



Meet the world
with video communication as it should be

Danske Bank's Saas Communication and Services Event

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[pexip]

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

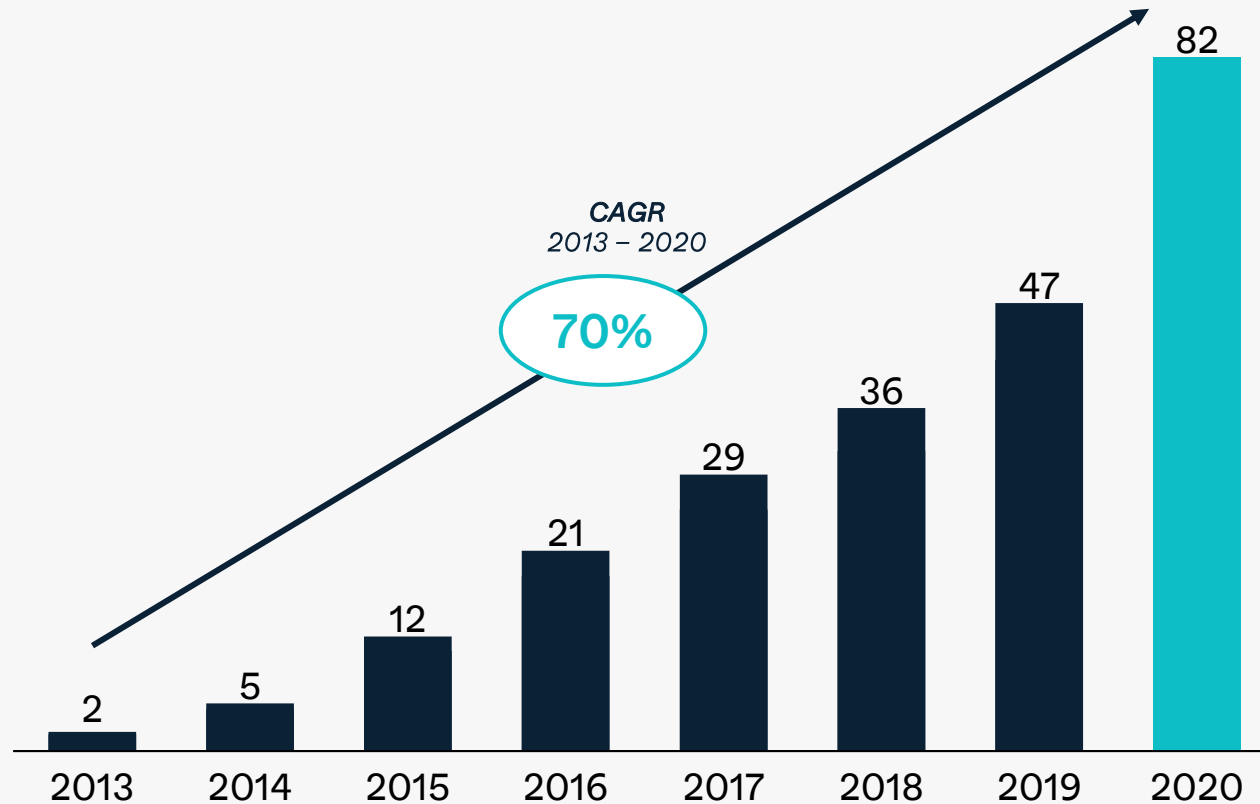


Expanding **access** to Microsoft Teams and Google Meet



Addressing a global market with a recurring revenue business model

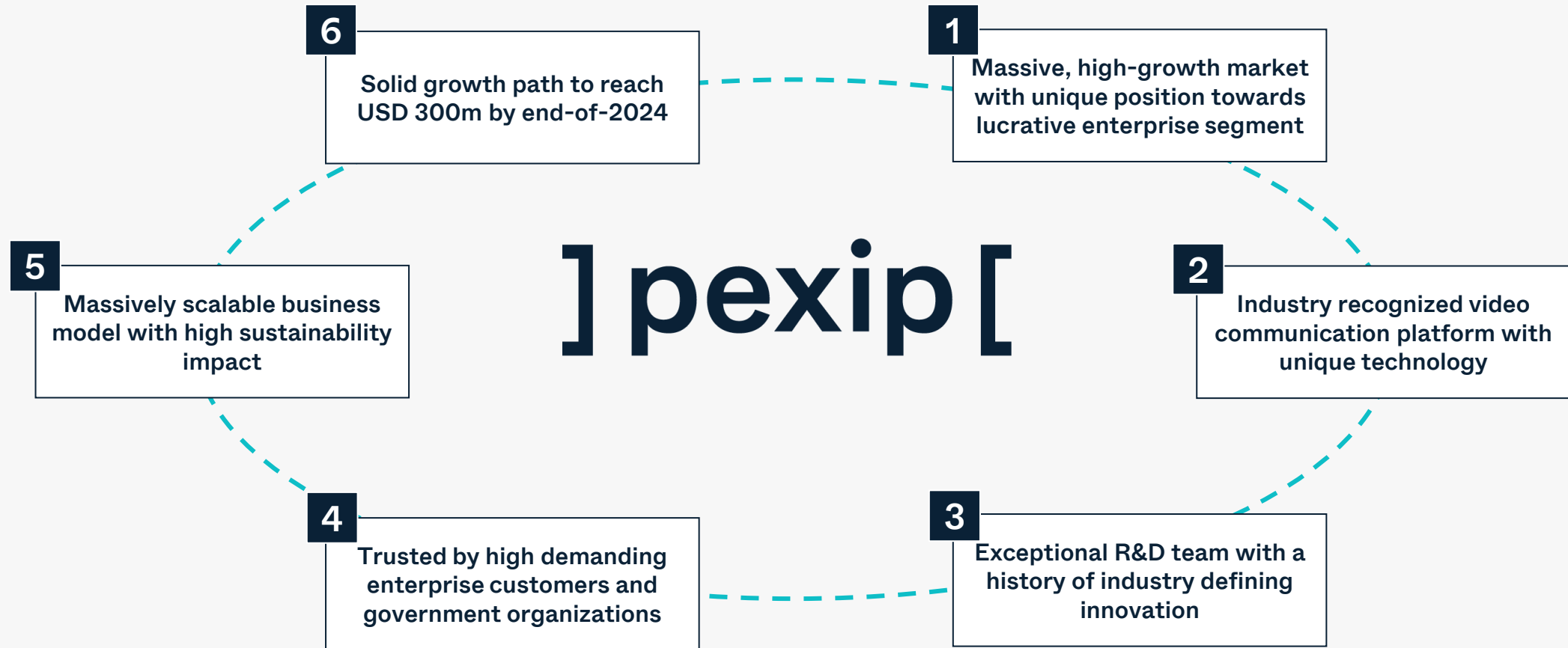
Booked Annual Recurring Revenue (“ARR”) portfolio per year end, USD million



