



hddlestock

Half-year Report 2023

January-June 2023

(unaudited)

Empowering our clients by delivering Investment-as-a-Service

TABLE OF CONTENTS

ABOUT HUDDLESTOCK.....	4
HIGHLIGHTS IN 1H 2023	9
LETTER FROM THE CEO	11
THE SHARE.....	13
HUDDLESTOCK SHARE CAPITAL AND SHAREHOLDER STRUCTURE.....	15
TOP 20 SHAREHOLDERS	15
THE BOARD OF DIRECTORS HUDDLESTOCK FINTECH AS	17
THE EXECUTIVE TEAM	18
THE ORGANISATION	19
REPORT FROM THE BOARD OF DIRECTORS – FIRST-HALF REPORT 2023.....	22
RISKS	26
CONSOLIDATED INCOME STATEMENT (UNAUDITED)	31
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED).....	32
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED).....	33
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)	34
NOTES TO THE CONDENSED FINANCIAL INFORMATION	35
NOTE 1 – GENERAL ACCOUNTING POLICIES.....	35
NOTE 2 – REVENUES.....	36
NOTE 3 – GOVERNMENT GRANTS	36
NOTE 4 – PERSONNEL COSTS.....	37
NOTE 5 – REMUNERATION OF MANAGEMENT AND AUDITOR.....	37
NOTE 6 – INTANGIBLE ASSETS, RESEARCH AND DEVELOPMENT	38
NOTE 7 – TRADE AND OTHER RECEIVABLES.....	39
NOTE 8 – BANK DEPOSITS, OVERDRAFT FACILITY AND RESTRICTED CASH	39
NOTE 9 – INCOME TAX.....	39
NOTE 10 – EQUITY	40
NOTE 11 – SHARE CAPITAL AND SHAREHOLDER INFORMATION	41
NOTE 12 – LOANS AND BORROWINGS	41
NOTE 13 – PROVISIONS AND OTHER SHORT-TERM LIABILITIES.....	42
NOTE 14 – BUSINESS COMBINATION.....	42
NOTE 15 – EVENTS AFTER THE REPORTING PERIOD	49

Empowering our clients by delivering Investment as a Service

DIRECT ACCESS TO CAPITAL MARKETS
>60,000 FINANCIAL INSTRUMENTS

Equities

Equity Indices

Bonds

Commodities

Funds

ETFs

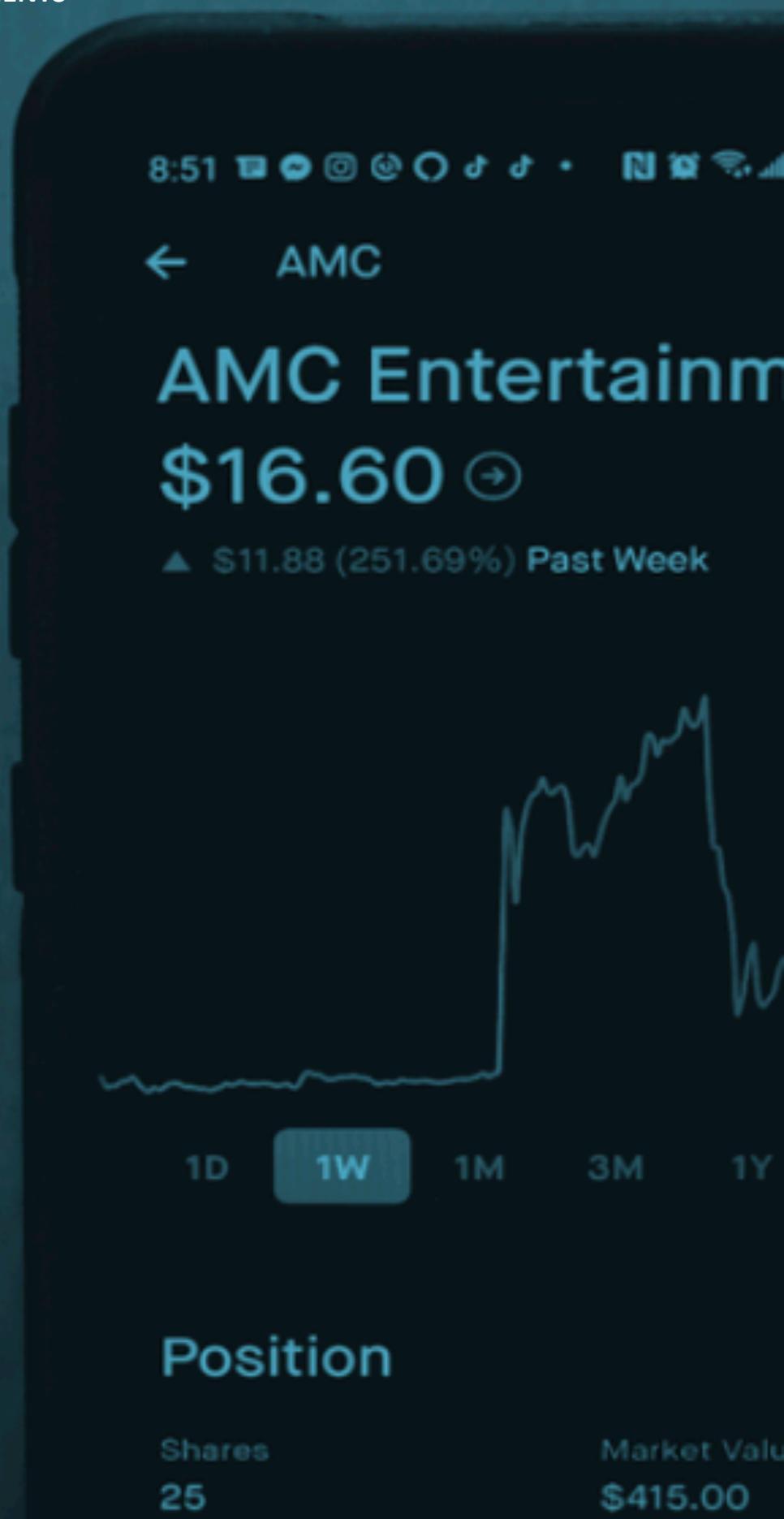
ETNs

ETCs

ETPs

Certificates

Options



hddlestock

ABOUT HUDDLESTOCK

Huddlestock Fintech is an innovative technology software provider with full operational service support and a leading financial professional services business. We deliver innovative and sustainable technology and operational solutions to the capital markets, treasury, and wealth management industries.

Through its technology offering, Huddlestock offers an innovative, compliant, and data-centric WealthTech Software-as-a-Service (SaaS) solution. This helps accelerate the digital transformation, and trends of hyper-personalization and on-demand banking within the wealth management industry. Huddlestock's SaaS solution 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.

During the first half of 2023, Huddlestock Fintech AS completed the acquisition of 100% of Dtech AS, Trac Services AS, Tracs Technology AS, Bricknode Software AB, Bricknode Platform AB and Bricknode Ltd. The companies are all 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. The addition of these companies will strengthen Huddlestock's Investment-as-a-Service expertise, and add important knowledge to our team of capital markets experts.

Through its world-class 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 GmbH in Germany is regulated by Bafin and Bundesbank, while Huddlestock Investor Services is regulated by Finanstilsynet in Norway. Huddlestock Fintech AS, the parent company in the group was listed on Euronext Growth Market on 26 November 2020, becoming the first fintech company in Norway to be publicly traded.

For more information, please visit www.huddlestock.com

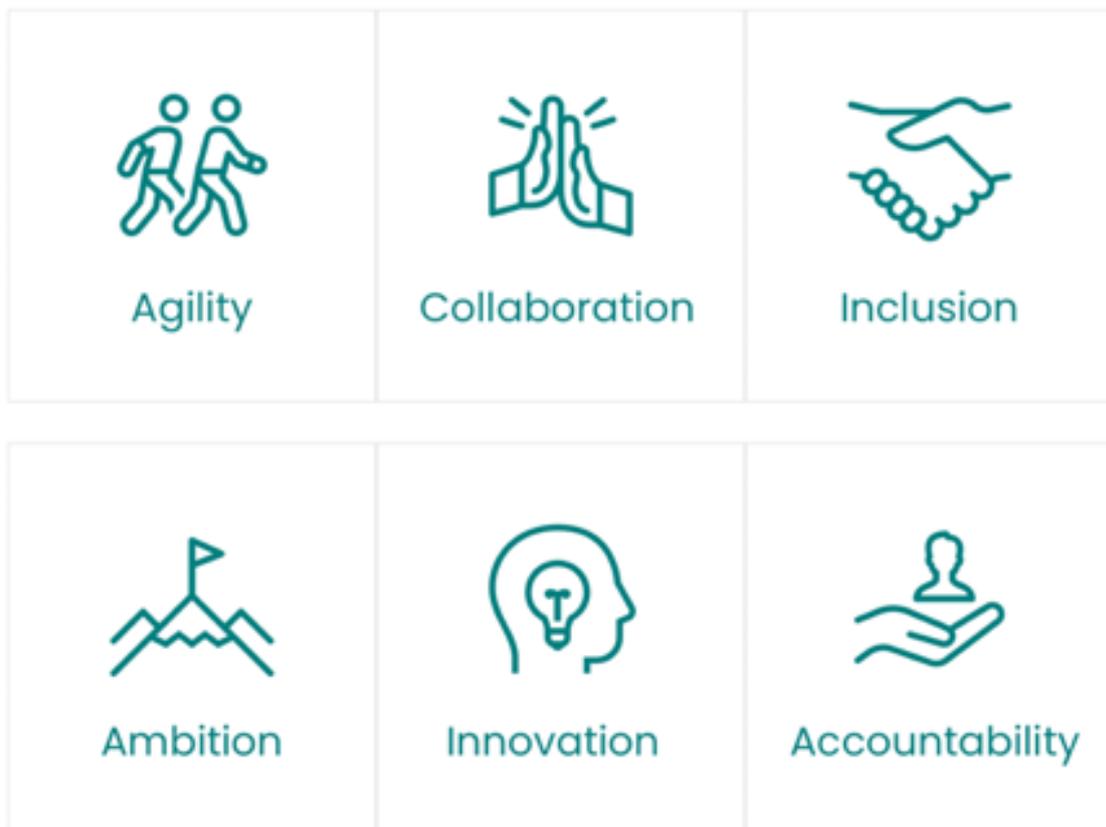


Purpose and values

Our mission is to deliver financial inclusion by democratizing access to capital markets-

Our values are: agility, collaboration, inclusion, ambition, innovation, and accountability.

