

hddlestock

Empowering Companies to Offer Modern Investment and Trading Services

Q4 2023 presentation, Feb 22, 2024



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Rapidly growing
provider of wealth

Huddlestock Fintech



Øyvind Hovland
Chairman



Leif Arnold Thomas
Group CEO



Leif Arnold Thomas new Group CEO from Febr. 1, 2024

- **Education; Master in economics and Business administration(NHH)**
- **Professional career**
 - Oslo Børs (Euronext)
 - VPS (Norwegian CSD, Euronext)
 - Centevo (Nordic Asset management solutions)
 - Dtech (SaaS solution for pension providers)
 - Huddlestock Fintech since March 2023
- **Various management positions with focus on market, customers & sales**
- **Many years of experience building / industrializing fintech-companies**



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Consolidated financials in 2023

Revenues

87.7m

NOK

Year over year change +88 %

EBITDA

-16.7m

NOK

Year over year change -14 %

Recurring revenues

41,9m

NOK

Year over year change +566 %

Highlights Q4 2023

- Consolidated Group revenues of MNOK 87,7 (YoY growth of + 88%)
- Strong development consolidated revenue 2023 from Professional Services (Visigon) of MNOK 51, EBITDA margin of 13%. Outlook is stabile
- Consolidated EBITDA margin Q4 2023 of – MNOK 8,3 (YoY +/- 0 %)
- Consolidated recurring revenues of MNOK 41,9 NOK (YoY growth of +566%)
- Write downs of MNOK 18,5 following updated considerations
- Successful fundraising of MNOK 17,5 completed