- 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

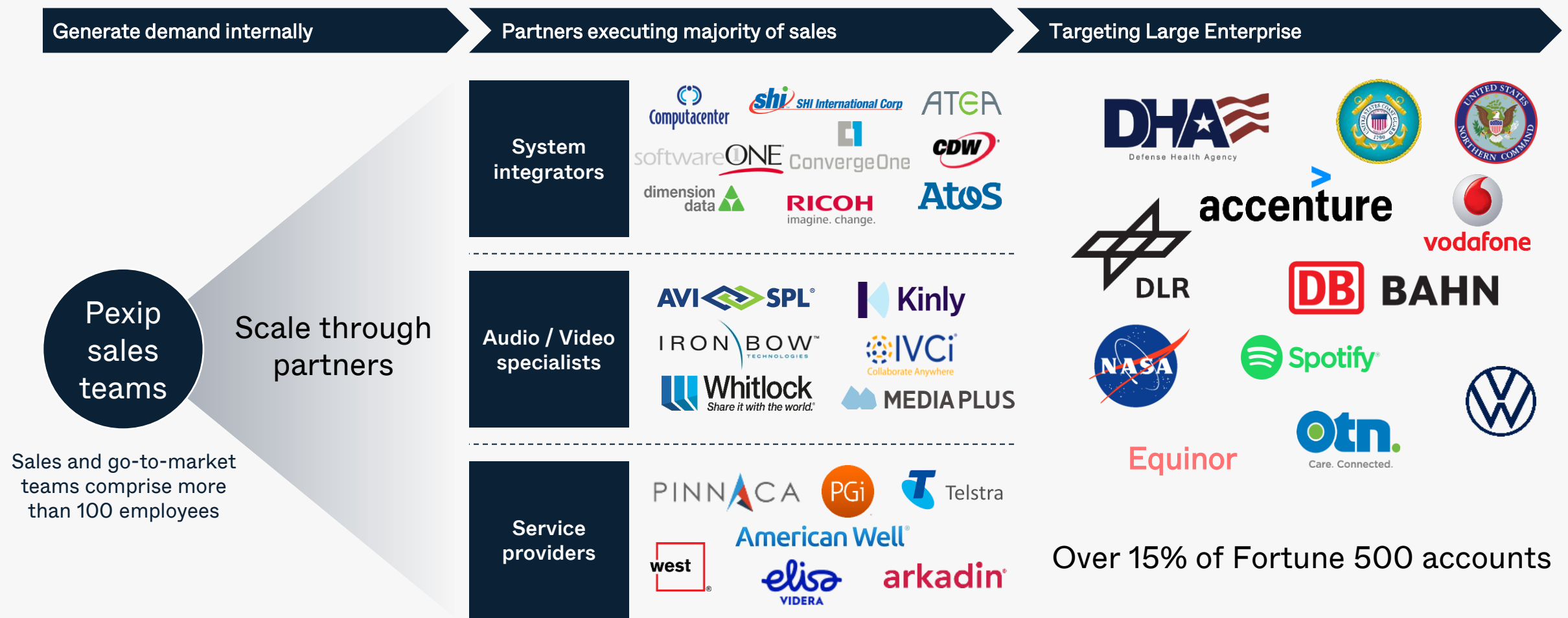
2025 EBITDA of +25% with +25% revenue growth

