

hddlestock

Second quarter and first half 2024 report



Key events in the first half 2024

Improved organizational structure after period of high M&A-activity

- New CFO and CEO assumed positions in the first quarter 2024
- Structural changes to management team, with focused roles and responsibilities
- Cost reduction initiatives initiated, with visible effects expected in the second half 2024 and into 2025

Unlocking growth potential in Investment-as-a-Service (IaaS) business

- Organic growth of 7 percent Q2 vs. Q1, 2024
- Two letters of intent signed: AVL in Germany and HILL in Norway
- Ongoing consolidation of acquired technology to one Investment-as-a-Service platform
- First Norwegian customers migrated and operational on IaaS-platform
- Pursuing opportunities that will accelerate a market entry into Germany

Continued strong profitability and utilization in the Consulting business

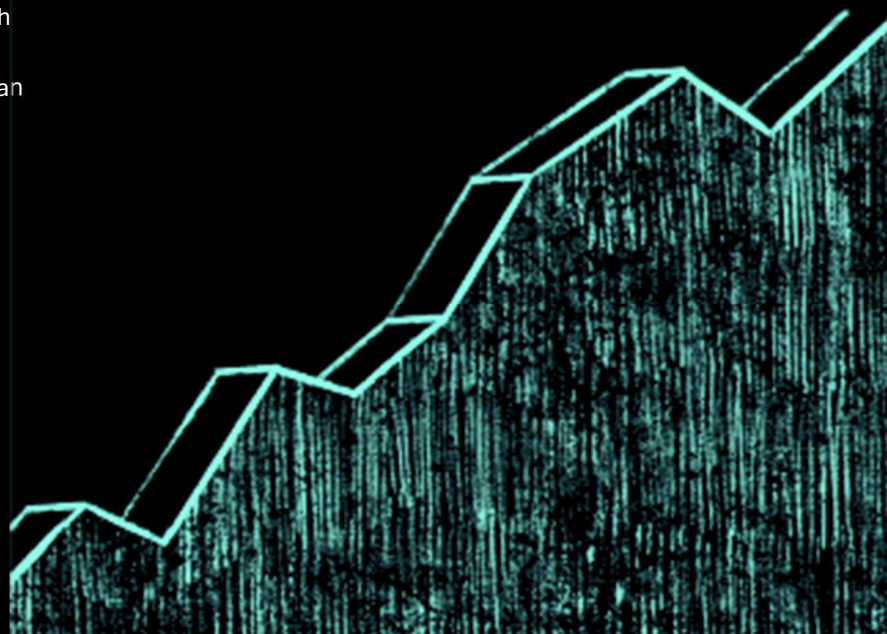
- First half EBITDA margin of 19 percent for the first half 2024, before group eliminations
- Exploring growth avenues, including increased staffing

Half year 2024 financials and financing

- Total operating income of NOK 39 million, compared to NOK 46 million in the first half 2023 impacted by divestment of Huddlestock solutions in Q4 2023, representing NOK 9 million of first half 2023 revenue
- EBITDA of negative NOK 9 million, compared to negative NOK 4 million in the first half 2023
- Cash position of NOK 10 million at period, with ongoing work to identify potential financing partners to support strategy including non-organic growth

Subsequent events

- Signed LOI with Tradevest for potential combined investment solution in Germany
- Signed Consulting agreement with new Danish customer
- Expands IaaS-offering to the Existing Norwegian customer Kraft Finans



This is Huddlestock

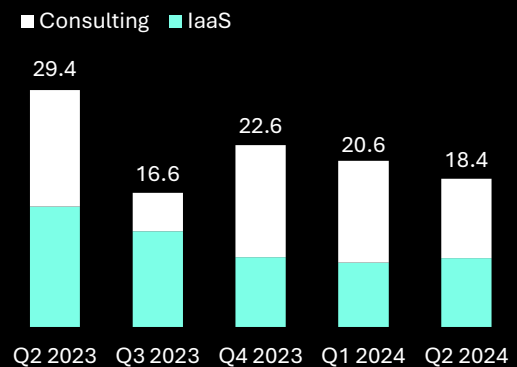
Business areas	Investment-as-a-Service	Consulting services
Offering	Investment solutions based on Huddlestock’s own scalable technology, infrastructure, trade routing and regulatory permissions	Customized strategic and technical solutions assisting customers improving their operations
Model	Recurring based on monthly licenses, assets under management/Administration and transaction fees	Multiyear relations to large multinational institutions