Our values



Norway's first listed 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.



88 colleagues

5 European countries

Norway, Sweden, Denmark, Romania and Germany

Strong growth in 1H 2023

Consolidated numbers in NOK

Operating Revenues

(Pro-forma)

45.9m

EBITDA

(Pro-forma)

-4.2m

Total Equity

187.8m

NOK

Strong growth in 1H 2023

Pro-forma numbers in NOK

Operating Revenues

54.7m

EBITDA

-6.5m



HIGHLIGHTS IN 1H 2023

Acquiring Bricknode, adding MNOK 20 of recurring revenue, complementing fintech platform

Huddlestock Fintech AS has signed an asset purchase agreement agreeing to acquire all operational assets of the Swedish fintech company Bricknode Holding AB (“Bricknode”), a B2B-focused SaaS company providing scalable, cloud-based software comprising the complete infrastructure of a financial service operation.

The agreement offers strong business logic as the two companies’ product and technology platforms are highly complementary. The combination is expected to generate significant cost synergies and an accelerated revenue growth from both upselling opportunities amongst the combined customer base and an expanded target market with the complete end-to-end solution. Cost savings of approximately NOK 10 million have been identified, to be implemented over the next 12 months. Approximately NOK 25 million in increased customer revenues has been identified through the delivery of an improved onboarding process and a significantly shortened time to market approach. Combining the teams and expertise from both companies will create further synergies.

Bricknode’s software for investment management, funds and lending enables financial companies to rapidly launch a digital offering. The company also offers outsourcing solutions for back-office administration. Huddlestock will combine this with its investment banking license, technology base, broad customer network and market access through DNB and Baader Bank along with other ecosystem partners.

Huddlestock is also pleased to announce the inclusion of Trac Services and Tracs Technology into the Group

After receiving ownership approval to acquire Trac Services in March, the acquisition of the two companies were quickly closed and Trac Services became Huddlestock Investor Services. The companies adds many additional capabilities to the group including a regulatory license in Norway, Backoffice-as-a-Service, 10.000 new clients, further ecosystem partners and many talented and skilled colleagues. Huddlestock Investor Services has become the foundation of our overall offering – Investment-as-a-Service

With Dtech’s order routing technology, enters Huddlestock enters the pension market segment

Dtech has developed a technology for directed to the pension providers where Huddlestock will now provide access to a cloud-based portfolio and trade order management system. The SaaS solution manages clients, portfolios, funds, fund-of-funds, trade order management, rebalancing, reporting and compliance. Dtech has a strong value proposition for its clients and represents a new vertical for Huddlestock.

First Family office to use Huddlestock’s portfolio management system and reporting platform

As a provider of innovative, end-to-end technology solutions to the capital markets, treasury and wealth management industries, Huddlestock has entered into an agreement with a Norwegian family office to provide its Portfolio Management System (PMS) and reporting platform for their investment portfolios.

In choosing the digital PMS and reporting platform, the family office will be able to have a complete system for entering, monitoring, and reporting all their investments into one digital system. The platform allows all investment products to be entered, whether they are listed on a regular stock exchange or offered as an “over the counter” investment. Huddlestock Investor Services will administer the service and provide the client with support. The client will initially operate the technical platform themselves with the administration of user groups, set up of ISIN numbers, define

investment objectives, input investment transactions, and create customised and required reports. The system is a cloud-based SaaS solution with a 2-factor authentication for secure access.

Swedish asset management firm selects Huddlestock for investment management system and managed services

Huddlestock announced that a Swedish asset management firm has selected its cloud investment management system and managed services to power its operations. The asset manager is a licenced securities firm providing tailored investments and portfolio management to private and institutional investors.

By selecting Huddlestock's cloud investment management system, the asset manager will be able to streamline its operations using a single platform. Huddlestock provides extensive investment management operations support including onboarding, client management, order execution and settlement, reconciliation management, corporate actions management and regulatory compliance. The asset manager has also opted to use Huddlestock's managed services, where administration of the platform is outsourced to Huddlestock's team of experts.

Garantum Wealth Management AS selects Huddlestock for nominee depot, management of shareholder registers as well as customer and tax reporting

Huddlestock announced that Garantum Wealth Management AS has selected Huddlestock Investor Services for storage of financial instruments in a nominee depot, management of shareholder registers as well as customer and tax reporting. Garantum Wealth Management AS is an affiliated agent for Garantum Fondkommission AB and offers order mediation and provides investment advice.

Equity trading LOI is signed with Stack by.me

A LOI (letter of intent) regarding equity trading was signed with Stack by.me, a provider of an investment app that feels like social media. Trading stocks through Stack by.me will expand their current offering of mutual fund investment products. Stack by.me's current offering to its thousands of clients is a SaaS solution operated by Huddlestock and will continue to be supported by Huddlestock Investor Services.

Significant post balance sheet events

There have been no significant post balance sheet events during July and August so far.

LETTER FROM THE CEO

In the first half of 2023, Huddlestock positioned itself as a leading Investment-as-a-Service provider in Europe. In 2022, the Company acquired Trac Services, however the transaction was not completed until the first half of 2023. Acquiring a regulated company requires ownership approval and this approval was awarded in the first quarter of 2023. Furthermore, Dtech and Bricknode were also added to the group during the first half of 2023 and are all ready proving to be valuable assets for our company. With our recently closed transactions, the company is well on its way to achieving our next strategic steps which is to accelerate growth, scale up operations, enhance our technical solutions, serve our clients and upgrade our regulatory license. Achieving a complete investment banking license was a milestone and will enhance the Company's client service offering as an end-to-end provider of fully embedded trading and investment services, alongside its world-class expert financial services business. We are embarking on a journey to create a unique and strong company which is ready to become a European leader within Investment-as-a-Service.



The financial markets are in a state of transformation. Undergoing enormous transformational change to bring core systems in line with the requirements of the 4th industrial revolution. With multiple trillions of financial assets moving to the hands of new generations in the next few years, financial advisory firms of shapes and sizes become increasingly digitized. Offering real-time, hyper-personalised and value-based experiences to existing and future clients is no longer a choice. To stay ahead of the game and continue to attract increasing share of customer wallets, managers need to act today. With our colleagues at our expert capital markets consultancy and engineering teams, we are offering customized strategic and technical solutions across the entire value chain and are well positioned for being in the driving seat of the future.

During the first half of 2023, we continued to invest in our technology, organisation, and people. Going forward we will continue to invest in our business, however we also need to focus on controlling our cost base. We have been able to effectuate several cost reduction initiatives and we have now identified further initiatives. Our goal is to deliver positive EBITDA in 2024.

Huddlestock's financial consultants have established themselves as the leading provider in the Nordics with significant multiyear relationships with most Swedish and Danish banking groups, disruptor neobanks and innovative platforms. We see multiple opportunities for growth, both at home in the Nordics and by expanding further into continental Europe. The next steps are to continue to build on the consulting division's strong footprint and reputational excellence in the Nordic markets by introducing a customised local white-label trading solution based on Huddlestock's innovative technology.

The German market is a core focus for the group. Banks, wealth managers, financial platforms, and other financial intermediaries need innovative trading and investing solutions. An important step in the scaling up of our German operations has been the recruitment of a few key colleagues. We are

delighted that we have been able to put in place a strong team which will continue to focus on growing our presence in the largest market in Europe. We are now focusing on our ongoing client commitments and growing our footprint in one of our most important markets. We are confident that the German market will become a solid contributor to the group's profits over the years to come.

Our employees are crucial to our organisation and the competition for talent is increasing. Employees with high levels of technical insight and expertise are in strong demand. Attracting the right people is key. Ensuring they stay committed to working with us for many years to come is also a key focus for our management team and I am delighted that we have been able to attract so many talented employees to our organisation thus far. We are fortunate to have such an excellent team that are all well tuned to our Investment-as-a-Service offering.

Working closely with the Board of Directors, the company has been fortunate to have a board composed of serial entrepreneurs and long term industry experts. The entrepreneurs bring a strong passion for supporting new and innovative technology solutions that make a difference. Furthermore, this comes along with members who have long term industry experience which adds business and relationship knowledge along with the understanding of the underlying requirements. This is the foundation of a team with strong underlying business knowledge along with innovative insights which collaborates in symphony to take on the "new normal" which is coming our way.

Over the past years we have enjoyed financial support from Innovation Norway and the Norwegian government's R&D support scheme (Skattefunn). We continue to collaborate and appreciate the intellectual and financial support they provide to us.

Together with our Board of Directors and our talented employees, we are excited about the future and we are looking forward to continue to adding value to all our stakeholders. We will continue to build a diverse and globally focused company based on innovation while remaining fully committed to serving our customers in the best possible way.

We aim to become the leading European Investment-as-a-service company.

Together with our team of Huddlers, we look forward to the next steps of our exciting journey.

