



Meet the world
with video communication as it should be

Danske Bank's Saas Communication and Services Event

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Video communications as it
should be



- ✓ A better way to meet with business-quality audio/video
- ✓ Securely join from anywhere across multiple technologies
- ✓ Customize the platform to meet the unique needs for the organization and IT
- ✓ Full control of data privacy and sovereignty, and compliance with data security standards

Large organizations choose Pexip for three main use cases

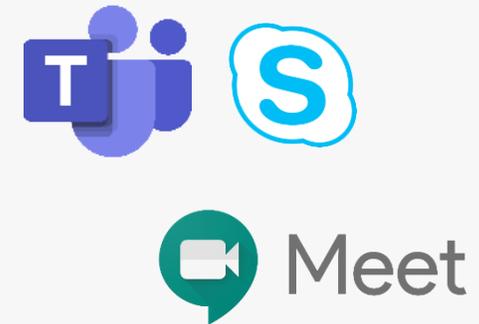
High-quality video meetings with focus on privacy and security



Vertical market applications and integrations

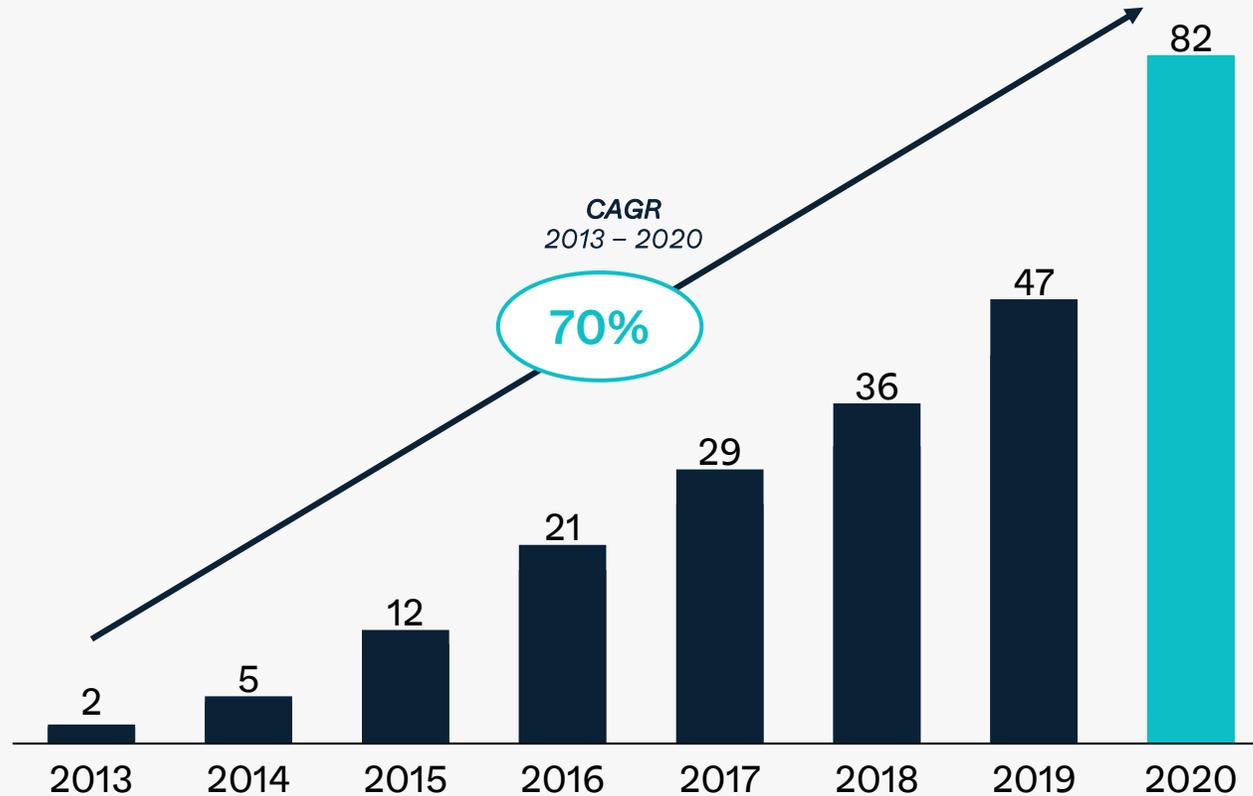


