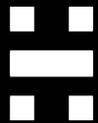


# Q1 2025 Report



## **Inclusive and productive team collaboration**

Huddly camera systems are intelligent. They understand how people communicate. Using disruptive AI, Huddly camera systems automatically spotlight the point of interest in a room, creating an authentic meeting experience.

Video meetings become more inclusive and cater for new hybrid collaboration standards - saving energy and cost while adding efficiency.

## Q1 2025 Report

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# Key highlights Q1 2025

## Q1 2025 results

- Revenue of NOK 45 million vs. NOK 33 million in Q1 2024, driven by sustained growth in Channel sales which increased 55 % compared to Q1 2024
- Strategic partner revenue picking up: Expected to increase substantially throughout 2025
- Gross margin of 53 % vs. 48 % in Q1 2024: Upholding strong margins, demonstrating the market appeal of Huddly's AI powered products

## Go-to-market and product launches

- Global rollout of Huddly Crew in Microsoft organization started in Q1, continues in Q2
- Strategic partner Shure launched a portfolio of four Huddly-powered IntelliMix room kits at ISE 2025 in Q1. Shipping to end customers started in May
- Huddly C1, a new AI-driven videobar, will be launched at Infocomm 2025 in June, followed by a joint roadshow in collaboration with Lenovo and Microsoft

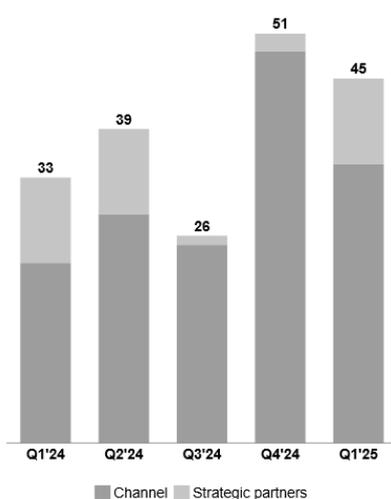
## Strategic review

- The Board has ended the strategic review process

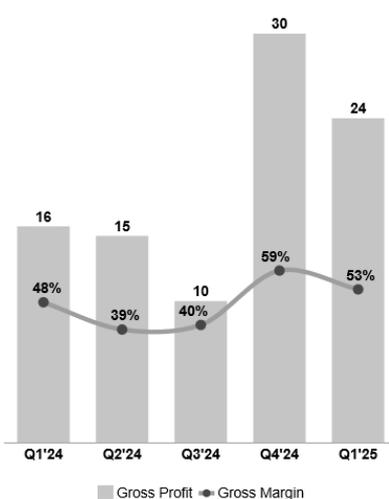
## Outlook

- Delivering according to business plan: Maintaining outlook provided in the last quarterly announcement
- However, acknowledging increased uncertainty amplified by macroeconomic volatility and tariffs

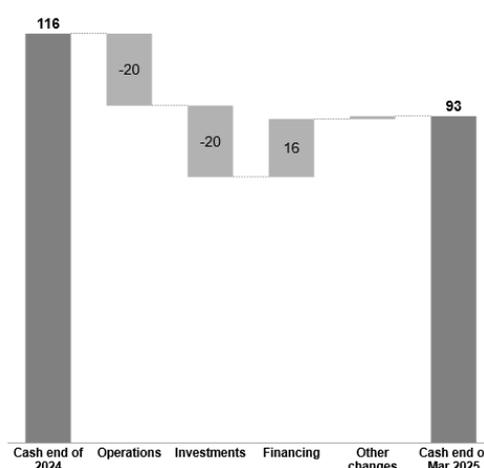
**Revenue**  
NOK million



**Gross profit and margin**  
NOK million and %



**Cash flow**  
NOK million





## Q1 2025 review

Huddly reported a revenue of NOK 45 million in Q1 2025 vs. NOK 33 million in Q1 2024, driven by Channel sales growth, which increased by 55 % YoY. Revenue from Strategic partners is gaining momentum and is expected to continue growing throughout the year. The Company maintained a solid gross margin of 53 %, an increase from 48 % in Q1 2024.

Key go-to-market activities include a global rollout of Huddly cameras at Microsoft locations, the commencement of shipping to end customers for the Shure bundles in May 2025, and the upcoming launch of the new C1 videobar in collaboration with Lenovo and Microsoft.

## Operational review

Huddly's technology enables human collaboration in the hybrid workplace and is key in creating inclusive and productive meetings. Huddly's AI technology and products are acknowledged as groundbreaking, a result of substantial investments in research and development. Continued R&D investments will keep Huddly well ahead of the competition.

