

FIRST-HALF REPORT

1H 2024

OTELLO CORPORATION ASA

HIGHLIGHTS

- Total equity was \$94,943 thousand as of the end June 2024, equal to 1,04 USD per share (approximately 11kr per share).
- 508,337 shares were bought back during the half for \$382 thousand (bringing the total bought back to 3,688,364 shares at a cost of \$2,993 thousand).
- Cash and cash equivalents as of the end of June 2024 was \$14,518 thousand.

*For further information regarding Adjusted EBITDA and other alternative performance measures used by Otello, see Note 8 of the interim condensed financial statements

Key figures (USD thousands)	1H24	1H23	YTD 2024	YTD 2023
Revenue	0	0	0	0
Adj. EBITDA	(1,615)	(1,673)	(1,615)	(1,673)
EBIT	(12,445)	13,127	(12,445)	13,127
Net income	(9,063)	16,169	(9,063)	16,169
EPS (USD)	(0.10)	0.18	(0.10)	0.18

GROUP PERFORMANCE

To provide a better understanding of Otello's underlying performance, the following presentation of operating results excludes certain non-recurring and non-operational items from EBITDA, such as transaction costs, stock-based compensation, restructuring and impairment expenses, as well as other items that are of a special nature or are not expected to be incurred on an ongoing basis.

Development during the half

Total operating expenses decreased 16% percent vs 1H23, or USD 321 thousand, due to the remaining value of property, plant and equipment having been written off part-way through the current period.

Employee benefits expense was USD 937 thousand in the 1H24, versus USD 973 thousand in 1H23, down 4 percent from the corresponding period last year.

Depreciation and amortization expenses were USD 60 thousand in 1H24 (USD 324 thousand), down 81% versus the corresponding period last year with a reduction in overall depreciation and amortization from intangible assets.

Other operating expenses were USD 678 thousand in 1H24 (USD 700 thousand), down 3 percent from the corresponding period last year.

Adjusted EBITDA and EBITDA

Adjusted EBITDA

Adjusted EBITDA was USD (1,615) thousand in 1H24, compared to USD (1,673) thousand in the corresponding period in 2023, an improvement of 3% or USD 58 thousand in 1H24 vs 1H23.

EBITDA

EBITDA was USD (1,615) thousand in 1H24, compared to USD (1,673) thousand in the corresponding period in 2023, an improvement of 3% or USD 58 thousand in 1H24 vs 1H23.

Impairment and restructuring expenses

The fair value of the investment in Bemobi Mobile Tech S.A. has been reassessed based on the share price of that business as of June 30, 2024. With a price per share of 13.60 Brazilian real as of that date, the carrying value of the investment has been written down by USD 10,770 thousand in 1H24.

Net financial items

Otello recognized a gain from net financial items in 1H24 of USD 3,382 thousand, compared to a gain of USD 3,042 thousand in the corresponding period last year. The 1H24 gain is driven by our share of profit of 3,453 thousand from our ownership in Bemobi (1H23: 1,388 thousand).

The key FX rates used during the half were:

USD:BRL

As of June 30, 2024: 5.5744

For the June period 2024: 5.3794

For the March period 2024: 4.9831

USD:NOK

As of June 30, 2024: 10.6460

For the June period 2024: 10.6125

For the March period 2024: 10.6167

Net income

1H24 net income was USD (9,063) thousand compared to USD 16,169 thousand in the corresponding period last year. The 1H24 numbers are negatively impacted by an unfavorable impairment of our holding in Bemobi. EPS and fully diluted EPS were USD (0.10) and USD (0.10), respectively, in 1H24, compared to USD 0.18 and USD 0.18, respectively, in 1H23.

Financial position and cash flow

Otello's net cash flow from operating activities was USD (2,108) thousand in 1H24, compared to USD (669) thousand in 1H23, due to a higher proportion of accrued liabilities in the previous period.

Cash flow from investment activities amounted to USD 2,826 thousand, vs USD 1,451 thousand from the corresponding half last year, driven a larger dividend being paid by Bemobi.

BUSINESS OVERVIEW

Otello no longer has any operating segments. However, Otello is a major shareholder in Bemobi and through Otello Technology Investment AS has 32 719 588 shares in Bemobi, equal to 37.607% ownership. Otello also holds the chairmanship of Bemobi with Otello's former CEO, and now Board and CEO Advisor, Lars Boilesen.