Quarterly development

In 2023, Huddlestock completed three strategic acquisitions and executed one divestment, resulting in significant changes to its business model. Consequently, year-over-year comparisons may not provide an accurate reflection of the company's performance due to the impact of these structural changes. A more reliable assessment of the company's development can be obtained by analyzing quarter-to-quarter results, which better capture the underlying business trends.

- Total operating income of NOK 18 million in Q2 204, compared NOK 21 million in Q1 2024
- Investment as a Service (IaaS) revenue of NOK 9 million, up 7 percent compared to Q1 2024
- Consulting revenue of NOK 10, down from NOK 13 million in Q1 2024 as a result of staffing changes
- Total operating costs of NOK 24 million in Q2 2024, in line with Q1 2024, including reduced personnel expenses offset by reduced Other operating expenses

Total operating income (NOKm)



Message from the CEO

Taking steps in the right direction

Our focus in the first half of 2024 has been on laying the foundation for profitable growth in our existing business and attracting new customers. This will require more efficient operations, enhanced sales and a reduction of the relative cost level. We took steps in the right direction in the first half of 2024, and we expect to see the benefits of our progress materializing in the second half of the year and into the beginning of 2025. At the same time, we will continue to defend our unique market position through development of our end-to-end Investment-as-a-Service platform.

Investment-as-a-Service offering is poised to be our main growth driver in the years to come. In the second quarter we saw signs of this with an organic growth of seven percent compared to the first quarter. Annualized this is in line with the organic growth observed from 2022 to 2023, of approximately 30 percent.

In the first half we signed LOIs with HILL and AVL, and supported Stackby.me's fund trading through our IaaS-platform. Subsequent to the reporting period, we signed an agreement to extend our offering to our existing customer, Kraft Finans.

Our Consultancy business remains highly profitable although weaker in the second quarter compared to the first quarter of 2024, due to staffing changes. Subsequent to the quarter, we signed an agreement with a new undisclosed customer which will contribute to maintain utilization of the organization at steady and high levels going forward.

Our EBITDA margin remains negative, but again, we are taking steps in the right direction.

Continued organic growth in Investment as a service, profitable Consulting operations, focus on sales and a gradually more controlled cost base will over time bring us towards our short-term ambition of becoming EBITDA-positive.

We continue to defend our unique position in our self-reinforced growth market defined by more investors, evolving preferences, and more investment platforms. By gradually consolidating technology from acquisitions to one platform, and making our offering available across our geographical markets, we enable up- and cross-selling to an existing customer base while attracting new customers.

Beyond our existing markets where we are focused on scaling, we are continuing to endure in new markets around Europe and particularly Germany.

Leif Arnold Thomas
CEO of Huddlestock

Operational review

Huddlestock is a leading provider of, investment technology, software and services that enable companies within the Investment and Savings area, to quickly deploy modern and cost-effective financial services through its platform. With capabilities covering the complete investment process and a team consisting of ex-industry practitioners and wealth technology experts, the company operates at the forefront of capital markets innovation.

Investment-as-a-Service (IaaS) accounted for approximately 42 percent of the first half 2024 revenue and 47 percent of the second quarter revenue, with the remaining parts related to the company's Consultancy business.

The IaaS growth is driven by sales of technology with monthly recurring licenses as the main revenue driver. At the end of the first half 2024 the IaaS offering served neobanks, wealth managers offering financial advisory services, fund companies offering investment products, and investment platforms offering easy access to financial products.