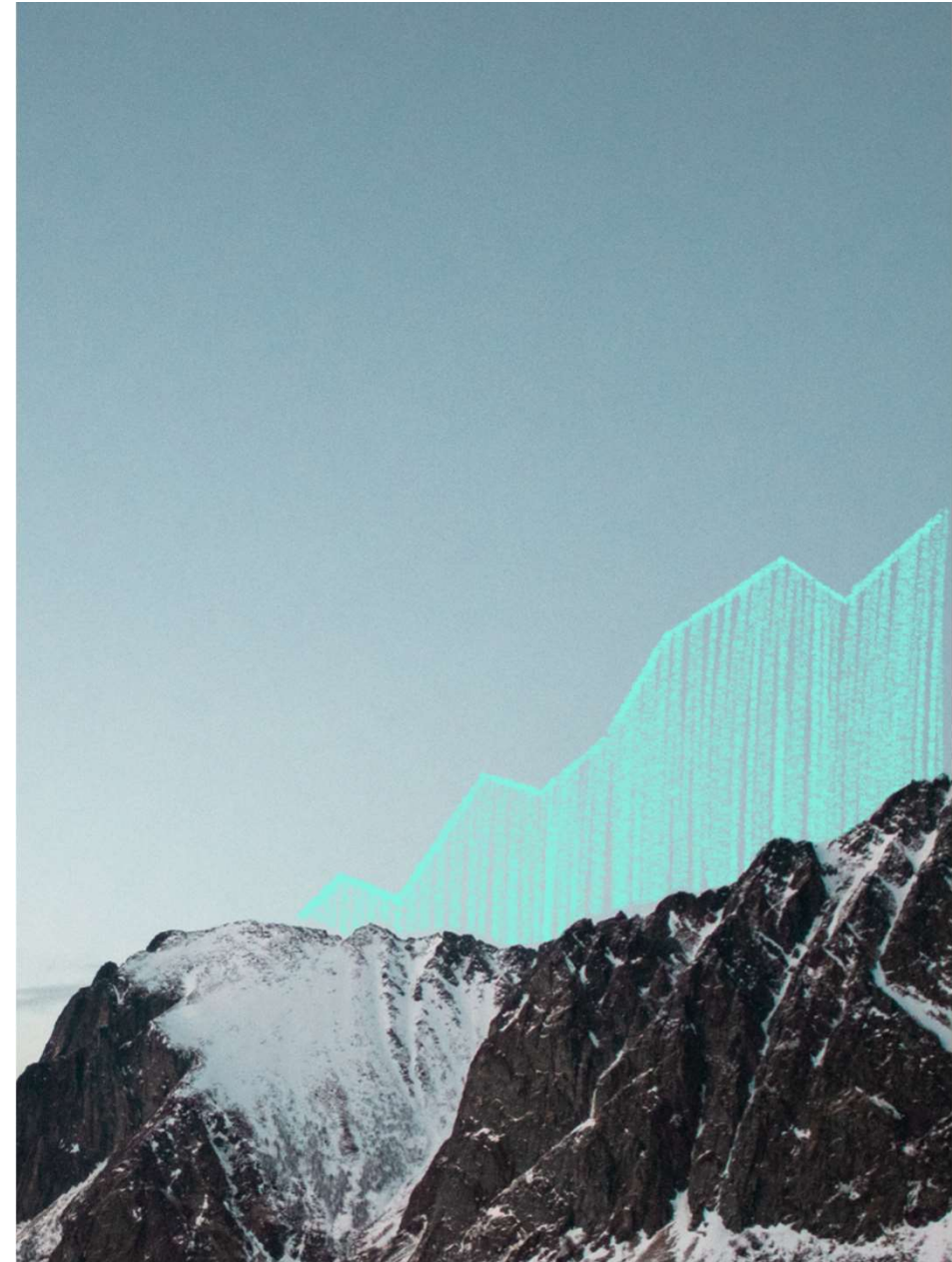
Events after Q4

- **New Group CFO (Morten Bernhardsen) from January 2, 2024**
- **New Group CEO (Leif Arnold Thomas) from February 1, 2024**
- **Garantum Wealth Management decided to extend their business relationship with Huddlestock, fund trading included during Feb. Confirms our value proposition**
- **Signed LOI with AVL**
- **Following earlier communicated change of business model from Solaris, the cooperation with Solaris mutually agreed to be terminated and be replaced with a new formal strategic B2B partnership agreement. Dialogue continues**



Key priorities going forward

- **Build & grow faster a pipeline based on profitable products**
- **Customer deliveries- and focus to be higher prioritized**
- **Increase internal efficiency and enhance structure**
- **Growing the Professional Services business (Visigon)**
- **Stronger focus on profitability**
 - Increase short term (profitable) revenues where possible
 - Cost control, reduce costs
- **Identify long term financing partners to support strategy, incl pot. non-organic growth**
- **Prioritize activities and business development that build long term shareholder values**

