

hddlestock

Company Presentation

2020 and beyond

February 25, 2021



WINNER

Best Fintech Startup
NORDIC STARTUP AWARDS
2019



FINALIST
2019

**Global
Startup
Awards**



We enable the Wealth Tech industry to become digital

Saving time and cost while improving customer quality

Agenda

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Industry overview

Highlights in 2020

Huddlestock overview

Financials

Highlights in 2020

Corporate Actions

- Listing on Oslo Stock Exchange - Euronext Growth Market
- Successful acquisition of 100% of Huddlestock Systems in Germany
- Successful Capital increase in November
- CFI.Co awarded Best FinTech IPO - Nordics 2020
- Nominated to Technology Innovator Award by Corporate Vision
- Listed on Börse Munchen – Gettex - in Germany

Commercial

- Qinfen is completed and will provide a digital and versatile investment universe
- Finished core wealth tech platform
- Bedrock and Apex stage 1 launched with BNP Paribas January 20 2021 – stage 2 to be announced by BNP Paribas
- New contracts:
 - Signed partnership with MHX in Malaysia
 - LOI with large European bank
 - Baader Bank in Germany
 - Pecunia GmbH - first asset manager to join Apex Platform
 - Partnership with Donau Capital on Bedrock B2B
 - Partnership with Tradegate Exchange on Bedrock B2B



Profit (loss) statement (unaudited)

Consolidated income statement (in NOK 1000)	2020	2019	
Operating income			
Other operating income	225	0	
Total operating income	225	0	
Operating expenses			
Personnel costs	432	704	Wages
Other operating expenses	8,267	5,000	Mostly software development costs, listing cost and capital increase cost
Total operating expenses	8,699	5,704	
Operating profit (loss)	-8,474	-5,704	
Financial income			
Interest income	9	1	
Other financial income	142	2	
Total financial income	151	3	
Financial expenses			
Interest expenses	39	11	
Other financial expenses	33	5	
Total financial expenses	72	17	
Net financial items	79	-14	
Net profit (loss) from discontinued operations	-4,033	-2,955	The Group has entered into a Share Purchase Agreement with Opera Financial Technologies Limited on 22 September 2020 regarding the sale of all issued shares in Dovre Forvaltning UAB
Profit (loss) before tax	-12,428	-8,672	
Income tax	0	0	
Net profit (loss)	-12,428	-8,672	

Balance sheet (unaudited)

Consolidated Financial position (in NOK 1000)	2020	2019
ASSETS		
Intangible assets		
Research and development	19,308	15,789
Licences	45,952	5,459
Total intangible assets	65,260	21,248
Total non-current assets	65,260	21,940
Receivables		
Trade receivables	-	1,340
Other short-term receivables	1,089	1,370
Total receivables	1,089	2,710
Bank deposits, cash and cash equivalents	2,958	11,336
Net assets discontinued operations	2,233	0
Total current assets	6,280	14,046
Total assets	71,541	35,986

Consolidated Financial position (in NOK 1000)	2020	2019
Equity		
Paid-in capital		
Share capital	208	143
Share capital - not registered	0	19
Own shares	0	0
Share premium	72,445	7,940
Share premium- not registered	0	17,232
Total paid-in capital	72,653	25,334
Retained earnings		
Other equity	-5,480	6,962
Total retained earnings	-5,480	6,962
Non-controlling interest	-	290
Total equity	67,173	32,587
Liabilities		
Short-term liabilities		
Accounts payable	1,532	857
Payroll taxes, VAT etc.	169	87
Other short-term liabilities	2,455	2,456
Total short-term liabilities	4,157	3,399
Net liabilities discontinued operations	211	-
Total liabilities	4,367	3,399
Total equity and liabilities	71,541	35,986

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Financials

A digital breakthrough for custodian banking in symphony with wealth management. The partnership provides for superior and cost-effective client services through the **Apex** and **Bedrock** solutions

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Apex

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Bedrock



Huddlestock: Three key Pillars

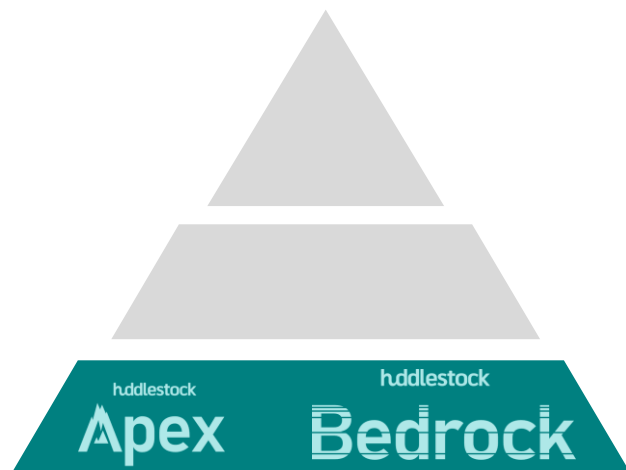


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Proving to be investing and trading - what PayPal is for payments



