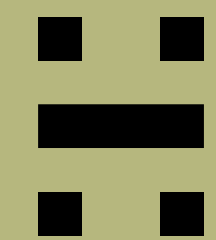


Q3 2024 Results

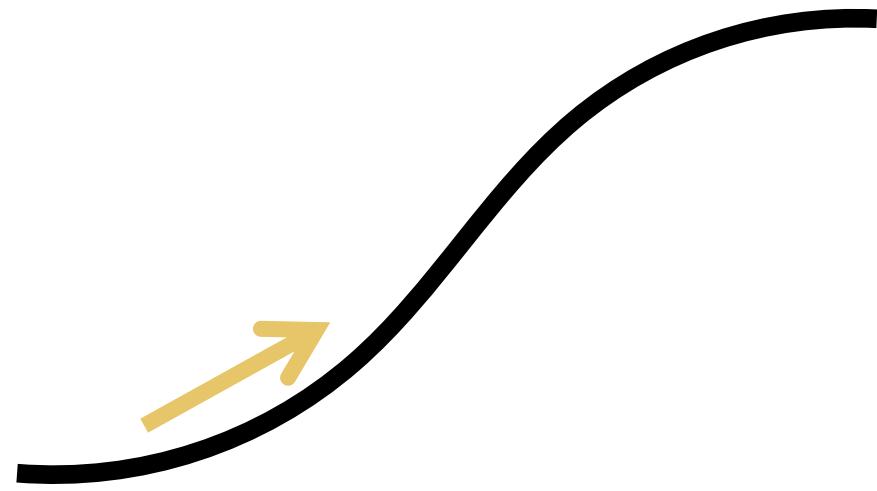


5th December 2024



Revenue low point reached. However, promising signs of sales growth and path to historical profitability

Increased adoption of Huddly Crew



- Significant accelerated uptake of Crew through 2024
- Recently received orders worth ~8 MNOK and ~15 MNOK from a large US and Canadian end-customer, respectively

Revenue effect from Q4-24

New strategic partner signed



- Global agreement where Huddly will deliver products that are Microsoft Teams certified
- Earlier revenue impact than first communicated: Q4-24 instead of Q1-25

Revenue effect from Q4-24

Microsoft buys and endorses Huddly's AI technology



- Strong relationship with Microsoft: Endorsing Huddly's AI technology and rolling out Huddly Crew at its headquarter in Redmond, US

Revenue effect from Q4-24

Launch of new products adding audio to the portfolio



- New videobar planned to be introduced at ISE in February 2025
- Next step towards a complete solution
- Planned launch from H2 2025 with corresponding revenue impact

Revenue effect from H2 2025

Summary Q3 2024

Q3 2024 results:

- Revenue of NOK 26 million and Gross Margin of 40%. Underlying Gross Margin of 52% excluding accrual for one-off scrapping of components

Revenue low point, but promising signs of growth:

- New strategic partner signed: Earlier revenue impact than first communicated, Q4-24 instead of Q1-25
- Significant acceleration in adoption of Crew throughout 2024: Recently received order worth NOK ~8 million revenue from a large US customer, and another valued at NOK ~15 million revenue from a large Canadian customer

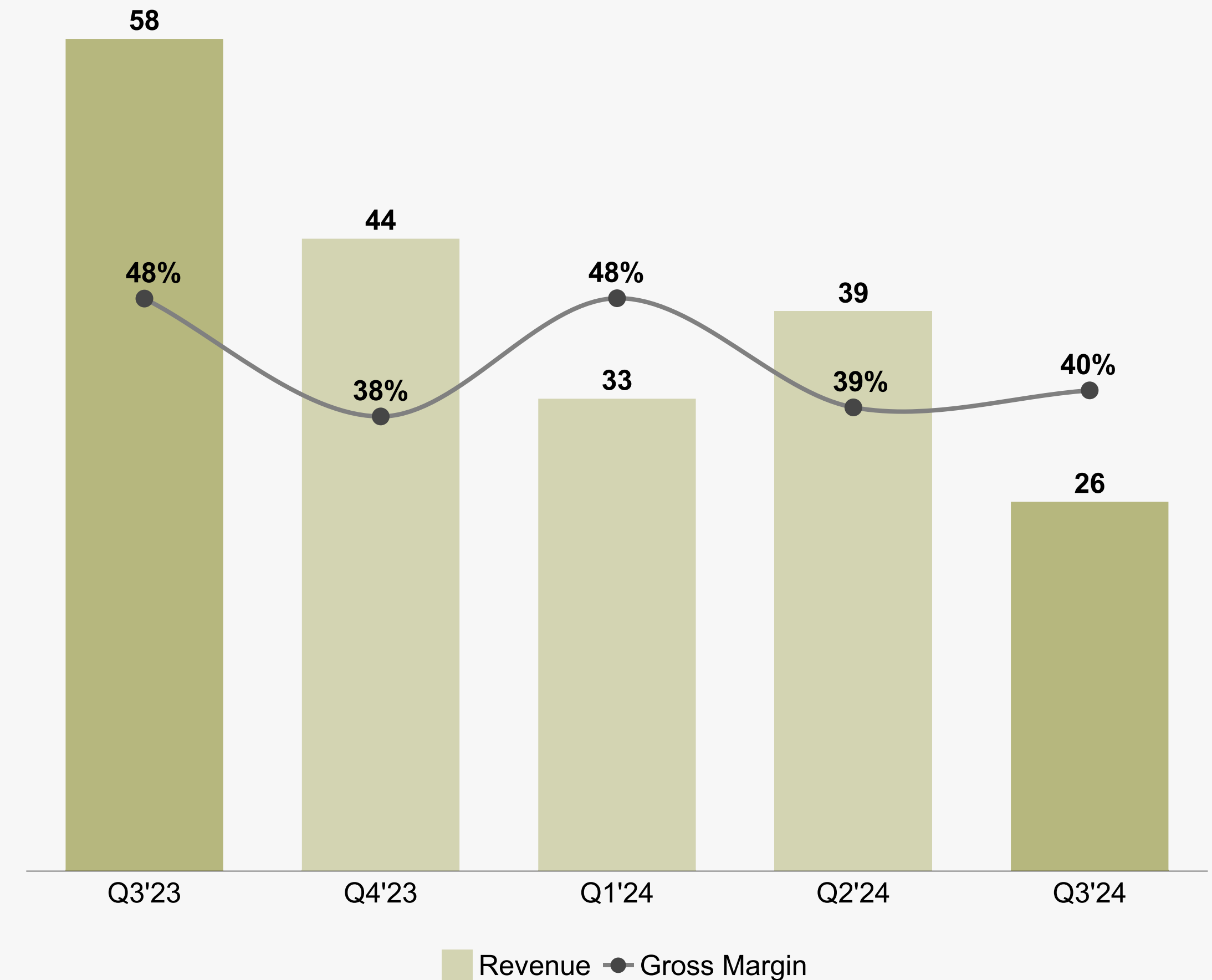
Strategic review:

- The process is ongoing, and Huddly has received strategic indications of interest. Expected to conclude in Q1-2025

Financing:

- Contemplating equity issue of NOK 130 million in a private placement, to bridge the company to cash flow positive towards end of 2025

Revenue and Gross Margin NOK million



Huddly Crew: A new category of multi-camera systems

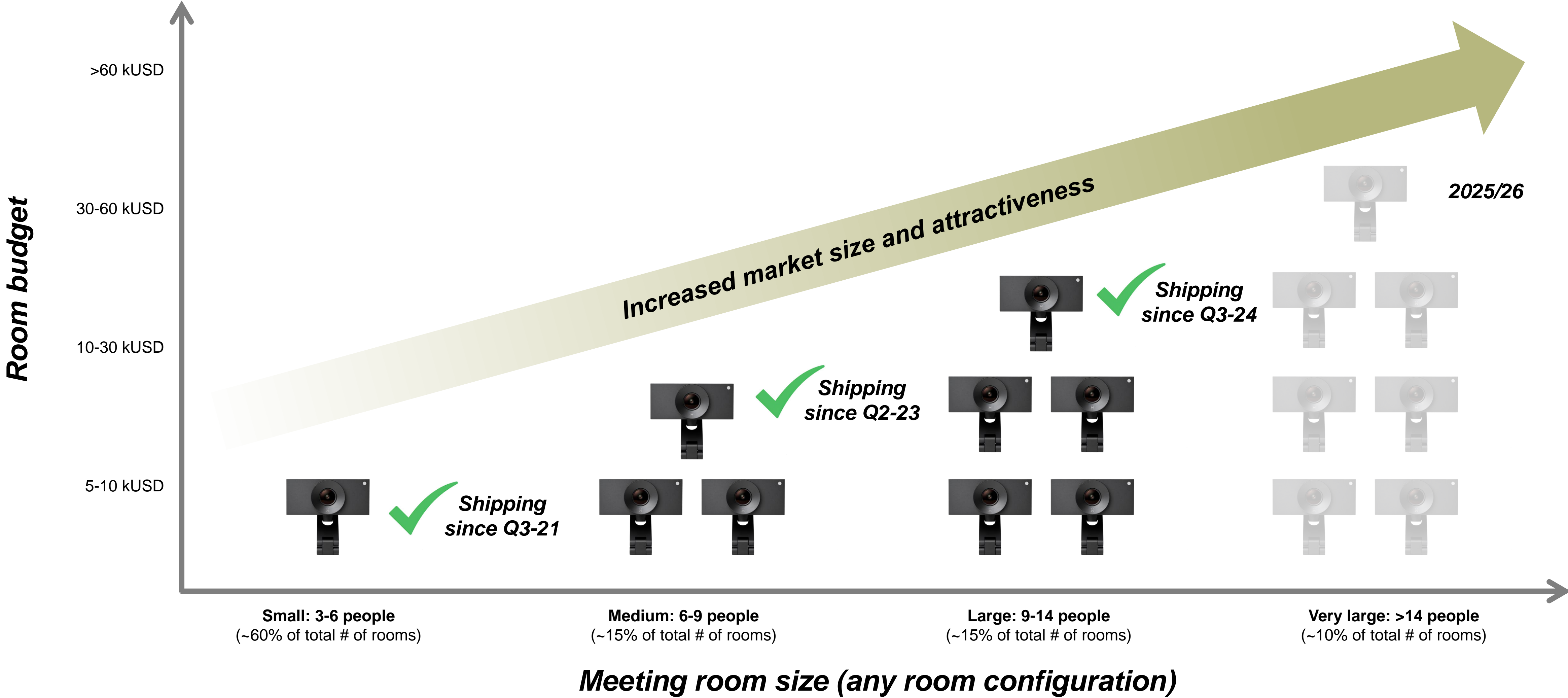
Imagine a live video crew producing your meetings...