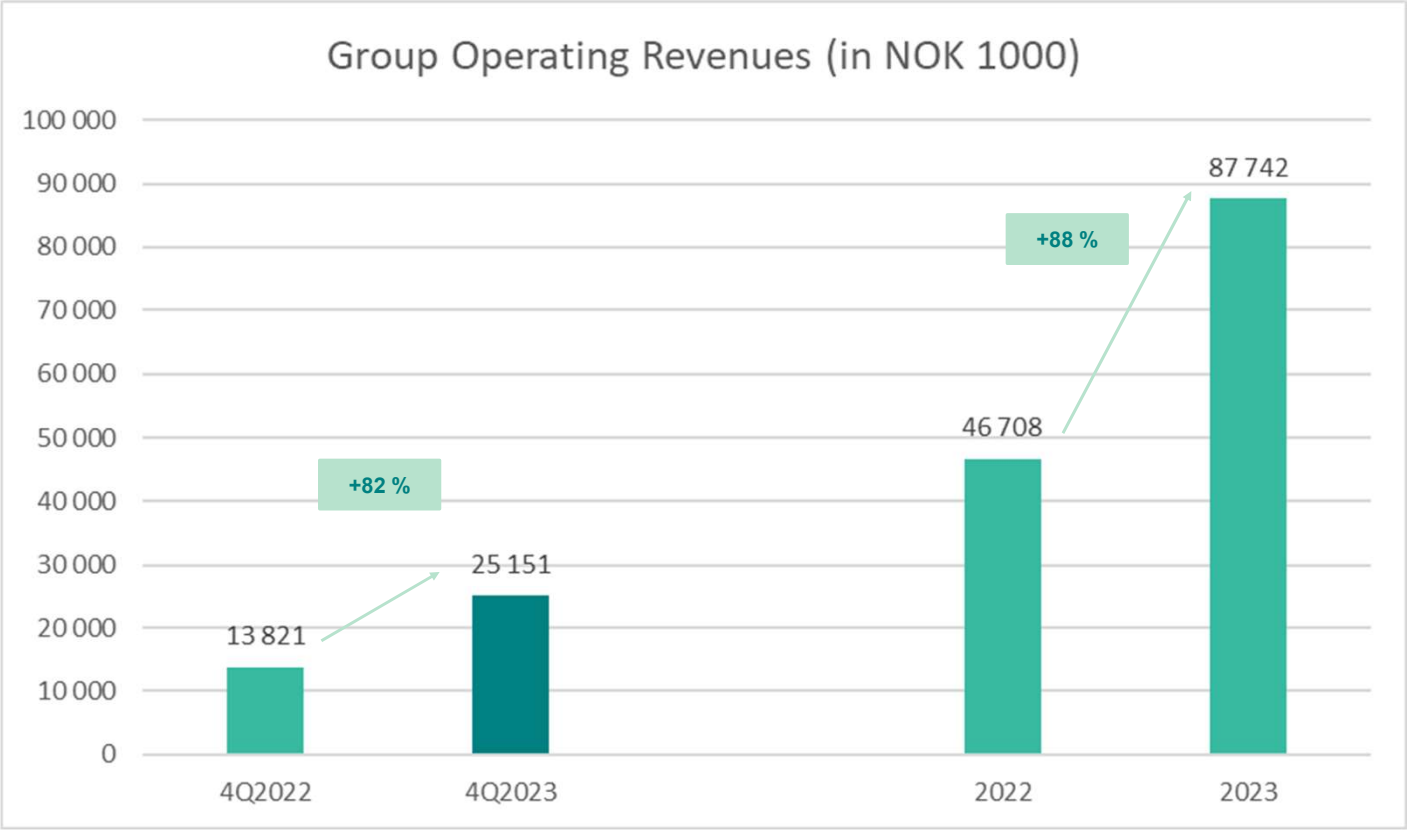




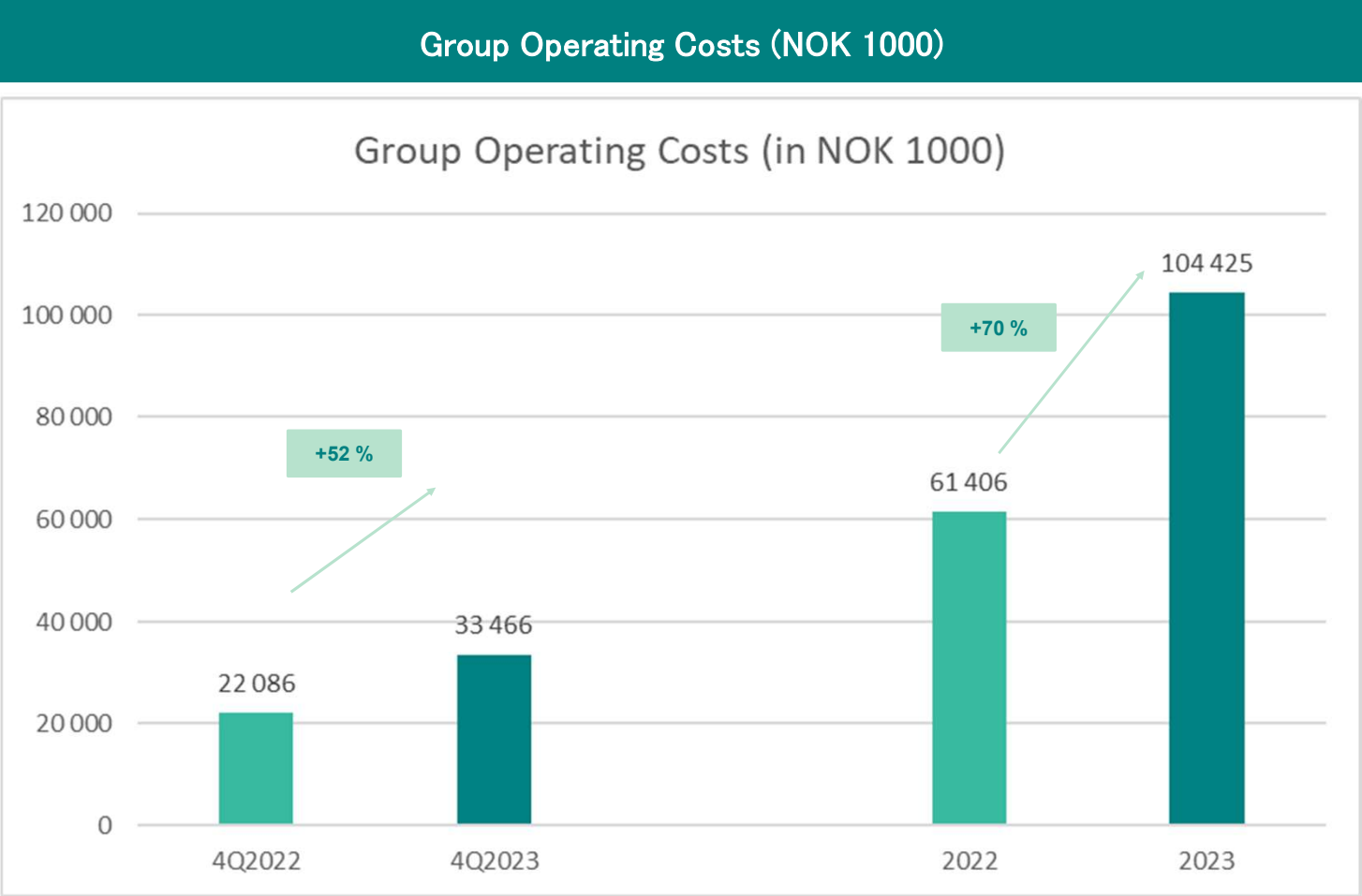
Unaudited 4Q and 2023 Results

Group Operating Revenues

Group Operating Revenues (in NOK 1000)