Huddly is actively executing its business plan towards 2027, with a strong emphasis on increasing revenue from Strategic partners. In Q1 2025, the Company turned a corner, marked by an acceleration in sales to these partners. This positive trajectory is expected to continue, with substantial growth anticipated in the coming quarters.

Microsoft Teams is the world's leading collaboration platform, playing a central role in shaping the future of hybrid work. Teams certification is a critical purchasing criterion for corporate buyers, making a strong partnership with Microsoft a strategic priority for Huddly.

In Q1 2025, Microsoft began the deployment of Huddly Crew across its Redmond headquarters and other global office locations. This significant milestone is a testament to Huddly's ability to set new standards for video conferencing, fully aligned with Microsoft's vision for seamless and innovative hybrid collaboration.

Huddly's new Strategic partner, Shure, is a world-renowned brand recognized for its expertise and quality within audio technology. The combination offers customers unmatched audio and video to their hybrid meetings, through a series of complete solutions for small to large rooms. The first joint offering, four Shure IntelliMix branded meeting room kits covering all room sizes, started to ship to end-customers in May 2025.

Channel sales performed well in Q1 2025, showcasing a 55 % year-on-year revenue increase. Huddly Crew continues to be an important growth lever, expanding a healthy base of customers.



Huddly Crew also exemplifies how Huddly monetizes on AI and software innovation. By maintaining a solid gross margin of 53 % in Q1 2025, the Company demonstrates the market appeal of its AI powered product portfolio, while harvesting the returns from its R&D investments.

Huddly remains committed to driving innovation, with the next milestone on its roadmap being the launch of the Huddly C1, a state-of-the-art videobar offering a complete video and audio solution. With next-generation hardware offering 20x more AI processing power, Huddly C1 sets the stage for the future of Huddly intelligence, leveraging autonomous on-device AI to enhance video and audio performance in the meeting room. Its modular design works as a standalone solution for small to medium rooms or expands with Huddly Crew Add-On Cameras for wider coverage.

First unveiled and live demonstrated at ISE in February 2025, Q2 will mark the start of an extensive product launch campaign of C1. In collaboration with Lenovo and Microsoft, Huddly will provide customers and partners with an exclusive first look at the Huddly C1 through a dedicated road show, covering key cities including Oslo, London, Paris, Warsaw, and Milan. This strategic initiative will allow potential buyers to experience the product firsthand and understand its advanced capabilities.

The spotlight will shine on the Huddly C1 at the InfoComm trade fair in Florida, USA, in June 2025, where the product will be officially launched worldwide. The Huddly C1 is set to begin shipping to customers in Q3 2025.

The product marks a pivotal milestone for Huddly and is expected to be a key revenue driver in the coming years.

## Strategic review

The Company initiated a strategic review following interest from a global industrial player, aimed at evaluating the Company's long-term direction and partnerships. As communicated in February 2025, the company expected to conclude the process in Q2 2025.

The introduction of tariffs in the USA from April 2025 led to significantly increased market uncertainty in the AV industry. The changed market environment has led to deferred decision-making and has effectively closed the M&A window for the time being. The Board will therefore end the strategic review process now but remains open to revisiting strategic opportunities should conditions change materially.

While a transaction is not anticipated in the near term, Huddly has through the process created and strengthened relations with global industrial players.

The Company is executing according to its business plan, and its AI-based technology and products are recognized as being best-in-class. The Board is confident that the significant commercial progress since last year has further strengthened Huddly's position and potential to create significant shareholder value.



## Financial review

NOK million	Q1 2025	Q1 2024	Change	2024
Revenue	45.3	33.0	37 %	148.8
Gross profit	23.8	15.9	50 %	71.6
<i>Gross margin</i>	53 %	48 %		48 %
Sublease revenue	1.5	1.5		6.0
Operating expenses	-57.7	-37.5	54 %	-169.8
EBITDA	-32.4	-20.1		-92.3
Operating profit (EBIT)	-47.5	-35.1		-153.4
Net financials	-6.6	-6.2		-18.3
<b>Profit/Loss before tax</b>	<b>-54.0</b>	<b>-41.3</b>		<b>-171.7</b>

### Income statement

Total revenue in the first quarter 2025 amounted to NOK 45.3 million, an increase of 37 % compared to NOK 33.0 million in the same quarter last year and a reduction of 11 % from the fourth quarter 2024.

Sales revenue generated through Channels increased by 55 % year-on-year, led by a resurgence in the North American sales channel. The revenue split in Q1'25 was 77 % sales to Channel and 23 % through Strategic partner sales. Sales through Strategic partners year-on-year were at the same level, however, increased by 385 % compared to Q4'24, which is driven by the newly signed Strategic partners announced in 2024.

