financial statements have been prepared in accordance with the same accounting principles for both parent and subsidiary. When preparing the consolidated financial statements, intra-group transactions and balances, along with gains and losses on transactions between group entities have been eliminated. Subsidiaries are fully consolidated from the date on which control is obtained and consolidated until such control ceases.

### Foreign currency

Foreign currency transactions are recorded at the exchange rate on the transaction date. Monetary items are translated to the year-end exchange rates. Changes in the carrying amount of such assets due to exchange rate movements between the transaction date and the balance sheet date are recognized as a foreign currency gain or loss classified as a financial item in the consolidated statement of profit or loss.

### Revenue Recognition

Services are recognized as revenue as the service is delivered to the customer over the period of the customer contract. Revenue from subscription services and longer term contracts (over twelve months) is recognized evenly on a monthly basis in accordance with the customer agreement.

## **Classification and valuation of current assets**

Current assets consist of items that fall due for payment within one year of the balance sheet date. Initial recognition of receivables from customers and other short-term receivables is at transaction value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition, when deemed necessary by management, an unspecified provision is made to cover expected losses on claims in respect of customer receivables. Accounts receivable are subsequently measured at amortized cost.

## **Leases**

Leases for office space and other items are recognized as operating leases, and lease expense is recognized as the contractual amount incurred. The Group does not have any financial leases.

## **Research and development**

Development expenses are capitalized to the extent that one can identify a future economic benefit related to the development of an identifiable intangible asset and where the acquisition cost can be measured reliably. Development related activities that do not meet these criteria are expensed as incurred. Capitalized development expenses are depreciated on a straight-line basis over its economic lifetime. Continuous impairment tests are conducted across all our R&D related activities and capitalized values, to assure that the value-in-use is intact.

## **Property, plant and equipment**

Property, plant and equipment (PP&E) consists of tangible assets intended for long-term ownership and use. PP&E assets are valued at acquisition cost less depreciation and write-downs. Plant and equipment is capitalized and depreciated over the economic lifetime of the asset. Direct maintenance of plant and equipment is expensed on an ongoing basis under operating costs, while additions or improvements are added to the asset's cost price and depreciated in line with the asset. Plant and equipment is written down to the recoverable amount in the event of a fall in value that is not expected to be temporary. The recoverable amount is the higher of the net sales value and the value-in-use. Value-in-use is the present value of future cash flows related to the asset. The write-down is reversed when the basis for the write-down is no longer present.

## **Tax**

The tax charge in the profit and loss account consists of taxes payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22% on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset and entered net. The net deferred tax asset / liability is recognized in the balance sheet to the extent that it is likely that it can be utilized.

**Statement of cash flows**

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash and bank deposits.