



Huddlestock Fintech AS (OSE: HUDL) signs term sheet to acquire 100% of Tracs group of companies including a full investment banking license.

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Huddlestock Fintech AS, a provider of innovative technology solutions to the capital markets, treasury, and wealth management industries, today announces entering into an agreement with the intention to acquire 100% of Trac Services AS and Trac Technology AS, which includes Norwegian FSA licenses (<https://www.finanstilsynet.no/virksomhetsregisteret/detail/?id=178674>), giving the Huddlestock Group increased revenue potential and higher margins on their existing portfolio of wealth management products. The term sheet is the second agreement, next to F5 IT, signed to accelerate growth and deliver on the ambition of becoming the largest B2B Fintech service and technology provider in Europe. Signing of SPA agreement and closing of the transaction is expected before the end of June 2022.

“This acquisition will give Huddlestock the necessary license upgrade that we communicated we would target in our latest round of fund raising. In addition, we get a suite of complementary wealth management products, and improve our annual recurring technology revenues with an estimated NOK 14.1 million per year. Together with the intended acquisition, we will bring 8 highly committed employees, and the institutional investor, Njord Group, onboard. Similar to the acquisition of F5 IT, the acquisition the Tracs group of companies, is an all-share deal which shows the faith owners and managers put in our ability to build a solid and valuable business,” says John Skajem, CEO of Huddlestock.

The agreement will give the owners of Trac Services and Trac Technology ownership equal to 9% of the outstanding shares in Huddlestock after the issuance of new shares. In addition, there will be a bonus of 3% shares, if the Huddlestock Group reaches a total revenue of NOK 100 million with an EBITDA margin equal to 5% in 2023. The main shareholder in both Trac companies is the Glastad shipping family, through Njord Group AS. Glastad has been an industrial investor for over 100 years and have broad ownership interests in Norway, as well as internationally. The family will subsequently become one of the largest institutional shareholders and investor in the Huddlestock Group. Two representatives from Glastad are set to join the Huddlestock board of directors once the transaction is concluded.

“Trac Services brings over 18 years of experience from the financial industry, and currently have 12.000 end clients and approximately NOK 4 billion in assets under management. Together with our investment banking license, we see strong synergies between Huddlestock and Trac Services. Combined we will be one of the largest B2B Fintech providers in Europe, and can increase our revenues and margins, opening for rapid expansion of the business. As institutional and long-term investors we strongly believe in the value proposition of Huddlestock, and see a profitable future together,” says Jan Sigurd Vigmostad, Chairman of Trac Services AS and Trac Technology AS.

Disclosure regulation

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

Contacts

- Cecilia Luras, Director of Strategy & Investor Relations, +47 951 45 382, col@huddlestock.com
- John E. Skajem, CEO, +47 418 87 412, jes@huddlestock.com

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

Attachments

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