Bemobi results

Bemobi reported its 2Q24 results on August 8, 2024 (<https://ri.bemobi.com.br/en/>) with these key highlights:

- Consistent execution of our strategy to integrate Payment Solutions with SaaS platforms for Customer Engagement, focusing on essential recurring services industries
- Double-digit net revenue growth, +11% YoY, totaling R\$147.2 million - with a highlight on Digital Payments, with TPV of R\$2.0 billion in the

Cash flow from financing activities was USD (436) thousand in 1H24, compared to USD (266) thousand in 1H23. Use of cash in both periods relates primarily to share buybacks and partly to finance lease payments.

Cash and cash equivalents at the end of 1H24 were USD 14,518 thousand compared to USD 17,578 thousand in 1H23.

The company's equity was USD 94,943 thousand at the end of 1H24, corresponding to an equity ratio of 99.3%.

Organization

At the end of the 1H24, Otello had 3,95 full-time employees and equivalents.

quarter, revenue +15% YoY, and recovery in Digital Subscriptions by +10% YoY

- Adjusted EBITDA of R\$48 million, 11% YoY growth, as result of the top-line improvement and the positive effect of operational leverage, with expenses increasing less than revenues
- Adjusted Net Income ex-swap, of R\$40 million, over 100% growth, driven by operational performance and lower effective tax rate due to Interest on Capital
- Robust operational cash generation of R\$35.6 million, expanding +15% YoY, resulting in a solid cash conversion of ~74%, driven by improved operational performance as well as our asset-light business model

Events after the end of the half

On July 22, 2024, Otello announced the commencement of a new share buyback program. Transactions will be carried out by market purchases in accordance with applicable laws and be executed based on the market price on the Oslo Stock Exchange. The maximum consideration to be paid for shares acquired under the buyback program is NOK 15 per share and the maximum number of shares that can be purchased is 4 554 986 shares (5% of total outstanding shares). This is in addition to the shares acquired under the previous buyback program. The program will be initiated as from July 22, 2024, and expire no later than at the 2025 AGM.

OUTLOOK

Otello's strategic focus has been to build and grow companies with the ambition to create the highest possible value for our shareholders. We saw the culmination of this effort in 2021 where we were able to both IPO Bemobi on the Bovespa in Brazil at a significant premium to our initial purchase price, as well as sign and close a transaction selling AdColony to Digital Turbine.

In Bemobi, Otello remains the biggest shareholder and is positive about the prospects of the business. Otello will have an opportunistic view on its financial investment in the company. Since the end of the half, Bemobi's share price has seen strong growth, increasing from BRL 13.60 as of June 30, 2024 to BRL 15.75 as of August 16, 2024; an increase of nearly 16% in local currency terms.

AdColony, which was sold to Digital Turbine in April 2021, has as of this date been fully paid and consummated by Digital Turbine. As part of the transaction, Otello has Material Indemnification-Related Post-Earnout Obligations related to the transaction. None of the Indemnification Obligations of Otello has been recognized as liabilities in the financial statement as it has yet to be confirmed whether Otello has a present obligation that could lead to an outflow of economic benefits, nor does the Indemnification Obligations of Otello meet the recognition criteria in IAS 37 as it is not probable that an outflow of economic benefits will happen at this stage.

Otello has, as a result of the transactions above and proceeds received, already repaid all our debt, and launched and completed several share buyback programs accessible to all shareholders. Otello has also paid a dividend of NOK 21 per share, paying out over 90% of our total cash position. Under the share buyback program announced on June 20, 2023, Otello acquired 3,688,364 treasury shares. On July 22, 2024, Otello announced a new share buyback program for up to 5% of the total outstanding shares. As of August 16, 2024, Otello had acquired 557,500 shares under this new program, and owns a total of 4,245,864 treasury shares as of that date.

Going forward, the goal is to maximize the value of Bemobi and continue to return cash to shareholders when possible.

Oslo, August 20, 2024
The Board of Directors
Otello Corporation ASA

Andre
Christensen
Chairman
(sign.)

Jason
Hoida
CEO
(sign.)

