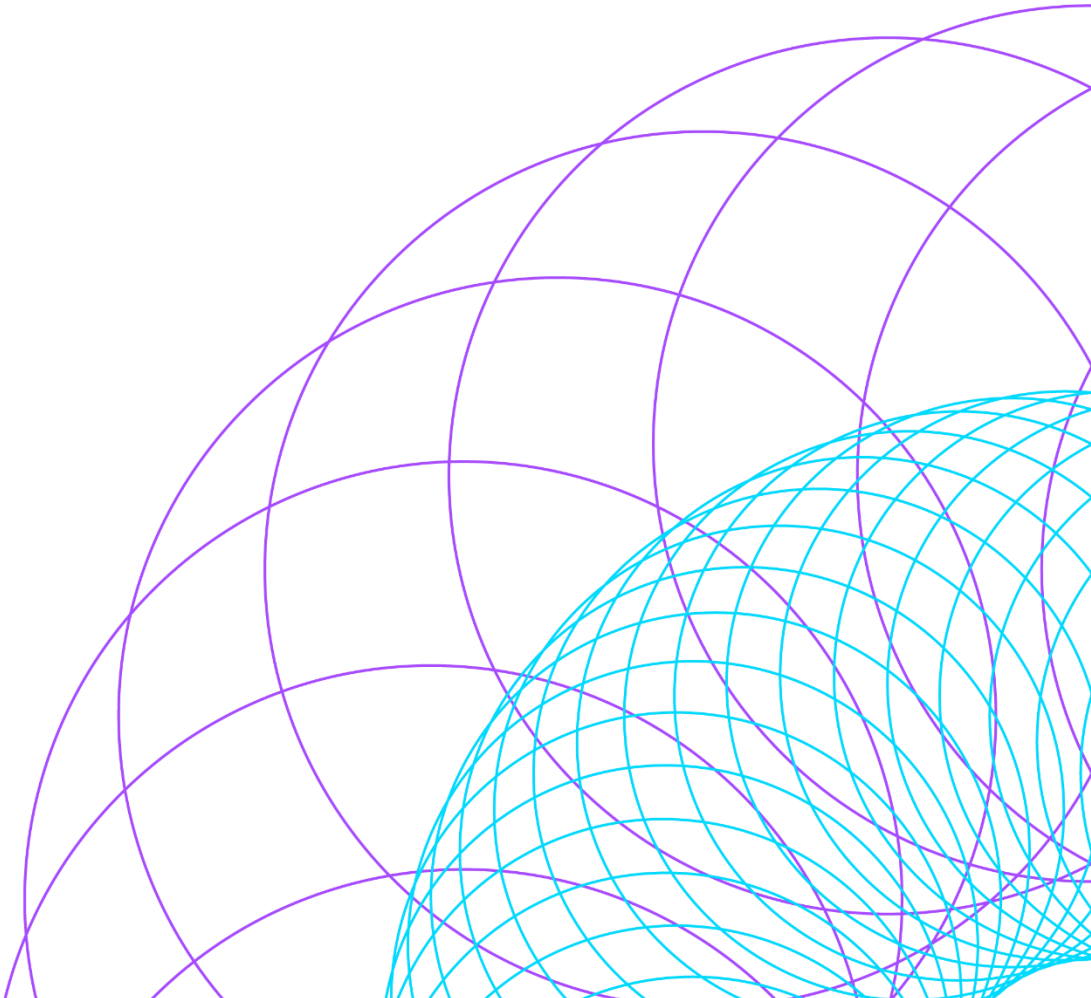


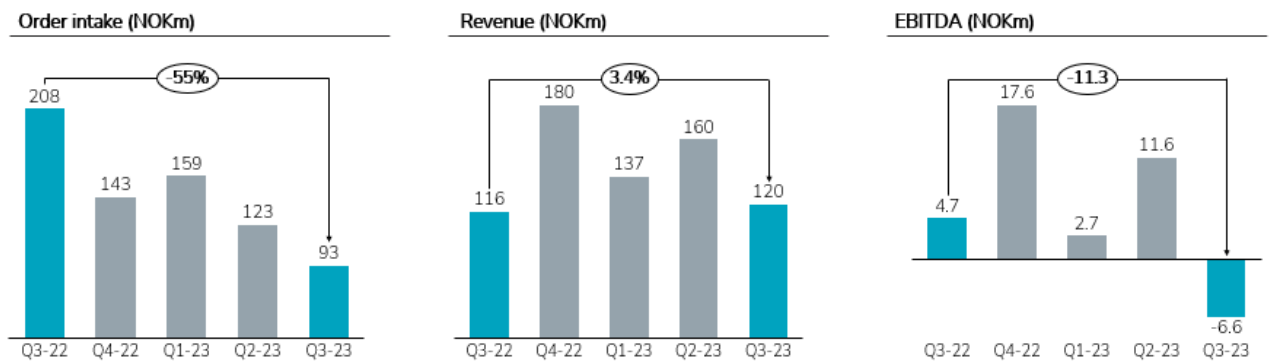
QUARTERLY REPORT

Q3 2023



Key figures

- EBITDA of NOK -6.6 million in Q3, down NOK 11.3 million compared to Q3 2022
- Revenue of NOK 120.3 million, a growth of 3.4% compared to Q3 2022
- Gross profit of NOK 57.0 million, a growth of 3.4% compared to Q3 2022
- Order intake of NOK 92.7 million, down 55% compared to Q3 2022
- Operating cash flow of NOK -35.2 million compared to NOK 70.7 million in Q3 2022



Key events

- Awarded a USD 1.5 million contract for high-end meeting rooms and Board room for a returning customer within the energy vertical
- Announced new strategic partnership with Aker BP to deliver next generation collaboration solutions for their Integrated Operations Centre in the new Aker BP buildings in Stavanger
- Signed a new Fortune 500-customer for projects in both Europe and the US
- Launched the new Cyviz software platform which enables monitoring and remote management of services in the fields of AV, IoT and IT – in addition to being a contributor for larger recurring revenue streams
- Delivered multiple upgrade projects for customers within the energy vertical in the Middle East, USA and Europe
- Signed contract to deliver a new global security center for one of Cyviz' top 5 customers
- Extended our footprint in the Middle East by signing a new logo within the government & defense-vertical

CEO comment

Revenue in line with expectations with drop in order intake due to delays in government projects in North America.

The third quarter is generally a slower quarter for our industry than the other 3 quarters, and we were primarily challenged this quarter on order intake largely driven by a delay in a large government project in North America. These three federal orders we had anticipated to secure from our North American business during the quarter, did not materialize. We remain optimistic about their realization in Q4 2023 and Q1 2024, normalizing the full-year order intake.

We have invested in a larger growth in order intake in some regions and do see that the performance and growth in some regions do not support the OPEX spend invested there. As a clear action to that, we have started a cost optimization program to reduce running OPEX spend to drive a more focused organization design by market potential and profitability. In addition, we are now moving gradually into a commercial launch of new subscription-based services and platform that requires less OPEX to manage. We expect this to have a significant effect on profitability going into 2024.

In line with our commitment to expansion, we proudly inaugurated two new Cyviz Experience Centers (CEC) in collaboration with partners in Paris and New Delhi during the quarter. These initiatives were spurred by rising customer and partner interest in these markets. We have also made significant progress in developing Cyviz' new platform for Monitoring and Remote Management System during the quarter, aligning with our strategic goal of increasing the recurring revenue segment of our business.

Our partnership with Aker BP has taken a significant step forward with a new strategic agreement, positioning us for even closer cooperation in the future. Among the opportunities is Cyviz' support in developing Aker BP's new Integrated Operations Center (IOC) at their office in Stavanger. The new IOC will become one the most modern operations environments worldwide, and we will support in defining new ways of working and new ways of running offshore operations.