Gross margin Q1'25 increased to 53 % vs. 48 % in Q1'24 due to a more favorable product and customer mix. Gross profit in the first quarter of 2025 increased to NOK 23.8 million, compared to NOK 15.9 million in the same period last year, and a decline of NOK 6.2 million from Q4'24.

Revenue from subleasing a part of the Oslo office is reflected in Sublease revenue of NOK 1.5 million in Q1'25.

In the first quarter of 2025 operating expenses increased to NOK 57.7 million, compared to NOK 37.5 million in the same period of 2024. The increase was mainly due to higher

employee benefit expenses, with the introduction of a new share incentive program as the main driver, which is recognized as a share-based (non-cash) cost under IFRS.

115 FTEs were employed at the end of Q1'25 vs. 112 FTEs at the end of Q1'24. The cost savings initiative launched in 2024, which encompassed a reduction in FTEs, will take full effect from May 2025.

EBITDA came in at a loss of NOK 32.4 million, compared to a loss of NOK 20.1 million in the first quarter of 2024 and a loss of NOK 6.9 million in the fourth quarter 2024.

Net financials amounted to negative NOK 6.6 million in the first quarter of 2025, compared to negative NOK 6.2 million in the same quarter last year. The change primarily reflects foreign exchange losses.

The first quarter 2025 ended with a loss of NOK 54.0 million before tax, compared to a loss of NOK 41.3 million in the same period last year.

### Cash flow

Cash flow from operating activities was negative NOK 20.5 million in the first quarter 2025 compared to negative NOK 17.8 million in the same period last year.



Cash flow from investing activities was negative NOK 20.3 million for the first quarter 2025, compared to a negative NOK 19.0 million in the same period last year. Investments in the development of Huddly's products were stable at NOK 20.1 million in the first quarter 2025, compared to NOK 18.8 million in Q1'24.

Cash flow from financing activities was positive NOK 16.5 million in the first quarter 2025 due to the subsequent offering following the equity raise in 2024 and NOK 18.6 million in the same period last year.

Cash and cash equivalents were NOK 93.0 million at the end of the first quarter 2025, down from NOK 153.5 million in Q1'24.

## Financial position

Intangible assets amounted to NOK 223.1 million at the end of March 2025, an increase of NOK 24.6 million compared to Q1'24, primarily due to capitalization of investments in intellectual property and R&D. Total non-current assets amounted to NOK 311.7 million, up NOK 11.9 million since end of the first quarter 2024 mainly due to an increase in intangible assets.

Excluding cash and cash equivalents, current assets decreased to NOK 181.9 million compared to NOK 213.6 million at the end of the first quarter 2024.

In year-to-year comparison inventories increased by NOK 41.0 million to NOK 84.7 million, whereas consignment inventories held by third parties declined by NOK 54.4 million to NOK 40.0 million.

Trade receivables declined by NOK 3.2 million to NOK 29.4 million from the end of the first quarter 2024, whereas other current receivables decreased by NOK 15.0 million to NOK 27.8 million.

In Q1'25, the Company issued 2,500,000 new shares as a consequence of the subsequent repair offering following the successful capital raise in December 2024, resulting in net proceeds of NOK 22.9 million. Please see note 7 and 8 for further details. The total equity on March 31 2025 is NOK 362.3 million, a decrease from NOK 385.5 million at the end of the first quarter 2024. The equity ratio was 61.8 % at the end of March 2025.

Non-current liabilities decreased by NOK 4.2 million to NOK 107.5 million in the first quarter of 2025 compared to the of first quarter of 2024.

Current liabilities amounted to NOK 116.8 million, down from NOK 169.7 million at the end of the first quarter 2024, due to a decline of NOK 54.4 million in consignment inventory. Trade payable position remained stable increasing by NOK 1.8 million to NOK 29.1 million.



## Outlook

The underlying market for Huddly's products is strong, with the trend towards hybrid collaboration being a robust long-term driver.

The Company addresses a vast market with significant untapped potential: Currently, only 10-15 % of roughly a hundred million meeting rooms are equipped with video conferencing systems. The penetration rate is expected to grow, as the need for technology and products addressing hybrid collaboration pain points intensify.

Huddly's multi-camera system, Crew, is well-positioned to capitalize on emerging trends such as AI-enabled multi-camera direction, offering a scalable, plug-and-play platform powered by a unique combination of AI and networked devices that adapts seamlessly to any room size or type.

The Company is executing on its business plan towards 2027. The priority is to increase market share through the ongoing development of Channel partner sales as well as a close cooperation with current and new Strategic

partners. Shure was signed as a Strategic partner in October 2024, and the key priority for management is to add additional partners. The long-term target of a 50/50 mix between Channel and Strategic partners represents a resilient and diversified business model.