World Class Technology

- World-class Fintech with multiple awards and recognition in the industry
- Contract with BNP Paribas – a key industrial validation of our know-how and technology for custody banking.
- Contract with MHX Group in Malaysia – launching in April 2021 with BNP Paribas Platform.



Contracts

- Recurring revenue in the attractive Wealth Tech segment secures future cash flow. Short path to profitability
- Huddlestock has contracts and Letters of Intent with a strong pipe-line



Strong Shareholder Value Creation

- Scalable digital business model and supportive industry trends in Wealth Tech
- Strong pipeline
- Listing of shares on Oslo Børs – Euronext Growth Market
- Potential M&A activity – strong technology position makes the company an attractive partner for strategic initiatives

Company structure

hddlestock Fintech AS

Holding company based in Stavanger



100%

Huddlestock Technologies AS

- 100% owned daughter in the Group
- Norwegian company that owns the intellectual property and technology
- Is responsible for development and customisation

100%

Huddlestock Systems GmbH

- 100% owned daughter in the Group
- Investment services and investment activities license held through Huddlestock Systems GmbH, which allows passporting within the EU

100%

Huddlestock Asia SDN BHD

- 100% owned daughter in the Group
- Huddlestock Asia owns Huddlestock SDN BHD 30%

30%

Huddlestock SDN BHD

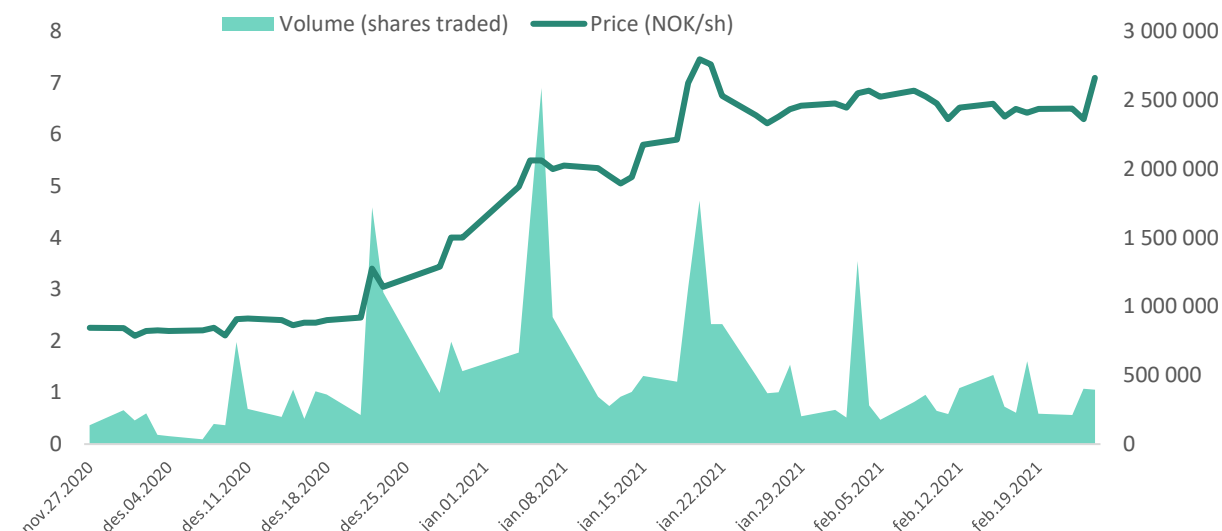
- Partner with MHX Group
- Operating company for Malaysia
- Connectivity project - Utilising the Huddlestock/BNP platform
- Live April 2021