Consultancy revenues come from professional services delivered to incumbent companies represented by larger banks and financial institutions in Sweden and Denmark. This is related to technology implementation and system integration based on evolving needs in the financial sector.

IaaS platform integration and R&D

Huddlestock leverages a combination of ongoing hands-on financial administration and a strong in-house engineering team. This unique team setup enables fast development and deployment of value-enhancing solutions for Huddlestock and its customers, based on evolving customer needs and the latest market trends.

In the first half of 2024, the organization was fully focused on migrating Norwegian customers to the Investment as a Service

platform based on the Bricknode technology acquired in the first half of 2023. The organization managed to migrate the first customers in the new geography online without adding any resources, which marked a significant milestone for Huddlestock. At the same time the team was maintaining and developing existing technology in the group while supporting various payment services and fund trading networks.

During the second half 2024, the organization will focus on completing the offering in Norway which includes the following: Full support for tax reporting in Norway, added support for Norwegian share saving account (ASK), elevated automation for fund trading and currency exchange, and migration of more Norwegian customers to the platform.

In 2025, Huddlestock has an ambition to harmonize all customers to one platform that will enhance customer experiences and will reduce cost significantly in the group.

Organic growth

Through the many acquisitions over the past years, Huddlestock has entered a position where the company can start to harvest organic growth by deploying its technology and consultancy resources across its combined markets. Organic growth is expected to continue as the strengthened platform is gradually being made available across geographical markets to existing and potential

new customers. The company will not guide on the expected pace of organic growth, as timing of the results from IaaS-platform integration and enhanced sales efforts will vary quarter to quarter.

Investment-as-a-Service (IaaS)

Investment-as-a-Service gives businesses, across startups to incumbents, access to a range of applicable investment technology and services. By using the Huddlestock platform, companies can access investment tools and expertise without the need for extensive infrastructure or in-house resources.

In the first half Huddlestock signed LOIs with HILLI in Norway and AVL in Germany, and supported Stackby.me's fund trading through our IaaS-platform. Subsequent to the reporting period, the company signed an agreement to extend our offering to its existing customer Kraft Finans and an LOI with Tradevest for a potential combined investment solution in Germany.

The IaaS revenue grew 7 percent from the first quarter 2024 to the second quarter 2024, reflecting an annualized growth of approximately 30 percent, which is in line with the organic growth from 2022 to 2023.

In May, Assets under Administration (AuA) surpassed NOK 5 billion in May 2024, representing a 33 percent growth since September 2023. Safekeeping Assets under Administration represent one of three recurring revenue drivers in the company's Investment-as-a-Service (IaaS) offering, in addition to licenses and transaction fees.

Consultancy business

Huddlestock's consultants are established as the leading player in the Nordics with significant multiyear relationships with most Swedish and Danish large banking groups, and financial institutions.

Subsequent to the reporting period, Consulting secured a new contract with an undisclosed customer which will contribute to continued high utilization of the team going forward. This event is a clear response to the stated strategy of growing the Consulting business and the Company will continue to explore avenues of growth including increased staffing.

Structurally the Consulting business experiences seasonality in revenue due to the cyclical nature of client demands and project timelines. Typically, the third quarter holds periods of lower activity due to the holiday season.

Organization

In the first quarter 2024, new management roles were established. Leif Arnold Thomas was appointed Group CEO, Morten Bernhardsen CFO, Daniel Risberg CCO with focus on the Nordics. In addition, Robert Fuchsgruber to fully focus on his role as Country manager Germany and Stefan Willebrand was appointed Chief Information Officer.

Defining clear roles and responsibilities, in an organization, which over the past years has been defined by numerous acquisitions, has been a key structural element to securing aligned efforts in its cost control and cost reduction efforts as well as its enhanced sales efforts.

Financial review

In 2023, Huddlestock completed three strategic acquisitions and executed one divestment, resulting in significant changes to its business model. Consequently, year-over-year comparisons may not provide an accurate reflection of the company's performance due to the impact of these structural changes. A more reliable assessment of the company's development can be obtained by analyzing quarter-to-quarter results, which better capture the underlying business trends.