Customer shipment of new products, such as the Huddly C1 videobar from Q3 2025, is expected to be an important medium-term growth driver. In addition, the product roadmap towards 2026 and 2027 will further defend Huddly's leading position and attract new Strategic and Channel partners.

Huddly's ambition is to return to positive cash flow towards the end of 2025. With the current business plan, the Company projects cash flow positive in full-year 2026, and strong cash generation from 2027.

At the same time, the Company acknowledges that its outlook is subject to inherent uncertainty, which is further amplified by ongoing geopolitical and macroeconomic instability.



## Risks and uncertainties

Huddly is exposed to the following major groups of risks: Product risks, Market risks, Credit risks, and Liquidity risks. Some of these are outside of Huddly's control, such as geopolitical risks and market specific cyclical risks.

### *Product risks*

The Company's core business is to develop innovative videoconferencing solutions, thus there are inherent risks related to product development. Risks include technological complexity, rapidly evolving customer needs, shifting market trends, and the continuous need to deliver high-performance, reliable products. Failure to anticipate or respond to these changes may lead to delays in product launches, increased development costs, or products that do not meet market expectations.

### *Market risks*

Huddly faces increasing risks related to tariffs and ongoing trade tensions, which could impact supply chain costs. Escalating trade disputes may lead to higher import duties and regulatory challenges, affecting profitability and pricing flexibility. Huddly's contract manufacturer is based in Poland, and the risk exposure is mainly related to potential tariffs between Europe, North America and Asia. The Company is closely monitoring the situation and evaluating strategies to mitigate potential disruptions.

The main exposure to foreign currency is derived from accounts payable and accounts receivable in connection with the sale and purchase of goods in foreign currency, in addition to other operating expenses denominated in a foreign currency, such as foreign payroll and services.

The Company does not normally use contracts to hedge the foreign exchange exposure. The exposure is largely hedged through receipts and debts being denominated, directly or indirectly, in the same currency (a "natural hedge").

### *Credit risks*

Huddly's credit risk is related to the sale of goods and services on credit, and working capital advance tied up at the Company's contract manufacturer. Huddly monitors the outstanding amounts and follows up closely with its customers and partners should amounts become overdue.

### *Liquidity risks*

Huddly's liquidity strategy is to secure sufficient cash, cash equivalents and credit facilities available at any time to finance the operations and investments for the next 12 months.

Huddly remains focused on executing a business strategy aimed at achieving cash flow positivity by end of 2025. However, it is important to acknowledge the inherent uncertainties surrounding this objective. The business plan for 2025 remains subject to various external and internal factors that may impact both revenue realization and cost structure, thereby affecting forecasted cash flows. Among these are macroeconomic volatility, tariffs and the timing and volume of revenue from Channel partners and existing and new Strategic partners. In response to these uncertainties, the Board of Directors is prepared to implement strategic measures to adjust the cost base and optimize cash flows as necessary.

Huddly holds no loan agreements against financial institutions and has no covenants. The Company has a loan facility of NOK 55.5 million from existing shareholders and associated companies, maturing in June 2026. The Board has initiated the process of postponing the maturity of the loan to after end of 2026. The facility is currently fully drawn, with interest exposure linked to NIBOR. Huddly considers the risk associated with interest rate fluctuations as low.

# Financial statements and notes to financials

Huddly Q1 2025



# Financial statements

## Interim consolidated statement of profit or loss Q1-2025

Amounts in NOK 1,000 (unaudited)	Note	Q1 2025	Q1 2024	2024
Sales of goods	3	45,295	33,046	148,781
<b>Total revenue from sales of goods</b>		<b>45,295</b>	<b>33,046</b>	<b>148,781</b>
Cost of goods sold		(21,475)	(17,131)	(77,230)
<b>Gross profit</b>		<b>23,820</b>	<b>15,915</b>	<b>71,551</b>
Sublease revenue		1,523	1,489	5,952
Employee benefit expenses	4	(40,738)	(26,155)	(119,483)
Other operating expenses		(16,987)	(11,331)	(50,312)
Amortization and depreciation		(15,094)	(15,010)	(61,096)
Total operating expenses		(72,818)	(52,497)	(230,891)
<b>Operating profit/(loss)</b>		<b>(47,476)</b>	<b>(35,093)</b>	<b>(153,388)</b>
Interest income		99	22	4,176
Interest expense		(3,585)	(3,679)	(14,430)
Other financial expense		(677)	(990)	(3,026)
Net foreign exchange gains (losses)		(2,388)	(1,532)	(5,043)
Net financial items		(6,551)	(6,179)	(18,323)
<b>Profit/(loss) before income tax</b>		<b>(54,027)</b>	<b>(41,271)</b>	<b>(171,711)</b>
Income tax		-	-	(468)
<b>Profit/(loss) for the year</b>		<b>(54,027)</b>	<b>(41,271)</b>	<b>(172,179)</b>
<b>Profit/(loss) for the year is attributable to:</b>				
Owners of Huddly AS		<b>(54,027)</b>	<b>(41,271)</b>	<b>(172,179)</b>
<b>Earnings per share in NOK</b>				
Basic earnings per share		(2.89)	(8.09)	(30.29)
Diluted earnings per share		(2.89)	(8.09)	(30.29)