The partnership with Aker BP represents a valuable opportunity for us to enhance our offerings and gain insights from leaders in the Norwegian oil and gas industry. This knowledge exchange will further position Cyviz in the global oil and gas sector. It also represents a significant milestone in our presence in the Norwegian market, allowing us to offer Aker BP a wider range of solutions and services for the future, creating a strong foundation for future growth and collaboration.

As we look ahead to the fourth quarter, our pipeline is substantially reinforced, encompassing both regions and verticals. This growth is driven by the increasing demand for user-friendly, advanced collaboration solutions. Our revenue and gross profit for the quarter are aligned with our expectations, and we continue to observe a positive trend in both these aspects over a rolling 12-month period.

Financial review

Financial highlights (NOK million)	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total revenue	120.3	116.3	417.0	305.6
Gross profit ¹	57.0	55.1	200.5	138.7
<i>Gross margin</i>	47.3%	47.4%	48.1%	45.4%
EBITDA ²	-6.6	4.7	7.8	-8.6
<i>EBITDA margin</i>	-5.4%	4.0%	1.9%	-2.8%
Cash flow from operations	-35.2	70.7	-34.2	-0.3
Cash and cash equivalents	0	23.9	0	23.9
Net interest-bearing debt (-) / deposits (+)	-51.2	14.4	-51.2	14.4
Equity-ratio	30.2%	54.6%	30.2%	54.6%
Order intake	92.7	208.2	373.8	445.8
Order backlog	228.3	310.7	228.3	310.7
Book-to-bill ratio ³	0.77	1.79	0.90	1.46
FTEs ⁴	167	155	167	155

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

² EBITDA is earnings before depreciation, amortization, interests and tax

³ Book-to-bill ratio is order intake in the period divided by revenue in the same period

⁴ Full-time equivalent (FTE) is a unit of measurement that indicates the workload of an employed person. An FTE of 1.0 is equivalent to a full-time worker

Revenue and gross profit

Cyviz delivered a revenue of NOK 120 million in Q3, up NOK 4.0 million (3.4%) compared to Q3 2022. Despite Q3 being a seasonally slow quarter, our performance is in line with expectations as same quarter last year was inflated by the NOK 145 million deal with a government & defense-customer. We continue the trend seen during the first half of 2023, and year-to-date Cyviz has revenue of NOK 417 million. This is a growth of NOK 111 million (36.5%) compared to the same period last year.

The revenue performance in the quarter was driven by North America (39%) and the Middle East (36%) with large projects being finalized within both the corporate vertical and government & defense. The rolling 12-months trend for Cyviz after Q3 is at NOK 597 million which is a growth of NOK 192 million (47.4%) compared to the same period last year.

Gross profit for the quarter ended at NOK 57.0 million, up from NOK 55.1 million in Q3 2022. Year-to-date, Cyviz has delivered a gross profit of NOK 200 million equivalent to a gross margin of 48.1%. This is a growth compared to the same period last year of NOK 61.8 million (44.6%).