Interim condensed financial statements

Consolidated statement of comprehensive income

	Note	1H 2024	1H 2023	% change	YTD 2024	YTD 2023	% change
USD thousands, except per share amounts							
Revenue		-	-	N/A	-	-	N/A
Total operating revenue		-	-	0 %	-	-	0 %
Employee benefits expense		(937)	(973)	-4 %	(937)	(973)	-4 %
Depreciation and amortization expenses		(60)	(324)	-81 %	(60)	(324)	-81 %
Other operating expenses		(678)	(700)	-3 %	(678)	(700)	-3 %
Total operating expenses		(1,675)	(1,996)	-16 %	(1,675)	(1,996)	-16 %
Operating profit (loss), (EBIT), excluding impairment and restructuring expenses		(1,675)	(1,996)		(1,675)	(1,996)	
Impairment gains (losses) and restructuring expenses	4	(10,770)	15,123		(10,770)	15,123	
Operating profit (loss), (EBIT)		(12,445)	13,127		(12,445)	13,127	
Share of profit (loss) from associated companies	5	3,453	1,388		3,453	1,388	
Other net financial items	5	(71)	1,654		(71)	1,654	
Profit (loss) before income tax		(9,063)	16,169		(9,063)	16,169	
Tax expense ¹⁾		0	0		0	0	
Profit (loss)		(9,063)	16,169		(9,063)	16,169	
Items that may or will be transferred to profit (loss)							
Foreign currency translation differences		1,277	2,644		1,277	2,644	
Items that will not be transferred to profit (loss)							
Foreign currency translation differences		(5,913)	(11,603)		(5,913)	(11,603)	
Total comprehensive income (loss)		(13,699)	7,211		(13,699)	7,211	
Earnings (loss) per share:							
Basic earnings (loss) per share (USD)		(0.10)	0.18		(0.10)	0.18	
Diluted earnings (loss) per share (USD)		(0.10)	0.18		(0.10)	0.18	
Shares used in earnings per share calculation		87,680,500	91,093,301		87,680,500	91,093,301	
Shares used in earnings per share calculation, fully diluted		87,680,500	91,093,301		87,680,500	91,093,301	

1) The 1H and YTD tax expense is based on an estimated tax rate for the Group.

Consolidated statement of financial position

(USD thousands)	Note	06/30/2024	06/30/2023	12/31/2023 (Audited)
Assets				
Property, plant and equipment		-	24	-
Right of use assets	6	49	162	109
Investments	7	80,773	96,897	95,215
Other non-current assets		-	-	-
Total non-current assets		80,823	97,083	95,325
Accounts receivable		13	17	21
Other receivables		236	1,910	272
Cash and cash equivalents		14,518	17,578	14,576
Total current assets		14,768	19,505	14,869
Total assets		95,590	116,588	110,193

(USD thousands)	Note	06/30/2024	06/30/2023	12/31/2023 (Audited)
Shareholders' equity and liabilities				
Equity attributable to owners of the company		94,943	114,383	109,024
Total equity		94,943	114,383	109,024
Liabilities				
Lease liabilities	7	-	26	-
Total non-current liabilities		0	26	0
Lease liabilities	7	27	103	84
Accounts payable		53	90	13
Other current liabilities		567	1,986	1,073
Total current liabilities		647	2,179	1,170
Total liabilities		647	2,205	1,170
Total equity and liabilities		95,590	116,588	110,193

Consolidated statement of cash flows

(USD thousands)	Note	1H 2024	1H 2023	YTD 2024	YTD 2023
Cash flow from operating activities					
Profit (loss) before taxes		(9,063)	16,166	(9,063)	16,166
Depreciation and amortization expense		60	324	60	324
Impairment (gain) loss recognized in profit (loss)	4	10,770	(15,123)	10,770	(15,123)
Changes in accounts receivable		8	33	8	33
Changes in accounts payable		40	(65)	40	(65)
Other adjustments for non-cash items		(470)	(615)	(470)	(615)
Share of net income (loss) from associated companies	5	(3,453)	(1,388)	(3,453)	(1,388)
Net cash flow from operating activities		(2,108)	(669)	(2,108)	(669)
Cash flow from investing activities					
Dividends received		2,826	1,480	2,826	1,480
Other cash payments to acquire equity or debt instruments of other entities		-	(29)	-	(29)
Net cash flow from investing activities		2,826	1,451	2,826	1,451
Cash flow from financing activities					
Payments to acquire entity's shares		(382)	(214)	(382)	(214)
Payment of finance lease liabilities, net	6	(54)	(52)	(54)	(52)
Net cash flow from financing activities		(436)	(266)	(436)	(266)
Net change in cash and cash equivalents		283	516	283	516
Cash and cash equivalents (beginning of period)		14,576	18,373	14,576	18,373
Effects of exchange rate changes on cash and cash equivalents		(979)	(1,524)	(979)	(1,524)
FX differences related to changes in balance sheet items		639	213	639	213
Cash and cash equivalents ¹⁾		14,518	17,578	14,518	17,578
- of which included in cash and cash equivalents in the balance sheet		14,518	17,578	14,518	17,578