## Consolidated statement of comprehensive income/loss Q1-2025

Amounts in NOK 1,000 (unaudited)	Q1 2025	Q1 2024	2024
<b>Profit/(loss) for the year</b>	<b>(54,027)</b>	<b>(41,271)</b>	<b>(172,179)</b>
Other comprehensive income:			
<i>Items that might be subsequently reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations	(7,110)	5,706	11,816
<b>Total comprehensive income for the year</b>	<b>(61,137)</b>	<b>(35,566)</b>	<b>(160,363)</b>
<b>Profit/(loss) for the year is attributable to:</b>			
Owners of Huddly AS	<b>(61,137)</b>	<b>(35,566)</b>	<b>(160,363)</b>



## Interim consolidated statement of financial position Q1-2025

Amounts in NOK 1,000 (unaudited)	Note	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	5	8,018	8,018	8,018
Intangible assets	5	223,125	198,525	215,153
Tangible assets		3,911	6,342	4,600
Right-of-use assets		52,658	62,102	55,756
Deferred tax asset		-	-	-
Other non-current receivables		24,011	24,843	25,852
<b>Total non-current assets</b>		<b>311,721</b>	<b>299,830</b>	<b>309,378</b>
<b>Current assets</b>				
Inventories		84,677	43,720	78,733
Consignation inventories		40,017	94,456	50,276
Trade receivables		29,413	32,598	49,061
Other current receivables		27,791	42,826	26,594
Cash and cash equivalents	6	92,969	153,542	116,470
<b>Total current assets</b>		<b>274,868</b>	<b>367,143</b>	<b>321,133</b>
<b>TOTAL ASSETS</b>		<b>586,589</b>	<b>666,973</b>	<b>630,512</b>

Amounts in NOK 1,000 (unaudited)	Note	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		1,304	335	1,148
Share premium and other paid in capital		407,940	921,460	374,432
Foreign currency translation reserves		7,069	8,069	14,178
Retained earnings		(54,027)	(544,367)	-
<b>Total equity</b>	<b>4,7,8</b>	<b>362,285</b>	<b>385,497</b>	<b>389,758</b>
<b>Non-current liabilities</b>				
Long term debt		55,500	50,000	55,500
Lease liabilities (non-current)		50,073	58,139	53,309
Other non-current liabilities		1,959	3,630	2,320
<b>Total non-current liabilities</b>		<b>107,532</b>	<b>111,770</b>	<b>111,129</b>
<b>Current liabilities</b>				
Lease liabilities (current portion)		11,821	9,716	11,462
Trade payables		29,112	27,297	25,350
Current tax payables		1,998	2,045	2,643
Consignation liabilities		43,463	94,995	53,721
Other current liabilities		30,378	35,654	36,447
<b>Total current liabilities</b>		<b>116,771</b>	<b>169,707</b>	<b>129,624</b>
<b>Total liabilities</b>		<b>224,303</b>	<b>281,476</b>	<b>240,753</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>586,589</b>	<b>666,973</b>	<b>630,512</b>



## Interim consolidated statement of changes in equity Q1-2025

<b>Amounts in NOK 1,000 (unaudited)</b>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>2024</b>
Equity - beginning of period	389,758	392,709	392,709
Total comprehensive income/(loss) for the year	(61,137)	(35,566)	(160,363)
Share issue	22,861	27,835	149,989
Equity change on employee options	10,797	519	7,424
Sales of own shares	6	-	-
<b>Equity - end of period</b>	<b>362,285</b>	<b>385,497</b>	<b>389,758</b>