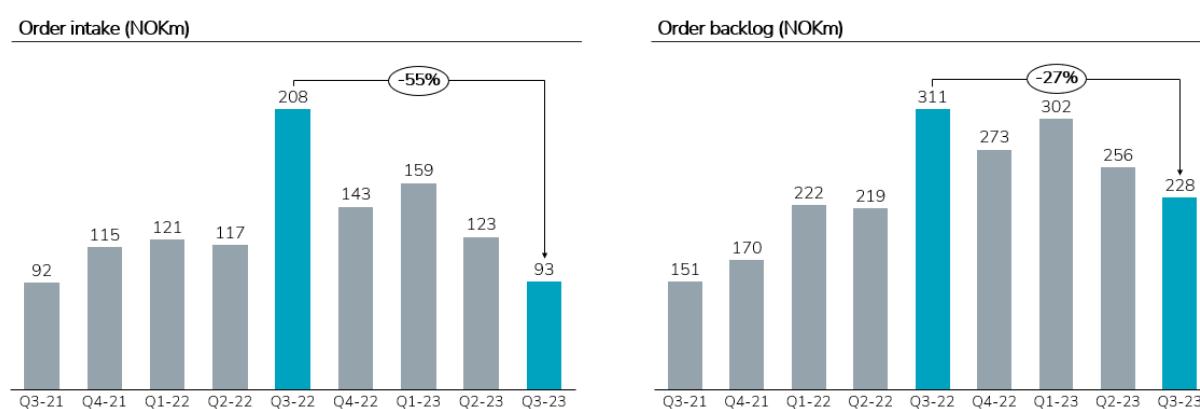
The rolling 12-months trend for gross profit is at NOK 282 million after Q3, up from NOK 185 million same period last year.

Order intake and order backlog

Cyviz' order intake ended at NOK 92.7 million in Q3, down NOK 116 million (-55%) compared to Q3 2022. The drop in performance this quarter compared to last year was driven by multiple factors including postponed projects across both regions and verticals, as well as the major contract of NOK 145 million won in Q3 2022.

As we see none of the largest contracts in the pipeline being lost, only postponed, we remain confident that the growth will continue in the medium-term perspective. Year-to-date, Cyviz has booked new deals totaling NOK 374 million compared to NOK 446 million last year.

The total order backlog is NOK 228 million after Q3, down from NOK 311 million in the same quarter last year.



EBITDA

Cyviz delivered an EBITDA of NOK -6.6 million in Q3. This is a decline of NOK 11.3 million compared to last year driven by a higher cost base in 2023 compared to 2022.

Operating expenses for the quarter was NOK 63.5 million, down from the unusual high level of NOK 66.2 million seen last quarter. Cyviz is considering several measures in order to rightsize the OPEX base while at the same time be fit for purpose for exploiting the opportunities represented by the new Cyviz Easy Monitoring & Remote Management-platform launched primo September.

Year-to-date, Cyviz has an EBITDA of NOK 7.8 million compared to NOK -8.6 million same period last year. The rolling 12-months trend is at NOK 25.4 million after Q3 compared to NOK -10.8 million after Q3 2022.

Cash flow

Cyviz had a net cash flow from operating activities of NOK -35.2 million in Q3. This was driven by an increase in account receivables of NOK 20.8 million and a decrease in account payables of NOK 19.1 million from Q2 2023. Total receivables after Q3 was NOK 167 million with the lion share due during the first half of October.

Net cash flow from investment activities was NOK 6.6 million in Q3 compared to NOK 9.1 million the same quarter last year. The amount is related to capitalization of R&D and new product development associated with Cyviz' new service platform.

Net cash flow from financing activities was NOK 41.7 million in Q3. The use of our overdraft facility was NOK 43.7 million ultimo September, but NOK 31.5 million was repaid during the first two weeks of October in line with incoming receivables.

Financial position

Cyviz' total equity ultimo Q3 2023 was NOK 83.8 million leaving the equity ratio at 30.2%.

Long-term interest bearing debt amounted to NOK 7.5 million which is the loan provided by Innovation Norway. The loan will be repaid over 7 years with the fifth installment of NOK 0.5 million paid in Q3 2023.

The continued high level of receivables at NOK 167 million combined with high operational activity, left Cyviz unable to increase the cash position in Q3 which is still at zero. The reduction in account payables is a consequence of the high level of ongoing projects, our ability to maintain a low lead-time with our vendors and secure on-time project deliveries to our customers.