Expanding access to Microsoft Teams and Google Meet



Addressing a global market with a recurring revenue business model

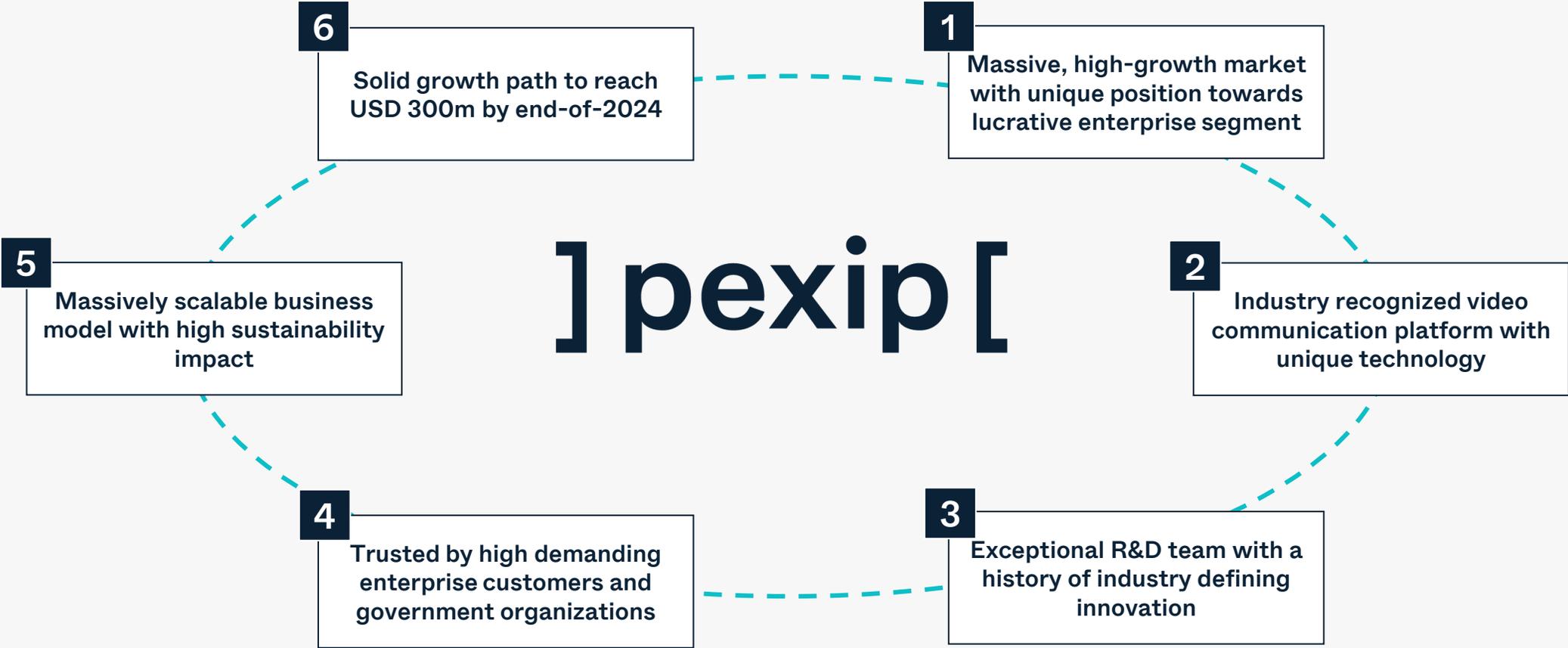
Booked Annual Recurring Revenue (“ARR”) portfolio per year end, USD million



- Users in ~190 countries
- Over 300 partners in 75 countries
- Over 350 employees in 20+ countries
- 97% of revenue from subscriptions

	EMEA	Americas	APAC
Share of ARR	56%	34%	10%

Solid growth path to long-term value creation



Pexip is targeting to reach USD 300 million in ARR by end of 2024

Revenue growth

ARR of USD 300 million by end-of-2024

Long-term profitability

2025 EBITDA of +25% with +25% revenue growth

Plan for negative 25-35% EBITDA margin in 2021/2022, neutral to positive EBITDA in 2023