The solution: Huddly Crew and AI technology

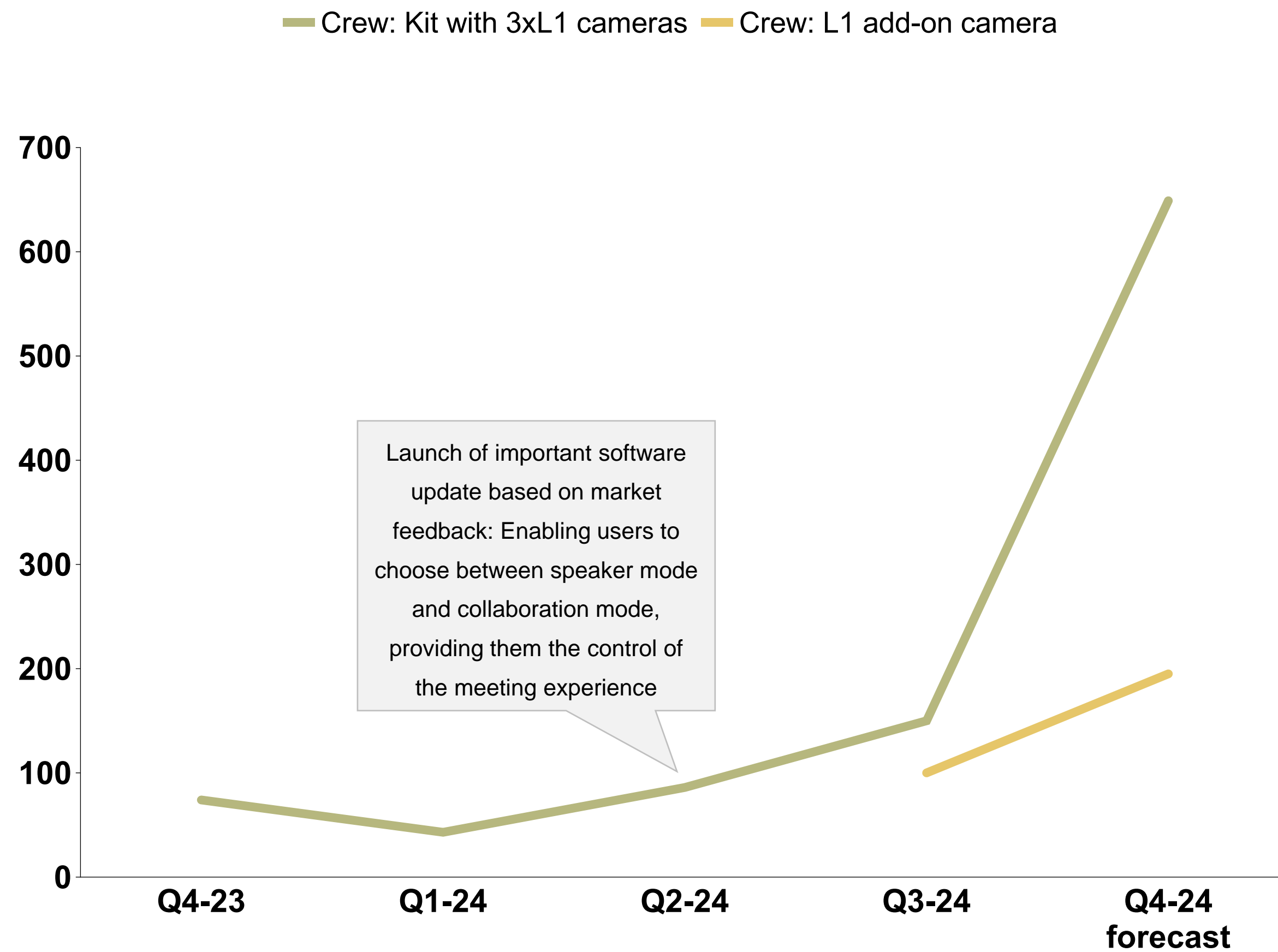


Huddly Crew is a flexible plug and play platform, enabling expansion into attractive market segments