High quality shareholders base

Rank	Investor	Holding no. of shares	Stake, %
1	Euroclear Bank S.A./N.V.	21,333,746	19.5%
2	VISION INVEST STAVANGER AS	8,151,715	7.4%
3	RETROPI LIMITED	7,707,608	7.0%
4	BERKER GROUP AS	6,847,189	6.2%
5	GRUNNFJELLET AS	5,310,000	4.8%
6	GENTLE INVEST AS	3,846,300	3.5%
7	HUDDLE AS	3,242,622	3.0%
8	E HOLDING AS	3,013,395	2.7%
9	SAA INVEST AS	2,662,513	2.4%
10	HOGNAN INVEST AS	2,494,512	2.3%
11	STEIN HEGRE HOLDING AS	2,400,000	2.2%
12	SAAMAND AS	2,071,494	1.9%
13	GJEDREM AS	2,035,623	1.9%
14	VALINOR AS	1,563,852	1.4%
15	BILL INVEST AS	1,536,847	1.4%
16	GJEDREM HOLDING AS	1,346,187	1.2%
17	STOKK INVESTERING AS	1,315,790	1.2%
18	SIRIUS AS	1,140,000	1.0%
18	PEBRIGA AS	1,129,541	1.0%
20	PLATAA VENTURE AS	1,096,013	1.0%
21	Nordea Bank Abp	1,021,587	0.9%
22	NORDNET LIVSFORSIKRING AS	964,900	0.9%
23	ALA AS	913,395	0.8%
24	KRISTIANS AND AS	885,000	0.8%
25	SANDNES INVESTERING AS	844,000	0.8%
Total Top 25		84,873,829	77%
Total		109,668,729	100%

Management and the Board of Directors in total own 40% of shares

HUDL: Share price development since listing in November



Huddlestock has invested approximately **NOK 100m since 2014**. The funding has come from both institutional and individual investors, along with public grants from institutions like Innovation Norway and “Skattefunn”.

Management



John E. Skajem
CEO

John E. Skajem is the Chief Executive Officer of Huddlestock Fintech AS. John E. joined Huddlestock with a long career and experience from the financial industry. Over the years John E. has gained a thorough understanding of all aspects of the financial services industry. John E. has hands on experience from Investments Banks, Asset Managers to large global universal banks with management position while working in Chicago, NYC, London, Paris, and Oslo.



Peter van Kleef
CEO of Huddlestock
Systems GmbH

Peter van Kleef is co-founder of Huddlestock Systems GmbH which developed Huddlestock's B2B platform for BNP Paribas. Peter has extensive experience in the asset management industry having initiated and supervised numerous large scale projects in the asset management and banking industry.

The Board of Directors



Øyvind Hovland
Chairman

Øyvind is a serial entrepreneur with more than 20 years of experience in starting and scaling companies in various industries. Notably Cyviz AS – with offices globally, and Vision Io AS, a leading optic camera provider to the Oil and gas industry.



Murshid Ali
Member

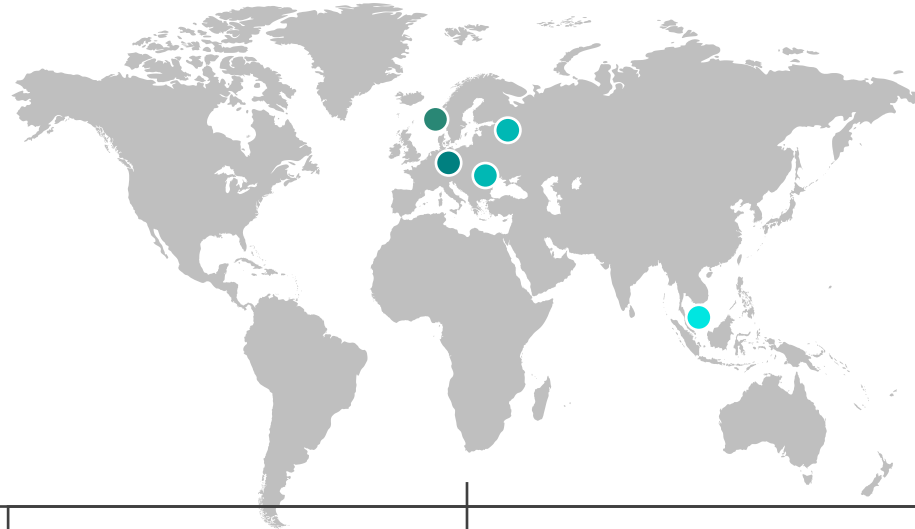
Murshid is an Executive Director and co-founder of Huddlestock. He is a PhD candidate in Economics, and holds a master's degree from Grenoble Ecole de Management, and a degree from NTNU. He has almost a decade of experience as an entrepreneur, primarily within the energy and financial industry.



Per Øyvind Berge
Member

Per Øyvind is an investor and entrepreneur in Norway, founding PXO, Quickflange and other successful companies. He has more than 20 years of experience from developing businesses and growing companies in various industries. He holds a Bachelor's degree in Financial Management from BI Business School.

