



QUARTERLY REPORT

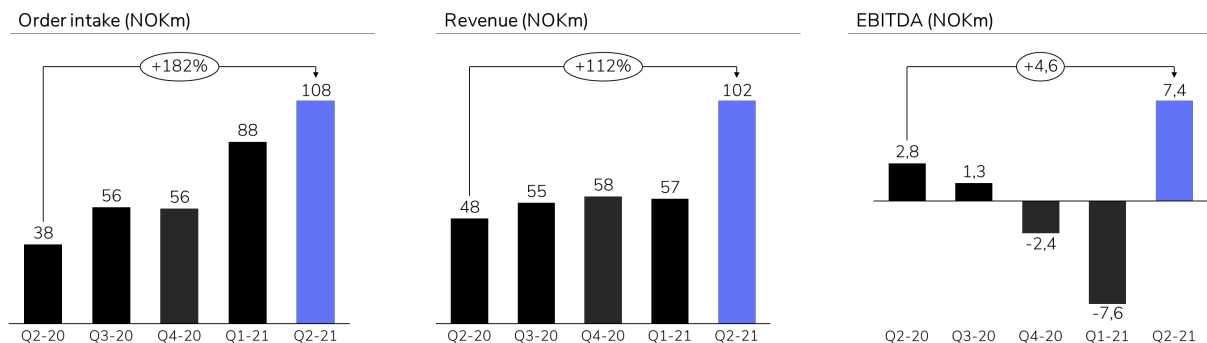
Q2 2021



We transform how people work.

Q2 2021 highlights

- 182% year-on-year growth in order intake to NOK 108 million
- 113% year-on-year increase in revenue to NOK 102 million – positively impacted by significantly faster turnaround of orders than average last 12 months
- EBITDA of NOK 7.4 million, evidencing scalability of the business model
- Microsoft orders of NOK 65 million in Q2 and deliveries are tracking against plan
- Backlog increased to NOK 119 million from NOK 114 million at the end of Q1 2021



CEO comment

The second quarter of 2021 is historical, almost tripling the order intake compared to Q2 2020 and sustaining the growth trajectory. Revenues in the quarter ended at a record high NOK 102 million, a 113% increase from the same quarter in 2020. It demonstrates that the results for Q1 were the start of a journey that continues in Q2 and gives headway to our long-term targets. The primary drivers for these positive numbers are the execution of the long-term strategy, our strong and unique technology, investments in the organization to recruit the right talent starting to pay off, and parts of the world starting to recover from the Covid-19 pandemic.

All regions delivered above expectations with North America leading with 51% of the revenues in the quarter. Cyviz' solutions are relevant across many industries and historically Energy and Government & Defense have been large revenue contributors. In Q2 the Corporate customer segment was the largest, representing 75% of revenues with a couple of large corporate customers including Microsoft.

Cyziv has added many significant accounts to its portfolio over the years and continues to attract global leaders with its outstanding technology platform and services. The benefits for large multinationals standardizing on the Cyviz Easy Software Platform are many, bringing efficiency gains and outstanding user experiences to collaboration rooms and operations centers. Microsoft is one standout example and has become an important account. In Q2 2021 12 projects have been delivered across multiple regions, more orders are anticipated regularly in the coming quarters, and the deliveries are tracking against the plan. The solutions for Microsoft Technology Centers worldwide are visual collaboration solutions built on the Cyviz Easy Software Platform and serves to power Microsoft's most important customer and partner

engagement arenas.

The recruitment efforts continue, and since the beginning of the year, 27 new employees have started by the end of Q2, including 11 new sales people. Total global headcount now has reached 131 and the pace of hiring is faster than anticipated and indicates that Cyviz is an attractive workplace.

