

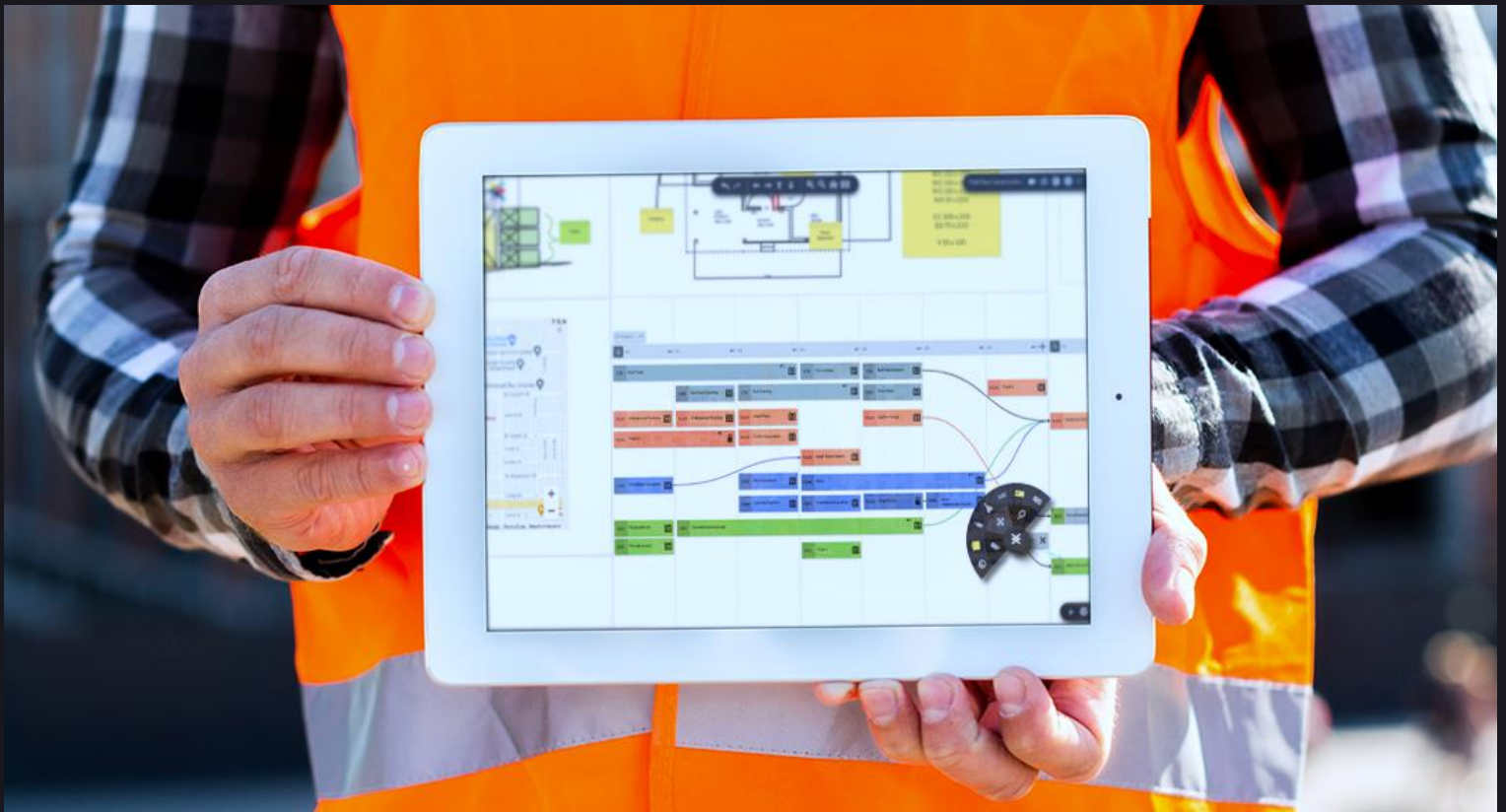
Q4 2021

Interim Report



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Interim Report Q4 2021 Overview

