FIRST-HALF REPORT

1H 2026

OTELLO CORPORATION ASA

HIGHLIGHTS

- Cash distributions totaling $1,302 thousand were received from Bemobi.
- Total equity was $131,139 thousand as of the end of June 2026, equal to 1.92 USD per share (approximately 19kr per share).
- 3,024,502 shares were bought back during the half for $5,659 thousand, with no treasury shares being cancelled.
- 5,418,244 treasury shares were owned at the end of June 2026.
- Cash and cash equivalents as of the end of June 2026 was $10,632 thousand.

*For further information regarding Adjusted EBITDA and other alternative performance measures used by Otello, see Note 7 of the interim condensed financial statements

Key figures (USD thousands)	**1H26**	**1H25**	**YTD 2026**	**YTD 2025**
Revenue	**0**	**0**	**0**	**0**
Adj. EBITDA	**(1,474)**	**(1,286)**	**(1,474)**	**(1,286)**
EBIT	(1,892)	1,249	(1,892)	1,249
Net income	2,156	47,500	2,156	47,500
EPS (USD)	0.03	0.59	0.03	0.59

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 stock-based compensation 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

Operating expenses increased 15 percent vs 1H25, or USD 188 thousand, due to USD 143 thousand higher other operating expenses and USD 45 thousand higher employee benefits expenses.

Employee benefits expense (excluding stock-based compensation expenses of USD 418 thousand) was USD 687 thousand in 1H26, versus USD 643 thousand in 1H25, up 7 percent from the corresponding period last year.

Other operating expenses were USD 786 thousand in 1H26 (USD 643 thousand in 1H25), up 22 percent from the corresponding period last year. The USD 786 thousand of other operating expenses in 1H26 included:

Professional services	446
Listing-related costs	157
Insurance	97
Other	86

Adjusted EBITDA and EBITDA

Adjusted EBITDA

Adjusted EBITDA was USD (1,474) thousand in 1H26, compared to USD (1,286) thousand in the corresponding period in 2025, a decrease of 15% or USD 188 thousand in 1H26 vs 1H25.

EBITDA

EBITDA was USD (1,892) thousand in 1H26, compared to USD 1,249 thousand in the corresponding period in 2025, a decrease of 251% or USD 3,140 thousand in 1H26 vs 1H25, driven by the gain on patents sold in 2025 and stock-based compensation expenses in 2026 of 418 thousand relating to the grant of options at the extraordinary general meeting on September 15, 2025.

Share of profit from associated companies

The share of the estimated profit from the company's investment in Bemobi during the half was USD 4,262 thousand, an increase of USD 765 thousand from 1H25.

Impairment 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, 2026. With a price per share of 23.55 Brazilian real as of that date, it was determined that there was no impairment of the investment required.

Other net financial items

Otello recognized other net financial items in 1H26 of USD (31) thousand, compared to USD (768) thousand in the corresponding period last year. The 1H25 items were driven by net FX losses of 1,261 thousand.

The key FX rates used during the half were:

USD:BRL
As of June 30, 2026: 5.1785
For the June period 2026: 5.1224
For the March period 2026: 5.2341

USD:NOK
As of June 30, 2026: 9.9267
For the June period 2026: 9.5815
For the March period 2026: 9.6605

Net income

1H26 net income was USD 2,156 thousand compared to USD 47,500 thousand in the corresponding period last year. The 1H25 numbers were positively impacted by the reversal of a significant portion of the prior impairments of Bemobi and the gain on sold patents, neither of which are repeated in 1H26. EPS and fully diluted EPS were USD 0.03 and USD 0.03, respectively, in 1H26, compared to USD 0.59 and USD 0.59, respectively, in 1H25.

Financial position and cash flow

Otello's net cash flow from operating activities was USD (902) thousand in 1H26, compared to USD (590) thousand in 1H25, due to higher net taxes paid in 1H26 (1H25 was impacted by a prior year tax refund received) and lower interest income received in 1H26 (reflecting a lower cash balance).