Financial review

Financial highlights (NOK million)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Total revenue	102.2	47.9	159.0	104.4
Gross profit ¹	44.8	23.0	69.6	49.6
Gross margin	43.8%	48.0%	43.8%	47.5%
EBITDA ²	7.4	2.8	-0.2	-0.9
EBITDA margin	7.2%	5.7%	-0.1%	-0.9%
Cash flow from operations	-2.7	7.3	-20.1	7.9
Cash and cash equivalents	63.2	7.3	63.2	7.3
Net interest-bearing debt (-) / deposits (+)	53.2	-38.0	53.2	-38.0
Equity-ratio	62.6%	19.4%	62.6%	19.4%
Order intake	107.8	38.2	195.8	67.7
Order backlog	119.0	97.3	119.0	97.3
Book-to-bill ratio ³	1.1	0.8	1.3	0.7

¹ Gross profit is defined as revenues less cost of materials, including subcontractor costs

² EBITDA is earnings before depreciation and amortization

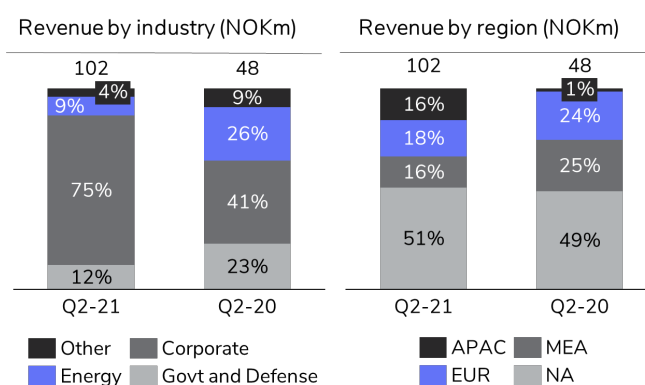
³ Book-to-bill ratio is order intake in the period divided by revenue in the same period. A ratio above 1.0 indicates an increased order backlog and vice versa

Revenue and gross margin

Total revenue for Q2 2021 ended at NOK 102.2 million which is the highest quarterly revenue in the company's history and more than double the revenues in the same quarter in 2020. Revenues in the quarter are positively impacted by a significantly faster turnaround of orders than average last 12 months due to several large orders for standardized installations from existing customers. More than 40% of Q2 2021 revenues are coming from orders received in the same quarter.

Gross margin for the quarter ended at 43.8% (48.0%). The lower gross margin in Q2 2021 compared to Q2 2020 was primarily due to several large projects in Q2 2021 with a relatively higher share of 3rd party components.

North America was the largest revenue contributor in Q2 2021 and "Corporate" the largest segment due to a large portion of revenues from Microsoft.



Order intake and order backlog

Order intake in Q2 2021 was record high at NOK 108 million, driven by further orders for Microsoft Technology Centers worldwide and several orders from prestigious customers in the Middle East. Order intake in Q2 2021 represents an increase of 182% from the same quarter last year.

The backlog at the end of Q2 2021 was NOK 119 million. Currently, around 75% of the backlog is expected to be converted to revenue in the second half of 2021.

EBITDA and EBIT

EBITDA in Q2 2021 ended at NOK 7.4 million compared to NOK 2.8 million in Q2 2020 (which was positively impacted by Covid-related furloughs and government subsidies). This is in line with the business plan and proves the scalability of the business model. We continue to invest heavily for growth and operating costs, mainly personnel expenses, increased by NOK 4.7 million from the previous quarter. Reported EBIT ended at NOK 3.2 million after depreciations and amortizations of NOK 4.1 million.

Cash flow

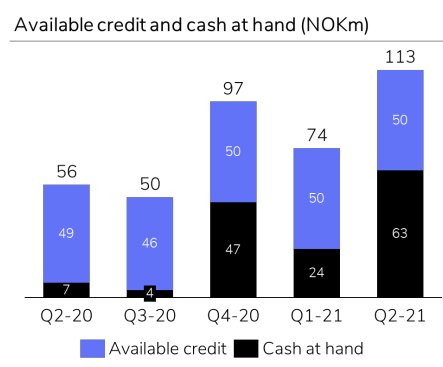
Cyviz had an operational cash flow of NOK -2.7 million in the quarter (7.3 million). The operational cash flow is impacted by a temporary increase in working capital of NOK 12 million caused by delivery and preparation for several large projects in Q2 and Q3. In addition, capex in the quarter was high due to change of offices in Singapore and high activity in development projects. NOK 48.5 million in cash (net after transactions costs) from the directed share issue in Q1 was received in Q2. Total cash flow in Q2 2021 was NOK 38.9 million, leaving the company with a cash balance of NOK 63.2 million by the end of the period.