TWELVE MONTHS 2021

- Annual Recurring Revenue (“ARR”), including long-term service contracts, at the end of the period was MSEK 34.6, up 30% from MSEK 26.7 at the end of Q4 2020.
- Revenues for the twelve months were MSEK 33.3 (29.2)
- Gross margin was 74 percent (70)
- Operating result amounted to MSEK -49.9 (-29.8)
- Profit after tax amounted to MSEK -52.3 (-32.1)
- Earnings per share amounted to SEK -0.58 (-0.55)

FOURTH QUARTER 2021

- Annual Recurring Revenue (“ARR”), including long-term service contracts, at the end of the period was MSEK 34.6, up from MSEK 34.2 at the end of Q3 2021.
- Revenue for the fourth quarter was MSEK 8.7 (7.0)
- Gross margin was 72 percent (72)
- Operating result amounted to MSEK -16.0 (-7.8)
- Profit after tax amounted to MSEK -18.2 (-7.7)
- Earnings per share amounted to SEK -0.20 (-0.10)

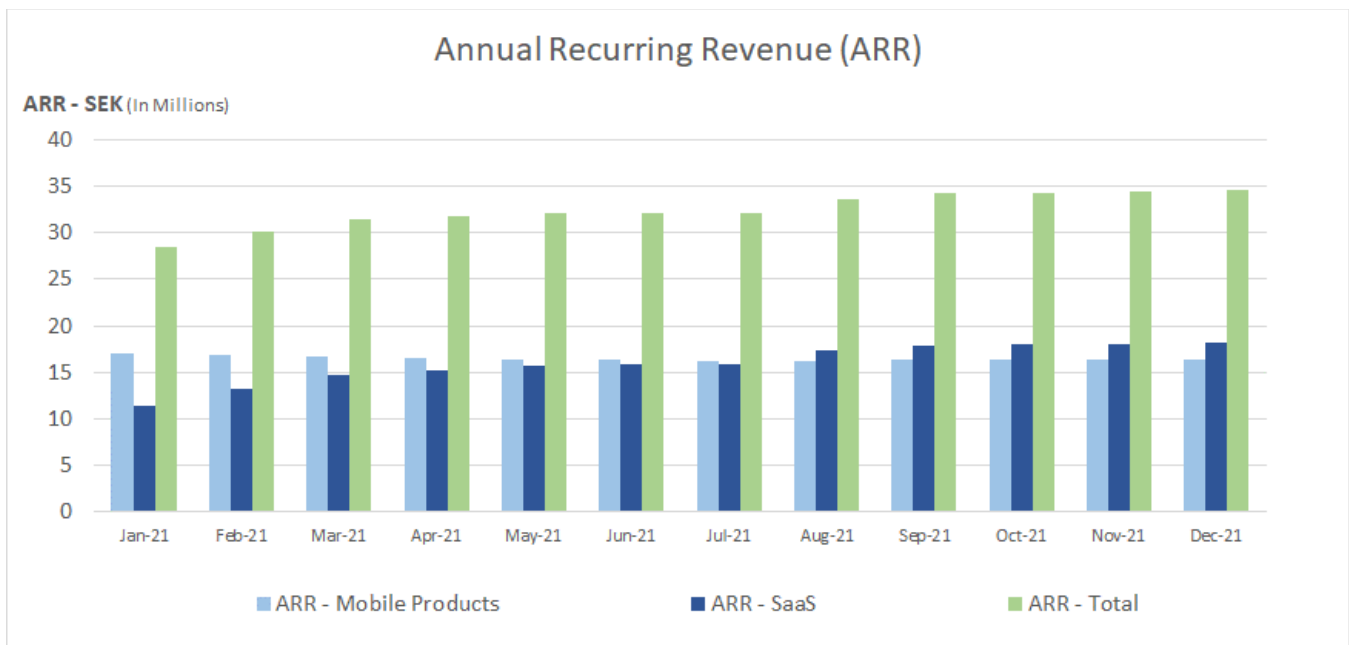
REMARKS ON THE BALANCE SHEET

- The total assets at the end of the period: MSEK 69.8 (63.6)
- Total cash at the end of the period was MSEK 4.3 (4.9)
- The total accounts receivable at the end of the period was MSEK 9.7 (9.3)
- The total accounts payable at the end of the period was MSEK 5.9 (3.8)
- Total liabilities, including Deferred Revenue, at the end of the period: MSEK 41.3 (17.9)
- The Equity at the end of the period amounted to MSEK 28.4 (45.6)

IMPORTANT EVENTS IN THE FOURTH QUARTER

- Hoylu carried out a directed issue of convertible loan notes corresponding to a value of SEK 20.0 million during the fourth quarter.