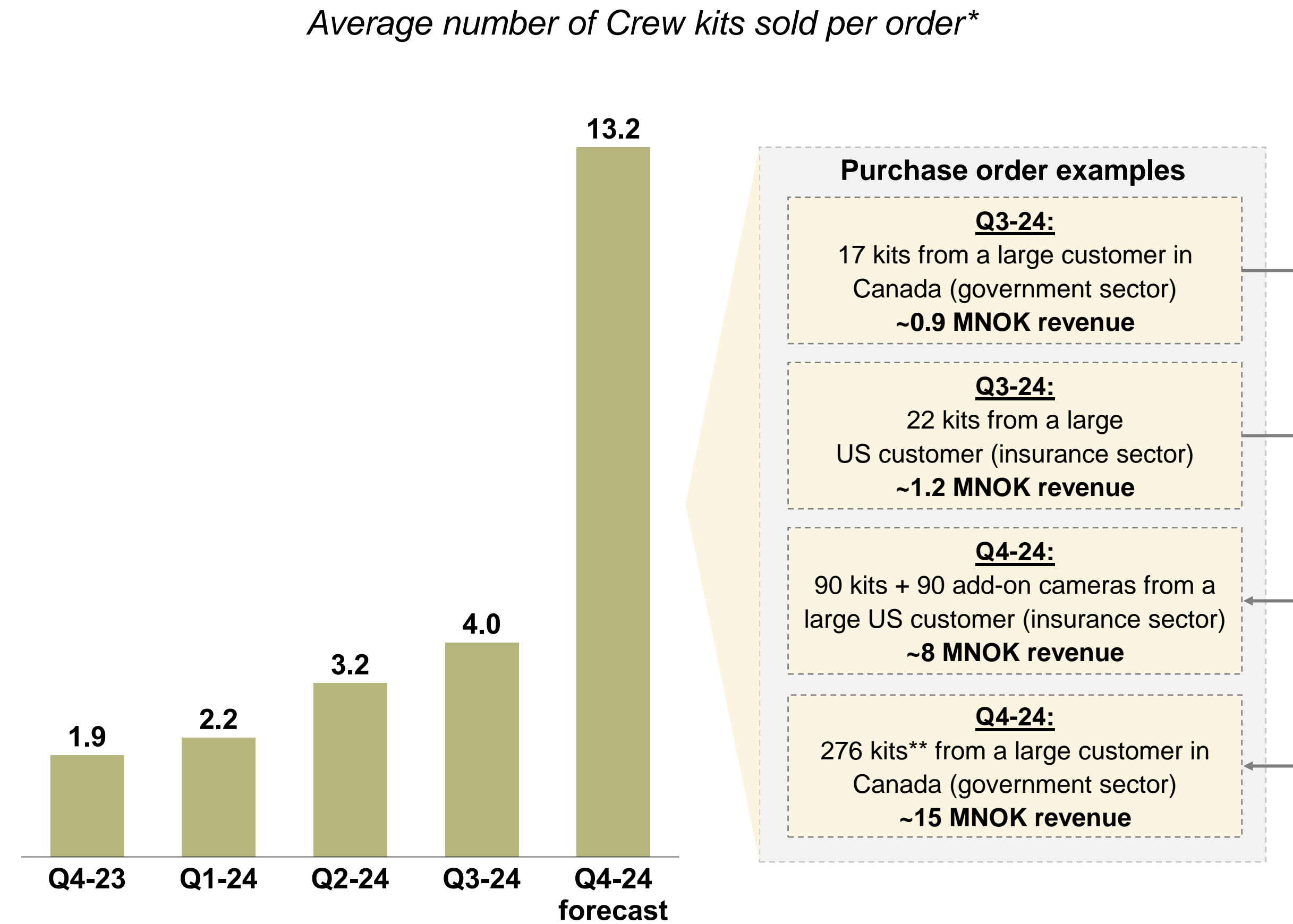


Significant acceleration in adoption of Crew throughout 2024

Kits sold per quarter



Market validation with increasing average order size



*) Note: The purchase from an end-customer may be split among several orders

**) Forecasting additional 36 kits from the same customer, bringing the total Q4 volume to 312 units (~17 MNOK)

New strategic partner

News media snippet

News · October 29, 2024

Huddly signs major Distributor Agreement with leading Global Industry Player

Huddly today signed a Distributor Agreement with a leading global industry player in the audiovisual sector (the Agreement).

The Agreement is expected to lead to significant yearly revenues for Huddly with cash effect from Q1 2025. The Agreement is global and has an initial period of 12 months, with an extension period of an additional 12 months. Huddly will deliver products that are Microsoft Teams certified camera solution kits.

“This Agreement is an important milestone for Huddly and an acknowledgement of our superior patented technological solutions”, says Rósa Stensen, CEO of Huddly.

Comments

- As announced in stock exchange notice on the 29th October:
New strategic partner signed with revenue and cash effect from Q1 2025
- Timing of revenue impact accelerated to Q4 2024, as purchase orders have been placed earlier than first forecasted
- Name of strategic partner is currently confidential. Products and solution planned to be revealed at ISE in February 2025

Microsoft partners with Huddly to transform meeting experiences



- **Microsoft has chosen Huddly Crew** to enhance collaboration in large meeting spaces at its Redmond Headquarter
- With **Edge AI** and **scalable technology**, it ensures inclusivity for all participants and supports Microsoft's vision for flexible, next-gen hybrid workspaces
- Microsoft Teams is the **leading collaboration platform**, and a prominent voice in how the future of hybrid collaboration is shaped. Teams-certification is often a purchasing criterion for corporate buyers
- With Teams-certification and purchase and roll-out at Microsoft's own headquarter, Huddly is **well aligned with Microsoft's vision**