Cash flow from investment activities amounted to USD 1,302 thousand, vs USD 9,091 thousand in the corresponding half last year. In addition to higher distributions received from Bemobi, Otello also received the initial proceeds from the sold patents in 1H25.

Cash flow from financing activities was USD (5,806) thousand in 1H26, compared to USD (5,139) thousand in 1H25. Use of cash in both periods was entirely related to share buybacks.

Cash and cash equivalents at the end of 1H26 were USD 10,632 thousand compared to USD 14,694 thousand in 1H25.

The company's equity was USD 131,139 thousand at the end of 1H26, corresponding to an equity ratio of 98.0%.

Organization

At the end of the 1H26, Otello's workforce totaled 2.5 full-time equivalent (FTE) employees.

BUSINESS OVERVIEW

Otello´s current business activity is financial asset management. The company is the largest shareholder in Bemobi Mobile Tech S.A., a Brazilian technology company which develops and manages digital payment solutions for multiple B2B and B2C service providers. Bemobi was listed on the BOVESPA B3 stock exchange in 2021. Our 100% owned subsidiary Otello Technology Investment AS, owns 32 719 588 shares in Bemobi, equal to 38.22% ownership. Otello holds the chairmanship of Bemobi with our Board and CEO Advisor, Lars Boilesen, along with and a directorship in Bemobi with Otello's chairman, Silje Christine Augustson.

Bemobi results

Bemobi reported its 2Q26 results on August 11, 2026 (https://ri.bemobi.com.br/en/) with these key highlights:

- Net revenue grew 30% YoY to R$227 million, or 36% excluding the foreign exchange variation effect (FXN). Organically (excluding Paytime), net revenue grew 15% YoY (20% YoY FXN), completing ten consecutive quarters of year-over-year growth.

- Payments and SaaS continue to drive growth, expanding 75% YoY (34% YoY organically) and 21% YoY, respectively. In line with our strategic direction, the Payments + SaaS combination reached nearly 70% of revenue (+11.2 p.p. YoY).

- Adjusted EBITDA recorded growth of 33% YoY, to R$79 million, with a 0.8 p.p. margin expansion to 34.9%. Organically, Adjusted EBITDA grew 24% YoY, with a 2.7 p.p. margin expansion.

- Adjusted EBITDA - Capex expanded 44% YoY to R$65 million (+33% YoY organically), with cash conversion of 81.5% (80.9%).

- Adjusted net income grew 30% YoY to R$45 million, resulting from strong operating income growth and the payment of Interest on Equity (IoE) during the quarter, partially offset by the lower financial result due to a smaller net cash position.

- New clients and sectors: Aegea (sanitation), Vitru and FMU (education), Qualicorp (healthcare); Apsa (condominiums).

- Innovation and products: We highlight the combination of payment methods, including payment with Livelo loyalty points.

- Payment of R$16 million in Interest on Equity (IoE), equivalent to R$0.19 per share. BMOB3 shares will trade ex-IoE on August 18, with payment occurring on August 28.

Events after the end of the half

On July 22, 2026, Otello received the final instalment from the sale of patents from 2025, being a net amount of USD 650 thousand.

OUTLOOK

Over the past few years, the operational activities in Otello have been minimal, and the main asset of Otello today is its ownership in Bemobi, where it remains the largest shareholder at around 38%. Whilst Otello is positive about the prospects and fundamentals of the business, in particular due to the pivot of the business model into payment solutions, Otello has an opportunistic view on its financial investment in Bemobi.

Although the Board is positive about the prospects and fundamentals of Bemobi, particularly following the pivot towards payment solutions, it should be emphasized that evaluations of future developments are inherently associated with significant uncertainty.

Otello's Board of Directors aims to maximize shareholder value through the continuation of buy-back programs and continuing to strengthen our ownership engagement with Bemobi in order to maximize cash returns to shareholders.

FUTURE

Otello remains the biggest shareholder in Bemobi, is positive about the prospects of the business and actively supports Bemobi. Otello will have an opportunistic view on its financial investment in Bemobi. Otello has, as a result of the transactions above and proceeds received, already repaid all our debt, launched and completed share buybacks accessible to all shareholders of over USD 184 million since 2021 and paid in 2022 nearly USD 200 million in dividend to our shareholders.