Key figures

NOK million, unaudited	Q2 2024	Q1 2024	Q2 2023	H1 2024	H1 2023
Total operating income	18.4	20.6	29.4	39.0	46.0
Cost of materials/subcontractors	-0.1	0.1	-6.4	0.0	-11.6
Personnel costs	-14.8	-17.1	-20.9	-31.9	-35.2
Other operating expenses	-9.1	-7.4	-3.9	-16.5	-3.3
EBITDA	-5.6	-3.8	-1.8	-9.4	-4.2
Depreciation, amortization and impairment	-12.2	-12.0	-7.6	-24.2	-14.2
EBIT	-17.8	-15.8	-9.5	-33.6	-18.4
Total financial income	0.2	0.1	0.1	0.3	0.2
Other financial expenses	-1.0	-0.6	-0.7	-1.6	-1.1
Net financial items	-0.8	-0.6	-0.6	-1.4	-0.9
Result before tax	-18.6	-16.3	-10.0	-34.9	-19.3
Income tax	-0.2	-0.5	-0.4	-0.3	-0.1
Net result	-18.8	-16.4	-10.4	-35.2	-19.4
Cash at period end	10	10	11	10	11

Revenue

Total operating income in the second quarter 2024 amounted to NOK 18 million, compared NOK 29 million in the same period last year. The divested Huddlestock solutions (F5IT) contributed to NOK 5 million of the second quarter 2023 revenue.

In the second quarter 2024, Investment-as-a-Service revenue accounted for 47 percent revenue with the remainder Consulting revenue.

Compared to the first quarter 2024, Investment-as-a-Service revenue grew 7 percent, reflecting an annualized organic growth of approximately 30 percent, while staffing changes in the Consulting business resulted in a weaker second quarter.

For the first half year, total operating income amounted to NOK 39 million. This was a decrease from NOK 46 million in the first half 2023. NOK 9 million of the revenue in the first

half 2023 was related to the divested Huddlestock solutions (F5IT).

In the first half 2024, Sweden was the largest revenue contributor with 52 percent, followed by Denmark at 27 percent and Norway at 21 percent. Germany's contribution to the group's operating income was marginal.

Operating expenses

Total operating expenses amounted to NOK 24 million in the second quarter 2024, compared to NOK 31 million in the second quarter 2023 and NOK 24 million in the previous quarter.

The flat development from the previous quarter was related to reduced personnel costs of NOK 2 million, which was offset by an increase in other operating expenses related to financing and restructuring activities.

For the first half year, total operating expenses amounted to NOK 48 million compared to NOK 50 million in the same period last year. The change mainly reflects a reduction in cost of materials/subcontractors and reduction in personnel expenses related to the divestment of Huddlestock solutions (F5IT). The reduction was offset by increased Other operating expenses.

EBITDA

Reported EBITDA was negative NOK 6 million in the second quarter 2024, compared to negative NOK 2 million in the second quarter 2023 and negative NOK 4 million in the previous quarter.

Huddlestock sees clear potential for EBITDA improvements in its current operations and is currently implementing measures to reduce costs which are expected to show effects in the second half of 2024 and into 2025.

EBIT

Depreciation and amortization amounted to NOK 12 million in the second quarter 2024, compared to NOK 8 million in the same period

last year. For the first half, Depreciation and amortization amounted to NOK 24 million, compared to NOK 14 million in the same period last year following that developed technology has started to generate revenues from customers. The increase also reflects effects of acquisitions carried out in 2023, with effects representing amortization of intangible assets.

The operating loss (EBIT) hence was NOK 18 million in the second quarter and NOK 34 million in the first half 2024. This compares to NOK 10 million and NOK 18 million in the respective periods last year.

Net financials

Net financial items were a negative NOK 1 million in the second quarter 2024, compared to NOK 1 million in the same period last year. For the first half 2024, Net financial items were NOK 1 million, compared to NOK 1 million in the same period last year.