Market recognition

Recognized leader position in the Meeting Solutions market within 3-4 years

Scaling sales through more than 300 partners globally



Pexip sales teams

Scale through partners

Sales and go-to-market teams comprise more than 100 employees

System integrators



Audio / Video specialists



Service providers



Targeting Large Enterprise

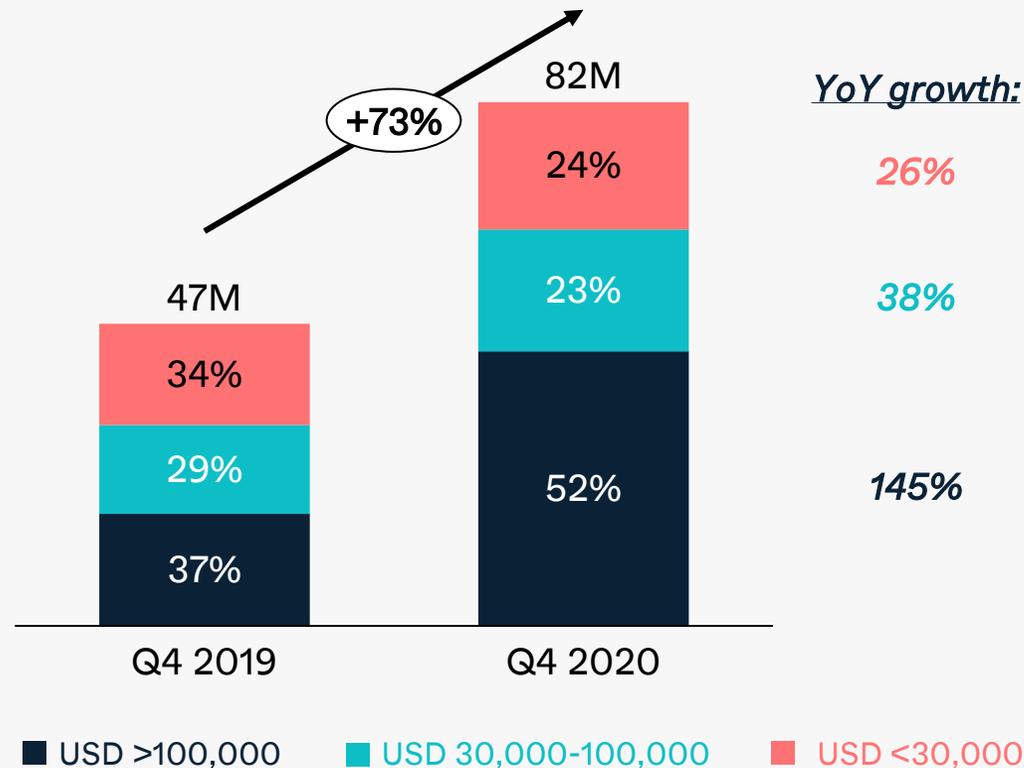


Over 15% of Fortune 500 accounts

Focus on Large Organization and attractive returns from investing in sales