The covenant structure tied to the credit facility we have with DNB states that Cyviz shall have an equity ratio of minimum 30% and an EBITDA measured at rolling 12 months at minimum NOK 10 million. After Q3, Cyviz' equity ratio was 30.2% and the EBITDA (R12) was NOK 25.4 million. Cyviz is confident that we will remain compliant with the financial ratios set out in the covenant structure going forward.

Outlook

One month into the last quarter of the year, we are confident of ending the year on a good note and significantly outgrow the market. The pipeline for this quarter and well into 2024 is strong across both regions and verticals. We continue to benefit from the availability of components and products due to growth investments and strong partnerships. This allows us to turn around won deals way faster than our global competitors. This will continue being a competitive benefit way into 2024.

We expect the market demand for our core Cyviz solutions to continue growing during 2024 in Europe, MEA and APAC. Our North America business will center more around our dedicated large global accounts, as well as government and defense.

We experience a strong increase in demand from both IT and AV driven customers around the world with a need for a flexible and scalable cloud platform for monitoring and management of AV and IT equipment as well as IOT devices. We plan to do a large commercial launch of our new subscription based platform to deliver these requests early 2024. We are aligning the partner strategies and signing on regional and global partners to bring our new subscription-based platform and our core Cyviz technology out in the market at scale to support the profitable growth of the company and to gain market share and reach.

The new platform is part of building another core business within the company to move more of our business over towards subscription-based services in a more cost effective model through a partner eco system globally.

The second new business building block to improve growth and profitability is to package and utilize the Cyviz core Software and Hardware, enabling partners and distributors around the world to deliver complete Cyviz solutions.

As we are finalizing budgets and strategies for 2024, we are taking steps to rightsize our cost base to align our bets and focus areas to market opportunities, continue improving profitability as well as provide focus on our new subscription-based monitoring and management platform and services that will largely be sold through an extended global partner network.

Solutions that help customers take steps towards Next Level Collaboration are driving a significant part of the growth within our industry, and Cyviz is better positioned than our competitors to deliver on this both locally and globally. Our solutions powered by the Cyviz platform help customers make the complex simple, ensuring work is more immersive, productive, and more enjoyable.

We continue to reiterate our medium-term target of 30% CAGR on revenue, and 15-20% EBITDA margin. After Q3, Cyviz has a CAGR on revenue of 46% from the IPO in Q4 2020.

Consolidated interim financial statements



Consolidated profit and loss accounts

NOK 1 000	Note	Unaudited Q3 2023	Unaudited Q3 2022	Unaudited YTD 2023	Unaudited YTD 2022
Operating income					
Revenue	7	120 322	116 317	417 027	305 585
Total operating income		120 322	116 317	417 027	305 585
Operating expenses					
Cost of materials		63 364	61 237	216 491	166 899
Salary and personnel expenses		46 166	38 531	141 905	106 023
Depreciation	2.3	5 998	5 194	17 284	14 723
Other operating expenses		17 346	11 841	50 860	41 233
Total operating expenses		132 873	116 803	426 539	328 879
OPERATING PROFIT (LOSS)		-12 551	-486	-9 512	-23 294
Financial income and expenses					
Interest income		901	41	1 939	130
Net currency gains (losses)		-1 525	2 722	5 464	5 570
Interest expenses		-1 646	-588	-3 208	-973
Net financial income and expenses		-2 270	2 175	4 195	4 728
PROFIT (LOSS) BEFORE INCOME TAX		-14 821	1 689	-5 317	-18 566
Income tax	8	92	-1 388	393	-1 395
NET PROFIT (LOSS) FOR THE PERIOD)		-14 913	3 077	-5 710	-17 172