Description	Dec-20	Sep-21	Dec-21	Growth	
				Quarter/Quarter	Year/Year
ARR - SaaS	9.6	17.9	18.4	3%	92%
ARR - Mobile Products	17.1	16.3	16.2	-1%	-5%
ARR - Total	26.7	34.2	34.6	1%	30%
Total Paying Users	5.5	8.8	9.2	5%	67%



COMMENTS FROM THE CEO

Comments from the CEO

Annual Recurring Revenue (ARR) including long-term service contracts, at the end of the period was MSEK 34.6, up 30% from MSEK 26.7 at the end of Q4 2020. Our SaaS business ended with Contracted ARR at 18,4 MSEK up 92% from 9,6 MSEK at end of Q4 2020. Hoylu's transition to be a fully SaaS business is moving in the right direction. Growth in SaaS business has increased relative to other business segments.

Our sharpened focus on construction is starting to pay off with increased contracted customers and construction projects. Larger General Contractors in both North America and Europe have confirmed that there is a need for a tool in the market that could handle remote sessions in an easy way to plan complex construction projects. As construction companies adjust to new ways of working, the use of digital project management tools is growing. In fact, collaboration has become a priority for 43% of the construction firms, who say it's essential for how they work across projects. They're actively looking for tools to seamlessly connect their teams — architects, contractors, sub-contractors, and vendors. We started 2021 with 7 active running construction projects and ended Q4 with 56 active projects. The majority of these projects were contracted in Q4 2021.

Software as a service requires a different approach to a company's sales process. We have over the last quarter seen a significant improvement in our process within the construction market. Hoylu has reduced the process from when a lead is generated, product demonstrated, to closing of a project down to weeks. This differs from Enterprise solutions sales that requires from 6-12 months sales process.

In Q4 2021 we signed among other contracts with PEAB, YIT, Graham, Pepper Construction and Chandos. Some of these customers have already started multiple projects using Hoylu Pull Planning Module.

Our Hoylu Wall business has been impacted by COVID-19. Larger companies have not invested in meeting room facilities with the majority of Employees working remotely from home.

We continue to grow our ARR business with our largest customers. There are mainly two major reasons for this growth. Employees have been more used to attend remote meetings using different types of collaboration technologies like Microsoft Teams, Zoom, Cisco Webex and others. Using Hoylu in addition to these tools give them the ability to be more proactive, engaged and effective. The other reason is related to our business process modules that support Employees in daily work process. This change of use cases takes Hoylu from a "nice to have" product into a "need to have" product that provides business value.

This aligns well with our product strategy to grow into new verticals with business-critical modules.



Future Outlook

Hoylu will continue to build momentum in the Construction industry. A SaaS model with short lead time from lead to contract has proven to be successful. We will continue to invest in Content Marketing and Sales for the Construction Market. There is an expectation that successful construction projects will lead Hoylu into new projects within the same customer group.

As a part of our new growth strategy, Hoylu will continue to build industry-specific modules together with our customers. In January, we launched a new integration with Digital.ai (www.digital.ai.com) for one of Hoylu's Enterprise customers. Digital.ai Agility is an industry-leading enterprise agile planning solution that drives consistency and efficiency by scaling agile practices across all levels, from teams to the entire product portfolio. As a result, we saw an increase in the number of paying users in January. Integrations like these, in combination with our unique modules, will continue to drive business value for our customers.

EVENTS AFTER THE END OF THE PERIOD

- Appointed Truls Baklid as the new CEO of the company.
- Hoylu carried out a directed issue of convertible loan notes for a value of SEK 15 million in January 2022.