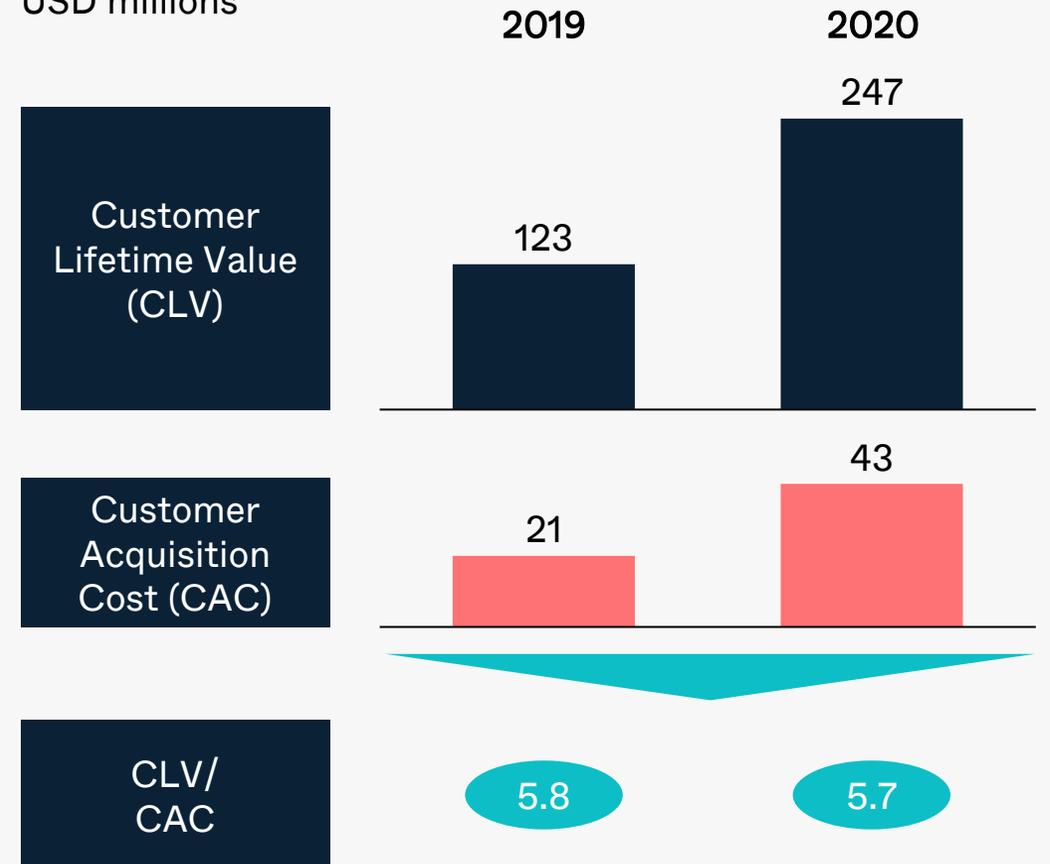
Large organizations driving growth

Share of ARR by account size in ARR, USD



Attractive returns from sales

USD millions

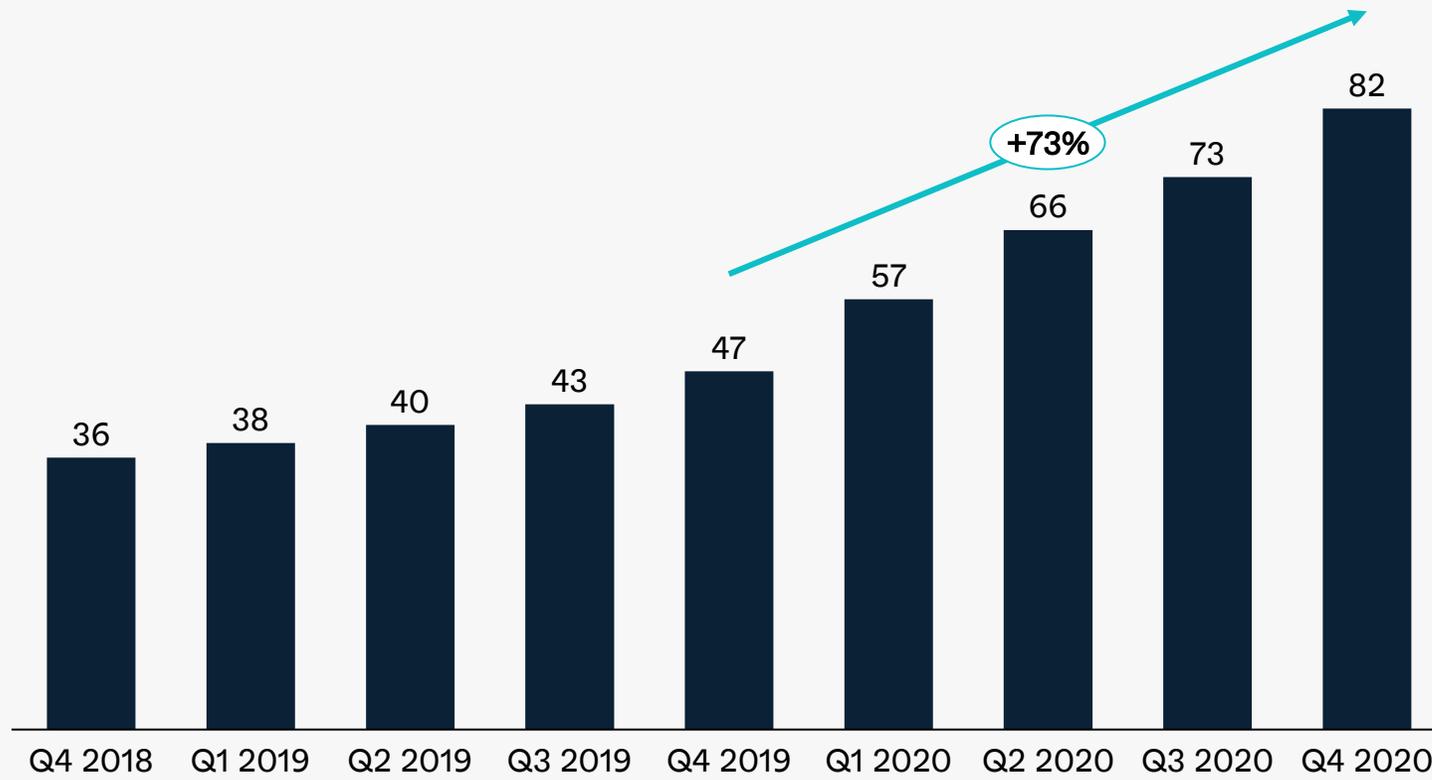


Definitions: CAC calculated full-year salary expenses incl. marketing/events expenses and travel costs (i.e. excl. HQ and R&D), LTV calculated as full-year net new sales x Estimated Customer Lifetime (years, 1/churn rate) x Gross Margin