*We wanted a better hybrid experience in our large conference rooms. With more cameras, we can **capture the best angle for everyone** in the space. But **scalability** is still an important concern - we have many rooms to deploy and manage, and the traditional set up process can be resource and time-intensive. When we explored the Huddly Crew solution, it **checked all of our boxes**. It provided a great video experience, was **simple to install**, and best of all, it **didn't need any complex configuration or programming**.*

- Sam Albert, Principal Product Manager at Microsoft

Product roadmap: A complete video and audio solution

**Video:
Multi-camera solution**



2024

Huddly Crew

Huddly AI Director with user modes

**Video + Audio:
Complete solution for small-medium rooms**



2025

Huddly Crew+ Videobar (introducing Feb 25)

Huddly AI Director with user modes

Huddly Machine Learning Audio

**Video + Audio:
Complete solution for all rooms**



2026-27

Huddly Crew+ Satellite device (modularity)

Huddly AI Director with user modes

Huddly Machine Learning Audio

The next step towards a complete solution to be introduced in February 2025



The new Huddly Crew+ videobar

- ✓ Huddly Machine Learning Audio: Clear audio capture and optimal sound quality
 - ✓ Leading AI video experience
- ✓ All-in-one, ready-to-deploy system
- ✓ Can be connected with Huddly Crew
- ✓ Enabled for Microsoft Teams Rooms

Planned to be introduced at one of the most important tech shows for the audiovisual industry. Shipping from H2 2025