Group Operating Costs

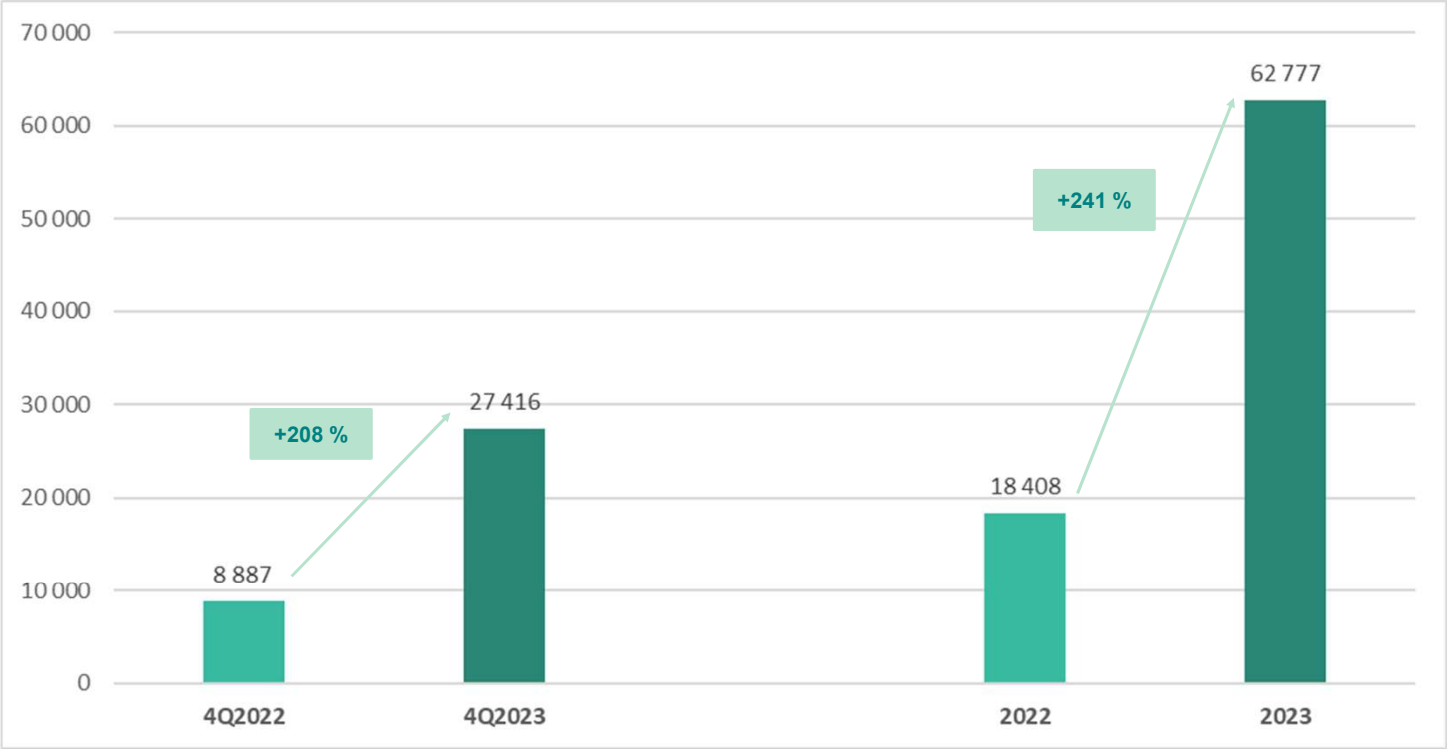


- Some one-off costs Q4 following aquired companies during 2023



Group Depreciation & Amortization

Group Depreciation & Amortization (NOK 1000)