TRULS BAKLID | CEO



FINANCIAL INFORMATION

REVENUES & PROFITABILITY

Revenues for the twelve months of 2021 amounted to MSEK 33.3 (29.2) and consisted of revenue from the sale of the Hoylu Connected Workspaces™ and the Pull Planning Module, and the sale of the HoyluWall, software product, and professional services.

Cost of goods and services sold was MSEK 8.6 (8.7) and EBITDA amounted to MSEK -39.0 (-22.5).

The operating result was MSEK -49.9 (-29.8).

The net result for the twelve months of 2021 amounted to MSEK -52.3 (-32.1).

FINANCIAL POSITION

Cash flow from operating activities for the twelve months of 2021 amounted to MSEK -34.0 (-43.1).

Cash flow from investment activities for the twelve months amounted to MSEK -16.6 (-14.4) and the cash flow from financing activities was MSEK 50.0 (61.7). Cash-flow for the twelve months of 2021 was MSEK -0.6 (4.2) and the liquid assets at the end of the period was MSEK 4.3 (4.9).

Hoylu will continue to strengthen its working capital through share issues or bridge financing when necessary to finance its growth and with the objective to maximize value creation and minimize dilution for existing shareholders.

CAPITALIZED EXPENSES

Hoylu continues to capitalize its investments in research and development efforts associated with Hoylu's Anytime Collaboration and Insight products.

During the twelve months of 2021 Hoylu capitalized product development costs in the amount of MSEK 13.3, which represents 17% of the Company's total operating costs.

Amortization expense associated with capitalized product development costs amounted to MSEK 7.8 in the twelve months of 2021.

DEPRECIATION & AMORTIZATION

Intangible and tangible assets are stated at cost less amortization and depreciation. Expenditures directly attributable to the cost of the asset is included in the cost of the asset.

Amortization and Depreciation is linear as follows:

Goodwill	10 years
Other Intangible Assets	5 years
Machinery Equipment	3 years
Furniture & Fixtures	5 years

EMPLOYEES & ORGANIZATION

Hoylu had a total 44 employees as of December 31, 2021. 36 in the US and 8 in the EU. Hoylu's headquarters is in Stockholm, Sweden. Product management and software development activities are based in Seattle, US.

FINANCIAL INFORMATION

RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.

FINANCIAL CALENDAR

Interim Report – Q1 2022	May 13, 2022
Interim Report – Q2 2022	August 19, 2022
Interim Report – Q3 2022	November 18, 2022
Interim Report – Q4 2022	February 17, 2023

RISKS AND UNCERTAINTIES

An investment in Hoylu's shares is associated with certain risks.

Hoylu's business is affected, and may be affected, by numerous factors which are not possible for Hoylu at all, or in part, to control.

Such factors may adversely affect the Company's business, financial position and profits in the future or may lead to a decrease of the share price and that the investors could lose part or all of their investment.

Certain risks are associated with the Company and other do not have any specific connection to the Company. Investors should carefully analyze the specific risk factors as well as other information in the Company Description prior to deciding whether to make an investment in the Company or not.

ACCOUNTING PRINCIPLES

The interim report for Hoylu has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board on annual report, and consolidated financial statements BFNAR 2012: 1 (K3) as well as the Swedish Securities Market Act.

The K3 financial reporting framework is comparable to International Financial Reporting Standard's (IFRS) for Small and Medium enterprises. The parent company has in preparation of this interim report applied the same accounting and valuation principles as Hoylu.

AUDITORS REVIEW

This report has not been subject to review by the Company's auditor.

SHARE DATA

The Hoylu share is listed on the Nasdaq First North Growth Market in Stockholm. The total number of shares at the end of the period amounted to 91,743,922.

ABOUT HOYLU

Hoylu's Adaptive Workspace opens up a new way for teams to plan, build and engage –so they get the impact they want no matter the industry, department or time. Whatever your management or planning style, Hoylu fits the way you structure your team and integrates all the productivity tools you're already using. So, you easily plan and complete any project. And when it comes to the work itself, Hoylu gives your team the freedom to drag and drop anything from documents to presentations, and even video conferences. So, anyone can easily share and embed live files for the entire team to work on – all from anywhere, on any device.

