



## Huddlestock Fintech AS (OSE: HUDL) Signs term sheet to acquire the software developer F5 IT in an all-share deal.

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Huddlestock Fintech AS, a provider of innovative technology solutions to the capital markets, treasury and wealth management industries, today announces that a term sheet was entered into on 28 March 2022 for the intention to acquire 100% of F5 IT, a software developer focused on customised application and integration solutions within Fintech, PropTech and IoT. The company is highly complementary with existing Huddlestock operations in Norway, Sweden, and Denmark, and will accelerate the company's plans to become a leading Fintech in Europe.

"We are excited to welcome F5 IT's teams of software developers to the Huddlestock family. We see strong strategic fit between our two companies," says John E. Skajem, CEO of Huddlestock Fintech AS. "Our acquisition of the 20-person strong F5 IT team of full-stack and specialist developers will allow us to bring greater value to our customers and accelerate the deployment of our existing product suite to the market"

The addition of F5 IT will strengthen Huddlestock's Fintech expertise, and add important PropTech and IoT knowledge to its team of world-class Capital Markets experts. With F5 IT's team of specialist and full-stack developers, Huddlestock expert consultants will be able to drive smarter business decisions and deliver innovative and inclusive solutions on one platform, furthering Huddlestock's technology-first mission.

"We are very proud of the teams' achievements over the past years. We are excited to join Huddlestock, Norway's first listed Fintech. Our combination will offer our clients a global growth platform allowing us to widen our offering of tailor-made software solutions," says Stian Røisland, Chairman of F5 IT.

**Financial details.** Huddlestock will, in the form of a share-exchange make a payment of NOK 20,000,000 for 100% of the shares in F5 IT. The agreement further includes a potential earn-out of up to NOK 12,000,000 based on certain financial performance targets deliverable over the next three years. Payments will be based on a price of NOK 3,00 for each Huddlestock Fintech share. The total consideration, should all performance targets be met, will be NOK 32,000,000, entirely paid for by transferring 10,666,667 Huddlestock Fintech shares already held in treasury. The payment of the consideration shares will be done in arrears over the coming three years and will be subject to vesting provisions. F5 IT is expected to earn revenues of NOK 17,000,000 in 2022 on a stand-alone basis. Further expanded revenue flows will be sought out from the combined company and cost synergies will be achieved. The acquisition will be entirely paid for in an all-share deal with shares already held in treasury. From the date of the above announcement, the parties will enter a due diligence process that is expected to close within four weeks.

The acquisition of F5 IT is Huddlestock Fintech's second major acquisition in the last 12 months.

**About Huddlestock Fintech:** Huddlestock Fintech is an innovative technology software provider with a leading expert professional services business. We deliver innovative and sustainable technology solutions to the capital markets, treasury and wealth management industries. For more information, please visit [www.huddlestock.com](http://www.huddlestock.com)

**About F5 IT:** F5 IT delivers tailored application development and integrations for digitizing entire organizations. It is headquartered in Stavanger and has 20 technology developers based between Stavanger on the West Coast of Norway and Constanta in Romania. For more information, please visit <https://f5it.com>

### Disclosure regulation

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

The information included in this announcement is defined as inside information pursuant to the EU Market Abuse Regulation article 7 and is publicly disclosed in accordance with MAR article 17.

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### About Huddlestock Fintech AS

Huddlestock Fintech delivers innovative technology solutions to the capital markets, treasury and wealth management industries.

Through its technology offering, Huddlestock offers an innovative, compliant, and data-centric WealthTech SaaS, accelerating the digital transformation, and trends of hyper-personalization and on-demand banking within the wealth management industry. Huddlestock's SaaS empowers the embedding of low-cost, efficient white-label trading and

investment services, underpinning Huddlestock's mission of delivering financial inclusion by democratizing access to capital markets.

Through its world-class expert professional services business, Huddlestock delivers strategic technology solutions and process automation for the financial services industry. This range of services has propelled Huddlestock into becoming the preferred supplier of financial consultancy services and technology solutions in the Nordic region. Huddlestock Fintech AS is regulated by Bafin and was listed on Euronext Growth Market 26 November 2020, as Norway's first fintech company to be publicly traded.

For more information, please visit [www.huddlestock.com](http://www.huddlestock.com)

## **Attachments**

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