**integrated
systems
europe**

4-7 FEB 2025 • BARCELONA



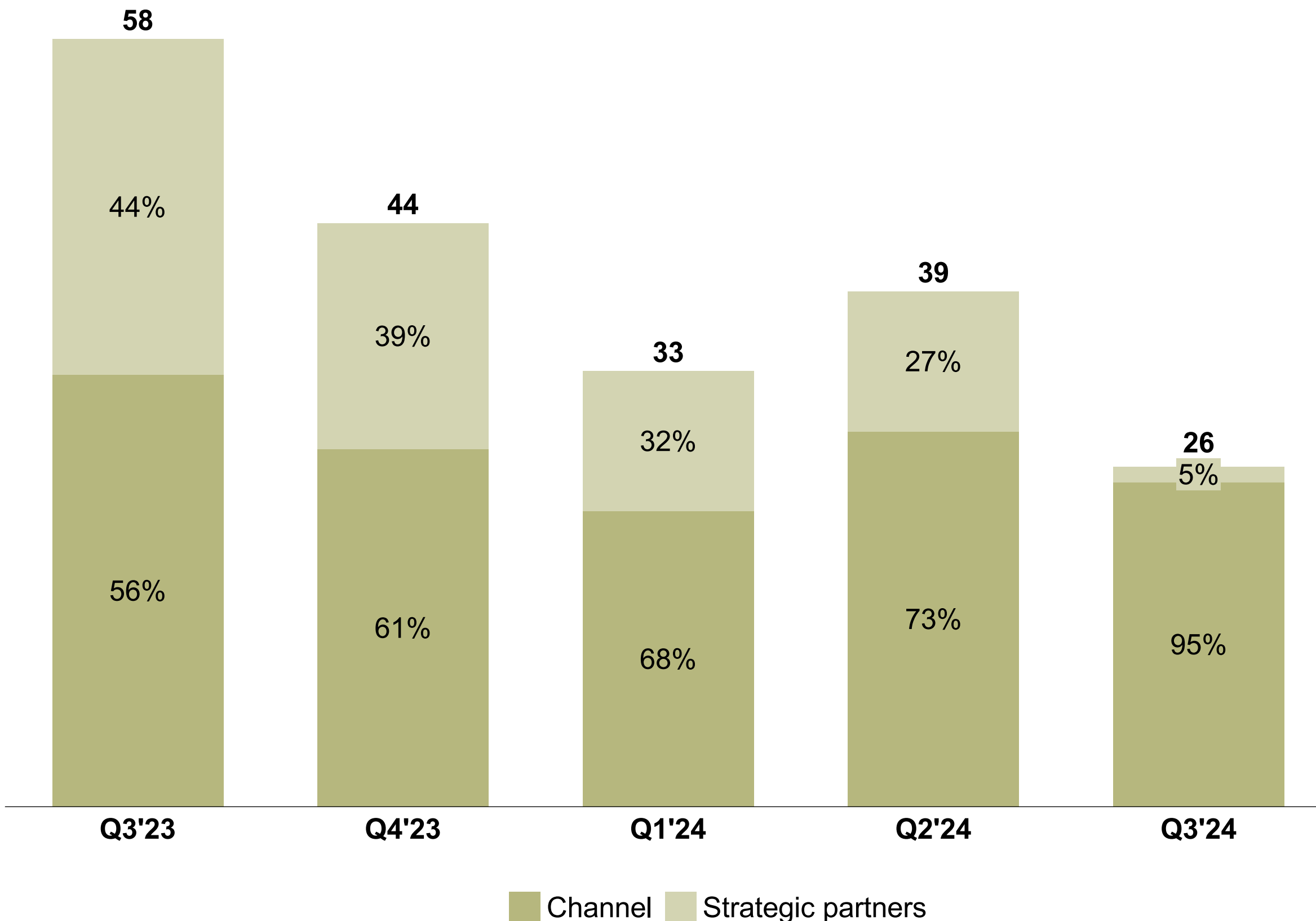
Financials



Disappointing sales, but strong leading indicators into 2025

Revenue development and split

NOK million, % of total revenue

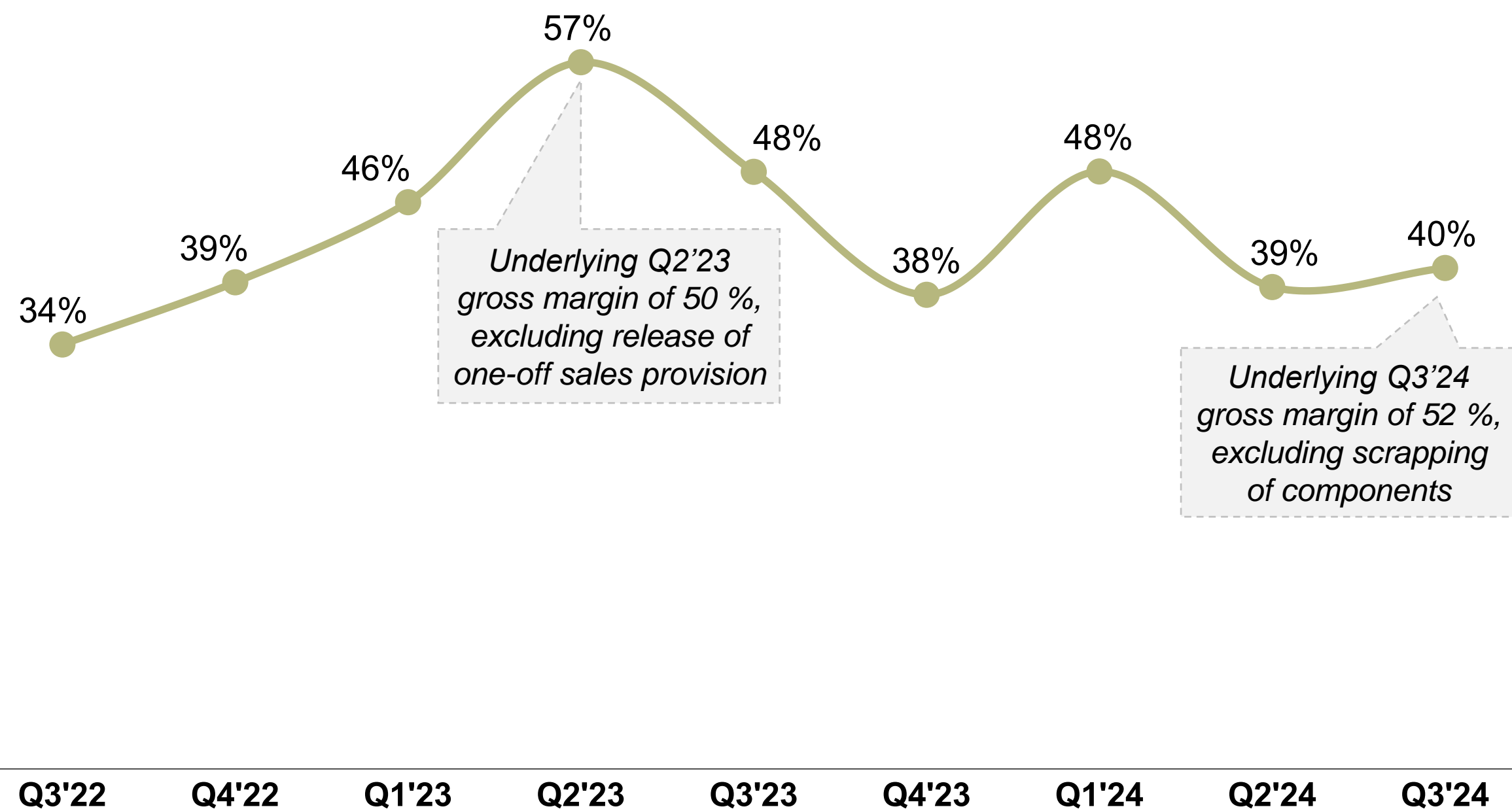


Revenue of NOK 26 million resulting in 34 % decrease compared to Q2 2024

- Sales to Channels decreased by 13 % compared to Q2'24, and decreased by 25 % vs. Q3'23
 - Unsatisfactory results. However, see accelerating uptake of Huddly Crew in Q4'24, and expect sales improvements in the next few quarters
- Strategic partner sales with a strong decline vs. previous quarter and same quarter last year
 - Low point reached. Expecting significant pick-up from Q1 2025 with a newly signed strategic partner in place. Working on several new opportunities

Underlying gross margin in Q3'24 of 52%

Gross margin (%) development



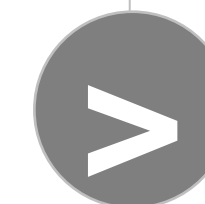
- Q3'24 gross margin includes a one-off increase in COGS of NOK 3.0 million related to accrual for scrapping of components
- Excluding one-time accruals in Q3'24, underlying gross margin is at a healthy ~52%