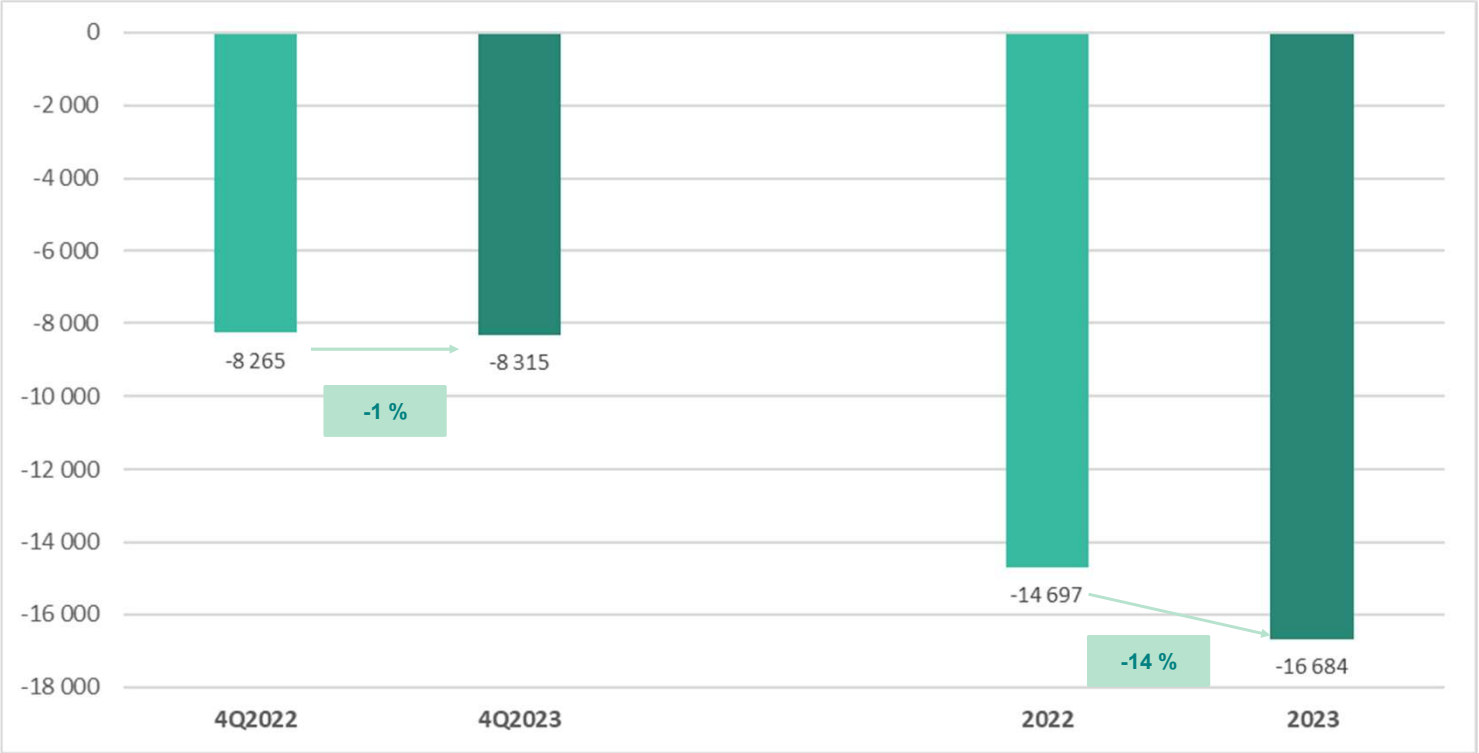


- Started to amortize technology taken in use in 2023
- x-ord write downs of MNOK 18.5 in Q4



Group EBITDA

Group EBITDA (NOK 1000)