Financial position

The company's total equity at the end of Q2 2021 was NOK 147.9 million, corresponding to an equity ratio of 62.6%. The equity ratio at the end of Q2 2020 was 19.4%.

Interest bearing debt amounted to NOK 10 million at the end of the quarter compared to NOK 38.0 million at the end of Q2 2020.

As of June 30, 2021, Cyviz had a net cash position of NOK 63.2 million. In addition, the company has a NOK 50 million credit facility available for working capital financing.



Subsequent events

In Q3 Cyviz received three new contracts for Microsoft Technology Centers (MTC) in Europe and the Americas, valued at NOK 22 million and increasing the total number of MTC to be equipped with Cyviz technology to 16 and the total order value to NOK 107 million. The solutions will be delivered throughout 2021 with additional deployments planned in 2022.

In addition Cyviz was awarded prestigious contracts in the Middle East for control rooms and executive collaboration valued at NOK 24 million. The customers have decided to standardize on Cyviz software and technology for some of their most critical infrastructure and collaboration solutions, recognizing the benefits of a robust platform for management and support.

Outlook

The global economy is set to expand 5.6% in 2021 - its strongest post-recession pace in 80 years¹. Our business in Europe and North America was heavily impacted in 2020. The large economies as the United States are expected to see the fastest recovery with income levels projected to be on par with the pre-pandemic prognosis in 2022. The recovery in Europe is slower than in the United States, but more controlled due to many restrictions remaining in place. There is still much uncertainty and an uneven pace of recovery between regions and countries.

More than ever, the physical workplace will be about essential human activities: collaborating, connecting, social interactions, creative collisions, innovating, exploring, and learning – supported and augmented by new digital technologies.

During the pandemic, hybrid working has delivered the biggest shift in working habits in our generation. Research indicates that most companies will continue to offer a combination of home office and in-office presence². Travel may also be limited for a prolonged period, rendering a need for functional collaboration solutions to bridge geographies and allow for immersive in-room experiences designed to include wider audiences & remote participants. This landscape speaks to a positive development of the demand for Cyviz collaboration solutions.

We expect to see a strong increase in demand for more advanced collaboration solutions from customers around the world as they prepare for a hybrid work model driven by the pandemic and the need to reduce carbon impacts. Cyviz, with our global presence, standardized platform and solutions, is better positioned to take advantage of this modernized market opportunity than any other company in the industry

North America and the Middle East have been our most significant markets and are expected to continue delivering strong results. Business is ramping up in Asia as the Cyviz team is growing, yet with Covid-19 cases surging across Asia there is still uncertainty around market recovery.

¹ <https://www.worldbank.org/en/publication/global-economic-prospects>

² <https://www.microsoft.com/en-us/worklab/work-trend-index/managers-keep-teams-connected>

Over the past year, despite the pandemic, there has been a stable demand for control rooms and operations centers. Cyviz expects this segment to continue representing a substantial part of the revenue, led by solutions for cyber security and network operations centers. Experience and Innovation Centers is another solutions area that is trending positively with Microsoft Technology Centers as one example. Microsoft has become an important customer and the planned roll-out of Cyviz technology in the Microsoft Technology Centers will continue into 2022.

The nature of Cyviz' business is large projects with deliveries around the world. The current pandemic has affected delivery and installation times for projects due to border and travel restrictions as well as access to resources for installations. However, in Q2 2021 the time lag from receipt of order to revenue recognition was significantly shorter than we have seen since the start of the pandemic. More than 40% of order value received in Q2 2021 was delivered and recognized as revenue in the same quarter, mainly due to fast turnaround of Microsoft orders. This was an exceptional situation, and even if we expect delivery times to be reduced as the effect of the pandemic decreases, normal turnaround times are somewhat longer than achieved in Q2 2021.