Summarized profit and loss

Condensed profit & loss statement

NOK million

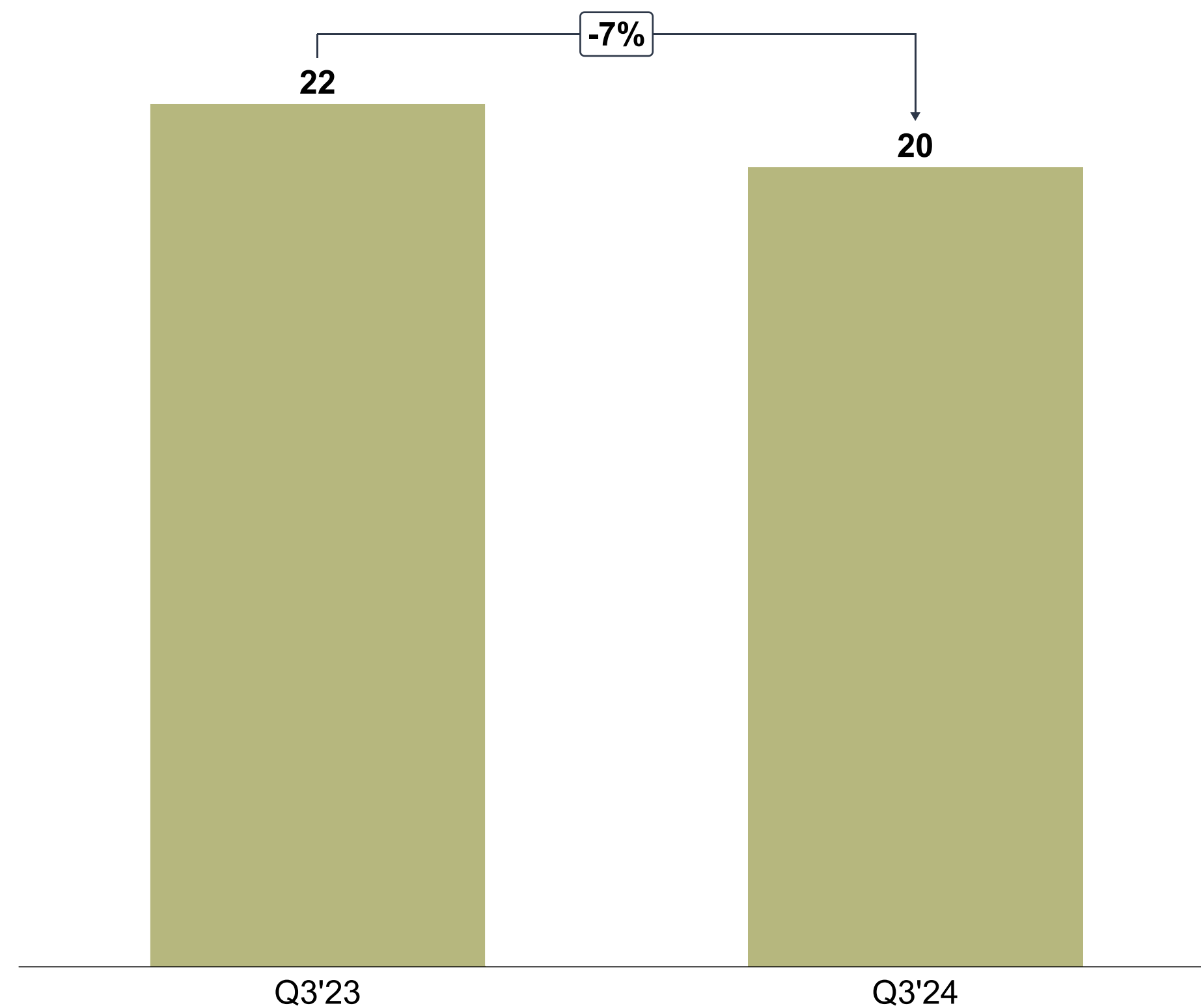
	Q3 2024	Q3 2023	Change	YTD Sep 24	YTD Sep 23	Change
Revenue	25.8	58.1	-56%	97.9	166.5	-41%
Gross profit	10.4	28	-63%	41.5	84.0	-51%
<i>Gross margin</i>	40%	48%		42%	50%	
Sublease revenue	1.5	0	100%	4.5	0	100%
Operating expenses	-43.0	-37.3	15%	-131.4	-113.5	16%
EBITDA	-31.1	-9.3		-85.4	-29.5	
Operating profit (EBIT)	-45.8	-26.2		-130.5	-78.8	
Net financials	-3.5	-5.6		-13.8	1.2	
Profit/Loss before tax	-49.2	-31.7		-144.3	-77.6	



- Revenue decline mainly due to weak sales from strategic partners. Expected to increase in 2025 with a new and recently signed distribution agreement
- Strict cost control: A comparison of the cost base YTD Sep 24 vs. YTD Sep 23 on a cash-effect basis, shows a reduction of ~8 % in total cost
- Increase in operating expenses (P&L) is mainly explained by the introduction of the new 2024 options program for employees and somewhat lower R&D capitalization (no cash-effect in the period)