Results

Loss before tax was NOK 19 million for the second quarter and NOK 35 million for the first half 2024. For the corresponding periods last year, the losses before tax were NOK 10 million and NOK 19 million respectively.

Net result after tax was negative NOK 19 million in the second quarter and negative NOK 35 million in the first half 2024. For the corresponding periods last year, the losses were NOK 16 million and NOK 19 million respectively.

Cash flow

Operating activities generated a cash outflow of NOK 5 million for the second quarter 2024. For the first half the cash outflow was NOK 12 million, compared to NOK 12 million for the corresponding period last year.

Investment activities generated a cash outflow of NOK 3 million for the second quarter 2024.

For the first half the cash outflow was NOK 5, compared to NOK 1 million for the corresponding period last year. All investment activities in 2024 were related to additions in intangible assets.

Financing activities led to a cash inflow of NOK 8 million in the second quarter 2024. For the first half the cash inflow was NOK 18 million, compared to NOK 18 million for the corresponding period last year. Financing activities in 2024 relate to sale of treasury shares and obtained loans.

On 30 June 2024, Huddlestock had a cash position of NOK 10 million, compared to NOK 10 million on 31 December 2023. The company continues its work to identify financing partners to support its strategy including non-organic growth.

Financial position

Assets

Total non-current assets amounted to NOK 216 million at the end of the first half year 2024, compared to NOK 236 million at the end of 2023. Goodwill accounted for NOK 109 million compared to NOK 116 million at year end 2023, and the total intangible assets were NOK 216 million compared to NOK 236 million at the end of 2023. The decrease relates to depreciation of intangible assets.

Total current assets amounted to NOK 24 million at the end of the first half year 2024, compared to NOK 27 million at the end of 2023. Total receivables were NOK 14 million, of which NOK 13 million in trade receivables and NOK 1 million in other short-term receivables. Cash and cash equivalents amounted to NOK 10 million.

Equity and liabilities

Total equity amounted to NOK 121 million at the end of the first half year 2024, compared to NOK 156 million at the end of 2023.

Total liabilities amounted to NOK 119 million at the end of the first half year 2024, compared to NOK 108 million at the end of 2023. The increase during the first half year 2024 reflects increases in short-term liabilities of NOK 6 million and total long-term liabilities of NOK 5 million.

The group had an equity ratio of 50 percent at the end of the first half 2024, compared to 59 percent at the end of 2023.

Going concern

The board of directors and the CEO confirm that the accounts have been prepared on the assumption of a going concern. Like in previous reporting periods, the cash flow was negative in the first half year 2024. This is not uncommon for technology companies, primarily due to development requiring significant investments before products become revenue-generating.

Huddlestock is still in a phase of development and investment and relies on continued liquidity infusion. No decision regarding capital raising has been formalized as of the date of the reporting, but management is confident that the development demonstrate values in a manner that makes it possible to raise new capital or find other strategic solutions, and the company has demonstrated this on several occasions.

The company has the stated goal of showing visible effects of cost reduction initiatives in the second half of 2024 and into 2025. Coupled with sales activities and ongoing platform consolidation, the company has a goal of achieving positive cash flow within one to two years. The board continues to closely monitor the liquidity situation.

Risks and mitigating factors

The Group is subject to various types of risks including regulatory, technological, market, capital availability, insurance and ESG. Risks and mitigating activities have historically been done at the individual entities within the group. As part of a group, the next step is to unify this work so that risks and mitigating actions will be executed on both a local and a group level.

Regulatory

Changes in financial services regulations in Germany, Norway, and the EU/EEA could significantly impact the company's business, products, services, and asset value.

Areas of potential impact include monetary policy changes, regulatory policies influencing investor decisions, increased business costs, competition and pricing environments, financial reporting requirements, and operational structures.

Huddlestock find itself in a constantly changing landscape of regulations. Since the groups entities have delivered serviced in that landscape for many years, regulatory changes are perceived more as an opportunity for new business solutions than a threat.

Technology

Introduction of new technologies, digitalization, and changing consumer behaviors in the wealth tech sector could lead to structural changes and increased industry dynamics.