In addition, our ownership stake in Life360 and Alliance Venture have reached a combined market value of almost USD 4 million.

Going forward, the goal is to maximize the value of our remaining assets and continue to aggressively return cash to shareholders, most likely through a combination of share buybacks and dividends.

Oslo, August 20, 2026
The Board of Directors
Otello Corporation ASA

Silje Christine Augustson Chairman (sign.)	Jason Hoida CEO (sign.)

Interim condensed financial statements

Consolidated statement of comprehensive income

USD thousands, except per share amounts	Note	1H 2026	1H 2025	% change	YTD 2026	YTD 2025	% change
Other income							
Gain on sold patents	9	**-**	2,535	-100 %	**-**	2,535	-100 %
Total revenues and other income		**-**	2,535	-100 %	**-**	2,535	-100 %
Employee benefits expense	6	**(1,105)**	(643)	72 %	**(1,105)**	(643)	72 %
Other operating expenses		**(786)**	(643)	22 %	**(786)**	(643)	22 %
Total operating expenses		**(1,892)**	(1,286)	47 %	**(1,892)**	(1,286)	47 %
Operating profit (loss), (EBIT)		**(1,892)**	1,249		**(1,892)**	1,249	
Share of profit (loss) from associated companies	4	**4,262**	3,496		**4,262**	3,496	
Impairment gains (losses) in associated companies	4, 9	**-**	43,235		**-**	43,235	
Other net financial items	4, 9	**(31)**	(768)		**(31)**	(768)	
Profit (loss) before income tax		**2,339**	47,212		**2,339**	47,212	
Tax expense [1)]	9	**(183)**	288		**(183)**	288	
Profit (loss)		**2,156**	47,500		**2,156**	47,500	
Items that may or will be transferred to profit (loss)							
Foreign currency translation differences		**3,744**	9,975		**3,744**	9,975	
Items that will not be transferred to profit (loss)							
Foreign currency translation differences		**(1,561)**	1,046		**(1,561)**	1,046	
Total comprehensive income (loss)		**4,339**	58,521		**4,339**	58,521	
Earnings (loss) per share:							
Basic earnings (loss) per share (USD)		**0.03**	0.59		**0.03**	0.59	
Diluted earnings (loss) per share (USD)		**0.03**	0.59		**0.03**	0.59	
Shares used in earnings per share calculation		**69,453,862**	81,088,534		**69,453,862**	81,088,534	
Shares used in earnings per share calculation, fully diluted		**69,453,862**	81,088,534		**69,453,862**	81,088,534	

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	06/30/2026	06/30/2025	12/31/2025 (Audited)
Assets				
Investments	5, 9	**122,233**	121,777	117,895
Other non-current assets		**-**	650	-
Total non-current assets		**122,233**	122,427	117,895
Other receivables		**892**	223	768
Cash and cash equivalents		**10,632**	14,694	15,881
Total current assets		**11,524**	14,918	16,649
Total assets		**133,757**	137,345	134,544

(USD thousands)	Note	06/30/2026	06/30/2025	12/31/2025 (Audited)
Shareholders' equity and liabilities				
Equity attributable to owners of the company	9	**131,139**	135,646	132,460
Total equity		**131,139**	135,646	132,460
Liabilities				
Other non-current liabilities		**1,409**	1,166	1,298
Options liabilities	6	**722**	-	314
Total non-current liabilities		**2,131**	1,166	1,612
Accounts payable		**129**	24	43
Other current liabilities		**358**	508	430
Total current liabilities		**487**	533	473
Total liabilities		**2,617**	1,699	2,085
Total equity and liabilities		**133,757**	137,345	134,544

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Consolidated statement of cash flows