¹⁾ Of which \$262 (06/30/2023: \$213) thousand is restricted cash and cash equivalents as of June 30, 2024.

Consolidated statement of changes in equity

(USD thousands)	Number of shares	Issued capital	Share premium	Treasury shares	Translation reserve	Other equity	Non-controlling interests	Total equity
Equity as of 12/31/2023	87,920	209	114,750	(2,610)	1,035	(4,360)	-	109,024
Comprehensive income (loss)								
Profit (loss)		-	-	-	-	(9,063)	-	(9,063)
Other comprehensive income (loss)								
Foreign currency translation differences		-	-	-	1,277	(5,913)	-	(4,636)
Total comprehensive income (loss)		-	-	-	1,277	(14,975)	-	(13,699)
Contributions by and distributions to owners								
Treasury shares purchased	(508)	-	-	(382)	-	-	-	(382)
Total contributions by and distributions to owners	(508)	-	-	(382)	-	-	-	(382)
Equity as of 06/30/2024	87,411	209	114,750	(2,993)	2,311	(19,335)	-	94,943

Treasury shares

During 1H 2024, Otello purchased 508,337 (YTD: 508,337) treasury shares for \$382 thousand (YTD: \$382 thousand), and sold 0 (YTD: 0) treasury shares for \$0 thousand (YTD: \$0 thousand). As of June 30, 2024, Otello owned 3,688,364 treasury shares.

Equity as of 12/31/2022	91,100	209	114,750	-	(468)	(7,105)	-	107,386
Comprehensive income (loss)								
Profit (loss)		-	-	-	-	16,169	-	16,169
Other comprehensive income (loss)								
Foreign currency translation differences		-	-	-	2,644	(11,603)	-	(8,958)
Total comprehensive income (loss)		-	-	-	2,644	4,566	-	7,211
Contributions by and distributions to owners								
Treasury shares purchased	(282)	-	-	(214)	-	-	-	(214)
Total contributions by and distributions to owners	(282)	-	-	(214)	-	-	-	(214)
Equity as of 06/30/2023	90,818	209	114,750	(214)	2,176	(2,539)	-	114,383

Notes to the condensed consolidated interim financial statements

Note 1 - Corporate information

Otello ("the Group") consists of Otello Corporation ASA ("the Company") and its subsidiaries. The Company is a public limited company domiciled in Norway. The Company is listed on the Oslo Stock Exchange under the ticker OTELLO.

The condensed consolidated interim financial statements ("interim financial statements") comprise the Company and its subsidiaries.

Note 2 - Basis of preparation

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and accompanying interpretations. The interim financial statements do not include all the information and disclosures required for a complete set of financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2023.

The interim financial statements have not been subject to audit or review.

The interim financial statements have been prepared on a historical cost basis, and are presented in US dollars (USD), rounded to the nearest hundred thousand, unless otherwise stated. As a result of rounding differences, amounts and percentages may not add up to the total.

Note 3 - Accounting policies and critical accounting estimates

Accounting policies

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2023.

Critical accounting estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2023.

Note 4 - Impairment and restructuring expenses

The fair value of the investment in Bemobi Mobile Tech S.A. has been reassessed based on the share price of that business as of June 30, 2024. With a price per share of 13.60 Brazilian real as of that date, an impairment of USD 10,770 thousand has been recognised during the first half of 2024.