John E.Skajem

Chief Executive Officer

THE SHARE

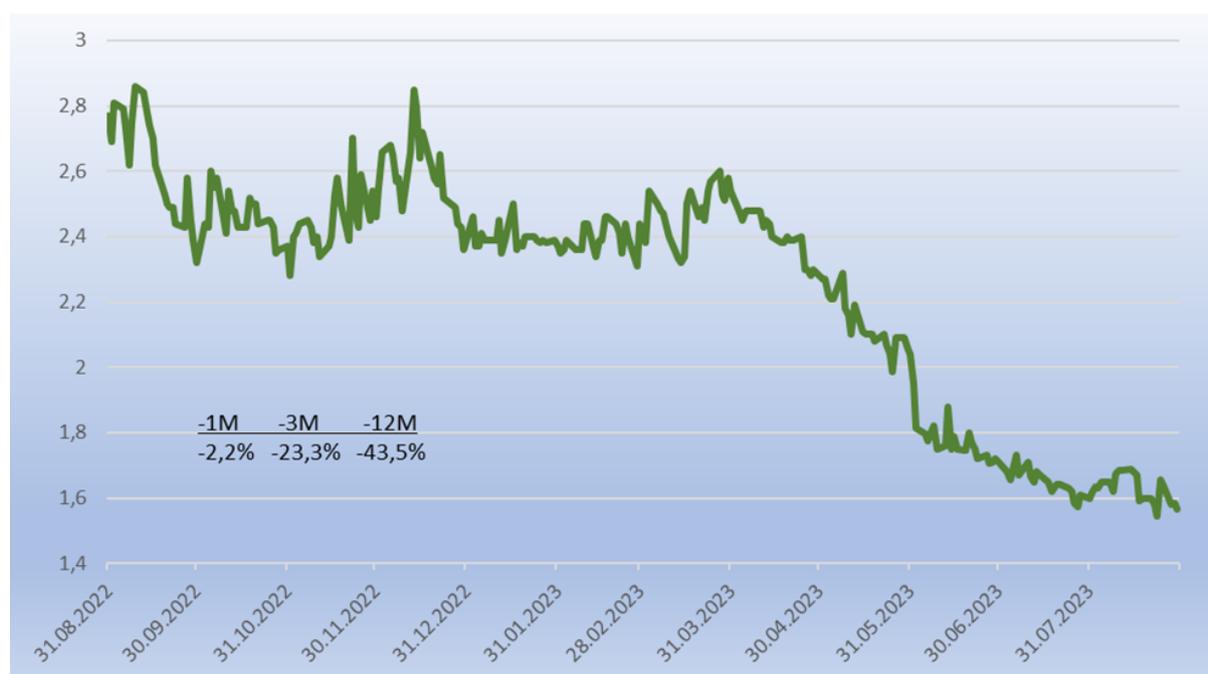
Huddlestock is focused on creating value for our shareholders, customers, and society, while remaining an innovative and market-leading Investment-as-a-Service provider.

While our share price has seen volatile trading activity throughout the first half of 2023, we continue to believe that our long term goals and efforts will be reflected in the share price over time.

Huddlestock Fintech AS was listed on Euronext Growth Market on 26 November 2020, as Norway's first fintech company to be publicly traded. Shortly thereafter we were dually listed on Gettex Exchange in Munich and on 28 July 2021, we were admitted to trading on Tradegate Exchange, Deutsche Börse's securities exchange for private investors. These secondary listings open up ownership of the company's equity to Euro-denominated investors.

Trading on Oslo Stock Exchange – Euronext Growth continues to be the primary listing venue.

HUDDLESTOCK SHARE PRICE IN 2023



HUDDELESTOCK SHAREPRICE VS FIRST NORTH ALL-SHARE AND FIRST NORTH TECHNOLOGY



HUDDLESTOCK SHARE CAPITAL AND SHAREHOLDER STRUCTURE

As of June 30th, 2023, Huddlestock's share capital was NOK 322,799, divided into 169,894,216 shares, each with a nominal value of NOK 0,0019.

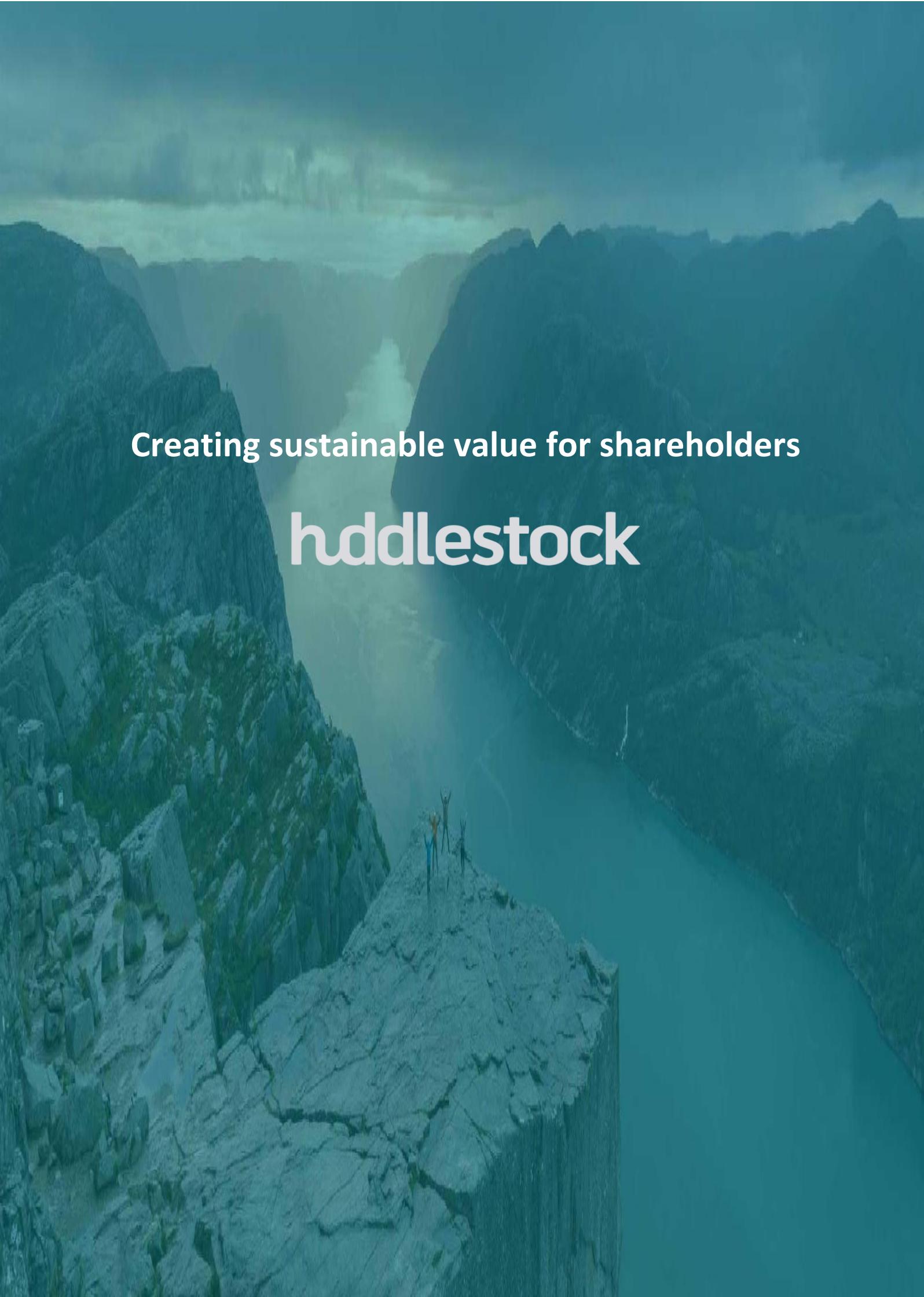
The core shareholder group of Huddlestock's 20 largest shareholders, its founders, management, and employees, represented 62% of the total shareholders at June 30th, 2023.

1,430 shareholders

At June 30th, 2023

TOP 20 SHAREHOLDERS

Rank	Name	Holding	Stake in %
1	Nordnet Bank AB	20 429 510	12,02
2	NJORD GROUP AS	12 429 113	7,32
3	SAA INVEST AS	8 500 000	5,00
4	VISION INVEST STAVANGER AS	8 286 715	4,88
5	Bank Julius Bär & Co. AG	7 385 000	4,35
6	HUDDLESTOCK FINTECH AS	4 410 635	2,60
7	GENTLE INVEST AS	4 300 000	2,53
8	HEDEN HOLDING AS	4 213 485	2,48
9	SAAMAND AS	4 126 934	2,43
10	GRUNNFJELLET AS	3 995 000	2,35
11	GJEDREM AS	3 462 618	2,04
12	STEIN HEGRE HOLDING AS	3 300 000	1,94
13	NORDNET LIVSFORSIKRING AS	3 278 316	1,93
14	Myrlid AS	2 552 089	1,50
15	KJELL'S OCTOPUS INVEST AS	2 500 000	1,47
16	HOGNAN INVEST AS	2 494 512	1,47
17	BILL INVEST AS	2 456 847	1,45
18	BERKER GROUP AS	2 450 000	1,44
19	JR AUSTAD HOLDING AS	2 319 368	1,37
20	HMK KAPITAL AS	2 270 452	1,34



Creating sustainable value for shareholders

huddlestock

THE BOARD OF DIRECTORS HUDDLESTOCK FINTECH AS



Øyvind Hovland, Chairman.

Øyvind is a serial entrepreneur with more than 25 years of experience in starting and scaling companies in various industries. In addition to Huddlestock Fintech, it is notably Cyviz AS – with offices globally, and Vision IO AS, a leading optic camera provider to the Oil and gas industry.



Morten Flørenæss, Board Member

Morten has been an instrumental part of the management in all the Tracs companies prior to now getting more engaged in Tracs Accounting as their CEO. Morten brings stability, financial and administrative know-how to the Board.



Ramtin Matin, Board Member

Ramtin Matin is Head of Innovation at Sparebank 1 SR-Bank. He has a strong track record in technology innovation within the financial services industry, applying AI and Blockchain. His previous roles include hands-on participation in portfolio companies within SR-Banks Venture Fund Finstart Nordic, regional lead and Senior Solutions Architect for SAS Institute, management consulting with PWC.



Jan Sigurd Vigmostad, Board Member.

Jan Sigurd is the Chief Operating Officer for Glastad Holding, which is the parent company of most of the Glastad group's investments, including Huddlestock Fintech AS. He has a long and distinguished career with investments and finance and brings to the board a wealth of knowledge and experience.

THE EXECUTIVE TEAM



John E. Skajem, Group CEO

John E. is the Group CEO of Huddlestock Fintech AS. Following a long career in international finance and working for global investment banks, asset managers and large universal banks, John has gained a thorough understanding of all aspects of the financial services industry. He holds MBA work from the University of Chicago and a B.Sc in Finance from University of Colorado.



Anders Peinert, Chief Financial Officer

Anders is the Financial Officer of the Group. Anders has a strong and solid track record from more than 30 years of experience in the financial industry. He has most of his carrier been an investment manager at leading Nordic asset management companies like Storebrand and Alecta. In his carrier he has gained international experience from working in London, Stockholm and Oslo. He has a Bachlor of Business Admistrtaion from Universty of New Mexico.



Petter Midtsian, Chief Consulting Officer

Petter is a co-founder of Visigon with a M.Sc in Engineering and a B.Sc. in Business from Uppsala University. He has a strong background in consulting and the financial industry with experience from many banks and financial institutions in the Nordics.