Company Human Resources





A digital and commercial opportunity for custody banks, asset managers and investors

Through Qinfen, a private label solution based on the Apex platform, asset managers can access and offer BNP customers a flexible, professional and future ready digital interface.

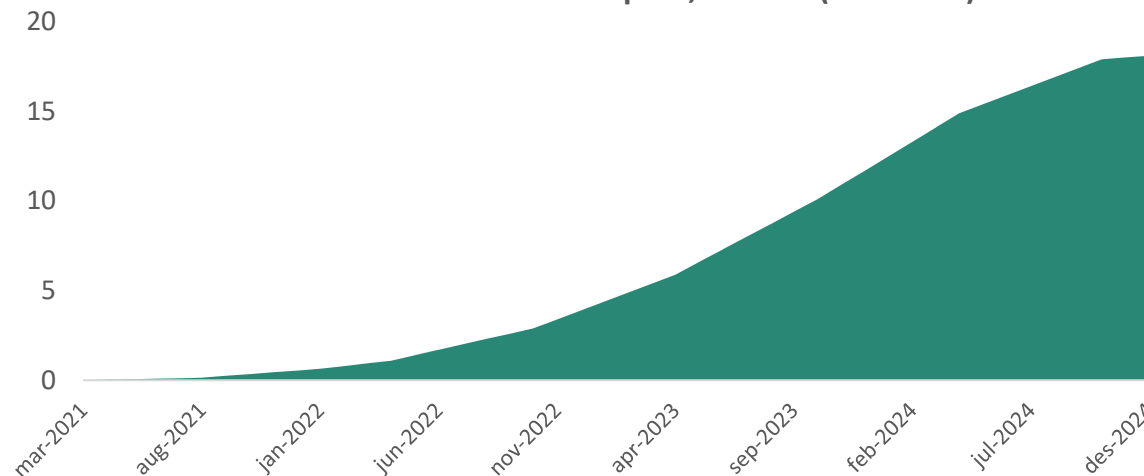


Custody bank solution

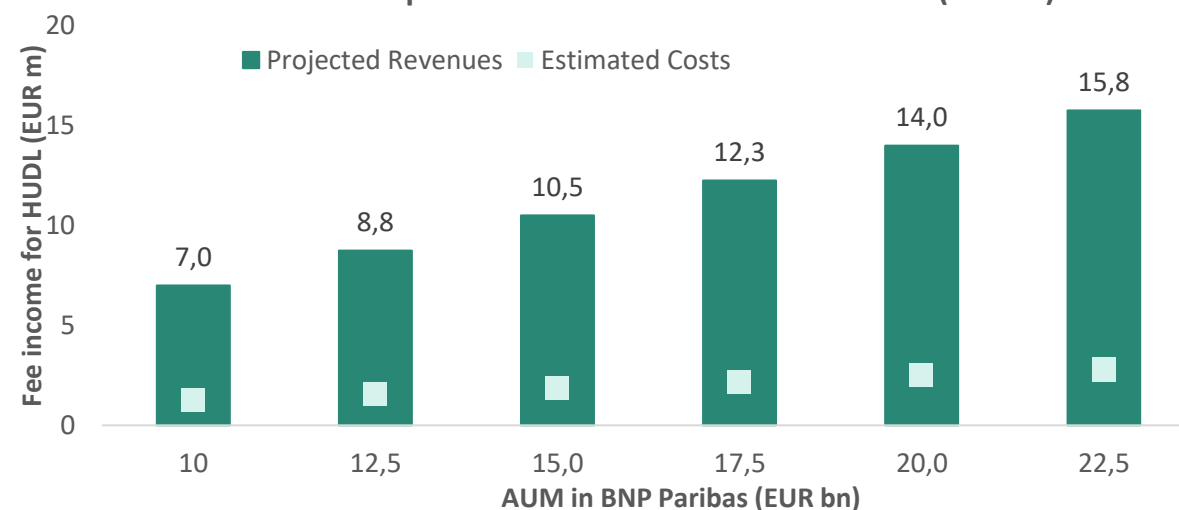
Asset-based

- Huddlestock will receive fees from Asset Under Management (AUM) managed on the platform
- Through BNP Germany, Huddlestock expects to add EUR 20bn in AUM in 3-4 years
- BNP Paribas' infrastructure is global and allows Huddlestock to offer its solution to a broad base of clients
- Lower customers' acquisition costs thanks to BNP references
- Opportunity to increase significantly revenues globally with little incremental costs

BNP Paribas Estimated AUM path, EUR bn (base case)