Failure to respond to market demands may negatively impact customer relationships, value chain position, and service offerings.

Also, dependence on uninterrupted IT system operation and reliance on third-party providers

for critical IT services, could potentially adversely affect business operations.

One of Huddlestock main drivers is to be in forefront when it comes to utilizing new available technologies. To not become a supplier with technology that at some point in the future is not relevant for the customers anymore, the technology stack is developed with an API-first approach, meaning that new solutions derived from new technological opportunities easily can be plugged in/out depending on customer needs or other new requirements.

Market

Limited equity market investments, with potential adverse effects on share price and cost of capital during negative equity market conditions.

Foreign exchange exposures managed mainly through international business transactions, considered manageable.

Debt and revolving overdraft facilities with exposure to interest rate increases affecting profitability.

Huddlestock has an active approach when it comes to overseeing its mix of financing situations. The company has demonstrated its ability to attract growth capital via different mechanisms, following the opportunities

available in combination with market risk following these alternatives.

Strategy and Implementation

Risks associated with implementing the company's strategy, including complex judgments regarding customer needs, competitor activity, and macroeconomic assumptions.

Foreign exchange

The mass majority of the groups revenues comes from Norway and Sweden. The NOK and SEK have historically followed each other, meaning that hedging risk between these two currencies has not been a priority. Going forward with ambitions outside Norway and Sweden, foreign exchange risk hedging will be evaluated.

Capital Availability

The possibility of needing additional capital in the future, with uncertainty about availability on

attractive terms. Volatile global equity markets and higher inflation levels impacting central bank actions and interest rates, potentially affecting the company's cost of capital.

Huddlestock has ongoing work to identify financing partners to support strategy including non-organic growth.

Insurance

Full insurance coverage for regulatory requirements and liabilities for the Board of Directors and CEO.

Environmental, Social and Governance

No environmental damages caused by company activities. Good work environment with no serious injuries, work-related wear, strain injuries, or property damage recorded in the first half 2024.

Outlook

Huddlestock has grown to have a strong position in the European market within Investment services to Investment providers. Competition is limited and no head-to-head competitors are identified in the Nordic region. The company will prioritize unfolding the financial potential in the group built up over the last years, through enhanced focus on sales efforts and increased cost control and cost reduction initiatives. At the same time Huddlestock will invest to defend its unique position in its core markets, while continuing its pursuit of an accelerated market entry into Germany.

With a new management implemented in the first quarter of 2024 the company pursues a short-term ambition to become EBITDA-positive, through focused sales efforts and increased cost control and cost reduction measures.

Substantial costs were associated with the company's recent strategic inorganic expansion, with objectives of realizing synergies in the group. Visible effects are expected in the second half of 2024 and into 2025.

Commercially the company is pursuing growth opportunities by going to market as a B2B focused online securities broker. This has been made possible by combining the acquired Bricknode technology with the regulatory umbrella and operational activities conducted by Huddlestock Investor Services. Scaling up its offering to current and potentially new customers in the Nordic region and new geographical regions.

The short-term growth focus will be within its existing Nordic markets, while Germany as the natural center of the European expansion

holds a large potential for Huddlestock medium to long-term.

The company will not guide on the expected pace of organic growth, as timing of the results from IaaS-platform integration and enhanced sales efforts will vary quarter to quarter.

Huddlestock will continue to invest in technology development to defend its leading market position through its platform offering. By enhancing core offerings, structuring adjacent businesses, and engaging with new disruptive financial services, Huddlestock is positioning as a solution provider both as a provider to incumbent companies and startups within the financial services sector.

In addition, the company is working to identifying potential financing partners to support its strategy including non-organic growth.