Leif Arnold Thomas, Chief Corporate Development

Leif Arnold Thomas is Head of Corporate Development nad Investor Relations in Huddlestock. Leif Arnold has more than 20 years of experience from the Nordic Fintech industry, including several years and various positions at Oslo Børs, VPS and Euronext. From 2017-2022 he was responsible of the Oslo Børs's Fintech spinoff Centevo, a SaaS provider within the portfolio- and fund management segment. Before entering Huddlestock, Leif Arnold worked as CEO at the startup Dtech, a Fintech provider within the pension industry that became part of Huddlestock group March 2023.



Daniel Risberg, Chief Product Officer

Daniel has extensive experience in product development in several roles. His years in international organizations and projects have provided broad knowledge in the FinTech industry. He has a master's degree in Information Systems and a bachelor's degree in International Business from University of Uppsala.



Stefan Willebrand, Chief Technical Officer

Stefan has created and developed companies within finance and technology since 1998. In 2000 he started managing money and founded a US-based hedge fund in 2001 based on algorithmic trading. In 2005 he founded SYCAP Group which offered a global trading platform for FX, Spread Betting and CFD Trading with offices in Sweden and the UK. In 2010 he founded Bricknode and has developed the company ever since.



Erik Hagelin, Chief Strategy Officer

Erik is responsible for strategy and partnerships among several other important tasks in Huddlestock. Before joining Bricknode, Erik was involved in the real estate investments area for more than 10 years. He joined Bricknode in 2016 and has been the Co-CEO, responsible for the commercial development and administration in the group.



Inger Sofie Korbøl, Chief Investor Services

Inger Sofie Korbøl is the Chief Investor Services as CEO, Head of compliance and the responsible manager for Huddlestock Investor Services. Following a long career in real estate and the financial industry working with settlement and unit holder registry, Inger Sofie has gained a thorough insight and understanding for the securities trading and custodian services. She holds the licences from the Norwegian FSA.



Robert Fuchsgruber, Chief Commercial Officer

Robert is the CEO of Huddlestock's German business. He brings extensive experience from B2B business with independent wealth managers in Germany and digital solutions for private client platforms. While at DAB BNP, Robert was a member of BNP Paribas' Executive Committee for Private Investors overseeing Consorsbank, DAB and BNP Private Banking since 2016, and a member of BNP Paribas' Executive Committee for Germany. He joined DAB BNP Paribas in 2008.

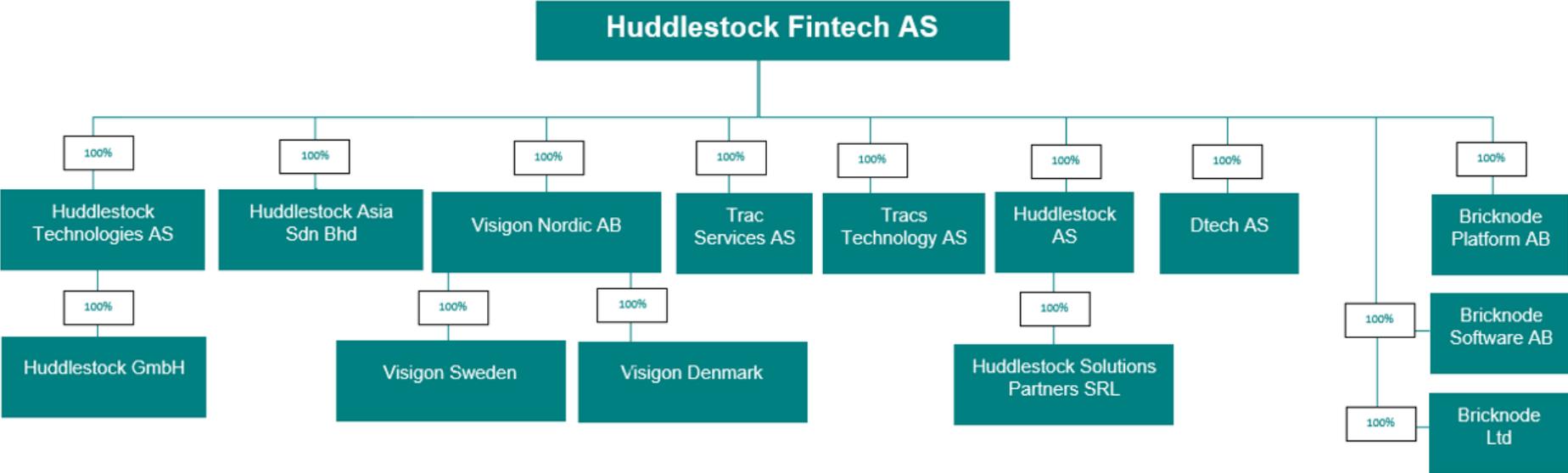
THE ORGANISATION

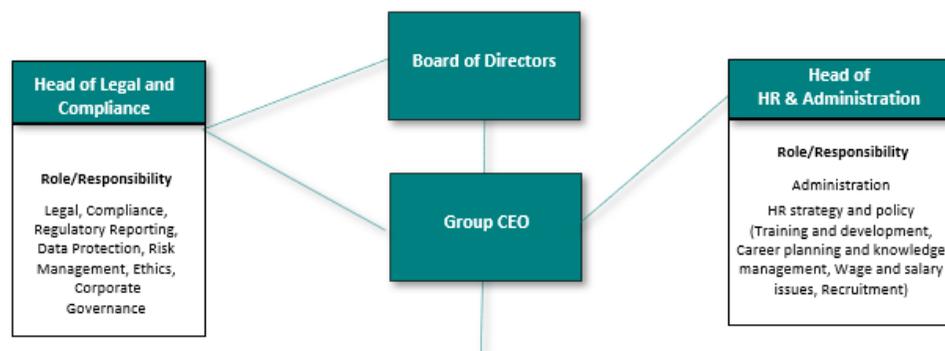
The Company’s head office is located at Forus in Stavanger municipality, Norway.

As of June 30th, 2023, in addition to the parent entity, Huddlestock Fintech AS, headquartered in Stavanger, Norway, the group includes the subsidiaries Huddlestock Solutions AS, Tracs Technology AS and Huddlestock Investor Services AS, Stavanger, Norway; Huddlestock Technologies AS, Oslo, Norway; Huddlestock GmbH, Munich, Germany; Visigon Nordic AB and Visigon Sweden AB, Stockholm, Sweden; Visigon Denmark ApS, Copenhagen, Denmark; Huddlestock Solutions Partner SRL, Constanta, Romania; Bricknode Ltd, London, UK; Bricknode Platform and Bricknode Software AB, Skövde, Sweden; and Huddlestock Asia Sdn Bhd, Kuala Lumpur, Malaysia (in proses to be closed).

It has offices in Norway, Germany, Sweden, Denmark, Romania, United Kingdom and Malaysia, respectively.

Huddlestock’s Group legal structure as of June 30th, 2023





		Functional decision making							
		Chief Commercial Officer	Chief Investor Services	Chief Technical Officer	Chief Financial Officer	Chief Consulting Officer	Chief Strategy Officer	Chief Product Officer	Chief Corporate Development
Country specific decision making									
Head of Norway	Assures that all country-specific laws and regulations are observed.	Role/Responsibility Sales Financial Service Software	Role/Responsibility Back-Office Operations	Role/Responsibility Development, Design & Architecture of IT Platforms, Apps and IT Services	Role/Responsibility Controlling and Accounting	Role/Responsibility Consulting Product Owner	Role/Responsibility Group Strategy M&A	Role/Responsibility Owner IT Product & Services	Role/Responsibility Group alignment Synergies
Head of Germany	Initiates country-specific sales and marketing activities.	Sales Investor Services Sales Software Solutions	Monitoring of the Daily Business	Ensuring scalable and reliable IT Solutions and IT Operations	Financial Risk Management	Product Management Sales	Strategic Alliances / Partnerships	Product Strategy, Product Innovation	Change Management Corporate Culture
Head of Sweden	In addition to the actual manager, contact person for all employees in the country.	Client Services Desk / 1 line support Customer Success Complaint Management	End 2 End Process Optimisation Quality Assurance	Management of IT third-party providers (cloud providers etc.)	Financial Planning Budget Management	Business Development Vision & Strategy	Market monitoring and reporting ESG	Product Management	Internal Processes
Head of Denmark		Key Account Management Marketing Social Media	Regulatory Compliance Reporting Client Onboarding	IT Helpdesk / 2-line support Second Level Client Support	Financial Reporting Point of Contact for Financial institutions, Lenders, Auditors, Tax Advisors and Stakeholders	Consulting Operations	Expansion/Growth Projects	Product Innovation	Investor Relations Internal and external communications
Head of Romania		Event Management Part of Product Committee	Regulatory Compliance Reporting Client Onboarding Back Office Services / 2-line support	IT Helpdesk / 2-line support Second Level Client Support Part of Product Committee	Financial Reporting Point of Contact for Financial institutions, Lenders, Auditors, Tax Advisors and Stakeholders Secretary to the BOD		Supporting CCO in sales & sales strategy Supporting CEO in different projects	Lead Product Committee Technical Sale	Supporting CCO in sales & sales strategy Cross selling
			Second Level Client Support	Part of Product Committee			Part of Product Committee	Management of third-party providers (custodian Banks etc.)	Part of Product Committee



Board of Directors Report

REPORT FROM THE BOARD OF DIRECTORS – FIRST-HALF REPORT 2023

Huddlestock Fintech is an innovative technology software provider with a full service offering – Investment-as-a-Service. The company delivers innovative and sustainable technology and operational solutions to the capital markets, treasury, and wealth management industries.

Through its technology offering, Huddlestock offers an innovative, compliant, and data-centric WealthTech SaaS solution. This accelerates the digital transformation, hyper-personalization and on-demand banking within the wealth management industry. Huddlestock's SaaS solution 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.