Annual revenues potential from BNP Paribas contract (EUR m)



* Average expected fee applied in the calculation depending on the volume

** Indicative numbers and analysis



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Bedrock

Bedrock is an out of the box trading platform

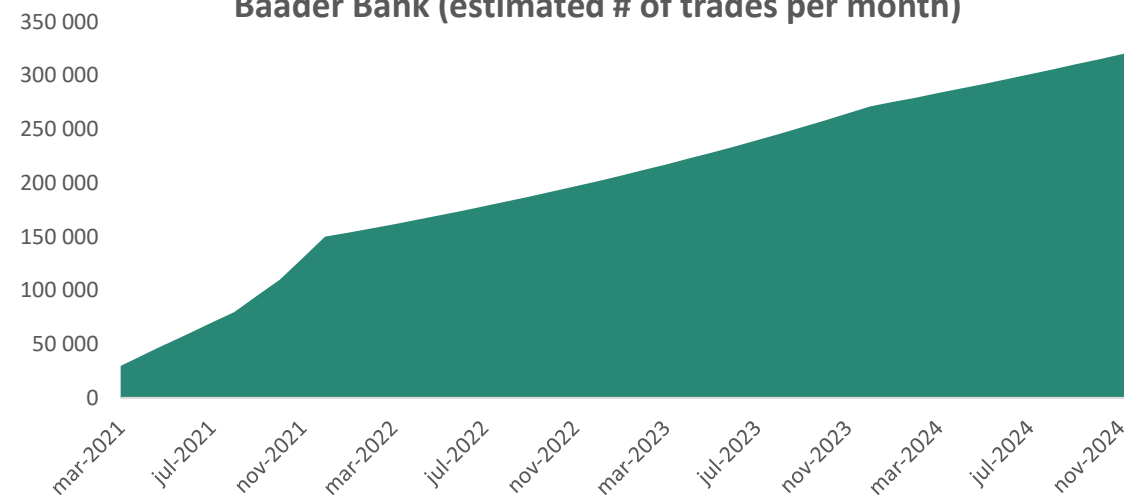
Gives you direct market access to a universe of 12,000 equity instruments and countless financial products

Connectivity solution (Bedrock)

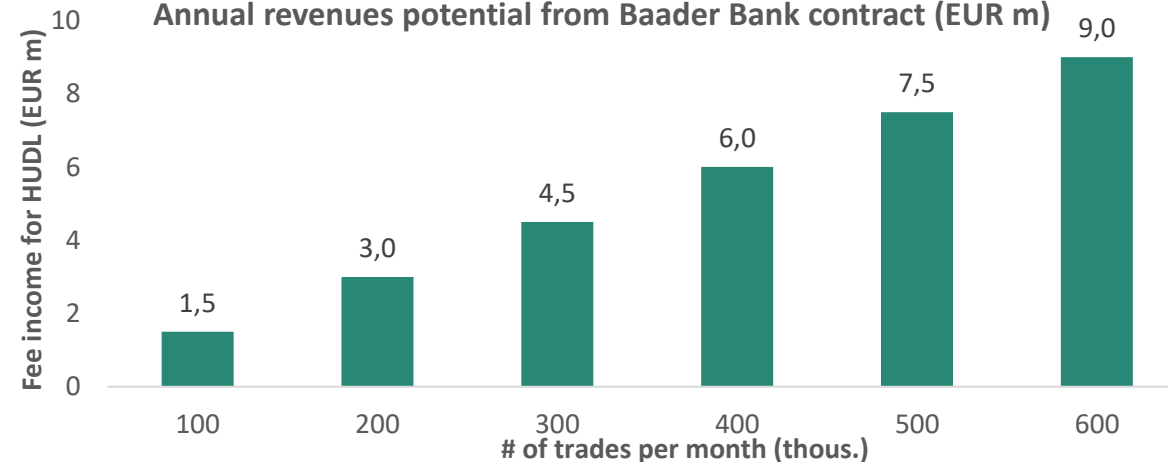
Transaction-based

- Huddlestock will receive a certain agreed fee per transaction
- Baader Bank is expected to become the second largest contract after BNP Paribas
- Trading connectivity contracts have **major revenue potential at little additional cost**

Baader Bank (estimated # of trades per month)