Strong development in Annual Recurring Revenue with 73% growth YoY

Booked Annual Recurring Revenue (ARR) development

USD million



Q-o-Q growth in ARR

USD million

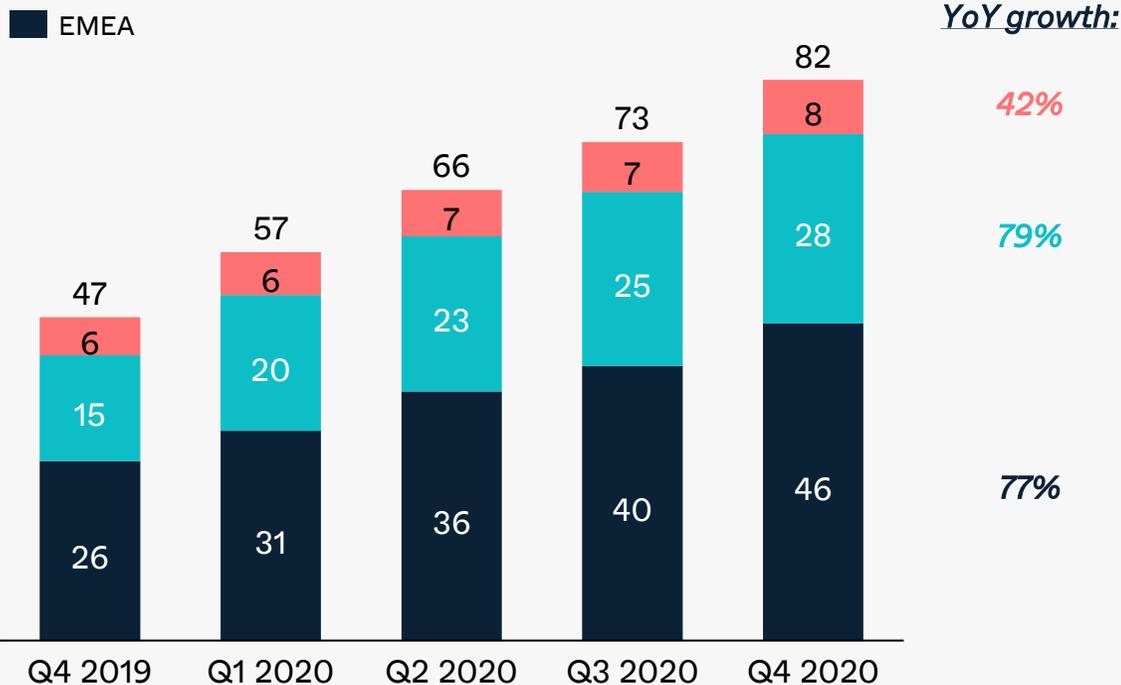


Growth across all geographies and product lines

ARR per geography

USD million

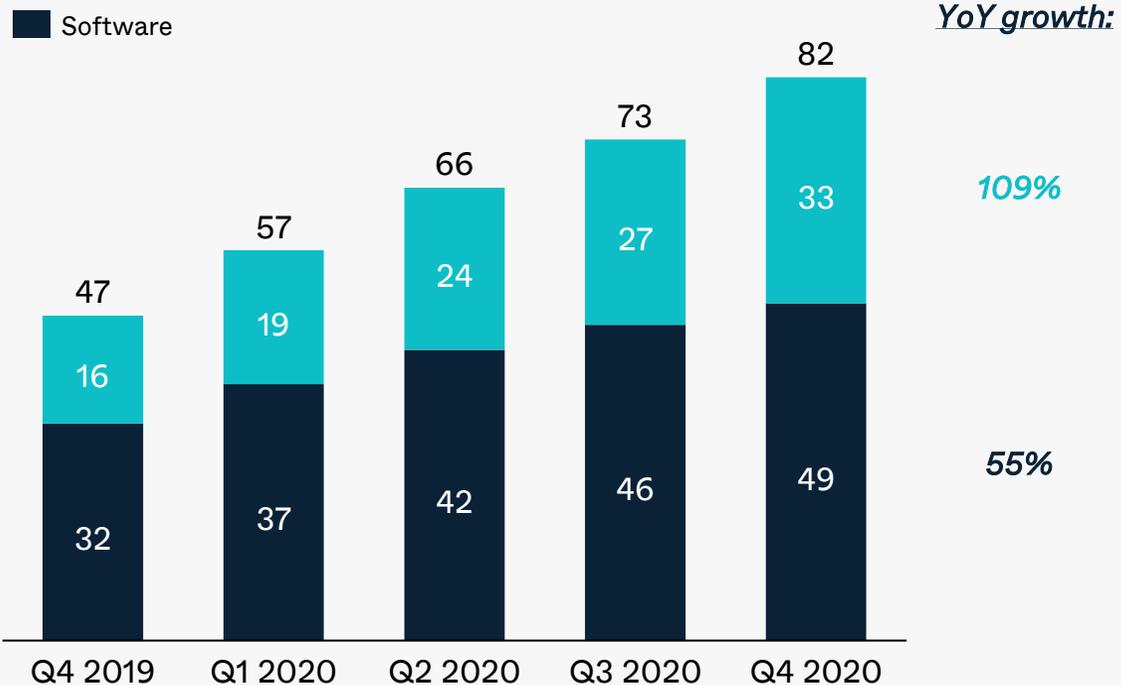
- APAC
- AMERICAS
- EMEA



ARR per product

USD million