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

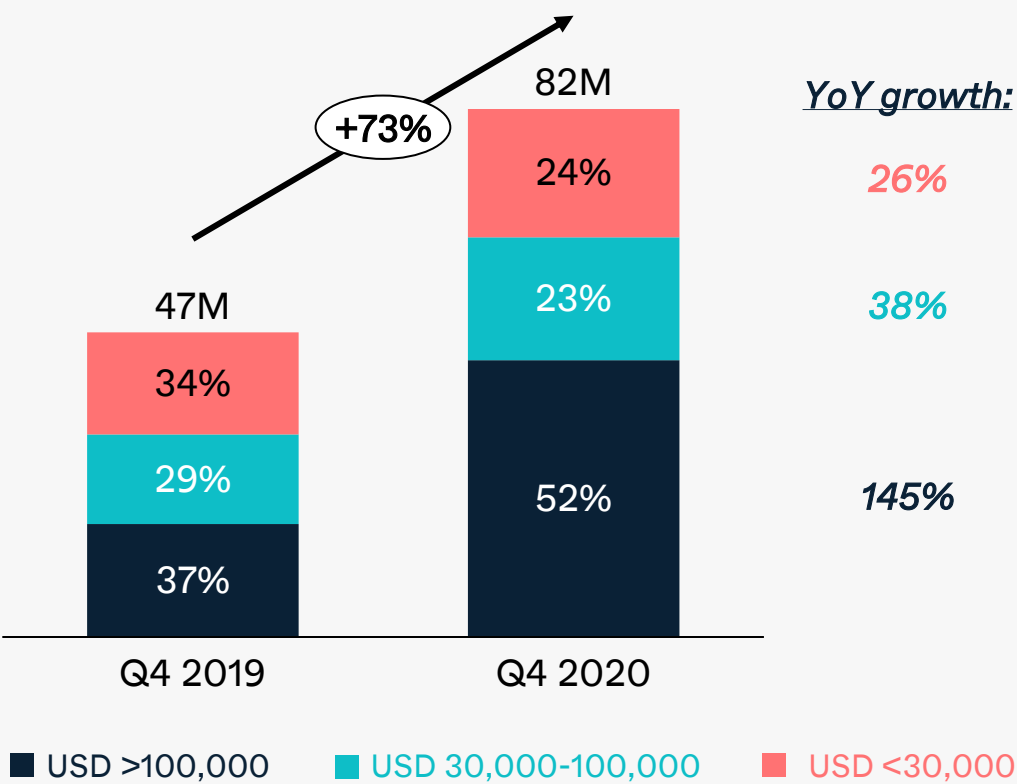
Scaling sales through more than 300 partners globally