Consolidated balance sheet

NOK 1 000	Note	Unaudited 30.09.2023	Audited 31.12.2022	Unaudited 30.09.2022
ASSETS				
Non-current assets				
Intangible assets				
Research and development		43 407	40 863	39 371
Licenses, patents, other		15 529	17 204	16 532
Total intangible assets	2	58 936	58 067	55 902
Tangible fixed assets				
Property, plant & equipment	3.6	10 379	6 816	6 580
Total tangible fixed assets		10 379	6 816	6 580
Total non-current assets		69 315	64 884	62 482
Current assets				
Inventories	6	31 290	27 527	25 171
Receivables				
Accounts receivable	6	167 425	136 409	51 246
Other receivables		9 682	17 279	14 038
Total receivables		177 107	153 688	65 284
Cash and cash equivalents		0	13 744	23 934
Total current assets		208 397	194 959	114 389
TOTAL ASSETS		277 712	259 843	176 871

Consolidated balance sheet

NOK 1 000	Note	Unaudited 30.09.2023	Audited 31.12.2022	Unaudited 30.09.2022
EQUITY AND LIABILITIES				
Equity				
Paid-in capital				
Share capital	4	14 174	14 174	14 174
Share premium		69 625	84 474	82 333
Other paid-in equity				0
Total paid-in capital		83 799	98 648	96 507
Retained earnings				
Other equity		0	0	0
Total retained earnings		0	0	0
Total equity	5	83 799	98 648	96 507
Liabilities				
Non-current liabilities				
Provisions		6 019	4 779	5 027
Long-term interest-bearing loans	6	7 500	9 000	9 500
Total non-current liabilities		13 519	13 779	14 527
Current liabilities				
Overdraft facility	6	43 695	0	0
Contract liabilities		30 073	38 726	0
Accounts payable		53 898	74 136	31 242
Public duties payable		4 154	5 906	4 558
Other current liabilities		48 574	28 649	30 037
Total current liabilities		180 394	147 417	65 837
Total liabilities		193 913	161 195	80 364
TOTAL EQUITY AND LIABILITIES		277 712	259 843	176 871

Consolidated cash flow statement

NOK 1 000	Note	Unaudited Q3 2023	Unaudited Q3 2022	Unaudited YTD 2023	Unaudited YTD 2022
Cash flow from operating activities					
Profit (loss) before tax		-14 821	1 689	-5 317	-18 566
Option expense		253	787	733	953
Income tax paid		-92	1 388	-393	1 395
Depreciation, amortization and impairment	2,3	5 998	5 194	17 283	14 723
Change in accounts receivable		-20 750	68 015	-31 016	26 981
Change in inventories		-961	7 416	-3 763	-2 057
Change in accounts payable		-19 050	-14 150	-20 237	-15 481
Change in other accruals and prepayments		14 200	342	8 501	-8 236
Net cash flow from operating activities		-35 224	70 680	-34 209	-287
Cash flow from investment activities					
Purchase of fixed assets	2,3	-6 598	-9 118	-21 690	-23 619
Net cash flow from investment activities		-6 598	-9 118	-21 690	-23 619
Cash flow from financing activities					
Additions to equity		0	0	0	0
Repayment of long-term loans		-500	-500	-1 500	-500
Net change in overdraft facility		42 246	-45 961	43 696	0
Net cash flow from financing activities		41 746	-46 461	42 196	-500
Currency effects		76	-173	-41	-170
Net changes to cash and cash equivalents		0	14 928	-13 744	-24 576
Cash and cash equivalents at beginning of period		0	9 006	13 744	48 510
Cash and cash equivalents at end of period		0	23 934	0	23 934

Notes to Q3 2023 interim consolidated statements

Note 1 – General information and accounting policies

Basis for preparation and consistency with latest annual report

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. These interim financial statements have been prepared in accordance with NRS 11 Interim financial reporting (NRS 11 Delårsregnskap). 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

	Research and development	Licenses, patents etc.	Total
Cost at beginning of period	170 119	25 880	195 999
Additions	3 522	2 815	6 337
Cost at end of period	173 641	28 695	202 336
Accumulated depreciation at beginning of period	127 377	10 924	138 301
Depreciations for the period	2 856	2 242	5 098
Accumulated depreciation at end of period	130 233	13 166	143 399
Book value at end of period	43 407	15 529	58 936
Economic useful life	5 years	5 years	
Depreciation schedule	Linear	Linear	