## Interim consolidated statement of cashflow Q1-2025

Amounts in NOK 1,000 (unaudited)	Note	Q1 2025	Q1 2024	2024
<b>Cash flows from operating activities</b>				
Profit/(loss) before income tax		(54,027)	(41,271)	(171,711)
<i>Adjustments for:</i>				
Share-based payments expense	4,8	10,797	519	7,424
Depreciation and amortization		15,094	15,010	61,096
Net financial items		6,551	6,179	18,323
<i>Change in operating assets and liabilities:</i>				
Change in trade receivables		16,150	21,936	2,645
Change in inventories (including consignment inventories)		2,919	(4,196)	4,971
Change in trade payables		3,739	(8,293)	(10,238)
Change in other current assets and liabilities		(21,158)	(4,813)	(24,344)
Taxes paid		-	-	-
Paid interests		(562)	(945)	(2,897)
Items classified as investing or financing		-	(1,972)	-
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(20,498)</b>	<b>(17,847)</b>	<b>(114,731)</b>
<b>Cash flows from investing activities</b>				
Payment for property, plant and equipment		(151)	(206)	(1,426)
Payment for investments in intangible assets	5	(20,141)	(18,823)	(67,117)
Proceeds from disposals		4	-	-
Interest received		-	22	4,176
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(20,289)</b>	<b>(19,007)</b>	<b>(64,367)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of ordinary shares	8	25,000	30,000	160,000
Sale of own shares		6	-	-
Payments of transaction costs equity transactions	8	(2,139)	(2,164)	(10,011)
Repayments of lease liabilities		(2,806)	(4,242)	(10,738)
Loan proceeds		-	-	5,500
Paid interest on loan		(1,696)	(2,933)	(7,842)
Paid interest on lease liabilities		(1,881)	(2,069)	(7,911)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>16,484</b>	<b>18,592</b>	<b>128,998</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>				
Cash and cash equivalents, start of period		116,470	164,231	164,231
Currency translation differences		(15)	5,850	87
Effects of exchange rate changes on cash and cash equivalents		817	1,724	2,252
<b>Cash and cash equivalents, end of period</b>		<b>92,969</b>	<b>153,542</b>	<b>116,470</b>



# Notes to the financial statements

## 1. General information

Huddly AS (the “Company”) and its subsidiary Huddly Inc. (together referred to as the “Group” or “Huddly”) uses its technology to create tools for team collaboration. Huddly combines expertise across the fields of design, hardware, software, and artificial intelligence. Huddly’s smart cameras are designed to make it easier and better for people to communicate with each other. Huddly’s collaboration with industry-leading partners enable high-quality video experiences on all major collaboration platforms.

Huddly AS is a public limited liability company incorporated and domiciled in Norway. The address of its registered office is Stortorvet 7, 0155 Oslo, Norway. Huddly AS is listed on Euronext Growth on the Oslo Stock Exchange. Huddly Inc is registered in the state of Delaware in the United States of America.

The consolidated condensed interim financial statements comprise the financial statements to the parent company and its subsidiary at end March 2025, authorized for issue by the Board of Directors on 15 May 2025.

## 2. Accounting policies

The unaudited interim consolidated financial statements for the three-month period ending 31 March 2025, have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for 2024. The accounting policies applied in the preparation of the interim financial statements are consistent with those applied in the preparation of the annual financial statements for the year ending 31 December 2024. The Group has not adopted any standard, interpretation or amendment that has been issued but is not yet mandatory.

Huddly Inc. is included in the consolidated financial statements as the control criteria in IFRS 10 are met.

The presentation currency of the Group is NOK which corresponds to the functional currency of the main entity in the Group. As a result of rounding adjustments, amounts and percentages may not add up to the total. All numbers are in NOK thousands unless otherwise stated.

The condensed interim financial statements are unaudited.

## 3. Sales of goods and segment information

The market for Huddly’s smart cameras is global. The Management team has therefore determined the operating segments on this basis. The Group considers the business as one operational segment.

The Group’s operating profit arises from activities in this segment, which is the only revenue generating segment across the entire operation irrespective of geographic location.

Performance is measured by the Management team based on the operating segment’s revenue and profitability on a global basis.



Other information is measured in a manner consistent with that in the Annual Report for 2024. Principles of revenue recognition are stated in the accounting principles to the Annual Report for 2024.

## Sales of goods by customer segment

In the following table, revenue is disaggregated by customer segment, as defined by the Management team.

<b>Sales of goods by customer segment, %</b>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>2024</b>
Strategic partners %	23%	32%	17%
Channel partners %	77%	68%	83%
<b>Total sales of goods</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Amounts in NOK 1,000

<b>Sales of goods by customer segment</b>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>2024</b>
Strategic partners	10,608	10,624	24,611
Channel partners	34,687	22,422	124,170
<b>Total sales of goods</b>	<b>45,295</b>	<b>33,046</b>	<b>148,781</b>

## Sales of goods by Geography

In presenting the geographic information, revenue has been based on the geographic location of customers.