FINANCIAL REPORTS TWELVE MONTHS 2021

CONSOLIDATED INCOME STATEMENT IN SUMMARY

KSEK	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	8,701	6,967	33,319	29,168
Cost of goods and services sold	-2,403	-1,926	-8,587	-8,652
Gross profit	6,298	5,041	24,732	20,516
Development, Sales, and Administrative Costs	-18,862	-13,949	-63,733	-46,434
Other Operating Income	0	3,455	0	3,455
Depreciation/Amortization	-3,396	-2,315	-10,872	-7,329
Operating profit/loss	-15,960	-7,768	-49,873	-29,792
Other financial items	-2,199	58	-2,378	-2,278
Profit before taxes	-18,159	-7,710	-52,251	-32,070
Taxes	-3	-3	-74	-12
Profit/loss for the period	-18,162	-7,713	-52,325	-32,082
Key ratios:				
Gross margin	72.4%	72.4%	74.2%	70.5%
Operating margin	Neg	Neg	Neg	Neg
Earnings per share before and after dilution	-0.20	-0.10	-0.58	-0.55
Average number of shares before and after dilution	91,743,922	81,029,637	90,159,101	58,011,673

FINANCIAL REPORTS TWELVE MONTHS 2021

CONSOLIDATED BALANCE SHEET IN SUMMARY

KSEK	12/31/2021	12/31/2020
Intangible fixed assets	78,867	59,413
Cumulative Amortization	-28,503	-16,884
Intangible fixed assets	50,364	42,529
Tangible assets	3,949	3,580
Cumulative Depreciation	-3,277	-2,765
Tangible assets	672	815
Financial fixed assets	629	722
Total fixed assets	51,665	44,066
Inventories	1,775	1,776
Accounts receivable	9,741	9,342
Other current assets	2,299	3,505
Liquid assets, including current investments	4,288	4,868
Total current assets	18,103	19,491
Total assets	69,768	63,557
Total equity	28,376	45,620
Other long term liabilities	95	82
Total long-term liabilities	95	82
Accounts payable	5,900	3,777
Other current liabilities	15,353	14,078
Convertible Notes	20,044	0
Total current liabilities	41,297	17,855
Total liabilities and shareholders equity	69,768	63,557

FINANCIAL REPORTS TWELVE MONTHS 2021

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

KSEK	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating Profit (Loss)	-15,960	-7,768	-49,873	-29,792
Depreciation, amortisation	3,396	2,315	10,872	7,329
Interest Paid	-654	-21	-852	-2,153
Taxes	-3	-3	-74	-12
Incentive Programs	301	0	1,212	0
Foreign exchange rate differences	-1,787	-6,841	-2,369	-4,265
Adjustments for items not included in cash flow	1,253	-4,550	8,789	899
Cash flow from operating activities before changes in working capital	-14,708	-12,318	-41,085	-28,893
Change in operating receivables	4,340	6,917	805	274
Change in inventory	264	-363	1	841
Change in operating liabilities	3,137	-3,746	6,299	-15,288
Cash flow from operating activities	-6,967	-9,510	-33,980	-43,066
Intangible assets	-6,165	419	-16,276	-14,093
Fixed assets	-124	108	-369	-279
Cash flow from net capital expenditures	-6,289	527	-16,645	-14,372
Total cash flow before financing activities	-13,256	-8,983	-50,625	-57,438
New share issue	0	0	30,000	53,660
Change in financial liabilities	15,044	0	20,044	8,009
Cash flow from financing activities	15,044	0	50,044	61,669
Cash flow for the period	1,788	-8,983	-581	4,231
Liquid assets at the beginning of the period	2,500	13,851	4,868	637
Liquid assets at the end of the period	4,288	4,868	4,288	4,868