Focus on Large Organization and attractive returns from investing in sales

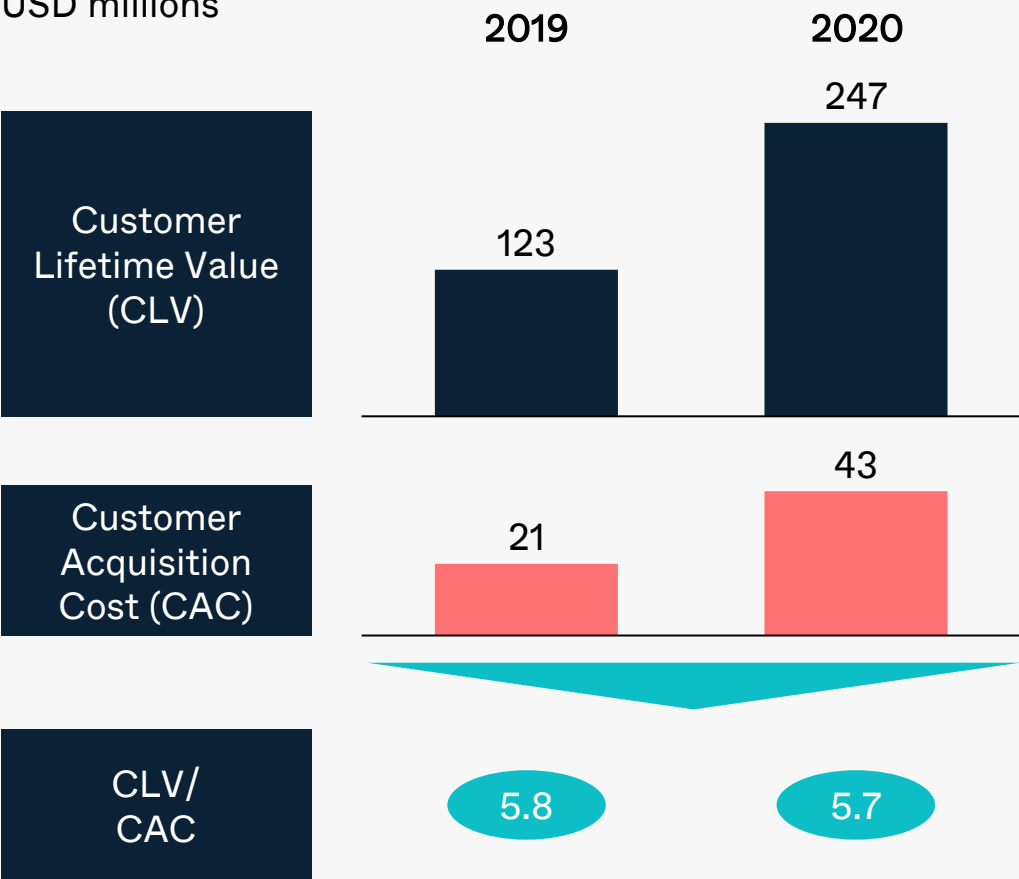
Large organizations driving growth

Share of ARR by account size in ARR, USD



Attractive returns from sales

USD millions

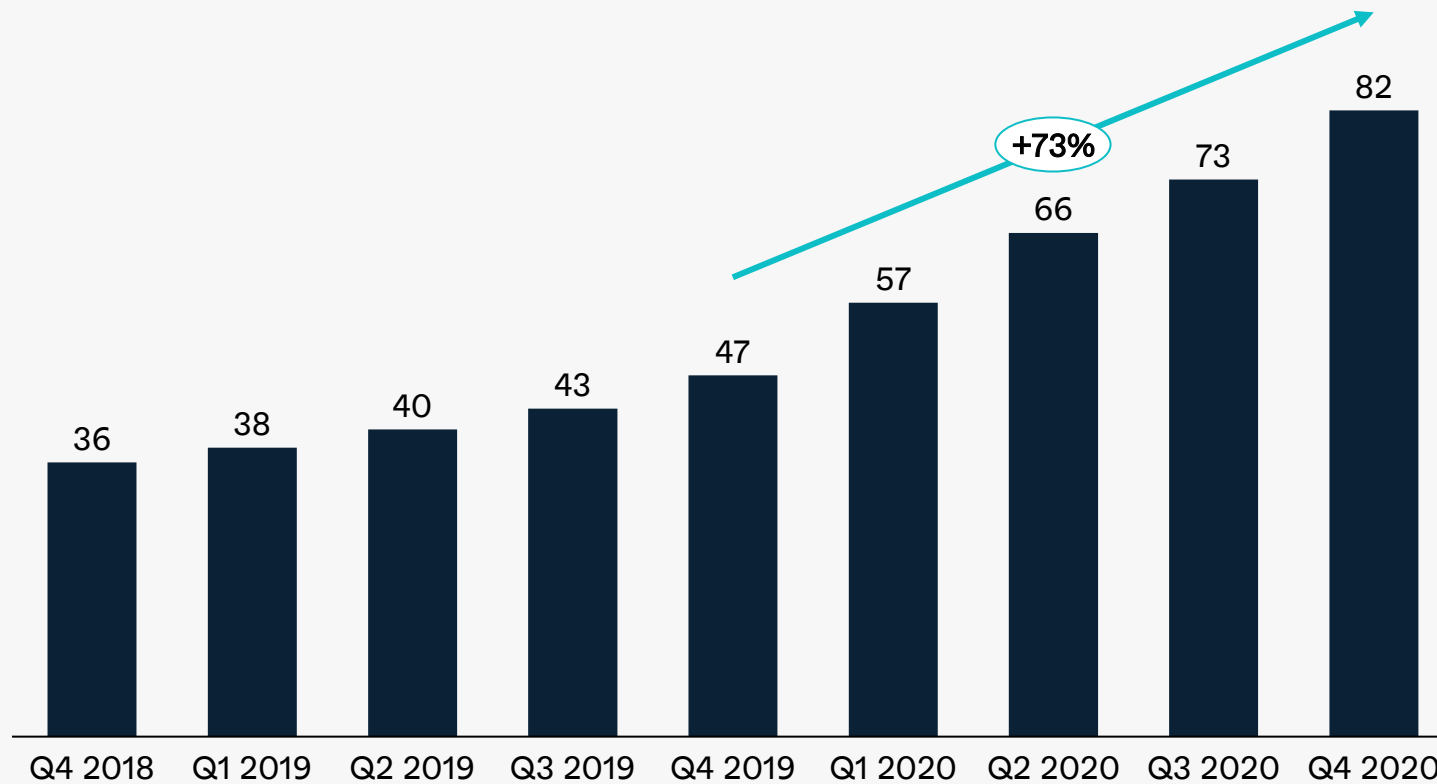


Definitions: CAC calculated full-year salary expenses incl. marketing/events expenses and travel costs (i.e. excl. HQ and R&D), LTV calculated as full-year net new sales x Estimated Customer Lifetime (years, 1/churn rate) x Gross Margin

Strong development in Annual Recurring Revenue with 73% growth YoY

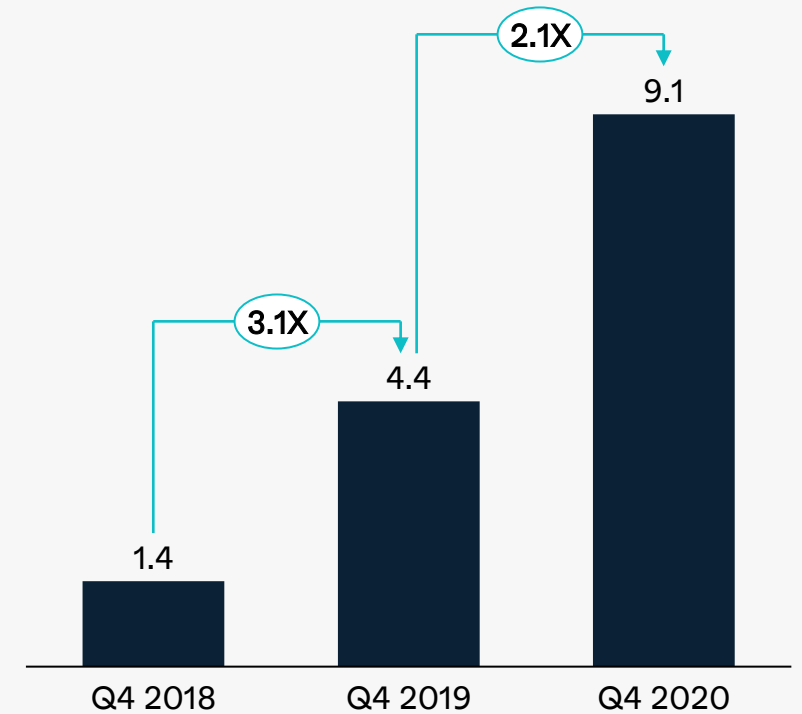
Booked Annual Recurring Revenue (ARR) development