R&D investments to drive long-term growth

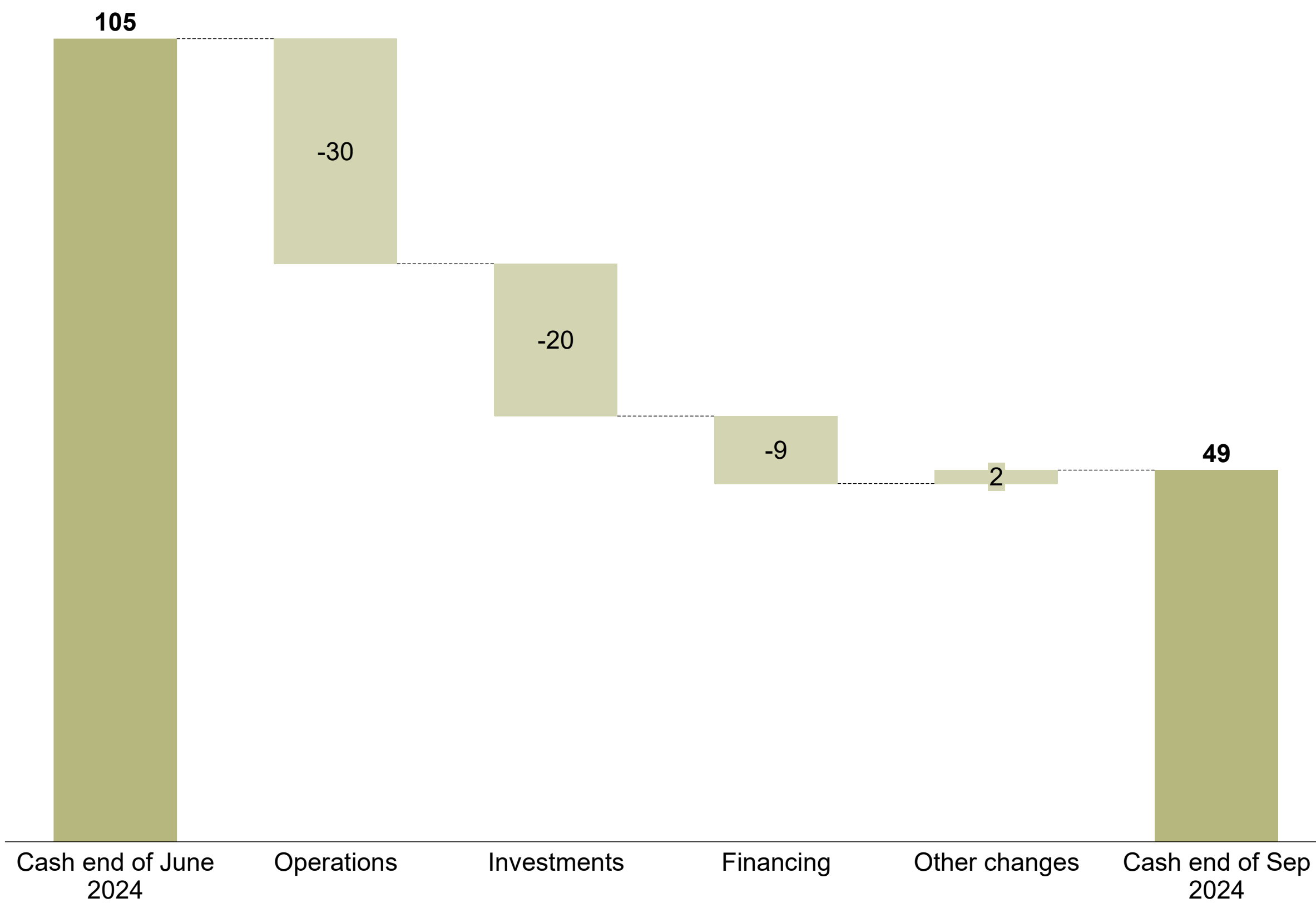
Capitalized R&D cost
NOK million, % of revenue



- Capitalized R&D cost of NOK 20 million in Q3 2024. 7% reduction compared to Q3 2023, but in line with capitalization in previous quarters
- Continued investments to defend Huddly's leading technological position in the market
 - 61 engineers, with deep and extensive experience in AI, machine learning, software development and hardware

Q3 2024 cash flow

Cash flow NOK million



- Cash flow from operations of NOK -30 million compared to NOK +15 million in Q3'23
- Cash flow from investments of NOK -20 million mainly related to capitalized R&D cost
- Cash flow from financing activities of NOK -9 million
- Other changes related to currency translation differences and exchange rate changes
- Cash balance at 30.09.24 of NOK 49 million

Outlook and financing

- Huddly's ambition is to return to positive cash flow towards end of 2025
- Cash flow positive in full-year 2026, and strong cash generation in 2027
- Contemplating equity issue of NOK 130 million in a private placement, to bridge the company to cash flow positive



Q&A

Questions may be submitted to:

ir@huddly.com