Continued market share growth through clear strategic goals

- The focus on scalability, clearly defined strategic initiatives and the implementation of systems and processes is continuing as planned.
- The product and partner organization are uncovering new opportunities for solutions and product packaging and new Go-To-Market models.
- The global organization at the end of Q2 2021 had 131 employees, we added 27 new employees in the first half year and the onboarding pace is increasing.
- The Cyviz Easy Software Platform will be delivered through the cloud, enabling clients with cloud-based services, support, and solutions.
- With increased scale and operational excellence, the company reiterates its targets of average annual revenue growth of 30% and an EBITDA-margin of 15-20% in a medium-term perspective.

Consolidated financial statements



Consolidated profit and loss accounts

NOK 1 000	Note	Unaudited Q2 2021	Unaudited Q2 2020	Unaudited YTD 2021	Unaudited YTD 2020
Operating income					
Revenue	7	102 162	47 931	159 021	104 407
Total operating income		102 162	47 931	159 021	104 407
Operating costs					
Cost of materials		57 386	24 931	89 378	54 809
Salary and personnel expenses		28 411	12 872	52 336	33 880
Depreciation	2, 3	4 125	4 177	8 529	8 198
Other operating expenses		9 014	7 376	17 540	16 638
Total operating costs		98 936	49 356	167 783	113 525
OPERATING PROFIT (LOSS)		3 226	-1 425	-8 672	-9 118
Financial income and expenses					
Interest income		131	557	131	1 135
Net currency gains (losses)		1 881	-7 283	2 411	-3 310
Interest expenses		-394	-826	-572	-1 999
Net financial income and expenses		1 618	-7 552	1 971	-4 174
PROFIT (LOSS) BEFORE INCOME TAX		4 844	-8 977	-6 791	-13 292
Income tax expense	8	173	129	223	142
NET PROFIT (LOSS) FOR THE PERIOD		4 671	-9 106	-7 014	-13 434

Consolidated balance sheet

NOK 1 000	Note	Unaudited 30.06.2021	Unaudited 31.03.2021	Audited 31.12.2020
ASSETS				
Non-current assets				
Intangible assets				
Research and development		28 611	27 396	25 945
Licenses, patents, other		10 844	9 262	8 481
Total intangible fixed assets	2	39 456	36 658	34 426
Tangible fixed assets				
Property, plant & equipment	3, 6	9 782	9 647	10 524
Total tangible fixed assets		9 782	9 647	10 524
Total non-current assets		49 237	46 305	44 950
Current assets				
Inventories	6	17 473	22 112	15 855
Receivables				
Accounts receivables	6	86 862	66 093	55 584
Subscribed capital increase, not received		0	49 450	0
Other receivables		19 523	13 194	9 479
Total receivables		106 385	128 737	65 063
Cash and cash equivalents		63 155	24 253	47 444
Total current assets		184 852	175 102	128 362
TOTAL ASSETS		236 250	221 407	173 212

Consolidated balance sheet

NOK 1 000	Note	Unaudited 30.06.2021	Unaudited 31.03.2021	Audited 31.12.2020
EQUITY AND LIABILITIES				
EQUITY				
Contributed equity				
Share capital	4	14 174	14 174	12 909
Share premium		140 576	140 576	93 346
Other paid-in equity		79	49	0
Total contributed equity		154 829	154 799	106 255
Retained earnings				
Other equity		-6 893	-11 764	0
Total retained earnings	5	-6 893	-11 764	0
TOTAL EQUITY		147 936	143 035	106 255
LIABILITIES				
Non-current liabilities				
Provisions		3 392	3 190	2 987
Long-term interest bearing loans	6	10 000	10 000	10 000
Total non-current liabilities		13 392	13 190	12 987
Current liabilities				
Contract liabilities		15 384	9 884	4 891
Accounts payable		39 783	33 927	24 288
Public duties payable		5 323	7 261	8 583
Other current liabilities		14 433	14 110	16 308
Total current liabilities		74 922	65 182	54 070
TOTAL LIABILITIES		88 314	78 372	67 057
TOTAL EQUITY AND LIABILITIES		236 250	221 407	173 212