FINANCIAL REPORTS TWELVE MONTHS 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KSEK	Share Capital	Ongoing Share Issue	Other Capital Contributed	Translation Reserves	Profit/(Loss) Brought Forward	Shareholders Equity
Closing balance December 31, 2019	2,111	2,263	97,039	1,152	-98,231	4,334
Profit/loss from Jan 1, 2020 to Dec. 31, 2020					-32,082	-32,082
Translation Differences				-8,509		-8,509
Ongoing Share Issue		-2,263				-2,263
Convertible Note Conversion	1,153		22,843			23,996
Private Placement/Rights Issue	3,415		60,944			64,359
Financing Expenses			-1,233			-1,233
Closing balance December 31, 2020	6,679	0	179,593	-7,357	-130,313	48,602
Beginning balance January 1, 2021	6,679	0	179,593	-7,357	-133,295	45,620
Following Prior Period Adjustment *						
Profit/loss from Jan 1, 2021 to Dec. 31, 2021					-52,325	-52,325
Incentive Program					1,211	1,211
Translation Differences				4,072		4,072
Private Placement/Rights Issue	883		29,117			30,000
Financing Expenses			-203			-203
Closing balance December 31, 2021	7,562	0	208,506	-3,285	-184,408	28,376

* Adjusted for Accrued Vacation in subsidiaries

KEY RATIOS

KSEK	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Cash flow for the period	1,788	-8,983	-581	4,231
Cashflow / share before and after dilution (SEK) ¹	0.02	-0.11	-0.01	0.07
	12/31/2021	12/31/2020		
Equity/assets ratio	40.7%	71.8%		
Number of shares	91,743,922	81,029,637		
Shareholders equity per share (kr)	0.31	0.60		

¹ Based on the weighted average number of shares and outstanding warrants for each period.

FINANCIAL REPORTS TWELVE MONTHS 2021

PARENT COMPANY – INCOME STATEMENT IN SUMMARY

TSEK	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	1,237	602	3,911	6,378
Cost of goods and services sold	-183	-168	-228	-1,666
Gross profit	1,054	433	3,683	4,712
Development, Sales, and Administrative Costs	-9,573	-7,415	-24,195	-16,609
Write off none-current group receivables	-44,750	0	-44,750	0
Depreciation/Amortization/Impairment	-173	-447	-703	-919
Operating profit/loss	-53,443	-7,429	-65,964	-12,816
Other financial items	-1,244	-196	-106	-938
Profit before taxes	-54,687	-7,625	-66,071	-13,754
Taxes	0	0	0	0
Profit/loss for the period	-54,687	-7,625	-66,071	-13,754

PARENT COMPANY – BALANCE SHEET IN SUMMARY

KSEK	12/31/2021	12/31/2020
Intangible fixed assets	3,070	3,773
Tangible assets	2	2
Financial fixed assets	116,975	14,130
Total fixed assets	120,047	17,904
Inventories	1,585	1,616
Accounts receivable	1,561	1,431
Other current assets	184	120,878
Liquid assets, including current investments	1,748	332
Total current assets	5,078	124,258
Total assets	125,125	142,162
Total equity	99,568	135,842
Total long-term liabilities	0	0
Accounts payable	1,464	1,296
Convertible Notes	20,044	0
Other current liabilities	4,049	5,024
Total current liabilities	25,557	6,320
Total liabilities and shareholders equity	125,125	142,162

CONTACT DETAILS

HOYLU AB

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Sweden

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Sweden

US ADDRESS: SEATTLE

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AUSTRIA ADDRESS:

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Peter-Behrens-Platz 2
4020 Linz Austria

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info@hoylu.com

BOARD OF DIRECTORS

Johan Lindqvist, Chairman of the Board
Bjorn Wallin, Member of the Board
Stein Revelsby, Member of the Board
Hans Othar Blix, Member of the Board

EXECUTIVE OFFICERS

Truls Baklid, CEO
Karl Wiersholm, CFO
John D'Costa, CTO

AUDITOR

Henrik Ekstrom, Deloitte AB

CERTIFIED ADVISOR

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MARKETPLACE

Nasdaq First North Growth Market, Stockholm
Ticker: HOYLU

LEGAL DISCLAIMER

Certain statements in this report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes.

Such factors include developments for customers, competitors, the impact of economic and market conditions, regulations, technological developments, exchange rates fluctuations and market conditions and political risks.