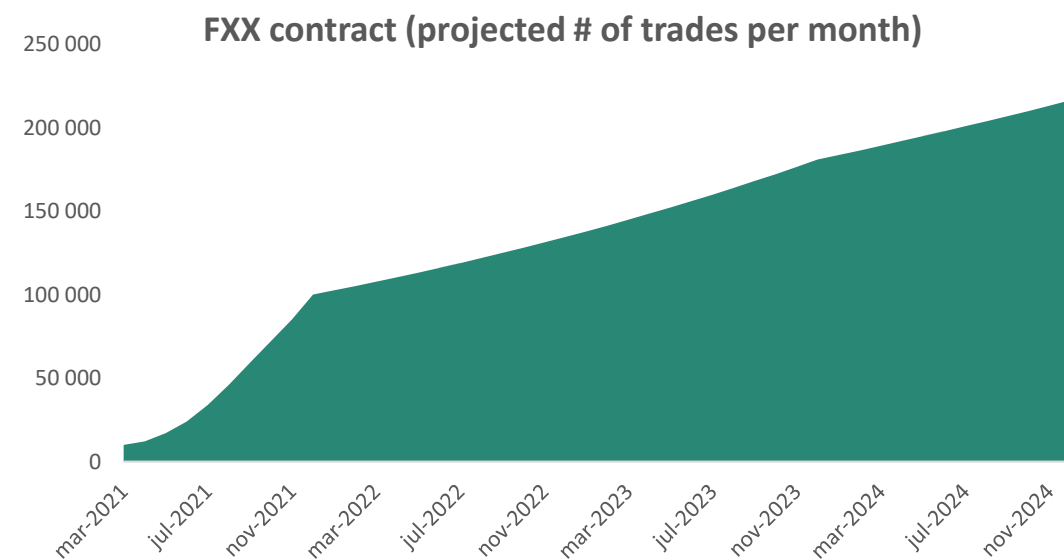
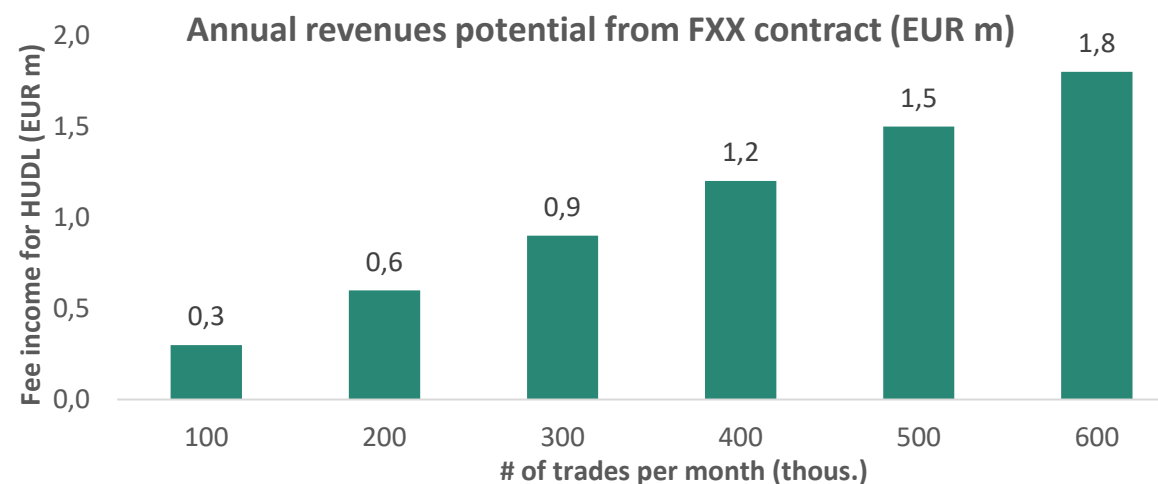
Annual revenues potential from Baader Bank contract (EUR m)