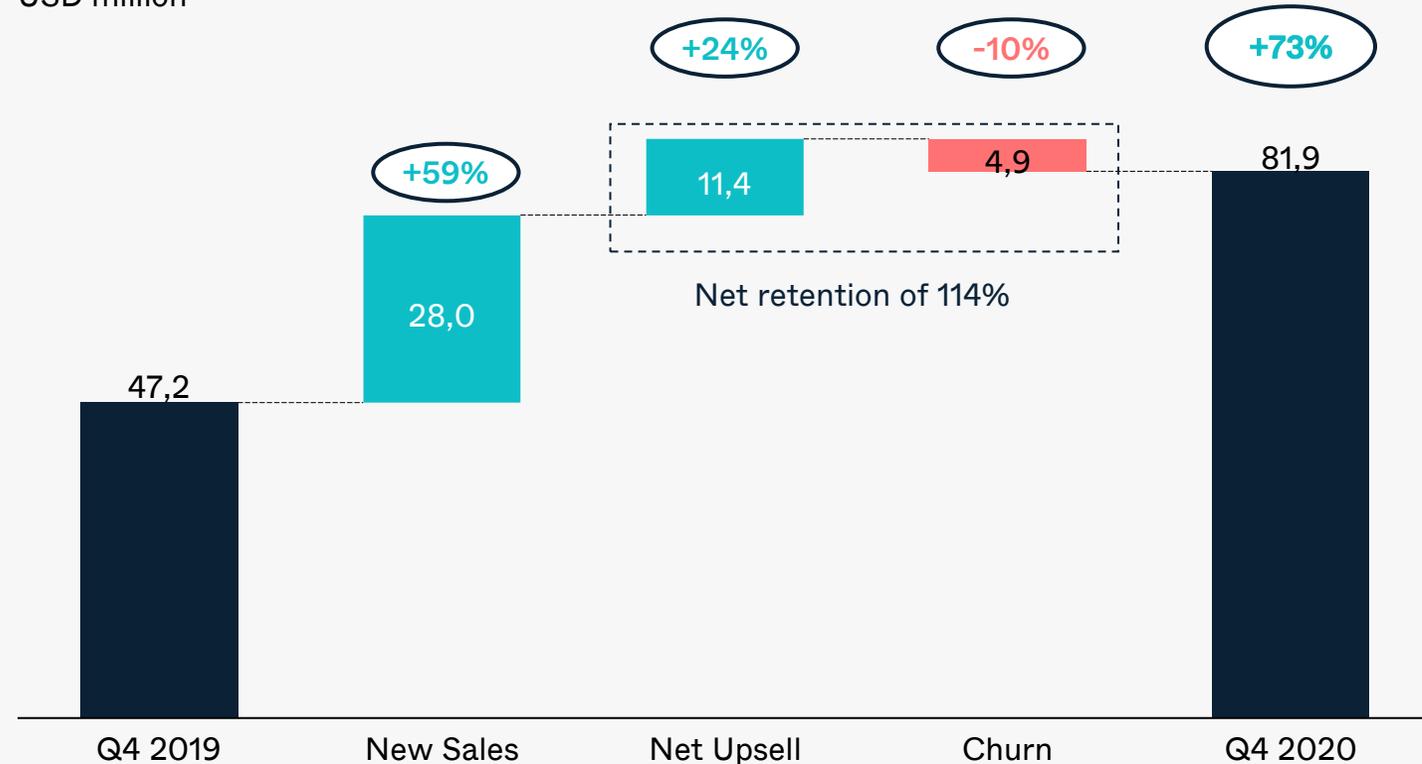
- Cloud Service
- Software



New sales is the main driver for ARR growth with 59% in 2020

Development in ARR portfolio last twelve months

USD million

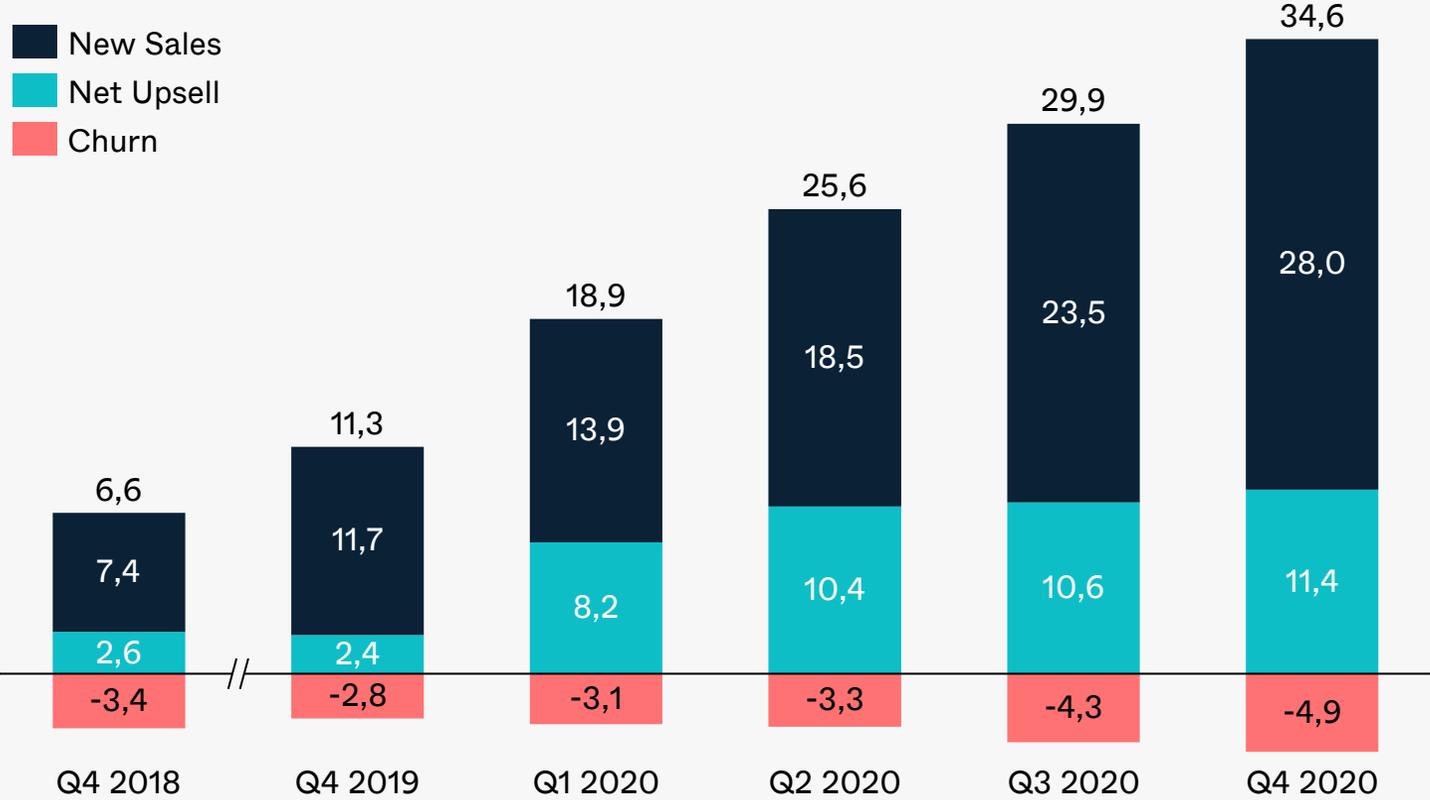


- Year-on-year growth increased to 73% end of 2020
- Majority of growth driven by sales to new customers at 59%.
- Net retention at 114%, including stable churn at 10% year-on-year

