

Huddlestock Fintech AS ("Huddlestock" or the "Company") is a Wealthtech and Tradetech company, acting as an innovative software provider with a leading expert professional services business, within the financial markets. Huddlestock possess a strong market position in the professional services business, with multiyear relationships within the Nordic financial market. Huddlestock also provides software to the financial market, offering innovative, compliant, and data-centric SaaS solutions across several verticals, including Wealthtech, Tradetech, and Investment services, among others. Huddlestock are estimated to reach a revenue of NOK 179M in 2024, and based on an applied EV/S target multiple of 3.9x, a potential fair value of NOK 3.2 per share is derived in a Base scenario.

Capitalizing on Strong Underlying Market Growth

The rising adoption of cloud-based solutions, digitalization and increased investment are expected to drive the market growth on the global Core Banking Software (CBS) market. The global core banking software market is estimated to grow at a CAGR of 18.3%, with an estimated value of USD 40.7 billion by 2029. Huddlestock is a leading provider of investment and wealth management SaaS solutions and the Company's services enables financial companies to digitize their operations and democratizing access to capital markets, why Huddlestock are expected to capitalize on the growing market demand.

Significant Revenue Synergies Going Forward

Huddlestock has successfully completed several accretive acquisitions in 2023, including Tracs Group, Dtech, and Bricknode. The combined products and technologies from these companies are highly complementary to Huddlestock, providing a complete infrastructure for financial service operations, a regulatory umbrella, a full-service RegTech platform, and pension solutions. This creates a comprehensive end-to-end solution, with improved onboarding processes and a significantly shortened time to market. The coordination is expected to generate significant revenue synergies through leveraging upselling opportunities within the combined customer base, as well as by expanding the target market with the complete end-to-end solution.

The Proportion of Recurring Revenues is Growing

Huddlestock's revenue model is primarily based on two revenue streams: consulting services and the technology business. The consulting services is based on secured contracts for longer periods, providing good visibility in terms of earnings. Recurring revenues have historically accounted for a smaller portion of the total revenues, amounting to 16% during the full year of 2022. Through acquisitions and new clients, Huddlestock has increased the proportion of recurring revenues in Q1 and pro forma LTM. In Q2-23, Huddlestock secured three new clients with a combined Annual Recurring Revenue (ARR) of NOK 1.9M.

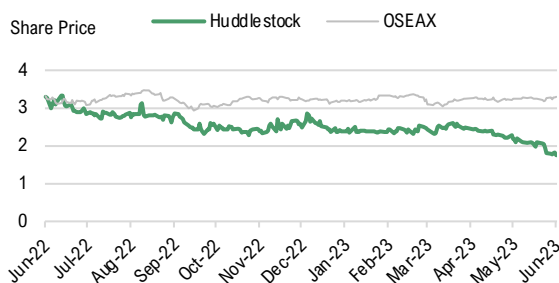
VALUATION RANGE

Bear NOK 1.4 **Base** NOK 3.2 **Bull** NOK 4.6

KEY INFORMATION

Share Price (2023-06-19)	1.7
Shares Outstanding ¹	169,894,216
Market Cap (NOKm)	296
Net cash(-)/debt(+) (NOKm)	11.5
Enterprise Value (NOKm)	306
List	Euronext Growth Oslo
Quarterly report 2 2023	2023-08-21

SHARE PRICE DEVELOPMENT



OWNERS (SOURCE: INTERIM REPORT)

Nordnet Bank AB	12.3%
Njord Group AS	7.3%
Vision Invest Stavanger AS	4.9%
SAA Invest	4.7%
Bank Julius Bär & Co	4.4%

Estimates (NOKm)	2022	2023E	2024E	2025E
Net revenue	46.7	93.9	179.5	264.1
Total Group Revenue	46.7	93.9	179.5	264.1
Materials/subcontractors	-12.8	-22.9	-37.7	-46.5
Personnel costs	-43.6	-81.7	-117.6	-157.1
Other operating expenses	-5.0	-7.5	-12.6	-14.3
EBITDA	-14.7	-18.2	11.7	46.2
EBITDA margin	-31.5%	-19.4%	6.5%	17.5%
P/S	7.2	3.6	1.9	1.3
EV/S	7.4	3.7	1.9	1.3
EV/EBITDA	-23.5	-18.9	29.6	7.5

¹Excluding not yet issued shares to Bricknode.

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Other

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