(USD thousands)	Note	1H 2026	1H 2025	YTD 2026	YTD 2025
Cash flow from operating activities					
Profit (loss) before taxes		**2,339**	47,212	**2,339**	47,212
Income taxes (paid) refunded		**(183)**	646	**(183)**	646
Changes in accounts payable		**72**	(53)	**72**	(53)
Changes in operating accruals		**387**	424	**387**	424
Other adjustments for non-cash items		**71**	(90)	**71**	(90)
Other financial adjustments		**348**	(2,535)	**348**	(2,535)
Impairment (gains) losses recognized in profit (loss)	4	**-**	(43,235)	**-**	(43,235)
Share of net income (loss) from associated companies	4	**(4,262)**	(3,496)	**(4,262)**	(3,496)
Interest income received	4	**326**	537	**326**	537
Net cash flow from operating activities		**(902)**	(590)	**(902)**	(590)
Cash flow from investing activities					
Cash flows from sale of patents		**-**	1,950	**-**	1,950
Dividends received		**1,302**	7,141	**1,302**	7,141
Net cash flow from investing activities		**1,302**	9,091	**1,302**	9,091
Cash flow from financing activities					
Payments to acquire entity's shares		**(5,806)**	(5,139)	**(5,806)**	(5,139)
Net cash flow from financing activities		**(5,806)**	(5,139)	**(5,806)**	(5,139)
Net change in cash and cash equivalents		**(5,407)**	3,363	**(5,407)**	3,363
Cash and cash equivalents (beginning of period)		**15,881**	10,454	**15,881**	10,454
Effects of exchange rate changes		**157**	878	**157**	878
Cash and cash equivalents 1)		**10,632**	14,694	**10,632**	14,694
- of which included in cash and cash equivalents in the balance sheet		**10,632**	14,694	**10,632**	14,694

1) *Of which $0 (06/30/2025: $66) thousand is restricted cash and cash equivalents as of June 30, 2026.*

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 12/31/2025	**71,397**	**169**	**98,633**	**(3,987)**	**8,375**	**29,270**	**-**	**132,460**
Comprehensive income (loss)								
Profit (loss)		-	-	-	-	2,156	-	2,156
Other comprehensive income (loss)								
Foreign currency translation differences		-	-	-	3,744	(1,561)	-	2,183
Total comprehensive income (loss)		**-**	**-**	**-**	**3,744**	**595**	**-**	**4,339**
Contributions by and distributions to owners								
Treasury shares purchased	**(3,025)**	-	-	(5,659)	-	-	-	(5,659)
Total contributions by and distributions to owners	**(3,025)**	**-**	**-**	**(5,659)**	**-**	**-**	**-**	**(5,659)**
Equity as of 06/30/2026	**68,373**	**169**	**98,633**	**(9,646)**	**12,119**	**29,865**	**-**	**131,139**

Treasury shares
During 1H 2026, Otello purchased 3,024,502 (YTD: 3,024,502) treasury shares for $5,659 thousand (YTD: $5,659 thousand), and sold 0 (YTD: 0) treasury shares for $0 thousand (YTD: $0 thousand). As of June 30, 2026, Otello owned 5,418,244 treasury shares.

(USD thousands)	Number of shares	Issued capital	Share premium	Treasury shares	Translation reserve	Other equity	Non-controlling interests	Total equity
Equity as of 12/31/2024	**83,607**	**209**	**114,750**	**(5,811)**	**(9,210)**	**(20,981)**	-	**78,957**
Adjustment to closing balance						3,452		3,452
Restated equity as of 01/01/2025		**209**	**114,750**	**(5,811)**	**(9,210)**	**(17,528)**	**-**	**82,410**
Comprehensive income (loss)								
Profit (loss)		-	-	-	-	47,500	-	47,500
Other comprehensive income (loss)								
Foreign currency translation differences		-	-	-	9,975	1,046	-	11,022
Total comprehensive income (loss)		**-**	**-**	**-**	**9,975**	**48,546**	**-**	**58,521**
Contributions by and distributions to owners								
Capital decrease		(21)	(6,893)	6,914	-	-	-	-
Treasury shares purchased	**(5,863)**	-	-	(5,285)	-	-	-	(5,285)
Total contributions by and distributions to owners	**(5,863)**	**(20.89)**	**(6,893.06)**	**1,629**	**-**	**-**	**-**	**(5,285)**
Equity as of 06/30/2025	**77,743**	**188**	**107,857**	**(4,182)**	**765**	**31,018**	**-**	**135,646**

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, 2025.