The first half of 2023 represented six months of growth and progress for Huddlestock. The company continues to see interest from our pan-European clients and partners alike. Our Huddlestock Trader technology solution has been live in Germany as of 4th quarter with thousands of end clients, executing trades and growing the asset under management. Other technical solutions like Portfolio Management Systems, Investment Management systems along with tailor made products for external clients are generating good revenues for the group. The company continues to be in a strong position and is looking to add new relationships in the months and years ahead. In the consulting business, Huddlestock is enjoying solid demand, and has added new first-class clients to the engagement list. Our teams have continued to secure solid mandates and have many more in our strong pipeline going forward. The Investor Services division has also been adding new clients and are enjoying solid demand for its services. Huddlestock Investor Services officially became part of the group in the first half of 2023. The regulatory platform along with operational outsourcing services has been sought out as more and more market participants are seeking to optimise their own functions while outsourcing to others in order to create silos of "center of excellence". Investor Services are excited for the rest of 2023 and the years to come. For the next 12 months we expect transformation to include several new products, partners, geographical locations and several new clients. Bricknode and Dtech also became a part of our group during the first half of 2023. Both organisations have been instrumental in completing our technology offering, adding valuable client relationships and enhancing our evergrowing army of professional and knowledgeable employees.

The company is working hard in all areas and a sound foundation has been established for further growth in the latter part of 2023 and beyond. The work on the next generation technology solutions is going according to plan, and will be launched in the latter part of 2023 and early 2024.

Europe's leading Banking-as-a-Service provider, Solaris Bank, embedded Huddlestock's Trader 1.0 Tech solution into their service offering, and the first platform client went live during the fourth quarter of 2022. The Huddlestock technology has been validated and is running smoothly, as expected. Furthermore, our software developers continue to work on existing client deliveries and onboarding, as well as bringing in new client mandates. As Huddlestock is a "technology first" company, we continue to improve, upgrade, invent and develop our technological platform continuously. At the moment there are two projects approved by Norwegian Research Institute with partial funding from "Skattefunn". The most recent project is approved through 2024.

During the latter part of 2023 we will focus our group wide efforts into our ready to use, multi-tenant and scalable Investment-as-a-Service offering.

The company was initially established in Stavanger, Norway in 2014. Today, the company's headquarters is located in Kanalsletta 2 in Stavanger, Norway. Since its growth started, it has established several locations with different functions in each location. Today the company has the following activities with these locations:

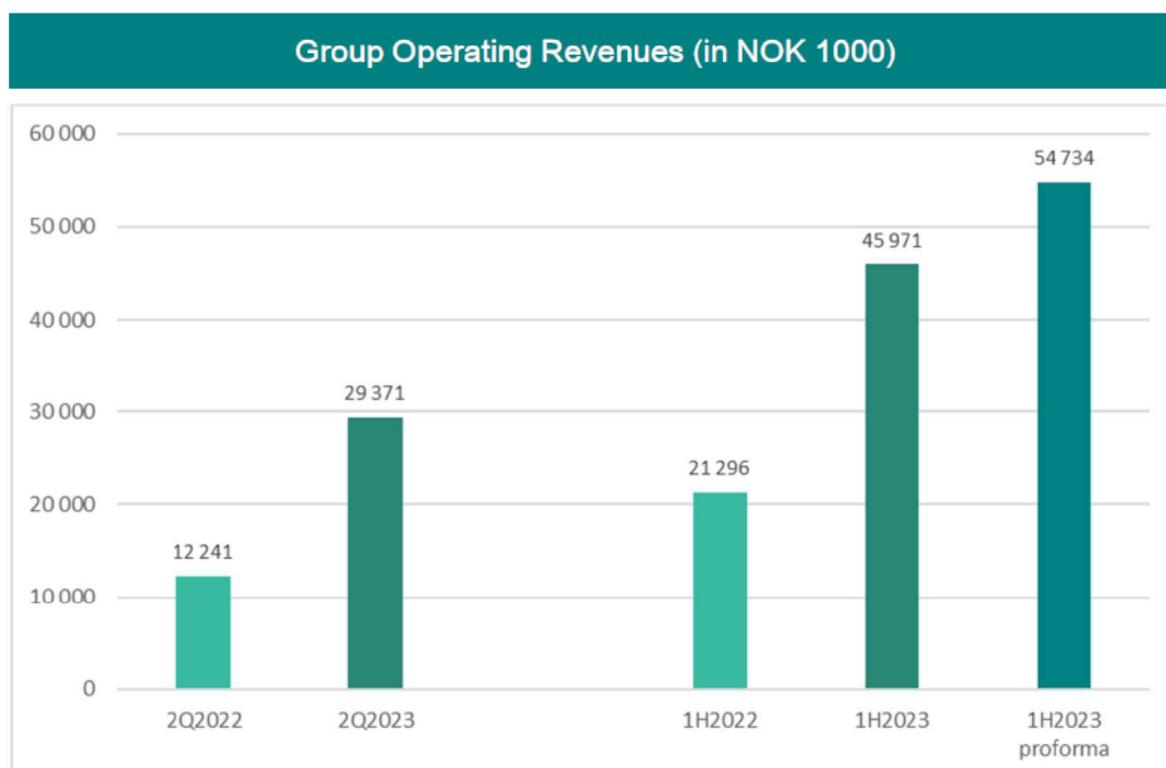
Our technology engineers are operational from Stavanger, Skövde and Constanca, while the consultants are based in Stockholm and Copenhagen. The commercial activities are managed out of

Munich, but also operate in Stavanger, Oslo, Copenhagen and Stockholm. Product Management is predominant operated from Stavanger and Stockholm while Corporate Development and Investor Relations are active from Stavanger and Oslo. Strategy is mainly organised out of Stavanger, Oslo and Skövde while Finance, Administration, Legal and Compliance operate in all locations.

Operations in 1H 2023

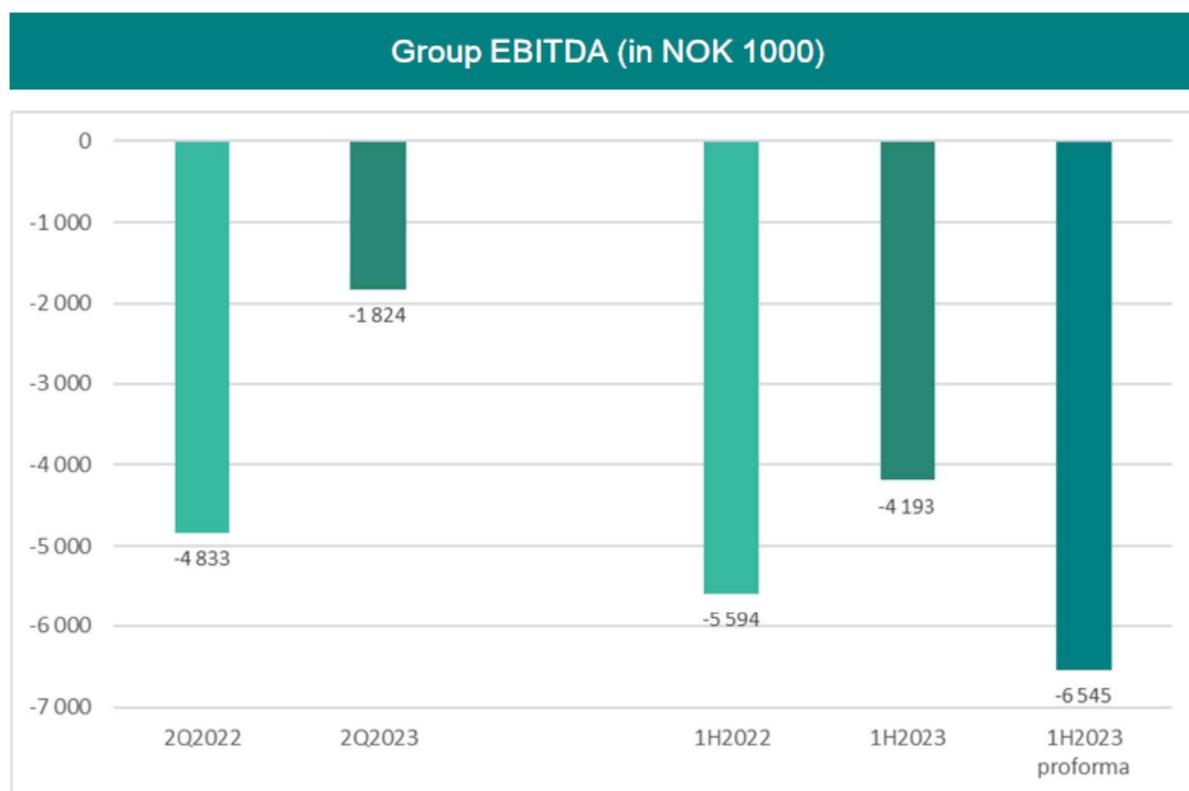
In 1H 2023, Huddlestock Fintech delivered proforma revenues of NOK 54,73 million, an improvement from 1H 2022 of NOK 30,96 million, or +77% YoY.

Consolidated group revenues were NOK 45,97 million in 1H 2023, an improvement from 1H 2022 of NOK 21,30 million, or +116% YoY.



Group operating expenses were NOK 64,36 million in 1H 2023, up from NOK 32,89 million in 1H 2022 driven by scaling up for future growth and profitability, add on acquisitions, investing in technology and related depreciation. Pro-forma costs in 1H 2023 were at NOK 77,25 million, up from 45,22 in 1H 2022. The company expects to realise synergies following the acquisitions in 2022 and 2023.

The EBITDA was NOK -4,19 million in 1H 2023 (pro-forma NOK -6,54 million), as the group is scaling up the organization and continuing to invest in our technology suite, adding talent and preparing for growth in future client deliveries. That compares with EBITDA of NOK -5,59 million in 1H 2022 (pro-forma NOK -7,26 million).



The expenses are primarily investments to accelerate growth and scale up the German and Nordic operations, upgrading the regulatory license, increasing the organisational support and customization of software in conjunction with the onboarding of new contracted clients.

Funding, liquidity, and balance sheet.

Huddlestock Fintech secured corner stone investment from Njord Group. As part of Huddlestock's agreement to acquire Trac Services and Tracs Technology, Njord Group, a privately held financial services company which is majority owned by the Glastad Family, has made a strategic investment into Huddlestock Fintech. On the close of the deal, Njord Group subscribed 1,923,077 shares in Huddlestock Fintech in a private placement, at a price of NOK 2,60 per share, and a total consideration of NOK 5,000,000. The share investment takes Njord's total shareholding in Huddlestock post-close to 8.80%, making Njord Group Huddlestock's largest shareholder.

