



Huddlestock Fintech divests of Huddlestock Solutions AS through a management buyout agreement

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Huddlestock Fintech AS ("Huddlestock") has today signed a sale- and purchase agreement with former major shareholders and key employees of Huddlestock Solutions ("Solutions"), formerly F5 IT AS, whereby Huddlestock divests of 100% of the issued shares of Solutions (the "Divestment"). The Divestment is in line with Huddlestock's aim of maintaining a sharp focus on its core activity being Investment-as-a-Service offering.

Huddlestock acquired Solutions, a specialist software development company, in 2022. The acquisition led to the development of a new state of the art trading engine and other technical solutions, which forms a key part of Huddlestock's Investment-as-a-Service offering today. With Huddlestock's other recent acquisitions strengthening this offering, and a portion of Solutions' business focused in non-financial services sectors, the decision to divest of Solutions has come about naturally.

"Over the last few years, Huddlestock has acquired several tech companies in order to expand our capabilities and accelerate growth," said John E. Skajem, Huddlestock CEO. "We see a great deal of potential in our Investment-as-a-Service offering, and today's agreement further demonstrates that we're prepared to take actions necessary to ensure strategic focus and achieve our goals faster."

Huddlestock's Investment-as-a-Service solution enables companies to launch new investment services or modernise existing ones. Its offering includes white label investment experiences, licenced financial services, a trading engine, and a comprehensive investment management system that was integrated following the company's most recent acquisition of Bricknode.

IP rights to the trading engine developed by Solutions is owned by Huddlestock Technologies AS. The trading engine has been incorporated as part of our complete offering, including the Bricknode core platform. The technological expertise linked to the trading engine is safeguarded by a strategic agreement between Huddlestock and Solutions being entered into upon closing of the Divestment, which ensures dedicated resources and additional capacity for further development. For Huddlestock, this represents flexibility in the development capacity, less operational risk and, over time, increased utilization of the Bricknode environment.

As consideration for the Divestment, Huddlestock receives 1,806,591 Huddlestock-shares to be held as treasury shares. The transaction will have an annual revenue reduction of approximately MNOK 19 based on historical revenues. Furthermore, it is expected to have positive EBITDA improvement of MNOK 1.0 in 2023 and another MNOK 1.0 in 2024. The balance sheet will be affected with a reduction in Q3 of approximately MNOK 5.

Please find enclosed the Press release. For questions, please contact:

John E. Skajem, CEO, +47 418 87 412, jes@huddlestock.com

Leif Arnold Thomas, Chief Corporate Development & IR, leif.thomas@huddlestock.com

This information is subject to the disclosure requirements according to Section 5-12 of the Norwegian Securities Trading Act.

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Disclosure regulation

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Contacts

- John E. Skajem, Chief Executive Officer, Huddlestock Fintech, +47 418 87 412, john.skajem@huddlestock.com
- Leif Arnold Thomas, Chief Corporate Development, Huddlestock Fintech - Corporate Development, +47 982 15 520, leif.thomas@huddlestock.com

About Huddlestock Fintech AS

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.

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

Through its world-class expert 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 Fintech AS was listed on Euronext Growth Market 26th November 2020, as Norway's first fintech company to be publicly traded.

For more information, please visit www.huddlestock.com

Attachments

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