Consolidated cash flow statement

NOK 1 000	Note	Unaudited Q2 2021	Unaudited Q2 2020	Unaudited YTD 2021	Unaudited YTD 2020
Cash flow from operating activities					
Profit (loss) before tax		4 844	-8 977	-6 791	-13 292
Option expense		30	59	79	118
Income tax paid	8	-173	-129	-223	-142
Depreciation, amortization and impairment	2, 3	4 125	4 177	8 529	8 198
Change in accounts receivable		-20 770	24 061	-31 278	21 553
Change in inventories		4 639	-1 630	-1 618	-37
Change in accounts payable		5 856	-16 211	15 494	-10 200
Change in other accruals and prepayments		-1 287	5 906	-4 280	1 719
Net cash flow from operating activities		-2 735	7 256	-20 089	7 917
Cash flow from investing activities					
Purchase of fixed assets	2, 3	-6 986	-2 270	-12 790	-8 625
Net cash flow from investing activities		-6 986	-2 270	-12 790	-8 625
Cash flow from financing activities					
Additions to equity		48 495	40 000	48 495	40 000
Proceeds from issuance long term debt		0	5 000	0	5 000
Net change in overdraft facility		0	-46 393	0	-44 447
Net cash flow from financing activities		48 495	-1 393	48 495	553
Currency effects		127	-458	94	-153
Net change in cash and cash equivalents		38 901	3 135	15 711	-308
Cash and cash equivalents at beginning of period	6	24 253	4 185	47 444	7 628
Cash and cash equivalents at end of period		63 155	7 320	63 155	7 320

Notes to Q2 2021 interim consolidated statements

Note 1 Accounting policies and basis for preparation

The interim consolidated financial statements comprise interim consolidated income statement, interim consolidated statement of financial position, interim consolidated statement of cash flows and selected notes. All amounts are presented in thousands of NOK (TNOK), unless otherwise clearly stated.

Recognition and measurement in the interim financial statements are based on the requirements of the Norwegian Accounting Act and generally accepted accounting principles in Norway and are otherwise consistent with the principles applied in the latest annual report. The interim financial statements have been prepared on the going concern basis.

The interim financial statements are unaudited and do not include a complete set of financial statement disclosures, thus they should be read together with the latest annual report.

Note 2 Intangible assets

Specification of intangible assets

(amounts in NOK 1 000)	Research and development	Licenses, patents, other	Total
Cost at beginning of period	130 199	13 325	143 524
Additions	3 742	1 583	5 325
Cost at end of period	133 941	14 908	148 849
Accumulated depreciation at beginning of period	102 802	4 063	106 865
Depreciation for the period	2 528	0	2 528
Accumulated depreciation at end of period	105 330	4 063	109 393
Book value at end of period	28 611	10 845	39 456
Economic useful life	5 years	5 years	
Depreciation schedule	Linear	Linear	

Note 3 Property, plant & equipment

Specification of property, plant & equipment

(amounts in NOK 1 000)

Cost at beginning of period	70 392
Additions	1 661
Cost at end of period	71 990
Accumulated depreciation at beginning of period	60 895
Depreciations for the period	1 591
Accumulated depreciation at end of period	62 486
Currency translation effects	278
Book value at end of period	9 782

Economic useful life	3-10 years
Depreciation schedule	Linear

Note 4 Share capital and shareholder information

Share capital per 30.06.21	Shares	Par value (NOK)	Share capital (NOK 1 000)
Ordinary shares	12 885 597	1.10	14 174
Total	12 885 597		14 174

All shares have equal voting and dividend rights.

In addition to the currently outstanding shares, Cyviz AS also has 255 300 options outstanding (as further described in the latest annual report).