Impairment gains (losses) and restructuring expenses USD thousands	1H 2024	1H 2023	YTD 2024	YTD 2023
Impairment gains (losses)	(10,770)	15,123	(10,770)	15,123
Total impairment gains (losses) and restructuring expenses	(10,770)	15,123	(10,770)	15,123

Note 5 - Financial items

Financial items USD thousands	1H 2024	1H 2023	YTD 2024	YTD 2023
Share of profit (loss) from associated companies	3,453	1,388	3,453	1,388
Other net financial items				
Other interest income (expense), net	413	354	413	354
Other FX gains (losses), net	(447)	579	(447)	579
Other financial income (expense), net	(37)	(19)	(37)	(19)
Profit (loss) sale of shares	-	740	-	740
Total other net financial items	(71)	1,654	(71)	1,654
Total net financial items	3,382	3,042	3,382	3,042

Note 6 - Right-of-use assets and lease liabilities (IFRS 16)

The remaining lease liability and right of use asset relates to the Group's office in Oslo, Norway.

The movements of the Group's right of use assets, lease receivables and lease liabilities are presented below:

Lease liabilities	06/30/2024	06/30/2023
USD thousands		
Balance as of 1/1	84	190
Translation differences	(4)	(11)
Lease payments for the principal portion of the lease liability	(54)	(52)
Interest expense on lease liabilities	1	2
Lease liabilities as of 06/30	27	129
Of which:		
Current lease liabilities (less than 1 year)	27	103
Non-current lease liabilities (more than 1 year)	-	26
Balance as of 06/30	27	129
Right of use assets	06/30/2024	06/30/2023
USD thousands		
Balance as of 1/1	109	219
Depreciation	(60)	(57)
Right of use assets as of 06/30	49	162
Lower of remaining lease term or economic life	0 - 3 years	0 - 3 years
Depreciation plan	Linear	Linear

Translation differences arise due to the translation of lease contracts in local currencies to USD.

IFRS 16 effects on the consolidated statement of comprehensive income	1H 2024	1H 2023	YTD 2024	YTD 2023
USD thousands				
Operating lease expenses recognized under operating expenses decreased	(54)	(52)	(54)	(52)
Depreciation expense increased as a result of depreciation of ROU assets	60	57	60	57
Net interest expense increased as a result of recognition of the lease liability	1	2	1	2
Translation differences	(4)	(11)	(4)	(11)
Net effect	4	(4)	4	(4)

Profit for the period is not affected significantly.



Note 7 - Investments

Investments	06/30/2024	06/30/2023
USD thousands		
Investments in Bemobi Mobile Tech S.A (associate)	79,996	96,128
Investments in other shares	777	769
Total	80,773	96,897

Investment in Bemobi Mobile Tech S.A

Following the successful IPO of Bemobi on Bovespa in Brazil, the Group is now a major shareholder in Bemobi Mobile Tech S.A with an ownership of 37.6%.

Information regarding Bemobi Mobile Tech S.A	1H 2024	1H 2023	YTD 2024	YTD 2023
BRL thousands				
Revenue	716,895	634,855	716,895	634,855
EBIT	60,301	45,081	60,301	45,081
Net profit (loss)	57,799	31,049	57,799	31,049
Assets			1,455,062	1,326,920
Non-current liabilities			52,319	31,893
Current liabilities			257,405	232,220
Equity			1,145,338	1,062,807
Otello's share of equity in BRL			412,225	382,521
Otello's share of equity in USD			85,339	79,189

Note 7 - Investments (continued)

The investment in Bemobi Mobile Tech S.A is recognized using the equity method

Investments in Bemobi Mobile Tech S.A (associate)	06/30/2024	06/30/2023
USD thousands		
Balance as of 1/1	94,402	88,590
<i>Movements recognized through the statement of comprehensive income</i>		
Share of profit (loss) from associated companies	4,270	2,202
Amortization of excess values	(827)	(819)
Impairment	(10,737)	15,083
<i>Other movements</i>		
Dividends received	(2,727)	(1,571)
FX adjustment	(4,385)	(7,357)
Balance as of 06/30	79,996	96,128

A reconciliation of the cumulative reported balance of the investment in Bemobi Mobile Tech S.A is as follows.