USD million



Q-o-Q growth in ARR

USD million

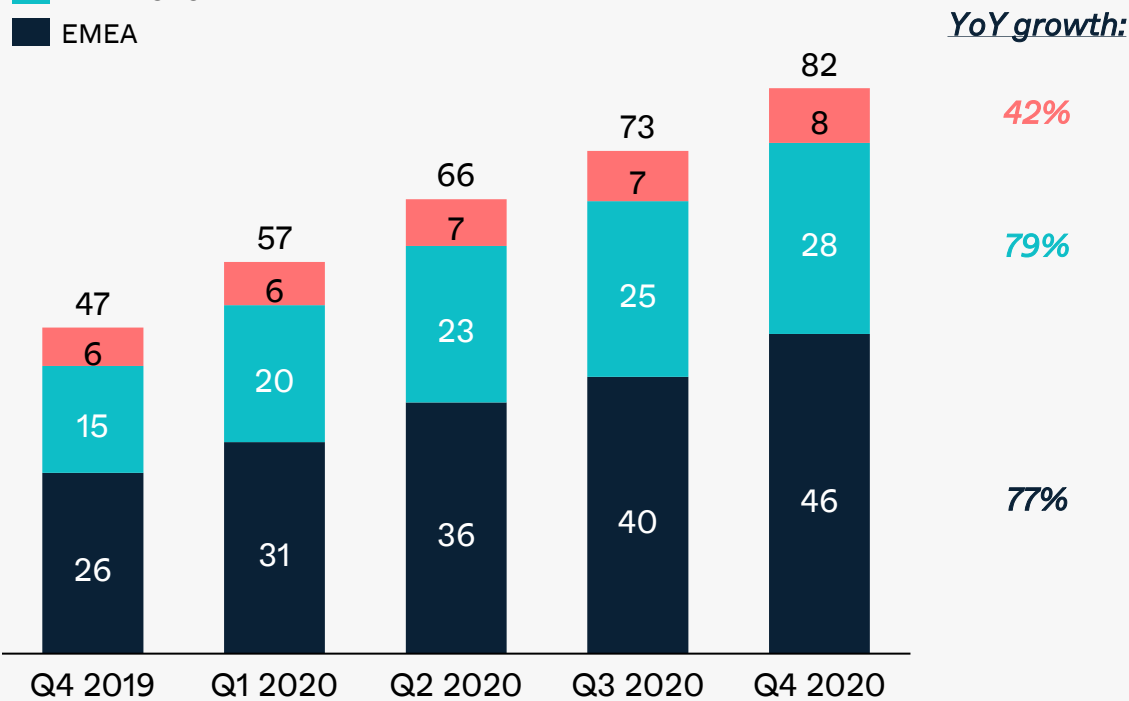


Growth across all geographies and product lines

ARR per geography

USD million

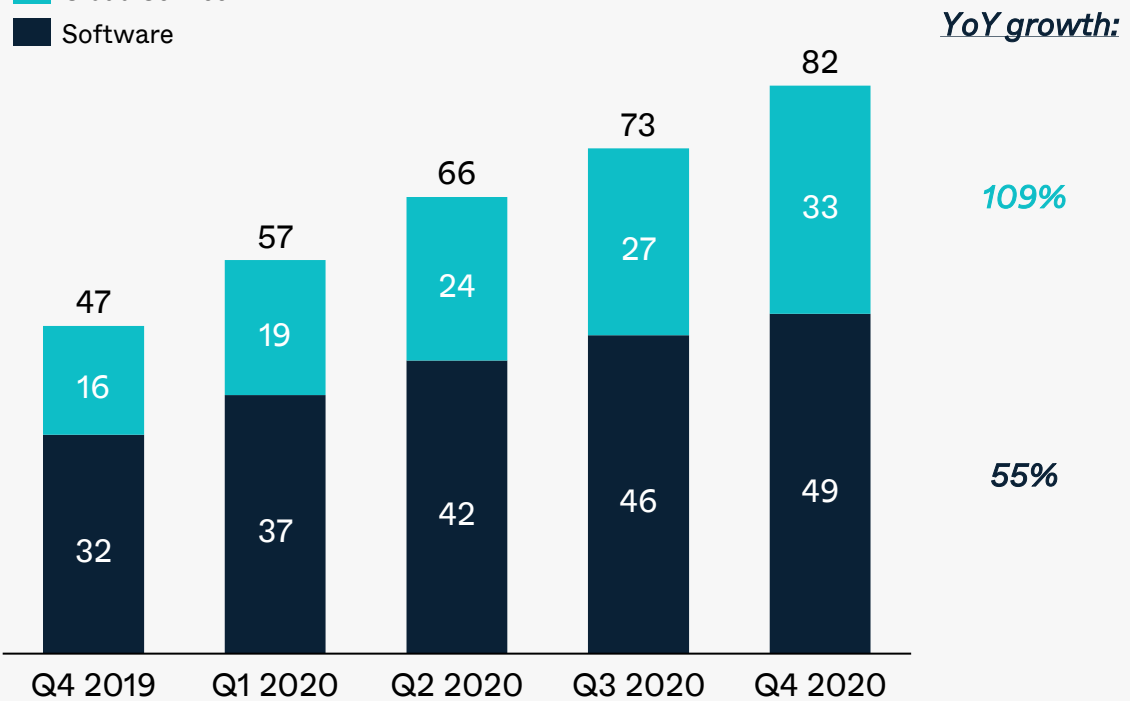
- APAC