<b>Sales of goods by customer geography, %</b>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>2024</b>
EMEA / APAC	43%	68%	44%
Americas	57%	32%	56%
<b>Total sales of goods</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Amounts in NOK 1,000

<b>Sales of goods by customer geography</b>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>2024</b>
EMEA / APAC	19,687	22,440	65,057
Americas	25,608	10,606	83,724
<b>Total sales of goods</b>	<b>45,295</b>	<b>33,046</b>	<b>148,781</b>

## 4. Employee benefit expenses and option programs

The Company's only active share granting incentive program is the 2025 incentive plan implemented in February 2025, directed at employees and directors. Participants are granted options to subscribe for shares in the Company based on a pre-determined strike price. The options in the 2025 option program are subject to a three-year vesting schedule.

The 2025 incentive plan replaced the plan established in 2024. Participants were given the choice as to whether they wished to transfer their preexisting holdings to the 2025 plan or keep their options granted in the 2024 plan. The options under the 2021 incentive plan have now largely expired. Both 2021 and 2024 incentive programs have been closed for new members. All options may only be exercised in a



coordinated process led by the Company's Board. This implies that the participant may only exercise 1/3 of vested options each year.

In Q1'25, TNOK 10,796 is included as operational expenses related to the option program under IFRS 2. TNOK 10,776 is booked directly on Other Equity and negative TNOK 20 as Other Current Liabilities (accrued social security tax on unexercised options), at the end March 2025.

As of 31 March 2025, the remaining option expenses for outstanding options are TNOK 2,877 and TNOK 24 under the 2025 plan and 2021 plan respectively. These are recognized with a future corresponding increase of equity. During Q1'25, a total of 1,460,254 options were granted under the 2025 options program, with 10,958,533 forfeited options and 36,147,800 cancelled options within the 2021 and 2024 plan's respectively. See the next table for outstanding instruments as of end of March 2025.

### Overview outstanding options

<b>2021 incentive plan</b>	<b>Q1 2025</b>	<b>Q1 2024</b>
Options granted, outstanding 01.01	10,160,073	23,648,873
Options granted	-	-
Options exercised	-	-
Options cancelled	-	-
Options forfeited during the period	(10,058,533)	(2,500)
<b>Options granted, outstanding at end of quarter</b>	<b>101,540</b>	<b>23,646,373</b>
<b>Options vested, at end of quarter</b>	<b>-</b>	<b>22,069,151</b>

<b>2024 incentive plan</b>	<b>Q1 2025</b>	<b>Q1 2024</b>
Options granted, outstanding 01.01	34,808,700	-
Options granted	1,417,100	-
Options exercised	-	-
Options cancelled	(36,147,800)	-
Options forfeited during the period	(78,000)	-
<b>Options granted, outstanding at end of quarter</b>	<b>-</b>	<b>-</b>
<b>Options vested, at end of quarter</b>	<b>-</b>	<b>-</b>



## Overview outstanding options continued

2025 incentive plan	Q1 2025	Q1 2024
Options granted, outstanding 01.01	-	-
Options granted	1,460,254	-
Options exercised	-	-
Options forfeited during the period	-	-
<b>Options granted, outstanding at end of quarter</b>	<b>1,460,254</b>	-
<b>Options vested, at end of quarter</b>	<b>177,274</b>	-

Overview synthetic options	Q1 2025	Q1 2024
Options granted, outstanding 01.01	5,871,111	5,871,111
Options granted	-	-
Options exercised	-	-
Options forfeited during the period	-	-
<b>Options granted, outstanding at end of quarter</b>	<b>5,871,111</b>	<b>5,871,111</b>
<b>Options vested, at end of quarter</b>	<b>5,871,111</b>	<b>5,871,111</b>

## 5. Intangible assets

Development projects are constantly reviewed in terms of potential future earnings and only capitalized as intangible assets if the project is likely to create future revenue, and costs incurred can be measured reliably. Capitalized costs include expenses directly attributable to the development of intangible assets, such as personnel, prototyping and consultancy services.

Huddly is constantly working on securing its intellectual property. All intangible assets are measured initially at cost and amortized using the straight-line amortization method over the estimated useful life. For detailed information on useful life of different intangible assets please refer to Note 11 in Huddly Annual Report 2024.

Amounts in NOK 1,000 (unaudited)	31 Mar 2025	31 Mar 2024	31 Dec 2024
Development	211,481	188,771	203,396
Patents, design and trademark	11,583	9,692	11,697
Domains and licenses	61	61	61
Goodwill	8,018	8,018	8,018
<b>Total</b>	<b>231,142</b>	<b>206,542</b>	<b>223,171</b>

## 6. Cash and cash equivalents

Restricted cash at 31 March 2025 was NOK 14.2 million. This relates to advance payment of social security tax and deposit for office premises.

Total closing cash and cash equivalents at end March 2025 was NOK 93.0 million.