Significant shareholders per 30.06.21

	Shares	%
Investinor Direkte AS	4 911 267	38,1 %
Karbon Invest AS	1 919 367	14,9 %
Spinoza AS	464 173	3,6 %
Silvercoin Industries AS	452 521	3,5 %
Norport AS	403 125	3,1 %
Camaca AS	319 477	2,5 %
Lin AS	217 278	1,7 %
Thabo Energy AS	215 000	1,7 %
K.A. Fem AS	200 000	1,6 %
Saxo Bank A/S	174 134	1,4 %
Corporate Investment Consulting AS	173 000	1,3 %
Songa Capital AS	162 346	1,3 %
Six-Seven AS	138 640	1,1 %
Citibank, N.A.	121 488	0,9 %
Skagenkaien Venture AS	102 426	0,8 %
Torstein Ingvald Tvenge	100 000	0,8 %
Solan Capital AS	100 000	0,8 %
Cat Invest 1 AS	96 701	0,8 %
Haakon Morten Sæter	94 286	0,7 %
Cime AS	89 485	0,7 %
Total (20 largest shareholders)	10 454 714	81.1 %
Other shareholders	2 430 883	18.9 %
Total	12 885 597	100.0%

Note 5 Equity

Specification of equity

(amounts in NOK 1 000)	Share capital	Share premium	Other paid-in equity	Other equity	Sum
Equity as of 31.12.2020	12 909	93 346	0	0	106 255
Net profit (loss) for the period				-7 014	-7 014
Capital increase	1 265	47 230			48 495
Shared based compensation			79		79
Translation difference				121	121
Equity as of 30.06.2021	14 174	140 576	79	-6 893	147 936

Note 6 Interest bearing loans

Overdraft facility

Cyviz has established an overdraft facility with a limit of NOK 50 million. The main lending term is that the drawn amount shall not exceed sum of 60% of accounts receivables, 50% of inventory, and a base of NOK 2.5 million. In addition, the equity ratio shall be minimum 40% measured quarterly.

Innovation Norway

For the loan from Innovation Norway, an interest and installment exemption applies until November 2021 and November 2022, respectively. The loan is to be repaid over 7 years, with the first installment in November 2022. The loan carries an annual interest rate, currently at 4.1 %.

Pledged assets

Accounts receivable, fixed assets and inventories are pledged as security for the overdraft facility and the loan from Innovation Norway.

Specification of interest bearing loans

(amounts in NOK 1 000)	30.06.2021	31.03.2021	31.12.2020
Innovation Norway	10 000	10 000	10 000
Total interest bearing loans	10 000	10 000	10 000
Long-term	10 000	10 000	10 000
Short-term	0	0	0

Note 7 Revenues

Geographical distribution

(amounts in NOK 1 000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Europe, Middle East and Africa (EMEA)	38 026	22 893	63 241	45 762
Americas	44 497	22 940	73 123	47 040
Other	19 639	2 098	22 657	11 604
Total	102 162	47 931	159 021	104 406

Note 8 Income tax

Deferred tax assets are not recognized. The income tax expense in this period is primarily related to withholding tax outside Norway.

Note 9 Transactions with related parties

There are no related party transactions in Q2 2021.

Note 10 Events after the balance sheet date

No events to report..

Sandnes, August 30, 2021

Board of Directors

Cyviz AS

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<https://www.cyziz.com/investor-relations/>

About Cyviz

Cyziz is a global technology provider for standardized conference rooms, control rooms and experience centers. Since 1998, Cyviz has empowered the digital workforce to connect, visualize, and collaborate on their critical data. The IT-driven turnkey solutions are easy to deploy, manage and support. Cyviz serves global enterprises and governments with the highest requirements for usability, security and quality, that engage people, encourage collaboration, and accelerate decision-making.

Find out more on www.cyziz.com or visit one of our Cyviz Experience Centers in Atlanta, Dubai, Jakarta, Houston, London, Oslo, Riyadh, Singapore, Stavanger, or Washington DC.