- AMERICAS
- EMEA



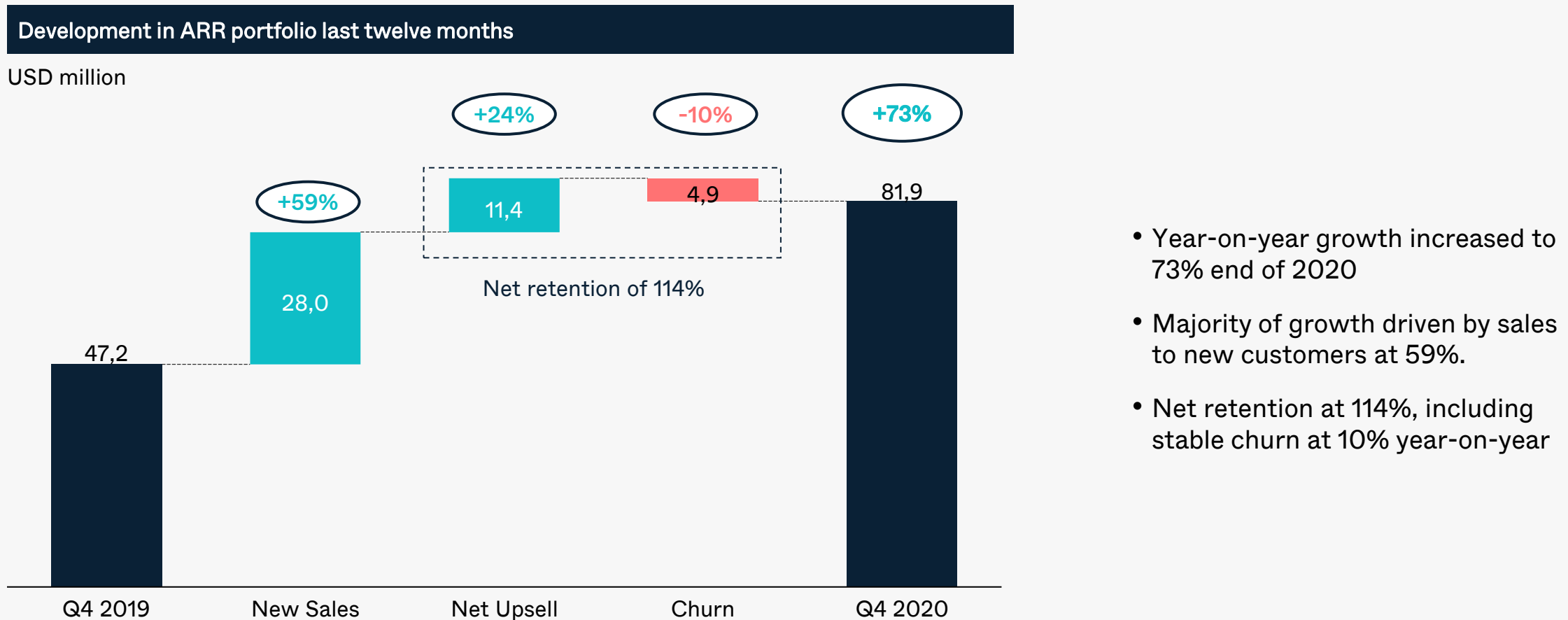
ARR per product

USD million

- Cloud Service
- Software



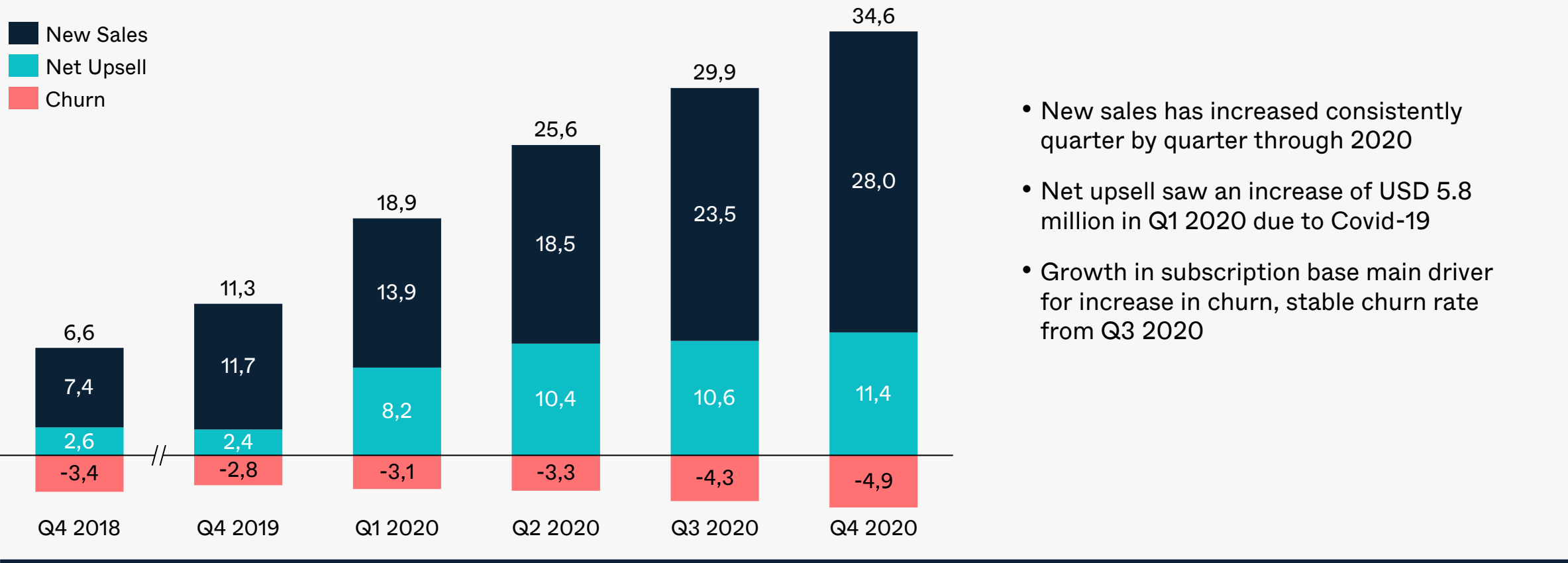
New sales is the main driver for ARR growth with 59% in 2020