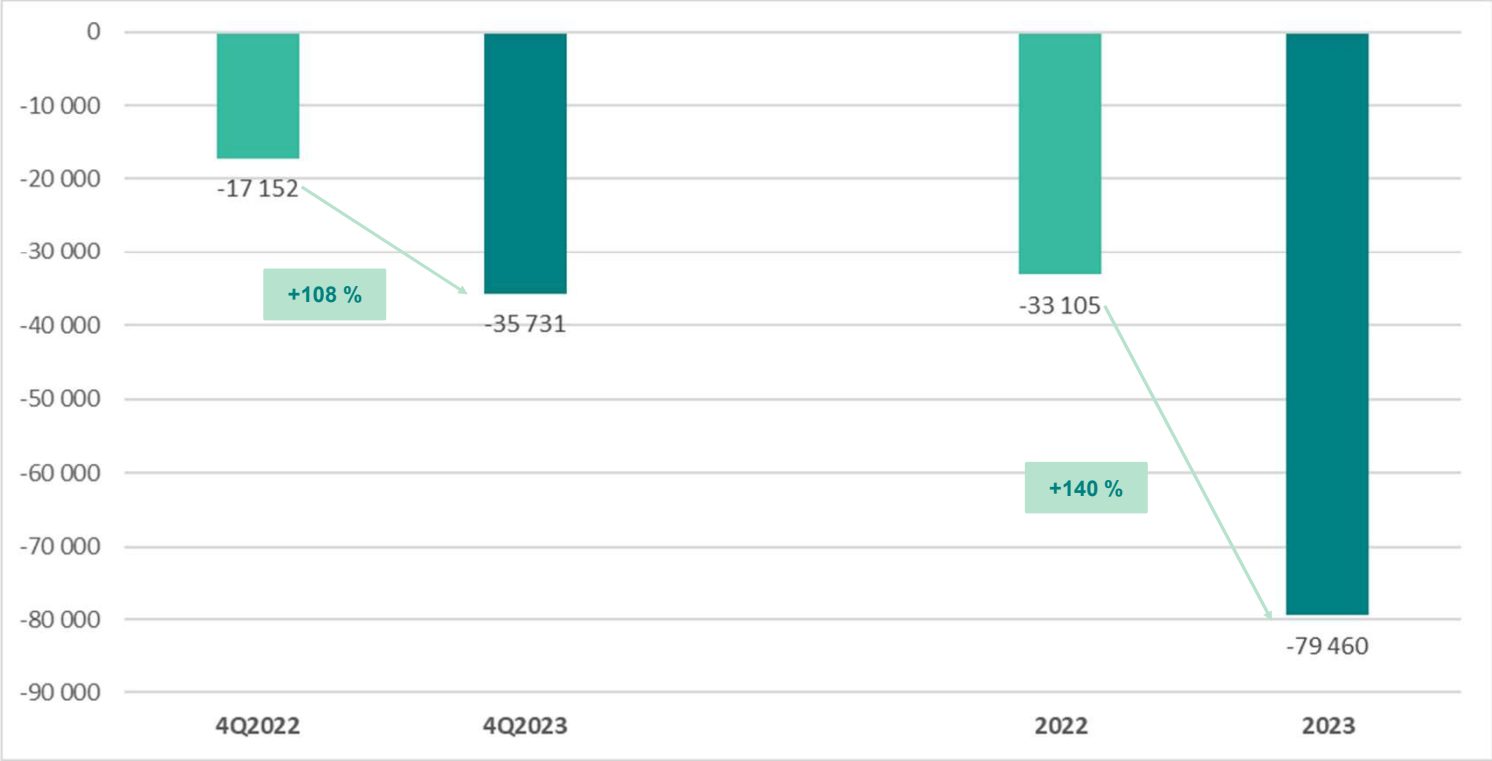


- EBITDA Q4 2023 in line with Q4 2022 (YoY)



Group EBIT

Group EBIT (NOK 1000)

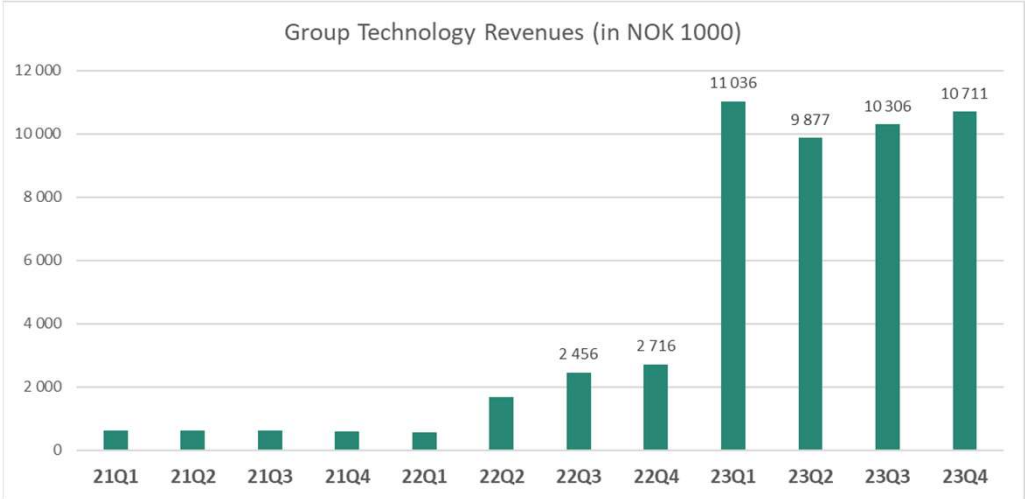
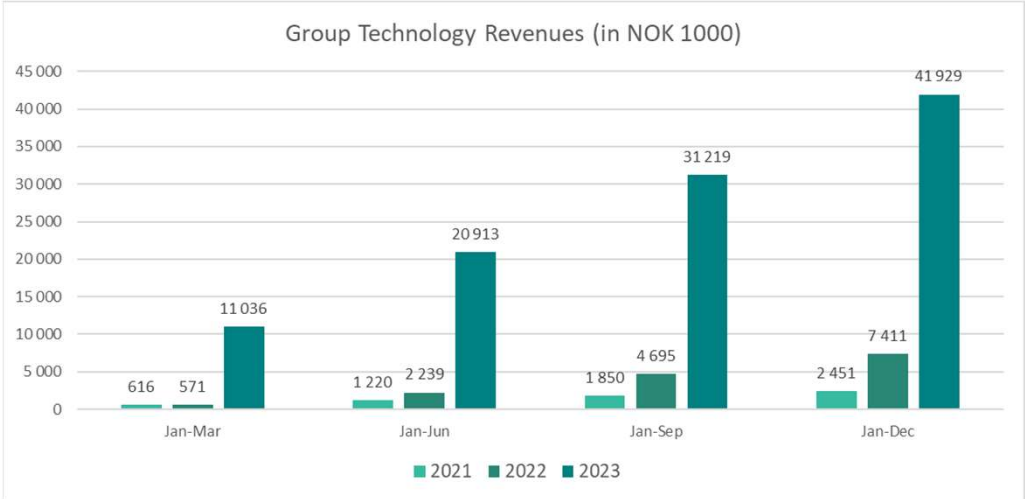