Responsibility statement

From the Board of Directors and CEO of Huddlestock Fintech AS

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2024 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the Company's and group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions

Stavanger, 28 August 2024

Øyvind Hovland
Chairman

Ramtin Matin
Board member

Stefan Willebrand
Board member

Erik Hagelin
Board member

Leif Arnold Thomas
CEO

Consolidated financial statements and notes

Consolidated income statement

	Q2 2024	Q1 2024	YTD 2024	YTD 2023	Year 2023
Operating income					
Other operating income	18 392 898	20 613 359	39 006 257	45 971 122	85 150 101
Total operating income	18 392 898	20 613 359	39 006 257	45 971 122	85 150 101
Operating expenses					
Cost of materials/subcontractors	-86 425	86 425	0	-11 621 588	-457 150
Personnel costs	-14 780 517	-17 119 365	-31 899 881	-35 233 363	-75 304 819
Other operating expenses	-9 111 147	-7 371 618	-16 482 764	-3 309 472	-25 801 808
Total operating expenses	-23 978 088	-24 404 557	-48 382 646	-50 164 423	-101 563 778
EBITDA	-5 585 190	-3 791 199	-9 376 389	-4 193 301	-16 413 677
Depreciation, impairment and amortisation	-12 208 453	-11 972 874	-24 181 328	-14 197 172	-63 973 602
EBIT	-17 793 644	-15 764 073	-33 557 717	-18 390 473	-80 387 279
Financial income					
Interest income	819	12 257	13 076	9 605	790 434
Other financial income	190 690	55 174	245 864	148 814	329 879
Total financial income	191 509	67 431	258 940	158 419	1 120 313
Financial expenses					
Interest expenses	-875 576	-560 357	-1 435 932	-621 260	-2 696 548
Other financial expenses	-112 165	-72 131	-184 296	-467 364	-5 165 920
Total financial expenses	-987 741	-632 488	-1 620 229	-1 088 624	-7 862 468
Net financial items	-796 231	-565 057	-1 361 289	-930 205	-6 742 156
Result before tax	-18 589 875	-16 329 131	-34 919 006	-19 320 678	-87 129 435
Income tax	-228 950	-48 306	-277 256	-129 321	805 539
Net result	-18 818 825	-16 377 437	-35 196 262	-19 449 999	-86 323 896

Consolidated statement of financial position

	30.06.2024	30.06.2023	31.12.2023
Non-current assets			
Intangible assets			
Research and development	55 151 154	70 550 551	58 138 522
Goodwill	108 936 741	141 109 686	116 449 291
Technology	16 081 598	25 542 560	18 515 698
Customer contracts and relations	10 876 903	17 329 996	14 171 778
Licenses	24 751 766	33 794 439	28 469 988
Total intangible assets	215 798 161	288 327 232	235 745 276
Fixed assets			
Investment in equities	333 986	569 621	322 719
Property, plant & equipment	179 105	451 041	199 483
Total fixed assets	513 091	1 020 658	522 201
Total non-current assets	216 311 252	289 347 889	236 267 478
Current assets			
Receivables			
Trade receivables	13 128 369	15 808 227	11 347 040
Other short-term receivables	1 330 226	12 012 650	5 952 937
Total receivables	14 458 595	27 820 877	17 299 977
Bank deposits, cash and cash equivalents	9 851 510	10 830 604	10 183 903
Total current assets	24 310 105	38 651 481	27 483 880
Total assets	240 621 357	327 999 370	263 751 358
Equity			
Paid-in capital			
Share capital	362 215	536 916	350 957
Own shares	-14	-8 380	-5 335
Capital increase not registered	0	0	13 561 756
Share premium	193 927 505	187 244 303	180 377 457
Total paid-in capital	194 289 706	187 772 839	194 284 835
Other equity			
Other equity	-73 145 170	0	-38 548 773
Total other equity	-73 145 170	0	-38 548 773
Total equity	121 144 537	187 772 839	155 736 062
Liabilities			
Long-term liabilities			
Other long-term liabilities	7 510 558	16 042 974	675 778
Deferred tax	6 774 203	11 620 912	8 144 578
Total long-term liabilities	14 284 761	27 663 886	8 820 356
Short-term liabilities			
Accounts payable	2 882 043	6 323 533	6 661 053
Payroll taxes, VAT etc.	9 439 556	8 605 230	8 422 709
Loans and borrowings	28 468 700	8 560 569	19 336 874
Other short-term liabilities	64 401 761	89 073 314	64 774 304
Total short-term liabilities	105 192 059	112 562 646	99 194 940
Total liabilities	119 476 821	140 226 532	108 015 296
Total equity and liabilities	240 621 357	327 999 370	263 751 358