Development in ARR bridge shows continued momentum in net new sales

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

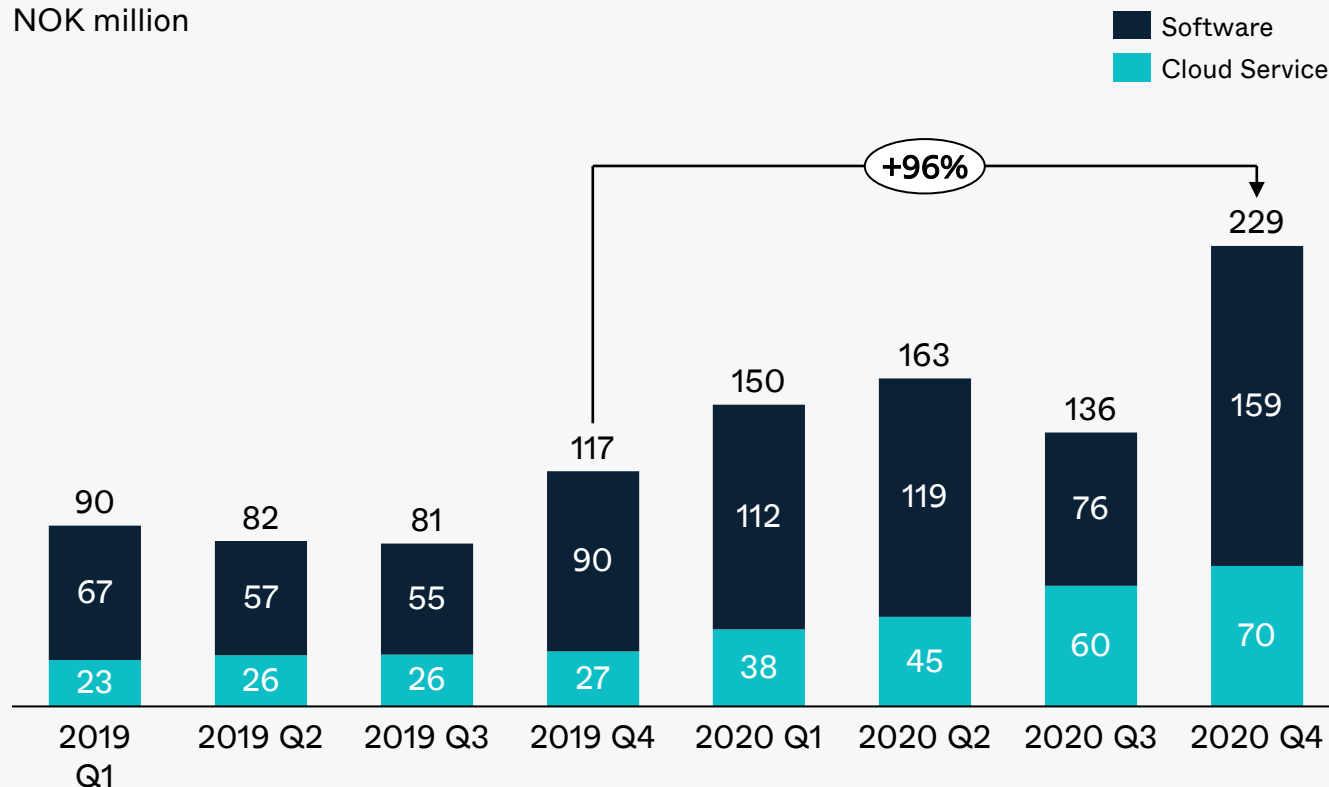
USD million, Last twelve months



ARR growth driving revenue growth

Quarterly revenue development

NOK million