The company and the Group consider the liquidity to be manageable due to cash in accounts of NOK 10,8m, own shares in treasury and available credit facilities.

Statement of Cash Flows

The cash flows from operating activities were NOK -11.64 million in 1H2023, versus NOK – 17.89 million for full year 2022. This was mainly driven by expanding our organisation, along with investments into sales and other commercial activities.

The cash flows from investment activities were positive NOK 1.42 million in 1H2023 versus NOK - 14.71 million for full year 2022, as acquisitions completed in the first half were paid for with shares and the cash position in acquired companies were NOK 12.1 million.

The cash flows from financing activities were NOK 18.15 million against NOK 19.27 million for the full year 2022. During the first half the group disposed of treasury shares for NOK 1.3 million, increased equity with NOK 5 million through a private placement of shares and increased interest bearing debt with NOK 11.8 million.

Bank deposits, cash and cash equivalents ended at NOK 10.83 in 1H 2023 against NOK 2.90 million at end of year 2022.

Based on the current assumptions, the company believes that its existing financial resources will not allow the company to fund its growth plans for operations and capital expenditure requirements for the years to come. Therefore, to support the company's growth plan going forward, the Management in collaboration with the Board of Directors will explore and decide a short and medium-term financing plan.

The company's priorities for 2023 include:

- Prioritize profitable growth and growing recurring revenues
- Execute and win clients with existing products available immediately
- Complete a full scale Brokerage-as-a-Service platform
- Create a Nordic white label solution
- Scale up Nordic operations
- Prepare and scale German operations for growth
- Extend Norwegian and German regulatory licenses passported to all of EU
- Streamline organisation and execute on synergies

RISKS

Regulatory risk

The Company is subject to financial services laws, regulations and administrative actions and policies. Changes in supervision and regulation in Germany, Norway and in the European Union (“EU”)/the EEA could materially affect the Company’s business, its products, and services and/or the value of its assets. Areas where changes could have a material adverse effect include, but are not limited to (i) changes in monetary, interest rate and other policies, (ii) general changes in government and regulatory policies or regimes which may significantly influence investor decisions or increase the costs of doing business (iii) changes in competition and pricing environments, (iv) increased financial reporting requirements and (v) changes in regulations affecting the Company’s structure of operations, in particular any changes to wealth management regulations restricting or introducing new requirements.

Risk of failure or inadequacy in IT systems

The Company relies heavily on the uninterrupted operation of its IT systems for the efficient running of its business and operations. In addition, the Company will depend on a few third-party providers for the supply of important IT services. The Company’s ability to conduct its business may be adversely affected by a disruption in the infrastructure that supports the business of the Company.

Technology

The introduction of new technologies, digitalisation and changing consumer behaviours in the wealth tech sector opens opportunities for new business models leading to structural changes and increased industry dynamics. Failure to respond to and meet the demands developing in the marketplace could have a negative impact on customer relationships, value chain position and service offerings.

Objectives and strategy

The Company and the Group are exposed to financial risk in very limited areas. The current strategy does not include the use of financial instruments, but this is subject of ongoing assessment by the administration and the board. The Company and the Group have conducted extensive research and developed a suite of unique licensed software as a service-solutions for banks, asset managers and retail trading venues.

Market risk

The Company and the Group have no equity market investments. Negative equity markets could affect the company’s share price adversely and as such temporarily increase the company’s cost of capital. The Company and the Group have foreign exchange exposures, mainly through normal international business to Euro, Swedish Kronor, and Danish Kroner, which is considered manageable.

The Company and the Group have debt of NOK 4.000.000 and NOK 6.410.000 respectively. The Company and the Group has a revolving overdraft facility of NOK 6.000.000 and NOK 8.000.000 respectively. Increases in interest rates will affect the Company. Should this be prolonged and substantially permanently higher, this could affect the Company’s profitability.

With regards to other market risks, there is the possibility of increased competition for winning clients. However, this is viewed as a normal business operating environment and the risk is viewed as low due to the significant number of potential clients and the secular growth in the Company’s target market.

In order to quantify the risk of not achieving the company plans and goals, we view this as low to medium risk. There are always risks in achieving plans, however the company has good visibility for existing contracts and with the view of our pipeline going forward. There are always risks in achieving plans, however, the company has good visibility for existing contracts and with a positive view of our pipeline going forward.

Credit risk

The risk of losses on receivables is considered low. To date, the Company and the Group has not incurred significant losses on receivables.

Liquidity risk

The Company and the Group considers the liquidity to be manageable due to cash in accounts, own shares in treasury and budget for 2023. For variable costs, the company has the option to efficiently scale up or down as required and on an opportunistic basis. The company has also proven to have favourable possibilities to efficiently raise equity and debt funding and establishing ongoing lending facilities in the form of short- and long-term bank loans, revolving credit lines and overdraft facilities. For 2023 the Group will create common platform for the group companies with DnB as a main corporate banking partner. This will allow the group to optimise its financial efficiency. Considering the above, the company views liquidity risk as manageable, but the capital markets changes all the time, so there is always imbedded risk involved.

Environmental reporting

The activities of the Company and the Group do not cause environmental damages at the time of the writing of this report.

Strategy risk

The Company faces risks associated with the implementation of its strategy. Parts of the current business has limited operating history and implementing its strategy requires management to make complex judgments, including anticipating customer needs across a range of offered products, anticipating competitor activity and the likely direction of macroeconomic assumptions.

Risk that capital in the future may not be available on attractive terms, or at all

It cannot be ruled out that the Company may need to obtain additional capital in the future. Such capital, whether in the form of subordinated debt, hybrid capital or additional equity, may not be available on attractive terms, or at all. Further, any such development may expose the Company to additional costs and liabilities and require it to change the manner in which it conducts its business or otherwise have a material adverse effect on the Company's financial position, results of operations and/or prospects. Since the beginning of the year, global equity markets have been volatile. Higher levels of inflation have resulted in Central Bank action raising interest rates across most developed markets. Forward markets increasingly reflecting the more hawkish attitude to interest rates taken by Central Banks and the impact on global equity markets has been one of rotation away from investment into growth stocks, with monies prioritizing investment in value stocks. This has resulted in stock market losses for investors invested in growth stocks, and could result in lower appetite for stocks with a growth profile in the future. Negative equity markets and a negative perception of growth stocks as an asset class, could affect the company's share price adversely, and as such temporarily increase the company's cost of capital.

Insurance

The Company is insured across all divisions for all regulatory requirements. For the Board of Director and Chief Executive Officer there is a full insurance policy which covers liabilities and any other matters which may become relevant.

Environment, gender equality and employee matters

As of 31 December 2022 the Company and Group had 55 permanent employees, (45 men and 10 women). The work environment in the Company is considered good. No serious injuries, work-related wear, strain injuries or property damage was recorded during 2022.

There has been insignificant sick leave in 2022. The Board of Directors (the “Board”) consists of four men. The Board has not found it necessary to take special measures with regards to gender equality.

The Company strongly respects and supports diversity in general and sees this as a competitive advantage to create value for the Company and its shareholders. The Company is a strong supporter of the UN’s Sustainable Development Goals, which includes tackling global challenges such as poverty, inequality (gender, ethnicity, sexual preferences etc.), climate change, environmental degradation, peace and justice.

Corporate Governance

The Board of Directors has adopted policies for corporate governance to safeguard the interests of shareholders, employees and other stakeholders. The Company intends to comply with the Norwegian Code of Practice for Corporate Governance and explain any deviations from the code. The Group is actively conducting due diligence and continuously performing tasks in accordance with the Transparency Act. The Board of Directors fully supports the establishment and implementation of policies and procedures that meet the requirements of the Transparency Act.

Going Concern

The strategy for the Group includes continued growth and investments over the next years, while still negative cash flows are likely until revenues from the commercial activity increases with new clients being onboarded. This growth might require new capital and thus external funding. However, as part of the going concern assessment, the Company has prepared various analytical scenarios. The Base scenario is based on full progress according to the Group’s growth strategy, including a relatively conservative sales forecast, whereas Low scenario includes a scenario with scaled down operation, limited additional sales and minimum product developments. Based on both scenarios, the conservative assumptions are that the Company believes that its existing financial resources, will enable the company to fund its operations and capital investment requirements for the coming years. The Company is also of the opinion that additional financing could be obtained, if required.

As per these assessments, the necessary conditions required for the continuation of the Company as a going concern are confirmed to exist and the financial statements are prepared under the going concern assumption.

The company is also experiencing strong interest in its products and technology. The company has taken steps to cut costs during 2022 and will continue to fine-tune the operations and technology investments so that the company does not incur unnecessarily large, fixed operating and development costs going forward. Furthermore, the company has sufficient financial resources to manage the company for the foreseeable future with a minimum of the next 12 months. The Board of Directors have no qualms about presenting the annual accounts under the assumption of continued operations.

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, including without limitation, management's examination of future operating trends and other information or expectations available from the third parties. The company believes that these assumptions were reasonable when made, but the assumptions are inherently subject to significant uncertainties, which are difficult to predict and might prove to be beyond the company’s control. As a result, no representation or warranty is given as to the completeness or accuracy of any forward-looking statement contained in this report or the accuracy of any of the underlying assumptions.