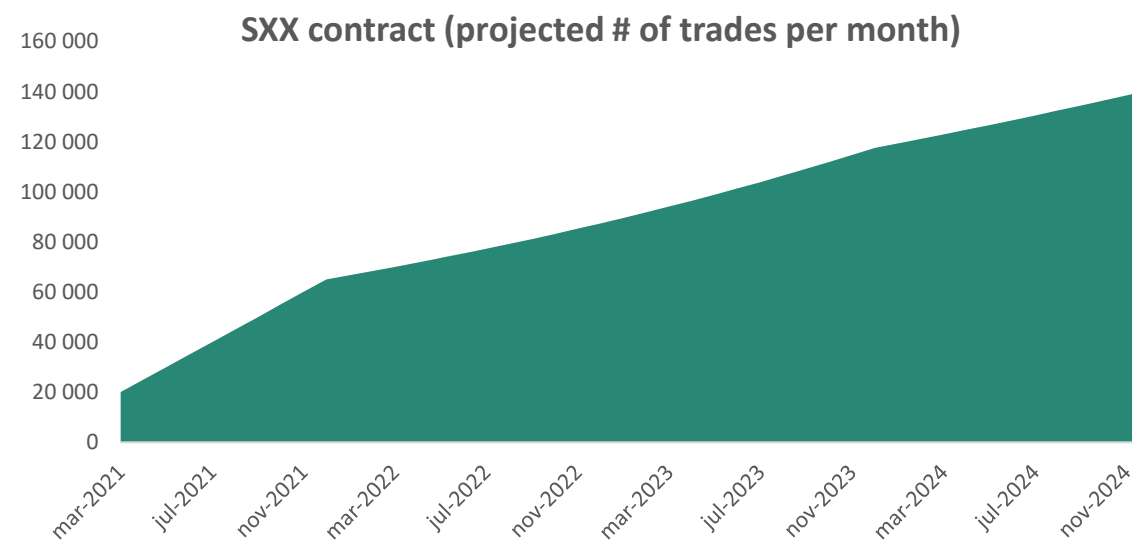
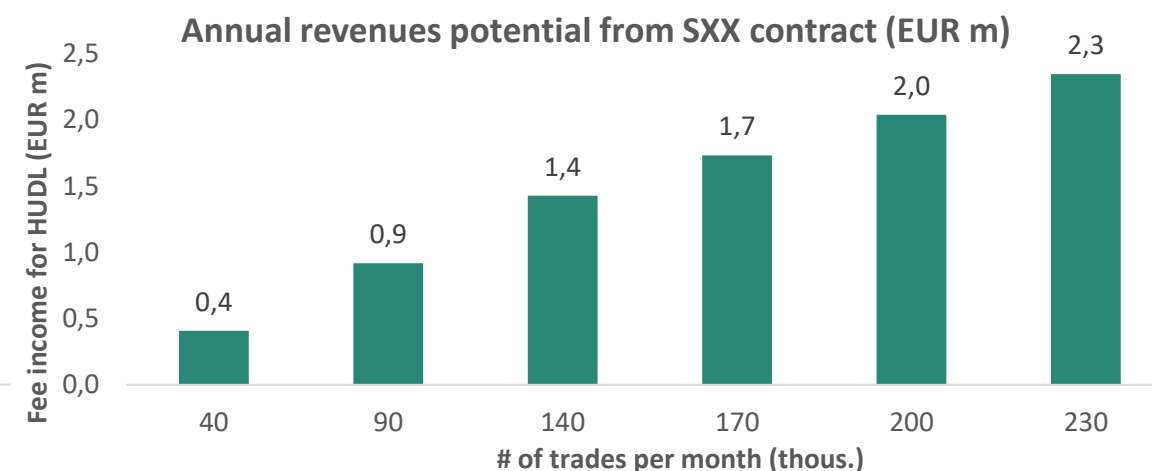
* Indicative numbers and analysis

Revenue model: FXX and SXX contracts (not disclosed names)