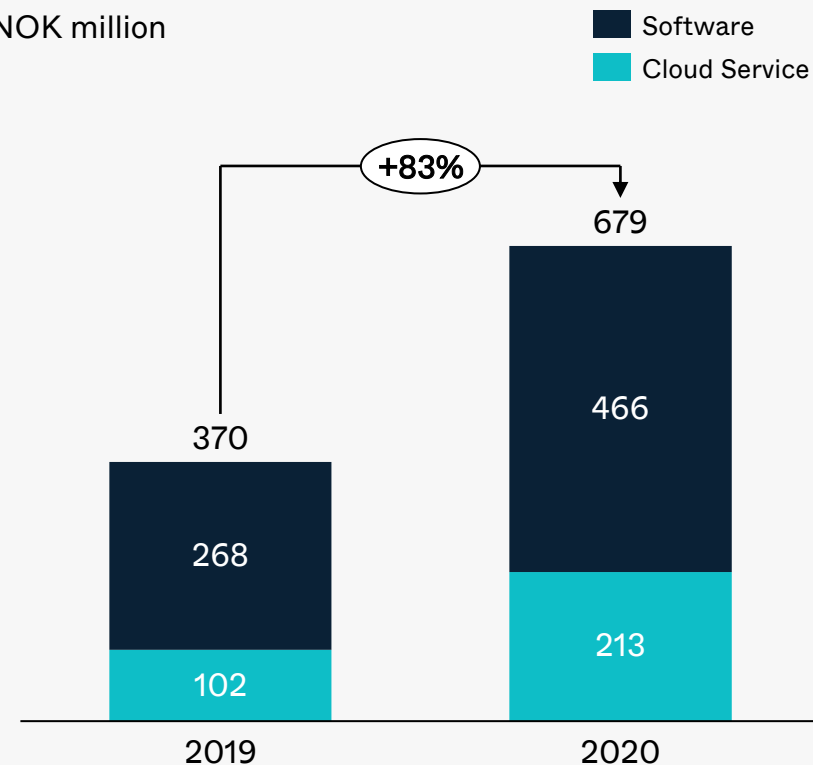


Gross margin, Percent of revenue

94% 94% 95% 96% 97% 94% 92% 93%

Annual revenue development

NOK million



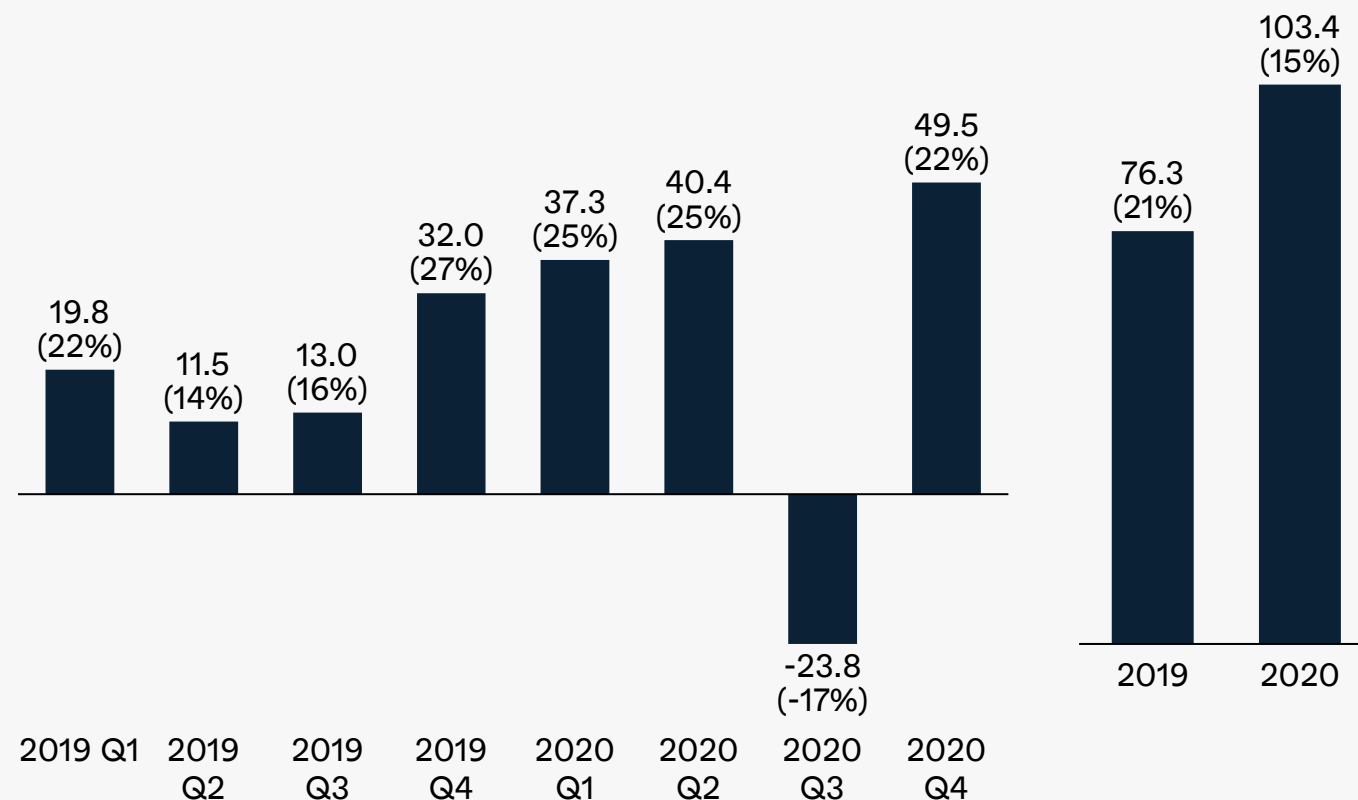
Gross margin, Percent of revenue

95% 94%

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