- Amortization of developed technology starting used in 2023
- Amortization of goodwill from companies aquired in 2023



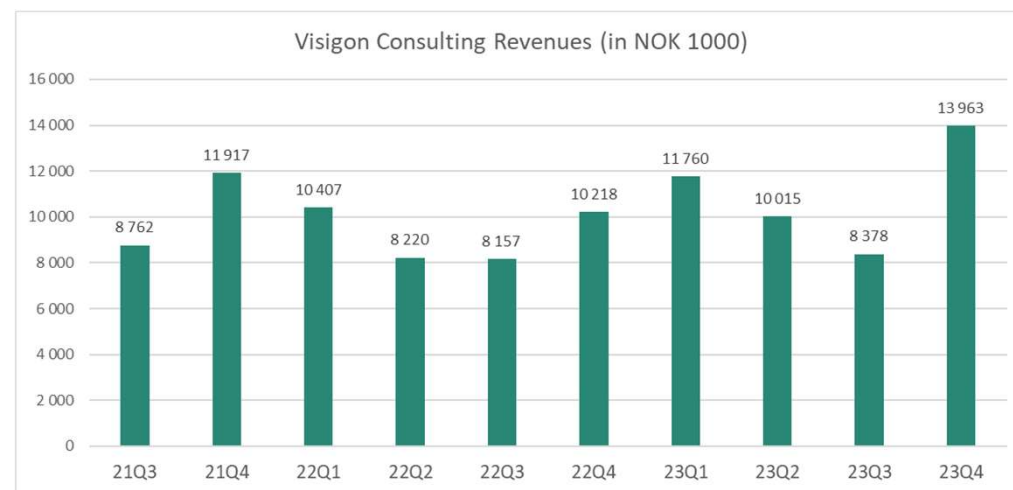
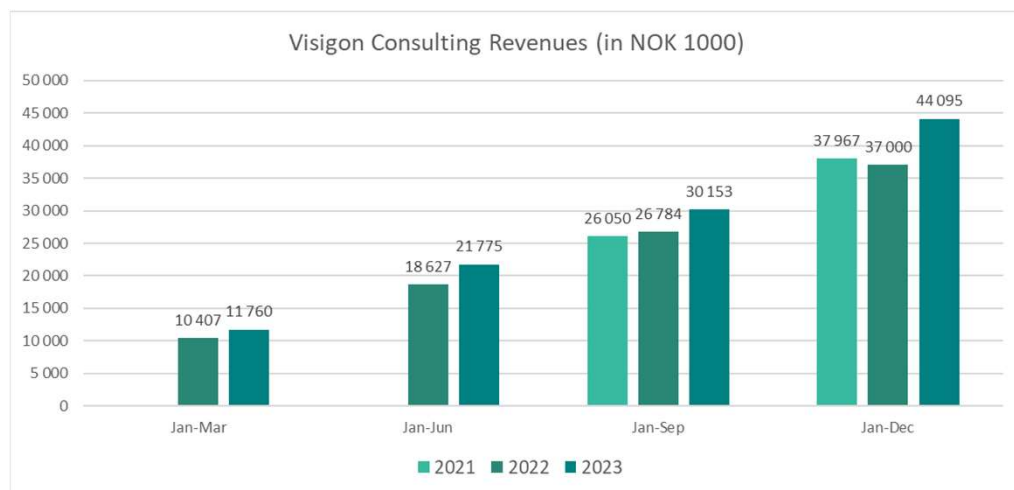
Technology

Technology revenues (NOK '000)



Visigon consulting revenues

Consulting revenues (NOK '000)