Consolidated statement of cash flows

	Q2 2024	Q1 2024	YTD 2024	YTD 2023	2023
Profit/loss before tax	-18 589 875	-16 329 131	-34 919 006	-19 320 678	-87 129 435
Depreciation and amortisation	12 208 453	11 972 874	24 181 328	14 197 172	63 973 602
Changes to accounts receivable	1 581 124	-3 362 454	-1 781 330	-2 158 422	-527 235
Changes to accounts payable	-184 737	-3 594 273	-3 779 010	-4 612 789	-2 870 269
Changes to other accruals and prepayments	-460 176	4 265 161	3 804 985	251 279	53 849 179
Net cash flow from operating activities from continuing operations	-5 445 211	-7 047 822	-12 493 033	-11 643 438	-23 829 236
Net additions intangible assets	-2 987 905	-2 413 675	-5 401 580	-9 562 224	-51 045 929
Aquisition of subsidiaries, net of cash acquired	0	0	0	12 086 429	29 522 000
Transaction cost	0	0	0	-1 101 000	12 086 429
Net cash flow from investment activities from continuing operations	-2 987 905	-2 413 675	-5 401 580	1 423 204	-9 437 501
Proceeds from capital increase	0		0	5 000 000	22 500 000
Treasury shares	1 660 000		1 660 000	1 366 000	0
Loans obtained	7 033 111	9 758 913	16 792 024	11 781 000	6 307 579
Repayment of loans	-305 652	-584 152	-889 804	0	12 531 000
Net cash flow from financing activities from continuing operations	8 387 459	9 174 761	17 562 220	18 147 000	40 546 802
Net changes to cash and cash equivalents from continuing operations	-45 657	-286 737	-332 394	7 926 766	7 280 066
Bank deposits, cash and cash equivalents per 1.1.	10 183 903	10 183 903	10 183 903	2 903 838	2 903 838
Bank deposits, cash and cash equivalents end balance	10 138 246	9 897 167	9 851 510	10 830 604	10 183 903

Consolidated of changes in equity

	Share capital	Own shares	Share premium	Cap.increase not registered	Other equity	Sum
Equity at 31.12.2023	350 957	-5 335	180 377 457	13 561 756	-38 548 773	155 736 062
Net profit (loss)	0	0	0	0	-35 196 262	-35 196 262
Purchase (sale) of own shares	0	5 321	0	0	2 218 912	2 224 233
Capital increase registered	11 708	0	13 550 048	-13 561 756	0	0
Currency translation	0	0	0	0	-1 619 497	-1 619 497
Reclassification	-450	0	0	0	450	0
Equity as per 30.06.2023	362 215	-14	193 927 505	0	-73 145 170	121 144 537

Notes to the consolidated financial statements

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) and NRS 8 for small companies.

The Company is listed on Euronext Growth, and is therefore required to prepare consolidated financial statements.

All amounts are presented in thousands of 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 GmbH, Munich, Germany; Visigon Nordic AB and Visigon Sweden AB, Stockholm, Sweden; Visigon Denmark ApS, Copenhagen, Denmark. The company has offices in Norway, Germany, Sweden, Denmark and UK, respectively.

The consolidated financial statements have been prepared in accordance with uniform policies by converting the subsidiaries to the same principles as the parent company.

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 also include next year's installments.

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 to 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 differences are recognized directly against equity.

Note 2 – Revenue

	2024 YTD	2023 YTD
Norway	8 271 802	11 665 383
Sweden	20 177 974	19 877 283
Denmark	10 550 143	14 425 000
Germany	6 337	3 456
Total	39 006 257	45 971 122

huddlestock

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