This page intentionally left blank



Half-year report 2023

(unaudited)

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Consolidated Income Statement (in NOK)	1H2023	2022
Operating income		
Other operating income	45 971 122	46 708 344
Total operating income	45 971 122	46 708 344
<i>Operating expenses</i>		
Cost of materials/subcontractors	11 621 588	12 817 116
Personnel costs	35 233 363	43 555 250
Other operating expenses	3 309 472	5 033 377
Total operating expenses	50 164 423	61 405 743
EBITDA	-4 193 301	-14 697 399
Depreciation and amortisation	14 197 172	18 408 001
EBIT	-18 390 473	-33 105 400
<i>Financial income</i>		
Interest income	9 605	428 807
Other financial income	148 814	237 890
Total financial income	158 419	666 697
<i>Financial expenses</i>		
Interest expenses	621 260	847 197
Other financial expenses	467 364	268 275
Total financial expenses	1 088 624	1 115 472
Net financial items	-930 205	-448 775
Profit (loss) before tax	-19 320 678	-33 554 175
Income tax	-129 321	1 816 780
	0	0
Net profit (loss)	-19 449 999	-31 737 395

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Consolidated Financial Position (in NOK)	30.06.2023	31.12.2022
ASSETS		
Intangible assets		
Research and development	70 550 551	35 770 453
Goodwill	141 109 686	52 957 680
Technology	25 542 560	6 383 333
Customer contracts and relationships	17 329 996	17 214 654
Licenses	33 794 439	30 573 094
Total intangible assets	288 327 232	142 899 214
Fixed assets		
Investment in equities	569 621	199 980
Property, plant & equipment	451 041	285 599
Total fixed assets	1 020 662	485 579
	0	0
Total non-current assets	289 347 893	143 384 794
Receivables		
Trade receivables	15 808 227	10 819 805
Other short-term receivables	12 012 650	11 077 250
Total receivables	27 820 877	21 897 055
Bank deposits, cash and cash equivalents	10 830 604	2 903 838
Total current assets	38 651 481	24 800 892
Total assets	327 999 374	168 185 686

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

Consolidated Financial Position (in NOK)	30.06.2023	31.12.2022
EQUITY		
Paid-in capital		
Share capital	536 916	257 278
Share capital - not registered	0	0
Own shares	-8 380	-9 811
Share premium	187 244 303	115 150 424
Total paid-in capital	187 772 839	115 397 892
	0	0
Retained earnings	0	0
Other equity	0	200
Total retained earnings	0	200
	0	0
Total equity	187 772 839	115 398 092
LIABILITIES		
Long-term liabilities		
Other long-term liabilities	16 042 974	7 245 904
Deferred tax	11 620 912	5 191 557
Total long-term liabilities	27 663 886	12 437 461
Short-term liabilities		
Accounts payable	6 323 533	9 531 322
Payroll taxes, VAT etc.	8 605 230	4 275 717
Loans and borrowings	8 560 569	6 346 864
Other short-term liabilities	89 073 314	20 196 229
Total short-term liabilities	112 562 646	40 350 132
Total liabilities	140 226 536	52 787 594
Total equity and liabilities	327 999 374	168 185 685

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

Consolidated Statement of Cash Flows (in NOK)	1H 2023	2022
Cash flows from operating activities		
Profit (loss) before tax	-19 320 678	-33 554 175
Depreciation and amortisation	14 197 172	18 408 001
Net result discontinued operations	0	0
Changes to accounts receivable	-2 158 422	-1 965 741
Changes to accounts payable	-4 612 789	6 702 237
Changes to other accruals and prepayments	251 279	-7 476 932
Net cash flow from operating activities from continuing operations	-11 643 438	-17 886 610
Cash flows from investment activities		
Additions intangible assets	-9 562 224	-14 319 000
Aquisition of subsidiaries, net of cash acquired	12 086 429	478 000
Transaction costs	-1 101 000	-865 448
Short term loan	0	0
Received government grants	0	0
Net cash flow from investment activities from continuing operations	1 423 204	-14 706 448
Cash flows from financing activities		
Proceeds from capital increase	5 000 000	1 672 000
Costs of capital increase	0	0
Treasury shares	1 366 000	10 510 000
Loans obtained	11 781 000	7 092 768
Net cash flow from financing activities from continuing operations	18 147 000	19 274 768
Net changes to cash and cash equivalents from continuing operations	7 926 766	-13 318 290
Continued operations		
Bank deposits, cash and cash equivalents per 1.1.	2 903 838	16 222 128
Bank deposits, cash and cash equivalents per 30.6.	10 830 604	2 903 838
- Hereof restricted bank deposits	488 000	659 000

NOTES TO THE CONDENSED FINANCIAL INFORMATION

Note 1 – General accounting policies

Basis for preparation

The consolidated financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway (NGAAP) for smaller Companies and NRS 8. The financial statements have been prepared on a going concern basis.

The Company listed on Euronext Growth as of November 2020 and is therefore required to prepare consolidated financial statements.

All amounts are presented in NOK, unless otherwise clearly stated.

Group composition

The Company's head office is located at Forus in Stavanger municipality, Norway. In addition to the parent entity, Huddlestock Fintech AS, headquartered in Stavanger, Norway, the group includes the subsidiaries Huddlestock Technologies AS, Oslo, Norway; Huddlestock Systems GmbH, Munich, Germany; Visigon Nordic AB and Visigon Sweden AB, Stockholm, Sweden; Visigon Denmark ApS, Copenhagen, Denmark; and Huddlestock Asia Sdn Bhd, Kuala Lumpur, Malaysia. It has offices in Norway, Germany, Sweden, Denmark, and Malaysia, respectively.

Classification of items in the statement of financial position

Assets intended for long-term ownership or use, are classified as non-current assets. Assets associated with the normal operating cycle are classified as current assets. Receivables are classified as current assets if they fall due within one year. Analogue criteria are applied to liabilities. Unless otherwise stated, long-term liabilities include next year's instalments.

Foreign currency translation

The functional currency of the parent entity is NOK. For consolidation purposes, the results and financial position of all the Group's entities that have a functional currency other than NOK are translated at the closing rate at the reporting date of each month. Income and expenses for each income statement are translated to the average exchange rate for the period, this being a reasonable approximation for estimating actual rate. Exchange rate differences are recognized directly against equity.

Note 2 – Revenues**Significant accounting policies**

Revenues are services provided and is recognized when the service is rendered.

Revenues by nature		
(amounts in NOK 1000)	1H 2023	FY 2022
Other revenue	45 971	46 708
Total	45 971	46 708

Revenues by country		
(amounts in NOK 1000)	1H 2023	FY 2022
Norway	11 665	8 140
Sweden	19 877	22 210
Denmark	14 425	15 731
Germany	3	627
Total	45 971	46 708

Note 3 – Government grants**Significant accounting policies**

The group receives government grants in relation to its research and development activities. When such grants are received to carry out certain activities or compensate specific expenses, the grant is recognized in the income statement over the same period as the associated costs. Grants that compensate the group for the cost of an asset are recognized as a reduction in the carrying value of the related asset and recognized as reduced depreciation over the useful life of the asset.

SkatteFUNN

The group currently has two Skattefunn-projects approved. The first project is approved from 2021 to 2023 and relates to the development of a platform for sustainable investments. The second project is approved from 2022 to 2024 and relates to the development of a cloud-based multi-tenant module based investment solution, with 100% isolation between users and with significantly lower costs and enabling scalability due to ultra rapid computing architecture compared to existing solutions. There will be developed five modules with functionalities for investment support, investment management, fund management, order management and portfolio accounting.

June 30, 2023		
(amounts in NOK 1000)	Licenses	Research and development
Development cost	33 036	49 514
Received government grants	-854	-5 845
Accumulated depreciation	-3 138	-4 071
Carrying value 30.06	29 044	39 598

Note 4 – Personnel costs

Significant accounting policies

Personnel costs are expensed as the employees earn the right to the payment of wages for hours worked. Payments to defined contribution pension schemes are expensed over the period in which the employees earn the right to the deposit. Personnel costs related to research and development projects are capitalized to the extent that the conditions for this are met.

Specification of personnel costs (amounts in NOK 1000)	1H 2023	FY 2022
Wages	23 571	29 138
Pension contributions	1 409	1 742
Social security tax	4 968	6 141
Other personnel costs	5 285	6 533
Total	35 233	43 555

Number of employees

(average FTE for the period)	1H 2023	FY 2022
Norway	19	10
Sweden	23	14
Denmark	7	7
Germany	3	3
Malaysia	1	1
Romania	9	5
Total	62	40

Note 5 – Remuneration of management and auditor

The Group CEO has an annual cash salary of NOK 1,45 million and 0,25 mNOK in shares as payment in kind. He is not entitled to severance pay and has no loans from the Company.

The Board of Directors have not been paid any board remuneration.

Specification of auditors remuneration (amounts in NOK 1000)	1H 2023	FY 2022
Statutory audit fee	1 020	580
Other certification services	0	0
Tax advisory services	0	0
Other non-auditing services	80	270
Total	1 100	850

Note 6 – Intangible assets, research and development

Significant accounting policies

Expenditures on research and development are capitalized to the extent that they are part of projects generating identifiable intangible assets, of which future economic benefits can be attributed. Expenses related to projects not meeting these criteria are charged to the income statement as they accrue.

Capitalised development costs

For the year 2022, the Company invested further resources and funding into our technology solutions. Huddlestock is a "technology first" company and therefore spends much of the resources on development, creating technical solutions and enhancements to the product range. In order to stay with the developments in the market and continue to have a leading role, Huddlestock prioritizes to continue to develop and enhance the various platforms. The platforms have been designed and developed with the latest technological tools and specifications available and has achieved many favourable attributes. We can mention that its architecture is so that it enables the performance to ultra-fast processing for millions of trades per day. Furthermore it is also designed so each client will have its own silo, ring fenced from others to see and enter. This creates security and compliance with regards to all relevant rules and regulations. There has also been a tremendous amount of time and effort put into how to creating scalable product solutions for quick implementation to multiple clients with short on-boarding processes. The scalability is viewed as an important part for a quick roll out and the ability to scale to many clients. All solutions are based on a "multi tenants" concept which allows for easy implementation and tailor-made functionality to many clients at the same time. The company's leading technological solution is now Huddlestock Trader (renamed from Bedrock solutions). The version 1.0 has been completed and at the current time we are focusing on tailor making our solutions to custom fit our contracted clients. In 2022, the company has also started developing version 2.0, and this work will continue in 2023.

Licences

The Group, through its parent Company, holds licenses that are licensed perpetually from Blue Ocean, used for the core technology behind Huddlestock Trader.

Specification of intangible assets (amounts in NOK 1000)	Research and development	Licenses	Technology	Customer contracts and relations	Goodwill
Cost 01.01.	37 652	32 182	8 000	61 170	29 928
Additions	36 969	5 000	21 010	93 549	100
Disposals	0	0	0	0	0
Cost 30.06.	74 622	37 182	29 010	154 720	30 028
Accumulated depreciation 01.01.	1 882	1 609	1 617	8 213	12 713
Depreciations and amortisation for the year	2 189	1 529	1 850	5 518	1 885
Disposals	0	0	0	0	0
Accumulated depreciation 30.06.	4 071	3 138	3 467	13 731	14 598
Book value 30.06	70 551	34 044	25 543	140 989	15 430
Amortisation period	5 yrs	5 yrs	5 yrs	10 yrs	10 yrs

**In the fourth quarter of 2022, the intangible asset was taken into production and amortisation of the R&D assets and licenses begun.*

Note 7 – Trade and other receivables**Significant accounting policies**

Trade and other receivables are recognized at face value, less provisions for expected credit losses. Provisions for expected credit losses are made on the basis of a specific assessment of the individual receivables. For trade receivables, a general provision is also made based on historical losses.