Development in ARR bridge shows continued momentum in net new sales

Development in year-on-year growth in ARR by quarter

USD million, Last twelve months



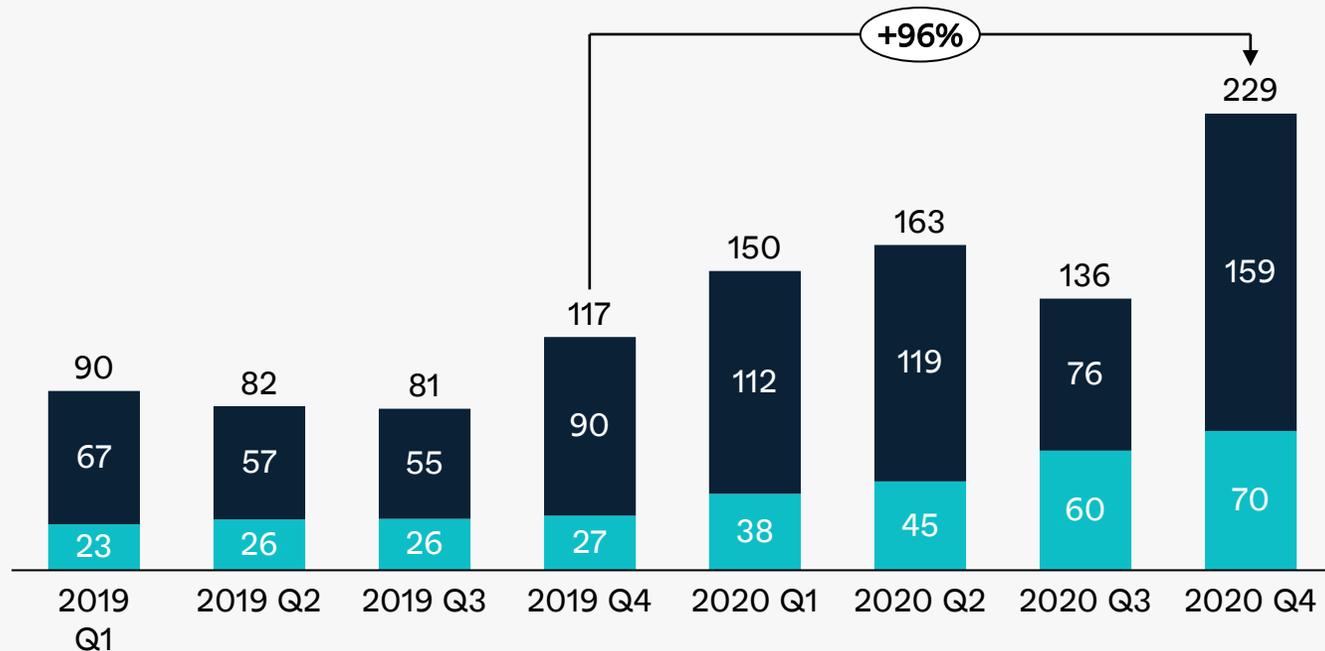
- New sales has increased consistently quarter by quarter through 2020
- Net upsell saw an increase of USD 5.8 million in Q1 2020 due to Covid-19
- Growth in subscription base main driver for increase in churn, stable churn rate from Q3 2020