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 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, 2025.

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, 2025.

Note 4 - Financial items

Financial items USD thousands	1H 2026	1H 2025	YTD 2026	YTD 2025
Share of profit (loss) from associated companies	**4,262**	3,496	**4,262**	3,496
Impairment gains (losses) in associated companies	-	43,235	-	43,235

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 30 June, 2026

With a price per share of 23.55 Brazilian real as of that date, there was no impairment recognised during the first half of 2026.

Other net financial items	1H 2026	1H 2025	YTD 2026	YTD 2025
Interest income	**326**	537	**326**	537
Interest expenses	**(0)**	(0)	**(0)**	(0)
Dividend income	**80**	-	**80**	-
Other FX gains (losses), net	**65**	(1,261)	**65**	(1,261)
Other financial income (expense), net	**(74)**	(44)	**(74)**	(44)
Gain (loss) from revaluation of investment in other shares	**(427)**	-	**(427)**	-
Total other net financial items	**(31)**	(768)	**(31)**	(768)
Total net financial items	**4,230**	45,963	**4,230**	45,963

Note 5 - Investments

Investments USD thousands	06/30/2026	06/30/2025
Investments in Bemobi Mobile Tech S.A (associate)	**118,297**	120,958
Investments in other shares	**3,936**	819
Total	**122,233**	121,777

The investments in other shares are valued at fair value. The fair value is reassessed at each reporting date. The updated estimates as of 30 June 2026 results in an unrealized loss of $427 thousand. See note 4.

The fair value of the investment in Life360 Inc has been assessed based on the closing share price of that business as reported by the Australian Stock Exchange in Australia and the Nasdaq in the USA at the end of each reporting period. The fair value is considered a Level 1 valuation.

The fair value of the investment in Alliance Venture Spring AS has been assessed based on the estimated fair market value reported to investors of the fund. The fair value is considered a Level 3 valuation.

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 38.2% as of the current reporting date.

Information regarding Bemobi Mobile Tech S.A BRL thousands	1H 2026	1H 2025	YTD 2026	YTD 2025
Revenue	**980,256**	796,100	**980,256**	796,100
EBIT	**101,335**	69,900	**101,335**	69,900
Net profit (loss)	**67,400**	66,000	**67,400**	66,000
Assets			**2,018,599**	1,620,653
Non-current liabilities			**194,262**	79,655
Current liabilities			**855,743**	408,754
Equity			**968,594**	1,132,244
Otello's share of equity in BRL			**370,197**	407,512
Otello's share of equity in USD			**71,487**	84,363

Note 5 - Investments (continued)

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

Investments in Bemobi Mobile Tech S.A (associate) USD thousands	06/30/2026	06/30/2025
Balance as of 1/1	**113,604**	68,970
Movements recognized through the statement of comprehensive income		
Share of profit (loss) from associated companies	**4,910**	4,573
Amortization of excess values	**(769)**	(949)
Impairment	**-**	44,297
Other movements		
Dividends received	**(1,257)**	(4,403)
FX adjustment	**1,808**	8,470
Balance as of 06/30	**118,297**	120,958

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) USD thousands	06/30/2026	06/30/2025
Balance as of 1/1		
Initial recognition under the equity method	**133,198**	133,198
Share of profit (loss)	**42,302**	30,194
Amortization of excess values	**(10,311)**	(8,418)
Dividends received	**(27,854)**	(10,431)
FX adjustment	**(19,038)**	(20,971)
Impairment	**-**	(2,614)
Balance as of 06/30	**118,297**	120,958

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	**148,797**	122,401

The reported value of the investment as of the current balance date represents its carrying amount accounted for under the equity method.

At 30 June 2026, the recoverable amount exceeds the carrying amount of the Investment, as was also the case at 31 December 2025 when all prior impairments had been reversed. The carrying amount is capped at the value that would have been recognized had no impairment loss been recorded in prior periods, notwithstanding that the recoverable amount is materially higher.