Specification of trade receivables (amounts in NOK 1000)	1H 2023	FY 2022
Trade receivables at face value	15 808	10 820
Provision for expected credit losses	0	0
Net trade receivables	15 808	10 820

Note 8 – Bank deposits, overdraft facility and restricted cash**Significant accounting policies**

Bank deposits, cash and cash equivalents includes all cash, bank deposits and other liquid investments that can be immediately converted into cash, with negligible exchange rate risk.

Restricted cash (amounts in NOK 1000)	30.06.2023	31.12.2022
Payroll tax account	488	659

Note 9 – Income tax**Significant accounting policies**

The income tax expense in the income statement includes the tax payable for the period and changes in deferred tax. Tax payable and deferred tax is calculated using tax rates and tax legislation that have been enacted at the end of the reporting period. Deferred tax is calculated on all temporary differences between tax base and amount recognised in the statement of financial position. In addition, deferred tax is also calculated on tax loss carry forward at the end of the reporting period. Deferred tax is only recognised to the extent that it is probable that future taxable income will be generated, against which it can be utilized. Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset them.

Basis for recognition of deferred tax asset

The deferred tax asset has not been recognised, in line with the exemption under NGAAP for smaller companies.

Note 10 – Equity

Specification of equity (amounts in NOK 1000)	Share capital	Own shares	Share premium	Other equity	Sum
Equity as per 31.12.2022	257	-10	115 150	0	115 398
Net profit (loss)	0	0	0	-19 450	-19 450
Purchase (sale) of own shares	0	1	2 318	0	2 319
Capital increase	66	0	89 440	0	89 505
Equity as per 30.06.2023	323	-9	206 908	-19 450	187 772

Note 11 – Share capital and shareholder information

Share capital

The parent entity, Huddlestock Fintech AS, has 169 894 216 shares outstanding, each with a nominal value of NOK 0,0019. All shares have equal voting and dividend rights.

Significant shareholders	Shares	Ownership
Nordnet Bank AB	20 429 510	12,0 %
Njord Group AS	12 429 113	7,3 %
Saa Invest AS	8 500 000	5,0 %
Vision Invest Stavanger AS	8 286 715	4,9 %
Total (shareholders holding > 4,5 %)	49 645 338	29,2 %
Other shareholders	120 248 878	70,8 %
Total	169 894 216	100,0 %

Shareholders associated with leading roles

Related party transactions			Transactions during 2023*
(amounts in NOK 1000)	Representative	Role	
Vision Invest Stavanger AS	Øyvind Hovland	Chairman of the Board in Huddlestock Fintech AS	300

* Included in other operating cost

Øyvind Hovland is CEO and Chairman of the board of Vision Invest AS

Note 12 – Loans and borrowings

The overdraft facility has a covenant that the drawn amount should not exceed 70 % of the trade receivables. As of 30.06.2023 the Group is in compliance with its loan covenants.

The Group holds the following loans as of June 30, 2023:		Drawn amount	Due within	Due between	Due
(amounts in NOK 1000)	Limit	30.06.	1 year	2-5 years	thereafter
Long term loan	12 904	12 904	1 859	11 045	0
Long term loan Innovasjon Norge	3 500	3 500	0	3 500	0
Overdraft facility	12 000	8 561			
	28 404	24 964	1 859	14 545	0

The following assets are pledged as security	
(amounts in NOK 1000)	31.12.2022
Trade receivables	15 808

Note 13 – Provisions and other short-term liabilities**Significant accounting policies**

Other short-term liabilities are mainly related to services received or wages to employees, for which payment is due within the next twelve months. These liabilities are measured at nominal amounts.

Specification of other short-term liabilities (amounts in NOK 1000)	1H 2023	FY 2022
Accrued holiday pay	5 640	3 426
Other short-term liabilities	83 433	16 770
Total	89 073	20 196

Note 14 – Business combination**Description of business combination**

Huddlestock Fintech AS was listed on Euronext Growth Market Oslo - 26 November 2020, as Norway's first fintech company to be publicly traded. Huddlestock Fintech is a company that develops and implements unique software as a service-solutions for digitizing work processes for custody banks, asset managers and trading venues.

The open, compliance-optimized and data centric wealthtech platform allows our customers to offer a differentiated real-time product that reduces cost and increases efficiency. Huddlestock Fintech's technology enables end-to-end digital services such as onboarding, client communication, reporting, order execution and portfolio management, all executed on the same platform.

Huddlestock has developed a white label solution that is primarily a product for financial services firms wanting to add low cost-efficient trading and investment services to their client web and app offerings. The solution links financial services firms with custody services, asset managers and individual investors.

Through its financial consultancy division - Visigon, Huddlestock delivers strategic financial technology solutions and process automation for the financial services industry. Founded in 2008, Visigon has grown into becoming the preferred supplier of financial consultancy services and technology providers in the Nordic region. Visigon became part of the Huddlestock Fintech family in 2021.

In 2022 Huddlestock added F5 IT to its group of companies, strengthening the group's capacity in delivering high-class strategic technology solutions and process automation for clients also outside of the financial services industry. In the first half of 2023 the group added Tracs Services AS, Tracs Technology AS, Bricknode Platform AB, Bricknode Software AB, Bricknode Ltd and Dtech AS further strengthening the group's product offering.

Transaction details of Trac Seivices AS

(amounts in NOK 1000)

Cash consideration	-
Share exchange	28 610
Transaction cost	188
Transaction price	28 799

31.03.2023

Identified intangible assets	7 000
Other fixed and current assets	-4 566
Cash and cash equivalents	7 712
Total assets	10 146
Other long term liabilities	1 858
Other short term liabilities	6 787
Total liabilities	8 645
Total identifiable net assets acquired	1 501

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	28 799
Deferred tax	1 540
Fair value of identifiable net assets	10 359
Goodwill	19 980

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Transaction details of Tracs Technology AS

(amounts in NOK 1000)

Cash consideration	-
Share exchange	4 495
Transaction cost	30
Transaction price	4 525

31.03.2023

Identified intangible assets	1 494
Other fixed and current assets	203
Cash and cash equivalents	853
Total assets	2 550
Other long term liabilities	-
Other short term liabilities	2 022
Total liabilities	2 022
Total identifiable net assets acquired	528

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	4 525
Deferred tax	329
Fair value of identifiable net assets	2 022
Goodwill	2 831

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Transaction details of Bricknode Platform AB

(amounts in NOK 1000)

Cash consideration	-
Share exchange	7 562
Transaction cost	48
Transaction price	7 610

31.03.2023

Identified intangible assets	810
Other fixed and current assets	2 288
Cash and cash equivalents	1 516
Total assets	4 615
Other long term liabilities	-
Other short term liabilities	2 615
Total liabilities	2 615
Total identifiable net assets acquired	2 000

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	7 610
Deferred tax	178
Fair value of identifiable net assets	2 202
Goodwill	5 587

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Transaction details of Bricknode Software AB

(amounts in NOK 1000)

Cash consideration	-
Share exchange	96 829
Transaction cost	616
Transaction price	97 445

31.03.2023

Identified intangible assets	18 705
Other fixed and current assets	-15 550
Cash and cash equivalents	1 460
Total assets	4 615
Other long term liabilities	-
Other short term liabilities	3 687
Total liabilities	3 687
Total identifiable net assets acquired	928

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	97 445
Deferred tax	4 115
Fair value of identifiable net assets	36 522
Goodwill	65 038

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Transaction details of Bricknode Ltd

(amounts in NOK 1000)

Cash consideration	-
Share exchange	2 570
Transaction cost	16
Transaction price	2 586

31.03.2023

Identified intangible assets	-
Other fixed and current assets	65
Cash and cash equivalents	537
Total assets	603
Other long term liabilities	-
Other short term liabilities	99
Total liabilities	99
Total identifiable net assets acquired	503

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	2 586
Deferred tax	-
Fair value of identifiable net assets	473
Goodwill	2 113

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Transaction details of Dtech AS

(amounts in NOK 1000)

Cash consideration	-
Share exchange	2 000
Transaction cost	202
Transaction price	2 202

31.03.2023

Identified intangible assets	-
Other fixed and current assets	9 651
Cash and cash equivalents	8
Total assets	9 660
Other long term liabilities	3 500
Other short term liabilities	1 316
Total liabilities	4 816
Total identifiable net assets acquired	4 844

Measurement of fair values

The valuations techniques used for measuring the fair value of acquired assets were as follows

Developed technology

Fair value of acquired technology has been calculated based on a reproduction cost from an analysis of the relevant cost components used in developing

Other

For remaining assets and liabilities fair values are assumed to equal book values.

Goodwill

Goodwill arising from acquisitions have been recognised as follows

Transaction price	2 202
Deferred tax	-
Fair value of identifiable net assets	4 202
Goodwill	-2 000

Goodwill reflects economies of scale, geographic presentence, Huddlestock's established market position and potential for continuous growth.

Note 15 – Events after the reporting period

Our teams are relentlessly focused on growing our business. We are seeing increased demand for our Investment-as-a-Service suite of products, particularly from the countries we have a presence, but also new leads are being generated beyond this. We focus on gaining more client relationships, develop our technological platform while we keep a strict cost control on our general activities.

Financial Calendar 2023

Quarterly results	Other events
Q3: 23 November 2023	
Q4: 22 February 2024	

Key Contacts

CEO

John E. Skajem

john.skajem@huddlestock.com

Chief Corporate Development and head of IR

Leif Arnold Thomas

leif.thomas@huddlestock.com

Cautionary statement and information on estimation uncertainty

This report contains statements regarding future prospects of Huddlestock Fintech, including estimates, strategies and objectives. The risks and uncertainties inherent in all forward looking statements can lead to actual developments and profits differing materially from what has been expressed or implied.



huddlestock

Huddlestock Fintech AS

Kanalsletta 2

4033 Stavanger

T: +47 4188 7412