ARR growth driving revenue growth

Quarterly revenue development

NOK million

■ Software
■ Cloud Service



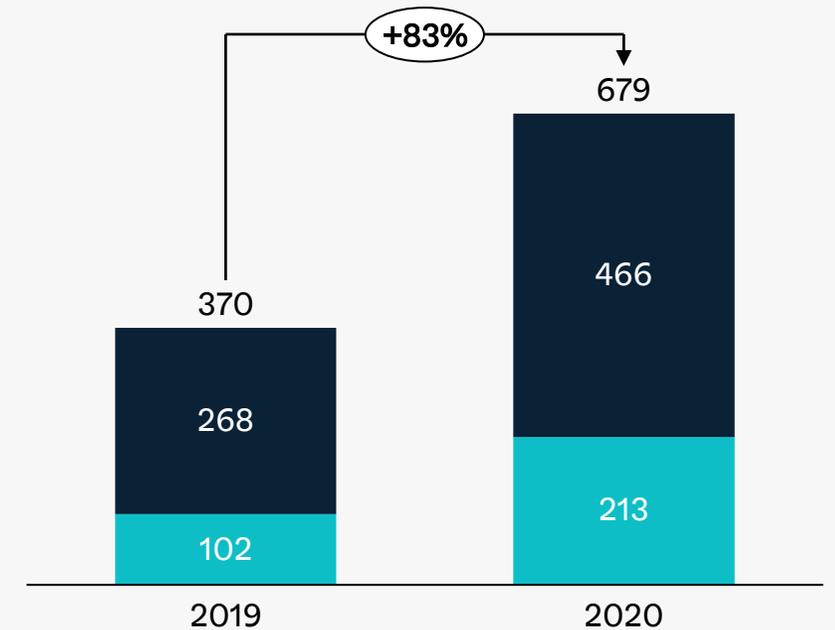
Gross margin, Percent of revenue



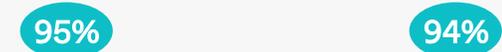
Annual revenue development

NOK million

■ Software
■ Cloud Service



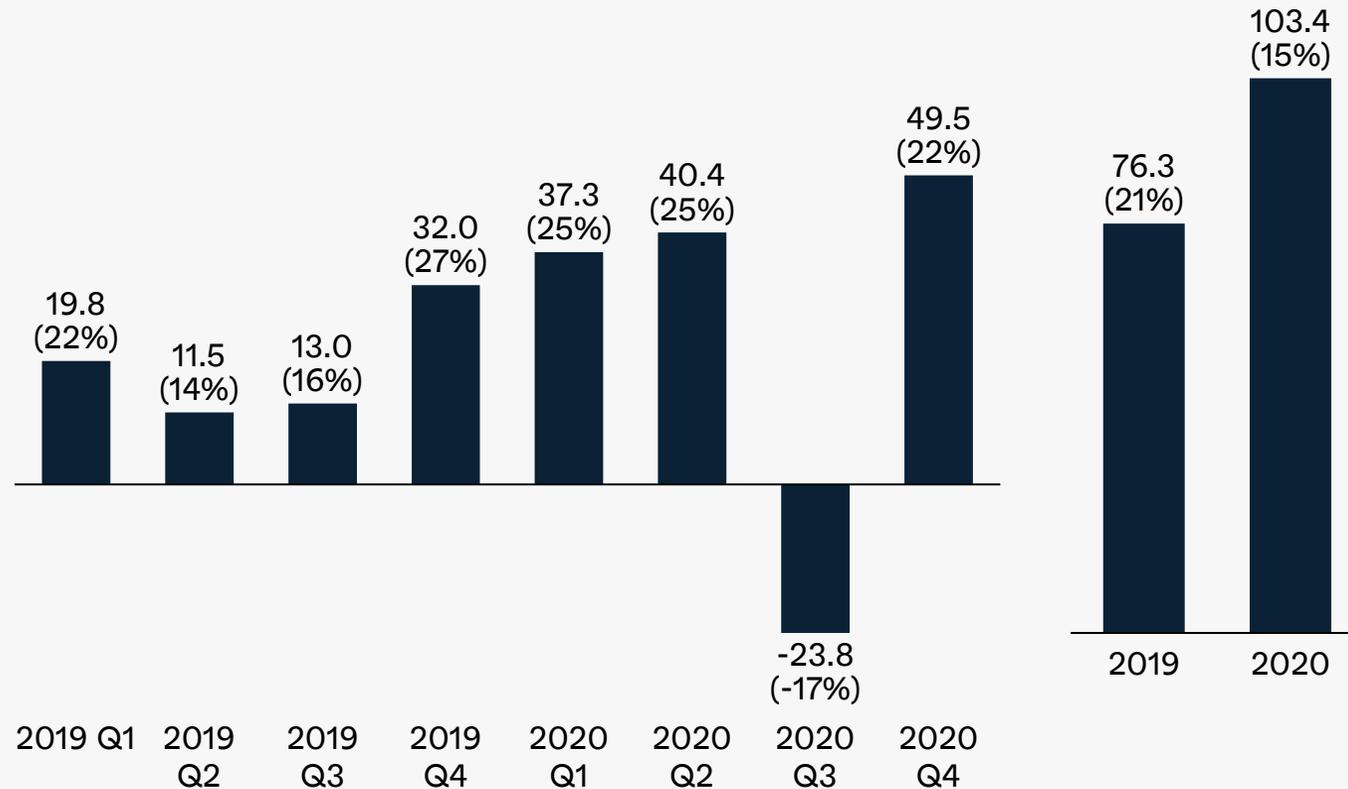
Gross margin, Percent of revenue



Solid EBITDA in 2020 from strong sales

Quarterly Adjusted¹ EBITDA development

NOK million, (Percent of revenue)



Comments

- Q4 2020 reported EBITDA of NOK 49.5 million
- FY 2020 reported EBITDA of NOK 55.6 million
- FY 2020 adjusted EBITDA of NOK 103 million, or 15% margin
 - Adjusted for NOK 47.7 million in IPO transaction costs in Q1 and Q2 2020
- Increase in 2020 EBITDA due to higher sales, while reduction in EBITDA-margin is due to planned acceleration investments in Sales and R&D capacity in line with strategy
- For Q4 2020, strong revenue from the Software area is the main driver of the increase in EBITDA

¹ Less of IPO transaction costs in Q1 and Q2 2020



Outlook

Positive outlook for video communication

- Majority of enterprises shifting to a hybrid workforce
- Organizations looking to embed video into their workflows towards customers
- Pexip's technology is uniquely positioned to meet these new customer needs

Will continue to execute on growth plan

- Increase investments in future growth by adding talent in sales and marketing as well as R&D – targeting 550-600 employees by end of 2021
- Deploy up to 70% of raised capital during the next three years

Expect to reach long-term target of USD 300 million in ARR by end-of-2024

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Q&A