Annexes

Consolidated Income Statement

Consolidated Income Statement (in NOK)	4Q2023	3Q2023	QoQ	4Q2022	YoY	2023	2022	YoY
Other operating income	25 150 766	21 685 092	16 %	13 820 890	82 %	87 741 690	46 708 344	88 %
Total operating income	25 150 766	21 685 092	16 %	13 820 890	82 %	87 741 690	46 708 344	88 %
Cost of materials/subcontractors	-127 243	949 485	-113 %	8 038 326	-102 %	3 048 739	12 817 116	-76 %
Personnel costs	18 563 928	21 505 123	-14 %	14 523 448	28 %	75 302 414	43 555 250	73 %
Other operating expenses	15 029 095	3 293 769	356 %	-475 533	n/m	26 074 290	5 033 377	n/m
Total operating expenses	33 465 780	25 748 377	30 %	22 086 241	52 %	104 425 444	61 405 743	70 %
EBITDA	-8 315 014	-4 063 285	105 %	-8 265 350	1 %	-16 683 754	-14 697 399	14 %
Depreciation and amortisation	27 416 377	15 996 425	71 %	8 887 076	208 %	62 776 570	18 408 001	241 %
EBIT	-35 731 391	-20 059 710	78 %	-17 152 426	108 %	-79 460 324	-33 105 400	140 %
Interest income	675 886	105 872	n/m	3	n/m	791 363	428 807	85 %
Other financial income	189 301	91 009	108 %	-108 302	n/m	429 124	237 890	80 %
Total financial income	865 187	196 881	339 %	-108 299	n/m	1 220 487	666 697	83 %
Interest expenses	1 449 744	644 683	125 %	234 258	519 %	2 715 687	847 197	221 %
Other financial expenses	5 262 669	854 193	516 %	-45 682	n/m	6 584 226	268 275	n/m
Total financial expenses	6 712 413	1 498 876	348 %	188 576	n/m	9 299 913	1 115 472	n/m
Net financial items	-5 847 226	-1 301 995	349 %	-296 875	n/m	-8 079 426	-448 775	n/m
Result before tax	-41 578 617	-21 361 705	95 %	-17 449 301	138 %	-87 539 750	-33 554 175	161 %
Income tax	-100 781	670 940	-115 %	1 363 691	-107 %	647 878	1 816 780	-64 %
Net result	-41 679 398	-20 690 764	101 %	-16 085 609	159 %	-86 891 872	-15 651 785	455 %

Consolidated Balance Sheet

Consolidated Financial Position (in NOK)	31.12.2023	31.12.2022
ASSETS		
Research and development	59 687 186	35 770 453
Goodwill	115 224 953	52 957 680
Technology	18 038 038	6 383 333
Customer contracts and relationships	15 345 337	17 214 654
Licenses	28 386 654	30 573 094
Total intangible assets	236 682 168	142 899 214
Investment in equities	389 199	199 980
Property, plant & equipment	199 483	285 599
Total fixed assets	588 681	485 579
Total non-current assets	237 270 849	143 384 794
Trade receivables	10 669 924	10 819 805
Other short-term receivables	9 955 171	11 077 250
Total receivables	20 625 095	21 897 055
Bank deposits, cash and cash equivalents	9 730 065	2 903 838
Total current assets	30 355 160	24 800 892
Total assets	267 626 009	168 185 686

Consolidated Financial Position (in NOK)	31.12.2023	31.12.2022
EQUITY		
Paid-in capital		
Share capital	350 507	257 278
Capital increase not registered	13 561 756	0
Own shares	-5 335	-9 811
Share premium	224 844 017	115 150 624
Total paid-in capital	238 750 945	115 397 892
Other equity	-82 220 253	0
Total other equity	-82 220 253	0
Total equity	156 530 692	115 398 092
LIABILITIES		
Other long-term liabilities	15 029 457	7 245 904
Deferred tax	8 279 343	5 191 557
Total long-term liabilities	23 308 799	12 437 461
Accounts payable	6 964 546	9 531 322
Payroll taxes, VAT etc.	6 701 263	4 275 717
Loans and borrowings	3 999 812	6 346 864
Other short-term liabilities	70 120 896	20 196 229
Total short-term liabilities	87 786 517	40 350 132
Total liabilities	111 095 316	52 787 594
Total equity and liabilities	267 626 009	168 185 685

Consolidated Cash Flow Statement

Consolidated Statement of Cash Flows (in NOK)	2023	2022
Profit (loss) before tax	-87 539 750	-33 554 175
Depreciation and amortisation	62 776 570	18 408 001
Changes to accounts receivable	321 880	-1 965 741
Changes to accounts payable	-2 644 776	6 702 237
Changes to other accruals and prepayments	10 514 673	-7 476 932
Net cash flow from operating activities from continuing operations	-16 571 402	-17 886 610
Additions intangible assets	-27 711 602	-14 319 000
Aquisition/sale of subsidiaries, net of cash acquired	11 663 429	478 000
Transaction costs	-1 101 000	-865 448
Net cash flow from investment activities from continuing operations	-17 149 174	-14 706 448
Proceeds from capital increase	22 500 000	1 672 000
Treasury shares	6 307 579	10 510 000
Loans obtained	12 531 000	7 092 768
Repayment of loans	-791 777	0
Net cash flow from financing activities from continuing operations	40 546 802	19 274 768
Net changes to cash and cash equivalents from continuing operations	6 826 227	-13 318 290
Bank deposits, cash and cash equivalents per 1.1.	2 903 838	16 222 128
Bank deposits, cash and cash equivalents per 31.12.	9 730 065	2 903 838

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