Amounts in NOK 1,000	31 Mar 2025	31 Mar 2024	2024
Bank deposits	92,969	153,542	114,767
Cash in transit	-	-	1,703
<b>Total cash and cash equivalents</b>	<b>92,969</b>	<b>153,542</b>	<b>116,470</b>

Amounts in NOK 1,000	31 Mar 2025	31 Mar 2024	2024
Restricted cash included in the above:	14,199	13,996	15,980
Advance payment of social taxes	3,228	3,030	5,009
Bank deposit for office premises	10,971	10,966	10,971

## 7. Shareholders and share capital

The parent company, Huddly AS, has 20,863,281 shares, with par value NOK 0.0625 which give a total share capital of NOK 1,303,955.0625. In Q1'25, the Company issued 2,500,000 new shares, with a par value NOK 0.0625 which increased the share capital by NOK 156,250.

The parent company, Huddly AS, owns 53,000 treasury shares and has 20,810,281 outstanding shares in the market.

The Company has one share class, common shares, which all have the same voting and dividend rights. The Company has 1,315 shareholders as of 31 March 2025. Below are the 20 largest shareholders.

Shareholder name	Number of shares	Ownership
SONSTAD AS	2,420,000	12%
MUSTANG CAPITAL AS	1,337,552	6%
LEIF HÜBERT AS	1,272,920	6%
KOLBERG MOTORS AS	1,106,279	5%
SOM HOLDING AS	839,709	4%
PORTIA AS	624,000	3%
MP PENSJON PK	622,599	3%
RBC INVESTOR SERVICES TRUST	615,183	3%
TTC INVEST AS	558,155	3%
INAK 3 AS	554,179	3%
SONGA CAPITAL AS	554,179	3%
VIOLA AS	550,000	3%
INVEST 102 AS	500,000	2%
MELVER INVEST AS	482,320	2%
The Northern Trust Comp	454,460	2%
MULTIPLIKATOR AS	413,791	2%
SKIPS AS TUDOR	345,000	2%
DIGERNES	311,561	1%
CRESSIDA AS	310,000	1%
RIVERTOWN TRADING AS	303,000	1%
All others	6,635,394	32%
<b>Total</b>	<b>20,810,281</b>	<b>100%</b>



## 8. Equity

### Summary of statement of changes in share capital and share premium

Amounts in NOK 1,000 (unaudited)	Q1 2025	Q1 2024	2024
Equity - beginning of period	389,758	392,709	392,709
Total comprehensive income/(loss) for the year	(61,137)	(35,566)	(160,363)
Share issue	22,861	27,835	149,989
Equity change on employee options	10,797	519	7,424
Sales of own shares	6	-	-
<b>Equity - end of period</b>	<b>362,285</b>	<b>385,497</b>	<b>389,758</b>

On 7 March 2025 the Board of Directors of Huddly AS issued a total of 2,500,000 offer shares related to the subsequent repair offering raising an additional NOK 25 million in gross proceeds. The Company's new share capital is NOK 1,303,955.0625, divided into 20,863,281 shares, each with a nominal value of NOK 0.0625.

## 9. Related parties

For detailed information on related party transactions, please refer to Note 21 (Related party transactions) in the Huddly AS Annual Report for 2024. For detailed information relating to related parties' involvement in the Private Placement in 2024, please refer to the relevant press releases. All transactions with related parties are considered priced on an arm's length basis.

## 10. Alternative performance measures

The following alternative performance measures (APMs) are used in addition and to provide enhanced insight into the Group's operations, financing, and prospects in this report.

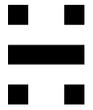
### Definition of Huddly's financial APM's

**Gross profit:** The company's net sales revenue less its cost of goods sold. The net sales figure is simply gross revenue, less the credit returns, allowances, and or discounts.

**EBITDA:** Earnings for the period before net financial items, income tax expense, depreciation, and amortization as a measure of the Company's operating performance. EBITDA is calculated as revenue less expenses (including cost of goods sold) excluding depreciation and amortization, interest, and tax.

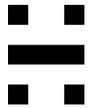
**EBIT:** Earnings before interest and income taxes as an indicator of a company's profitability. EBIT is calculated as revenue less expenses (including cost of goods sold) excluding interest and tax.

**Working capital:** The Company's operating liquidity includes inventory, trade and other short-term receivables minus trade payables, other short-term liabilities, and currency translation differences.



## 11. Events after the reporting date

In April 2025, the U.S. introduced new tariffs on imports from Europe and Asia, including technology products. These measures may impact the Company's exports to the U.S. and could affect future profitability and cash flows. The Group, together with its distribution partners, has taken measures to adapt to the new market conditions.



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