Investments in Bemobi Mobile Tech S.A (associate)	06/30/2024	06/30/2023
USD thousands		
Balance as of 1/1		
Initial recognition under the equity method	133,198	133,198
Share of profit (loss)	20,133	11,604
Amortization of excess values	(5,603)	(3,909)
Dividends received	(5,616)	(2,636)
FX adjustment	(26,751)	(27,807)
Impairment	(35,364)	(14,321)
Balance as of 06/30	79,996	96,128

The fair value of the investment in Bemobi Mobile Tech S.A has been assessed based on the closing share price of that business as reported by Bovespa in Brazil at the end of each reporting period. The fair value is considered a Level 1 valuation

Fair value as of 06/30	79,996	96,128
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Share of profit (loss) from associated companies	1H 2024	1H 2023	YTD 2024	YTD 2023
USD thousands				
Share of profit (loss)	4,282	2,213	4,282	2,213
Amortization of excess values	(830)	(826)	(830)	(826)
Share of profit (loss) from associated companies	3,453	1,388	3,453	1,388

Note 8 - Alternative performance measures

Otello discloses alternative performance measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with IFRS. Otello believes that the alternative performance measures provide useful supplemental information to management, investors, financial analysts and other stakeholders, and are meant to provide an enhanced insight into the financial development of Otello's business operations and to improve comparability between periods.

EBITDA and EBIT terms are presented as they are commonly used by investors and financial analysts. Certain items are excluded in the alternative performance measures Adjusted EBITDA and Normalized EBIT to provide enhanced insight into the underlying financial performance of the business operations and to improve comparability between different periods.

Alternative performance measures:

Gross profit:

This comprises revenues minus publisher and revenue share cost.

EBITDA:

This is short for Earnings before financial items, taxes, depreciation and amortization. EBITDA corresponds to Operating profit (loss), (EBIT) in the Consolidated statement of comprehensive income excluding depreciation and amortization expenses.

Adjusted EBITDA:

This represents EBITDA excluding stock-based compensation, impairment and restructuring expenses. Adjusted EBITDA corresponds, therefore, to Operating profit (loss), (EBIT) in the Consolidated statement of comprehensive income excluding depreciation and amortization, stock-based compensation, and impairment and restructuring expenses.

EBIT:

This is short for Earnings before financial items. This is presented both including and excluding impairment and restructuring expenses in the Consolidated statement of comprehensive income. In the KPIs section of this report and the reconciliation below, EBIT represents earnings before financial items including impairment and restructuring expenses, and corresponds to Operating profit (loss), (EBIT) in the Consolidated statement of comprehensive income.

Reconciliation of gross profit (USD thousands)	1H 2024	1H 2023	YTD 2024	YTD 2023
Total operating revenue	0	0	0	0
Publisher and revenue share cost	-	-	-	-
Gross profit	0	0	0	0
Reconciliation of operating profit (loss) to EBITDA and adjusted EBITDA (USD thousands)	1H 2024	1H 2023	YTD 2024	YTD 2023
Operating profit (loss), (EBIT)	(12,445)	13,127	(12,445)	13,127
Depreciation and amortization expenses	60	324	60	324
Impairment gains (losses)	10,770	(15,123)	10,770	(15,123)
EBITDA	(1,615)	(1,673)	(1,615)	(1,673)
Restructuring expenses	-	-	-	-
Stock-based compensation expenses	-	-	-	-
Adjusted EBITDA	(1,615)	(1,673)	(1,615)	(1,673)

Note 9 - Events after the reporting date

No events have occurred after the reporting date that would require the interim financial statements to be adjusted.

Statement by the BOD and the CEO

Unaudited – 1H 2024 report of Otello Corporation ASA

The Board of Directors and the CEO have today reviewed and approved the condensed consolidated interim financial statements ("interim report") for Otello Corporation ASA for the first half of 2024.

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Norwegian disclosure requirements in accordance with the Norwegian Securities Trading Act.

The Board of Directors and the CEO consider the accounting policies applied to be appropriate. Accordingly, to the best of their knowledge and without the benefit of an audit, the interim report gives a true and fair view of the Group's assets, liabilities and financial position as of June 30, 2024, and of the results of the Group's operations and cash flows for the first half of 2024.

The Board of Directors and the CEO also consider the interim report to give a true and fair view of the information required by the Norwegian Securities Trading Act section 5–6 paragraph 4.

Oslo, August 20, 2024

The Board of Directors

Otello Corporation ASA

André Alexander Christensen, Chairman

Karin Fløistad

Lin Song

Jason Hoida, CEO