Share of profit (loss) from associated companies USD thousands	1H 2026	1H 2025	YTD 2026	YTD 2025
Share of profit (loss)	**5,055**	4,421	**5,055**	4,421
Amortization of excess values	**(793)**	(925)	**(793)**	(925)
Share of profit (loss) from associated companies	**4,262**	3,496	**4,262**	3,496

Note 6 - Options

The Group has a share-based compensation program for the Board and Executive management and employee that was granted during the extraordinary general meeting on 15 September 2025.

The main condition for the granted share option program:
The strike price for options is equal to NOK 12.56 and is adjusted downwards for any dividend declared and paid by the company after 15 September 2025 (the "strike price").

There have been no changes to the main conditions of the share option program during the reporting period.

For more details on the share option program, refer to Note 4 of the consolidated financial statements for the year ended 31 December 2025.

Valuation of options Black-Scholes valuation model	**Grant as of 06/30/2026**
Spot price underlying asset (NOK)	17.02
Strike price (NOK)	12.56
Date of valuation	30-Jun-26
Date of issue of options	15-Sep-25
Time to maturity	3.00
Risk-free rate	4.4 %
Volatility *	26.0 %
Dividend yield	0 %
Estimated value per option (NOK)	**6.56**

* The volatility of 26.0% (as of 30 June 2026) is based on historical observable 2 year volatility for Otello. In accordance with the Black-Scholes model, inputs directly related to the underlying Otello share are used.

Expenses recognized in profit or loss and liabilities arising from share-based payment transactions

Financial items USD thousands	**1H 2026**	**1H 2025**	**YTD 2026**	**YTD 2025**
Payroll expense recognized for the share-based program	**418**	0	**418**	0

Financial items USD thousands	**06/30/2026**	**06/30/2025**
Liabilities related to the share-based program	**722**	0

Note 7 - 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:

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 expenses. Adjusted EBITDA corresponds, therefore, to Operating profit (loss), (EBIT) in the Consolidated statement of comprehensive income excluding depreciation and amortization.

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

Reconciliation of operating profit (loss) to EBITDA and adjusted EBITDA (USD thousands)	**1H 2026**	**1H 2025**	**YTD 2026**	**YTD 2025**
Operating profit (loss), (EBIT)	**(1,892)**	1,249	**(1,892)**	1,249
Depreciation and amortization expenses	-	-	-	-
EBITDA	**(1,892)**	1,249	**(1,892)**	1,249
Stock-based compensation expenses	**418**	-	**418**	-
Gain on patents sold	-	(2,535)	-	(2,535)
Adjusted EBITDA	**(1,474)**	(1,286)	**(1,474)**	(1,286)

Note 8 - Events after the reporting date

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

Note 9 - Restatement of comparative figures

As reported in Note 20 of the consolidated financial statements for the year ended 31 December 2025, the Group restated and reclassified certain items in the financial statements. For consistency, similar adjustments have been made for the comparative numbers for 1H 2025 in this report. The following table summarizes the effect of these adjustments. For more details on the nature of the adjustments, refer to Note 20 of the consolidated financial statements for the year ended 31 December 2025.

	1H 2025 As previously reported	1H 2025 Adjustment	1H 2025 As restated
Consolidated statement of comprehensive income			
Gain on sold patents	-	2,535	2,535
Impairment gains (losses) in associated companies	42,877	358	43,235
Other net financial items	1,767	(2,535)	(768)
Profit (loss) before income tax			
Tax expense	646	(358)	288
Profit (loss)	47,500	-	47,500
Net impact to consolidated statement of comprehensive income		-	

	1H 2025 As previously reported	1H 2025 Adjustment	1H 2025 As restated
Consolidated statement of financial position			
Investments	118,325	3,452	121,777
Equity	132,194	3,452	135,646

Statement by the BOD and the CEO

Unaudited – 1H 2026 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 2026.

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, 2026, and of the results of the Group's operations and cash flows for the first half of 2026.

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, 2026

The Board of Directors

Otello Corporation ASA

Silje Christine Augustson, Chairman

Lin Song

Lars Fredenlund

Jason Hoida, CEO