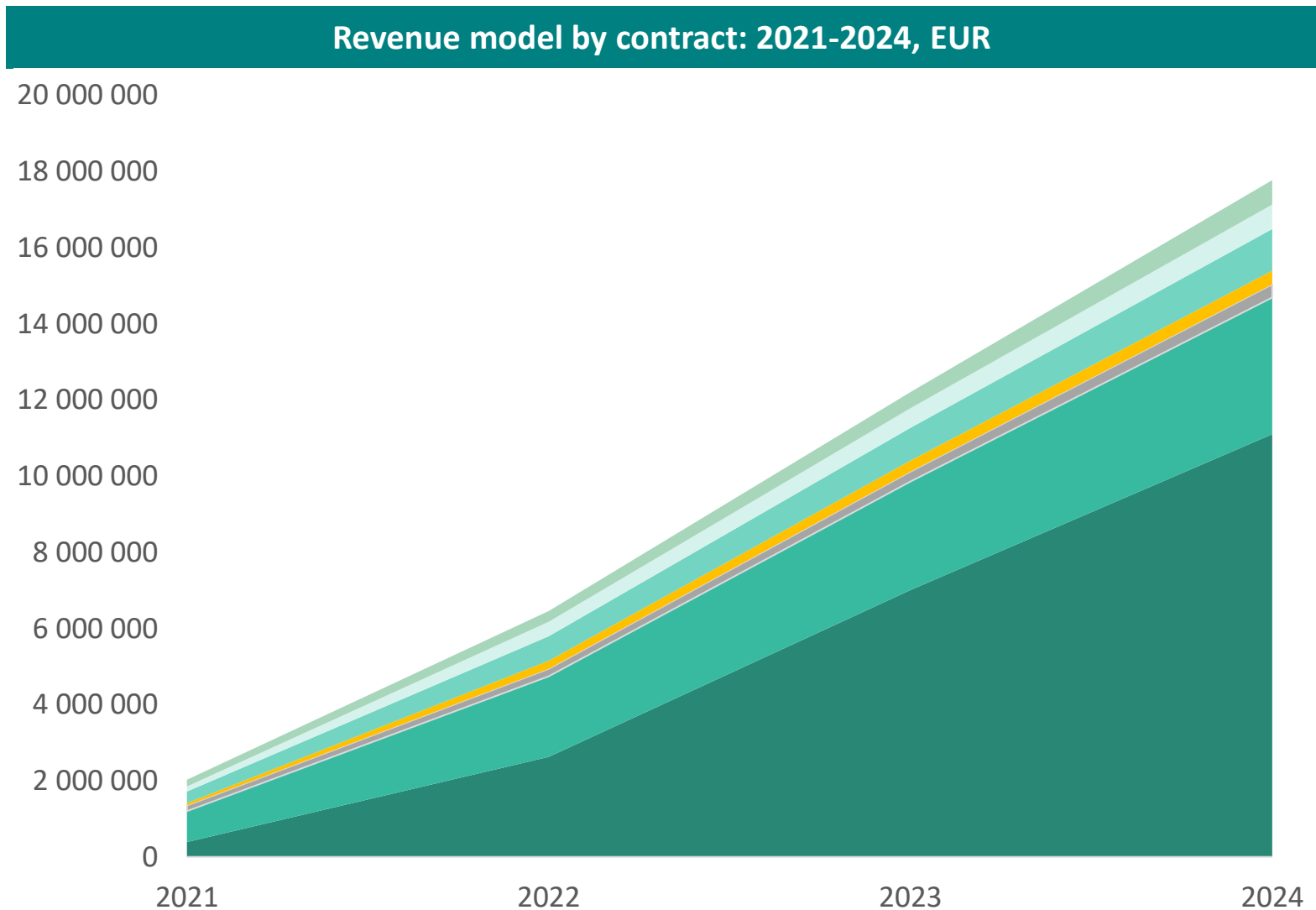
Revenue model: FXX contract



Revenue model: SXX contract



Total projected revenues by contract



** Indicative numbers and analysis*

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Financials

Profit (loss) budget: 2021-2024

Profit (loss) statement (EUR)	2021	2022	2023	2024
Revenues	1,663,176	5,712,584	11,350,674	17,479,706
Total expenses	888,000	1,724,700	2,080,260	2,317,375
Salaries	685,000	1,447,500	1,764,000	1,953,735
Other administrative expenses	128,000	151,200	183,960	218,358
Other fixed costs	75,000	126,000	132,300	145,282
EBITDA	775,176	3,987,884	9,270,414	15,162,331
EBITDA margin	47%	70%	82%	87%
Depreciation	43,153	48,610	53,702	55,855
Net financials	-7,500	-10,000	-10,000	-10,000
Pre-tax profit	724,523	3,929,275	9,206,712	15,096,476
Taxes	159,395	864,440	2,025,477	3,321,225
Net profit	565,128	3,064,834	7,181,235	11,775,251
Net profit margin	34%	54%	63%	67%

Comments

- *These forecasts reflect only contracts with a higher degree of **certainty signed in 2020/2021***
- ***No revenues** included from our **prospective future pipeline***
- *Given strong future contracts pipeline, we see **upside potential** in figures for the forecasted period*
- ***Capitalised technology development costs is minimal, mostly expensed***
- *Huddlestock is now beyond the largest investment period and most of the various technologies have been completed*
- *Thus a large part of future profits will be **Free cash flows**, making us a **self-financing** company*

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Appendix: more than 10% ownership requires an approval from BaFin

Declaration of no objection from BaFin

Each person who holds, acquires or increases a qualifying holding in a bank or investment firm, as a result of which certain thresholds are reached or passed, or exercises voting power (or similar control) related to such qualifying holding, **requires a declaration of no objection from the BaFin** (The Federal Financial Supervisory Authority in Germany)

‘Qualifying holding’

A ‘qualifying holding’ is a **direct or indirect holding of 10% or more of the issued share capital of an enterprise**, or the ability to exercise directly or indirectly 10% or more of the voting rights in an enterprise, or the ability to exercise directly or indirectly a comparable degree of control in an enterprise