Note 3 – Property, plant & equipment

Specification of property, plant & equipment

Cost at beginning of period	84 073
Additions	261
Cost at end of period	84 334
Accumulated depreciation at beginning of period	73 065
Depreciations for the period	890
Accumulated depreciation at end of period	73 955
Currency translation effects	
Book value at end of period	10 380
Economic useful life	3-10 years
Depreciation schedule	Linear

Note 4 – Share capital and shareholder information

Share capital per 30.09.23	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 372 300 options outstanding (as further described in the latest annual report).

Significant shareholders per 30.09.2023

	Shares	Ownership
Investinor Direkte As	4 911 267	38.1 %
Karbon Invest As	1 919 367	14.9 %
Silvercoin Industries As	626 649	4.9 %
Spinoza As	464 173	3.6 %
Camaca As	424 999	3.3 %
Sakk As	302 921	2.4 %
Muen Invest As	277 700	2.2 %
Dnb Markets Aksjehandel/-Analyse	271 553	2.1 %
Lin As	217 278	1.7 %
K.A. Fem As	200 000	1.6 %
Norport As	194 399	1.5 %
J.P. Morgan Se	140 000	1.1 %
Citibank, N.A.	121 488	0.9 %
Godthåb Holding As	108 695	0.8 %
Solan Capital As	103 791	0.8 %
Inma Invest As	97 426	0.8 %
Cat Invest 1 As	96 701	0.8 %
Cime As	89 485	0.7 %
Nordnet Livsforsikring As	85 356	0.7 %
Fredriksen	74 188	0.6 %
Total (20 largest shareholders)	10 727 436	83.3 %
Other shareholders	2 158 161	16.7 %
Total	12 885 597	100.0 %

Note 5 – Equity

Specification of equity

	Share capital	Share premium	Other paid-in equity	Sum
Equity as per 31.12.2022	14 174	85 205	0	99 379
Net profit (loss)		-6 817	-733	-6 817
Share-based compensation			733	0
Currency translation differences		-8 763		-8 763
Equity as per 30.09.2023	14 174	69 625	0	83 799

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 30% and the rolling 12-months EBITDA at minimum NOK 10 million measured quarterly.

Innovation Norway

The loan is to be repaid over 7 years, with the first installment in August 2022. The loan carries an annual interest rate, currently at 4.2 % for the first NOK 2.5m and 4.45% for the last NOK 5m.

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

	30.09.2023	31.12.2022
Innovation Norway	7 500	9 000
Overdraft facility	43 695	0
Total interest bearing loans	51 195	9 000
Long-term	7 500	9 000
Short-term	43 695	0

Note 7 – Revenues

Revenues by geography

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Europe, Middle East and Africa (EMEA)	66 437	82 831	251 980	161 244
North America	46 401	26 699	133 297	126 815
Other	7 484	6 787	31 750	17 525
Total	120 322	116 317	417 027	305 584

Note 8 – Income tax

Deferred tax assets are not recognized.

Note 9 – Related parties

There were no related party transactions in Q3 2023

Note 10 – Events after the reporting period

There were no material events after the reporting period.

Oslo, 10 November 2023

Cyviz AS

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

About Cyviz

Cyviz is a global technology provider for comprehensive conference and control rooms as well as command and experience centers. Since 1998, we have created next level collaboration spaces, assuring inclusive meeting experiences for in person and remote attendance.

Cyviz serves global enterprises and governments with the highest requirements for usability, security, and quality. The cross-platform experience Cyviz delivers to manage and control systems and resources across the enterprise, makes Cyviz the preferred choice for customers with complex needs.

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

Cyviz is listed on Euronext Growth at the Oslo Stock Exchange (ticker: CYVIZ).